

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
FEBRUARY 17th, 2009**

Mayor Harold D. Stickney called to order the second regular meeting of the Common Council for the month of February, 2009 at 5:30 p.m. Present at roll call were Councilpersons Sutton, Reetz, Murphey, Schleining, Pischke, Starr (by telephone) and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

Councilperson Murphey moved, with a second by Councilperson Sutton, to approve the agenda as amended by removing Item #7A. Councilperson Reetz stated he had questions on this item. Councilperson Murphey stated the Council took action at the last meeting and until there is new information, we don't need to revisit this item. The motion carried. Councilperson Reetz voted no.

MINUTES

Councilperson Schleining moved, with a second by Councilperson Pischke, to approve the minutes from the February 3rd, 2009 regular meeting. Councilperson Reetz questioned why the Electrical Design was awarded to Fennel Design. It was stated that Fennel is the Design Company and where the bid is awarded. The Mayor stated the award amount is under \$25,000 and there is no need to bid. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts were stated.

DEPARTMENT HEAD MEETING

Bob Morrison, Public Works Director, informed the Council that he was contacted by the Valley Motel and the Trailer Court to request water services from the City. Bob stated that we can't refuse services but he has been talking with them about annexation and they will get back with us. Then he will take the information to the Public Works Committee. We could look at paying over sizing costs but will see at the time. Bob then mentioned the Well Head Protection District meeting with Rural Water which is very positive with the County.

Councilperson Reetz wondered about annexation of Harbach Lane. Bob stated that the City has discussed this before but there are also problems; there should be a cost-benefit study done. Councilperson Reetz wondered because it is a bad water area and could be an area for a TIF. We could help them if they came to us. Bob stated that since that area is in a sanitation district, they could put in their own water system; they could actually tax themselves since it's a district. Councilperson Murphey stated that if they upgrade first, then maybe we could look at an annexation.

Rex Harris, Community Development Director, discussed the progress on the Fire Code for the awnings which the draft is with the Attorney and the Fire Marshal. He has also re-worked the easement permits and will be getting to the people within the next three to four weeks.

Councilperson Pischke wondered about the meeting with the School which Rex stated the discussion was very preliminary and general; the discussion centered on ideas to service the entire Community. The Mayor stated it went well and was very desirous on both sides to work together.

FIRST READING ORDINANCE #662 – WATER RATE FEES

The General Government Committee reviewed the water rate estimations for 2009 and forward which indicate that the revenues need to increase slightly to maintain the Water Fund. An overview of the water estimation sheets were given with the actual increases for the base bill for residential being 20¢ with a 13¢ increase per 1000 over the 2000 base. The Commercial rate would increase 48¢ on the base and 16¢ per 1000 over the 2000 base. Councilperson Schleining moved to adopt Ordinance #662. Seconded by Councilperson Murphey, the motion unanimously carried.

RESOLUTION #02-17-09A – BRIDGE INSPECTION

Bob discussed that this is a requirement and the State coordinates the inspection work for a 20% match. Councilperson Reetz wondered about suggesting both NJS and Brosz Engineering and letting the State choose; it was pointed out that the City is the one who chooses. Councilperson Reetz moved to adopt Resolution #02-17-09A with NJS Engineering. Seconded by Councilperson Murphey, the motion unanimously carried.

RESOLUTION #02-17-09A

**BRIDGE REINSPECTION PROGRAM RESOLUTION
FOR USE WITH SDDOT RETAINER CONTRACTS**

WHEREAS, Title 23, Section 151, *United States Code* and Title 23, Part 650, Subpart C, *Code of Federal Regulations*, requires initial inspection of all bridges and reinspection at intervals not to exceed two years with the exception of reinforced concrete box culverts that meet specific criteria. These culverts are reinspected at intervals not to exceed four years.

THEREFORE, the City of Custer is desirous of participating in the Bridge Inspection Program using Bridge Replacement funds.

The City of Custer requests SDDOT to hire NJS Engineering Services, Inc. (Consulting Engineers) for the inspection work. SDDOT will secure federal approvals, make payments to the Consulting Engineer for inspection services rendered, and bill the City for 20% of the cost. The City of Custer will be responsible for the required 20% matching funds.

There are a total of 4 bridges in the City of Custer that require inspection.

Dated this 17th day of February, 2009, at City Of Custer, South Dakota.
s/Harold D. Stickney, Mayor

RESOLUTION #02-17-09B – NON-COLLECTIBLE UTILITY ACCOUNTS

The Council received the listing of the utility accounts are to be taken off the books but not our listing; these have already been processed through Small Claims Court; if not then our Collection Agency will work on them. Councilperson Sutton moved to adopt Resolution #02-17-09B. Seconded by Councilperson Pischke, the motion unanimously carried.

RESOLUTION NO. 02-17-09B

WHEREAS, Book 3, Supplemental, Chapter 9-22-4 of the South Dakota Codified Law states “every municipality may assign for collection any or all delinquent accounts receivable. After reasonable collection efforts, the governing body may determine that an account is non-collectible, and by formal action direct that the non-collectible amount be removed from the records and disclosed on that year’s financial report. Evidence of the debt removed from the records by the formal action of the governing body shall be retained by the municipality to support possible subsequent collection of that debt.”

WHEREAS, efforts have been made to collect these past due accounts receivable, and
WHEREAS, adequate time has elapsed to consider these accounts receivable delinquent and past due,
NOW THEREFORE BE IT RESOLVED that the following accounts be deemed non-collectible and removed from the records and disclosed on the 2008 Financial Report.

ACCOUNT #:	AMOUNT:	
201200-03	\$558.54	
401390-01	\$116.15	
401800-02	\$ 47.66	
500800-02	\$ 66.70	
TOTAL		\$789.05

Signed this 17th day of February, 2009.

CITY OF CUSTER

S/Harold D. Stickney, Mayor

HELEN FLORA – SALARIES

Helen Flora met with the Council to clarify the benefit package for the three administrators. She discussed the salary packages again. She also stated that the Council needs to watch their horrible spending. She had talked to two councilpersons; one didn’t know what was passed and the other didn’t know the total amount of the packages. Helen handed out a sheet summarizing her demands for Council action. She discussed Rapid City having a population of 69,002 and Spearfish’s population of 1332; she also mentioned that Custer County had 7000 workers. The other cities have revenues in the millions. She stated that Rapid City did not give an increase and even cut positions. The salaries come from the citizens and the Council is not free of blame. Helen still insisted that the wages be frozen to 2008, freeze the current budget, stop all projects until costs are compared, and how much is spent on travel. Councilperson Murphey wondered if bids came in higher by the local contractors, was the City suppose to accept low bid or go with local? Helen stated that you should go with low bid. Rex stated that we encourage local contractors to bid all projects. Helen discussed other cities in the Hills and asked Councilperson Schleining to report back to her the action the Council takes. Helen mentioned a couple of articles that had been in the Rapid City Journal and that the council should read those. The Mayor thanked Helen for her cautionary words and the budget is fine for this year but the Council will be looking closely for the next year’s budget. Councilperson Reetz suggested making a motion regarding wages but Attorney Beesley stated that there was nothing noted on the agenda, so action could not be taken.

2008 AUDIT PROPOSAL – INDEPENDENT AUDIT SERVICES

The Council received the Audit Proposal from Independent Audit Services in the amount of \$6,000 for the year 2008. This is the same Service we have had for the past several years. We received an inquiry from K-Tel Thorstenson but after some preliminary information, they decided not to submit a formal proposal because their price would be between \$7,500 and \$10,000. Councilperson Murphey moved to approve this Proposal. Seconded by Councilperson Sutton, the motion unanimously carried.

SANDER SANITATION RATE INCREASE

It was brought to the Council’s attention that the request from Sander’s to increase their fee to \$15.20 effective January 1st, 2009 was not formally adopted. Councilperson Murphey moved, with a second by Councilperson Schleining, to approve this rate increase as of March 1st, 2009. Councilperson Reetz mentioned having smaller containers for the people who have a hard time with the large ones. Discussion was held on charging the same rather that shift the costs to two different rates. The motion unanimously carried.

PRELIMINARY & FINAL PLAT

Rex submitted the Preliminary and Final Plat for David & Marcia Blaede for the property described as Block 142 Subdivision, Plat of Lots 1 and 2 of Lots 10, 11, and 12, and the South 60 Feet of Vacated Pine Street Contiguous to Lots 10, 11, and 12, and the North 15 Feet of Vacated East-West Alley Contiguous to Lots 10, 11, and 12, and Located in Block 142 of Custer City, City of Custer, Custer County, South Dakota. All stipulations have been met and the Planning Commission recommends approval for this subdividing three City lots into two City lots with each having access from

South Belaire. Councilperson Pischke moved to approve this plat. Seconded by Councilperson Murphey, the motion unanimously carried.

