

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
SEPTEMBER 8th, 2009**

Mayor Harold D. Stickney called to order the first regular meeting of the Common Council for the month of September, 2009 at 5:30 p.m. Present at roll call were Councilpersons Reetz, Starr, Murphey, Pischke, Schleining, Ressler, Chris Beesley, City Attorney, Rex Harris, Community Development Director, and Christine Redden, Finance Officer. The Pledge of Allegiance was stated.

AGENDA

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

MINUTES

Councilperson Murphey discussed a correction to the September 3rd budget meeting minutes and stated that the SD Retirement did not take back the raise but has changed their future policy on giving raises. Councilperson Murphey moved, with a second by Councilperson Ressler, to approve the minutes from the August 31st, 2009 and September 3rd, 2009 Budget meeting as amended. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts were stated.

DAKOTA LAND TRUST PRESENTATION

The Council received information regarding the Housing Market Analysis which was paid for by BH Vision. The Community Survey for Custer shows the median income by HUD, the housing profiles, and demographics for all the various aspects of our housing needs. This report is great for future planning and will be used by realtors, developers, and the City. The Mayor thanked them for coming and giving us the great information.

DEPARTMENT HEAD MEETING

Rex updated the Council on the Way Park Project with the south ½ completed, the north ½ should be done in the next couple of days, and the planting will start taking place this weekend. The Gordon Street Extension Project is being surveyed and the next step will be the preliminary engineering.

Deb Waite and Jim Understock, Frontier Photo, discussed the issues with neighboring property having a foul odor that the employees and customers complain about and then there is the mess behind the business. They have contacted the State and they said it is a City problem. Rex stated that he has been there and hasn't been able to smell anything and has been in the business with the same results. Councilperson Murphey discussed private firms that can detect and remediate mold if that is the problem. Councilperson Starr stated that we need to find out if there is a law, if it's broken, and what the next step is. Attorney Beesley will do some research on the legalities.

In the absence of the Public Works Director, the Mayor updated the Council on everything that has been accomplished in the last two weeks.

TIF #4 UPDATE – TOBY MORRIS, NORTHLAND SECURITIES

Toby Morris, Northland Securities, congratulated the City on moving forward with TIF #4 and updated them on the loan closing that took place today. He also mentioned the re-financing options if the property values continue to increase in the year, we could refinance to use the new increment amount to do more with the project. He also mentioned that Dacotah Bank and First Western Bank worked really hard to help the City accomplish this project.

Cherish Baker, Baker's Bakery, submitted a list of the businesses who responded and gave their opinion to her email regarding the three options for the TIF projects; it was definitely option A. A short discussion was held on the options, the variables, and that it will go to the next Planning Commission meeting.

EXECUTION SESSION

Councilperson Starr moved to go into and out of an executive session due to contract negotiation at 6:20 p.m. with Toby, Rex, and Christine present. Seconded by Councilperson Murphey, the motion unanimously carried. The session adjourned at 6:49 p.m. with no action taken.

NATIONAL GUARD AGREEMENT AMENDMENT

The Council was presented with the Third Amendment to the Lease Agreement with the National Guard regarding access to the Sewer Treatment Plant; this is the way they prefer doing Lease Agreements and Attorney Beesley has approved it. Councilperson Reetz moved to authorize the Mayor to sign this Agreement. Seconded by Councilperson Pischke, the motion unanimously carried.

RESOLUTION #09-08-09A – MITIGATION PLAN

The Council received Resolution #09-08-09A which would adopt Custer County's Multi-Hazard Mitigation Plan. By adopting this, we fulfill all obligations to qualify for various grant funding. Councilperson Murphey stated he would like to see the actual Plan before adopting. Rex stated that the County is working with State and a consultant to revise the present Plan and that one won't be completed for probably six months. Councilperson Reetz moved to table this Resolution until the next meeting. Seconded by Councilperson Ressler, the motion unanimously carried.

RESOLUTION #09-08-09B – EMERGENCY DECLARATION

The Council received Resolution #09-08-09B authorizing the Gordon Street Ingress and Egress Public Access Easement or Roadway due to the work needing to be completed on the 4th Street Bridge and roadway. To do work on both of projects, it would require the road be closed for probably a minimum of two days and the southern portion of the City would be stranded. Councilperson Starr moved to approve Resolution #09-08-09B. Seconded by Councilperson Schleining, the motion unanimously carried.

SETBACK VARIANCE HEARING

Rex stated this Setback Variance request, approved by the Planning Commission, is due to Steve Witt's Shop being over the original right-of-way by 8 feet and he would like to add on to his Shop space. Since then the right-of-way has changed but our Code states "original". Councilperson Murphey moved to approve this variance. Seconded by Councilperson Pischke, the motion unanimously carried.

BROWN BAG LICENSES

The Custer Chamber of Commerce requested a Brown Bag License for September 24th for their mixer at the Subway and Car Wash. The Custer Area Arts Council requested a Brown Bag License for September 25th and 26th for the Artist Reception and Street Dance. Councilperson Murphey moved to approve both requests. Seconded by Councilperson Pischke, the motion unanimously carried.

TONY FLORA ANNUAL PRESENTATION

Tonya Flora requested the Council institute a penalty for any vendor setting up prior to paying for the Transient Merchant Permit. Rex stated the vendor did setup on Sunday, which he missed seeing, but then came in on Monday morning and paid; it is private property so he should be able to do some things. Councilperson Schleining stated we should be able to add a penalty to our Code. Tonya's second request was to have a handicapped parking spot on 6th Street. Councilperson Schleining mentioned that would increase the drainage issues which the City cannot address at this time due to funding. Rex discussed the requirements for handicapped parking spots and there really isn't any except for parking lots. Discussion was held on the need to have some available for the public and the placement of those such as in the middle of the street or at the alleyway. Tonya's third discussion was regarding vagrants and the City should not allow these. Deputy Booker stated that he had talked to one individual who was passing through but needed to get money out of bank; he moved on. And Tonya's fourth request, which is annually, is to move the vendors off of north 6th Street. She also stated that there were two vendors selling jewelry which is in competition with them. Rex discussed the Cruisin Committee's discussion to possibly extend to Washington Street with additional space, maybe music, and maybe having beer available. Cherish stated the vendors would not be back if it was moved off of 6th Street; there were food vendors this year but it didn't hurt her business. Cherish also mentioned that previously, just about all the downtown businesses wanted the vendors to stay. The Mayor thanked Tonya for coming and for her comments.

FIRST READING ORDINANCE #667 – 2010 APPROPRIATIONS

The Mayor stated that he would like to re-institute the funding for the Resource Officer since the County and the School has already adopted their budgets for the following year. Sheriff Wheeler discussed the misunderstanding that the additional funding for the Resource Officer would only be temporary; he thought this was long term for a valuable position; if one part leaves, then the position is gone. Deputy Booker discussed that 80% of his time is spent in Custer City addressing assaults, vandalism, and so on. Councilperson Murphey discussed the city taxpayers paying more than county residents and he understands that more happens here but in order to fund this, what else is less important? What do we cut? States Attorney, Tracy Kelley, discussed living in the City and that she fully understands that she will be paying more taxes for our services. Having the Resource Officer at the School is helping out a lot, a huge benefit, and that there is a lot of time spent just in Custer City; we don't want to go backwards. Councilperson Starr stated that he felt the position was very much needed; the kids are different now. But, he does agree with Councilperson Murphey and the double and triple taxation. Councilperson Schleining stated that the timing is bad and maybe we could fund it this year but in the future, the other entities need to absorb this in their budgets. Deputy Booker stated that he is also looking for grant opportunities and there are some possibilities. Councilperson Starr wondered if, say we close the pool, what impact would that have on Deputy Booker. Deputy Booker stated that if one thing goes away, then an alternative needs to be provided because we don't want board kids. He would also like to have a summer program with various activities to help the kids. Councilperson Reetz moved to add back in the \$18,000. Councilperson Schleining stated if he would amend his motion to also state the Mayor/Council Contingency line item would be cut by \$18,000, then she would second that motion. Councilperson Reetz so moved. The motion unanimously carried. Council discussion was held on the School Nurse and who funds that position; whether other schools fund their resource officers; needing statistics showing the success rate and reduction in delinquent juveniles; and the Mayor sending a letter to Dr. Creal stating this funding is for this year only.

Councilperson Schleining moved, with a second by Councilperson Murphey, to approve the first reading of Ordinance #667 as amended. Councilperson Starr discussed whether or not to have the Liquor Fund budget. Christine discussed that budgets are only estimations, pictures, for the next year. When changes happen, then the budgets would be addressed accordingly; adopting this now, is showing the full picture with nothing changed. Councilperson Starr wanted to know if the Council was clear on the amounts transferred; clear that there were no more cuts; and that operations and maintenance were based on taxable income; all stated yes. Councilperson Schleining stated that the reserves were used for one time special projects; all stated yes. The motion carried with Councilperson Schleining, Murphey, Ressler, and Pischke voting yes. Councilperson Reetz and Starr voted no.

MONTHLY REPORTS

The Council received the monthly Hospital Board Report with discussion on the new expenses for Hot Springs which there will be clarification of where those will be shown. Councilperson Reetz stated that he would still like to invite Dr. Joy Falkenburg to talk to the Council about how the Sales Tax Subsidy could be better spent. With concurrence of the Council, the Mayor will invite Dr. Joy through Hospital Administrator, Jason Petik.

The Council received and acknowledged the Sheriff's August monthly report.

FINAL PLAT – SAXTON SUBDIVISION

Rex stated this plat is for a lot line adjustment after the house was moved from the west side to the east side; Tract Stoddard would be for the house and Revised Tract B2 would probably be sold. Also, the Planning Commission has approved this plat. Councilperson Murphey moved, with a second by Councilperson Pischke, to approve this plat. Discussion was held on the access/utility easement shown on the left side of plat; no problems with access. The motion unanimously carried.

DISCUSSION ITEMS

Councilperson Reetz wondered if the agenda could be out on Thursday in case there were additions. After some discussion, the agenda will be emailed to the Council on Thursday by 4 p.m. and if there are any changes or additions, they need to be submitted to Christine by 10 a.m. on Friday.

CLAIMS

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

Mayor & Council, Wages, \$4250
Community Development, Wages, \$4170.16
Finance Dept., Wages, \$9532.12
Public Works Dept., Wages, \$6014.48
Street Dept., Wages, \$5578.66
Parks Dept., Wages, \$12450.84
Liquor Fund, Wages, \$3569.94
Water Fund, Wages, \$5534.51
Wastewater Fund, Wages, \$3533.46
5280 Consulting, Professional Fees, \$6000
Advanced Drug Testing, Professional Fees, \$52
AFLAC, Insurance, \$471.88
AGS Publishing, Publishing, \$200
American Linen, Repair & Maint., \$391.54
American Water Works Assoc., Travel & Conference, \$295
Beesley Law Office, Professional Fees, \$3391.85
BH Council of Local Gov't, Professional Fees, \$7500
BH Power, Utilities, \$2441.98
BH Power Equipment, Repair & Maint., \$39.99
Bonnie Moore, Professional Fees, \$120
Buckhorn Surveying, Professional Fees, \$1800
Bud Beadles, Professional Fees, \$185
Cask & Cork, Supplies, \$99
Castle Cleaning, Repair & Maint., \$880
Century Business, Supplies, \$140.05
Cheryl Hadlock, Professional Fees, \$3690.83
CNA Surety, Insurance, \$636.50
Coca Cola Bottling, Supplies, \$503.50
Colleen Hennessy, Professional Fees, \$27.50
Culligan Water, Repair & Maint., \$39.70
Custer Chronicle, Publishing, \$505.36
Custer Do It Best, Supplies, \$159.97
Custer Regional Medical, Supplies, \$20
Custer True Value, Supplies, \$815.80
Dakota Supply Group, Supplies, Repair & Maint., \$2313.17
Dakotacare, Insurance, \$7312.22
Dave Moore, Professional Fees, \$160
Denny Johnson, Professional Fees, \$95
Energy Laboratories, Testing Fees, \$569.34
Enviromaster, Supplies, \$22
Express Collections, Small Claims Fees, \$17.84
Fastenal, Supplies, \$14.44

First Western Bank, TIF Payment \$1401.14
First Western Insurance, Insurance, \$28
Fred Bauman, Professional Fees, \$230
Golden West Companies, Utilities, \$886.86
Golden West Technologies, Professional Fees, \$140
Hach Company, Supplies, \$414.79
Hartman Construction Repair & Maint., \$180
Hawkins Chemical, Supplies, \$6435.20
Hespen Excavating, Hard Paving Project, \$17265
Hills Material, Supplies, \$3393.39
Hillyard, Supplies, \$76
Jim Frank, Professional Fees, \$90
Scott Kellogg, Reimbursement, \$114
L&A Welding, Supplies, \$20
Lawrence & Schiller, Publishing, \$2755.53
Lexisnexis Matthew Bender, Books, \$57.47
Lynn Moran, Professional Fees, \$150
McGas Propane, Utilities, Prepaid, \$25808.83
Menards, Supplies, \$159
Mobridge Candy, Supplies, \$34
Ness Stump Grinding, Repair & Maint., \$175
Newman Traffic Signs, Supplies, \$1691.50
Okoboji Wines, Supplies, \$64.50
Petty Cash, Supplies, Travel & Conference, Licenses, \$600.24
Pitney Bowes, SUPPLIES, \$117
Prairie Berry, Supplies, \$396
Quill Corporation, Supplies, \$367.27
Rapid City Journal, Publishing, \$129.60
Rapid City YMCA, Memberships, \$141
Rapid Delivery, Repair & Maint., \$44
Chris Redden, Reimbursement, \$154
Republic National, Supplies, \$2153.91
RHS, Inc., Supplies, \$800
S&B Motor Parts, Supplies, \$364.04
Sander Sanitation, Utilities, \$3595
SD Dept. of Revenue, Supplies, \$13
SD Municipal League, Travel & Conference, \$265
Sign & Trophy, Supplies, \$28
Harold Stickney, Travel & Conference, \$34.04
Olson Design, Professional Fees, \$765
Tatiana's Import Beverage, Supplies, \$78.85
VFW, Professional Fees, \$100
Wright Express, Supplies, \$968.86
Wyss Assoc., Inc., Professional Fees, \$4221.70
Geney Ziolkowski, Animal Contract, \$862
Phyllis Gies, Refund, \$650
Alltel, Utilities, \$512.11
American Linen, Repair & Maint., \$283.60
BH Power, Utilities, \$14086.01
Custer True Value, Supplies, \$612.25
Newsletter Journal, Publishing, \$86.40
Pitney Bowes, Supplies, \$500
Rapid City Telco, Travel & Conference, Supplies, \$338.45
SD Dept. of Revenue, Fees, \$14
Century 21 Trust, Land Purchase, \$1000
SD Water Wastewater, Travel & Conference, \$60
Shawn Dargie, Deposit Refund, \$26.59
Rhonda VanWinkle, Deposit Refund, \$50
Kathryn Keil, Deposit Refund, \$50
Jalar Property, LLS, Deposit Refund, \$100
Sandy Conrad, Deposit Refund, \$10.66

Brenden Hendrickson, Deposit Refund, \$8
Carol Hatathlie, Deposit Refund, \$53.10
Credit Collections, \$303.75
Delta Dental, \$584.80
Federal Withholding, \$6772.13
FICA,\$9599.13
Medicare, \$2248.98
SD Retirement, \$9233.48
Total Claims \$220,497.79

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:27 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor