REGULAR MEETING/EXECUTIVE SESSION, June 2, 2008

The Regular Session of the Deadwood City Commission convened on June 2, 2008 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, Lenny Schroeder, and Georgeann Silvernail. Commissioner Joe Peterson was absent. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Silvernail moved, Klamm seconded, to approve the minutes of May 27, 2008. Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Silvernail moved, Schroeder seconded, to approve the June 2, 2008 disbursements. Roll Call: Aye-All. Motion carried.

ABC	RECEIPT BOOK	37.32
ADAMS MUSEUM	ALLOCATED ADAMS HOUSE BUDGET	6,532.25
AMAZON.COM RETURNS CENTER	TONER & TONER CARTRIDGE	92.37
ART REATO	REIMBURSE CDL TEST	106.00
BLONDIE'S IGA	COTTON MOP	4.99
CHAINSAW CENTER	EQUIPMENT RENTAL/PARKS	98.05
COMPUTER SUPPORT SERVICES	50 FT OF CABLE	29.99
CULLIGAN	BOTTLED WATER/PARKS SHOP	6.50
DEADWOOD CHAMBER	MAY BILL LIST	55,003.34
DEADWOOD HOME CENTER	GROMMETS, METAL WHEEL	115.79
FARMER BROTHERS CO	SUPPLIES/PARKS SHOP-PW SHOP	148.00
HCW, INC.	DAYS OF 76 GRANDSTANDS RENOVATION	19,969.95
HIDDEN GULCH EMBROIDERY	WATER DEPARTMENT	69.65
INTEGRITY FORD	MODULE	97.42
JACOBS PRECISION WELDING	1/2" PLATE-1/2" FLAT BAR	93.72
JAMES RAYSOR	REIMB. GAS/OACOMA-SDWWWA	30.01
JERRY BRYANT	ARCH CAMP REIMBURSTMENT	282.38
KNOLOGY	SECURITY SYSTEM/MT MORIAH HOUS	273.13
LAKER CHEMICAL, INC.	SUPER-FLEX CRACK SEALER	4,870.00
LAWSON PRODUCTS, INC.	SAFETY GLASSES-AIR GUN	384.72
LEAD DEADWOOD MEDICAL	LAB	25.00
MIKE RUNGE	WILD BILL EXHIBIT TRAVEL	222.61
MONTANA DAKOTA UTILITIES	NATURAL GAS/GAYVILLE PRV	5,290.35
NORTHERN HILLS SOD FARM	KENTUCKY BLUEGRASS SOD	409.00
NORTHWEST PIPE FITTINGS	BOOSTER PUMP/PUBLIC BLDGS	1,120.02
NOVUS	WINDSHIELD REPAIR/SUBURBAN	50.00
OCCUPATIONAL HEALTH	DRUG TEST	28.00
PITNEY BOWES INC	POSTAGE RESERVE	500.00
SCHOOL SPECIALTY	SUPPLIES/RC SUMMER CAMP	308.52
SCULL CONSTRUCTION	HARC BUILDING RENOVATION	52,696.75
SERVALL	MATS, MOP, TOWELS, BAG	331.34
SHARE CORP	CAR GUARD/PARKS SHOP	186.81
SD MUNICIPAL LEAGUE	REGISTRATION FOR 2 AT FO SCHOO	150.00
TWILIGHT	FIRST AIDE SUPPLIES-GLOVES	180.10
TWIN CITY HARDWARE	75 ' VINYL TUBE	1,498.65
VFW	(5) 6X10 US FLAGS	385.70
WWHA / WILD WEST HISTORY	ANNUAL SUBSCRIPTION	45.00
	TOTAL	**$ 151,673.43**

ITEMS FROM CITIZENS ON AGENDA

Discussion - City Nickel Slots

Pat Roberts and Jon Mattson appeared before the Commission to clarify the changes that the Business Improvement District Board had requested on the Notice of Auction for the City Nickel Slot Machines. The Commission had previously approved the one (1) year versus three (3) year lease and added to the motion to evaluate the amended lease after one year. Following the May 27 meeting, Jon Mattson met with Finance Officer Mary Jo Nelson to review additional changes. Mattson added to the notice that "additional announcements as to terms and conditions of the sale may be made by the City at the June 24th auction." Mr. Roberts requested that the $10,000 minimum bid per slot machine be eliminated as well. Klamm moved, Silvernail moved, to approve said changes to the Notice of Auction for the City Nickel Slot Machines and review after one year. Roll Call: Aye - All. Motion carried.

Payment Request

Pat Roberts explained that the Business Improvement Districts (BID) 1-6 allocates $50,000 to Black Hills Central Reservations through the Deadwood Chamber. The Business Improvement Districts (BID) 1-6 is requesting permission to allow Business Improvement District (BID) #7 to allocate $50,000 to Black Hills Central Reservations rather than BID 1-6. This would allow BID 1-6 to allocate $50,000 to the Deadwood Chamber for marketing. Silvernail moved, Klamm seconded, to approve said request and to allow the Finance Office to pay Black Hills Central Reservation $50,000 from the BID #7 fund. Roll Call: Aye - All. Motion carried.

REGULAR MEETING/EXECUTIVE SESSION, June 2, 2008

Days of 76 Raffle Request
Jon Mattson representing the Days of 76 Museum requested permission to conduct a rifle raffle and the proceeds will be used for the new museum building project. Raffle tickets are $10.00 each or six (6) tickets for $50.00 and the drawing will be held on August 16, 2008. No action taken.

Golden West - Network Administration/Backup Monitoring
Davitt Potter with Golden West presented the Commission with a detailed packet of information regarding the renewal of monitoring and management service for offsite backups for the City's computer data. Mr. Potter requested that the City replace the tape drive backup system with the disk backup system and add the offsite backup service that they are now providing. The offsite backup service offers many features such as the City's data is backed up and stored at two separate locations in two different states, the service is fully encrypted, and only the City is able to unlock and allow accessibility to the data, offers disaster recovery, server hardware failure and the recovery process. Silvernail moved, Klamm seconded, to approve the renewal of the network administration monitoring fees and management service for servers with Golden West Technologies. Roll Call: Aye - All. Motion carried.

PUBLIC HEARING/BID OPENINGS

Bid Opening
City Finance Officer Mary Jo Nelson informed the Commission that no bids were received for the surplus abandoned vehicles. Nelson will prepare a plan for surplus vehicles and request Commission's approval later.

FINANCE

Ordinance #1102 - First Reading
Silvernail moved, Klamm seconded, to pass first reading of Ordinance #1102 Supplemental Budget Appropriation #1 for 2008. Roll Call: Aye - All. Motion carried.

Resolution 2008-15
Silvernail moved, Schroeder seconded, to approve Resolution 2008-15 Dissolving Tax Increment District Number Four. Roll Call: Aye - All. Motion carried.

RESOLUTION 2008- 15

RESOLUTION DISSOLVING TAX INCREMENT DISTRICT

NUMBER FOUR - CITY OF DEADWOOD

WHEREAS, the City of Deadwood created Tax Increment District Number FOUR on February 21, 1995; and

WHEREAS, there are no outstanding financial obligations which have resulted from either the creation or the existence of Tax Increment District Number FOUR; and

WHEREAS, the City has determined that the adopted Project Plan for Tax Increment District Number FOUR has been completed; and

WHEREAS, the Deadwood City Commission is authorized to dissolve this Tax Increment District pursuant to SDCL 11-9-46.

NOW, THEREFORE, BE IT RESOLVED by the City of Deadwood that Tax Increment District Number FOUR be, and is hereby dissolved; and

BE IT FURTHER RESOLVED that any funds remaining in the Tax Increment District Number FOUR Fund, pursuant to SDCL 11-9-31, be distributed in the manner provided by SDCL 11-9-45.

Dated this 2nd day of June, 2008.

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

ATTEST:
/s/ Mary Jo Nelson, Finance Officer

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Correction to Commission Meeting Minutes & HCW Contract
Silvernail moved, Klamm seconded, to approve the correction to the March 10 and March 24, 2008 Deadwood City Commission Meeting Minutes for the HCW Construction bid regarding the alternate for the Deadwood Rodeo Grandstand project. The amount quoted was $12,500 and should have been $1,250. Silvernail moved, Klamm seconded, to amend said contract with same changes. Roll Call: Aye - All. Motion Carried.

HISTORIC PRESERVATION/PLANNING & ZONING/PUBLIC BUILDINGS/SAFETY

Change Order #3 - Rodeo Grandstands
Jim Raysor explained that the stone retaining wall located behind the Rodeo Grandstands is in need of being replaced due to the demolition work and the amount of heavy rain recently received. Raysor added

that the drainage from the roof would be diverted around behind the wall to eliminate future drainage problems. Silvernail moved, Schroeder seconded, to approve Change Order #3 for $18,970. Roll Call: Aye - All. Motion Carried.

Change Order - 834 Main Retaining Wall
Kevin Kuckenbecker explained that the retaining wall project at 834 Main Street is requiring the removal and replacement of the staircase from the street level to the second landing. Kuchenbecker added that the existing staircase settled due to absence of footings. He added this is a 50/50 split between the homeowner and the retaining wall grant program. Silvernail moved, Schroeder seconded, to approve the change order for Lehman Construction for 834 Main at cost of $4,492.50 (City's portion.) Roll Call: Aye - All. Motion Carried.

STREETS/WATER

Information
South Dakota Department of Transportation notified the City that they are in the process of erecting a fabric type facility to cover their sand pile that is adjacent to the Days of 76 Campground. The Historic Preservation Commission had requested a colonial type barn. According to Gary Engel, this would be a compromise between to the two building types. Kuchenbecker added that the State was exempt from review by Historic Preservation.

Free Dump Weekend
Commissioner Schroeder announced that due to the inclement weather the free dump weekend has been rescheduled for June 5, 6 & 7, 2008 from 8:00 a.m. to 4:00 p.m. Residents from Deadwood, Lead, and Central City will be allowed to haul their own refuse to the WASP free of charge. Please note some charges will apply.

PARKS/RECREATION/TROLLEY

Wage Increase
Silvernail moved, Klamm seconded, to approve the wage increase for Rec Center employee Cole Burrington from $7.00 to $7.50 per hour, after completion of one year of service. Roll Call: Aye - All. Motion Carried.

Employee Resignation
Silvernail moved, Klamm seconded, to accept with regret the resignation of Lloyd Thompson, trolley driver, effective May 30, 2008. Roll Call: Aye - All. Motion carried.

Use of Trolley
Silvernail moved, Schroeder seconded, to allow the trolley to travel to Englewood Trailhead for possible fundraiser for the Homestake Adams Research Center project. Roll Call: Aye - All. Motion carried.

Use of Trolley
Silvernail moved, Klamm seconded, to allow the trolley to travel on June 10 to Dumont, June 17 to President Park, June 18 to Bedrock Lanes and June 25 to the Roo Ranch for the Deadwood Rec Summer Camp program. Roll Call: Aye - All. Motion carried.

ITEMS FROM CITIZENS NOT AGENDA

Executive Session
Mayor Toscana requested an Executive Session following the Regular Session for personnel and union negotiations with no action to be taken.

ADJOURNMENT
Silvernail moved, Toscana seconded, to adjourn the regular session at 5:45 p.m. The next regular meeting will be at 5:00 p.m. on Monday, June 9, 2008.

CITY OF DEADWOOD SEAL SOUTH DAKOTA

ATTEST: Mary Jo Nelson
Mary Jo Nelson, Finance Officer

DATE: 6/9/08
BY: Francis A. Toscana
Francis A. Toscana, Mayor