

EXECUTIVE SESSION/REGULAR MEETING, JANUARY 29, 2007

The Regular Session of the Deadwood City Commission convened on January 29, 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, Georgeann Silvernail and Mark Speirs. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Silvernail moved, Speirs seconded, to approve the minutes of January 22, 2007. Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Silvernail moved, Speirs seconded, to approve the January 29, 2007 disbursements. Roll Call: Aye-All. Motion carried.

A & B BUSINESS EQUIPMENT	COPIER MAINTENANCE-COPIES	395.42
ABC	CALENDAR	1,437.00
ADAMS MUSEUM	ADAMS HOUSE OPERATING	3,191.07
ALLTEL	01/15/07 CELL BILLS	382.05
AMERICAN PUBLIC WORKS	2007 DUES/jr	20.00
ARMSTRONG EXTINGUISHER	RECHARGE, TRIP CHR 01/18/07	104.00
BH COUNCIL OF LOCAL GOV	2007 ASSESSMENT BILLING	1,879.44
BH POWER & LIGHT CO.	ELECTRICITY/PUBLIC BUILDINGS	14,647.76
BLACK HILLS PURE, INC.	5 GALLON BOTTLES (2) 01/23/07	26.25
BROSZ ENGINEERING, INC.	06-CENT AVE./RET. WALL RECON	4,200.00
BROWN & SAENGER	ABSENTT APPS, VOTE BY MAIL SET	71.42
CHANNING BETE COMPANY	FIRST AID DVD 1/18/07	98.50
CONRADS BIG "C" ELECTRIC	2006-REBUILD 4 LT POLES-LAMPS	1,122.45
CULLIGAN	BOTTLED WATER/PUBLIC WORKS	59.50
DAKOTA MILLWORK	2006-NEW DOORS/CITY HALL	3,523.84
DAKOTA SUPPLY GROUP	2006-MODEL 25-40 WATER METERS	589.44
DAVID RAPAPORT	COLLECTION PURCHASE FOR ARCHIV	2,856.58
DAYS INN	HOTEL FOR TOURISM CONF - KK	270.00
DEADWOOD CHAMBER	BILL LIST FOR JANUARY	5,167.94
DEADWOOD DEVELOPMENT CO	2006-UPS/RETURN SAFETY VIDEO	38.63
DEADWOOD LEAD ARTS	4TH QUARTER INSTALLMENT	2,500.00
DILLAVOU TAXIDERMY	MT. LION 03/16/06	1,000.00
ELAN FINANCIAL SERVICES	CANON CAMERA REPAIR	299.10
FARMER BROTHERS CO	COFFEE/PARKS-PW SHOPS	85.00
FASTENAL COMPANY	ALKALINE BATTERIES	316.09
FOX, TERESA	NEWSPAPER INDEXING	1,500.00
GOLDEN WEST TECHNOLOGIES,	2006-1500 UPS-BATTERY-LABOR	1,027.01
GOPHER SPORT	2006-VOLLEYBALL NET CART	136.85
HCW, INC.	CARRIAGE COLLECTION	7,326.38
HELMAN FIRE EQUIPMENT	PROTECH GLOVE 01/15/07	50.00
HILLSIDE DISPOSAL	JANUARY RESIDENTIAL GARBAGE	5,071.00
HSCB BUSINESS SOLUTIONS	FD LAP TOP 12/18/06	849.99
INTERSTATE BATTERIES	9V BATTERY 12 PK 01/04/07	72.00
J.P. TOWING	DEAD STORAGE 12/22/06	150.00
JACOBS PRECISION WELDING	TRUCK BED & WATER TANK 1/18/07	4,103.78
KIMBALL MIDWEST	TUBING-HEAT SHRINK-FUSEHOLDER	99.35
KMART	2006-DVD-VCR-TV-DVD COMBO/PW	339.98
LAWSON PRODUCTS, INC.	FASTENERS/STRAPPING 01/17/07	68.85
LC REGISTER OF DEEDS	FILING FEE-KAROTKO-36 WATER	44.00
LC TREASURER	PROPERTY TAXES 2006	100.22
LEAD RIFLE & PISTOL CLUB	2007 RANGE DUES 9 OFFICERS	360.00
M&M SANITATION	2006-MONTHLY TOILET RENTALS	209.00
NEVE'S UNIFORMS, INC.	4 MOCK TURTLE NECKS 10/16/06	125.09
NEWMAN TRAFFIC SIGNS	"CAUTION-EQUIPMENT" SIGNS	205.04
NHS OF THE BLACK HILLS	2007 CONTRIBUTION	10,225.63
ONE WAY SERVICE PROS	2006-AMBIENT SYSTEM-PUMP/RC	4,302.88
POWERPLAN	WIPER ARM-SHIPING/HANDLING	72.09
PRAIRIE HILLS TRANSIT	2007 AWARD	6,500.00
PRAIRIE WAVE	PHONE/ENGINE HOUSE	1,789.64
QUEEN CITY MOTORS	SPEAKER/BILL'S PICKUP	319.02
QWEST	RAMP PHONE BILL	149.20
RAPID CITY REGIONAL	LAB/CHEM	126.00
SD DEPT OF ENVIRONMENT	PERMIT-REST. USE FACILITY	250.00
SIOUX PIPE & EQUIPMENT	RUBBER METER GASKETS	11.67
SOUTH SIDE SERVICE	80W 90 GEAR LUBE/PW SHOP	9,868.11
SPEARFISH HUSKY	BELT-PIN	19.15
STATE RADIO COMM	TELETYPE SERVICE 1/1-6/30/07	1,800.00
TIM CONRAD ELECTRIC	400W BALLAST KIT/PARKS DEPT.	181.94
TRIPLE K TIRE & REPAIR	TIRE REPAIR/PARKS FREIGHTLINER	40.00
TWILIGHT FIRST AID	FIRST AID SUPPLIES/PW SHOP	148.43
USPS	Water Bills	154.32
VERIZON WIRELESS	2006-WATER DEPT. CELL PHONE	27.75
WELLMARK BLUE CROSS	WELLMARK BLUE CROSS AND BLUE S	33,884.92

GRAND TOTAL

\$135,990.77

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ITEMS FROM CITIZENS ON AGENDA

Rope and Stroke Event

Josh and Coral Sand representing the Rope Stroke and Poke event requested the use of the rodeo grounds on September 7 and 8, 2007 and requested waiver of fee. Mayor Toscana confirmed the cost and added the ordinance also states that the City Commission has the authority to waive some or all fees in the case of events that are cosponsored or for the purposing of raising funds for a worthy charitable or civic cause. Griffith moved, Speirs seconded, to allow the Rope/Stroke/Poke event to be cosponsored by the City of Deadwood on September 7-8, 2007 and to waive the use fee of \$500.00. Toscana added due to the possibility of a high school football game they will need to use the south side entrance to the rodeo grounds. Roll Call: Aye – All. Motion carried.

Permission to Allow VFW to Sell Wine at Pavilion

Silvernail moved, Speirs seconded, to approve the use of the VFW’s liquor license (RL-5541) at the Pavilion on February 17, 2007, for the Deadwood Volunteer Fire Department’s annual banquet. Roll Call: Aye - All. Motion carried.

PrairieWave Addendum (01/22/2007)

Speirs moved, Silvernail seconded, to continue this item to a future meeting. Roll Call: Aye - All. Motion carried.

Deadwood Stage Run Project Plan

Chuck Vanderziel of the Black Hills Council of Local Governments informed the Commission that Joy McCracken, Executive Director of Neighborhood Housing Services, Clayton Johnson and Bill Pearson, Deadwood Stage Run representatives and City representatives met to discuss the details of the workforce housing project plan and contract. According to Mr. Vanderziel, all parties regarding the proposed plan reached a mutual agreement. Vanderziel said the total number of lots is twenty (20) with eight of the lots available in Phase I and eight (8) lots in Phase 2 and four (4) lots in Phase 3 and to allow more time for Neighborhood Housing to sell the lots. The cost per lot is \$39,900. The Neighborhood Housing homebuyers would have two (2) years to complete the construction following the date of purchase. Unsold lots may be purchased by the developer at the original price and sold on the open market. Mayor Toscana questioned the covenants for the subdivision and if the City ordinances take precedence over the subdivision covenants. Mr. Vanderziel replied that the City does not have any enforcement power over the subdivision covenants. Vanderziel explained the importance of adding the workforce housing details into the covenants and that they become a legal component of the land sale. Commissioners Speirs and Silvernail raised questions regarding the infrastructure, extension of City water and sewer lines, storm drains and obtaining proper easements. Mr. Vanderziel reassured the Commission that the project plan does not take priority over any of the City’s planning and zoning and building requirements. Commissioner Silvernail questioned the tax levy, and asked if this would affect the school. Mr. Vanderziel replied that this would not directly affect the school. He explained if this project did not contain a commercial element, they would have to count the tax increment base that is created in their tax valuation for the schools. The project qualifies as an economic development project and the school does not have to count any of that increment in their tax base. Vanderziel presented the Commission with an overview of the project plan in detail. He explained a resolution is required for approval of the project plan.

CITY OF DEADWOOD RESOLUTION NO. 2007-03
RESOLUTION APPROVING PROJECT PLAN FOR TAX
INCREMENTAL DISTRICT NUMBER EIGHT, CITY OF DEADWOOD

BE IT RESOLVED by the Board of Commissioners of the City of Deadwood, as follows:

WHEREAS, the Deadwood City Commission has established Tax Incremental District Number Eight by Resolution 2006-44 on December 18, 2006; and

WHEREAS, the Deadwood City Commission deems it in the best interests of the City to promote the creation of housing and commercial lot development within the City; and

WHEREAS, the Project Plan submitted helps make such housing and commercial lot development feasible by assisting with various public works improvements including streets and utilities; and

WHEREAS, the use of tax increment financing to promote this development project is authorized by the statutes of the State of South Dakota; and

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WHEREAS, a Project Plan for Tax Incremental District Number Eight proposing such improvements has been developed and the City Commission has determined that this Project Plan is economically feasible; and

WHEREAS, the City Commission has further determined that this Project Plan is in conformity with the City of Deadwood Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF DEADWOOD that the Project Plan for Tax Incremental District Number Eight be, and is hereby, approved as submitted by the Deadwood Planning and Zoning Commission; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that a tax increment bond or note, in principal amount not to exceed \$1,006,000, is hereby authorized for private placement sale, as permitted under the provisions of SDCL 11-9.

Dated this 29th day of January, 2007.

ATTEST:
/s/ Mary Jo Nelson, City Finance Officer

CITY OF DEADWOOD
/s/ Francis A. Toscana, Mayor

Griffith moved, Speirs seconded, to approve Resolution 2007-03 Resolution Approving Project Plan for Tax Incremental District Number Eight (TIF #8). Roll Call: Aye - All. Motion carried.

Mr. Vanderziel said the next step is to review and approve the contract for development plan for TIF #8. He noted that the developer would need to follow the state bid law requirements. He said additional language was added to the plan requesting the developer (Deadwood Stage Run) to provide the balance of debt information at the end of the year for Finance Officer Mary Jo Nelson. Upon questioning from Mayor Toscana, Mr. Johnson and Mr. Pearson stated that as project managers, they have legal authority to sign all documents. City Attorney John Frederickson requested that Deadwood Stage Run add their corporate seal to the signature page of the contract. Joy McCracken anticipates the twenty (20) lots going into the community land trust. She explained that lots purchased through the land trust remain there. The homeowner will only own the home, not the lot. McCracken said if the homeowner decides to sell the home, a portion of the equity for the lot would not belong to the homeowner but will be required to pay taxes on the home and the lot. McCracken said formation of the trust would take six (6) months and this would serve all of the Northern Hills area as well as this development. Ms. McCracken thanked the developers and the City Commission for all their hard work and support with this trendsetting project. Silvernail moved, Griffith seconded, to approve the Contract for Private Development for Tax Incremental District Number Eight (TIF #8). Roll Call: Aye - All. Motion carried.

Mr. Vanderziel requested permission for the Commission to approve the performance contract between Black Hills Council of Local Governments, the City of Deadwood and Deadwood Stage Run, LLC. This allows the developers to pay Black Hills Council through the TIF #8. Silvernail moved, Griffith seconded, to approve the performance contract between said parties. Roll Call: Aye - All. Motion carried.

PUBLIC HEARINGS/BID OPENINGS

Discussion – Proposed Ordinance #1077

Speirs moved, Griffith seconded, to continue the proposed Ordinance #1077 to the February 12, 2007 meeting. Roll Call: Aye – All. Motion carried.

FINANCE/HISTORIC PRESERVATION/LIBRARY

Lawrence Title Co.

Griffith moved, Speirs seconded, to hire Lawrence Title Company to research land ownership documentation at a cost not to exceed \$1,500. Roll Call: Aye – All. Motion carried.

Library Fund Raiser

Silvernail moved, Speirs seconded, to approve the request to serve wine at 435 Williams, a city-owned building, for the annual Library Fund Raiser on February 10, 2007 from 7 p.m. to 10 p.m. Roll Call: Aye – All. Motion carried.

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Library to Sponsor Poetry Venue

Silvernail moved, Griffith seconded, to approve the \$5,000 sponsorship of the Poetry Venue at the 2007 South Dakota Festival of the Books and to be paid from the Library Fund. Roll Call: Aye – All. Motion carried.

STREETS/WATER

Purchase Request – Water Department

Speirs moved, Silvernail seconded, to approve the purchase of a valve from Sioux Pipe for Lee Street at a cost of \$4,981.33 from the Water Fund, a budgeted item. Roll Call: Aye – All. Motion carried.

Hire – Main Line

Speirs moved, Silvernail seconded, to approve the hiring of Main Line for the installation of the reduction valve for \$3,437.45 from the Water Fund, a budgeted item. Roll Call: Aye – All. Motion carried.

Purchase Request – Street Department

Speirs moved, Silvernail seconded, to approve the purchase of 14 tires from Triple K for the Freightliner at a cost of \$3,490 from the Street Department budget. Roll Call: Aye – All. Motion carried.

Purchase Request – Street Department

Speirs moved, Silvernail seconded, to approve the purchase of chains for the front-end loader at a cost of \$11,090 and shipping from the Street Department budget. Roll Call: Aye – All. Motion carried.

POLICE/FIRE

Ordinance #1078 – Second Reading

Silvernail moved, Griffith seconded, to approve second reading of Ordinance #1078 regarding Engine Braking in City Limits. Roll Call: Aye – All. Motion carried.

Employee Request – Police Department

Silvernail moved, Speirs seconded, to retain Teri Tomford as a part time ordinance officer at \$11.33 per hour (90% of prevailing wage). Roll Call: Aye - All. Motion carried.

Loan Agreement – Adams Museum and House

Silvernail moved, Speirs seconded, to allow the Mayor to sign the loan agreement between the City of Deadwood and Adams Museum and House for the mountain lion mount to be displayed at the Adams Museum. Roll Call: Aye – All. Motion carried

Executive Session

City Attorney John Frederickson requested a brief Executive Session for legal matters with no action following the regular meeting.

MAYORS BUSINESS

Appointment – Library Board

Mayor Toscana appointed Shirley Bergen to the Library Board. Toscana moved, Silvernail seconded, to approve the appointment of Shirley Bergen. Roll Call: Aye – All. Motion carried

Crackerbarrel

Mayor Toscana announced the Deadwood Chamber and Lead Chamber will co-host a District 31 Crackerbarrel on Saturday, February 3, 2007 at Deadwood City Hall at 10:00 a.m. Senator Apa, Representative Tom Hills and Representative Chuck Turbiville will be present to answer questions and discuss the current legislative session.

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ITEMS FROM MAYOR, COMMISSIONERS, DEPARTMENT HEADS

Trolley Department Request

Bob Nelson Sr. informed the Commission that the City of Rapid City is starting a trolley system to run during the summer months. Nelson said they are interested in borrowing Deadwood's oldest trolley for two (2) or three (3) days so they may map out their routes. Nelson added the City may be interested in purchasing this trolley. Toscana requested that Finance Officer notify our insurance company and follow their recommendation. Klamm moved, Speirs seconded, to allow the City of Rapid City to borrow the trolley and request City Attorney to prepare contract for request, pending approval of the City's insurance company.

ADJOURNMENT

Speirs moved, Silvernail seconded, to adjourn the regular session at 6:05 p.m. and convene into executive session for legal matters with no action to follow meeting. The next regular meeting will be at 5:00 p.m. on Monday, February 5, 2007.

ATTEST:

DATE: _____

Mary Jo Nelson, Finance Officer

BY: _____
Francis A. Toscana, Mayor