

REGULAR MEETING, September 26, 2011

The Regular Session of the Deadwood City Commission convened on September 26, 2011 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, Joe Peterson, Georgeann Silvernail, Gary Todd, and Jim Van Den Eykel. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Silvernail moved, Van Den Eykel seconded, to approve the minutes of September 19, 2011. Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Van Den Eykel moved, Todd seconded, to approve the September 26, 2011 disbursements. Roll Call: Aye-All. Motion carried.

DAKOTA BUSINESS	MAINT	107.88
DAKOTACARE	INS-OCT	43,081.39
DAYS OF '76 MUSEUM	BUDGET ALLOCATION	27,289.96
DEADWOOD ECONOMIC DEV	SEPT PYMT	1,580.02
DEADWOOD FIRE DEPT	RADIOS	162.00
FOREMOST PROMOTIONS	FIRE DEPT	103.74
FRED PRYOR SEMINARS	REGISTER	199.00
HILLSIDE	ROLL-OFFS	1,020.00
LAWSON PRODUCTS	SUPPLIES	483.40
LYNN'S DAKOTA MART	SUPPLIES	4.18
MCDIRT EXCAVATION	#1 PAY APP PECK/RYAN	41,730.75
PITNEY BOWES	RENTAL	315.00
PRO-STEAM	CITY HALL	1,200.00
RAYSOR, JAMES	REIMBURSE	473.92
SD COMMISSION GAMING	CITY SLOTS	43,306.82
US POST OFFICE	FIRE DEPT	223.34
	TOTAL	\$ 161,281.40

ITEMS FROM CITIZENS ON AGENDA

Sanford Lab Update

Bill Harlan, Sanford Lab Representative, appeared before the Commission to give an update on the lab. He said the construction of the Ray Davis Campus on the 4850 level (Yates Shaft side) is progressing well. The LUX dark matter detector and the Majorana experiment will be housed in separate caverns on the 4850 level. They are in the process of taking time lapsed photos of the construction of the lab which records the progress of this project. Harlan said he would bring the video presentation to share with the Commission on October 31, 2011.

Adams Museum – Use of Trolley

Mary Kopco with Adams Museum requested permission for the trolley to transport passengers from the Adams Museum to Kirk Trailhead for a “Learning Lunch” from 11:00 a.m. to 1:00 p.m. on October 1, 2011 and to waive the trolley fee. Silvernail moved, Van Den Eykel seconded, to approve said request and waive trolley fee for the Adams Museum event. Roll Call: Aye-All. Motion carried.

Dougherty and Company

Tom Grimmond with Dougherty and Company, LLC provided the Commission with a detailed report and explanation on certificates of participation refunding for the 2003 and 2004 bonds. Grimmond said if the Commission approves the advanced refunding and proposed resolution the City would realize a savings of \$338,735.00 (based on current interest rates.) The Commission has the final say in refunding of certificates of participation. Commission Todd asked what the cost is for this process and Grimmon said no additional fees would be required. Commission then discussed Resolution 2011-19.

Resolution 2011-19

Peterson moved, Todd seconded, to approve Resolution 2011-19 Relating to the Issuance of Refunding Certificates of Participation. Roll Call: Aye-All. Motion carried.

RESOLUTION NO. 2011-19

RESOLUTION RELATING TO THE ISSUANCE OF REFUNDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A ELEVENTH AMENDMENT TO LEASE-PURCHASE AGREEMENT AND APPROVING AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS

BE IT RESOLVED by the City Commission of the City of Deadwood, South Dakota (the City), as follows:

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Article I. RECITALS.

Section 1.01 The City is authorized by South Dakota Codified Laws, Section 9-12-1 and Sections 9-40-34 through 9-40-40, inclusive, as amended (the Act), to enter into lease-purchase agreements for acquisition of real or personal property that the governing body considers necessary or appropriate to carry out its governmental and proprietary functions.

