

REGULAR MEETING, September 10, 2007

The Regular Session of the Deadwood City Commission convened on September 10, 2007, 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 Nyla Griffith, Mike Klamm, Mark Speirs and Georgeann Silvernail. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Silvernail moved, Speirs seconded, to approve the minutes of September 4, 2007. Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Griffith moved, Silvernail seconded, to approve the September 10, 2007 disbursements. Roll Call: Aye-All. Motion carried.

A & B WELDING	OXYGEN-ACETYLENE-HAZ. MAT-EMPT	87.44
ALEX HAMANN	REIMBURSEMENT FIRE DEPT	603.35
BLACK HILLS CHEMICAL	TISSUE-TOWELS-CLEANERS-DISINF.	1,995.93
BLACK HILLS POWER & LIGHT	ELECTRICITY/PUBLIC BUILDINGS	3,340.75
CULLIGAN OF THE NORTHERN	H2-50LB SALT	46.00
DEADWOOD ECONOMIC DEVELOPM	SEPTEMBER 07	1,580.02
ELAN FINANCIAL SERVICES	EN-EL8 RECHARGE BATTERY	32.69
FARMER BROTHERS CO	COFFEE	42.45
GOLDEN WEST TECHNOLOGIES,	PAGER AIR TIME-VOICE MAIL	1,561.88
GOODISON, WILLIAMS F.	REPAIRS DUE TO SIGN	797.16
HAWKINS CHEMICAL INC.	CHEMICALS/REC CENTER POOL	58.46
HD SUPPLY WATERWORKS	RELEASE VALVE-NIPPLE-VALVE-BEN	530.44
HEIMAN FIRE EQUIPMENT	2500 GAL FRAME TANK	650.00
HILLS PRODUCTS GROUP	PONDEROSA PINE	1,072.32
JACOBS PRECISION WELDING	52' 3/8" HR ROUND	46.80
LEAD DEADWOOD SANITARY DISE	QR CHARGES/SANITATION	30,854.56
MONTANA DAKOTA UTILITIES	NATURAL GAS/FIRE DEPT.	47.28
MORRIS TOWING	TOW VAN 27 LINCOLN	75.00
NELSON, ROBERT JR.	SAFETY REIMBURSEMENT	55.52
NEVE'S UNIFORMS, INC.	ULTRA STINGER BULBS	17.28
NHS OF THE BLACK HILLS	6TH ANNUAL KIDWEIRD EVENT	700.00
NORTHWEST PIPE FITTINGS, I	(2) GALV. STEEL CPLG/THREAD PT	311.24
PETTY CASH-FINANCE OFFFICE	PETTY CASH-FINANCE OFFFICE	116.52
PRAIRIE WAVE	PHONE-INTERNET SERVICE/FIRE H	233.20
SCHMIDT CONSTRUCTION	SIDEWALK REPAIR-REPLACEMENT	1,471.00
SOUTH DAKOTA COMMISSION	ONSEPTEMBER 2007 PAYMENT	14,091.18
SOUTH DAKOTA STATE TREASUR	SALES TAX FOR AUGUST 2007	6,526.52
TRUGREEN CHEM-LAWN	ROUNDUP APPLICATION	222.25
TWILIGHT FIRST AID & SAFET	FIRST AID SUPPLIES/REC CENTER	79.15
US POST OFFICE	POSTAGE-LIBRARY	101.00
WASTE CONNECTIONS, INC.	DUMPSTER/GORDON PARK	441.61
WESTERN COMMUNICATIONS,	INANTENA CABLE	119.90
WOLD'S WELDING & MACHINE	WELD-REPAIR/HIST. LIGHT POLES	606.62
ZEP MANUFACTURING COMPANY,	ZEP 40 CLEANER	316.29
TOTAL		\$ 68,831.81

ITEMS FROM CITIZENS ON AGENDA

Wong Family

Beatrice and Edith Wong appeared before the Commission to express their gratitude to Mayor Toscana and all others for their individual and collective support and work related to the gaming commission hearings, which took place last year for the demolition of the Wing Tsue building. Ms. Wong added they are here to attend the opening of the Adams Museum archaeological exhibit "Digging Deadwood: Understanding Chinatown." Ms. Wong applauded the City of Deadwood for adopting changes in their ordinance procedures regarding "Demolition by Neglect." She added the preservation and protection of the City's architectural resources must continue to be a priority for Deadwood to retain its shine as a National Historic Landmark. Ms. Wong concluded with an original quote from her mother: "The decisions that we made today, will be tomorrow's history." Toscana added the destruction of this historic building was devastating to the City of Deadwood however; they took the best action possible to remedy this situation and to find justice. Mayor Toscana thanked Beatrice and Edith for traveling to Deadwood and their kind comments.

Use of Trolley

Silvernail moved, Speirs seconded, to allow the use of a trolley to transport members of the Republican Party to Spearfish Canyon, Cheyenne Crossing, and back to Deadwood on September 29, 2007 from approximately 10:30 a.m. to 12:30 p.m. Roll Call: All-Aye. Motion carried.

Use of Trolley

Silvernail moved, Speirs seconded, to allow the use of trolley to transport County Commissioners and County Officials attending annual meeting from Spearfish to Deadwood, round trip on September 17, 2007. Roll Call: All-Aye. Motion carried.

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2006 Audit

Bruce Hintz from S.D. Department of Legislative Audit appeared before the Commission to review the results of the 2006 audit and make them aware of additional changes in the policies and procedures for the upcoming 2007 audit. These changes include new testing methods, which involve additional risk based testing, and analysis of the internal control structure. This may increase the auditor's cost by 20-30 percent. According to Hintz, these new policies and procedures are being discussed at the state level. This additional testing could turn into more audit comments than in the past, depending on the magnitude. He advises implementing as many written policies as possible involving internal controls.

Hintz also discussed another change in the Statement of Auditing Standard #112, which requires auditors to communicate their findings and corrections in writing as well as a written comment in the audit report, which has been handled informally in the past. A list of errors were provided to the Commission, and mentioned they were reclassification entries with no affect on the bottom line of the annual report. No cash was missing, and the fund balance remained the same. He advised the city to formalize a bond reserve in the parking ramp fund, which is established but never formalized at a Commission meeting. After additional explanation and information from Hintz, Mayor Toscana signed the management letter.

PUBLIC HEARINGS/BID OPENINGS

Bid Opening

Jim Raysor opened and read the following bids received for the McGovern Hill Watermain Improvements. The bids are as follows:

Contractor	Bid Cost	Alternate #1	Total Bid Cost
Grizzly Excavation, Inc.	\$131,973.69	\$6,887.26	\$138,860.95
R.C.S. Construction, Inc.	\$114,481.30	\$5,383.53	\$119,864.83
Mainline Contracting, Inc.	\$331,750.00	\$18,075.00	\$349,825.00

Jim Raysor recommended to the Commission to accept the bid from R.C.S. Construction, Inc. in the amount of \$114,481.30 plus alternate bid of \$5,383.53, if needed. Griffith moved, Klamm seconded, to accept the bid from R.C. S. Construction, Inc. as stated. Roll Call: Aye - All. Motion carried.

Set Bid Opening

Griffith moved, Silvernail seconded, to set bid opening at 5:25 p.m. on September 24, 2007 for four abandoned vehicles per surplus Resolution 2007-09. Roll Call: Aye - All. Motion carried.

Set Public Hearing

Silvernail moved, Speirs seconded, to set public hearing for Oktoberfest street closure and open container and the Homecoming parade on September 17, 2007 at 5:30 p.m. Roll Call: Aye - All. Motion carried.

Set Public Hearing

Silvernail moved, Speirs seconded, to set public hearing at 5:20 p.m. on September 24, 2007 for malt beverage and wine license transfers from Emerald Corporation to GG & E., LLC dba BB Cody's located at 681 Main Street. Roll Call: Aye - All. Motion carried.

Reject Bids

Jim Raysor requested permission to reject the bids received for the City Hall Roof Replacement. Silvernail moved, Speirs seconded, to reject the bids for the City Hall Roof replacement. Roll Call: Aye - All. Motion carried.

Set Bid Opening

Silvernail moved, Speirs seconded, to re-advertise the bid for City Hall Roof Replacement and set the bid opening on October 1, 2007 at 5:15 p.m. with a completion date of May 1, 2008. Roll Call: Aye - All. Motion carried.

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FINANCE/HISTORIC PRESERVATION

Payment Request

Griffith moved, Silvernail seconded, to approve the payment of \$8,348 to Tyler Technologies for yearly financial software maintenance, to be paid from Finance line item (budgeted). Roll Call: Aye - All. Motion carried.

Travel Request

Silvernail moved, Speirs seconded, to allow Kevin Kuchenbecker and Mary Jo Nelson to travel to Pierre to attend the South Dakota Historic Preservation Board of Trustees Meeting on September 14, 2007. Roll Call: Aye - All. Motion carried. Toscana moved, Silvernail seconded, to allow Mike Runge to travel to Pierre on September 14, 2007 to review archive material at State History center. Roll Call: Aye - All. Motion carried.

Ordinance #1086 – Second Reading

There being no changes or comments subsequent to first reading, Silvernail moved, Klamm seconded, to approve second reading of Ordinance #1086 2008 Appropriation Ordinance. Roll Call: Aye – All. Motion carried.

Travel Request

Silvernail moved, Speirs seconded, to allow Mary Jo Nelson and Jim Raysor to attend South Dakota Municipal League Conference in Aberdeen October 4-5, 2007, requesting \$75 registration fee, lodging, and use of City vehicle. Roll Call: Aye - All. Motion carried.

STREETS/WATER

Discussion on Late Fee and Turn Off/On Fees

Jim Raysor, Public Works Director explained that the current late fee for water and garbage bills is \$2.50. Raysor proposed that the City revise the late fee charge to \$4.00 per month or 7%, which ever is the greater amount, shall be assessed on the current unpaid balance of a delinquent account and shall compound each month thereafter if not paid. Speirs moved, Griffith seconded, to approve first reading of Ordinance #1087 to Amend Chapter 13.12 Utility Billing Procedures for late fees for water and garbage rates as mentioned above. Roll Call: Aye - All. Motion carried. Finance Officer Mary Jo Nelson stated the \$25.00 turn on/off fees would still apply however, should the water remain off for a period of 90 days, or more and additional \$100.00 would be charged. This rate would be classified as a "vacation rate." When the water is turned back on the \$100.00 vacation rate would be billed on the next month's water bill. According to Ms. Nelson, cities throughout the State charge this type of rate in order to defray costs associated with the City's infrastructure and maintenance of the operating systems. Ms. Nelson added the Finance Office would research the additional charges for the vacation rates with the billing software company before approving. Raysor added that seventeen percent (17%) of the homes in Deadwood set vacate. Mayor Toscana added that the residents need to understand that the City has in investment on our community and property owners need to pay their share whether they live here year round or not. Speirs moved, Griffith seconded, to continue the discussion on the charges for the vacation rates to the September 17, 2007 meeting. Roll Call: Aye - All. Motion carried.

PLANNING/ZONING/PUBLIC BUILDINGS/TROLLEY

Black Hills Veterans Honor March

Silvernail moved, Speirs seconded, to allow use of the rodeo grounds complex for the finish line for the Black Hills Veterans Honor March sponsored by the South Dakota National Guard Enlisted Association on September 22, 2007. Roll Call: Aye - All. Motion carried.

MAYORS BUSINESS

Happy Birthday Finance Officer Mary Jo Nelson!

ITEMS FROM CITIZENS NOT ON AGENDA

Right-of-Way

Klamm moved, Speirs seconded, to allow the Mayor to sign a right-of-way with Black Hills Power to place a utility pole on McGovern Hill by the water tank. Roll Call: Aye - All. Motion carried.

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Repair Request

Speirs moved, Toscana seconded, to approve the expenditure not to exceed \$5,000 to Eddies Truck & Body for the repairs for trolley #155. Roll Call: Aye - All. Motion carried.

ADJOURNMENT

Silvernail moved, Speirs seconded, to adjourn the regular session at 5:58 p.m. The next regular meeting will be at 5:00 p.m. on Monday, September 17, 2007.

Phone Vote

A phone vote was taken on September 7, 2007 to approve amplified music in Gordon Park for the Mattox Wedding on September 8, 2007. Aye – Toscana. Silvernail and Griffith.

ATTEST:

DATE: _____

Mary Jo Nelson, Finance Officer

BY: _____
Francis A. Toscana, Mayor