

City of Sturgis

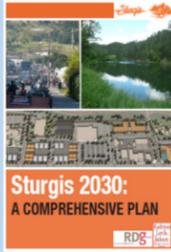
5-Year Summary

2011 - 2015

The enclosed information is a summary of some of the most notable events and activities within our community in the last five years. While this list is not inclusive of all the activities, it does represent those activities that have an impact on our residents and businesses.

As the City Council determines the general direction of our activities, many factors play a role in determining how and when actions are taken and goals are set. Many of those goals and decisions are based on the Sturgis Comprehensive Plan.

The Future Sturgis Comprehensive Plan became a reality in early 2011. The Plan provided the community with a visionary roadmap for the future, along with a number of goals with the top priority of making Sturgis a better place to live, work and raise a family. The plan represents a unified vision for the community and the downtown that were expressed by the residents. The Plan also establishes specific actions necessary to improve the quality of life in Sturgis.



As we move forward as a community, it is our hope that you will play a role in shaping our future. The City often asks residents for their input on important decisions that have a long-term impact. Our City Council and staff look forward to many successful years serving our community.

2011 Began with the opening of the new 4,000 sq. foot Sturgis Liquor store. As one of only four city owned liquor stores in South Dakota, Sturgis Liquor provides a reliable revenue stream for the recreational and public safety funds. The new store was located on city property next to the existing store at 1075 Lazelle.

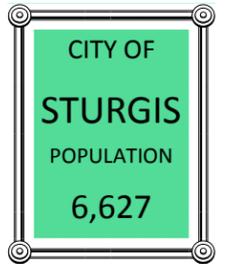
Not only does the new store provide much needed space (65% larger than the old store), the parking area is now better utilized to offer vending and sponsorship opportunities during the Rally which generates additional revenue for the City's recreational and public safety needs.



The Municipal Utility Board hired CETEC, an engineering firm out of Rapid City, to prepare a Facilities Plan Report. The report was based on a review of the entire water system including a supply and storage analysis. The report identified the need for several upgrades to the current water system which eventually led to a major, three-year, 6 million dollar water project. Phase I took place in 2011 with water main replacements near the hospital.

In September, the City hired Daniel Ainslie as the new City Manager. Mr. Ainslie was chosen from a field of 50 applicants. His experience as Development Manager for the City of Merced proved invaluable as the City Council identified economic development as a high priority.

Following the 2010 census which reflected a 2.87 growth rate and a population of 6,627, federal and state law required voting ward boundaries to be redrawn with each ward representing approximately one-fourth of the city's total population. The responsibility of re-districting falls on the City Finance Officer. With the help of GIS mapping and expansion modeling, the new wards were created prior to the December 31, 2011 deadline.



The Public Works Department completed 62 blocks of asphalt overlay in 2011. This was the largest asphalt paving program undertaken by the City. The Public Works Department also completed a \$2.3 million runway extension and wildlife fence at the City Airport. The project was funded by a grant from the Federal Aviation Administration.

2012 Proved to be another year for capital improvement projects and tightening the budget. With less than 2% in cash reserves, the City successfully trimmed expenses in the General Fund by 10% while still completing much needed improvements.

- The City completed paving of all gravel streets within the city.
- Woodle Field parking lot and an additional parking area east of the soccer fields were paved.
- Following high water damage, the Sly Street Crossing over Bear Butte Creek was completely rebuilt with 79" culverts and a concrete headwall.
- The Vanocker Canyon Sewer Extension Project added 1,200 feet of new sewer line along Vanocker Canyon Road.



The Buzz word in 2012 was Pine Beetle. The devastation from the beetles was obvious in the southern hills. While working with the U.S. Forest Service, the Parks Department took immediate action to curb losses in the Sturgis area. Inspections of the Bear Butte Cemetery and the water shed areas found 260 infected trees which were cut, chunked and removed. Continuous monitoring and aggressive treatment of all areas in and around the City since 2012 have paid off in limiting damages from the infestation.

Music was in the air at the Sturgis Library with the *New Harmonies: Celebrating American Roots Music* exhibit taking place in March. The collaboration between the Smithsonian Institute and the South Dakota Humanities Council and was sponsored locally by the Sturgis Rally Charities Foundation, Sturgis Area Arts Council and the Sturgis Public Library. The Library also expanded their outreach by placing a book pickup and return box at Summerset and adding podcasts of their special programs to their blog.



The City began to go green in 2012 with the implementation of a citywide Recycling Program. Collection containers for cardboard, glass, plastic and aluminum were placed at the Public Works building and on a city owned lot near Exit 32. 392 tons of recyclables were collected the first year.



The Sturgis Ambulance Service was named *Emergency Medical Service of the Year* at the State EMT Conference in October. The Service serves the residents of Sturgis as well as communities in western Meade County and eastern Lawrence County.

New Business in 2012

Dogwood Lodge - Pet Resort & Grooming Salon opened their doors at 955 Pine View Drive in December, 2012.

Shopko Hometown opened in November at the former Pamida location at 2105 Lazelle.

Sturgis Strikers celebrated their grand opening on November 10. Bowling enthusiasts were thrilled to once again have a bowling alley following the closure of Key City Lanes several years earlier.

McDonald's completed a full renovation of their facility.

Phase I of the Lazelle Street Construction Project wrapped up in November. The project was a combined effort by the SD DOT and the City.

The DOT project involved making upgrades to lighting, signals and sidewalk approaches along Lazelle.

The City project involved the installation of new water mains and service lines under Lazelle Street from Nellie to Junction. Since both projects involved considerable excavation and street closures, they were scheduled together.

The City water project was identified as a priority in the MUB Facilities Plan Report that was completed in 2011.



2013 proved to be a big year for the Sturgis Motorcycle Rally Sponsorship Program. The City named Legends Sales and Marketing as the new Sponsorship Agency.

With more than 150 years of collective experience, the Legends team took the Rally Sponsorship Program to a world wide audience and continues to grow the Program each year.



The City also named Spearfish publishing company Maverick as the Official Magazine of the Rally. Maverick produces several leading publications for the motorcycle industry including American Bagger, American Cycle and Urban Bagger.

The First ever Sturgis Supermoto Race took place in September in downtown Sturgis.

The race featured professional and amateur racers from around the U.S.

The race course featured sections of dirt, pavement and jumps.

The event was very popular and turned into an annual event.



The City grew by 140 acres with the annexation of the 80 acre Davenport Ranch, Belle Joli Winery and a city owned parcel all located on the south side of Sturgis. The City also agreed to purchase the 60 acre Marcotte property from the SD Game, Fish & Parks.

Governor Names Sturgis Large Community of the Year



According to the Governor's Office of Economic Development, Sturgis did a thorough evaluation to determine what it needed to become a year-round destination and took steps to make it happen. In addition, the Sturgis Industrial Park became one of South Dakota's first Certified Ready Sites.

The Sturgis Public Works Department completed \$79,000 in emergency repairs to the Seventh Street Crossing over Bear Butte Creek. Heavy rains in June caused erosion which undercut the roadway and closed one lane of traffic.

Winter Storm Atlas brought three feet of snow and 70mph winds to much of western South Dakota on October 4.



Phase II of the Lazelle Street Project continued during 2013. Lazelle Street was closed between Junction and Tenth Street for nine weeks as water lines, mains and hydrants were replaced. The DOT replaced curbs, gutters, lighting and traffic signals in the same area. The project was complete just before the Rally and in September the entire street received a new asphalt overlay.



The City joined forces with Sturgis Economic Development, the Chamber of Commerce and Meade County Housing to commission a Housing Study to provide accurate information about current and future housing needs in the community. The data from the study was used to successfully market several areas of the community for future development. The fruit from this effort began to appear in 2014.

Following the storm, numerous businesses, the middle school, public buildings and homes had been badly damaged and tens of thousands of cattle and other livestock were killed.

City workers went to the aid of utility crews clearing paths through the deep drifts so power could be restored. The state was declared a disaster area and FEMA assistance was made available to assist with digging out. Hundreds of volunteers, many from out of state, helped with the clean up effort.

Overall, the storm resulted in \$415,025 worth of qualified FEMA expense for clean up and repairs.

New Business in 2013

- Aspen Grove, a 33-unit assisted living facility located on Moose Drive
- B.H. Manufacturing Services in the Industrial Park
- B.H. Grid in the Industrial Park
- Compass Point Treatment Facility at 1807 Williams Street
- King of the Mountain in the Industrial Park
- Samson Exhaust in the Industrial Park



The Downtown Business Improvement District (BID) was created to provide funding for downtown events and future improvements within the downtown area. The first year of activity was 2015.

2014

The Sturgis Community Center received much needed upgrades including \$173,963 for a new boiler, doors and windows. Additionally, \$45,697 was invested in new weight and cardio equipment and \$5,917 was spent on additional security monitoring equipment. The Center also began a new 24/7 program in 2014 that allows members the use of facilities after normal business hours.

The Public Works Department made emergency repairs to the sewer lagoons following high water damage. A major sewer project was also completed in the newly annexed Davenport Ranch area. Dudley and Middle Street received a \$332,257 stormwater project. A new salt/sand shed was built at the Public Works facility. The Water Department added a new well and completed major upgrades to another.



The Water office moved into the City Finance Office which enabled staff to provide better customer service at a reduced cost to residents.

On March 6, 2014 Scott Peterson Motors broke ground on their new Ford store and Retail Complex located south of Exit 32. Their Junction Avenue Service Center received heavy damage during Winter Storm Atlas in 2013.



The Sturgis Ambulance Service received 1st Place in the State Children's EMS Week contest. The EMS Week events included providing tours of the ambulance facility, distributing 206 bicycle helmets and a fun run/walk. The service also provided free CPR training to 3,025 people during the year.



For the first time in many years, the General Fund cash balance exceeded the recommended 20% reserve balance. This was a significant improvement from the 2% cash balance in 2011. Cash reserves act as a savings account and is used only in emergencies, such as Winter Storm Atlas, when unexpected costs are incurred.



A City of Sturgis Facebook page was created to provide timely news and information. The Public Works Department, Community Center, Library, Liquor Store, Police and Animal Shelter all utilize Facebook when communicating to residents.

The Governor's Office of Economic Development announced funding for a new high school level Career & Technical Education (CTE) Machinist Program to be located in the Sturgis Industrial Park. The program relocated from the Sturgis High School to a new facility in the Industrial Park which was built specifically to house the CTE machine shop and classroom. The facility also provides space for industrial start-up companies.

Headlines

- Indian announced the opening of a new Retail Store and Dealership on Lazelle.
- Campbell's Supply built a new and improved store at their old location following Winter Storm Atlas.
- Belle Joli Sparkling House opened a new tasting house along Vanocker Canyon Road.
- Domino's Pizza began construction of a new retail store on Main Street.
- The Knuckle Brewery opened for business on 2nd Street.
- With support from the City and a grant from the Vucurevich Foundation, Sturgis Kiwanis opened a new food pantry on Sixth Street.
- Baron Properties announced plans to construct a 48-unit apartment development on Ballpark Road. The first of three apartment buildings was built in 2015.
- Rockingtree Floral was named South Dakota's *Retailer of the Year*.

2015

Great News... 2015 Mill Levy Lowest in 24 Years

The Meade County Auditor's Office announced that the 2015 mill levy for residential properties located within Sturgis City limits is set at \$7.54 per \$1,000 in valuation. This is the lowest mill levy in the last 24 years. The highest mill levy was \$10.72 in 1994. The reduction is due to an expanded tax base of both residential and commercial properties within city limits as well as greater sales tax and Rally related income.



Efforts by the Parks Department to combat the Pine Beetle infestation have continued over the last five years. Over 200 trees have been removed since 2011. The City continues to work with the U.S. Forest Service to monitor and remove infected trees located within 300 feet of city property. The City takes preventative steps by annually spraying trees located in and around the Bear Butte Cemetery.

On February 12, the Sturgis City Council accepted a voluntary annexation petition from the Meade County School Board. The School Board requested the City annex 461 acres of land currently being used to house the Sturgis Brown High School campus, related facilities and open space. In addition to the school property, the City also annexed property where the City water treatment facilities are located north of the school property and the Municipal Airport. The City also annexed a connecting portion of BLM property.

The Parks Department installed a new neighborhood park at Starline Drive. The park features playground equipment, a basketball court, benches and a picnic area. A large portion of the funding was through a grant from the State Game, Fish & Parks.



The Sturgis Gran Fondo Bike Race held its inaugural race on September 12, 2015. With the help of the Rally and Events Department, the race brought in bicycle enthusiasts from across the U.S. for a 120 mile race from Sturgis to Mt. Rushmore and back.



Black Hills Federal Credit Union was just one of the new businesses announcing their plans to expand into the Sturgis area in 2015. The credit union is currently under construction at the corner of Junction and Lazelle and will open in early 2016.



The City expanded recycling efforts by adding yard waste collection bins at the Exit 32 Recycling Station. Other recyclables including glass and aluminum can also be dropped off at this location. Bins for cardboard and newspaper are located at the Public Works facility at 1057 Dudley.

75th Anniversary August 3-9 the City hosted what many called the largest event in the City's history. The 75th Anniversary of the Sturgis Motorcycle Rally was a huge success and lived up to the expectations created by seasoned attendees.

The City took part in planning meetings with state and county organizations for months in advance. The planning paid off with few problems and a positive event experience for the hundreds of thousand motorcycle enthusiasts that attended.

The international media coverage of the event will pay off in the future as the city has been introduced to millions of potential visitors from around the world.

Some of the important numbers include:

Attendees: 739,000

Vendor Licenses: 916

Tons of Trash Hauled: 765

City Sales Tax Collections: \$827,526

Donations to Sturgis Rally Charities from Rally related activities (Charity Rides, Supermoto Race & Sponsorship Program) \$62,621.

Days of Rally: Eleven - streets were closed four days prior to the official start date to accommodate the large numbers of people who came early.



The City entered into a long-term partnership agreement with Harley-Davidson of Milwaukee, WI. The agreement named Harley-Davidson as the Official Motorcycle Sponsor of the Sturgis® Motorcycle Rally™.

To commemorate the partnership, a new plaza was built at the corner of Second and Main Street. The Harley-Davidson Rally Point Plaza provides an area for riders, tourists and the community to gather and celebrate. Over 900 residents attended an official grand opening celebration held on August 19, 2015.



The Sturgis library implemented their new KOHA online catalog system. The new system allows library patrons accessibility to their accounts and all the library resources from any mobile device.

The Code Red Emergency Notification System was launched in January, 2015. The free notification system has the ability to send emergency information via text, voice or e-mail to subscribers, regardless of their location.



The City contracted with A-1 Sewer & Drain to complete a major sewer rehabilitation project. The process rehabilitates old sewer lines that are plagued by cracks, leaks and tree roots. The end result is less water infiltration into the lines which improves the environment and reduces the impact on the sewer lagoons and treatment facilities. More sewer rehabilitation projects will take place in the future.

The City secured \$250,000 in funding through the GF&P Recreational Trails Program to construct a three mile trail around the Ft. Meade VA Hospital. The trail will be handicapped accessible and will feature numerous points of interest.



More New Business & Development

- J&P Cycles announced the opening of a year-around retail store at 1650 Lazelle. The business had operated a seasonal retail store at this location for over 30 years during the annual Motorcycle Rally.
- Sioux Steel/Hi-Qual Announces the opening of a new plant at the Sturgis Industrial Park.
- Ground breaking ceremonies were held for Canyon View Estates, a 19 unit single family development located on Pine View Drive.
- Dolan Creek Development began work on phase I of Dolan Creek Estates. The three-year project will eventually contain 106 new single family homes.
- Maverik Adventure Store announced plans for a new 5,046 square foot convenience and fueling retail store on Junction.
- Black Hills Power opened their new Northern Hills Service Center along Otter Road.
- Regional Health announced a major expansion to their Sturgis Health Care facility. The \$10M project will begin in 2016.
- Sturgis Guns opened for business at 2040 Junction.
- Black Hills Laundry & Dry Cleaning opened in their newly constructed facility at 1014 Main Street.
- Big D, Arby's and Papa John's opened their doors at Exit 32.
- CBH Cooperative completed an expansion project on W. Main.
- Black Hills Federal Credit broke ground at the corner of Junction & Lazelle.

What to Watch for in 2016

- ◆ As the trend for economic growth continues, 2016 will bring more new business opportunities to our community. Along with those businesses will come jobs and a better living environment.
- ◆ The tight housing market experienced in the last few years will be eased as new homes are being built and townhomes, single-family homes and apartments will soon be available.
- ◆ The City continues to be challenged with obtaining a large daycare provider, however, it is our goal to have a large, reliable provider available by mid-year.
- ◆ The Main Street Project will begin in the spring of 2016. This multi-year project will include new sidewalks, landscaping, curb/gutters, lighting and a new street surface for Main Street from Middle to 4th. The project will take two years to complete. Due to the large scope of this project, a certain amount of inconvenience is expected and we ask our residents, motorists and our downtown business owners to please have patience. We are certain the end product, a new Main Street, will be well worth the short term inconvenience.
- ◆ The City will continue to work hard at controlling expenses while providing the best services possible to our residents.

