

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
AUGUST 6, 2007**

Mayor Harold D. Stickney called to order the first regular meeting of the Common Council for the month of August, 2007 at 5:30 p.m. Present at roll call were Councilpersons Schleining, Murphey, Boyer, Pischke, and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

Councilperson Murphey moved to approve the agenda. Seconded by Councilperson Schleining, the motion unanimously carried.

MINUTES

Councilperson Schleining moved, with a second by Councilperson Murphey, to approve the minutes from the July 16th, 2007 Regular meeting. The motion carried. Councilperson Pischke abstained.

CONFLICTS OF INTEREST

No direct conflicts were stated.

DEPARTMENT HEAD DISCUSSION

Bob Morrison, Public Works Director, discussed the Rally with water pumping numbers being down along with garbage pickup. The traffic backup is not as much as prior years however, today has been busier than over the weekend.

Bob discussed the problems with the storm over the weekend; the booster station was hit by lightening and barricades had to be reset.

The Street Paving Project is going great; Quinn Construction brought down additional people so the City crew is busy doing locates while new culverts and storm sewers are being installed. Bob has also been working on addressing special issues with road right-of-ways and property lines.

Rex Harris, Community Development Director, discussed the Rally Vendors stating that so far, this year is about the same as last year even though traffic seems to be a little down. Will see how it shakes out by the end of the week.

Rex also stated that there hasn't been any word on the Pamida Project; but he expects communication this week. The Mayor stated that there are survey ballots available for residents who don't take the Chronicle and the ballots will be taken until August 20th.

SOUTHERN BLACK HILLS WATER ASSOCIATION

Don Kraus and Don Peterson met with the Council to give an updated overview of where they stand on providing rural water. They discussed their funding, cities and counties across the state served, and that the section to Argyle will be the first segment completed for about \$3.6 million. Bob questioned whether there has been any new of funding from BOR which Don stated there wasn't. The Mayor wondered about following the Mickelson Trail which Don stated it has been discussed but so has the Highway ROW. Will see how it all works out. Don Kraus also mentioned that there are more and more people interested and they are pledging their upfront, which is very important to know accurate numbers for sizing the system.

WINE LICENSE HEARING

The Council received the wine license application for Chief Restaurant Inc. – Retail On-Sale Light Wine. Councilperson Murphey moved to approve this request. Seconded by Councilperson Pischke, the motion unanimously carried.

FIRST READING – ORDINANCE #641 – BOND SCHEDULE

Attorney Beesley stated this is an update with approval by the judge and sheriff's department. Councilperson Schleining moved to approve Ordinance #641. Seconded by Councilperson Pischke, the motion unanimously carried.

KLJ ENGINEERING AGREEMENT

Bob discussed the Agreement proposed at approximately 7% of the project which is in line for major projects. KLJ stated it may not run the full amount but with this area, they didn't want to go to short. Councilperson Murphey moved to approve the Engineering Agreement contingent upon the wording approved by the City Attorney for the plans, specs, and media. Seconded by Councilperson Schleining, the motion unanimously carried.

BROWN BAG LICENSE - CHAMBER

The Chamber submitted a Brown Bag Request for a Mixer at First Western Bank on September 27th, 2007. Councilperson Murphey moved to approve the Brown Bag License. Seconded by Councilperson Pischke, the motion unanimously carried.

CRAZY DAYS PARADE & SHOWMOBILE USAGE

The Chamber submitted requests for a Parade Permit and use of the Showmobile for August 24th, 2007 in conjunction with their Crazy Days Events. Councilperson Murphey moved to approve these requests

contingent upon coordination of traffic control with the Sheriff's Department. Seconded by Councilperson Pischke, the motion unanimously carried.

RESOLUTION #08-06-07A MICKELSON TRAIL

Rex discussed the City taking the ROW for Washington Street back from Game, Fish, & Parks. GF&P is requesting a Resolution stating the City's intent to maintain the trail along Street; this has been doing very well but they would something in writing. Councilperson Schleining moved to adopt Resolution #08-06-07A. Seconded by Councilperson Murphey, the motion unanimously carried.

RESOLUTION NO. 08-06-07

A RESOLUTION SUPPORTING THE CONTINUED PLACEMENT AND USE OF THE MICKELSON TRAIL THROUGH THE CITY OF CUSTER CITY

WHEREAS, the City of Custer City wishes to continue its Mickelson Trail relationship with the South Dakota Game, Fish and Parks; and

WHEREAS, the City of Custer City believes the transfer of Washington Street to the city was the correct move; and

WHEREAS, placing undue restrictions on trail location and use is not in the best interests of the community; and

WHEREAS, the City of Custer City has agreed, based on the original trail location to strive to provide equal or better trail space to South Dakota Game, Fish and Park; and,

WHEREAS, the City of Custer City believes the future design and construction for the improvement of Washington Street is of extreme importance to the business and recreation sides of the community; and

WHEREAS, the City of Custer City believes the parties involved will continue to work together to make the trail an enjoyable experience for the users.

NOW THEREFORE, BE IT RESOLVED, that the City of Custer City Council supports the philosophy guaranteeing a trail location within the Washington Street Right of Way to South Dakota Game, Fish and Parks.

Dated this 6th day of August, 2007

City of Custer City Mayor and Council

S/Harold D. Stickney, Mayor

RESOLUTION #08-06-07B – SURPLUS PROPERTY

The listed items are not selling at the Liquor Store which if surplus they can be sold less than cost or sell on EBay. Councilperson Boyer moved to adopt Resolution #08-06-07B. Seconded by Councilperson Pischke, the motion unanimously carried.

RESOLUTION NO. 08-06-07

WHEREAS, the City of Custer City has certain personal property which is no longer necessary, useful, or suitable for municipal purposes; and

WHEREAS, SDCL 6-13 provides for the disposition of surplus government property by auction.

NOW THEREFORE BE IT RESOLVED by the common council of the City of Custer City, that the property on the attached Exhibit "A" is declared to be no longer necessary, useful, or suitable for municipal purposes and is to be sold as set forth SDCL 6-13 Sale of Surplus Property.

Dated this 6th day of August, 2007

CITY OF CUSTER CITY

s/Harold D Stickney, Mayor

WILSON TREE SERVICE PROPOSAL

Bob submitted a proposal from Wilson Tree Service for the removal of two dead trees and one live tree from the alleyway as they are in the City's ROW. Black Hills Power has agreed to share the cost in the amount of \$550 for the one tree. There are other issues needing to be taken care of also. Bob discussed checking on the ROW by using prior surveys and property pins. Councilperson Murphey questioned the ROW issues which there are two others, Custer True Value and a propane tank; both encroach as well as the trees. Bob also stated the power pole on his property encroaches on his land; so there are other problems there. Councilperson Murphey moved to approve this proposal as long as the other issues are addressed. Seconded by Councilperson Pischke, the motion unanimously carried.

WATER PROJECT FINAL CHANGE ORDER

The Council was presented with the final change order for Northern Plains Construction with a decrease of \$7619.51 overall. Councilperson Murphey moved to approve this Change Order #1. Seconded by Councilperson Pischke, the motion unanimously carried.

RENTAL LEASES

Prairie Hills Transit submitted a letter stating they have moved to their new facility as of August 1st, 2007. Councilperson Schleining moved to accept and approve the lease termination. Seconded by Councilperson Murphey, the motion unanimously carried.

Due to the termination of the Prairie Hills Transit Lease, Custer County Housing requested the use of the additional space. The present lease has been written to include the additional footage and the additional rent. Councilperson Pischke moved to approve the new lease with Custer Co. Housing. Seconded by Councilperson Schleining, the motion unanimously carried.

REPORT

The Council received, reviewed, and acknowledged the Hospital Board Monthly report for July.

The Council received, reviewed, and acknowledged the Sheriff's Department monthly written report for July 1st, 2007 through July 31st, 2007.

2008 BUDGET DISCUSSION

The Council received budget sheets with an overview of the proposed amounts for the Liquor Store, Water, Wastewater, Solid Waste, Promotion, and Custer Cruisin Funds. Bob discussed several projects for next year's budget such as upgrading well house #9, finishing installation of auto read meters, bury water line under 5th Street, which will go along with DOT's mill & overlay, and the bar screen replacement at the treatment plant. The treatment plant has been operating for over 20 years and the bar screen has not been replaced; it's time. Also, we can combine the grit pit upgrade and the bar screening which would be better overall and safer for the employees. Discussion was held on the Promotion Fund and the Long Term Recreation Committee which has very good ideas and people on that Board. There may be a pay back of base funding over a period of two to five years. Custer Cruisin looks like it will maintain at the same level as before and the camera system is working through some kinks at the moment. General Fund will be addressed at the next meeting.

DISCUSSION ITEMS

The Mayor reported on a meeting with Golden West which included Greg Olson and George Strandell. After their Annual Meeting and their monthly Board meeting, George reported that they have hired a consultant to look at the toll free calling area, the traffic patterns, and the overall rate parity. This should all be accomplished by 2008 which at that time, they will be bringing in all of the communities that have not benefited from being part of the Coop. Councilperson Boyer thanked the Mayor for his efforts and that this is very good news for our Community.

CLAIMS

Councilperson Schleining moved, with a seconded by Councilperson Murphey, to approve the claims. The motion unanimously carried.

7th Cavalry Drum & Bugle Corp, Custer Cruisin, \$400
AFLAC, Insurance Premiums, \$360.38
Alltel, Utilities, \$344.22
Beesley Law Office, Professional Services, \$1330
Bituminous Paving, Hard Paving Project, \$66715.65
BH Power, Utilities, \$3951.81
Bohlmann Incorporated, Repair & Maintenance, \$97.19
Butler Machinery Company, Supplies, \$11.22
Castle Cleaning, Repair & Maintenance, \$880
Coca-cola, Supplies, \$659
Culligan Water, Repair & Maintenance, \$123.50
Custer Chamber of Commerce, Sales Tax Subsidy, \$9397.78
Custer Co. Chronicle, Publishing, \$363.01
Custer Co. Candy Company, Other, \$179.85
Custer Do It Best, Supplies, \$202.89
Custer Regional Medical Clinic, Safety, \$78
Custer True Value, Supplies, \$409.88
Deb Streets, Refund, \$250
Diesel Machinery, Repair & Maintenance, \$283.06
Enviromaster, Supplies, \$22
French Creek Supply, Supplies, \$540.38
Frontier Photo, Supplies, \$655
Golden West Companies, Utilities, \$662.86
Hach Company, Supplies, \$491.35

Hawkins Chemical, Supplies, \$6754.73
HD Supply Waterworks, Supplies, \$148.79
Jim Dandy Snack Food, Supplies, \$52.80
Lexisnexis Matthew Bender, Codification, \$47.25
Lynn Moran, Professional Services, \$100
Lynn's Dakotamart, Supplies, \$71.98
Moran USA, Supplies, \$66.67
Nelson's Oil & Gas, Repair & Maintenance, \$4529.65
Northern Plains Construction, Water Project, \$90873.24
Petty Cash, Supplies, Fees, Travel & Conferences, \$507.27
Pitney Bowes, Supplies, \$617
Prairie Berry Supplies, \$987
Rapid City Telco, Travel & Conferences, Supplies, \$434.79
Rapid City YMCA, Memberships, 2007 Subsidy, \$13567
S&B Motor Parts, Supplies, \$211.40
Sanitation Products, Repair & Maintenance, \$304.89
SD Dept. of Revenue, Fees, Supplies, \$174
Sign & Trophy Westex, Other, \$15.25
Harold Stickney, Travel & Conferences, \$41.22
USA Blue Book, Supplies, \$659.66
Western Wholesale, Supplies, \$13858.30
Wildcat Computers, Supplies, \$15.99
Geney Ziolkowski, Animal Contract, \$753
Child Support Payment Center, \$314.54
Federal Withholding, \$3551.54
FICA, \$5094.63
Medicare, \$1191.49
SD Retirement System, \$4561.86
Susan Swindal, Deposit Refund, \$29.46
Jenna Devcich, Deposit Refund, \$50
Valarie Halverson, Deposit Refund, \$100
Mitchell Norton, Deposit Refund, \$100
Michael Halverson-Steel, Deposit Refund, \$100
Truman Savery, Deposit Refund, \$50
Joel Behlings, Deposit Refund, \$50
Mayor & Council, Wages, \$4800
Community Development, Wages, \$3662.22
Finance Department, Wages, \$8397.21
Public Works Department, Wages, \$5337.60
Street Department, Wages, \$3985
Parks Department, Wages, \$3036.20
Liquor Fund, Wages, \$4525.32
Water Fund, Wages, \$4089.86
Wastewater Fund, Wages, \$4284.22
Total Claims \$280,512.06

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 6:40 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor