

REGULAR MEETING, MARCH 4, 2019

The Regular Session of the Deadwood City Commission convened on Monday, March 4, 2019 at 5:00 p.m. in the Deadwood City Commission Chambers, 102 Sherman Street, Deadwood, South Dakota. Mayor Ruth Jr. called the meeting to order with the following members present: Department Heads, City Attorney Quentin L. Riggins, and Commissioners Sharon Martinisko, Charlie Struble, and Gary Todd. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Todd moved, Struble seconded to approve the minutes of February 19, 2019. Roll Call: Aye-All. Motion carried.

FEBRUARY, 2019 PAYROLL: COMMISSION, \$2,230.76; FINANCE, \$18,080.44; PUBLIC BUILDINGS, \$8,007.96; POLICE, \$69,834.34; FIRE, \$5,373.64; BUILDING INSPECTION, \$4,142.00; STREETS, \$30,410.57; PARKS, \$21,211.59; PLANNING & ZONING, \$5,210.88; LIBRARY, \$6,636.46; RECREATION CENTER, \$15,810.98; HISTORIC PRESERVATION, \$16,927.84; WATER, \$16,580.30; PARKING METER, \$9,175.76; TROLLEY, \$16,530.87; PARKING RAMP, \$385.71. **PAYROLL TOTAL: \$246,550.10.**

FEBRUARY, 2019 PAYROLL PAYMENTS:

Internal Revenue Service, \$58,427.56; S.D. Retirement System, \$28,582.52; Delta Dental, \$4,399.50.

APPROVAL OF DISBURSEMENTS

Struble moved, Martinisko seconded to approve the March 4, 2019 disbursements. Roll Call: Aye-All. Motion carried.

A & B BUSINESS	CONTRACT	336.50
ACE HARDWARE	SUPPLIES	121.95
ACE INDUSTRIAL	SUPPLIES	5,700.90
ALSCO	SUPPLIES	420.56
AMERICAN LEGAL	ORDINANCES	1,288.40
ATCO INTERNATIONAL	SUPPLIES	140.00
BDTAID	PROJECT	858.45
BIG TEX TRAILER	MACHINE	5,728.00
BH CHEMICAL	SUPPLIES	469.48
BH PIONEER	SUBSCRIPTION	108.45
BOMGAARS	SUPPLIES	224.99
BUTLER MACHINERY	SUPPLIES	50.85
CAMPBELL, HANNAH	CERTIFICATION	100.00
CENTURY BUSINESS	CONTRACT	339.24
CHAINSAB CENTER	SUPPLIES	15.00
CODE WORKS	PROJECT	1,619.16
CULLIGAN	SUPPLIES	10.50
DEADWOOD CHAMBER	SPONSOR	1,500.00
DEADWOOD ELECTRIC	SERVICE	300.34
DEADWOOD GAMING	BID #8	25,000.00
EAGLE ENTERPRISES	SUPPLIES	4,435.00
EMERY-PRATT	BOOKS	17.39
FIRST INTERSTATE BANK	TIF	7,736.66
FIRST NATIONAL CREDIT	CONFERENCE	371.18
GALLS	UNIFORMS	221.53
GLOVER, WILLIAM	REIMBURSEMENT	70.38
GOLDEN WEST	SERVICE	371.88
HAVERBERG FAMILY	GRANT	1,511.10
HAWKI, KEN	REIMBURSEMENT	206.00
INTERNATIONAL CODE COUNCIL	RENEWAL	135.00
KNECHT	SUPPLIES	647.70
KONE	REPAIR	775.26
LEAD-DEADWOOD BASEBALL	RENEWAL	250.00
LEAD-DEADWOOD SANITARY	USAGE	28,025.67
LYNN'S	SUPPLIES	25.74
MCLEODS	TICKETS	1,231.91
MENARD'S	SUPPLIES	16.97
MIDWEST TAPE	DVDS	539.70
MITZI'S BOOKS	BOOKS	31.17
MDU	SERVICE	8,400.92
NEIGHBORHOOD HOUSING	ALLOCATION	1,000.00
NORTHERN HILLS HOMES	SERVICE	12,201.83
NORTHWEST PIPE FITTINGS	SUPPLIES	459.54
NUGGET SALOON	GRANT	4,800.00
O'CONNOR	CYLINDERS	1,027.00
OTIS ELEVATOR	CONTRACT	730.32
PASSPORT LABS	METERS	14.00
PETTY CASH	HP/ZONING	128.96
PL CARPENTRY	SERVICE	8,979.96
POWERPLAN	SERVICE	213.02
QUILL	SUPPLIES	46.43
RAMKOTA HOTEL	LODGING	2,418.87
RASMUSSEN MECHANICAL	REPAIR	583.74
RUSSO, RON	GRANT	3,924.67
S AND C CLEANERS	CLEANING	3,520.00
SD DEPT. OF PUBLIC SAFETY	REGISTRATION	2,340.00
SD NARCOTICS OFFICERS	SERVICE	50.00
SD ONE CALL	SUPPLIES	10.08
SERVALL	SUPPLIES	1,133.06
SIMON MATERIALS	SUPPLIES	933.38

