

CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
July 6th, 2010

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

AGENDA

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

MINUTES

Councilperson Starr moved, with a second by Councilperson Pischke, to approve the minutes from the June 21st, 2010 meeting. The motion unanimously carried.

OATH OF OFFICE & COUNCIL PRESIDENT & VICE PRESIDENT

The Mayor sincerely thanked Councilpersons Pischke, Ressler, and Reetz for their service.

Gary Lipp, Corbin Herman, and Jim Hattervig took their Oath of Office for two-year terms as Councilpersons.

Councilperson Schleining nominated Councilperson Starr for Council President. Seconded by Councilperson Lipp, the motion unanimously carried. Councilperson Murphey nominated Councilperson Lipp for Council Vice President. Seconded by Councilperson Starr, the motion unanimously carried.

COMMITTEE APPOINTMENTS & ATTORNEY APPOINTMENTS FOR 2010-2011

Public Works Committee: Harold Stickney, Gary Lipp, Duane Murphey, Jim Hattervig, Bob Morrison, Karen Schleining – Alternate

General Government Committee: Karen Schleining, Chairman, Harold Stickney, Ed Starr, Corbin Herman
Chris Beesley, Laurie Woodward, Duane Murphey – Alternate

BH Council Representatives: Rex Harris, Harold Stickney-Alternate

BH Vision Representative: Harold Stickney

BH Comm. Economic Development: Rex Harris

Chamber Liaison: Karen Schleining

Hospital Liaison: Gary Lipp

Planning Liaison: Duane Murphey

Waste Management: Harold Stickney

YMCA Representative: Bob Morrison

Emergency Services: Harold Stickney, Bob Morrison, Rex Harris

Economic Development: Ed Starr

Golf Course Board: Corbin Herman

RC&D Committee: Laurie Woodward

Custer Area Transportation: Jim Hattervig

1881 Museum Board: Duane Murphey

Ethics Committee: Duane Murphey, Corbin Herman, Jim Hattervig

The Mayor also appointed Chris Beesley as the City Attorney and Carol Boos as assistant City Attorney.

CONFLICTS OF INTEREST

No conflicts of interest were stated.

DEPARTMENT HEAD DISCUSSION

Bob Morrison, Public Works Director, stated that the pumping records are higher than last years at this time, as we are averaging 400,000 gallons per day. The bid opening for the rebid on the chip seal project will be on July 15th. Bob has set up a tour of the public work facilities for the new Councilman.

Rex Harris, Community Development Director, stated that they are blasting on the Gordon Street extension.

MALT BEVERAGE LICENSE HEARING

Due to the application being incomplete, no proof of insurance and no operating agreement signed, the Council decided to table action on the Malt Beverage License for the Bank Coffee House until the special meeting on July 7th.

LIQUOR STORE EXIT PLAN

Councilperson Starr moved to prepare to surplus the Liquor Store at the current location by starting the replatting process. Seconded by Councilperson Murphey, the motion unanimously carried. Councilperson Starr moved to close the Municipal Liquor Store as of 8 am Thursday July 8th, 2010. Seconded by Councilperson Herman, the motion carried with Councilperson Hattervig, Starr, Lipp, Herman and Schleining voting yes and Councilperson Murphey voting no. Councilperson Schleining moved to surplus the Liquor Store inventory at the July 7th, 2010 meeting. Seconded by Councilperson Lipp, the motion carried with Councilperson Starr, Lipp, Murphey, Herman, Schleining and Hattervig voting yes. Councilperson Murphey moved to accept sealed bids for the inventory. Seconded by Councilperson Starr, the motion unanimously carried with Councilperson Lipp,

Murphey, Herman, Schleining, Hattervig, and Starr voting yes. The Council also agreed to retain the operating agreement to possibly combine with the building and land.

CUSTE COMMUNITY HEALTH BOARD PROPOSAL

Dave Thom with the Custer Community Health Services Board gave a brief history of the information previously presented to Council. Custer Community Health Services submitted the following proposal to the City Council; 1) The City Council would create a resolution that would designate 75% of one penny of the sales tax with a maximum of \$300,000 annually for 20 years to be designated for CCHS, Inc. to retire capital debt service. This would go into effect on or about the time the current resolution is set to conclude, 12/31/2013. 2) Custer Community Health Services Inc would obtain financing through USDA. A 20 year fixed rate loan, 4 1/8 percent for 4 million dollars. Annual payments to be approximately \$295,000 principal and interest plus \$30,000 for USDA reserve requirement to be paid by CCHS, Inc. Beginning in the 11th year the USDA reserve funding could be transferred to the City subject to approval from USDA. 3) Regional Health Network would enter into a new lease agreement with the following considerations: Regional Health Network would continue to pay the yearly in lieu tax payment of \$53,000 for Custer Regional Senior Care, the Wedgewood Assisted Living mortgage of \$57,240 a year, a lease payment for the Custer Regional Hospital, Clinic, and Custer Regional Senior Care for \$72,500 a year, and also provide a project manager to ensure the construction process and quality, approximate value \$40,000. RHN will be responsible for \$100,000 annually at CRC and \$50,000 annually at CRSC for maintenance and repair; CCHS, Inc is responsible for amount in excess. 4) CCHS, Inc would propose establishment of a joint City/CCHS Inc committee to explore the formation of a Hospital District.

Council stated they would like to see a Hospital District to the cost would be spread out amongst the people that use the facility. The Council also questioned why Custer is the only city in the Black Hills area that subsidizes their hospital facilities. Council felt they need to review this proposal more before the July 19th meeting, so they scheduled a special council meeting to be held July 12th at 12:00 p.m. to review proposed resolutions. On July 19th the council will take action on the proposal so that the Community Health Board will have time to proceed with their application.

BROWN BAG REQUEST – NAJAT'S

Councilperson Murphey moved to approve the brown bag request for the NAJAT's picnic to be held after the Gold Discovery Day parade on July 24th in French Creek Park. Seconded by Councilperson Schleining, the motion unanimously carried.

BROWN BAG / STREET CLOSURE REQUEST – FIRE DEPT

Bob has spoken with the businesses along 6th Street and all are okay with the street closure. Councilperson Starr moved to approve the street closure request for North 6th Street between Crook Street and the alley to the south and the brown bag request for the Custer Volunteer Fire Departments annual Firefighter's Ball to be held July 23rd and 24th. Seconded by Councilperson Herman, the motion unanimously carried.

BREAK 7:48-7:55

FIRST READING - ORDINANCE #675 – RURAL SUBDIVISIONS

Councilperson Starr moved to approve the first reading of ordinance #675, Rural Subdivisions. Seconded by Councilperson Schleining, the motion unanimously carried.

STREET CLOSURE – BLOCK PARTY

Councilperson Starr moved to approve the street closure between 27 N 6th and 47 N 6th Street for a block party to be held on August 19th from 3pm to 6pm. Seconded by Councilperson Lipp, the motion unanimously carried.

ATTORNEY CONTRACT

Councilperson Starr stated his concerns with Chris Beesley's law interpretations. Councilperson Murphey moved to approve the contract with Chris Beesley for attorney service for July 2010 through June 2012 at a monthly retainer of \$800 and rate of \$100 per hour. Seconded by Councilperson Lipp. The motion carried with Councilperson Murphey, Herman, Schleining, Hattervig and Lipp voting yes and Councilperson Starr voting no.

CLAIMS

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

5280 Consulting, Professional Fees, \$4000.00
A&B Electric, Repairs & Maintenance, \$326.40
AFLAC, Insurance, \$426.28
Alltel, Utilities, \$426.40
Beesley Law, Professional Fees, \$3234.50
Border States Electric, Repairs & Maintenance, \$49.18
Black Hills Power & Light, Utilities, \$2439.75
Custer County Chronicle, Publishing, \$501.02
Century Business Products, Supplies, \$127.51
Cask & Cork, Supplies, \$211.50
Custer County Treasurers, Law Enforcement, \$78264.00
Custer Do It Best, Supplies, \$18.41
Dacotah Bank, TIF#2, \$1098.87
Dakota Supply Group, Supplies, \$769.39

Dakotacare, Insurance, \$7647.85
Element, Supplies, \$345.31
Fourfront Design, Professional Fees, \$11854.34
First Interstate Bank, TIF#1, \$11485.30
Fastenal, Supplies, \$16.16
First Western Insurance, \$118.00
First Interstate Bank, Supplies, \$55.20
HD Supply, Supplies, \$1419.56
Hawkins, Supplies, \$4964.66
Hach Company, Supplies, \$160.53
Itron, Repairs & Maintenance, \$620.59
Jenner Equipment, Supplies, \$3868.00
Jim Dandy Snack, Supplies, \$100.20
Kellogg, Scott, Reimbursement, \$114.00
Kimball Midwest, Supplies, \$53.27
Lawrence & Schiller, Publishing, \$61636.07
Mintec, Supplies, \$32.00
McGas Propane, Utilities, \$1680.23
Nelson's Oil, Supplies, \$1066.50
Pool & Spa Center, Supplies, \$178.30
Quality Weed Control, Repairs & Maintenance, \$511.99
Pitney Bowes, Supplies, \$500.00
Petty Cash, Supplies, Travel, \$481.40
SD Dept of Revenue, License, \$150.00
Sander Sanitation, Garbage Collection, \$11292.61
State of SD, Sales Tax, \$3666.16
Southern Bike Night, Publishing, \$35.00
Harold Stickney, Travel, \$34.04
Sign & Trophy, Supplies, \$69.00
Thomson West, Supplies, \$170.00
Tatiana's, Supplies, \$176.56
Wright Express, Supplies, \$1311.85
YMCA, Memberships, \$113.00
Ziolkowski, Geney, Animal Control, \$657.00
Justin Boggs, Utility Refund, \$58.70
Donald Pearson, Utility Refund, \$50.00
Cory Virtue, Utility Refund, \$50.00
Casey Brazell, Utility Refund, \$100.00
Custer Business Solutions, Utility Refund, \$100.00
Amber Livingston, Utility Refund, \$50.00
Total Claims \$218886.59

DISCUSSION

Mayor Stickney mentioned that Senator Johnson will be coming on July 7th for a windshield tour of Custer and invited anyone who would like to attend.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:16 p.m.

ATTEST:

CITY OF CUSTER CITY

Laurie Woodward
Finance Officer

Harold D. Stickney
Mayor