

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
August 16th, 2010**

Mayor Harold Stickney called to order the second regular meeting of the Common Council for the month of August, 2010 at 5:30 p.m. Present at roll call were Councilpersons Hattervig, Starr, Lipp, Murphey, Herman and Schleining and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

Councilperson Lipp moved, with a second by Councilperson Murphey, to approve the agenda. The motion unanimously carried.

MINUTES

Councilperson Murphey moved, with a second by Councilperson Starr, to approve the minutes from the August 2nd, 2010 meeting. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts of interest were stated.

DEPARTMENT HEAD DISCUSSION

Bob Morrison, Public Works Director, gave Council an update of where his projects stand at this point. Bob received a request for two more horseshoe pits which are needed to have a sanctioned tournament. The cost would be around \$3,000, with most of that cost being for concrete. The Liquor Store roof needs some repairs prior to leasing the building. The cost would be around \$3,200 to redo the roof, and \$500 to patch the roof with no guarantee.

Rex Harris, Community Development Director, stated that the rally was very successful this year. Downtown was busy and the people seemed to be happy.

2011 AUDIT PROPOSAL

Discussion was held on the pros and cons of using the same auditor for the 2010 audit. Councilperson Schleining moved to accept the audit agreement from Ketel Thorstenson for the 2010 audit for \$13,000. Seconded by Councilperson Herman, the motion carried with Councilperson Hattervig, Starr, Lipp, Herman and Schleining voting yes, while Councilperson Murphey voted no.

SWEeper ATTACHMENT

Councilperson Herman moved to approve the purchase of an angle broom for the Bobcat for \$4,975. Seconded by Councilperson Schleining, the motion unanimously carried.

SETBACK VARIANCE - PERKINS

The Planning Commission recommended approval of the setback variance for Lot 7, Block 68 owned by Dorothy Perkins. Councilperson Starr moved to approve the setback variance request. Seconded by Councilperson Hattervig, the motion unanimously carried.

RIGHT-OF-WAY OCCUPANCY PERMIT - FINK

The Planning Commission recommended approval of the Right-of-Way Occupancy Permit for Lot 12 of Block 27 owned by John & Patricia Fink. Councilperson Herman moved to approve the Right-of-Way Occupancy Permit. Seconded by Councilperson Murphey, the motion unanimously carried.

EMPLOYEE SETP INCREASE

Councilperson Starr moved to approve the step increase for Jeri Hewitt to Step 5 at \$16.73 effective August 7th, 2010. Seconded by Councilperson Hattervig, the motion unanimously carried.

EXECUTIVE SESSION

Councilperson Lipp moved to go into and out of executive session at 6:12 for contract negotiations and potential litigation with the Finance Officer, Bob Morrison and Rex Harris present. Seconded by Councilperson Herman, the motion unanimously carried. The Council came out of executive session at 6:54 with no action taken.

BREAK 6:54-7:02

2011 BUDGET

Council reviewed the 2011 budget. The general fund had a shortfall of \$599,174. Council reviewed several areas including:

- *Wages with no step increase: Laurie will bring figures back to Council on the cost of the 2011 employee step increases
- *Storm Drainage Project: everyone felt this was a high priority
- *YMCA new floor: Council decided to remove the \$20,000 for the floor from the budget
- *Mag water: \$3,000 for 2011 was discussed.
- *BH Vision's \$10,000 for 2011 subsidy was discussed.
- *Hard paving projects including \$150,000 for Sherman Street & Park Avenue, \$100,000 for South 6th Street and \$100,000 for Montgomery Street & Sylvan Lake Road was removed from the 2011 budget.
- *Chip seal for the northeast part of the City was discussed but it was decided to leave the \$100,000 in the budget.
- *School Resource Officer position, which was budgeted at \$15,000, was removed from the 2011 budget.
- *Removing the swimming pool from the 2011 budget was discussed: figures showing the daily usage numbers will be brought back to the next Council meeting.

*Subsidies for the 2011 budget were looked at: \$8,000 was removed from the budget, and Council will take a look at the subsidies again at the next meeting.

A total of \$393,000 was removed from the 2011 general fund budget. Council will discuss the budget more at its next meeting.

CLAIMS

Councilperson Starr moved, with a second by Councilperson Lipp, to approve the claims. The motion unanimously carried.

5280 Consulting, Professional Fees, \$2000.00
ALSCO, Repairs & Maintenance, \$224.18
Advanced Drug Testing, Safety, \$72.00
Black Hills Power & Light, Utilities, \$8221.37
Black Hills Pioneer, Advertising, \$325.00
Black Hills Phones, Utilities, \$50.00
Culligan, Repairs & Maintenance, \$17.50
Chamber of Commerce, Supplies, \$150.00
Custer True Value, Supplies, Repairs & Maintenance, \$517.39
CAN Surety, Insurance, \$636.50
Century Business Products, Supplies, \$110.00
Custer Do It Best, Supplies, \$613.11
Custer Community Health Services, Sales Tax Subsidy, \$57739.64
Chamber of Commerce, Sales Tax Subsidy, \$30536.70
Dakota Baptist Convention, Cruisin Refund, \$70.00
Dacotah Bank, TIF #5 Payment, \$19314.03
Dakota Greens, Supplies, \$130.16
Econolodge, BID Board, \$356.94
Energy Lab, Water Testing, French Creek Project, \$430.00
Express Wireless, Supplies, \$21.20
Enviromaster, Supplies, \$22.00
French Creek Supply, Supplies, Repairs & Maintenance, \$197.51
Fourfront Design, Professional Fees, \$5046.25
Golden West Technologies, Professional Fees, \$160.00
Hawkins, Supplies, \$8163.95
Hach Company, Supplies, \$64.49
Cheryl Hadlock, Professional Fees, \$3801.56
JP Cooke Company, Supplies, \$41.11
Jenny's Floral, Supplies, \$35.00
Jenner Equipment, Repairs & Maintenance, \$48.92
Kellogg, Scott, Reimbursement, \$57.00
Lawrence & Schiller, Advertising, \$115.00
Labcorp, Safety Supplies, \$61.75
Lynn's Dakotamart, Supplies, \$16.17
McGas Propane, Utilities, \$2432.12
Morrison, Bob, Reimbursement, \$155.00
New Letter Journal, Advertising, \$64.80
Pekarna, Mary, Supplies, \$80.49
Pilot Rock, Recycling, \$2812.00
Pamida, Supplies, \$43.89
Pischke, Steve, Supplies, \$63.58
Quill, Supplies, \$245.33
Rapid Delivery, Water Testing, \$65.45
Secretary of State, Other, \$30.00
Sutton, Joanne, Supplies, \$39.15
SD State Executive Management, Utilities, \$41.02
Stickney, Harold, Travel, \$34.04
SDAEP, Travel & Conference, \$30.00
S & B Motors, Supplies, \$70.40
Sanders Sanitation, Utilities, \$11292.61
SRF, Loan Payment, \$4639.68
USDA Rural Development, Loan Payment, \$8910.00
Wyss Associates, TIF #4, \$25081.25
Wright Express, Supplies, \$1214.17
Woodward, Laurie, Supplies, \$92.05

Total Claims \$196,803.46

COMMITTEE REPORTS

Councilperson Lipp stated that he had been to a hospital board meeting and they are moving forward with the loan application and engineer work.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:25 p.m.

ATTEST:

CITY OF CUSTER CITY

Laurie Woodward
Finance Officer

Harold D. Stickney
Mayor