

PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in regular session starting at 6:30 p.m. on Monday, August 16, 2010 at the Sturgis Community Center. Present: Mayor Maury LaRue, Alderpersons Clint Brengle, Mark Carstensen, Joe DesJarlais, Jamie McVay, Tim Potts, Bernadette Usera and Kelly Vasknetz. City Manager Dave Boone and City Attorney Greg Barnier were present. Absent: David Hersrud.

Mayor LaRue led everyone in the Pledge of Allegiance.

Announcements:

Mayor LaRue announced that the Rally is over! He commended the City Departments for a job well done.

Motion by Brengle, second by Potts and carried with all members voting yes to approve the agenda with the deletion of number 1 from new business.

Motion by DesJarlais, second by Usera and carried with all members voting yes to approve the minutes from the regular council meeting on August 2, 2010.

Motion by Brengle, second by McVay and carried with all members voting yes to approve the following claims:

Wages – Mayor and Council \$3,236.18; Attorney \$2500.00; Finance Office \$7,997.56; Human Resource \$2000.00; City Manager \$4,938.90; Buildings \$1,463.11; Community Development \$4,762.33; Rally \$4,425.77; Police \$32,201.30; Fire Department \$2,442.74; Streets \$6,638.60; Street Cleaning \$925.95; Cemetery \$2,807.36; Community Center \$16,546.47; Library \$8,961.97; Auditorium \$261.90; Parks \$15,736.02; Ambulance \$9,669.91; Liquor \$4,041.79; Water \$13,425.46; Wastewater \$8,383.09; Sanitary Service \$9,384.26; Federal Withholding \$11,736.25; FICA \$24,088.48.

General – A&B Welding, \$22.52, supp; Ace Hardware, \$183.40, supp; Barrows Electric, \$61.61, repair; Best Business Products, \$43.83, repair; BH Chemical, \$1226.75, supp-rally; BH Power, \$16,790.41, util; Buckle Tree, \$4726.20, other-rally; Butte Electric, \$422.40, util; Campbell Supply, \$816.92, supp; CBH Cooperative, \$11,853.35, supp; City of Sturgis Water Dept, \$1467.70, util; Coca Cola, \$1439.50, supp; Dakota Backup, \$31.12, prof fee; Dakota Steel, \$4809.60, supp; Diesel Machinery, \$1267.00, rent; Door Security Products, \$76.53, repair; Michael Duncan, \$616.14, supp; Ecolab Pest, \$415.50, repair; Energy Lab, \$18.55, maint; Fastenal Company, \$24.20, supp; FF Journal, \$175.00, vendor license refund; First Interstate Bank-cr card, \$4979.30, supp; First Western Insurance, \$30.00, insur; Freeman Electric, \$947.70, supp; Fry Communications, \$25,704.16, publ-rally; FSH Communications, \$120.00, util; Glover Investments, \$600.00, rental-rally; Graphics Plus, \$467.59, supp-rally; Grocery Mart, \$23.67, supp; Scott Hast, \$180.00, other; Darrel Hatzenbuhler, \$27.76, travel; Hersrud, \$79.87, repair; Hills Materials, \$488.64, supp; Hillyard, \$374.62, supp-rally; Holiday Inn Express-Vermillion, \$372.00, travel; Integrity Computer Service, \$525.00, supp-rally; JP Grubl Excavating, \$612.24, rent; Johnston Hardware, \$173.36, repair; Kadrmas, Lee & Jackson, \$5846.07, economic dev; Keep N Cool, \$55.00, repair; Knology, \$707.94, supp-rally; Cody Loftin, \$60.00, other; Lynn's Dakotamart, \$188.51, supp-rally; Manufacturing Systems, \$84.54, econ dev; David McCarthy, \$120.00, other; Menards, \$65.80, supp-rally; MDU, \$101.95, util; Neve's Uniforms, \$458.90, supp; O'Reilly Auto Parts, \$330.51, supp; Owens Interstate Sales, \$190.46, repair; Pamida, \$200.00, supp; Papas Leather Barn, \$1200.00, vendor license refund; Pete Lien & Sons, \$184.50, repair; Police Dept Petty Cash, \$26.53, supp; Poly John, \$119.38, supp-rally; Power House, \$119.96, supp; Print Mark-et, \$695.97, publ; R Side LLC, \$600.00, vendor license refund; Rockingtree Landscapes, \$1370.20, other; Rushmore Office, \$2114.09, supp; Sacrison Asphalt, \$850.20, supp; Fred Schmidt, \$30.00, other; Servall Towel, \$285.76, maint; Sherwin-Williams, \$654.75, supp-rally; Star Boyz Productions, \$1859.88, city promo-rally; Sturgis Napa, \$664.10, repair; Summit Signs,

\$1477.00, supp; Thomson West, \$88.20, publ; WCT Products, \$1244.61, supp-rally; Larry Welton, \$1440.00, rally rentals; West River Electric, \$435.35, util; Western Business Solutions, \$85.00, repair-rally; Western Communications, \$410.00, sup; Z&S Dust Control System, \$2798.25, repair.

Park – Bentz Equip, \$271.44, repair; BH Power, \$45.53, util; Birdsall Sand, \$900.00, supp; Campbell Supply, \$283.50, supp; CBH Coop, \$168.52, repair; Cemetery Service, \$150.00, prof fee; City of Sturgis Water Dept, \$4139.50, util; Curb Creations, \$306.00, supp; Diamond Vogel Paints, \$299.40, supp; G&H Distributing, \$2.90, supp; J&L Services, \$690.00, repair; Jacobsen Ford, \$76.37, repair; Johnston Hardware, \$78.82, supp; Jeff Lucas, \$500.00, grp insur; Lynn’s Dakotamart, \$16.15, supp; Menards, \$31.46, supp; MDU, \$20.30, util; Northwest Pipe Fittings, \$288.09, supp; Pamida, \$65.97, supp; Power House, \$84.79, repair; Powerplus Electric, \$721.39, repair; Print Mark-et, \$63.27, publ; Rockingtree Landscapes, \$206.78, supp; Rushmore Office, \$79.00, supp; Sturgis Napa, \$92.48, repair; Superior Sanitation, \$265.00, repair; Town-N-Country Plumbing, \$172.53, supp; Willsons Tree Service, \$2630.00, other.

Brick Project – CBH Cooperative, \$22.76, supp; Johnson Western Wholesale, \$616.14, supp; Rockingtree Floral, \$95.00, supp.

Ambulance – All Med, \$123.40, supp; CBH Cooperative, \$953.63, supp; City of Sturgis Water Dept, \$92.50, util; Dakota Backup, \$31.12, prof fee; DB Billing, \$552.15, prof fee; Ecolab Pest, \$47.50, supp; First Interstate Bank-cr card, \$513.46, supp; Johnston Hardware, \$18.54, supp; Knology, \$37.65, util; Med Alliance Group, \$513.46, supp; MDU, \$17.96, util; Print Mark-et, \$63.27, publ; Regional Home Medical Equip, \$6423.93, supp; Sturgis Napa, \$41.56, supp.

Mayor’s Ride – Rushmore Office, \$11.85, supp.

Capital Improvement – Chain Saw Center, \$570.00, cap imp; Northwest Pipe Fittings, \$28.07, cap imp; Pete Lien & Sons, \$283.50, cap imp; SD Federal Property, \$8000.00, cap imp.

Bike Path – North Star Construction, \$108,409.54, cap imp.

Special Sanitation – BH Chemical, \$1331.25, supp; City of Belle Fourche, \$4642.31, other.

Liquor – BH Power, \$708.64, util; BH Security, \$216.00, repair; Campbell Supply, \$44.15, supp; Cask & Cork, \$135.00, off sale liquor; City of Sturgis Water Dept, \$321.00, util; Coca Cola, \$2400.10, pop for resale; Eagle Sales, \$8857.08, other; Ecolab Pest, \$41.00, repair; Epic Products, \$532.46, merch for resale; Fisher Beverage, \$4496.70, off sale beer; Johnson Western Wholesale, \$27,986.49, off sale liquor; M&B Enterprises, \$128.70, snacks for resale; Mobile Mini, \$817.00, supp; MDU, \$10.15, util; Print Mark-et, \$63.28, publ; Republic Beverage Co, \$4396.36, off sale liquor; Royal Publishing, \$450.00, publ; S. Ellwein, \$702.05, merch for resale; Servall Towel, \$64.75, supp.

Water – BH Power, \$69.28, util; Butte Electric, \$183.60, util; City of Sturgis Water Dept, \$77.00, util; First Interstate Bank-cr card, \$10.60, travel; MDU, \$12.02, util; Print Mark-et, \$63.28, publ; Xcel Demo-Murray Addn, \$95,439.71, cap imp.

Wastewater – City of Sturgis Water Dept, \$12.00, util; Cretex Concrete Products West, \$1324.72, cap imp; Dakota Backup, \$67.87, other; Energy Lab, \$431.00, prof fee; Flexible Pipe Tool, \$1245.63, repair; Hersrud, \$211.36, repair; Northwest Pipe Fittings, \$2555.50, cap imp; Owens Interstate Sales, \$22.94, repair; Postmaster, \$44.00, supp; Print Mark-et, \$63.28, publ; Sioux Valley Environmental, \$249.07, supp; Xcel Demo-Murray Addn, \$85,074.82, cap imp.

Sanitary Service – A&B Welding, \$134.39, repair; A&J Surplus, \$446.34, repair; Campbell Supply, \$47.48, repair; CBH Cooperative, \$2019.96, supp; City of Belle Fourche, \$14,154.69, other; Great Western Tire, \$218.40, supp; Owens Interstate Sales, \$178.43, supp; Print Mark-et, \$63.27, publ; Rushmore Office, \$183.00, supp; Sanitation Dept Petty Cash, \$8.98, supp; SDSWMA, \$400.00, travel; Sturgis Napa, \$195.65, repair.

Committee Reports:

- Councilor Usera reported that the art collection from the Shaman Gallery in Hot Springs that is on display at the Library has some very interesting pieces of art.

City Manager Report:

- Paperwork was signed for the airport grant. A pre-construction meeting will be held on Friday the 20th.
- The preliminary numbers for the rally are: Vendor licensing up 13%, garbage collection up 15%, police contacts down 25%, Liquor store up 16%, Motorcycle Expo up 25%, DOT traffic count up 17% and sales tax is looking very positive. A final report will be given at the September 7th or 20th council meeting.
- Murray Addition phase I streets are paved and a punch list is being addressed for final completion.
- Boone explained to the Council that if they are in favor of funding the fence request from last meeting they must take into consideration that there is no money budgeted in Capital Improvements for this request. If the Council still chooses to fund this request they could transfer money from contingency or supplement the Capital Improvement fund.

Traci Hanson, auditor for Ketel Thorsetenson, LLC was present to speak with the Council about the 2009 audit. Ms. Hanson talked about the budget process and overspending in the Water Department Professional Services line of the budget which will result in a finding from the auditors in the 2009 audit. Overspending a line item in the budget raises questions on the accuracy of the budget. Accuracy can be achieved by using prior year actual figures and averaging them to get a more exact figure for the budget. You must also take into consideration any rate increases or changes that may of happened throughout the year. Ms. Hanson also spoke to the Council about TIF 9, Palisades. It appears that the amortization schedule that is being used by the Finance Officer is overstating what the City owes on this TIF. Hanson emphasized that the City must do these TIF's correctly in order to keep control of what is going on. Through the bid process and certifying the costs and a time line of a project will help with the accuracy and will insure that the correct amount is paid back through tax dollars.

Motion by Potts, second by Carstensen and carried with all members voting yes to approve the following:
Budgeted New Hire: Rally- temporary custodian: CC- Zac Lasnetske-\$8.50
Salary Changes: Police – Sean Briscoe- \$19.68, Geody VandeWater - \$19.55

Motion by DesJarlais, second by McVay and carried with all members voting yes to set a public hearing date of September 20, 2010 for a variance for lot size for Brent Bertelsen at 941 Dudley Street.

Prior to approving first reading of the appropriation ordinance, Mayor LaRue asked the Chamber to come forward to discuss their request. Jason Hafner and Michele Loobey-Gertsch asked the Council to reconsider their original request of \$150,000 instead of the \$125,000 that was budgeted for 2011.

Motion by Brengle, second by Carstensen and carried with all members voting yes to approve first reading of Ordinance 2010-10 – Annual Appropriations for 2011.

Any other Business:

Councilor Potts asked the council to consider funding the fencing project. City Manager Boone thought that a written request for the money would be appropriate to allow the Council to act upon this.

Motion by Potts, second by Vasknetz and carried with all members voting yes to go into executive session at 7:11 p.m. for legal advice.

Motion by DesJarlais, second by Carstensen and carried with all members voting yes to come out of executive session at 8:21 p.m.

August 16, 2010

Motion by Potts, second by Carstensen and carried with all members voting yes to contribute \$4000 to the fencing project at Woodle Field. This money will come from a transfer from Contingency to the Capital Improvement Fund.

Mayor LaRue adjourned the meeting at 8:30 p.m.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED: _____
Maury LaRue-Mayor

Please publish once at the total approximate cost \$112.43.

