

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
FEBRUARY 3rd, 2009**

Mayor Harold D. Stickney called to order the first 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, Starr, Schleining, Pischke, and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

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

MINUTES

Councilperson Sutton moved, with a second by Councilperson Schleining, to approve the minutes from the January 20th, 2009 regular meeting. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts were stated.

DEPARTMENT HEAD MEETING

Bob Morrison, Public Works Director, discussed the progress on the Well Head Protection District in conjunction with the County. There will be a meeting next Wednesday at 8 a.m. with the Rural Water Association whom has ground water specialists; they have helped other counties. It is very important to have both the City and County personnel listen to their presentation; anyone else interest is welcome to come also. One other item, we are getting design proposals for the Wastewater Treatment Plant bridge, storm drainage along Montgomery Street, and wastewater collection. This will also involve obtaining State grant money as well as getting on the State Water Plan. Councilperson Pischke wondered about Pageant Hill cleanup which Bob stated they have been looking at the dilapidated structure; they want to get pictures and it was suggested to get GPS points. Also, there has been some discussion on the rock pillars, but they don't seem to be in the way. Originally, the stone pillars where to keep the cars from parking any closer to the Pageant area. Bob will also contact Sandy at the Museum. Councilperson Pischke also wondered about the pool house improvements which it was stated that is already on the list for spring or as weather permits. Councilperson Starr wondered about a storage house at Gates Park for the field equipment. Bob stated that at one point, the Long Term Recreation Committee had discussed a concession stand, which would also provide storage but he will check into some options.

Rex Harris, Community Development Director, stated that the 3 Mile Limit Committee is looking at possible joint jurisdiction and they do have meeting set for this month. The Project Plan for TIF #4 has been submitted to Toby Morris, TIF Financing. After that it will go to Blaise Emerson, BHCLG, and then we should have a draft for the Council's review at the Retreat. Discussion was held on BHCLG, what they provide, the dues paid, and extra projects paid for over and above the dues. Councilperson Pischke wondered the status of the Liquor Store project which Rex stated we will be requesting approval for the electrical design and then we should be able to go to bid because the structural plans are in.

SHERIFF'S REPORT

Sheriff Wheeler met with the Council and discussed the codes which are used for the monthly report. He reviewed the specific animal control calls for the month of January with 80% being deer incidents; Rex stated that the City Crew has picked up 33 since the end of October. Councilperson Reetz wondered how the Deer Management Program is which Rex stated that 132 deer were removed with two cases of CWD and one case of another virus which is highly contagious. The Council received, reviewed, and acknowledged the Sheriff's Report for January 2009. The Sheriff stated that if there are questions, changes, or concerns, be sure to call him. The Mayor thanked the Sheriff for attending and explaining everything.

LIQUOR LICENSE APPLICATION & OPERATING AGREEMENT

The Council received and reviewed the liquor license application for Frontier Photo for the SD Wine & Malt Beverage License which is new since last year. Councilperson Murphey moved to approve the application and operating agreement. Seconded by Councilperson Schleining, the motion unanimously carried.

SECOND READING ORDINANCE #661 – SOLID WASTE FEES

Discussion was held on the reasons for the increase, the surcharge, cleanup day, and what other cities are paying. Discussion was also held on having two sizes of containers and Tim Sander stated that this could be an option; in fact, Rapid City has three different sizes. Councilperson Schleining moved to approve Ordinance #661. Seconded by Councilperson Sutton, the motion carried with Councilperson Sutton, Pischke, Murphey, Schleining, Starr, and Reetz voting yes.

HELEN FLORA – SALARIES

Helen Flora met with the Council to discuss the 4% COLA increase they granted earlier this year. Helen stated people are having problems with paying the basics and the City is also in a bind; the Mayor and Council should have a budget at the lowest possible number. She mentioned that Rapid City Regional and the State are not giving raises and she is upset about the administration getting 7% increases with their benefit package. Last year the employees received a 4.5% increase. She discussed the ten paid holidays, sick leave, vacation time, and the salary packages. Helen stated that the average salary here in Custer is \$31,654. The sales tax was down in December by 5.5%. Custer is classified as

a 2nd Class City due to their population and gave a list of raises for other 2nd Class Cities in the Hills; Belle 4%, Hot Springs \$900 per employee, Hill City 3%, Lead 3%, and Deadwood was \$3000 each. She has had several visits since her letter was in the paper and now she would like to set out the goals they have set; first, freeze all payrolls back to 2008; second, freeze all taxes; third, cut all expenses to the bare minimum; and fourth, stop all projects until costs are explored. Investments are down right now and the Council could reduce property tax by using the invested money. Helen pleaded with the Council to approve the six items tonight or at least discuss these items. Councilperson Murphey stated that they looked at percentages and all the hourly employees were under paid. The Mayor stated that he inherited an administrator, which as it turned out, was not doing his job; so he was fired and then they took \$15,000 of his salary, spread it among the three department heads, and now the City is running much better. In essence, \$35,000 was saved. Helen stated the people may be worth it but we can't afford it. Councilperson Sutton stated that when he was on the Council before, the idea was to keep all wages at a minimum; that was not good and he is proud of what we're doing now; we can't go backwards. Helen stated that she is concerned about the whole budget; others are outraged; some are scared about losing their homes; and people are overpaid for the recession. Councilperson Starr stated that the sales tax has increased over the past years. Helen stated that was the past and she is talking about the future. Scotty Terrall stated that when items are being compared, they need to be made apples to apples and oranges to oranges. Helen's final statement was that the Leadership should have a budget to lower taxes, not increase them. Clarification was made that last year's COLA was 4.5%; this year's COLA is 4%; not the 7% stated earlier. The Mayor thanked Helen for coming and expressing her concerns.

AWNINGS – FIRE CODE

The Mayor stated that since this item was previously acted upon, it would be deferred to a future meeting when Attorney Beesley, Rex, and Tim Behlings have made a recommendation to the Council. He also mentioned that the files had been checked but no building permits were ever issued; the 1923 Ordinance Book does reflect the code that we presently have. Councilperson Reetz stated that he had requested this item be on the agenda because the people want to know what action the Council would take. Councilperson Reetz also questioned being in violation of the code because he didn't feel the awnings were structures. Rex stated that they have columns, beams, and they are made of wood; that makes them in violation of the Code. Councilperson Reetz stated the Code was revised in 1995 which Rex stated only a portion was revised; not the whole thing. This portion is the same in the 1950 edition and the 1923 edition. Attorney Beesley stated that the Council passed a change; no arguments; the Council stated they would stay; there will be changes to keep the awnings. There doesn't seem to be a lot of modifications needed but we haven't had time to put the changes together. Councilperson Reetz felt that the City Council should quit jacking the business people around. Several agreed that the Council had not been doing that. Attorney Beesley stated that future councils or future DOT personnel could change the decision but at this point, this Council is allowing the awnings to stay. Bret Shanklin wondered about repairs which Attorney Beesley stated that is allowed. Mike Nielsen questioned the Fire District which was explained that it goes from 4th Street through 7th Street. Rex stated the point of the Fire Code is to minimize fire spreading to the whole block. Gaile Walker stated that it seems like someone is stirring the pot; at the last Council meeting they said the awnings are staying, the Fire Code will be fixed, but now it's come up again; who told you they couldn't stay? Councilperson Starr stated that the Lawyer, the Fire Marshal, and Rex will work on this and it will be brought back and the public will be informed of the changes.

BH PLAYHOUSE – DONATION REQUEST

The Mayor requested that this item be forwarded to the Retreat Agenda so the Council could consider this in the donation policy. Attorney Beesley stated that the Retreat is where the Council has the opportunity to discuss future planning and projects. Scotty stated that he is against private organizations receiving taxpayer's money; that takes away a person's choice as to who to donate to. It's not the Council's responsibility to give away money and by the City and County donating to these organizations, the taxpayer is hit twice. Scotty said the YMCA is different because that's part of the City and contracted. The Mayor thanked Scotty for his view point. Councilperson Murphey stated that at the Retreat they will discuss the donation policy.

PRELIMINARY & FINAL PLAT

Rex submitted the Preliminary and Final Plat for Ron Bradeen for the property described as Hersberg Subdivision, Plat of Lots 1 & 2 of Hersberg Subdivision of Tract Hersberg, Located in Section 26, T3S, R4E, BHM, City of Custer, Custer County, South Dakota. All stipulations have been met and the Planning Commission recommends approval for this lot line adjustment to guarantee access. Councilperson Sutton moved to approve this plat. Seconded by Councilperson Pischke, the motion unanimously carried.

MONTHLY REPORTS

The Council received, reviewed, and acknowledged the January Hospital Board monthly report. An overview of the report was given and the Council wondered about the Clinic Financials which will be coming.

2008 AUDIT PROPOSAL – INDEPENDENT AUDIT SERVICES

The proposal for the 2008 Audit was requested to be tabled until the next meeting since there is another proposal coming in.

FENNEL DESIGN – ELECTRICAL DESIGN

Rex presented the estimate for the electrical design from Fennel Design in the amount not to exceed \$3500 which is a very good price. The present electrical design is not adequate so therefore we need to move ahead with this

item. Councilperson Reetz wondered about bidding this out which Rex stated due to the timing, we need to move forward. Councilperson Reetz stated he is not supporting the liquor store as the timing may not be good. Discussion was held on the Community previously stating that they wanted the City to keep the Municipal Liquor Store and not get out of the business. Councilperson Pischke moved to approve this design for \$3500. Seconded by Councilperson Murphey, the motion unanimously carried. Councilperson Sutton stated that he is in favor of the Liquor Store project and he and Councilperson Murphey want the Store done.

CLAIMS

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

2008 Claims:

Kadrmass, Lee, & Jackson, Professional Fees, \$17568.01

20009 Claims:

Alltel, Utilities, \$552.95

American Public Works, Travel & Conference, \$40

BH Council of Local Gov't, Professional Fees, \$1800

BH Power & Light, Utilities, \$990.48

Butler Machinery Company, Repair & Maint., \$52.62

Castle Cleaning, Repair & Maint., \$450

Culligan Water, Repair & Maint., \$17.50

Custer Business Solutions, Supplies, \$35

Custer Chronicle, Publishing, \$397.63

Custer Do It Best, Supplies, \$341.65

Dakotacare, Health Insurance, \$6276.74

DLT Solutions, GIS Software, \$565.27

Enviromaster, Supplies, \$22

John Gilliland, Reimbursement, \$75

Golden West Companies, Utilities, \$728.69

Guys With Knives, Professional Fees, \$875

HD Supply, Repair & Maint., \$1147.86

Jim Dandy Snack, Supplies, \$57

Scott Kellogg, Reimbursement, \$185

Mannatec, Supplies, \$605.73

Michael Todd, Supplies, \$373.27

Nelson's Oil & Gas, Supplies, \$921.60

Okoboji Wines, Supplies, \$92.75

Petty Cash, Travel & Conference, Supplies, Fees, \$122.42

Pitney Bowes, Supplies, \$208.48

Quill Corporation, Supplies, \$28.67

Rapid City YMCA, Memberships, \$220

Rosane Construction, Other, \$1200

SD Dept of Revenue, Supplies, \$34

SD Water & Wastewater Assoc., Travel & Conference, \$90

Harold Stickney, Travel & Conference, \$37

Tatiana's Import Beverages, Supplies, \$98.50

Terry Reetz, Travel & Conference, \$254.33

USA Blue Book, Safety Equipment, \$123.16

Western Wholesale, Supplies, \$5127.41

Geney Ziolkowski, Animal Contract, \$657

Total Claims \$42,372.72

EXECUTIVE SESSION

Councilperson Schleining moved to go into and out of an executive session at 7:33 p.m. due to potential litigation. Seconded by Councilperson Starr, the motion unanimously carried. The session adjourned at 7:47 p.m. with no action taken.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 7:48 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor