

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
DECEMBER 15th, 2008**

Mayor Harold D. Stickney called to order the second regular meeting of the Common Council for the month of December, 2008 at 5:35 p.m. Present at roll call were Councilpersons Sutton, Reetz, Murphey, Starr, Schleining, Pischke, and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

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

MINUTES

Councilperson Starr moved, with a second by Councilperson Reetz, to approve the minutes from the December 1st, 2008 regular meeting. The motion carried. Councilperson Schleining and Pischke abstained.

CONFLICTS OF INTEREST

No conflicts were stated.

DEPARTMENT HEAD MEETING

Bob Morrison, Public Works Director, discussed the cold weather and the equipment problems which were mainly the inability to start them. Therefore, the snow piles will probably be removed Tuesday night. Bob also mentioned talking to the LEPC Committee and the County Commissioners regarding the Well Head Protection District; the feedback was positive but another Committee will be formed to discuss setting up the district.

JOE HARBACH, USFS

Joe Harbach, USFS, discussed and summarized the Slash Pile Project from the inception forward. The RAC (Resource Advisory Committee) Grant will allow a piggyback on their present contract which will chip 8,000 cubic yards of slash; the largest pile and the larger one next to the Skywalk Trail. The Contract end date is Memorial Day but he thought the Contractor would be here in February. Councilperson Starr wondered if anyone else in the area had this type of equipment; Joe stated there were no other companies with commercial chipping equipment. Bill Bell, Custer Fire Dept., discussed the possibility of burning but once again, the re-hab, weed control, and liability would all have to be considered. Councilperson Pischke wondered about burning the hand piles which Bill stated they would still be looking at burning those depending upon the weather. The Mayor thanked Joe and Bill for attending.

GOLDEN WEST COOP UPDATE

Greg Olson, Golden West, discussed the Coop expansion to increase their membership with all of the new exchanges from 1993 or 1994 forward; this will be January 1, 2010. Councilperson Sutton wondered how this would affect the customers which Greg stated each member would receive dividends back and they all have a voting authority. Councilperson Sutton also wondered about adding exchanges which Greg wondered which ones; ones mentioned were Rapid City, Hermosa, and Custer State Park.

PUBLIC HEARING – PROPOSED AMPHITHEATRE

The Custer Amphitheatre Public Hearing was attended by approximately 37 people who each had a chance to voice their opinions and concerns as follows:

John Murphy – Canal Street – John is opposed to changing the Hill but if you have to develop, then have garden lots. He isn't opposed to the idea, he just wants it elsewhere.

Linda Mohr – S. 10th Street – Linda stated that she has talked to Karol, but there doesn't seem to be many specifics. She mentioned having 20ft shields and teepees that are permanently installed; what about insurance, transportation from the School property, brown bag license with kids involved, and graffiti costs. She believes you need to use other options. Also, if this is family functions, then why have booze available? She did want to say that she applauds the Club for the idea; it is good but she's just concerned.

Ken & Arbutus Hanson – Canal Street – Ken stated this project would be right in front of their house which means they would lose their view of the Hill; why have it in the residential neighborhood; other places would be better suited. Arbutus believes this would look hideous, they worry about crowds and controlling them, and would their property lose value.

Evelyn Chard – S. 10th & Needles Drive – Evelyn wondered what the big push was to develop our Park which is the only open area we have left; the other Parks are fairly small. We get to see the kids use the Hill for sledding, kite flying, and dog walking and playing. We would be overwhelmed by the traffic and the noise.

Les McClanahan – Boot Hill – Les wondered exactly what the cost would be to the City for the utilities and restrooms.

Lois Anderson – Lincoln Street – Lois lives in a quiet and enjoyable neighborhood and has empathy with the ones living near the Hill; why do we need crowds, loud music, and we just need to leave it the way it was.

Pat Hattervig – Pine Street – Pat wondered about the crowd control? Just like the 4th of July which there isn't any control at all.

Debbie Salzsieder – S. 10th Street – Debbie wondered about the added trash, the parking in their yards, heavy traffic, urinating in their yards, and even adding alcohol.

Mike Chase – S. 9th Street – Mike stated he supports the Club's efforts to bring something to town for evening entertainment and to keep the tourists local but he just doesn't want to see this on the Hill. There are other places such as the Show Barn which would also help out if there was bad weather. Mike also enjoys the historical stone work and doesn't want to see the Park destroyed.

