

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- RETREAT SESSION
FEBRUARY 21st, 2009**

Mayor Harold D. Stickney called to order the special retreat meeting of the Common Council for the month of February, 2009 at 8:00 a.m. Present at roll call were Councilpersons Sutton, Reetz, Murphey, Schleining, Pischke, Starr, Chris Beesley, City Attorney, Bob Morrison, Public Works Director, and Rex Harris, Community Development Director. The Pledge of Allegiance was stated.

ECONOMIC STIMULUS PACKAGE

Discussion was held on the Sewer Treatment Plant upgrade which Bob is getting figures so we could be ready if any Stimulus money comes through. Also Bob discussed the Well Head Protection District which might qualify also. The State Water Plan has money available for the engineering but with the timeframe for the Stimulus package, we may want to skip the State Grant.

SEWER COLLECTION SYSTEM

Bob discussed televising the sewer lines in the old part of town where most of the problem areas are; it runs about 90¢ per foot, we have about 25 total miles of line, so the cost will run about \$119,000 for the entire town. Bob is getting a proposal so we have more information. Bob also discussed the bridge replacement at the Sewer Treatment Plant which the Council wondered about DOT, which is moving out soon, or if DENR could be involved. Bob also mentioned that the road is our platted ROW. Discussion was held on assessing costs to all landowners or the purchase of property for a different access.

ANNEXATIONS

The Mayor stated that the County wondered if we would annex Harbach Lane which we have always said no. Councilperson Murphey stated that this could be an area that if they upgraded to our standards, we could take them in. Discussion was held on assessing back the costs to the property owners but some didn't think the property could support the costs. Councilperson Sutton stated that we should annex them and also Little Italy; the City needs growth; we need to do this. Councilperson Starr stated that the Homestead area worked even though they weren't in favor at first; what about the wastewater treatment plant, the motel, and the trailer court; also there is the campground and Granite Heights. Bob stated the motel has been in contact with him and they discussed voluntary annexation. Also, since there is East Custer Sewer District, they could create their own water system. Bob suggested a cost benefits study and that the Council needs to realize that residential property costs more to provide services. Rex discussed that Harbach Lane access could be enhanced by tying into Sidney Park Road/Wildcat Lane. Other areas discussed were the properties behind Pamida to Boot Hill and going north. Bob will bring an outline to go through Public Works Committee.

WIND TURBINES/CELL TOWERS

The Council had discussed having sample ordinances to review so that we can address this before something comes up. Rex stated the County is adopting an ordinance for tower structures; we could model our ordinance after theirs.

CITY PROPERTY LISTING

The Council received a summary listing of all properties owned by the City with only about five properties that could be surplus. Lot 12 Blk 71 is cliff property which could be an addition to the neighbor's property; a portion of the Coffin Pit Property; Lot D Formerly City Park which is behind the Hospital; Lot R of TR A which is by the Wastewater Plant; and Lot 2 of the Nursing Home which is next to the Bus Barn. The Council will continue to monitor these properties.

EXECUTIVE SESSION

Councilperson Murphey moved to go into and out of an executive session due to contract negotiations at 8:55 a.m. Seconded by Councilperson Schleining, the motion unanimously carried. The session adjourned at 9:05 a.m. No action taken.

SURVEY COSTS – COFFIN PIT

Rex presented the cost estimates to have the Coffin Pit Property surveyed, \$500, or surveyed and subdivided, \$1,500. Councilperson Starr moved to prepare the property for the survey and to have it subdivided. Seconded by Councilperson Sutton, the motion unanimously carried.

ACQUIRE WELLS

Discussion was held on acquiring two wells which one of those was a test well; one is located near the Best Western and the other one is on the Flintstone property; they would like to have access to irrigation but then we would have the well rights. Bob discussed the Water Study which those two wells would have a direct relationship with the well by the Liquor Store. Councilperson Starr wondered about the well between the Liquor Store and Big D, which Bob stated that is one of our main wells that is used daily. Discussion then led to moving the filter plant which Bob stated that cost would be around \$300,000 and Councilperson Murphey discussed future water protection. This will be referred to the Public Works Committee for further investigation.

