

**CITY OF CUSTER CITY
COUNCIL PROCEEDINGS- REGULAR SESSION
MARCH 21st, 2011**

Mayor Harold D. Stickney called to order the second regular meeting of the Common Council for the month of March, 2011 at 5:30 p.m. Present at roll call were Councilpersons Hattervig, Starr, Lipp, Murphey, Herman, Schleining, and Chris Beesley, City Attorney. The Pledge of Allegiance was stated.

AGENDA

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

MINUTES

Councilperson Starr moved, with a second by Councilperson Hattervig, to approve the minutes from the March 7th, 2011 meeting. The motion unanimously carried.

CONFLICTS OF INTEREST

Councilperson Murphey stated that he would be abstaining from voting on the raffle request. No other conflicts were stated.

DEPARTMENT HEAD DISCUSSION

Bob Morrison, Public Works Director, updated the Council on several projects the City has going. Bill Bell with the Fire Department and Bob addressed Council regarding the areas that will be burned.

OPERATION GRATITUDE HOUSE – POTENTIAL LEASE OF CITY PROPERTY

Jeff & Pat Baird presented their plans for "Operation Gratitude House" to the Council. Their mission is to offer a week's vacation in the Black Hills to qualifying wounded veterans from the Iraq/Afghanistan campaign and their families, at little or no expense to them. They have an active board of directors and are working to become a 501(c)3 non-profit corporation. Operation Gratitude House is requesting to lease a parcel of city-owned land adjoining the Custer water treatment ponds for 50 years at a cost of \$1.00. General Government Committee will take a look at this project at its next meeting and if Council has any suggestions they will be submitted to the committee.

RESOLUTION #3-21-11A – PERSONNEL MANUAL CHANGE

Councilperson Schleining moved to adopt Resolution #3-21-11A, health insurance. Seconded by Councilperson Hattervig, the motion unanimously carried.

RESOLUTION # 3-21-11A

WHEREAS, the City of Custer City has previously adopted an Employee Manual; and

WHEREAS, updating and amending of said Employee Personnel Manual was provided for in Resolution 09-05-95A; and

WHEREAS, the Common Council of the City of Custer City has determined that Employee Personnel Manual Policy be modified regarding Policy #6 Compensation, 6.6.1 Health Insurance, with the following and it shall read as follows:

6.6.1 Health Insurance

Except as otherwise provided, the city will provide all full time employees and part-time employees with health insurance coverage as determined by the city council. The city will pay the employee portion of the premium cost for the full time employee. Dependent coverage and premium cost will be the responsibility of the employee. The insurance coverage will begin the first day of the month following their employment date.

The City shall reimburse up to one half of the employee's yearly deductible once an explanation of benefits from the insurance company has been provided to the City proving that the employee has in fact paid over half of their yearly deductible.

NOW THEREFORE BE IT RESOLVED that the Employee Personnel Manual is amended and superseded as adopted.

Dated this 21nd day of March, 2011.

City of Custer City

S/Harold D Stickney, Mayor

RESOLUTION #3-21-11B – PERSONNEL MANUAL CHANGE

Councilperson Starr moved to adopt Resolution #3-21-11B, performance evaluation verification form. Seconded by Councilperson Lipp, the motion unanimously carried.

RESOLUTION # 03-21-11B

WHEREAS, the City of Custer City has previously adopted an Employee Manual; and
WHEREAS, updating and amending of said Employee Personnel Manual was provided for in Resolution 9-5-95A; and

WHEREAS, the Common Council of the City of Custer City has determined that performance evaluation verification is necessary and desirable.

NOW THEREFORE BE IT RESOLVED that the Employee Personnel Manual is amended to include the attached exhibit "A", Performance Evaluation Verification Form, as if set forth in full herein, and adopted by reference.

Dated this 21st day of March, 2011

City of Custer City

S/Harold D. Stickney, Mayor

RESOLUTION #3-21-11C – PERSONNEL MANUAL CHANGE

Councilperson Murphey moved to adopt Resolution #3-21-11C, Handbook Acknowledgement and Handbook Update Acknowledgement forms, seconded by Councilperson Lipp. After some discussion Councilperson Murphey moved to withdraw his motion and Councilperson Lipp his second, and postpone action until after executive session.

LIQUOR OPERATING AGREEMENT AND PREMISES AGREEMENT REASSIGNMENT

Councilperson Murphey moved to approve the reassignment agreement for the liquor operating agreement and premises lease agreement transferring the lease from Mike & Bobbie Alexander to Ronald and Michelle Kline effective April 5th, 2011. Seconded by Councilperson Herman, the motion unanimously carried.

APPROVAL FOR ADDITIONAL TIF FINANCING

First Interstate Bank and Dacotah Bank have both approved the request for splitting the funding of the additional \$400,000 of the TIF #4. Councilperson Lipp moved to notify the Downtown TIF #4 contract to proceed with alternate #1 as bid and the City will further work on appropriate financing options. Seconded by Councilperson Hattervig, the motion carried with councilperson Hattervig, Starr, Lipp, Murphey, Herman and Schleining voting yes.

