

EXECUTIVE SESSION/REGULAR MEETING, October 26, 2009

The Regular Session of the Deadwood City Commission convened on October 26, 2009 at 5:00 p.m. in the Deadwood City Commission Chambers, 102 Sherman Street, Deadwood, South Dakota. Mayor Toscana called the meeting to order with the following members present: Department Heads and Commissioners, Mike Klamm, Joe Peterson, Lenny Schroeder, and Georgeann Silvermail. All motions passed unanimously unless otherwise stated.

CONDOLENCES

Mayor Toscana along with the City Commissioners and City employees expressed condolences to the Wurl family for the passing of Thomas Wurl, a former trolley driver for the City.

ADDITION TO AGENDA

Mayor Toscana requested that an Executive Session be added to the Agenda for legal matters with no action to be taken. Silvermail moved, Klamm seconded, to amend the October 26, 2009 Agenda. Roll Call: Aye-All. Motion carried.

APPROVAL OF MINUTES

Klamm moved, Schroeder seconded, to approve the minutes of October 19, 2009. Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Silvermail moved, Schroeder seconded, to approve the October 26, 2009 disbursements. Roll Call: Aye-All. Motion carried.

ABC	SUPPLIES	209.70
ALCO	SUPPLIES	120.37
ALLTEL	PHONES	130.33
BH POWER	UTILITIES	9,755.65
BH SPECIAL SERVICE	CLEANING	1,323.00
BOB'S AUTO BODY	REPAIRS	140.80
CULLIGAN	WATER	6.50
DAKOTACARE	EMP HEALTH INS	38,829.78
DEADWOOD CHAMBER	BILL LIST	42,500.00
DUSTIN SCHUMACHER	REIMBS	77.26
ENFORCEMENT TECHNOLOGY	ADAPTER	309.69
FASTENAL	SAW	235.92
FIRE ENGINEERING	SUBSCRIPT	15.00
FRANCIS TOSCANA	REIMBS	175.44
GOLDEN WEST	SCAN	55.00
GRIMM'S PUMP	SWIVEL	59.80
HAWKINS INC	CREDIT ON CHEMICALS	20.26
HILLS MATERIALS	ROAD BASE	90.51
HILLS PRODUCTS	PINE	13.60
HILLSIDE DISPOSAL	RESIDENTIAL GB	5,071.00
KNOLOGY	PHONE SERV	44.22
LAKER CHEMICAL	FERTILIZER	581.00
MATHISON CO	SCANNING-HP	6,840.20
MICHAEL TODD CO	CHAINS	230.54
NEVE'S	UNIFORMS	1,257.36
NHS OF BLACK HILLS	KIDWEIRD SPONSOR	700.00
PITNEY BOWES INC	POSTAGE	500.00
PONTIUS, JERRY	REIMBS	150.24
REIF, SCOTT D.	REIMBS	124.66
SD PUBLIC HEALTH	TESTING/H2O	24.00
SOUTH SIDE	FUEL	11,282.12
STRETCH'S	REPAIRS	67.52
SUMMIT SIGNS	SIGNS	96.00
TEMPERATURE TECH	ACTUATOR	316.71
TRAVEL HOST MOTEL	LODGING	194.85
TRIPLE K	PADS-ROTOR	393.00
TURBIVILLE, CHARLES	REIMBS	29.66
ULTRAMAX	AMMUNITION	882.00
USA BLUEBOOK	SUPPLIES	159.25
WESTERN STAR	REPAIRS	154.65
	TOTAL	\$ 123,167.59

ITEMS FROM CITIZENS ON AGENDA

S.D. Department of Legislative Audit - 2008

Al Schaeffer from S.D. Department of Legislative Audit appeared before the Commission to review the results of the 2008 audit. Schaeffer explained they based their findings on the following:

1) Internal Control Structure, 2) Violations of Statutes, Contracts, Grants, and Agreements, 3) Audit Adjustments to Financial Statements. As stated in the management letter, he suggested that journal entries recorded by the finance officer should be reviewed by a third party, and an independent review of utility account adjustments be performed by someone other than the person recording the adjustments. He also indicated that according to SDCL 6-1-10, a complete list of all the salaries of all officers and employees be published. According to Schaeffer, when an employee performs a job outside the employee's current classification and is paid at a different rate this change is not published

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in the yearly resolution, nor was the fact that the employee may receive some shift differential. Regarding the Annual Report, one reclassification adjustment was made for debt due within twelve months, which was listed as noncurrent debt in the Annual Report. Finance Officer Mary Jo Nelson added that amount was for the advance crossover bond refund, which is to be paid off in November, 2009. Schaeffer stated that the financial records were given an unqualified opinion and that the financial statements were presented fairly. He added that the audit went well and requested the Mayor to sign the representation letter. Mayor Toscana thanked Mr. Schaeffer and Mr. Hintz for their report. Silvernail moved, Schroeder seconded, to allow the Mayor to sign the representation letter. Roll Call: Aye-All. Motion carried.

Bob Christman, 3 Amelia - Water Bill (Continued from 10-19-2009)

Public Works Director Jim Raysor explained to the Commission that Mr. Christman appeared at two previous meetings to discuss the water bill he received in November 2008 (billing period 9/14/08-10/14/08, consumption 103,756 gallons) in the amount of \$199.84. The Commission voted to continue this item to determine the possible problem with the high consumption. Raysor said Mr. Christman has not seen any additional problems with the meter since that time. Raysor contacted Dakota Supply Group to discuss the meters and how they function. According to the vendor, this abnormality would be almost impossible. The Water Department removed the meter, tested it for any malfunctions, and did not find any problems with the meter. Christman said he feels that he was billed in error and would like a credit on his account. He also believed it was unfair that he had to wait one year for a decision. After much discussion, Klamm moved, Schroeder seconded, to bill Mr. Christman for 8,000 gallons for month in question and credit the balance of 95,756 gallons on his account. Roll Call: Aye-All. Motion carried.

Pioneer Way Turning Lanes

Resident Bob Christman expressed concerns with the turning lanes located on Pioneer Way at the intersections of Dunlop and Pioneer and 76 Drive and Pioneer. Mayor Toscana explained that this is a state highway and the City has little control over it. However, Toscana requested the Police Department patrol the area.

PUBLIC HEARINGS/BID OPENINGS

Results from Bid Opening on October 16, 2009 (Continued from 10-19-2009)

Public Works Director Jim Raysor informed the Commission that two bids were received for the City's solid waste contract: Hillside Disposal (City's present contractor) and Waste Connections. Raysor added Hillside Disposal has been responsive and provided excellent service, however, under State law the City is required to accept the lower bid. The bids are as follows:

**Garbage Collection Bid
for Cities of Deadwood & Lead
Bid Opening - October 16, 2009
(Collection Period - Effective January 1, 2010 through December 31, 2013)**

	Hillside Disposal	Waste Connections, Inc.
Base Bid (Include all garbage/rubbish)	\$15.00 (May 1 - Oct 31)	\$13.50
Alternate 1 (Include all garbage/rubbish except yard waste)	\$14.00	\$13.50
Alternate 2 Dumpster-Monthly		
90-96 Gallon Cart	\$23.00	\$20.00
2 Cubic Yard	\$53.00	\$45.00
3 Cubic Yard	\$61.00	\$55.00
4 Cubic Yard	\$70.00	\$65.00
6 Cubic Yard	\$97.00	\$90.00
8 Cubic Yard	\$110.00	\$105.00

Silvernail moved, Klamm seconded, to accept the low bid from Waste Connections at \$13.50 per residence for a 4-year solid waste contract with the City of Deadwood. City Attorney to prepare a contract and an ordinance with revised rates. Roll Call: Aye-All. Motion carried.

Continue Discussion - Public Hearing from October 5 - Engine House

Mayor Toscana said this public hearing was continued to allow the Commission time to consider the various options for the possible surplus and sale of the Engine House. Commissioners Silvernail and Klamm agreed with the sale, but disagreed with the recommendation that the city dictate what takes

