

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
July 19th, 2010**

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

AGENDA

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

MINUTES

Councilperson Murphey moved, with a second by Councilperson Hattervig, to approve the minutes from the July 6th, 2010 meeting, July 7th, 2010 Special Meeting and July 12th, 2010 Special Meeting. Councilperson Starr abstained from the July 12th, 2010 Minutes as he wasn't present. The motion unanimously carried.

CONFLICTS OF INTEREST

No conflicts of interest were stated.

DEPARTMENT HEAD DISCUSSION

Bob Morrison, Public Works Director, mentioned that the street crew has been trying a new product for repairing cracks that appears to be working and would be economical. The crew has also been doing some crack sealing. The hail storm caused some damage to a few City vehicles. The crew had to use the loader to clean up some hail piles around town after the storm. Bob mentioned that they are looking into the ash trees around Harbach Park.

Rex Harris, Community Development Director, mentioned that the blasting is done on Gordon Street and the dirt contractor is looking to start next week. Custer Cruisin has 3 remaining spaces at this time.

MALT BEVERAGE LICENSE HEARING

Councilperson Starr moved to approve the malt beverage license transfer for Custer County Market. Seconded by Councilperson Lipp, the motion unanimously carried.

SCHOOL RESOURCE OFFICER FUNDING – DEREK BOOKER

Officer Booker gave the Council a update on some training classes he is working on for the summer and new things going on with his school position. Officer Booker asked the Council to continue helping fund the school resource officer position in 2011.

RESOLUTION 7-19-10A – COMMUNITY HEALTH PROPOSAL

Jason Petik with Regional Health presented their proposed resolution changes to the Council. Attorney Chris Beesley along with members from the Community Health Board and Regional Health left the meeting to clarify some wording in the resolution and returned to present the resolution. Councilperson Starr moved to adopt Resolution 7-19-10A – Community Health Proposal, as follows. Seconded by Councilperson Herman, the motion unanimously carried with Councilperson Hattervig, Starr, Lipp, Murphey, Herman, and Schleining voting yes.

RESOLUTION 7-19-10A

WHEREAS, the of the City of Custer City has had a relationship with Rapid City Regional and Custer Community Health Services, Inc. since approximately 1993 when a Ordinance No. 380 was passed;

WHEREAS, the Custer Common Council of the City of Custer City passed Resolution 10-20-03A, in 2003, designating 75% of the one penny sales tax, up to a maximum of \$400,000.00 annually, to remain in place for 10 years at which time the City of Custer will revisit the issue.

WHEREAS, Custer Community Health Services, Inc. is in the process of obtaining financing for a major renovation and addition project to Custer Regional Hospital.

WHEREAS, Custer Community Health Services, Inc. has requested the financial assistance of the City of Custer in order to insure repayment of said loan;

WHEREAS, the Common Council of the City of Custer has determined that they will propose a designation of 75% of one penny of the sales tax with a maximum of \$347,000.00 annually, for 10 years, commencing on January 1, 2014, to be designated for Custer Community Health Services, Inc. to retire capital debt service on renovation and addition of the Custer Regional Hospital;

NOW THEREFORE BE IT RESOLVED, in consideration of the above, and the importance of continued health care for the economic expansion and continued growth of the City of Custer, the Common Council of the City of Custer City does hereby resolve to designate 75% of one penny of the sales tax with a maximum of \$347,000.00 annually, for 10 years, to be designated for Custer Community Health Service, Inc. to retire capital debt service on the renovation and addition of the Custer Regional Hospital;

IT IS FURTHER RESOLVED, that this Resolution shall take effect upon project completion or December 31, 2013; whichever occurs first, at which time Resolution 10-20-03A shall terminate;

IT IS FURTHER RESOLVED, that this Resolution and commitment contained therein by the City of Custer, is specifically contingent upon Regional Health Network extending the agreements with Custer Community Health Services, Inc.

IT IS FURTHER RESOLVED, that this financial commitment by the City of Custer is specifically contingent upon establishment of a joint Custer City/Custer Community Health Services, Inc. committee to meet within 60 days after execution hereof, to explore the formation of a Hospital District;

IT IS FURTHER RESOLVED, that upon formation of the Hospital District mentioned hereinabove, it is the intent that any funds received during the resolution period by Custer Community Health Services, Inc., shall reduce the amount of the sales tax subsidy from the City of Custer hereinabove mentioned, by a like amount.

Dated this 19th day of July, 2010.

CITY OF CUSTER CITY

S/Mayor Harold D. Stickney

RESOLUTION 7-19-10B – NSF FEE

Councilperson Starr moved to adopt Resolution 7-19-10B – NSF Fee. Seconded by Councilperson Schleining, the motion unanimously carried.

RESOLUTION NO. 07-19-10B

WHEREAS, the City of Custer City, Custer County, South Dakota, from time to time receives non sufficient funds checks; and

WHEREAS, the City of Custer City, Custer County, South Dakota, deems it necessary to charge a fee for non sufficient funds checks received to recover the cost of the bank charges and staff extra time.

IT IS NOW THEREFORE RESOLVED, that the City of Custer City does hereby set a \$15.00 per check fee for non sufficient funds checks received.

Dated this 19th day of July 2010.

CITY OF CUSTER CITY

S/Harold D. Stickney, Mayor

PRESERVATION OF PROPERTY CORNERS – JACK KNUST

Jack Knust, owner of Buckhorn Surveying visited with Council about the block corners that have been disappearing, and the trouble it creates for surveyors. A lot of the corners have disappeared during construction projects. Jack asked Council if they could implement a charge for when someone removes a marker. Council decided that Public Works committee should look at a possible ordinance that would create a corner bond for construction as part of the building permits.

SECOND READING – ORDINANCE #675 – RURAL SUBDIVISIONS

Councilperson Murphey moved to adopt Ordinance #675 – Rural Subdivisions with the change to state unless specified otherwise in accordance with Chapter 4 of the 2010 comprehensive plan. Seconded by Councilperson Herman, the motion carried with Councilperson Starr, Lipp, Murphey, Herman, Schleining and Hattervig voting yes.

TRANSIENT MERCHANT PERMIT VARIANCE – CHUCK SLOGGETT

Chuck Sloggett would like to place a food vending trailer on private property that he would be leasing for the summer, and requested a variance to the transient merchant permit that is currently only good for 28 days. Council decided to refer this on to General Government Committee to review the ordinance.

VENDORS EARLY SETUP

Rex stated that he has been contacted by a few vendors that would like to setup early for Custer Cruisin as the rally is a week later then usual this year. Council decided to leave the vendor setup as it currently is with them being able to setup Thursday August 5th.

FENCING MATERIAL FOR BALL FIELD

Councilperson Murphey moved to approve spending \$25,000 on fencing material for the baseball field that is being developed on the east side of the high school. Seconded by Councilperson Schleining, the motion unanimously carried.

STREET CLOSURE REQUEST – COOL PINE CRUISERS

Councilperson Hattervig moved to approve the street closure request from Cool Pine Cruisers for south 6th Street and the Chamber parking lot for their annual car show to be held July 24th, 2010 from 6am to 3 pm. Seconded by Councilperson Herman, the motion unanimously carried.

ASPHALT TREATMENT BIDS

Councilperson Herman moved to accept the asphalt surface treatment bid for schedule 1 from Bituminous Paving for \$54,560. Seconded by Councilperson Lipp, the motion unanimously carried.

EMPLOYEE STEP INCREASE

Councilperson Starr moved to approve the step increase for Rebecca Caffee to Step 2 at \$14.08 an hour effective 7/20/10. Seconded by Councilperson Murphey, the motion unanimously carried.

BREAK 7:20-7:26

2011 Budget - Subsidies

Council reviewed the request letters and financials for various organizations that are requesting subsidies for 2011.

2011 Budget

Council reviewed the budget for the solid waste fund and promotion fund.

CLAIMS

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

Al Cornella, Repairs & Maintenance, \$90.35
ALSCO, Repairs & Maintenance, \$296.91
Butler Machinery, Repairs & Maintenance, \$5.00
Biker Incite, Publishing, \$299.00
Black Hills Phones, Utilities, \$50.00
Black Hills Power & Light, Utilities, \$1018.37
Custer True Value, Supplies, \$640.16
Custer Volunteer Fire Dept, Fireworks Subsidy, \$5000.00
Culligan, Repairs & Maintenance, \$50.80
Chamber of Commerce, Sales Tax Subsidy, \$6362.81
Custer Community Health Service, Sales Tax Subsidy, \$28862.42
Coca-Cola, Supplies, \$420.00
Chadron Wholesale, Supplies, \$1430.31
Cask & Cork, Supplies, \$82.02
Dakota Supply Group, Supplies, \$464.81
Eagle Sales, Supplies, \$11208.55
Enviromaster, Supplies, \$22.00
Fisher Beverage, Supplies, \$11658.09
Frontier Photo, Supplies, \$957.50
Golden West Technologies, Professional Fees, \$160.00
Hills Materials, Supplies, \$3383.13
Hawkins, Supplies, \$10.00
Hadlock, Cheryl, Professional Fees, \$3801.56
Ice House, Supplies, \$461.04
Lynn's Dakotamart, Supplies, \$42.36
Mayer Plumbing, Repairs & Maintenance, \$247.57
McGas Propane, Repairs & Maintenance, \$58.50
Northwest Pipe Fitting, Supplies, \$1869.73
Okoboji Wines, Supplies, \$155.00
One Call System, Supplies, \$37.80
Pitney Bowes, Supplies, \$10.37
Power House, Repairs & Maintenance, \$450.28
Quill, Supplies, \$273.77
Rapid Delivery, Supplies, \$45.10
Sign & Trophy, Supplies, \$14.25
Sander Sanitation, Repairs & Maintenance, \$210.00
SD State Executive Management, Utilities, \$41.85
Stickney, Harold, Travel, \$42.18
SRF Loan Payment, \$4639.68
Tatiana's, Supplies, \$162.15
USDA Rural Development Loan Payment, \$8910.00
USA Bluebook, Supplies, \$387.15
Unemployment Insurance, \$398.38
Western Wholesale, Supplies, \$14196.30
Walker, Gaile, Safety Equipment, \$71.94
Jim Lyon, Utility Refund, \$25.25
Health Reindl, Utility Refund, \$48.89
Total Claims \$109073.33

DISCUSSION

Council agreed to have a special Council meeting on July 26th, 2010 at 5:00 PM to award the bids for the Liquor Store inventory.

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