

HAND COUNTY BOARD OF COMMISSIONERS

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<http://hand.sdcounties.org/commissioner>
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MINUTES OF THE JULY 19, 2022 MEETING

The Hand County Planning and Zoning Commission was not called to order because the items for discussion were not ready for review.

The Hand County Board of County Commissioners met in special session in the commission chambers of the courthouse on Tuesday July 19, 2022 at 7:00 P.M. Chairman Greg Palmer called the meeting to order with commissioners Jim Eschenbaum, Daniel Jensen and Jim Jones being present. Commissioner Luke Wernsmann arrived later. The meeting was live streamed on YouTube and linked on the County's Facebook page.

On Hand Development Corporation executive director, Kecia Beranek, met with the commission to provide an update on their activities. Beranek explained how the On Hand board is organized and the general purpose. She also discussed how she, as director, is attempting to visit every business in the county and is presently at 71 visits. Kecia explained that all lots in the Miller Industrial Park were now purchased and On Hand is looking at more lots to offer. Beranek also explained that the ground to the east of the Miller football field was purchased by On Hand and they are exploring the development of the property and options on how to fund construction of the utility infrastructure.

Avera-Hand County Memorial Hospital administrator, Matt Campion, and former administrator, Bryan Breitling, met with the commission to report on the transition from Breitling to Campion. Breitling explained he has been assigned to other facilities but would remain closely tied to Hand County and to Campion. After the introductions concluded, Breitling renewed his (their) request for consideration in using the ARPA funds towards the purchase of a new ambulance. The current estimated cost of an ambulance is \$284,000.

The **expansion of the discretionary property tax formula** was next on the agenda. Recent changes in state law allow counties to offer discretionary formula savings to certain residential properties. Previously, Hand County offered discretionary to, primarily, business and ag related properties. The expansion, if approved, would offer a graduated property tax formula. The hope is that it would stimulate housing improvements.

The commission discussed the options and ultimately decided to have the resolution mocked up for review at the next meeting and then determine the next course of action.

Devyn Gortmaker tendered his resignation of employment from the Highway Department effective July 11, 2022. Gortmaker had been with the department for 13 months. The resignation was accepted upon motion of Jensen & Eschenbaum, and passed.

A brief discussion ensued about whether to grant Jeff Hargens permission to advertise the position. It was informally decided to wait on advertising as Hargens felt they had enough staff at the present time.

Brad Stangoehr with Ulteig Engineering was present with highway superintendent Jeff Hargens to discuss several resolutions regarding bridge structures. The five resolutions were reduced to three resolutions due to an error by the auditor in providing the resolution information to the Miller Press in time.

Commissioner Luke Wernsmann arrived during this presentation, approximately 7:31 P.M.

The three resolutions before the board for approval are as follows:

RESOLUTION 2022-22 “BRIDGE IMPROVEMENT GRANT / LOCAL FEDERAL BRIDGE PROGRAMS” “RESOLUTION AUTHORIZING SUBMISSION OF APPLICATIONS”

WHEREAS, Hand County wishes to submit an application(s) for consideration of award for the Bridge Improvement Grant and/or Local Federal Bridge Programs: STRUCTURE NUMBER(S) AND LOCATION(S):

30-000-392, 5.0 miles West and 13.2 miles South of Ree Heights

and WHEREAS, Hand County certifies that the project(s) are listed in the county’s Five-Year County Highway and Bridge Improvement Plan*;

and WHEREAS, Hand County agrees to pay the 20% match on the Bridge Improvement Grant funds and/or 0.0% match on Local Federal Bridge funds;

and WHEREAS, Hand County hereby authorizes the Bridge Improvement Grant and Local Federal Bridge application(s) and any required funding commitments.

NOW THEREFORE BE IT RESOLVED: That the South Dakota Department of Transportation be and hereby is requested to accept the attached Bridge Improvement Grant and/or Local Federal Bridge application(s). Vote of Commissioners: Yes 5 No 0 Dated at Miller, SD, this 19th day of July, 2022. ATTEST: /s/: Doug DeBoer-Auditor /s/: Greg Palmer-Chairman

RESOLUTION 2022-23 “BRIDGE IMPROVEMENT GRANT PROGRAM” “RESOLUTION AUTHORIZING 5 YEAR COUNTY PLAN AMENDMENTS”

WHEREAS, Hand County wishes to amend their previously approved 5 Year County Plan for the Bridge Improvement Grant Program: ADDITION/REMOVAL OF STRUCTURE NUMBER(S) AND LOCATION(S): 30-000-392, 5.0 miles West and 13.2 miles South of Ree Heights

NOW THEREFORE BE IT RESOLVED: That the South Dakota Department of Transportation be and hereby is requested to accept the Amended 5 Year County Highway and Bridge Improvement Plan, previously approved on September 1, 2021. Vote of Commissioners: Yes 5 No 0 Dated at Miller, SD, this 19th day of July, 2022. ATTEST: /s/: Doug DeBoer-Auditor /s/: Greg Palmer-Chairman

RESOLUTION 2022-24 “BRIDGE IMPROVEMENT GRANT / LOCAL FEDERAL BRIDGE PROGRAMS” “RESOLUTION AUTHORIZING SUBMISSION OF APPLICATION”

WHEREAS, Hand County wishes to submit an application(s) for consideration of award for the Bridge Improvement Grant and/or Local Federal Bridge Programs: STRUCTURE NUMBER(S) AND LOCATION(S):

30-213-130, 5.0 miles East and 12.0 miles North of Miller
30-270-133, 11.0 miles East and 11.7 miles North of Miller
30-260-242, 10 miles East and 1.8 miles North of Miller
30-151-210, 4.0 miles North and 0.9 miles South of Miller
30-035-318, 5.8 miles South and 1.7 miles West of Ree Heights
30-294-190, 11.0 miles North and 0.6 miles West of Wessington
30-170-226, 2.4 Miles North and 1.0 miles East of Miller
30-131-300, 4.0 miles South and 2.9 miles West of Miller

30-150-284, 1.0 miles West and 2.4 miles South of Miller
30-120-188, 4.0 miles West and 6.2 miles North of Miller
30-054-260, Ree Heights
30-197-300, 0.3 miles West of Wessington
30-211-430, 17.0 miles South and 5.1 miles East of Miller
30-013-354, 3.7 miles West and 9.4 miles South of Ree Heights
30-210-219, 3.1 miles North and 3.0 miles East of St. Lawrence

and WHEREAS, Hand County agrees to pay the 20% match on the Bridge Improvement Grant funds and/or 0.0% match on the Local Federal Bridge funds;

and WHEREAS, Hand County hereby authorizes the Bridge Improvement Grant and Local Federal Bridge application(s) and any required funding commitments.

NOW THEREFORE BE IT RESOLVED: That the South Dakota Department of Transportation be and hereby is requested to accept the attached Bridge Improvement Grant and/or Local Federal Bridge application(s). Vote of Commissioners: Yes 5 No 0 Dated at Miller, SD, this 19th day of July, 2022. ATTEST: /s/: Doug DeBoer-Auditor /s/: Greg Palmer-Chairman

Discussion on **the Provisional Budget** (SDCL 7-21-3) began with a discussion on the amount of funding in the Commissioners operational budget for On Hand Development Corporation. Commissioner Eschenbaum renewed his concerns that property tax revenues (which are not discretionary) are being used when the county gives On Hand financial support but there is a lack of justification offered. The conversation referenced when the City of Miller had council members attend the commission meeting and ask the county to offset the shortage the city was offering On Hand. It was noted that the Miller Finance Office recently reported an increase in sales tax revenue (which is a discretionary tax) but the funding for On Hand was not restored to pre-cut levels. Commissioner Jones countered that a justification is not quantifiable because the funds and the results are not connected by direct connection. Jones said that the county should have been helping to provide funds to On Hand from the inception of the development corporation. Ultimately the commission decided to budget for \$30,000, the current contribution, plus 3%, the rate of growth in South Dakota. The result would be \$30,900.

GrowSD (aka NESDCAP) had requested \$5,000 from the county and previously the county offered \$1,000. Auditor DeBoer recommended the commission consider raising the amount because the return on the investment was more than tenfold. DeBoer sited that GrowSD offers programming to low income and other eligible persons which, in the absence of GrowSD, would cause those persons to come to the county for aid. The commission suggested that \$1,200 be budgeted for GrowSD.

Connecting Point of Watertown provides the county with “Ultra”, the county’s record management system (RMS) which is used by the assessor, the treasurer, and auditor for the benefit of all the county. The county highway also uses a product of Connecting Point but it is not linked to the courthouse. DeBoer explained that presently the cost of the software is split between the three offices. DeBoer requested permission to reduce the assessor’s, auditor’s and treasurer’s budget by the amount paid and bring them into the commissioner budget as a unified county / countywide expense. The commission approved the modification which results in no monetary change to the general fund.

The **Commissioner’s Contingency Budget** was discussed as it previously had been at \$100,000. DeBoer said he had reduced his various and unpredictable budgets as suggested and felt the contingency should be raised. The commissioners agreed to planning for \$150,000. The contingency budget is designed to provide the commissioners with a fund for emergency expenditures and unforeseen spending needs.

The **custodial budget** was discussed without the benefit of Will Page being present. DeBoer said that line 434 (capital improvements) was not completed by Page but Page had provided a list of capital projects. After examining the list, it was agreed to plan for courthouse window repairs at an estimated cost of \$25,000. The elevator replacement money comes from a special / assigned fund in which \$50,000 was assigned over five years. This \$250,000 plus money from the APRA grant will cover the expenses of the elevator project when it begins. DeBoer also reported that Page had prepared his budget with a one-dollar increase for himself and his assistant, Terry Miller. The commission, after some discussion, concluded that all other departments were told to restrict their requests to 3% and that Page will need to amend his budget to that calculation. This effectively represents a “No” to Page’s request.

Similarly, **Sheriff Shane Croeni**, explained that an increase in his wages from 2022 figures (\$239,552 to \$267,355) also represented his plan to increase the pay of Office Manager Chelsea Price and evening Clerk Colleen Peterman by \$1.25 per hour. The commission asked for a justification from Croeni and he replied that he felt the two were worthy of the increase last year and didn’t get it so he wanted to ask again. The commission repeated the 3% strategy and instructed Croeni to reduce his budget request accordingly.

At the July 5, 2022 commission meeting, the commission took no action on Croeni’s request to advertise for the **part-time deputy sheriff position** vacated by Lisa Hohn. It was moved by Jones & Wernsmann, passed, to approve the request to advertise the position. Croeni said he had already advertised the job but wanted to do it right.

Auditor DeBoer spent some time explaining **the “transfer” budget in the general fund**. Historically, the commissioners have moved between \$750,000 and \$1,000,000 from the general fund to the road and bridge fund so the highway department could cover expenses and so the general fund did not violate the “40 percent rule”. DeBoer said that it is important to remember that the transfer also includes funds that go towards the county’s share of emergency management funds (1/2 of wages & benefits and all of the operational expenses). Some is used when other “special” funds run short. DeBoer told the board that if their commitment to doing the road and bridge improvements was to be realized, the board should increase the transfer amount to \$1.5 million. After some discussion, the commissioner agreed upon starting with \$1.25 million in the budget.

DeBoer reminded the commission that spending must be bridled by revenue. If a revenue source fails to become reality, then spending must be controlled.

The conversation then turned to the road and bridge budget. The highway department budget was provided and reviewed. Superintendent Hargens offered explanations where needed and ultimately it was determined to leave the budget as presented because changes could still be made before formal approval.

Hargens asked that the commissioners leave the **long-term debt / debt service budget** at the current level. Even with equipment nearing full payment, there are other equipment needs that will use the debt service fund. The commission agreed and left the budget as presented.

Arlen Gortmaker, Emergency Manager, spoke to the board for a third time about his proposed wage scale and credentialing proposal. Gortmaker summarized the proposal and provided time for commissioners to ask questions of not only him but also his regional coordinator Amanda Silbernagel and Allan Miller (Branch Team Leader). There was considerable discussion about what is expected of a county emergency manager and what is at the discretion of the county commission. More time was spent on the amount of time that Gortmaker spends each year fighting fire outside the county. It was noted by Gortmaker that the original minutes reflected the terms of his hire and indicated that he could take up to four weeks off to fight fire for other agencies. The conversation began to dive to deeply from administration and policy and into personnel so the commission felt

it wiser to continue that portion of the discussion in executive session. The remaining discussion of the Emergency Management wage budget was postponed until after the discussion about wages could be had.

The overall budget depends (directly) on the amount of approved wages as the shared grant covers 50% of the county's cost and therefore is dependent on that being settled.

It was noted but not discussed that the **24/7 sobriety budget** had no request. The 24/7 budget allows for the expenditures of the funds recovered through the 24/7 budget. No action was taken.

The last big topic of budget discussion related to the **“cash applied” for each of the funds** (General, Road & Bridge, Emergency Management, etc.). DeBoer explained to the commissioners that once the budget expenditure reports are updated and loaded into the Department of Revenue worksheet, the difference between projected revenue and expenditures is made up by “cash applied”. DeBoer cautioned that if there is not enough cash to apply then the budget must be amended to bring it into balance. The cash referenced here is money in the bank, not assigned, and normally is the result of unspent budget or projects which were not completed. The amount of cash applied is very difficult to forecast until much later in the year. It is unwise to be short on the cash available to the county's funds should an emergency occur (blizzards, flood, and such).

At the conclusion of the budget discussion, the provisional budget was presented to the auditor to record as required by law.

In other business, the commission addressed the **“Scope of Work” on the elevator**. Custodian Page had delivered the scope of work to the state's historical society and they gave a provisional blessing. The document was then returned to the engineer for final modifications. The commissioners had pre-approved the scope of work based on the outcome of the historical, legal and engineering review.

The **water line that feeds the courthouse** is reportedly in terrible condition and it was suggested that the line be replaced while the contractors have 4th Street under repair (city utilities project). Page had provided some preliminary estimates provided by the city's contractor and the commissioners felt it was reasonable. They gave Page spending authority to complete the replacing of the feed line from the city's main to the courthouse, even if it requires a plumber to finish the connections.

Sheriff Croeni requested permission to **advertise for a full-time deputy sheriff**. Croeni told the commission that **Deputy Sheriff Josh Zweber** informed him that he will be looking for other employment which would allow him to be closer to his home in Gettysburg. The exact timing is unknown but the commission approved the request to advertise the position.

There were no topics for discussion during the commissioner work period so it was cancelled.

Weed and Pest Supervisor Randy Peck was present and asked that the commission approve the Weed Board's request to **hire Bruce Stulken** as a seasonal spray applicator. It was moved by Jones & Eschenbaum, passed, to hire Stulken as requested by the Weed and Pest Board.

The discussion with Emergency Manager Arlen Gortmaker's wage increase was moved to an executive session.

At 9:39 P.M. it was moved by Jones & Eschenbaum, passed, to enter into an executive session upon return from a short break. The session actually began at 9:47 P.M.

At 11:05 P.M. it was moved by Jones & Eschenbaum, passed, to exit executive session and adjourn the meeting. The commission informed those present that Gortmaker should plan for a \$1.00 / hour pay increase

(in addition to the 3% CPI raise) related to his proposed schedule to become a “Certified Emergency Manager – Basic”. The commission declined to act on the proposal for the levels above the Basic level.

The foregoing text reflects the approved minutes of the commission.

Greg Palmer, Chairman

Attest:
Doug DeBoer, Auditor