CEMETERY MAINTENANCE CONTRACT

The Council received the Cemetery Maintenance Contract with the proposal from Cheryl Hadlock to return for the amount of \$22,145. The General Government Committee reviewed the proposal and recommends approval; they did a good job and requested a minimal increase. Councilperson Murphey moved to approve this Contract. Seconded by Councilperson Pischke, the motion unanimously carried.

CLAIMS

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

A&B Welding, Supplies, \$30.83
American Linen, Repair & Maint., \$163.98
Avenet, Web Page Design, \$396
BH RC&D, Dues, \$100
BH Phones, Utilities, \$50
BH Power, Utilities, \$8994.48
Border States Electric, Supplies, Repair & Maint., \$798.62
Butler Machinery, Supplies, \$892.68
Century Business Products, Supplies, Equipment, \$6097.31
Chadron Wholesale, Supplies, \$402.19
Chris Supply, Supplies, \$168.48
Coca-cola Bottling, Supplies, \$191.50
Custer Chamber of Commerce, Sales Tax Subsidy, \$3006.82
Custer Community Health System, Sales Tax Subsidy, \$9516.78
Custer Do It Best, Supplies, \$166.50
Custer True Value, Supplies, \$429.77
Dakota Pump, Repair & Maint., \$2265.31
Eagle Sales of BH, Supplies, \$3860.18
Elk Canyon, SUPPLIES, \$25
Environmental Equipment, Repair & Maint., \$37.79
Fastenal, Supplies, \$226.36
Fisher Beverage, Supplies, \$2784.89
French Creek Supply, Repair & Maint., Supplies, \$827.30
Golden West Technologies, Professional Fees, Repair & Maint., Supplies, \$3462.50
Hach Company, Supplies, \$464.66
Hawkins Chemical, Supplies, \$3909.25
HD Supply Waterworks, Repair & Maint., Supplies, \$277.07
Industrial Electric, Repair & Maint., \$1239.40
Jenner Equipment, Repair & Maint., \$109.96
L&A Welding, Supplies, \$5.26
Lynn's Dakotamart, Supplies, \$31.76
Mannatec, Supplies, \$372.66
One Call Systems, Supplies, \$9.45
Petty Cash, Supplies, CDL Testing, \$59.68
Prairie Berry, Supplies, \$702
Rapid Delivery, Fees, \$8.40
S&B Motor Parts, Supplies, \$1082.70
Sander Sanitation, Utilities, Repair & Maint., \$14469.49
SD Assoc of Rural Water, Travel & Conference, \$130
SD Tourism, Publishing, \$1250
The Ice House, Supplies, \$38.40
USDA Forest Service, Supplies, \$253.28
Edward Jones, Investments, \$300000
Rapid City Telco, Investments, \$300000
Gene/Judy Marston, Deposit Refund, \$13
Child Support Payment Center, \$315.52
Delta Dental Insurance, \$584.80
Federal Withholding, \$5796.60
FICA, \$6858.98
Medicare, \$1604.12
SD Retirement, \$6420.27

Mayor & Council, Wages, \$4300
Community Development, Wages, \$4370.16
Finance Dept., Wages, \$9967.02
Public Works Dept., Wages, \$6957.20
Street Dept., Wages, \$6284.39
Parks Dept., Wages, \$11898.50
Liquor Fund, Wages, \$3847.64
Water Fund, Wages, \$5570.09
Wastewater Fund, Wages, \$3633.13
Total Claims \$747,730.11

EXECUTIVE SESSION

Councilperson Murphey moved to go into and out of an executive session due to potential litigation at 6:46 p.m. Seconded by Councilperson Sutton, the motion unanimously carried. Rex was requested to attend at 6:58 p.m. Rex left the meeting at 7:33 p.m. Councilperson Reetz left the meeting at 7:35 p.m. Councilperson Reetz joined the meeting at 7:40 p.m. The session adjourned at 7:42 p.m. No action taken.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 7:43 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor