

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
MAY 4TH, 2009**

Mayor Harold D. Stickney called to order the first regular meeting of the Common Council for the month of May, 2009 at 5:33 p.m. Present at roll call were Councilpersons Sutton, Reetz, Murphey, Pischke, Starr, Chris Beesley, City Attorney, Bob Morrison, Public Works Director, Rex Harris, Community Development Director, and Christine Redden, Finance Officer. The Pledge of Allegiance was stated.

AGENDA

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

MINUTES

Councilperson Starr moved, with a second by Councilperson Murphey, to approve the minutes from the April 20th, 2009 Regular meeting and the April 27th, 2009 Special Meeting. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts were stated.

OATH OF OFFICE/COUNCIL ELECTION/COMMITTEE ASSIGNMENTS

Mayor Harold Stickney and Councilpersons Murphey and Starr took their Oath of Office for their next two year term.

Councilperson Sutton nominated Councilperson Murphey as President with a second by Councilperson Starr. Councilperson Reetz nominated Councilperson Starr as President but had no second. Councilperson Pischke moved to cast a unanimous ballot for Councilperson Murphey. Seconded by Councilperson Sutton, the motion unanimously carried. Councilperson Murphey moved to nominate Councilperson Starr as Vice President with a second by Councilperson Pischke. Councilperson Sutton moved to close nominations and cast a unanimous ballot for Councilperson Starr. Seconded by Councilperson Pischke, the motion unanimously carried.

2009 COUNCIL COMMITTEES

The Mayor appointed as the City Attorney, Chris Beesley, and Virgil Kock to the Custer Cruisin Committee with concurrence of the Council. The following are the 2009 Committees and Representatives:

Public Works - Harold Stickney, Mayor, Duane Murphey, Chair, Terry Reetz, Lee Sutton, Bob Morrison, Rex Harris, Karen Schleining-Alternate Includes: Street, Public Buildings, Planning Commission, Parks, Recreation, ADA, Water, Wastewater, and Solid Waste

General Gov't- Harold Stickney, Mayor, Karen Schleining, Chair, Steve Pischke, Ed Starr, Christine Redden, Rex Harris, Duane Murphey –Alternate Includes: Finance, Legal, Sheriff, Public Safety, Animal Control, Liquor, Personnel, Chamber of Commerce, Medical

Custer Cruisin Committee – Paul LeClair, Ralph Roeck, Marlin Krousch, Diana Carson, Pam Bilbruck, Virgil Kock, Rex Harris, and Mayor Harold Stickney.

BH Council Reps - Harold Stickney, Rex Harris

Chamber Liaison - Terry Reetz

Hospital Liaison - Christine Redden

Planning Liaison - Duane Murphey

Waste Management - Harold Stickney

YMCA Rep - Bob Morrison

Emergency Service - Harold Stickney, Bob Morrison, Rex Harris

Economic Development & Co. Housing - Steve Pischke

BHRC&D Committee - Christine Redden

1881 Museum Board - Karen Schleining

Custer Area Transportation - Christine Redden

Custer Golf Course Board - Steve Pischke

DEPARTMENT HEAD MEETING

Bob discussed the Community Garden Project with the very enthusiastic members forming a Committee which will set the bylaws and regulations. Bob gave them the minimum requirements from the City and the rest will be up to them. We have about 40 interested parties and 36 plots but working on an additional 8. The crew will use the grader to remove the sod and flatten the area. Bob also mentioned that the Way Park Bathroom project has the concrete poured, the trusses ordered, and the electrician and plumber are lined up.

Rex discussed the County Communications Board meeting last week with one issue being their dispatcher wages being low for the average and they are in need of equipment upgrades also; however, the problem is money. They are looking at doing a wage survey similar to ours and Rex stated that we would be happy to help out. Discussion was held on the 3 Mile Limit calls which are not ours, call splits between city and county, and the County having enhanced 911 which most other counties do not have at this time.

Rex then discussed the BH Vision Board Meeting last week with the Group being alive and well. One change will be that BHCLG, Blaise Emerson, will become the Executive Director. Mike Derby will be the Chairperson. They approved two requests with one coming from Rapid City Regional to hire two and a half people

to search for grants for the staff of nine in the Research and Development Division. The second was a business incubator in Spearfish at BHSU. Rex mentioned that the Mayor is held in the highest regards with this group. The Mayor also mentioned that in the future, Custer could look at having a southern hills incubator.

Councilperson Reetz wondered about the status of the Awnings and revision of the Municipal Code. Rex stated that we are waiting on Tim Behlings, Fire Marshall, so that have his expertise. Councilperson Reetz requested Tim's attendance at the next Council meeting. Councilperson Reetz then questioned the status of the 3 Mile Limit discussions with the County and if the Council could see the letter from the States Attorney. Rex stated they have not seen one yet. Rex also stated that we had submitted a proposal to the County, then they developed something else, but we haven't heard anything now. The Commissioners have seen their portion but they are waiting for the group and the Council to review. Attorney Beesley stated that the Council will have it after the Committee has seen it and then Planning Commission. Councilperson Murphey stated that it's still at staff level for now.

BLAISE EMERSON/TOBY MORRIS - TIF #4 FINANCING

Blaise Emerson, BHCLG, discussed financing for TIF #4 with the local banks, First Western and Dakota Bank. The credit is tighter now than a year ago so it has been harder to obtain that credit. Toby Morris, Northland Securities, discussed the financing since this is his specialty and he is trying to maximize the dollars. The most we can do at this time is \$900,000. There are many factors that affect the TIF values which were taken into account. But, future wise, there could be additional dollars if more development occurs within the District such as the sale of the Forest Service land. If that happens, we could be looking at re-financing a year from now or two, to gain additional dollars. Also, once we have a TIF payment history, the re-financing could be easier. Toby stated the time line will probably work with the Council reviewing the term sheets, adopting the financing Resolution at the next meeting, have the Project Plan hearing and adoption by July at the latest. We are also applying for a DOT Enhancement Grant which could be as much as \$250,000 and that could enhance the spending for the TIF District. Discussion was held on Council authority which Toby stated that Blaise identifies the legal categories, Toby delivers the money, and Council sets the policy which is how the money is spent. Toby discussed the 1.2 coverage which translates into, for every dollar you can use 80¢. The various interest rates were discussed and stated that 5% is good. Councilperson Starr wondered if we could see a rough draft of the Project Plan prior to the public hearing or adoption. The Mayor thanked them for coming and requested the Councils review of all the information so action can be taken on the Resolution at the next meeting.

SECOND READING ORDINANCE #663 – SUPPLEMENTAL APPROPRIATIONS FOR 2009

The Council received the Supplemental Appropriations Ordinance for 2009 due to moving the Custer Cruisin budget to the General Fund and the previously approved equipment for the Sewer Fund coming in this year instead of last year. Councilperson Starr moved, with a second by Councilperson Murphey, to approve Ordinance #663. The motion unanimously carried with Councilperson Sutton, Pischke, Murphey, Starr, and Reetz voting yes.

SECOND READING ORDINANCE #664 – CITY CEMETERY

The Council received Ordinance #664 amending the City Cemetery Ordinance since the City is the caretaker and not the Cemetery Board that was dissolved several years ago. It also adds the ability to sell lots that are not claimed by any member of the original owner's family after a period of thirty years. Councilperson Murphey moved to approve Ordinance #664. Seconded by Councilperson Sutton, the motion carried with Councilperson Pischke, Murphey, Starr, Reetz, and Sutton voting yes.

RESOLUTION #05-04-09A – DOT GRANT

Rex submitted the Resolution regarding the application for the DOT Transportation Enhancement Grant which could be up to \$250,000. This could possibly be used in conjunction with TIF #4, although it could be used elsewhere as the Council decides. Councilperson Sutton was concerned that the Resolution didn't spell out exactly what it was intended for and felt that it was sneaky. Discussion was held on the application deadline of Friday, the three months it takes to hear back, and that Council would then decide where it goes. Councilperson Starr moved, with a second by Councilperson Murphey, to adopt Resolution #05-04-09A. Discussion was held on the process of the grant and that this is stimulus money so it may be handled differently than in the past. The motion carried. Councilperson Sutton voted no.

CUSTER CITY

DOT TRANSPORTATION ENHANCEMENT STIMULUS GRANT

APPLICATION RESOLUTION

RESOLUTION NUMBER 05-04-09A

WHEREAS, Custer City has identified a need to make improvements on Mt Rushmore Road and Fifth Street to better accommodate traffic and ensure the safety of pedestrians; and,

WHEREAS, the project will be referred to as the Custer City Mount Rushmore Road Enhancement Project; and,

WHEREAS, Custer City is eligible for federal assistance for the proposed project through the State of South Dakota's Transportation Enhancement Program and intends to apply for transportation enhancement funding to accomplish this project; and,

WHEREAS, with submission of this Transportation Enhancement Project application, Custer City assures and certifies that all program requirements will be fulfilled; and,

WHEREAS, Custer City accepts the responsibility for maintenance of the project, as outlined in the application;

THEREFORE, BE IT RESOLVED that the Mayor of Custer City endorses and supports this project.

BE IT FURTHER RESOLVED, that the Mayor of Custer City be authorized to execute the Transportation Enhancement application and any and all amendments thereto and execute any and all contract documents pertaining to the Mount Rushmore Road Enhancement Project.

Dated this 4th day of May, 2009.

s/Harold Stickney, Mayor

RESOLUTION #05-04-09B - YMCA

The Council received this back from the General Government Committee with the revisions and clarifications regarding activities that will be deemed by the Council. Councilperson Murphey, with a seconded by Councilperson Pischke, moved to adopt Resolution #05-04-09B. Councilperson Reetz wondered about additional signatures but Attorney Beesley stated the wording coincides with the Joint Use Agreement. The motion unanimously carried.

RESOLUTION NO. 05-04-09B

WHEREAS, the Custer City Council recognizes the need to have recreational programs available for the Custer Community; and

WHEREAS, the Custer City Council has established by contract the Custer YMCA, a part of the Rapid City YMCA, as a recreational arm of the City; and

WHEREAS, the Custer YMCA will require and verify the liability insurance certificate for all entities other than the Custer School District on Custer City properties and in accordance with the Joint Use Agreement established with the Custer School District as established by the attached Exhibit "A".

NOW, THEREFORE BE IT RESOLVED the Custer City Council desires the Custer YMCA to oversee, and coordinate those Custer City recreational programs that have been delegated to them to oversee for the Custer Community.

Dated this 4th day of May, 2009

s/Harold D. Stickney, Mayor

DISC GOLF CONCRETE PROPOSALS - AWARD

Rex discussed contacting all the concrete companies in the Custer area and these are the only ones to submit a proposal for the disc golf concrete pad project which is as follows: Jenniges Masonry - \$8590; K2 Masonry - \$9710.87; and Mile High Masonry & Concrete - \$17900. This project is under the bid limit and we could keep it local by requesting proposals. Councilperson Murphey wondered about the Y taking over the tournament scheduling. Rex stated the course should be completed by June 1st barring any weather complications. Councilperson Sutton moved to approve Jenniges Masonry. Seconded by Councilperson Reetz, the motion unanimously carried.

FIRE CADETS REQUEST FOR DANCE

The Fire Cadets submitted a request to have a Middle School Dance at the Tennis Courts as a fundraiser on May 28th from 6 to 9 p.m. They have their own sound system, chaperones, and snacks and soft drinks. Bob stated the power should be fine and since they have chaperones, there's no problem. Councilperson Murphey moved to approve this request. Seconded by Councilperson Starr, the motion unanimously carried.

MONTHLY REPORTS

The Council received, reviewed, and acknowledged the Hospital Board Monthly Report for April. Councilperson Starr mentioned that Custer Regional has hired a Customer Service Representative so there should be some issues that are resolved.

The Sheriff's written report was received, reviewed, and acknowledged by the Council.

STATE WORK PROGRAM

The Council received information regarding the State Work Program which involves stimulus money to get people working and is targeted at the 19 to 24 year olds. We were contacted by Job Service for an individual who qualifies for this program. The State covers all wages, taxes, workmen's comp, and liability. We just need to show what type of training the individual could learn on this job. Councilperson Sutton moved to participate in this Program. Seconded by Councilperson Pischke, the motion unanimously carried.

DISCUSSION ITEMS

Councilperson Murphey mentioned that Councilperson Schleining was receiving the Zonta Yellow Rose Award which is for the outstanding woman who handles both personal life and professional life with ease. Congratulations.

Various items were discussed as follows:

Update on the fishing dock – waiting on Rotary – Rotary waiting on City – Bob will contact them regarding the rock hauling.

Comp Plan presentation at the Senior Center May 12th – Anyone interested can join and Ed would like a Planning Commission member to attend – Councilperson Murphey volunteered.

The Recycling Bins have been working but smaller bins would be easier so Sander's will be replacing those. Also, several people would like to have smaller recycling bins downtown – let's look at the cost and budget for those.

Animal Control Facility – Rex stated Dave Hazeltine, Commissioner Rep, has postponed the meeting regarding possible placement on County property. The process seemed to have slowed after the attendance of several people at the Commissioners meeting. Discussion was held on Geney not taking cats in the past and that there would be more opportunity for other people to have the contract if the City had their own facility.

Coffin Pit Property – Rex stated that the plat will be going to the Planning Commission which is required before we surplus or transfer property.

Bridge Replacement – Bob stated that we have proposals coming in but the replacement would work better in the fall and winter due to less water.

Pot Holes – Bob stated that we have already used two palettes of patching material trying to get us through until the cold mix is available which it is now. The intersection of 8th and Crook needs to be rebuilt and this is probably the worst one right now. Councilperson Starr stated that we should let the public know that we are working on it and haven't just been ignoring them. Along with pot holes is street sweeping – do we have a schedule and if not we need to look one.

Parking Spots and Striping – Bob stated that is weather dependent because we need to have it warm and dry. Councilperson Starr would like to see this done as soon as possible since they have faded badly. Discussion was held on turn lanes and how much is allocated to them. Councilperson Reetz wondered about handicapped parking spots and that the ones now do not comply. Bob stated he thought they would meet specs because DOT is the one who put them in. Bob also stated that if we look at doing more spots then we also have to look at ramping.

Councilperson Starr wondered about the status of moving the bulk water sales which Bob stated that he hasn't pushed that since we're waiting to see what happens with the Liquor Store property.

Councilperson Sutton commented that he was told by quite a few people that they were impressed with our City Crew and that we had a great Clean-Up Program but they would like to see this more often.

Councilperson Pischke mentioned that the County has a smaller blade that would attach to truck which may be usable in the alleyways. Bob stated that he has a proposal that is going to Public Works Committee which would involve a blade attachment for a skid steer. This would be less in cost than a small blade and more versatile for other projects too.

CLAIMS

Councilperson Sutton moved, with a seconded by Councilperson Pischke, to approve the claims. Discussion was held on the publication expenses which are for the Liquor Store and Fennel Design Contract which is finalizing the bidding expenses. The motion unanimously carried.

Mayor & Council, Wages, \$4200
Community Development, Wages, \$3970.16
Finance Dept., Wages, \$9988.53
Public Works Dept., Wages, \$6957.20
Street Dept., Wages, \$6339.58
Parks Dept., Wages, \$12954.42
Liquor Fund, Wages, \$3993.82
Water Fund, Wages, \$5435.43
Wastewater Fund, Wages, \$4429.83
1881 Courthouse Museum, District 9, \$710
Advanced Drug Testing, Testing, \$36
AFLAC, Insurance, \$471.88
Alltel, Utilities, \$504.73
American Linen, Repair & Maint., \$280.43
Beesley Law, Professional Fees, \$3490
BH Badlands & Lake, BID District Publishing, \$1549
BH Power, Utilities, \$1385.91
Border States, Repair & Maint., \$50.05
Castle Cleaning, Repair & Maint., \$450
Century Business, Supplies, \$84.3
Culligan Water, Repair & Maint., \$17.50
Custer Car Wash, Supplies, \$34
Custer Chronicle, Publishing, \$1977.81
Custer Do It Best, Repair & Maint., \$108.13
Eagle Sales, Supplies, \$6306.82
Enviromaster, Supplies, \$22
Environmental Equipment, Repair & Maint., \$558.22
Fastenal, Repair & Maint., \$345.61
Fennel Design, Engineering, \$2780
FourFront Design, Professional Fees, \$4000
Golden West, Utilities, \$742.81
Governmental FO Assoc., Travel & Conference, \$284
Rex Harris, Travel & Conference, \$88.30
Harvey's Lock, Repair & Maint., \$33.39
Hawkins Chemical, Supplies, \$5831.57
HD Supply, Repair & Maint., \$689.39
Jenny's Floral, Supplies, \$133.45
Scott Kellogg, Reimbursement, \$153
Kimball Midwest, Supplies, \$438.77
Lawrence & Schiller, BID District Publishing, \$65905.83

Lynn Moran, Professional Fees, \$225
North American Directory, Publishing, \$250
Northern Balance & Scale, Repair & Maint., \$270.34
Pitney Bowes, Supplies, \$500
Prairie Berry, Supplies, \$750
Quill Corporation, Supplies, \$182.89
Rapid City YMCA, Memberships, \$141
Rapid Delivery, Professional Fees, \$8
Chris Redden, Reimbursement, \$75
Republic National Distributing, Supplies, \$5210.96
SD Human Resources, Travel & Conference, \$25
Tatiana's Beverages, Supplies, \$32
The Ice House, Supplies, \$107.50
Universal Publications, Publishing, \$162.50
WEAVE, 2009 Subsidy, \$5000
Geney Ziolkowski, Animal Contract, \$694
Hartman Construction, Way Park Bathroom, \$10710
Child Support Payment Center, \$315.52
Credit Collections, \$202.50
Delta Dental Insurance, \$584.80
Federal Withholding, \$5266.45
FICA, \$7037.65
Medicare, \$1645.93
SD Retirement, \$6654.63
Paul Amundson, Deposit Refund, \$325.98
David Halverson, Deposit Refund, \$50
Linda Deveny, Deposit Refund, \$50
Zack Derr, Deposit Refund, \$50
Jamie Genovese, Deposit Refund, \$50
Stacey & Jeff Penniston, Deposit Refund, \$50
William Charlot Thomas, Deposit Refund, \$50
Carol Veit, Deposit Refund, \$50
Total Claims \$204,459.52

EXECUTIVE SESSION

Councilperson Starr moved to go into and out of an executive session due to personnel and qualifications at 7:25 p.m. Seconded by Councilperson Sutton, the motion unanimously carried. Christine joined the meeting at 7:30 p.m. The session adjourned at 7:35 p.m. with no action taken.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 7:35:30 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor