

REGULAR MEETING, October 27, 2008

The Regular Session of the Deadwood City Commission convened on October 27, 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, Joe Peterson, Lenny Schroeder, and Georgeann Silvernail. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

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

APPROVAL OF DISBURSEMENTS

Silvernail moved, Klamm seconded, to approve the October 27, 2008 disbursements. Roll Call: Aye-All. Motion carried.

ABC	REFILL - PC302	52.60
ADT SECURITY	ANNUAL SERVICE CHG	529.47
ALLTEL	ALLTEL	421.19
ARMSTRONG EXTINGUISHER	ANNUAL MAINT.-EXTINGUISH./PARK	2,746.00
BEST WESTERN RAMKOTA INN	RESERVATIONS	165.04
BH CHEMICAL	BROOMS	164.94
BH POWER	PUBLIC BLDGS-MCKINLEY ST SPEED SIGN	12,293.08
BUTLER MACHINERY COMPANY	(3) BITS	575.32
CARGILL, INC.	DEICER/STREET SANDING	2,654.14
CHAINSAW CENTER	WOOD CHIPPER RENTAL	573.54
CITY OF SPEARFISH	ROOM REIMBSMT-RAMKOTA-PIERRE	162.00
CULLIGAN	BOTTLED WATER/PUBLIC WORKS	6.50
D & R ENTERPRISES	STRIPE PARKING LOTS	3,386.00
DEADWOOD CHAMBER	10/14/08 BILL LIST	50,000.00
DEADWOOD ELECTRIC	BULBS-BALLAST/STREET LIGHTS	1,917.21
DEADWOOD HOME CENTER	BOARD	46.65
FASTENAL COMPANY	DISCS	152.42
FRANK'S TREE SERVICE	TREE REMOVAL/ (4) TREES	900.00
GEORGEANN SILVERNAIL	REIMBS MEAL-10/10-/08- PIERRE	8.83
HILLS MATERIALS COMPANY	MILLER ST PARKING	65,395.25
JACOBS PRECISION WELDING	(2) BOSS V PLOW CUTTING EDGES	473.20
KEN HAWKI	CABINET - RESCUE 3	104.94
KNOLOGY	PHONE-INTERNET/LIBRARY	1,323.01
LAMBS PAINTING LLC	PAINTING ENGINE HOUSE/FINAL	16,793.00
LANPHEAR, JANET	REIMBS FOR HEADPHONE	34.93
LAWSON PRODUCTS, INC.	(25) GRADE 5 HEX NUTS	7.17
NORTHERN HILLS FOP LODGE	ANNUAL DUES-11 OFFICERS	210.00
NORTHWEST PIPE FITTINGS	VALVE BOX TOPS	140.80
PFARR, RANDY	SAFETY REIMBURSEMENT/R PFARR	95.39
SD DEPT OF ENVIRONMENT	APPLICATION-OAK RIDGE CEMETERY	100.00
SERVALL UNIFORM AND LINEN	MATS & TOWELS	49.09
SOUTH DAKOTA MUNICIPAL LEAGUE	R.MORRISON,J.EVENSON WKSHOP	30.00
SOUTH DAKOTA PUBLIC HEALTH	LEAD-COPPER-COLIFORM TESTING	600.00
STAN HOUSTON	WIRE WHEELS	40.10
TRIPLE K	FRNT & REAR BRAKE PADS	213.50
TWILIGHT FIRST AID	TWILIGHT FIRST AID & SAFETY SU	44.55
TWIN CITY HARDWARE	6 OUTLET SURGE STRIP	7.91
UMENTHUM, KEITH	SAFETY REIMBURSEMENT/UMENTHUM	52.99
US POST OFFICE	WATER BILLS - 10-08	171.09
WILDFIRE	ALUM PIPE	43.19
	TOTAL	\$162,685.04

ITEMS FROM CITIZENS ON AGENDA

Deadwood Chamber - Holiday Parking Request

George Milos, Deadwood Chamber, appeared before the Commission to request free parking during the holidays. Silvernail moved, Peterson seconded, to approve free parking at all metered spaces and lots, excluding the Broadway Parking Ramp, from November 27 through December 27, 2008. Roll Call: Aye - All. Motion Carried.

Rural Water Association - Water Rate Study

Jim Zeck and George Vansco representing South Dakota Association of Rural Water Systems appeared before the Commission to discuss and answer any questions they may have regarding the recently prepared Deadwood Water Rate Study report. Raysor stated that the water fund needs to pay for itself and it does not due to the expenses the City incurs versus the amount of revenue that is taken in. Commissioner Klamm agreed that the City needs to look at the recommendations made by the Rural Water Association. Commissioner Schroeder asked Mr. Zeck how many other communities have had similar studies done and he replied there have been numerous communities involved in the same type of study. Zeck explained that they reviewed national and regional trends in the water utility industry and have found that an inclining block rate structure is becoming more popular. This rate encourages water conservation by increasing the per thousand gallon water rate with the increased usage and is more equitable to customers since those using less water and exerting less upward pressure on infrastructure improvements pay the lowest rate. Zeck also pointed out those utilities also

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increase the monthly minimum (demand) charged based on meter/service line size. The justification for this is the fact that the larger meters and service lines exert or can potentially exert a greater demand on the utilities infrastructure and an increased upward pressure on capital improvements going into the future. Zeck referred to the City's commercial customers, size of service lines, and an increase in water flow, which would increase the cost of the monthly meter charge. Also discussed were the large number of customers which are absent from their homes for at least a portion of the year and that the City still incurs expenses on equipment, employee wages and the maintenance on the infrastructure. The Commission discussed the various recommendations made by the Rural Water representatives on the proposed rate increases and how soon the City would be able to make these changes effective. Mayor Toscana directed Jim Raysor, Mary Jo Nelson, Commissioner Schroeder, and Commissioner Peterson to prepare a proposal on rate changes for the November 10, 2008 meeting.

FINANCE

Engagement Letter - Grant Thornton

Peterson moved, Silvernail seconded, to allow the Mayor and Finance Officer to sign engagement letter with Grant Thornton for a five-year arbitrage calculation on Certificates of Participation as required by I.R.S. at a cost of \$4,500 to be paid from Historic Preservation. Roll Call: Aye - All. Motion carried.

Commitment Letter - Deadwood TIF #6

Commissioner Peterson explained that the purpose of this commitment letter is to summarize the terms and conditions to fund the TIF #6 financing for the City of Deadwood to construct the convention center in conjunction with The Lodge at Deadwood project. Peterson added that the City Attorney and Finance Officer had reviewed the information. Peterson moved, Silvernail seconded, to allow the Mayor to sign the commitment letter with First Western Bank. Roll Call: Aye - All. Motion carried.

HISTORIC PRESERVATION/PLANNING & ZONING/PUBLIC BUILDINGS/SAFETY

Change Order #1 - Deadwood Mountain Grand

Kevin Kuchenbecker explained that Gustafson Builders is the contractor for this project. However, there are two contracts for this project 1) gable stabilization and 2) the facade. Kuchenbecker said the contractor would like to make one completion date for both projects. Silvernail moved, Klamm seconded, to approve Change Order #1 for Deadwood Mountain Grand to increase the contract time by 132 days, making date of substantial completion March 2, 2009. Roll Call: Aye - All. Motion carried.

Hire Request

Toscana moved, Silvernail seconded, to approve the hiring of Shayna Monnens as a part time intern for Historic Preservation, effective November 1, 2008 at \$7.50 per hour. Roll Call: Aye - All. Motion carried.

Quote Increase - ABC

Toscana moved, Peterson seconded, to approve the increase of \$322.62 from ABC Supply for office furniture for the Planning and Zoning department, previously approved amount was \$6,967.38 for a total cost of \$7,290. Roll Call: Aye - All. Motion carried.

Christmas Party Request

Silvernail moved, Klamm seconded, approve the expenditure not to exceed \$2,250.00 from the Bed & Booze fund for a Christmas party for all part time and full time City employees. Roll Call: Aye - All. Motion carried.

STREETS/WATER/LIBRARY

Purchase Request

Schroeder moved, Klamm seconded, to approve the purchase of a bucket for the Man Lift (bucket truck) at a cost of \$988.23 from Alliance Equipment Company. Roll Call: Aye - All. Motion carried.

Purchase Request

Schroeder moved, Klamm seconded, to approve the purchase of replacement extinguishers for the Street Department (only) after annual inspection at a cost of \$1,028.00. Roll Call: Aye - All. Motion carried.

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Payment Request

Schroeder moved, Klamm seconded, to approve the payment of \$8,147.20 to New Deal Tire for the disposal of tires at the WASP landfill, to be paid from the Rubble Site account. Roll Call: Aye - All. Motion carried.

POLICE/FIRE

Fire Department Roster

Klamm moved, Silvernail seconded, to remove David Beroza from the Fire Department roster effective October 23, 2008 for workers compensation purposes. Roll Call: Aye - All. Motion carried.

Payment Request

Klamm moved, Schroeder seconded, to approve the payment to State Radio for teletype services for the Police Department from July 1, 2008 through December 31, 2008, at a cost of \$1,800.00. Roll Call: Aye - All. Motion carried.

Purchase Request

Klamm moved, Silvernail seconded, to approve the purchase of Draeger SCBA filters at a cost of \$3,465.00 from W.B. Thompson Company, Inc. Roll Call: Aye - All. Motion carried.

Extend Vacation Hours

Klamm moved, Silvernail seconded, to allow Cindy Rische to extend 99.5 hours of vacation to December 31, 2008. Roll Call: Aye - All. Motion carried.

Phone Vote - 10-27-2008

A phone was taken on Monday, October 27 to allow Alex Hamann to travel to Mitchell on October 27 to attend a Computer User Group meeting on October 28, cost not to exceed \$200.00. Aye - Klamm, Toscana, Silvernail, and Schroeder. Roll Call: Aye - All. Motion carried.

PARKS/RECREATION/TROLLEY

Information - Virginia Baker Pool Act

Jim Raysor informed the Commission that the Federal Government has recently passed the Virginia Graeme Baker Pool and Spa Safety Act. The purpose of this act is to require that all public pool owners/operators comply with the installation of drain covers and automatic shut-off systems for pools and spas by December 19, 2008 to eliminate the possibility of an individual of being trapped in the drain. Raysor told the Commission he is researching this matter and will report to the Commission.

LEGAL BUSINESS

Ordinance #1109 - Second Reading

There being no comment on Ordinance #1109 Amending Chapter 8.08 Fireworks and Burning in the City of Deadwood, Klamm moved, Silvernail seconded, to approve second reading of said ordinance. Roll Call: Aye- All. Motion carried.

Travel Request

Silvernail moved, Klamm seconded, to allow City Attorney Jason Campbell to travel to Pierre to attend the deposition on October 31, 2008 which the City has open litigation regarding the Sinclair Station. Roll Call: Aye- All. Motion carried.

MAYORS BUSINESS

Parking and Transportation Committee

Toscana moved, Silvernail seconded, to approve the appointment of Ken Gienger to the Parking and Transportation Committee. Roll Call: Aye- All. Motion carried.

Proclamation

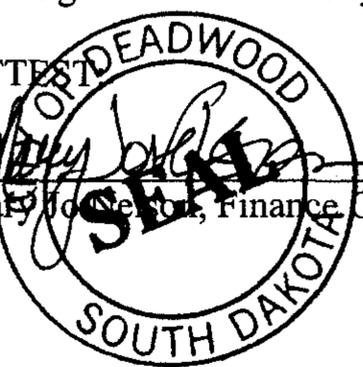
Mayor Toscana read a proclamation "Change you Clock - Change your Battery" Day on November 2, 2008. Toscana invited everyone to attend the Fire Department's Annual Chili Feed on November 2 from 3 p.m. to 7 p.m.

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ADJOURNMENT

Toscana moved, Silvernail seconded, to adjourn the regular session at 6:00 p.m. The next regular meeting will be on Monday, November 3, 2008.

ATTEST



Mayor

Mayor, Finance Officer

DATE: 11-3-08

BY: Francis A. Toscana
Francis A. Toscana, Mayor