REALTORS FOR KIDS RAFFLE REQUEST

Councilperson Herman moved to approve the raffle request for Realtors for Kids. Seconded by Councilperson Schleining, the motion unanimously carried.

ECONOMIC DEVELOPMENT CORPORATION STARTER MONEY

Councilperson Starr moved to approve giving the Custer Economic Development Corporation \$1,000 to get a website established contingent upon the city attorney's opinion for being legal. The Mayor also asked Council to consider giving the Corporation \$5,000 for startup money. Council referred the startup money to the next General Government Committee meeting.

LTRC REQUEST

Jim Frank requested approval on a music venue at the Courthouse Museum that would cost \$1,451.60. Discussion was held on entertainment being the Chamber's area and recreation being the goal of the Long Term Recreation Committee. The General Government Committee will take a look at the request at its next meeting.

POOL FEASIBILITY STUDY

The Council concurred to have Bob get proposals for a pool feasibility study.

SEWER ASSESSMENT CONTRACT

Councilperson Lipp moved to approve and authorize the Mayor to sign the contract with Kadrmas, Lee & Jackson for Sanitary Sewer Assessment Project. Seconded by Councilperson Herman, the motion carried with Councilperson Starr, Lipp, Murphey, Herman, Schleining and Hattervig voting yes.

STEP INCREASE

Councilperson Lipp moved to approve the wage increases for Scott Kellogg to Step 5 at \$22.79 effective 3/18/11. Seconded by Councilperson Herman, the motion unanimously carried.

CLAIMS

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

American Legal Publishing, Professional Fees, \$814.00

A&B Welding, Supplies, \$68.16

AFLAC, Supplemental Insurance, \$393.38

Alltel, Utilities, \$438.52

Black Hills Power & Light, Utilities, \$11650.44

Butler Machinery, Supplies, \$48.18

Black Hills Truck & Trailer, Repairs & Maintenance, \$132.60
Chamber of Commerce, Sales Tax Subsidy, \$2072.90
Custer Community Health Service, Sales Tax Subsidy, \$28103.21
Dumire, John, Health Insurance Deductible Reimbursement, \$500.00
Element, Supplies, \$48.55
FourFront Design, Trail Extension, \$550.00
Fastenal, Safety Equipment, \$52.52
First Interstate Bank, Supplies, \$122.10
Golden West Telecommunications, Supplies, \$135.00
Itron, Computer Upgrades, \$645.42
Kellogg, Scott, Reimbursement, \$35.00
Michael Todd & Company, Supplies, \$425.89
Nelson's Oil & Gas, Supplies, \$1968.75
Pitney Bowes, Supplies, \$39.00
Quill, Supplies, \$77.66
Rapid City Telco Federal Credit Union, Utilities, \$2003.85
SRF Loan Payment, \$4639.68
South Dakota One Call, Supplies, \$5.25
S&B Motors, Supplies, \$256.86
Sander Sanitation, Garbage Collection Contract, \$11142.61
Secretary of State, Other, \$50.00
SD Assoc of Rural Water, Dues, \$460.00
State of SD, Sales Tax, \$786.38
SD State Executive Management, Utilities, \$18.97
Sioux Valley Environmental, Professional Fees, \$150.00
USDA Rural Development, Loan Payment, \$8910.00
Total Claims \$76,744.88

COMMITTEE REPORTS

Various committee updates were given.

BREAK 7:05 – 7:14

EXECUTIVE SESSION

Councilperson Murphey moved to go into and out of executive session for contract negotiation, potential litigation and personnel at 7:14 with the finance officer, public works director and attorney present. Seconded by Councilperson Lipp the motion unanimously carried. Council came out of executive session at 7:46 with no action taken.

RESOLUTION #3-21-11C – PERSONNEL MANUAL CHANGE

Councilperson Herman moved to adopt Resolution #3-21-11C, Handbook Acknowledgement and Handbook Update Acknowledgement forms, with the removal of the second paragraph on each form. Seconded by Councilperson Lipp, the motion unanimously carried.

RESOLUTION # 03-21-11C

WHEREAS, the City of Custer City has previously adopted an Employee Manual; and
WHEREAS, updating and amending of said Employee Personnel Manual was provided for in Resolution 9-5-95A; and

WHEREAS, the Common Council of the City of Custer City has determined that acknowledgement of receipt of handbooks and any updates is necessary and desirable.

NOW THEREFORE BE IT RESOLVED that the Employee Personnel Manual is amended to include the attached exhibit "A", Handbook Acknowledgement of Receipt and exhibit "B", Handbook Update Acknowledgement of Receipt, as if set forth in full herein, and adopted by reference.

Dated this 21st day of March, 2011

City of Custer City

S/Harold D. Stickney, Mayor

DISCUSSION

Council scheduled a special executive session meeting on April 14th, 2011 at 5:00 for contract negotiations.

ADJOURNMENT

With no further business, Mayor Stickney adjourned the meeting at 8:05 p.m.

ATTEST:

CITY OF CUSTER CITY

Laurie Woodward
Finance Officer

Harold D. Stickney
Mayor