REGULAR MEETING, MARCH 4, 2019

SIOUXLAND HERITAGE MUSEUM
SD OVERHEAD DOOR
TCF EQUIPMENT
TEMPERATURE TECHNOLOGY
TTG ENTERPRISES
TWILIGHT
TWIN CITY HARDWARE
TWIN CITY HARDWARE
VAST
VERIZON
VICTIMS OF VIOLENCE
VIEHAUSER ENTERPRISES
WELLMARK
WIERINGA, ANNA

PANEL	154.00
REPAIR	85.00
TROLLEYS	9,400.86
REPAIR	358.70
REPAIR	180.00
SUPPLIES	432.00
SUPPLIES	4,073.15
GRANT	347.10
SERVICE	3,204.37
SERVICE	133.88
ALLOCATION	2,000.00
SERVICE	149.98
INSURANCE	49,187.17
REIMBURSEMENT	64.00

TOTAL \$213,639.00

ITEMS FROM CITIZENS ON AGENDA

Concern

Resident Ron Robley spoke to the Commission concerning snow removal and angle of road on Wabash Street. Robley presented a slide-show addressing issues. Mayor Ruth addressed the issues dealing with sewer and water, which are engineered development plans, and a building permit. Commissioner Todd believes the road should be regraded. Public Works Director Green stated the cost for sewer and water would be between \$30,000.00 and \$40,000.00, according to recent estimates. He also stated if the grade of road is to be changed, drainage will need addressed and be an additional cost. After discussion, Martinisko moved, Todd seconded to extend sewer and water services to property line and fix grade of road, when Robley provides all necessary documentation. Roll Call: Aye-All. Motion carried.

Discussion

Louie LaLonde gave an update concerning Main Street flowers and baskets. She stated some additional locations needed are in front of Belle Jolie and the Elementary School. Main Street Initiative will plant them and will request Historic Preservation purchase the additional baskets. Martinisko moved, Struble to authorize City of Deadwood to water the flowers. Roll Call: Aye-All. Motion carried.

CONSENT

Struble moved, Todd seconded to approve the following consent items: Roll Call: Aye-All. Motion carried.

- A. Permission for Mayor to sign annual Adaptive Swim Class Contract with Lead-Deadwood School District for Rec Center pool use at fee of \$2,340.00 for 117 hours at \$20.00 per hour from March 5, 2019 to March 22, 2020.
- B. Permission for Mayor to sign annual Contract with Lead-Deadwood School District for use of Rec Center swimming pool for Elementary School at cost of \$1,500.00 from April 3, 2019 to May 18, 2019.
- C. Make 2019 budgeted allocation to Good Shepherd Clinic in the amount of \$2,000.00 from Bed and Booz Fund.
- D. Grant request from Austin Healy group to change date from September 6th (previously approved) to September 8th for use of Interpretive lot.
- E. Permission to expend \$7,150.00 to CMI Software Corp for Justice Service Licensing and Maintenance for the Police Department. (2019 Budgeted Item)
- F. Permission to increase wage of Lifeguard Conor Aldridge from \$10.88 per hour to \$11.15 per hour effective February 25, 2019 after three years of service
- G. Permission to increase wage of Lifeguard Hailey Trehwella from \$10.88 per hour to \$11.15 per hour effective March 13, 2019 after three years of service.
- H. Allow use of Sherman Street lot from 8:00 a.m. to 12:00 p.m. on May 22, 2019 for Lead-Deadwood School District 4th and 5th Grade Triathlon.
- I. Permission to purchase a Kubota utility vehicle, for the Parks use, from Jenner Equipment in the amount of \$18,889.94 (2019 Parks budget)
- J. Permission for Mayor to sign Contract with Trugreen for weed spraying throughout the City properties for \$16,840.20, to be paid from Parks, and Cemeteries budgets.
- K. Permission to waive 45-day requirement on Special Event Application and allow use of public property at Event Complex with same conditions as previous year, March 15th through June 1, 2019 for Lead-Deadwood Soccer.
- L. Accept resignation from Rec Center employee Jerilyn Rich effective March 6, 2019
- M. Permission to advertise for a front desk person for the Rec Center
- N. Accept resignation from Rec Center employee Jeanne Reif effective March 9, 2019

REGULAR MEETING, MARCH 4, 2019

- O. Set Local review Board Meeting for March 19, 2019 at 9:00 a.m. and request permission to publish notice in official newspaper
- P. Permission to hire Gardner Construction to Disassemble Outfield Fence of Field #2 and salvage materials, relocate scoreboard from current location to new location in the amount of \$5,275.00. (To be paid from BY Development Donation)
- Q. Permission for Jensen Hardwood Floors to refinish the gym and racquetball courts at Rec Center during shutdown. Amount not to exceed \$4,000.00. (To be paid from public buildings.)

PUBLIC HEARINGS

Set

Todd moved, Struble seconded to set public hearing on March 18 for Convention Center (on-sale) Liquor License (CL-0501), and Retail (on-off sale) Malt Beverage (RB-3536) transfer from Gulches LLC to Cliff Street, LLC dba Comfort Inn at 225 Cliff Street. Roll Call: Aye-All. Motion carried.

Martinisko moved, Todd seconded to set public hearing on March 18 for Hops and Hogs Event. Roll Call: Aye-All. Motion carried.

NEW BUSINESS

Contract

Martinisko moved, Struble seconded to allow Mayor so sign contract with ACES Engineering for design services of the south City Hall parking area, which will include design, bid package, and engineers estimate for the amount of \$22,943.00. Approved by Parking and Transportation Committee, to be paid from 2019 P&T budget. Roll Call: Aye-All. Motion carried.

Ordinance

Martinisko moved, Struble seconded to continue Ordinance until March 18, 2019. Roll Call: Aye-All. Motion carried.

Budget

Martinisko moved, Struble seconded to establish Budget of \$4,800,000.00 with identifies sources of funding for Outlaw Square Project and associated public improvements, which are retaining wall and building demolition and street alignment. Historic Preservation Officer Kuchenbecker explained the process and costs. Roll Call: Aye-All. Motion carried.

Bond Series

Martinisko moved, Todd seconded to approve projects for the 2019 HP Bond Series to be as follows: Public Gathering Space in the amount of \$2,000,000.00; Retaining Walls in the amount of \$700,000.00; and the Main Street Masterplan Study in the amount of \$300,000.00 for a total of \$3,000,000.00. Historic Preservation Officer Kuchenbecker explained the project and estimated costs with each project. Ray "Woody" Woodsend, Dougherty and Company, explained the process, will not count against debt limit, and explained market changes daily so cannot say what the interest rate would be. Roll Call: Aye-All. Motion carried.

Resolution

Tom Grimmond, Dougherty & Company explained the resolution. He stated "Item 3" \$3,000,000.00 is just cost of the project, the cost of issuance and the reserve fund is in addition. Martinisko moved, Struble seconded to approve Resolution 2019-07. Roll Call: Aye-All. Motion carried.

RESOLUTION NO. 2019-07

A RESOLUTION RELATING TO HISTORIC RESTORATION AND PRESERVATION PROJECTS; AUTHORIZING THE ISSUANCE OF HISTORIC PRESERVATION OBLIGATIONS; AUTHORIZING OFFICERS OF THE CITY TO APPROVE, EXECUTE AND DELIVER CERTAIN AGREEMENTS AND DOCUMENTS RELATING TO THE OBLIGATIONS

REGULAR MEETING, MARCH 4, 2019

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

Section 1. Findings. It is hereby found, determined and declared that:

(A) The City of Deadwood (the "City"), in the County of Lawrence and State of South Dakota (the "State"), is a political subdivision of the State and a body corporate and politic.

(B) Under the laws of the State, the City is possessed of all powers which are necessary, requisite or proper for the government and administration of its local and municipal matters, and all rights and powers that now or hereafter may be granted to municipalities by the laws of the State.

(C) Pursuant to Article III, Section 25 of the State Constitution and South Dakota Codified Laws, Chapter 42-7B (the "Gaming Act"), certain gaming operations are authorized within the City, certain revenues with respect to which are applied by the State in accordance with the Act. Pursuant to Section 42-7B—48 and -48.1 of the Gaming Act, the net municipal proceeds of such revenues (the "Net Municipal Proceeds") are remitted to the City for deposit in the historic restoration and preservation fund (the "Fund") established by Chapter 3.24 of the Deadwood Municipal Code. The City is authorized under Chapter 9-12 and Sections 9-52-29 to -31, South Dakota Codified Laws (together, the "Lease Act") to acquire property by lease, including annual appropriation lease.

(D) As authorized by the Lease Act, the City has determined that it is necessary and desirable to issue obligations (the "Historic Preservation Obligations") payable, to the extent of appropriation and on a parity with any other obligations issued on a parity basis and payable therefrom, from the Net Municipal Proceeds for the purpose of financing historic restoration and preservation improvements, including those described in the Main Street Master Plan and Outlaw Square project, consisting of demolition, street and utility relocation and construction, seating areas, retaining walls, recreational amenities, historic features and related costs (the "Project").

(E) The Historic Preservation Obligations shall be issued in an aggregate principal amount not to exceed \$3,000,000 to pay costs of the Project, plus amounts necessary to fund or finance a reserve fund, if necessary, and pay costs of issuance of the Historic Preservation Obligations, including an underwriter's discount not exceeding 1.5% of the principal amount of the Historic Preservation Obligations, bond insurance premium, if necessary, and original issue discount (not to exceed 2% of the principal amount of the Historic Preservation Obligations), if any.

(F) The Historic Preservation Obligations may be issued in one or more series in one or more calendar years; may be issued under and pursuant to one or more indentures of trust, administrative resolutions or lease-purchase agreements; may mature on any date on or prior to thirty (30) years following the date of issuance; shall be made payable from the Net Municipal Proceeds; subject to annual appropriation by the City; shall bear interest at the rate or rates provided in such Historic Preservation Obligations, provided that the average yield on the Historic Preservation Obligations shall not exceed 3.75% and shall provide for such other terms as the officers of the City executing such Historic Preservation Obligations shall approve.

Section 2. Authorization of Historic Preservation Obligations.

(A) The City hereby authorizes the issuance of the Historic Preservation Obligations in accordance with the provisions of the Act and this Resolution.

(B) The Historic Preservation Obligations shall be special, limited obligations of the City, and the Historic Preservation Obligations shall not constitute general obligations of the City.

(C) The law firm of Dorsey & Whitney LLP, in Minneapolis, Minnesota, is hereby appointed as bond counsel and disclosure counsel for the Historic Preservation Obligations, and Dougherty & Company LLC is hereby appointed as underwriter (the "Underwriter") for the Historic Preservation Obligations.

REGULAR MEETING, MARCH 4, 2019

Section 3. Offering Documents. The Mayor, the Finance Officer and the City Attorney are authorized, in cooperation with the Underwriter, to prepare one or more offering documents, term sheets, requests for proposals or other disclosure materials to be distributed to prospective purchasers of the Historic Preservation Obligations (whether one or more, the "Official Statement"). The Mayor and the Finance Officer are hereby authorized and directly to approve, and, if requested, to execute the Official Statement.

Section 4. Authorization of Documents. In connection with the authorization, issuance and delivery of the Historic Preservation Obligations, the officers of the City designated by Section 5 of this resolution shall enter into, execute and deliver any of the following documents:

(A) one or more indentures or supplemental indentures, ground leases, lease-purchase agreements or supplemental leases with a trustee, as applicable, to be appointed hereafter pursuant to said documents to provide for the issuance of the Historic Preservation Obligations and setting forth the terms thereof;

(B) one or more bond or certificate purchase agreements or similar agreement providing for sale of the Historic Preservation Obligations;

(C) one or more continuing disclosure agreements or undertakings satisfying the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended; and

(D) such other documents, agreements or instruments as may be necessary to make covenants and recite facts required to demonstrate the validity, enforceability and priority of the Historic Preservation Obligations under the laws of the State and to assure the exclusion of the interest thereon from the gross income of the owners of the Historic Preservation Obligations, if issued as tax-exempt, under the Internal Revenue Code of 1986, as amended, and to effectuate the terms and intent of this resolution. The execution and delivery of such documents is hereby authorized and directed, the documents to be in such form and to contain such terms, consistent with this resolution, as the officers of the City designated herein shall determine to be necessary and desirable.

Section 5. City Officers. The Mayor and City Finance Officer are hereby authorized and directed to execute and deliver the documents authorized by Section 4 hereof. Execution and delivery of such items by the Mayor and City Finance Officer 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, City 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 or City Finance Officer, such other officers of the City as may, in the opinion of the City Attorney, act in the absence of such officers, are hereby authorized to act in the place and stead of the Mayor and City Finance Officer, and to take all actions and execute all documents approved hereby.

Section 6. Ratification. All actions heretofore taken by the City or any of its officers in connection with the Historic Preservation Obligations are hereby ratified and confirmed.

Section 7. Amendment. This resolution may be amended at any time prior to the issuance of the Historic Preservation Obligations by adoption of an administrative resolution.

Dated this 4th day of March, 2019

ATTEST:

/s/ Jessica McKeown, Finance Officer

CITY OF DEADWOOD

/s/ David Ruth Jr., Mayor

INFORMATIONAL ITEMS AND ITEMS FROM CITIZENS

Todd Weber, Shiloh Horse Rescue and Sanctuary, stated the Sanctuary will be relocating to Deadwood by April 30 in hopes to be open to the public for tours and education.

- Commission Meeting time to 1:00 p.m. on March 18, 2019 to accommodate Government Day Activities with the School District.

- Recreation Center will be closed March 10th – 16th for cleaning.

- Deadwood Fire Department Annual Pancake Feed March 10th 9:00 a.m. to 1:00 p.m.

REGULAR MEETING, MARCH 4, 2019

Mayor Ruth Jr. stated anyone interested in running for one-year term as Commissioner should submit letters of interest to the Mayor's Office by 5:00 p.m. on April 26.


Attorney Riggins requested Executive Session for legal matters per SDCL 1-25-2 (3) and personnel matters per SDCL 1-25-2 (1) with possible action.

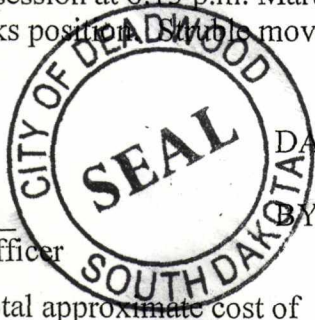
ADJOURNMENT

Martinisko moved, Struble seconded to adjourn the regular session at 5:55 p.m. and convene into Executive Session for legal matters per SDCL 1-25-2 (3) and personnel matters per SDCL 1-25-2(1) with possible action. The next regular meeting will be on Monday March 18, 2019.

After coming out of executive session at 6:13 p.m. Martinisko moved, Struble seconded to advertise for an entry level parks position. Struble moved, Todd seconded to adjourn at 6:14 p.m.

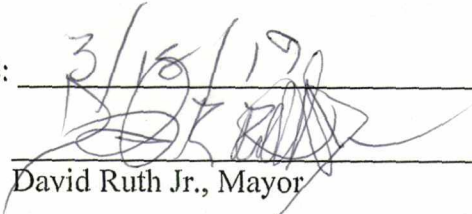
ATTEST:


Jessica McKeown, Finance Officer



DATE:

BY:


David Ruth Jr., Mayor

Published once at the total approximate cost of _____