

REGULAR MEETING, AUGUST 17, 2020

The Regular Session of the Deadwood City Commission convened on Monday, August 17, 2020 at 5:00 p.m. in the Deadwood City Commission Chambers, 102 Sherman Street, Deadwood, South Dakota. Mayor David Ruth Jr. called the meeting to order with the following members present: Department Heads, City Attorney Quentin L. Riggins, and Commissioners Michael Johnson, Sharon Martinisko, Charlie Struble and Gary Todd. All motions passed unanimously unless otherwise stated.

APPROVAL OF MINUTES

Martinisko moved, Johnson seconded to approve the minutes of August 3, 2020 as amended.

Roll Call: Aye-All. Motion carried.

APPROVAL OF DISBURSEMENTS

Struble moved, Martinisko seconded to approve the August 17, 2020 disbursements. Roll Call:

Aye-All. Motion carried.

A & B WELDING	SUPPLIES	84.77
A & I DISTRIBUTORS	SUPPLIES	42.93
ALBERTSON ENGINEERING	PROJECT	6,723.55
AMAZON CAPITAL	SUPPLIES	314.89
AMAZON	SERVICE	208.45
AMERICAN ENGINEERING	PROJECT	346.75
AMERICAN LEGION POST 8	GRANT	10,000.00
ARCADIA PUBLISHING	BOOKS	349.64
BALCO UNIFORM	UNIFORMS	133.56
BDTAID	PROJECT	3,244.38
BH CHEMICAL	SUPPLIES	4,309.81
BH PIONEER	SERVICE	739.58
BH SPECIAL SERVICES	CLEANING	3,160.00
BH WINDSHIELD REPAIR	SERVICE	50.00
BLAIR, LINDA	REIMBURSEMENT	127.80
BOMGAARS	SUPPLIES	239.87
BRUCE OBERLANDER	PROJECT	16,870.95
BURNS, JAMES	PROJECT	28,800.00
CAI CONSTRUCTION	PROJECT	171,000.00
CENTURY BUSINESS PRODUCTS	CONTRACT	405.61
CULLIGAN	SUPPLIES	138.00
DAKOTA BARRICADE	RENTAL	600.00
DAKOTA TITLE	SERVICE	120.00
DEADWOOD ALIVE	AUGUST	20,000.00
DEADWOOD ELECTRIC	SERVICE	424.97
DVFD	STAFFING	825.44
DEADWOOD HISTORY	SERVICE	743.50
DONARSKI LAWN CARE	SERVICE	4,160.00
EAGLE ENTERPRISES	SUPPLIES	1,413.32
EBS CO	SUBSCRIPTION	1,540.25
ENVIRONMENTAL EQUIPMENT	SUPPLIES	239.97
FIB CREDIT CARDS	SUPPLIES	3,046.77
FIRST GOLD HOTEL	REFUND	1,100.00
GOLDEN WEST	SERVICE	1,879.25
GRIMM'S PUMP	SERVICE	44.40
GUNDERSON, PALMER, NELSON	SERVICE	4,102.50
HAUFF MID-AMERICA SPORTS	SUPPLIES	82.15
HAWKINS	SUPPLIES	460.64
HILLYARD	SUPPLIES	185.60
KNECHT	SUPPLIES	714.05
KONE	MAINTENANCE	486.80
KRUZEL, TOM	REIMBURSEMENT	100.18
LAWRENCE CO. REGISTER	SERVICE	60.00
LEAD DEADWOOD ARTS CENTER	SERVICE	170.00
LEAD-DEADWOOD SANITARY	SERVICE	36,021.83
LIBBY PRODUCTIONS	REFUND	1,100.00
LIGHTING PLASTICS OF MN	SUPPLIES	378.40
LYNN'S	SUPPLIES	72.68
M&M SANITATION	RENTAL	240.00
MASONIC CENTER ASSOCIATION	GRANT	6,360.69
METERING & TECHNOLOGY	SUPPLIES	6,679.92
MS MAIL	SERVICE	4,987.58
NETWORK SERVICES	SUPPLIES	461.36
NORTHERN HILLS TECHNOLOGY	SUPPLIES	32.50
OFFICE DEPOT	SUPPLIES	127.96
PETTY CASH	HP/ZONING	133.00
PITNEY BOWES	POSTAGE	500.00
PRESSURE SERVICES	SUPPLIES	160.15
QUICK SIGNS	SIGNS	340.62
QUILL	SUPPLIES	13.99
REGIONAL HEALTH	TESTING	655.00
SANDER SANITATION	SERVICE	11,220.03
SCOTT PETERSON MOTORS	TRUCK	38,970.00
SD COMMISSION ON GAMING	CITY SLOTS	109,375.00
SD DEPT. OF LABOR	BENEFITS	6,900.00
SD DEPT. OF MOTOR VEHICLES	TITLE/PLATES	21.20
SD DEPT. OF REVENUE	TAXES	9,629.40
SD ONE CALL	SERVICE	32.13
SERVALL	SUPPLIES	130.78
SOUTHSIDE OIL	FUEL	10,180.55
SOUTHSIDE SERVICE	SERVICE	220.70
SPEARFISH AUTO	SUPPLIES	116.05
SPEIRS, MARK	PROJECT	6,969.66

REGULAR MEETING, AUGUST 17, 2020

STRETCH'S	SERVICE	14.99
STURDEVANT'S	SUPPLIES	928.78
STURGIS AUTO PARTS	SUPPLIES	244.85
SUMMIT SIGNS	SIGNS	195.00
SUPERIOR SANITATION	PROJECT	900.00
TDG COMMUNICATIONS	SERVICE	2,500.00
THE LORD'S CUPBOARD	RECYCLING	51.25
TITAN MACHINERY	SUPPLIES	7,500.00
TOMS, DON	PROJECT	600.00
TRAFFIC SAFETY WAREHOUSE	SUPPLIES	216.00
TRIPLE K	SERVICE	337.46
TRUGREEN	SERVICE	2,393.63
TWILIGHT	PROJECT	767.41
TWIN CITY HARDWARE	SUPPLIES	7.98
VAN DIEST SUPPLY	SUPPLIES	375.00
VERIZON CONNECT	SERVICE	95.95
VIGILANT BUSINESS SOLUTION	SERVICE	642.00
WHEELER LUMBER	SUPPLIES	94.17
WINTER & COMPANY	PROJECT	61,958.84
WL CONSTRUCTION SUPPLY	SUPPLIES	899.41

Total \$622,544.23

ITEMS FROM CITIZENS ON AGENDA

Years of Service

Mayor Ruth Jr. presented certificates to the following employees: Rhonda McGrath and Trent Mohr for 5 years of service; Chuck Quenzer for 30 years of service. Commission thanked each of them for their time. Not present were Ken Rehberg for 5 years of service and William Binder for 10 years of service.

CONSENT

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

- A. Permission to purchase 5500 gallons of gas at \$1.85 per gallon from Southside Oil.
- B. Acknowledge grant proceeds of \$5000 from Black Hills Energy to be used for Recreation programming and equipment.
- C. Permission to approve updated job description for Library Assistant I.
- D. Permission to update part-time wage scale to include Library Assistant I, Library Assistant II and Library Page.
- E. Permission to hire Reece Beck as Trolley driver at \$12.73 per hour effective August 21, 2020 pending pre-employment screening.
- F. Allow use of public property at Event Complex on Saturday, August 22 through Tuesday, August 25 for Steer Roping Event.
- G. Permission to obtain quotes for Noxious Weed Spraying in Zones 1-4 of Whitewood Creek.

BID ITEMS

30 Adams (continued from August 3)

Historic Preservation Officer Kuchenbecker spoke about the bids. Commissioner Martinisko questioned the low bid and asked about possible change orders. Kuchenbecker replied change orders are not anticipated, contractor is familiar with the site, and risk factor included in engineers estimate and contractor better understood the project. Martinisko moved, Struble seconded to accept low bid for Retaining Wall at 30 Adams from RCS Construction in the amount of \$127,800.00 and reject Alternates #1 and #2 per owner's request, and allow Mayor to sign contract. Roll Call: Aye-All. Motion carried.

REGULAR MEETING, AUGUST 17, 2020

PUBLIC HEARINGS

Lease

Public hearing was opened at 5:08 by Mayor Ruth Jr. No one spoke in favor or against, hearing closed. Todd moved, Struble seconded to approve City's intention to lease a portion of public sidewalk (approximately 884 square feet) along Deadwood Street and adjacent to the structure located at 685 Main Street. Commissioner Martinisko questioned the purpose of the lease. Mayor Ruth stated the portion is for tables which will be fenced off so that customers can enjoy a beverage or food adjacent to Hickok's. Martinisko stated the lease would be with Hickok's. Ruth Jr. replied yes. Commissioner Todd asked if a fee has been established. Ruth Jr. stated the purpose for the public hearing is to approve the lease or intention to lease space then negotiate an agreement. Ruth Jr. stated Mr. Trucano would have to do in order to accommodate the beer and wine license with the state. Mr. Trucano stated there would be 24 chairs within the fence, and all would be stored during events. Roll Call: Aye-All. Motion carried.

Deadwood Jam

Public hearing was opened at 5:12 p.m. by Mayor Ruth Jr. Sarah Kryger was present to answer questions, hearing closed.

Martinisko moved, Todd seconded to allow the relaxation of the open container ordinance on Main Street from the Tin Lizzies Gaming Resort to Masonic Temple, Broadway Street from Wall to Shine, Sherman Street from Pioneer Way to the south side of Pine Street, Deadwood Street from Pioneer Way to Sherman Street, Siever Street, Pine Street from Main Street to Sherman Street and Lee Street from Pioneer Way to 83 Sherman Street from 5:00 p.m. to 10:00 p.m. on Friday, September 18, 2020. Roll Call: Aye-All. Motion carried.

Martinisko moved, Struble seconded to allow the relaxation of the open container ordinance for same area as approved on Friday, September 18, from 12:00 p.m. to 10:00 p.m. on Saturday, September, 19, 2020. Roll Call: Aye-All. Motion carried.

Martinisko moved, Johnson seconded to approve street closure on Deadwood Street from Main Street to Pioneer Way from 6:00 a.m. Friday, September 18 to midnight Saturday, September 19; waiver of banner fees, and waiver of vendor fees for Deadwood Jam merchandise Friday, September 18 and Saturday, September 19. Roll Call: Aye-All. Motion carried.

Parade

Public hearing for Gold Camp Jubilee Parade was removed from agenda.

Gordon Park

Public hearing was opened at 5:16 p.m. by Mayor Ruth Jr. No one spoke in favor or against, hearing closed. Martinisko moved, Todd seconded to allow consumption of beer/wine at Gordon Park for Neighborhood Block Club from 4:00 p.m. to 6:00 p.m. on Sunday, September 13, 2020. Roll Call: Aye-All. Motion carried.

NEW BUSINESS

Quotes

Transportation and Facilities Director Kruzel spoke about the project. Johnson moved, Struble seconded to obtain quotes to repair five valves at the intersection of Shine/Deadwood and Main Street. City Staff will remove and re-install the brick portion of the street. Roll Call: Aye-All. Motion carried.

Allocation

Police Chief Mertens spoke about the project with Twin City Animal Shelter. Struble moved, Todd seconded to make 2020 budgeted allocation to Twin City Animal Shelter in the amount of 3250.00 for Spay and Neuter funds. (Budgeted in Police Professional Services.) Roll Call: Aye-All. Motion carried.

Permission

Historic Preservation Officer Kuchenbecker spoke about the work at Event Complex. Johnson moved, Struble seconded to pay Deadwood Electric \$2,664.88 for material and Labor to conduct electrical work in and around the Deadwood Event Complex. Roll Call: Aye-All. Motion carried.

REGULAR MEETING, AUGUST 17, 2020

Permission

Kruzel spoke about the lease purchase for the loader. Martinisko moved, Struble seconded to enter into a Lease to Purchase agreement with CapFirst Equipment Finance Inc. for a 2020 Caterpillar 906M Wheel Loader. Lease includes Loader, Snow blower and two attachments. First payment of \$13,365.43 due on 8/15/2021. (To be paid from the Parks equipment budget.) Roll Call: Aye-All. Motion carried.

Purchase

Volunteer Firefighter Hawki spoke about the purchase. Struble moved, Todd seconded to purchase storage unit for Fire Department's personal protective equipment from Gear Grid at a cost not to exceed \$7,100.00 plus freight. (Budgeted item in Fire Dept. Equipment.) Roll Call: Aye-All. Motion carried.

Purchase

Hawki spoke about the purchase. Johnson moved, Struble seconded to purchase a PPE extractor/washer from M&T Fire Equipment at cost not to exceed \$5,500.00 including freight. (Budgeted item in Fire Dept. Equipment.) Roll Call: Aye-All. Motion carried.

Resolution

Planning and Zoning Administrator Russell spoke about the public hearing held for creating TIF #13 on Wednesday, August 5. Kevin Wagner, Toby Morris and Bill Pearson presented the project plan and no one spoke in favor or against from the public. Martinisko moved, Johnson seconded to act as Board of Adjustments and approve Resolution 2020-19 Creating Tax Incremental District #13. Roll Call: Aye-All. Motion carried.

2020-19

RESOLUTION APPROVING AND RECOMMENDING OF TAX INCREMENTAL DISTRICT PLAN NUMBER THIRTEEN, CITY OF DEADWOOD

WHEREAS, the Planning Commission of City of Deadwood, South Dakota, received an application to create a Tax Incremental District and thereafter prepared a Notice of Hearing held on August 5th, 2020 advising interested parties that they were being given a reasonable opportunity to express their views on the proposed creation of a Tax Incremental District on real property consisting of the following parcels:

District Legal Description:

BLOCK 3A, BLOCK 4A AND DEDICATED PUBLIC RIGHT OF WAY OF PALISADES TRACT OF DEADWOOD STAGE RUN ADDITION TO THE CITY OF DEADWOOD ALL LOCATED IN THE SW1/4 OF SECTION 14, THE SE1/4 OF SECTION 15, THE NE1/4NE1/4 OF SECTION 22 AND THE N1/2NW1/4 OF SECTION 23, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

TRACT D-2, FORMERLY TRACT D OF M.S. 696 PALISADES STONE PLACER, ALL LOCATED IN THE NE ¼ AND THE SE ¼ SECTION 15, T5N, R3E, B.H.M., LAWRENCE COUNTY, SOUTH DAKOTA AND SHOWN ON PLAT DOCUMENT NO. 2008-5076. THE SUBJECT AREA CONTAINS 1.68 ACRES, PLUS OR MINUS.

WHEREAS, such Notice was published in the official newspapers in City of Deadwood not less than ten (10) nor more than thirty (30) days from the date of the hearing which was held On August 5th, 2020

WHEREAS, a copy of the Notice was sent prior to publication by first-class mail to the Chief Executive Officers of the following taxing entities:

- City of Deadwood
- Lead-Deadwood School District
- Lawrence County Commission
- Lead-Deadwood Sanitation District

WHEREAS, a hearing was held on August 5th, 2020 as provided in such Notice, and all interested parties were allowed a reasonable opportunity to be heard on the proposed Tax Incremental District Thirteen plan;

REGULAR MEETING, AUGUST 17, 2020

NOW THEREFORE, BE IT RESOLVED by the Board of Adjustments of the City of Deadwood, South Dakota:

Authority and declaration of necessity. Pursuant to SDCL §§ 11-9-4 & 11-9-13, City of Deadwood Board of Adjustments hereby declares the necessity to form a tax incremental district in the City of Deadwood NOW THEREFORE, IT IS HEREBY RESOLVED:

1. **Authority and Declaration of Necessity.** The Board of Adjustments declares the necessity for the approval of Tax Incremental District Number Thirteen plan, City of Deadwood, Lawrence County (hereinafter sometimes referred to as the "District"), pursuant to SDCL Chapter 11-9, and finds that the improvement of the area within the District are likely to enhance significantly the value of substantially all of the other real property in the District and is necessary for affordable housing within the County and the City of Deadwood.
2. **Findings.** The Board of Adjustments makes the following findings with regard to economic development:
 - a. More than 50% of the property in the District by area will stimulate and develop the general economic welfare and prosperity of the city;
 - b. Improvements to the District will significantly and substantially enhance the value of all property within the District;
 - c. The aggregate assessed value of the District plus the tax incremental base of all other existing Districts in the City does not exceed Ten (10%) percent of the total assessed valuation in the City;
3. Boundaries of District. The Boundaries of the district are determined as to be as follows:

BLOCK 3A, BLOCK 4A AND DEDICATED PUBLIC RIGHT OF WAY OF PALISADES TRACT OF DEADWOOD STAGE RUN ADDITION TO THE CITY OF DEADWOOD ALL LOCATED IN THE SW1/4 OF SECTION 14, THE SE1/4 OF SECTION 15, THE NE1/4NE1/4 OF SECTION 22 AND THE N1/2NW1/4 OF SECTION 23, T5N, R3E, B.H.M., CITY OF DEADWOOD, LAWRENCE COUNTY, SOUTH DAKOTA

TRACT D-2, FORMERLY TRACT D OF M.S. 696 PALISADES STONE PLACER, ALL LOCATED IN THE NE ¼ AND THE SE ¼ SECTION 15, T5N, R3E, B.H.M., LAWRENCE COUNTY, SOUTH DAKOTA AND SHOWN ON PLAT DOCUMENT NO. 2008-5076. THE SUBJECT AREA CONTAINS 1.68 ACRES, PLUS OR MINUS.

4. Recommendation to Board of Adjustments. The Deadwood City Planning Commission hereby recommends to the Deadwood City Council that the Tax Increment Plan Number Thirteen is recommended as passed, and hereby submits this resolution as its recommendation to the Board of Adjustments.

Dated this 17th day of August, 2020

ATTEST:

/s/ Jessica McKeown, Finance Officer

CITY OF DEADWOOD

/s/ David Ruth Jr., Mayor

Resolution

Commissioner Martinisko stated estimated cost was corrected from \$1,449,512.00 to \$1,866,347.00. Commissioner Todd questioned the TIF going against debt limit. City Attorney Riggins stated no TIF is structured as an annual appropriation TIF. Mayor Ruth Jr. stated this form of TIF puts the risk on the developer with full knowledge that any year the city can decide not to make the annual appropriation, whereas before it was of part of the debt limit. Toby Morris spoke about TIF within the state. Commissioner Martinisko asked what the term Discretionary Cost is referring to. Riggins stated if the Commission wants the cost broken down, city can request. Mayor Ruth Jr. stated the breakdown is explained in schedule 1. Martinisko asked Finance Officer McKeown if she approved of the TIF. McKeown stated she'd leave out opinion but can agree that numbers are now correct throughout contract. She hoped to have 2019 audit complete to ensure Grant TIF won't affect debt limit but since it isn't done, will rely on legal counsel. Martinisko moved, Johnson seconded to approve Resolution 2020-20 Approving Project Plan for Tax Increment District #13 (Project Plan approved by Planning & Zoning-August 5, 2020. Todd addressed McKeown's concern, if audit comes back and the TIF

REGULAR MEETING, AUGUST 17, 2020

is going to count against city's debt limit, does city have a right to end the TIF'S? Attorney Riggins stated at this point if that were to happen, contacting other communities figuring out why city's TIF wasn't approved and theirs were, beyond that city would be over the constitutional limit and would not be able to go forward. Pat Dringman, Representative of Stage Run Block Club, stated with the development growing, there is only one access road in and out. Mayor Ruth Jr. stated Public Works Director has been working on another access road. Dringman stated as the area continues to development, look at creating a park or dog park. Russell stated City is interested in a park, issues is finding the right location and parking since parking is not allowed on street. Roll Call: Aye-All. Motion carried.

RESOLUTION 2020-20

**RESOLUTION APPROVING PROJECT PLAN
FOR TAX INCREMENT DISTRICT #13**

WHEREAS the Deadwood City Commission has determined that it is in the best interest of the City to implement plans which promote economic development and growth in the City. A key component to help with economic development is affordable housing; and

WHEREAS the Commission embraces the concept of Tax Increment Financing as a tool to encourage this desirable growth and redevelopment; and

WHEREAS SDCL 11-9-6 provides for the overlapping of one or more tax incremental districts; and

WHEREAS there has been established Tax Incremental District Number #13, which will overlay Tax Incremental District Number #8 and #12, along with additional areas; and

WHEREAS there has been established Tax Increment District Number #13; and

WHEREAS the Commission deems desirable to promote affordable and diversified housing to help with economic development; and

WHEREAS the Project Plan submitted helps make this development feasible by assisting in the development of improvements to promote the multifamily development; and

WHEREAS the use of Tax Increment Funding to promote this development is in keeping within the statutes adopted by the South Dakota State Legislature; and

WHEREAS there has been developed a Project Plan for this Tax Increment District which proposes these improvements; and

WHEREAS the Commission has considered Project Plan submitted by the Planning Commission and determined that the Project Plan for Tax Increment District #13 is economically feasible; and

WHEREAS the Council has further determined that this Project Plan is in conformity with the adopted Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED by the City of Deadwood that Tax Increment District Project Plan for Tax Increment District #13 and is hereby, as recommended by the Deadwood Planning Commission.

Dated this 17th day of August, 2020

ATTEST:

/s/ Jessica McKeown, Finance Officer

CITY OF DEADWOOD

/s/ David Ruth Jr., Mayor

Contract

Martinisko questioned insurance, she believes insurance should be \$2 million instead of \$1 million. After discussion concerning insurance, Martinisko moved, Struble seconded to allow Mayor to sign contract for private development by WJP Holdings, LLC for Tax Increment District #13 with liability insurance to be \$2million.

REGULAR MEETING, AUGUST 17, 2020

INFORMATIONAL ITEMS AND ITEMS FROM CITIZENS

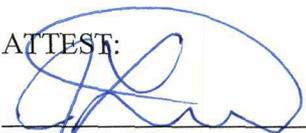
- A. Forward into Light Campaign August 26th – 100th Anniversary of the 19th Amendment and women’s constitutional right to vote. Buildings and Landmarks across the country will be light up in purple and gold.
- B. A quorum of Historic Preservation and City Commissioners may be present at the South Dakota State Historical Society Board Meeting in Pierre scheduled for Friday, September 11, 2020.

Attorney Riggins stated a special meeting will be held Wednesday at 8:00 a.m. and at that time Commission will set a public hearing on September 8 for special malt beverage license for Deadwood Jam.

ADJOURNMENT

Struble moved, Todd seconded to adjourn the regular session at 5:58 p.m. The next regular meeting will be on Tuesday, September 8, 2020.

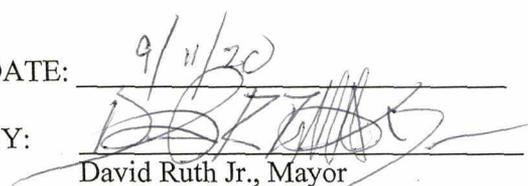
ATTEST:



Jessica McKeown, Finance Officer

DATE:

BY:

9/11/20


David Ruth Jr., Mayor

Published once at the total approximate cost of _____