Section 1.02 The First National Bank in Sioux Falls, in Sioux Falls, South Dakota (the Trustee) has previously acquired from the City certain interests in real property (the Land) pursuant to a Ground Lease and Easement Agreement, dated as of November 1, 1990 (the Original Ground Lease), as amended by the First Amendment to Ground Lease and Easement Agreement, dated as of October 1, 1991 (the First Amendment to Ground Lease), the Second Amendment to Ground Lease and Easement Agreement, dated as of December 15, 1994 (the Second Amendment to Ground Lease), the Third Amendment to Ground Lease and Easement Agreement, dated as of December 1, 1999 (the Third Amendment to Ground Lease), and the Fourth Amendment to Ground Lease and Easement Agreement, dated as of April 13, 2007 (the Fourth Amendment to Ground Lease).

Section 1.03 The City has previously entered into a Lease-Purchase Agreement, dated as of November 1, 1990 (the Original Lease), as amended by a First Amendment to Lease-Purchase Agreement, dated as of October 1, 1991 (the First Amendment), a Second Amendment to Lease-Purchase Agreement, dated as of January 1, 1992 (the Second Amendment), a Third Amendment to Lease-Purchase Agreement, dated as of December 15, 1994 (the Third Amendment), a Fourth Amendment to Lease-Purchase Agreement, dated as of December 1, 1997 (the Fourth Amendment), a Fifth Amendment to Lease-Purchase Agreement, dated as of November 15, 1998 (the Fifth Amendment), a Sixth Amendment to Lease-Purchase Agreement, dated as of December 1, 1999 (the Sixth Amendment), a Seventh Amendment to Lease-Purchase Agreement, dated as of December 1, 2003 (the Seventh Amendment), an Eighth Amendment to Lease-Purchase Agreement, dated as of December 15, 2005 (the Eighth Amendment), a Ninth Amendment to Lease-Purchase Agreement, dated as of April 13, 2007 (the Ninth Amendment) and a Tenth Amendment to Lease-Purchase Agreement, dated as of October 1, 2009 (the Tenth Amendment) with the Trustee, pursuant to which the Trustee has caused the Facilities to be acquired and constructed and is leasing and has agreed to sell the Facilities to the City.

Section 1.04 The City has previously joined in, with the Trustee, a Declaration of Trust, dated as of November 1, 1990 (the Original Trust Agreement), as amended by a First Supplemental Declaration of Trust, dated as of October 1, 1991 (the First Supplement), a Second Supplemental Declaration of Trust, dated as of January 1, 1992 (the Second Supplement), a Third Supplemental Declaration of Trust, dated as of December 15, 1994 (the Third Supplement), a Fourth Supplemental Declaration of Trust, dated as of May 4, 1995 (the Fourth Supplement), a Fifth Supplemental Declaration of Trust, dated as of December 1, 1997 (the Fifth Supplement), a Sixth Supplemental Declaration of Trust, dated as of November 15, 1998 (the Sixth Supplement), a Seventh Supplemental Declaration of Trust, dated as of December 1, 1999 (the Seventh Supplement), an Eighth Supplemental Declaration of Trust, dated as of December 1, 2003 (the Eighth Supplement), a Ninth Supplemental Declaration of Trust, dated as of December 15, 2005 (the Ninth Supplement) and a Tenth Supplemental Declaration of Trust, dated as of October 1, 2009 (the Tenth Supplement).

Section 1.05 The Trustee has executed and delivered Certificates of Participation in a Lease-Purchase Agreement (Sewer, Water and Public Building Projects), Series 1990A and Series 1990B, dated as of November 1, 1990, pursuant to the Original Trust Agreement (collectively, the Series 1990 Certificates); Certificates of Participation in a Lease-Purchase Agreement (Sewer, Water and Improvement Projects), Series 1991, dated as of October 1, 1991, pursuant to the First Supplement (the Series 1991 Certificates); Refunding Certificates of Participation in a Lease-Purchase Agreement (Sewer, Water and Improvement Projects), Series 1992, dated as of January 1, 1992, pursuant to the Second Supplement (the Series 1992 Certificates); Certificates of Participation in a Lease-Purchase Agreement (Sewer, Water and Improvement Projects), Series 1994A and Series 1994B (collectively, the Series 1994 Certificates), dated as of December 30, 1994, pursuant to the Third Supplement; has remarketed the Series 1994B Certificates, on May 4, 1995, pursuant to the Fourth Supplement; Certificates of Participation, Series 1997, dated as of December 1, 1997, pursuant to the Fifth Supplement (the Series 1997 Certificates), Certificates of Participation, Series 1998, dated as of November 15, 1998, pursuant to the Sixth Supplement (the Series 1998 Certificates), Certificates of Participation, Series 1999, dated as of December 1, 1999 (the Series 1999 Certificates), and Certificates of Participation, Series 2000, dated as of January 1, 2000 (the Series 2000 Certificates) pursuant to the Seventh Supplement, Certificates of Participation, Series 2003, dated as of December 1, 2003 (the Series 2003 Certificates), and Certificates of Participation, Series 2004, dated as of January 1, 2004 (the Series 2004 Certificates) pursuant to the Eighth Supplement, Certificates of Participation, Series 2005, dated as of December 15, 2005 (the Series 2005 Certificates), Certificates of Participation, Series 2006, dated as of January 1, 2006 (the Series 2006 Certificates), pursuant to the Ninth Supplement and Refunding Certificates of Participation, Series 2009, dated as of October 1, 2009 (the Series 2009 Certificates), pursuant to the Tenth Supplement. The Series 1990 Certificates, the Series 1991 Certificates, the Series 1992 Certificates, the Series 1994 Certificates, the Series 1997 Certificates, the Series 1998 Certificates, the Series 1999 Certificates and the Series 2000

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Certificates have been refunded or have matured and are no longer Outstanding under the Original Trust Agreement.

Section 1.06 The City Commission hereby finds it necessary and appropriate to refund in advance of maturity all or a portion of (i) the Series 2003 Certificates, outstanding in the aggregate principal amount of \$5,385,000, and (ii) the Series 2004 Certificates, outstanding in the aggregate principal amount of \$1,785,000 (collectively, the Refunded Certificates), on November 1, 2012 (the Crossover Date), in a "crossover" refunding (the Refunding).

Section 1.07 To accomplish the Refunding, the City and the Trustee will enter into an Eleventh Amendment to Lease-Purchase Agreement (the Eleventh Amendment).

Section 1.08 The Trustee will execute and deliver an Eleventh Supplemental Declaration of Trust (the Eleventh Supplement), pursuant to which the Trustee will (i) issue Refunding Certificates of Participation, Series 2011 (the Series 2011 Certificates) in the Lease Payments to be made by the City under the Lease and (ii) receive, hold and invest the proceeds of the Series 2011 Certificates and (A) deposit such proceeds with the Escrow Agent to be held and disbursed under the Escrow Agreement as set forth in Section 1.09 hereof, and (B) pay Costs of Issuance (as defined in the Lease). The Series 2011 Certificates will be purchased by Dougherty & Company LLC (the Underwriter). The Trustee will assign its interest in the Ground Lease and the Eleventh Amendment to the trust created for the benefit of the owners of the Series 2011 Certificates and all other Certificates issued and Outstanding under the Trust Agreement, pursuant to the Eleventh Supplement.

Section 1.09 The City and the Trustee, acting in the capacity of escrow agent (the Escrow Agent), will execute and deliver an escrow agreement, to be dated as of the date of closing (the Escrow Agreement), under which the Escrow Agent will receive, hold and disburse that portion of the proceeds of the Series 2011 Certificates, as hereinafter defined, to be used for payment of the interest to become due on the Series 2011 Certificates to and including the Crossover Date and for the payment and redemption of the principal amount of the Refunded Certificates on the Crossover Date.

Section 1.10 Forms of the following documents relating to the Refunding will be prepared and submitted to the City and, when received, are hereby directed to be filed with the Finance Officer:

- (a) the Eleventh Amendment, proposed to be made and entered into between the City and the Trustee;
- (b) the Eleventh Supplement, proposed to be executed and delivered by the Trustee and joined in by the City;
- (c) the Escrow Agreement;
- (d) an Official Statement to be prepared by the Underwriter; and
- (e) a Certificate Purchase Agreement, proposed to be made and entered into between the City and the Underwriter.

Section 1.11 The Original Ground Lease, as amended by the First through Fourth Amendments to Ground Lease, is referred to herein as the "Ground Lease." The Original Lease, as amended by the First through Eleventh Amendments, is referred to herein as the "Lease." The Original Trust Agreement, as amended by the First through Eleventh Supplements, is referred to herein as the "Trust Agreement."

Article II. FINDINGS.

On the basis of information given the City to date, it is hereby found, determined and declared that:

- (a) the Refunding is found to be favorable to the City and is hereby approved; and
- (b) it is desirable and in the best interest of the City to enter into the Eleventh Amendment, the Certificate Purchase Agreement and to join in the Eleventh Supplement.

Article III. AUTHORIZATION.

Section 3.01 The Series 2011 Certificates shall be sold to the Underwriter in an aggregate principal amount not to exceed the sum of (i) the amount necessary to accomplish the Refunding, plus (ii) costs of issuance (including underwriters' discount not exceeding 1.5% of par), (iii) bond insurance premium, if any, and (iv) any allowance for original issue discount not to exceed 2.00% of par. The Series 2011 Certificates shall bear interest at a rate or rates per annum resulting in an average interest rate yield not greater than 3.5% per annum and shall mature over a period not to exceed eight years. The Mayor and Finance Officer are hereby authorized and directed to agree with the Underwriter upon the

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exact purchase price, principal amount, maturities, redemption provisions and interest rates for the Series 2011 Certificates, within the parameters set forth in this subsection. The execution by the Mayor and Finance Officer of a Certificate Purchase Agreement setting forth such final terms is hereby approved and authorized and such execution shall be conclusive evidence of such agreement and shall be binding upon the City and the provisions of the Certificate Purchase Agreement as so executed, including all Exhibits and Appendices thereto, are incorporated herein by reference. The law firm of Dorsey & Whitney LLP, in Minneapolis, Minnesota, is hereby appointed as bond counsel and disclosure counsel for the Series 2011 Certificates.

Section 3.02 The Mayor, Finance Officer and City Attorney are hereby authorized and directed to execute and deliver the Certificate Purchase Agreement and all documents required thereunder, the Official Statement, the Series 2011 Certificates and any other documents required to complete the financing contemplated hereby. Execution and delivery of such documents by the Mayor, Finance Officer and City Attorney shall constitute evidence that such items are consistent with the terms of this resolution and have been duly authorized, executed and delivered by the City and are enforceable against the City in accordance with their terms, subject to customary exceptions relating to bankruptcy, reorganization, insolvency and other laws affecting creditors' rights. The Mayor, Finance Officer and City Attorney are further authorized to take such other actions as may be required to effectuate the terms and intent of this resolution. In the event of the absence or disability of the Mayor, Finance Officer and City Attorney, the acting Mayor, assistant Finance Officer or acting City Attorney are hereby authorized to act in their place and stead and to take all actions and execute all documents approved hereby.

Section 3.03 The Mayor, Finance Officer and City Attorney, are authorized, in cooperation with the Underwriter, to prepare an Official Statement to be distributed to prospective purchasers of the Series 2011 Certificates. The Mayor, Finance Officer and City Attorney are hereby authorized and directed to approve, and, if requested, to execute the final Official Statement.

Article IV. PAYMENT OF LEASE PAYMENTS; PLEDGED REVENUES.

Section 4.01 The City will pay to the Trustee promptly when due, all of the Lease Payments (as defined in the Lease) and other amounts required by the Lease. To provide moneys to make such payments, the City will include in its annual budget, for each fiscal year during the term of the Lease, moneys sufficient to pay and for the purpose of paying all Lease Payments and other amounts payable under the Lease, and will take all other actions necessary to provide moneys for the payment of the obligations of the City under the Lease from sources of the City lawfully available for this purpose. The agreement of the City in this Section is subject to the provisions of Section 4.6 of the Original Lease.

Section 4.02 The City intends to pay the Lease Payments primarily from the revenues received from gaming activities in the City, which have been irrevocably appropriated to the City's Historic Renovation and Preservation Fund. As additional security for the Lease Payments, the City hereby irrevocably pledges and assigns to the Trustee, for the benefit of the holders of the Series 2011 Certificates, so long as the Lease is in effect, from amounts received by the City pursuant to Article III, Section 25 of the Constitution of the State of South Dakota and Sections 42-7B-48 and 42-7B-48.1, South Dakota Codified Laws, (such amounts are herein referred to as the Pledged Revenues), an amount in each calendar year equal to the total amount of the Lease Payments due in such calendar year. The obligations of the City under this Section shall continue for each calendar year for which the Lease is in effect, but shall be subject to the provisions for termination set forth in the Lease.

Article V. TAX AND ARBITRAGE MATTERS.

Section 5.01 Covenant. The City covenants and agrees with the owners from time to time of the Certificates, that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest component of the Lease Payment to become subject to taxation under the Internal Revenue Code of 1986, as amended (the Code) and any regulations issued thereunder (the Treasury Regulations), in effect at the time of such action, and that it will take, or it will cause its officers, employees or agents to take, all affirmative actions within its powers which may be necessary to insure that the interest component of the Lease Payment will not become subject to taxation under the Code and the Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Certificates. The City represents and covenants that the City is the owner of the Facilities and uses them for its municipal functions. So long as the Certificates are outstanding, the City will not enter into any lease, use agreement or other contract or agreement respecting the Facilities which would cause the Certificates to be considered "private activity bonds" or "private loan bonds" pursuant to the provisions of Section 141 of the Code.

Section 5.02 Arbitrage Certification. The Mayor and Finance Officer being the officers of the City charged with the responsibility for issuing the Certificates pursuant to this resolution, are authorized and directed to execute and deliver to the Underwriter a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Treasury Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Certificates which make it reasonable to expect that the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be arbitrage bonds within the meaning of the Code and Treasury Regulations.

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Section 5.03 Arbitrage Rebate. The City acknowledges that the arbitrage rebate requirements of Section 148(f)(4)(D) of the Code are applicable to the Certificates, the City hereby covenants and agrees to make computations, retain records and pay amounts to the United States at the times and in the manner required by said Section 148(f)(4)(D) of the Code, and as set forth in the tax compliance agreement or similar document executed in connection with the delivery of the Certificates to the Underwriter.

Section 5.04 Qualified Tax-Exempt Obligations. The Commission hereby designates the Series 2011 Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations (within the meaning of Section 265(b)(3) of the Code) which will be issued by the City and all subordinate entities during calendar year 2011 does not exceed \$10,000,000.

Article VI. CONTINUING DISCLOSURE.

The City acknowledges that Series 2011 Certificates are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (as in effect and interpreted from time to time, the Rule). The Rule governs the obligations of certain underwriters to require that issuers of municipal obligations enter into agreements for the benefit of the holders of the obligations to provide continuing disclosure with respect to the obligations. To provide for the public availability of certain information relating to the Series 2011 Certificates and the security therefor and to permit participating underwriters in the primary offering of the Series 2011 Certificates to comply with the Rule, which will enhance the marketability of the Series 2011 Certificates, the Mayor and Finance Officer are hereby authorized and directed to enter in to a Continuing Disclosure Agreement with the Trustee (the Disclosure Agreement), under which the City agrees to provide such information, to the Trustee as disclosure agent. The City hereby covenants and agrees to observe and perform the covenants and agreements contained in the Disclosure Agreement, unless amended or terminated in accordance with the provisions thereof, for the benefit of the registered owners or beneficial owners from time to time of the outstanding Series 2011 Certificates as provided in the Disclosure Agreement.

Article VII. AMENDMENT.

This Resolution may be amended in order to clarify or modify the terms of or security for the Series 2011 Certificates, prior to the delivery thereof to the Underwriter, by administrative resolution adopted by the City Commission.

ATTEST:

/s/ Mary Jo Nelson, Finance Officer

/s/ Francis A. Toscana, Mayor

Effective Date: September 26, 2011

Published: September 29, 2011

Adopted: October 19, 2011

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Shama – Soda Fountain Lease

Larry Shama appeared before the Commission to ask why he has not been paid in full for the storage of the City owned soda fountain. Mayor Toscana said as far as the City is concerned he had been paid in full. Toscana said Shama requested to raise the rent back in November 2010 to \$60 per month. According to Shama, he referenced the December 27, 2001 agreement (Items 1-3) between the City and Shama for the purchase and storage of the soda fountain, emphasizing it is a month-to-month contract at \$50.00 per month. City Attorney Jason Campbell confirmed the agreement is a lease to pay \$50.00 per month for storage however lease is not discretionary. Shama said that in October 2010 they added a note on the bill stating they had raised the monthly rent \$10.00 (from \$50 to \$60) starting November 2010. Shama did not have a copy of the bill but referenced the Historic Preservation Minutes from November 10, 2010, listed attendees of HP meeting and added that the City was informed of the additional \$10.00 per month increase. Toscana agreed that the City was informed of the increase however; the Commission is under the guidance of legal counsel. City Attorney Jason Campbell said this is a unilateral change and would not be accepted, as it is not part of the original contract. Shama gave Toscana two checks that were issued previously for the payment of the storage of the soda fountain, and stated he was giving them back because they are not for correct amount and want to be paid in full. After much discussion, Toscana and Todd both agreed to pay the remaining \$90 to put an end to this matter. However, the Commission previously voted on this matter (September 12, 2011) and it did not pass, as it was a two-to-two vote. Campbell told the Commission that since this item is on the agenda they could vote on this matter if they chose to vote again. Todd moved, Toscana seconded, to approve the payment of \$90 to Larry Shama. Roll Call: Aye-Todd, Toscana. Nay-Van Den Eykel, Silvermail. Abstain-Peterson.

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PUBLIC HEARINGS/BID OPENINGS

Set Public Hearing

Peterson moved, Todd seconded, to set a public hearing at 5:05 p.m. on October 11, 2011 for application of transfer for retail (on-off sale) malt beverage license for Prince Enterprises LLC dba Wild Bill's to Melody Lopez dba Eagle Bar at 624 Main Street. Roll Call: Aye-All. Motion carried.

FINANCE

Payment Request

Peterson moved, Silvernail seconded, to approve the payment of \$1,392.76 to American Legal Publishing for Ordinance Codification Updates, a budgeted item. Roll Call: Aye-All. Motion carried.

Information – Auction Surplus Land

Commissioner Peterson informed the Commission that the following real property would be sold at public auction by the City of Deadwood at 1:00 p.m. Mountain Time on September 30, 2011 at City Hall Commission Chambers, and 102 Sherman Street, Deadwood, SD 57732. The real property to be sold is described as follows: Tract A-1 of Placer Claim 120, Blacktail Lode, and 66' dedicated public right of way formerly tracts A and B of Placer Claim 120, Blacktail Lode, located in the NW ¼ of section 28, T5N, R3E, B.H.M. Lawrence County, South Dakota. Zoned: Suburban Residential District, Size of property: 2.10 acres ±. Results of auction will be presented to City Commission on October 3, 2011.

HISTORIC PRESERVATION/PLANNING & ZONING/PUBLIC BUILDINGS/SAFETY

Hire Request

Toscana moved, Silvernail seconded, to approve the hiring of Scott Jamison for the Archivist Intern position effective September 27 at \$7.61 per hour, pending pre-employment screening. Roll Call: Aye-All. Motion carried.

Purchase Request

Toscana moved, Silvernail seconded, to approve the purchase of two lateral files from ABC Business for \$1,150.00, to be paid from Historic Preservation supply line item, a budgeted item. Roll Call: Aye-All. Motion carried.

Kathryn Lyons Letter – Pineview

Mayor Toscana said he received a letter and a recent phone call from Kathryn Lyons, Owner-Operator of the Ponderosa Trading Company regarding the Pineview Building Easement. Lyons expressed her concerns regarding potential damage to her property and other historic structures, power easements between property owners, and would like to see resolution to this matter. Lyons would like the City Commission and Historic Preservation Commission to re-evaluate the timeframe of the restoration with the owners of the Pineview property. She added there have been other building restoration projects in the downtown sector, and would like to see some appropriate deadlines to assure the completion of this project in a timely manner. Van Den Eykel asked if the City could set deadlines and the possibility of meeting with contractor to discuss a timeline for this project. Toscana said it is not a City project and Todd asked why the City would get involved. Campbell said what they would allege is that the City is not properly enforcing its own ordinances. Kuchenbecker will update the Commission next week on this matter. A copy of Kathryn Lyons' letter is on file with 9/26/2011 minutes at the City Finance Office.

STREETS/WATER/LIBRARY

Advertise/Hire Request

Public Works Director explained that in the past, we have experienced major events during winter holidays or weekends and the City Street Department is short of staff. Van Den Eykel moved, Todd seconded, to allow Public Works to advertise and hire up to three reserve snow removal operators at base salary rate of \$15.50 per hour pending pre-employment screening. Roll Call: Aye-All. Motion carried.

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Repair Request

Van Den Eykel moved, Silvernail seconded, to repair WASP landfill dozer at a cost not to exceed \$2,500.00 utilizing services of Diamond Dave's Diesel Repairs. Roll Call: Aye-All. Motion carried.

POLICE/FIRE

Hire Request

Silvernail moved, Peterson seconded, to approve the hiring of David Riley and Thomas Adams as part time reserve officers at \$11.16 per hour effective September 27, 2011, pending pre-employment screening. Roll Call: Aye-All. Motion carried.

PARKS/RECREATION/TROLLEY

Wage Increase

Todd moved, Silvernail seconded, to approve the wage increase for trolley driver, Michael Holbert, from \$10.15 to \$11.16 per hour effective September 22, 2011, after three years of service, and trolley driver David Osborn from \$9.13 to \$10.15 per hour effective September 24, 2011, after 18-months of service. Roll Call: Aye-All. Motion carried.

Safety Committee – Flu Shots

Todd moved, Silvernail seconded, to allow the Safety Committee to arrange for the flu shot clinic for all part time and full time City employees, Commissioners, and Volunteer Firefighters on October 19, 2011 from 1-4 p.m., to be paid from Safety budget. Roll Call: Aye-All. Motion carried.

LEGAL BUSINESS

Contract

Silvernail moved, Van Den Eykel seconded, to allow the Mayor to sign the Agreement between the City of Deadwood and Sabo Construction Inc. for retaining wall repairs behind 308 Williams (wall supports Forest Avenue) for \$5,812.00. Roll Call: Aye-All. Motion carried.

Contract

Peterson moved, Silvernail seconded, to allow the Mayor to sign the Agreement between the City of Deadwood and KT Connections Inc. to install security system at the Deadwood Interpretive Visitor's Center for \$8,900.12. Roll Call: Aye-All. Motion carried.

MAYORS BUSINESS

Employee Christmas Party

Toscana explained due to the continual decline in City employees attending past Christmas parties, a propose change for this year's Christmas party is to close City offices on Dec. 15, 2011 from 11:30 a.m. to 1:30 p.m., hire a local catering business, and event to be held at HARC. Silvernail moved, Van Den Eykel seconded, to approve the Employee Christmas Party and expenditure of up to \$2,250.00 from the Bed and Booze fund. Roll Call: Aye-All. Motion carried.

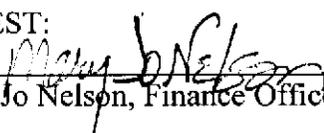
Wage Increase

Silvernail moved, Van Den Eykel seconded, to approve the wage increase for City Attorney Jason Campbell by \$1,000.00 for full raises granted in 2010 when full time status is resumed on October 3, 2011, in compliance with USERRA (Uniformed Services & Re-Employment Rights Act. Roll Call: Aye-All. Motion carried.

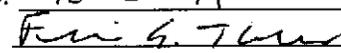
ADJOURNMENT

Silvernail moved, Peterson seconded, to adjourn the regular session at 5:55 p.m. The next regular meeting will be at 5:00 p.m. on Monday, October 3, 2011.

ATTEST:


Mary Jo Nelson, Finance Officer

DATE: 10-3-11

BY: 
Francis A. Toscana, Mayor

For any public notice, that is published one time:

Published once at the total approximate cost of _____.