Ramona Flaig Bradeen – Pine Street – Ramona stated that she is on the Club's Board of Directors and that she has listened to both sides. The Club has been using experts to pull this together so there will be traffic and parking control, ambulances available, family orientated, not late night shows, leasing the Hill for 10 days total, and all the items are put up and then taken down the next day. She recommended having another informational forum with the Club so that all the residents can learn about the project.

Karol Bennett stated that she does not have all the answers or specifics yet because we are still in the development stage and working towards dotting the i's and crossing the t's. Karol would like to see another public forum held so everyone could attend because other than the emotional comments, there are a lot of misconceptions floating.

Cherry Luitjens – S. 10th Street – Cherry stated she thought it would be a great use for the Pageant Hill with wonderful concerts and good times; there just needs to be questions asked.

Marcia Murphy – Used to be on Needles Drive – Marcia, at the first look, thought this was dreadful but then she went to the public forum meeting and learned that all the items come down after the concerts, the corner stage is great, the noise would be just because we live in a valley. Marcia recommends attending a forum to learn more details. This Club is a group of hard working women trying to help the Community.

10 MINUTE RECESS

SECOND READING ORDINANCE #659 – SUPPLEMENTAL APPROPRIATIONS

The Council received and discussed the reasons for the Supplemental Appropriations Ordinance for the Year 2008 with the additional expenditures supplemented mostly with additional revenues. Councilperson Sutton moved to adopt Ordinance #659. Seconded by Councilperson Murphey, the motion unanimously carried with Councilperson Sutton, Pischke, Murphey, Schleining, Starr, and Reetz voting yes.

LIQUOR LICENSE & OPERATING AGREEMENT

Councilperson Starr moved, with a second by Councilperson Sutton, to approve the Liquor License Application and Operating Agreement. Discussion was held on the license being missed due to the annexation; the County previously acted upon the application but they will be sending the license fee to us. The motion unanimously carried. Councilperson Pischke wondered if the Golf Course would be hooked up to sewer. Bob stated that was not part of the annexation agreement but usually when a major septic problem occurs, then they would be brought on; the costs could be shared based upon where the main would be located and whether there would be additional properties brought on at that time.

AWNINGS & DOT

Rex discussed the initial discussions with DOT who initially stated that awnings are in violation and could not be repaired. Through the contract with DOT, Permits to Occupy the ROW were issued per landowner to leave the awnings up with painting and wood sealing allowed. Attorney Beesley wrote a letter to clarify the contract which DOT stated we were right. Rex stated that now the future of the awnings is under discussion with the Council needing to decide if it is better with or without awnings. Discussion was held on the impact that the awnings could have on the lighting, sidewalks, and the downtown improvements as well as possible cost sharing for removal and/or replace with self-supporting ones. Discussion was held on doing a new contract and/or permits to allow just what the City wants. Rex then mentioned that new information was found and that all but one awning is within the Code's "fire district"; if we are going to follow the Code, then the awnings need to come down. Councilperson Murphey mentioned the TIF money which is available now and that it wouldn't be in the future. Attorney Beesley stated he would be calling DOT to request a new contract, then we can look at new permits, or not, depending upon the contract. Councilperson Sutton stated that if the awnings would interfere with the historical lighting, then we wouldn't want to keep them. Councilperson Pischke stated that we need to be in compliance with the Code, with the permits, and not interfere with the lighting. Having a Public Hearing was discussed but this item will be included with the TIF Project Plan Public Hearing.

SLASH PILE CONTRACT UPDATE

Rex submitted the Baker Timber Products revised proposal to chip and spread the remaining Slash Piles for \$22,000 which is a good price since they will already be mobilized here; if we didn't want them spread, the cost maybe reduced further.

LIQUOR STORE BID DOCUMENTS

Gene Fennel, Fennel Design, reviewed and summarized the architect drawings. The Council requested an additional bathroom be added in. Discussion was held on the signage, the profit projections, improving and enhancing the southern entrance to town, the well house improvements, concerns over expenditures, great bids coming in since the economy has slowed some, and Liquor Store Reserve funding. Councilperson Schleining moved to go to bid to see what the project cost would be. Seconded by Councilperson Sutton, the motion unanimously carried.

ANIMAL CONTROL CONTRACT

The Animal Control Contract was advertised for proposals with none received. The Finance Officer contacted Geney Ziolkowski to see if we could do a month by month contract which she stated was fine. Councilperson Murphey moved to approve the month to month contract. Seconded by Councilperson Pischke, the motion unanimously carried.

COUNTY HOUSING LEASE AGREEMENT

The Finance Officer was contacted by Custer County Housing who is looking for a new location due to health issues. Therefore, the Housing Office requested a month to month lease agreement. Councilperson Reetz moved to approve the month to month contract. Seconded by Councilperson Sutton, the motion unanimously carried.

MERIT INCREASES

Bob requested the merit increase for Gaile Walker to Step 3 at \$15.16 & John Dumire to Step 3 at \$15.15 effective 12-22-08. Councilperson Murphey moved to approve these increases. Seconded by Councilperson Starr, the motion unanimously carried.

DISCUSSION ITEMS

The Mayor mentioned the 2009 Governor's Tourism Conference and wondered if someone else could attend since he will not be able to. Councilperson Reetz stated he might be able to attend. Councilperson Starr stated he would be able to attend Municipal Legislative Day.

Councilperson Sutton questioned several items from the General Government Committee minutes which those items will be coming forward at future dates.

EXECUTIVE SESSION

Councilperson Reetz moved to into and out of an executive session at 8:38 p.m. due to contract negotiations. Seconded by Councilperson Murphey, the motion unanimously carried. The session adjourned at 8:51 p.m.

Councilperson Reetz moved, with a second by Councilperson Murphey, in regards to disposal of slash piles on Big Rock Park, to request the Forest Service to submit a work proposal and site plan showing the City how and where the slash will be removed with the \$10,000 RAC Grant. Discussion was held on the purpose of this action which is to define how much will be left for us to finish. The motion unanimously carried.

Councilperson Sutton moved to authorize, up to \$22,000 to Baker Timber Products to remove the remaining volume, and to have Rex negotiate for a price without spreading the chips, and this will be completed in conjunction with the Forest Service Project deadline of Memorial Day. Seconded by Councilperson Murphey, the motion unanimously carried.

Councilperson Schleining moved to rescind the acceptance of the \$10,000 RAC Grant since the Forest Service will directly receive this from the RAC Committee. 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.

American Linen, Repair & Maint., \$266.04
Black Hills Phones, Utilities, \$50
Black Hills Power, Utilities, \$8497.34
Chadron Wholesale, Supplies, \$297.99
Coca-cola, Supplies, \$263.10
Custer Chamber, Sales Tax Subsidy, \$14152.61
Custer Comm. Health, Sales Tax Subsidy, \$27844.59
Custer County, Repair & Maint., \$1105.50
Custer High School, Other, \$250
Custer True Value, Supplies, \$674.70
Energy Laboratories, Fees, \$25
Fastenal, Supplies, \$95.32
Fisher Beverage, Supplies, \$4789.80
French Creek Supply, Supplies, Repair & Maint., \$178.74
Frontier Photo, Supplies, \$15
Golden West Technologies, Repair & Maint., Supplies, \$2670.70
Hawkins Chemical, Supplies, \$10
Howe Well Drilling, Westside Utility Project, \$9475
Jenny's Floral, Supplies, \$28
Scott Kellogg, Reimbursement, \$139.93
Mannatec, Supplies, \$269.09
McGas Propane, Repair & Maint., \$87
Newman Traffic Signs, Supplies, \$1821.50
One Call systems, Supplies, \$16
Petty Cash, Supplies, Travel & Conference, Fees, \$370.35
Prairie Berry, Supplies, \$783

Quill Corporation, Supplies, \$164.18
Rapid City Telco, Travel & Conference, Repair & Maint., \$159.34
Rapid Delivery, Fees, \$9.10
Republic National Distributing, Supplies, \$5800.67
S&B Motor Parts, Repair & Maint., \$1097.52
Sander Sanitation Service, Repair & Maint., Utilities, \$9482.95
SDDOT, Supplies, \$2412
SD State Executive Mgmt, Utilities, \$25.86
Harold Stickney, Travel & Conference, \$113.41
Tatiana's Import Beverages, Supplies, \$122.60
The Ice House, Supplies, \$28.80
Western Wholesale, \$12291.65
Pelstar, Deposit Refund, \$8.64
State of SD, Sales Tax, \$3455.10
First Western Bank, Auto Fees, \$38.75
Element, Credit Card Services, \$432.73
USDA Rural Development, Water Loan, \$8910
SRF, Water Loan, \$4639.68
Custer Ministerial Association, Subsidy, \$300
Dave Bland Auto Repair, Deposit Refund, \$94.62
Total Claims \$123,763.90

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:55 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor