

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 Tuesday, September 7, 2010 at the Sturgis Community Center. Present: Mayor Maury LaRue, Alderpersons Mark Carstensen, Joe DesJarlais, David Hersrud, Jamie McVay (6:35), Tim Potts, Bernadette Usera and Kelly Vasknetz. City Manager Dave Boone and City Attorney Greg Barnier were present. Absent: Clint Brengle.

Mayor LaRue led everyone in the Pledge of Allegiance.

Announcements:

Mayor LaRue announced that the Sturgis Mustang Rally was a great success.

Motion by Hersrud, second by Potts and carried with all members voting yes to approve the agenda as written.

Motion by Usera, second by DesJarlais and carried with all members voting yes to approve the minutes from the regular council meeting on August 16, 2010.

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

Wages – Mayor and Council \$3,236.18; Attorney \$2500.00; Finance Office \$11,263.76; Human Resource \$2000.00; City Manager \$5,411.39; Buildings \$1,452.16; Community Development \$13,989.56; Rally \$25,891.62; Police \$264,885.64; Fire Department \$11,715.24; Streets \$7,623.37; Street Cleaning \$925.60; Cemetery \$1,058.40; Community Center \$30,310.90; Library \$8,305.32; Auditorium \$67.42; Parks \$19,018.25; Ambulance \$23,603.18; Special Sanitation- \$11193.93; Liquor \$11,003.87; Water \$13,248.51; Wastewater \$8,183.08; Sanitary Service \$9,237.39; Federal Withholding \$47,047.81; FICA \$73,549.82.

Transfers Out – General Fund \$47,556.42; UDAG \$22,748.50; Liquor \$17,689.25; Wastewater \$10,112.83; Sanitation \$19,753.67.

Transfers In – Parks \$46,556.42; General Fund \$47,555.75; Revolving Loan Fund \$22,748.50; Sanitation - \$1000.00.

General – A&J Surplus, \$393.91, supp-rally; A-1 Windshield Repair, \$35.00, repair; Amazon, \$258.24, supp; Amcon, \$1249.11, merch for resale; Associated Supply, \$5201.82, supp; Avaya, \$36.39, util; Baker & Taylor, \$1341.98, supp; BH Harley Davidson, \$137.25, repair-rally; BH Mobile Extinguisher, \$14.25, repair-rally; BH Power, \$2036.32, util; BH Rally & Gold, \$1500.00, merch for resale; David Boone, \$1000.00, grp insur; Border States, \$587.44, repair; Lindsay Bressler, \$62.55, supp; Sean Briscoe, \$500.00, grp insur; Budget Signs, \$317.96, supp-rally; Jerry Burnham, \$2347.92, prof fee; Butte Electric, \$564.18, util; Caselle, \$667.50, util; CBH Cooperative, \$10.00, repair; Central Air Heating-Cooling, \$12,537.00, accts rec; Chamber of Commerce, \$4140.00, supp-rally; Community Center Petty Cash, \$31.48, supp; Community Dev Dept, \$56.60, supp; Crossings, \$56.44, supp; Dakota Backup, \$776.57, prof fee; Dakota Battery, \$154.26, repair; Dakota Sports, \$1635.95, cc prog exp; Dakota Supply Group, \$261.38, repair; Dakota Tree Spraying, \$62.50, supp; Dan Davidson, \$259.31, supp; Dish Network, \$79.95, util; ET Sports, \$240.88, repair-rally; Earthgrains Baking, \$471.64, merch for resale; EBSCO Subscription Service, \$3371.71, supp; El Paso Communication, \$4407.91, repair-rally; Energy Lab, \$55.65, repair; Fastenal Company, \$155.47, repair; Fedex, \$1363.39, supp-rally; First Western Insurance, \$4290.00, insur-rally; G&G Enterprises, \$2928.00, merch for resale; Goldmine Enterprises, \$675.00, other-rally; Golf Cars West, \$445.00, repair-rally; Scott Hast, \$30.00, other; Hillyard, \$557.04, supp; Ikon Office, \$193.00, repair; Integrity Sheet Metal, \$2195.44, repair; Interstate All Batteries, \$33.60, supp; Iverson Construction, \$20,390.45, accts rec; Jambonz, \$53.40, travel-rally; KT Connections, \$32,149.99, other; Kadrmas, Lee & Jackson, \$18,788.83, econo dev; Knology, \$2134.77, util; Lamar, \$2150.00, other;

Cody Loftin, \$30.00, other; Manufacturing Systems, \$1.27, econo dev; Meade Co Auditor, \$3711.31, repair; Midamerica Books, \$561.12, supp; MDU, \$2281.26, util; Montana Registered Land Survey, \$130.00, prof fee; Candy Morrell, \$3161.09, repair-rally; Neve's Uniforms, \$436.50, supp; Owens Interstate, \$1749.97, minor equip; Party Time Plus, \$6556.10, supp-rally; Pitney Bowes-Finance, \$132.00, rent; Pitney Bowes-rally, \$201.50, rent; Proline Custom Signs, \$650.00, other; Purchase Power-finance, \$400.00, supp; Purchase Power-fire, \$43.12, supp; PVP Communications, \$80.58, repair; Rapid Delivery, \$18.70, reapi; Ridin on Motorcycle Magazine, \$1150.00, publ-rally; Robert Sharp & Assoc, \$6695.60, publ-rally; S.Ellwein, \$1618.52, supp-rally; Sage Publications, \$169.43, supp; Sanitation Products, \$145.82, repair; Fred Schmidt, \$30.00, other; Science Fiction Book Club, \$38.96, supp; SD Dept of Military & Veteran, \$2200.00, other-rally; SD Dept of Transportation-FINA, \$191.22, prof fee; SD Electrical Commission, \$2350.00, prof fee-rally; SD State Archives, \$86.40, supp; SD Sec of State, \$30.00, insur; Servall, \$1635.26, supp; Shooters Images, \$787.50, prof fee-rally; Signs Now, \$7977.14, supp-rally; St Francis Alter Society, \$9180.00, other-rally; Christina Steele, \$21.22, travel-rally; Sturgis Community Center, \$156.75, supp-rally; Sturgis Harley Davidson, \$115.99, repair-rally; Sturgis Veterinary Hospital, \$472.50, prof fee; Sturgis Volunteer Fire Dept, \$1150.00, supp-rally; Sturgis Yamaha, \$32.94, repair-rally; The Knuckle Saloon, \$3000.00, supp-rally; Thomas West, \$245.50, supp; Tom's T's, \$941.15, supp-rally; United Rentals, \$1903.45, rental-rally; US Foodservice, \$3766.77, other-rally; Vanway Trophy, \$266.55, other-rally; Verizon, \$3156.80, util; Ryan Warner, \$30.00, other; West River Electric, \$540.75, util; Western Business Solutions, \$135.00, repair-rally; Western Dakota Insurance, \$532.00, insur; Wolff's Plumbing, \$492.10, repair; Elaine Wolken, \$1000.00, grp insur; Zylstra Body, \$590.40, repair.

Park – BH Power, \$1103.14, util; Knology, \$168.50, util; Verizon, \$194.33, util.

Brick Project – Midstates Printing, \$551.10, publ; Purchase Power-rally, \$2037.98, supp; Robert Sharp & Assoc, \$340.00, publ.

Ambulance – BH Power, \$651.50, util; Dakota Backup, \$39.25, prof fee; Dakota Tree Spraying, \$62.50, supp; DB Billing, \$1003.76, prof fee; Knology, \$85.38, util; Purchase Power-fire, \$43.13, supp; Sturgis Volunteer Fire Dept, \$898.96, supp; Verizon, \$68.04, util.

Special Sales Tax – Chamber of Commerce, \$9543.33, chamber; SEDC, \$9625.00, industrial dev.

Capital Improvement – Dana Schulz Construction, \$9879.72, cap imp; Meade School District 46-1, \$4000.00, cap imp; Stanley Johnsen Concrete, \$92,023.22, cap imp.

Special Sanitation – CCP Industries, \$585.98, supp; Central States Sanitation, \$51,310.00, supp; Sanitation Products, \$4087.21, supp.

Capital Projects – Double Star Computing, \$1526.25, cap imp.

Liquor – Amcon, \$12,060.83, repair; Eagle Sales, \$42,354.24, off sale beer; Fisher Beverage, \$22,918.97, off sale beer; Jim Dandy Snack Food, \$114.00, snacks for resale; Johnson Western Wholesale, \$75,454.07, off sale liquor; Knology, \$161.82, util; Mobile Mini, \$457.00, supp; Okoboji Wines, \$546.00, off sale liquor; Pepsi, \$1570.48, pop for resale; Republic Beverage, \$39,498.47, off sale liquor; Schade Vineyard, \$108.00, off sale liquor; Tatianas Import Beverages, \$29.60, off sale beer; The Homeslice Group, \$4990.00, prof fee; Valiant Vineyard, \$1320.00, off sale liquor; Verizon, \$71.24, util.

Water – BH Power, \$15,650.62, util; Brosz Engineering, \$14,492.50, cap imp; Butte Electric, \$352.92, util; Dakota Backup, \$86.91, prof fee; Knology, \$179.03, util; Ladner Excavating, \$65,418.75, cap imp; Candy Morrell, \$362.55, maint; Verizon, \$283.40, util; Xcel Demo-Murray Addn, \$47,923.66, cap imp.

Wastewater – BH Power, \$2794.89, util; Bierschbach Equipment, \$109.00, repair; Brosz Engineering, \$4250.00, cap imp; City of Belle Fourche, \$19.58, other; Cretex Concrete, \$232.00, cap imp; Dakota Backup, \$67.87, other; Energy Lab, \$431.00, prof fee; Fastenal Company, \$30.90, repair; Great Western Tire, \$1633.90, supp; Ladner Excavating, \$20,740.50, cap imp; Candy Morrell, \$238.18, maint; Verizon, \$104.34, util; Xcel Demo-Murray Addn, \$34,155.65, cap imp.

Sanitary Service – BH Power, \$11.13, util; Dakota Battery, \$168.15, repair; Eddies Truck, \$9.07, repair; Fastenal Company, \$83.73, repair; Lawson Products, \$341.13 repair; Meade Co Times, \$36.00, publ; Candy Morrell, \$238.18, maint; Qwest, \$56.43, util; Sanitation Dept Petty Cash, \$3.98, supp; Verizon, \$39.22, util.

Committee Reports:

- Councilor Usera reported that September is “Sign up for a Library Card month.” On September 14th the Library will be revealing their new library card and there will be a library scavenger hunt from 3:30 pm to 6:00 pm.

City Manager Report:

- We are 2/3 through the year and we have spent 65% of the General Fund and 73% of the total budget.
- The Department of Revenue reports that sales tax for Sturgis at the end of July is up 12.35%.
- Phase I of the Murray Addition project has been closed out. They are starting to pave the streets for phase II and the last of the sewer pipe is being laid. The balance of the overlay program will be completed here shortly. Chip and seal will be done on the following streets: 7th, 8th, 9th, Ellen, Jodi, Strickland and Vanocker Drive and a small portion of Ponderosa. The State will be working on Vanocker Road.
- At the MUB meeting the “Watershed Fund” was discussed and it was the consensus of the group to leave the fund as is and to use it only for maintenance and repairs of the Davenport Dams.
- Phase I of the Murray Addition project has been seeded.
- City Manager Boone introduced Pat Kurtenbach, the new President of SEDC.

Motion by Hersrud, second by Usera and carried with all members voting yes to approve the following:
New Hire: Community Center – Front Desk/Fun & Fitness- Allison Anderson, Kymber Keffeler and Bethany Jensen - \$7.25. Liquor Store-Pt Sales Clerk- Chuck Colombe-\$8.00. Sanitation – Operator - \$11.17.

DesJarlais introduced the following written resolution and moved its adoption:

RESOLUTION 2010-30
RESOLUTION APPROVING PLAT

WHEREAS, the statutes of the State of South Dakota require that plats of property within the jurisdiction of the City of Sturgis be submitted to the governing body for approval before the same are recorded in the Office of the Register of Deeds; and

WHEREAS, the City of Sturgis Planning and Zoning have presented to the Common Council of the City of Sturgis a plat of the following described real property:

A Plat of Lot C Revised of Heibult-Lindsey Addition Formerly Lot C of Heibult-Lindsey Addition, Located in the SE1/4SW1/4, Section 10, T.5N., R.5E., B.H.M., City of Sturgis, Meade County, South Dakota

WHEREAS, said plat meets the requirements of the statutes in all things, now therefore,

BE IT RESOLVED by the Common Council of the City of Sturgis, South Dakota, that the within and foregoing plat is hereby approved.

Dated this 7th day of September 2010.

Published: September 15, 2010

Effective: October 6, 2010

Vasknetz seconded the motion for the adoption of the foregoing resolution. All those present voted in favor of and the resolution was declared passed and adopted.

Motion by Hersrud, second by McVay and carried with all members voting yes to set a public hearing for October 4, 2010 for Romaine S. Kocer at 1907 Arizona Avenue to construct a patio cover with less than required rear yard setback.

Finance Officer Bueno explained the changes to the 2011 Water fund budget that had been discussed at the MUB meeting that had taken place on September 3rd. On the revenue side a surcharge was set up for the Murray Addition project (\$83,800) and a surcharge for the Rural Development projects (\$65,000-interest only). These surcharges will be taken out of the rate increases that were proposed and the remainder of this will be put in "Water meter sales revenue" (\$44,856). The Watershed fund money was removed as it will be left as a special fund to be used for maintenance and repairs of the Davenport Dams. On the expense side, Debt Service was set up for the Murray Addition project (\$83,800) and Rural Development projects (\$65,000). Three items were removed from the Capital Improvement section. A motion was made by Hersrud, second by DesJarlais and carried with all members voting yes to approve the preceding changes to the 2011 Water fund budget.

City Manager Boone explained that the \$5000 that was budgeted for Teen Court will not be needed and suggested that it be put back into the "Rainy Day Fund" (Contingency).

Motion by Potts, second by Usera and carried with Carstensen, Hersrud, LaRue, McVay, Potts, Usera and Vasknetz voting yes and DesJarlais voting nay to give the \$5000 to the Chamber of Commerce. This money will be spent out of the Mayor and Council department.

There were two requests for money from the 2011 budget for the Sculpture Walk and the Hands on Arts Festival. The Council felt these were great projects, but due to the fact that they were submitted to the council late they could not act upon them. They asked them to submit their requests for the 2012 budget next June.

Motion by Hersrud, second by DesJarlais and carried with all members voting yes to approve second reading of Ordinance 2010-10 – Annual Appropriations for 2011. The complete ordinance is on file at City Hall.

Motion by Potts, second by Usera and carried with all members voting yes to approve adding SD Farm Wine to the malt beverage license of the Pamida Store.

Motion by Hersrud, second by Usera and carried with all members voting yes to approve a special events license for Boulder Canyon Convention Center on September 10th and 11th for a wedding and reception.

Motion by McVay, second by Usera and carried with all members voting yes to approve a special events license for Gunner's Lounge on September 18th for a wedding and reception at the auditorium.

Marlene Todd, program director of Lawrence County Teen Court, was present to thank the Council for their past support of Teen Court and that she is sincerely sad that Meade County will not be participating in this program. She hopes someday that the County will reconsider and become a part of the program again.

Motion by Usera, second by McVay and carried with all members voting yes to set a public hearing date of September 20, 2010 for a special events license for Boulder Canyon Convention Center on September 24th and 25th for a wedding and reception; October 1st and 2nd for Lions Club Fall Rally; October 8th and 9th for 2010 Fall Scrap Booking Retreat.

Motion by Potts, second by Vasknetz and carried with all members voting yes to set public hearing date of September 20, 2010 for a special events license for Loud American Roadhouse for October 23rd for a wedding and reception at the auditorium.

Hersrud introduced the following written resolution and moved its adoption:

Resolution 2010-31
RESOLUTION AUTHORIZING
LOAN EXTENSION

WHEREAS, the City of Sturgis made a loan to Jamison International, Inc. from the City of Sturgis Revolving Loan Fund on July 3, 2002, and

WHEREAS, there was a balloon payment owing to the City of Sturgis by Jamison International, Inc. under the terms of said loan on September 1, 2009 in the amount of \$17,427.39 and

WHEREAS, the City of Sturgis did previously agree to extend said balloon payment to September 1, 2010, and

WHEREAS, the City of Sturgis has agreed to extend the balloon payment date under the terms of said loan to September 1, 2011, as long as Jamison International, Inc., continues to pay the monthly payments of \$482.80, timely, and does not become in default in any other manner, or in any way, under the terms of the Promissory Note and corresponding loan documents, and

WHEREAS, the interest rate on said loan shall be 7.5% per annum, effective September 1, 2010, now therefore,

BE IT RESOLVED upon the written acceptance of the terms of this Resolution by Jamison International, Inc., the within and foregoing loan is hereby extended to become due, in full, on September 1, 2011.

Dated this 7th day of September, 2010.

Published: September 15, 2010

Effective: October 6, 2010

Potts seconded the motion for the adoption of the foregoing resolution. All those present voted in favor of and the resolution was declared passed and adopted.

Hersrud introduced the following written resolution and moved its adoption:

Resolution 2010-32
RESOLUTION AUTHORIZING
LOAN EXTENSION

WHEREAS, the City of Sturgis made a loan to Western Door Company, Inc. from the City of Sturgis Revolving Loan Fund on June 28, 2004, and

WHEREAS, there was a balloon payment owing to the City of Sturgis by Western Door Company, Inc. under the terms of said loan on August 11, 2010 in the amount of \$21,982.31, and

WHEREAS, the City of Sturgis has agreed to extend the balloon payment date under the terms of said loan to September 1, 2011, as long as Western Door Company, Inc., continues to pay the monthly payments of \$482.80, timely, and does not become in default in any other manner, or in any way, under the terms of the Promissory Note and corresponding loan documents, and

BE IT RESOLVED upon the written acceptance of the terms of this Resolution by Western Door Company, Inc., the within and foregoing loan is hereby extended to become due, in full, on September 1, 2011.

Dated this 7th day of September, 2010.

Published: September 15, 2010

Effective: October 6, 2010

Usera seconded the motion for the adoption of the foregoing resolution. All those present voted in favor of and the resolution was declared passed and adopted.

Hersrud introduced the following written resolution and moved its adoption:

**Resolution 2010-33
RESOLUTION AUTHORIZING
LOAN EXTENSION**

WHEREAS, the City of Sturgis made a loan to NIP Manufacturing, Inc. from the City of Sturgis Revolving Loan Fund on July 16, 2002, and

WHEREAS, there was a balloon payment owing to the City of Sturgis under the terms of said loan on September 1, 2009 in the amount of \$8,998.43, and

WHEREAS, the City of Sturgis did previously agree to extend said balloon payment to September 1, 2010, and

WHEREAS, the City of Sturgis has agreed to extend the balloon payment date under the terms of said loan to September 1, 2011, as long as NIP Manufacturing, Inc., continues to pay the monthly payments of \$241.40, timely, and does not become in default in any other manner, or in any way, under the terms of the Promissory Note and corresponding loan documents, and

WHEREAS, the interest rate on said loan shall be 7.5% per annum.

BE IT RESOLVED upon the written acceptance of the terms of this Resolution by NIP Manufacturing, Inc., the within and foregoing loan is hereby extended to become due, in full, on September 1, 2011.

Dated this 7th day of September, 2010.

Published: September 15, 2010

Effective: October 6, 2010

Carstensen seconded the motion for the adoption of the foregoing resolution. All those present voted in favor of and the resolution was declared passed and adopted.

The following bids were received for recycling scrap metal/white goods – two year contract. S & S Tin Baling: \$65.00 per ton plus 50% of the market price over \$100.00 per ton, the City of Sturgis will keep everything else. Ricer: \$95.00 per ton plus 0% of the market price over \$95.00 per ton. R & N Recycling: \$90.00 per ton plus 25% of the market price over \$90.00 per ton. The City of Sturgis will keep everything else. Motion by Usera, second by McVay and carried with all members voting yes to accept the bid from R & N Recycling.

Any other Business:

Councilor Hersrud asked that a committee take a look at the length of time of a vendor permit, a time limit on setting up tents and any other items that relate to the Rally that should be discussed. This needs to be done by December so vendors can be informed about the changes.

A citizen asked why the City would consider getting rid of Teen Court. The Council stated that it is the County that is getting rid of the program not the City. She also asked why the City would license the Dick and Jane Store. The Council said that they did not issue a Certificate of Occupancy to this establishment.

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

Motion by Potts, second by Vasknetz and carried with all members voting yes to come out of executive session at 7:54 p.m.

Mayor LaRue adjourned the meeting at 7:54 p.m.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED: _____
Maury LaRue-Mayor

Please publish once at the total approximate cost