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place inside the building. Resident Matt Pike told the Commission that they have a unique opportunity to decide what happens inside the building since we are the owners, and thanked Commissioners Silvernail and Klamm with respect to the historic preservation of the outside of the Engine House. He added his concern that the Commission is not listening to the voices of the residents. Pike encouraged the Commission to take into consideration those covenants and restrictions posed by the task force formed earlier. Pike said he is begging the Commission to revisit the issue of gaming for a limited period of time, maybe 20 years. Resident Carlton Spindler asked Mr. Pike what he would like to see in this building, and Pike replied First Western would have been a great steward for this building but he was not involved at this time. Deadwood Economic Development Director Chuck Turbiville recalled that the committee produced a lengthy list of businesses that should not be allowed in that building, and if the City imposes too many restrictions they might as well keep it, and encouraged them to reach a decision soon. Toscana agreed with restrictions on gaming and a set time limit, as well as a limit on the number of parking spaces. Turbiville asked the Commission who would be responsible for the maintaining of the public restrooms and surrounding grounds, since that was also recommended by the task force. Resident Dave Thompson told the Commission that we as a community have authorized gambling and didn't understand why should it be restricted now. Toscana reminded everyone he understands the importance of gaming to Deadwood and that it is our lifeblood, but a potential buyer has offered to purchase the building with no intention of placing gaming in the building. He would also agree to restrict gaming in that structure. Silvernail moved, Klamm seconded, to surplus the Engine House located at 180 Sherman Street. Roll Call: Aye-All. Motion carried. Peterson moved, Schroeder seconded, to sell five (5) parking spaces with building and restrict gaming for twenty (20) years. Roll Call: Aye-Peterson, Schroeder, Toscana. Nay:-Silvernail, Klamm. Motion carried. Silvernail moved, Klamm seconded, to accept sealed bids and allow real estate agents to prepare a market analysis on the building to determine approximate value. Roll Call: Aye-All. Motion carried. Mayor Toscana appointed Bob Nelson, Sr., Joe Peterson, and Lennie Schroeder to serve as a board of appraisers, utilize outside services, and request that they report to the Commission on November 9, 2009.

HISTORIC PRESERVATION/PLANNING & ZONING/PUBLIC BUILDINGS/SAFETY

Adam's House Gift Shop Repairs

Peterson moved, Silvernail seconded, to approve the roof replacement at the Adam's House Gift Shop and direct Attorney to draw up a contract with HCW Construction, Inc., cost not to exceed \$4,107.18. Roll Call: Aye-All. Motion carried.

Deadwood Stage Run - Plats

Silvernail moved, Schroeder seconded, to approve the plat for Deadwood Stage Run, LLC, Plat of Lot 31, Block 2 of Palisades Tract of Deadwood Stage Run Addition, All located in the SW 1/4 of Section 14, the SE 1/4 of Section 15, the NE 1/4 NE 1/4 of Section 22 and the N 1/2 NW 1/4 of Section 23, T5N, R3E, B.H.M., City of Deadwood, Lawrence County, South Dakota. Roll Call: Aye-Silvernail, Schroeder, Klamm, Toscana. Abstain: Peterson. Motion carried.

Silvernail moved, Schroeder seconded, to approve the plat for Deadwood Stage Run, LLC, Plat of 3, Block 1 of Palisades Tract of Deadwood Stage Run Addition, All located in the SW 1/4 of Section 14, the SE 1/4 of Section 15, the NE 1/4 NE 1/4 of Section 22 and the N 1/2 NW 1/4 of Section 23, T5N, R3E, B.H.M., City of Deadwood, Lawrence County, South Dakota. Roll Call: Aye-Silvernail, Schroeder, Klamm, Toscana. Abstain: Peterson. Motion carried.

White Rocks Properties - Plat

Silvernail moved, Schroeder seconded, to approve the plat for White Rocks Properties, LLP/Gary Biggs to clear up boundaries and encroachments for 766, 768, 770, and 772 Main Street. Plat of Lots A, B, C and D of Block 23, Formerly parts of Lots 45-50 of Block 23, per PL Rogers Map, O.T., SE 1/4 SE 1/4 Section 22, T5N, R3E, B.H.M., City of Deadwood, Lawrence County, South Dakota. Roll Call: Aye-Silvernail, Schroeder, Klamm, Toscana. Abstain: Peterson. Motion carried.

20th Anniversary of Gaming

Kevin Kuchenbecker informed everyone of the Historic Preservation Schedule of Events for the celebration of the 20th Anniversary of Gaming, events would take place November 1-7, 2009.

Chamberlin Architects Proposal - (Continued from 10-19-2009)

Schroeder moved, Silvernail seconded, to accept the proposal of \$40,000 from Chamberlin Architects to assist in the design of the Days of '76 Museum project as recommended by the Historic Preservation

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Commission, to be paid from bonded funds. Roll Call: Aye-Silvernail, Schroeder, Klamm, Toscana. Abstain: Peterson. Motion carried.

STREETS/WATER/LIBRARY

Purchase Request

Schroeder moved, Klamm seconded, to approve the purchase of 5,500 gallons of blended diesel at a cost of \$2.30 per gallon from Southside Oil. Roll Call: Aye-All. Motion carried.

Purchase Request

Schroeder moved, Klamm seconded, to approve the purchase of four tires plus installation from Great Western Tire for the WASP Rubble site loader, cost not to exceed \$3,514.00. Roll Call: Aye-All. Motion carried.

Extend Vacation Hours

Schroeder moved, Klamm seconded, to allow Jim Raysor to extend 48 hours of vacation to December 11, 2009. Roll Call: Aye-All. Motion carried.

PARKS/RECREATION/TROLLEY

Change Orders - Rec Center

Public Works Director Jim Raysor provided copies and information for the proposed security and sound system at the Rec Center at the following costs: security \$38,143.00, and sound system is \$41,065.00. After discussing the proposal, Raysor requested that the Commission continue this item to the November 9, 2009 meeting to allow more time for review. Silvernail moved, Peterson seconded, to continue this item to the November 9, 2009 meeting. Roll Call: Aye-All. Motion carried.

Purchase Request

Silvernail moved, Peterson seconded, to approve the purchase of four tires from Triple K for the trolley at a cost not to exceed \$1,146.44. Roll Call: Aye-All. Motion carried.

Payment Request

Silvernail moved, Peterson seconded, to approve the payment of \$1,875.99 to TruGreen for fertilizing and weed control, to be paid from Parks Department budget. Roll Call: Aye-All. Motion carried.

MAYORS BUSINESS

Proclamation

Mayor Toscana read a proclamation "Change your Clock - Change your Battery" Day on November 1, 2009. Toscana invited everyone to attend the Fire Department's Annual Chili Feed on November 1 from 3:00 to 7:00 p.m.

Appointment - Library Board

Mayor Toscana appointed Mike Olsen to the Library Board. Silvernail moved, Schroeder seconded, to approve the appointment of Mike Olsen. Roll Call: Aye-All. Motion carried.

Employees Request

Silvernail moved, Schroeder seconded, to allow City employees to work Veteran's Day, November 11, 2009 in exchange for the day after Thanksgiving, November 27, 2009. Roll Call: Aye-All. Motion carried.

ITEMS FROM MAYOR, COMMISSIONERS, DEPARTMENT HEADS NOT ON AGENDA

Rec Center

Deadwood resident Dave Thompson said he has reviewed the plans for the Rec Center and noticed there is no hot tub in the current design. He urged the Commission to install, as many would utilize for health reasons. He added that there should be a phone line directly linked to dispatch when considering security features.

ADJOURNMENT

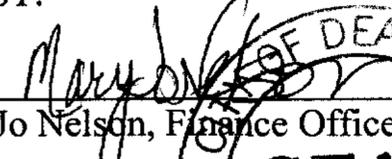
Klamm moved, Silvernail seconded, to adjourn the regular session at 6:25 p.m. and convene into Executive Session for legal with no action to be taken. Silvernail moved, Klamm seconded, to come

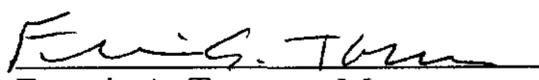
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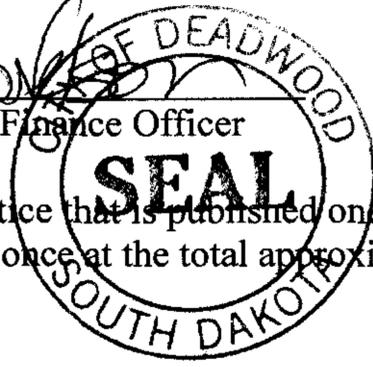
out of executive session with no action. The next regular meeting will be at 5:00 p.m. on Monday, November 2, 2009.

ATTEST:

DATE: A-2-09


Mary Jo Nelson, Finance Officer

BY: 
Francis A. Toscana, Mayor



For any public notice that is published one time:
Published once at the total approximate cost of _____.