STORM WATER MITIGATION

Rex discussed the Storm Water Mitigation which is the French Creek Drainage. We have budgeted a \$100,000 but we don't know about the County. The grant is an 80-20% match which would run about \$600,000

total; the study alone would be \$160,000. Councilperson Murphey stated that managing the risk is a necessary thing and part of that is acquiring the "greenway". Discussion was held on the floodway, can't do a thing, and the floodplain, some things can be done. Rex stated that we are continuing to monitor and are checking for proposals since the cost benefit would be our benefit in the long run. We'll wait to get more information from the County.

SCHOOL BUILDING

Discussion included other groups or entities that could utilize the facility such as the YMCA, the Food Pantry, the Pool, County Housing, and/or the Library; also a private developer could come in with proposal. Rex and the Mayor discussed getting a plan together for possible proposal. Discussion was also held on the taxpayer dollars and taxing those more than once for public buildings. Councilperson Murphey moved to move forward with a multi-use feasibility study for potential acquisition of the property and to see about the intended use of other entities. Seconded by Councilperson Starr, the motion unanimously carried with Councilperson Reetz, Schleining, Starr, Sutton, Murphey, and Pischke voting yes.

LOG BLDG RENOVATIONS

Discussion was held on the completion of the back entrance and the Park's Supervisor having the staining and chinking on his spring list for completion. The Council also mentioned that the back entrance of City Hall needed to be addressed. Councilperson Starr wondered about the Historical Registry and how that fits in with our plans and if we wanted to surplus the building. Councilperson Sutton stated that the Council had tried to surplus this before but it couldn't be done.

WELL HEAD PROTECTION DISTRICT

Bob has been discussing several issues with the Public Works Committee as well as working with the County; this is going very well and the Commissioners would like the scientific information to help with their septic system discussions. Bob stated that the State Grant is \$6 to \$8,000 for Well #9 and they will be going by State guidelines to set up the citizens committee.

Bob mentioned again that the Source Water Study is complete and is available for review with approximately eight sites within the 3 Mile Limit. Bob stated that the water capacity study shows that we could pump at least twice as much as we are now; BUT the more we pump, the more treatment is needed because you are then pumping old water; we need to make sure that we have other sources to provide new water. In the summer, we pump about 400,000 gallons a day. Discussion led to the Southern Hills Water Association which would like us to be part of their plan; it would depend on the price of the water which will probably depend on the amount of grant funds received; they could be looking at Stimulus dollars.

CONSOLIDATION PARKS PLAN

Councilperson Pischke discussed the Long Term Recreation Committee having a previous 10 year plan but now it definitely needs to be revisited; Council requested a copy of the Plan. Discussion was held on having a vault toilet on Pageant Hill. Rex stated that has not been budgeted at this point but with new developments, we will need to address that. Councilperson Starr stated that we need to spend more time on Parks for the enjoyment of the Citizens.

WEST DAM – SEDIMENT – MONITORING - PIER

Discussion was held on West Dam and approval for the rock fishing pier. Bob mentioned the Rotary Club helping with the project and some costs. There will be a concrete base, regular rock, and the concrete top to provide handicapped access. Bob stated they had tested the sludge depth which is a foot deep with two feet for the deepest point. Discussion was held on the sludge and not being able to dispose of it anywhere. Councilperson Murphey discussed several options and that the pollutants need to be monitored. Councilperson Starr suggested budgeting every 10 years to take care of this problem. Councilperson Sutton mentioned that we need to annex the area so we can manage the potential pollutants. Bob stated that he is getting proposals for the outlet that will be gated just like the present one is. Councilperson Sutton is concerned about dredging since the School of Mines has discussed a fault line running under the Dam. Councilperson Starr moved to finalize a management plan before August 2009 so we will be able to budget in 2010. Seconded by Councilperson Murphey, the motion unanimously carried.

DONATION POLICY

Scotty Terrall discussed his views on the present Donation Policy. He stated that the problem with the City giving money to private, religious, organizations, or clubs is that it takes away a person's right to donate to whom they would like; plus it's a double taxation. Now a thing like the YMCA is an arm of the City and the City contracts for specific services; it also saves the City money. He has also noticed that the organizations come in, present, and then up their requests; you don't have a policy or a cap amount. Councilperson Murphey discussed that grants are usually for buildings rather than operations. Councilperson Starr discussed the number of laws that allow the City to donate or fund certain organizations. Councilperson Murphey discussed policy ideas that could be adopted to give guidance to the Council. The Mayor appointed Councilperson Murphey, Schleining, and Reetz to draft a policy for Donations. Rex mentioned that Dennis Miller said "concentrate on doing what's right – help the helpless – don't help the clueless."

STREET MAINTENANCE PLAN

Discussion was held on needing a continuous plan with continuous funding; we don't want to waste what we've accomplished. The Council stated as far as funding, we do not want to do a street assessment; we will find the money through other fees like the building permit surcharge. The Council decided they want a plan with estimates by May 1st to include alleyways.

STREET SHOP

The Mayor discussed the Street Shop, the new equipment purchased, and the need to house that equipment for protection. Bob discussed adding a 40' x 70' feet building to the present location with estimates around \$50,000. It was mentioned that a 40' x 48' steel building could be purchased for about \$18,000 but that didn't include insulation; no floor would be needed. Councilperson Starr also mentioned getting rid of the old stuff; no need to have the yard cluttered. Bob also mentioned that the test sites for contamination have been closed by DENR. Rex discussed that if we were going to move then we wouldn't want to put a lot into it. There is a possible interest by a business to locate to the old dump property which could be an option. Councilperson Sutton moved to go out to bid for a metal building. Seconded by Councilperson Murphey, the motion unanimously carried.

TIF #4 – PROJECT PLAN SUMMARY

The Council received a letter from the Downtown Businesses summarizing their views on the TIF Project and the previously discussed projects. Councilperson Murphey stated that this is great since the Businesses took some ownership in the project and now they are talking about other projects being coordinated. Cherish Baker, Baker's Bakery, is the coordinator at this point. They are in favor of most of the projects except for any by-passes and the Elementary School. If money allows, the entire district runs from east at the Pamida Building to West Dam all the way through town. Discussion was held on the money actually coming in and the current estimate is \$117,000 for this first year. Councilperson Sutton stated that he is all for this TIF except for the nodes; he doesn't like the nodes.

TIF DISTRICTS – DEBT PICTURES

Discussion was held on whether or not the City issued debt with the previous TIF's. There is a dispute with the State Department of Legislative Audits due to the money that passes through. Also, the Bank issued a statement on TIF #1 that the City has no liability whatsoever. Now with TIF #4, if the City issues bonds then it would be our debt and that would be counted. A summary of the debt picture was presented to Council.

CEMETERY UPGRADE

The Council discussed the number of open sites, the number of unsold spaces, the undeveloped area, and burials versus cremations. Discussion was also held on the resale of lots where no one can be contacted which would be after a 20 to 30 year period. The Council requested a sample ordinance for review.

DEER MANAGEMENT PLAN

Discussion was held on the number of deer taken, the Plan working well this year, but to look at the numbers each year rather than stipulate a certain amount now. Councilperson Sutton stated that we need to have definite numbers to keep the progress; 50% of the deer count. Rex mentioned that in the end, the GF&P would be ones to determine the total taken each year. Discussion was also held on the warnings given to the "feeders" which needs to be done; we need to start the fines now.

Discussion was held on the Lion kills in or around town and that the GF&P have reported dog kills; we don't want bad information so therefore we need to invite the GF&P to our next meeting.

EMPLOYEE COLA INCREASES

Councilperson Schleining presented her information gather from the cities of Hot Springs, Hill City, Deadwood, and Belle Fourche, the SDML website, and the information received from Helen Flora. The conclusion is that the City is not out of line, the pay is market based, and the County is paid too low. Councilperson Murphey stated that the purpose of a COLA increase is so the employees can buy the same number of beans this year as last. An overview of the tax levies was given with the City levy being down compared to the previous year; which is how the system is too work; when there is enough value to spread the costs, the levies will decrease.

CORRECT CITY TITLE

Discussion was held on the correct City title which is Custer City; maps and other items have been shorten to Custer but we should use the correct title.

RENAME 5TH STREET

Discussion was held on the possibility of renaming 5th Street to Crazy Horse Street and Mt. Rushmore Road to Custer Street; the possibility of creating problems was also discussed so no action was taken.

EXECUTIVE SESSION

Councilperson Murphey moved to go into and out of an executive session due to contract negotiations at 2:26 p.m. Seconded by Councilperson Pischke, the motion unanimously carried. The session adjourned at 3:25 p.m. No action taken.

GOLF COURSE FUNDING

Discussion about helping to fund projects at the Golf Course was discussed with one solution being that the Golf Board would not have to continue to repay the irrigation loan; over the next four years it would amount to approximately \$103,000. Councilperson Starr stated once again that we should not be landlords; the Board could look at purchasing this property. Councilperson Murphey stated this should be integrated into the Park System.

EXTEND GORDON STREET TO HWY 385

Discussion was held on extending Gordon Street to Hwy 385 which the City would have to obtain easements, have a creek crossing, and a Mickelson Trail crossing. This would provide a second access to that portion of Town plus when the 4th Street bridge gets repaired, which is going to be needed, there wouldn't be a problem with shutting the Street down. The Council stated that we need to move ahead with a written plan.

PAVE 3RD STREET THROUGH FS PROPERTY

Rex stated that there is a possibility that the Forest Service will put this project in with their expansion. Discussion was held on maintenance which Bob stated the City has been responsible.

BUILDING CONDEMNATIONS

Discussion was held on condemnation examples received from Hot Springs, the need for a structural engineer's evaluation, and if money allowed, it could be included in the TIF. The Council also wanted to have an update on the NAPA building.

DOWNTOWN STANDARDS

Discussion was held on the Custer Improvement Committee suggesting various possibilities but now that the downtown businesses are getting together, they may very well take the lead on this subject. Rex mentioned that Mike Nielsen offered computerized images so that the businesses would have an idea of what concepts would look like.

PRIORITIZE WEEKLY PROJECTS

Discussion was held on prioritizing weekly projects that could include clean streets, clean buildings and lots, recycling, updating on nuisances, and twice a year having freshly painted parking spots. Also, maybe there could be a group like the Boy Scouts that would like to do a Community Service Project.

LIQUOR STORE FACE LIFT

A brief discussion was held on the Liquor Store and Councilperson Starr once again stated that the City should look at getting out of businesses which are otherwise provided for.

DISC GOLF COURSE

The Disc Golf Course concrete pads need to be poured which the Council would like to see bids' coming in since spring is just around the corner. Also, Hills Material donated \$500 towards the project. Once again, bathrooms will need to be looked at since there is a great interest in this sport. Discussion was held on parking area which initially, there could a roped off area.

3 MILE LIMIT

Rex stated that the County is looking real hard at wanting to have joint jurisdiction. One area that would have to be addressed is the County bringing their standards up to ours since ours is more restrictive. Councilperson Murphey stated that the Planning Commission has discussed this issue and they are not in favor of joint jurisdiction; they are very much in favor of having comments and working with the County; just nothing formal. Attorney Beesley mentioned that the plats would be reviewed by both entities but the Council would have the final say if there was a 2/3 majority.

SIDEWALKS – ARTERIES – ASSESSMENT

Bob and Rex will be going out to re-evaluate the sidewalks, then there will be the bidding process, but first, there would be the notices. This major project would start downtown and then work its way out which our Ordinances state that all properties will have standard sidewalks. Bob discussed the general sidewalk areas that would become the City's responsibility along with upgrading our sidewalks.

PARKING REGULATIONS & CITY ROW USE ORDINANCE

Discussion was held on parking regulations and the DOT agreement. Also, alleyways have ROW requirements. Bob mentioned referring to the Code and research from what other communities do. Discussion was held on extended time periods being a problem. ROW include more than just alleys but the fact is that quite a few use the ROW for parking because there isn't any other areas available for parking. Councilperson Murphey suggested sending this back to Public Works Committee to see the impact that would be on the majority of citizens and clean up what problems we can. Rex suggested that a minimum be set for the alley ROW such as 15 to 16 feet for the travel width.

CUSTER CRUISIN

Rex discussed the Committee's response to Flora's request to move the vendors off of N. 6th Street. The Committee is looking at S. 6th Street and Washington. Discussion was also held on Golden West Communications passing along the camera cost to each community. Discussion will be held with the County for a cost share.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 5:05 p.m.

ATTEST:

CITY OF CUSTER CITY

Christine Redden
Finance Officer

Harold D. Stickney
Mayor