

PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in regular session starting at 6:00 p.m. on Monday, January 17, 2011 at the Sturgis Community Center. Present: Mayor Maury LaRue, Alderpersons Clint Brengle, Joe DesJarlais, Mark Carstensen, David Hersrud, Jamie McVay, Tim Potts, and Bernadette Usera. City Manager Dave Boone and City Attorney Greg Barnier were present. Absent: Kelly Vasknetz.

Mayor LaRue led everyone in the Pledge of Allegiance.

Announcements:

Nort Johnson, Black Hills, Badlands and Lakes, will have the "Great American" trailer show casing South Dakota communities in the Community Center parking lot this evening. Sturgis is represented in this promotion. They will be taking this trailer throughout the United States to promote South Dakota.

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

Motion by DesJarlais, second by McVay and carried with all members voting yes to approve the minutes from the regular council meeting on January 3, 2011.

Motion by Brengle, second by Hersrud and carried with all members voting yes to approve the following claims with the exception of Claim 145 – The Homeslice Group-\$6295.00; Claim 146 – Conrad Big C Signs - \$3138.50.

**Wages** – Mayor and Council \$3,333.27; Attorney \$2741.19; Finance Office \$8,709.35; Human Resource \$2060.00; City Manager \$5,096.01; Buildings \$1,968.44; Community Development \$4,864.90; Rally \$3,134.69; Police \$37,129.70; Fire Department \$2,501.04; Streets \$10,327.78; Street Cleaning \$1,433.53; Cemetery \$1,054.07; Community Center \$11,957.34; Library \$8,982.04; Auditorium \$137.32; Parks \$10,705.14; Ambulance \$12,046.26; Liquor \$4,430.43; Water \$14,106.48; Wastewater \$10,739.36; Sanitary Service \$11,173.41; Federal Withholding \$16,167.12; FICA \$21,519.82.

**Transfers Out** – General Fund \$1,000; UDAG \$22,748.50; Liquor \$15,900.83; Wastewater \$20,891.42; Sanitation \$13,778.50; Special Sanitation \$4,858.42.

**Transfers In** – General Fund \$55,429.17; Revolving Loan Fund \$22,748.50; Sanitation - \$1000.00.

**General** – A&B Business, \$418.88, repair; Laura Alyea, \$26.10, cc prog exp; Amcon, \$559.88, merch for resale; Paula Basker, \$90.00, grp insur; Ann Bertolotto, \$1000.00, grp insur; Best Business Products, \$18.04, repair; BH Chemical, \$785.92, supp; BH Council of Local Gov't, \$4665.00, other; BH Power, \$21,394.72, util; Fay Bueno, \$652.25, grp insur; Jerry Burnham, \$2418.36, prof fee; Butte Electric, \$669.38, util; Campbell Supply, \$28.48, supp; CBH Coop, \$7018.10, supp; Century Business Products, \$26.51, supp; City of Sturgis Water Dept, \$1014.10, util; Civicplus, \$3780.00, prof fee; Coca Cola, \$12.00, util; Crisis Intervention Shelter, \$2500.00, other; Dakota Backup, \$649.52, prof fee; Double Star Computing, \$1073.75, repair; Beth Duffield, \$529.20, cc prog exp; Ecolab Pest, \$47.50, supp; Energy Lab, \$18.55, repair; First Interstate Bank-cr card, \$3439.00, travel; Fred Pryor Seminars, \$99.00, travel; FSH Communications, \$120.00, util; Glover Investments, \$600.00, rental-rally; Graphics Plus, \$61.91, supp; Darrel Hatzenbuhler, \$500.00, grp insur; Ikon Office, \$193.00, supp; Johnston Hardware, \$112.53, repair; Knology, \$84.56, util; Melissa Lensegrav, \$500.00, grp insur; Lextron Animal Health, \$96.16, supp; Massa Berry Clinic, \$199.67, prof fee; Meade Co Auditor, \$27,755.15, other; Meade Co Times, \$11.56, publ; Meade Co Senior Citizens, \$5000.00, other; Michael Todd & Co, \$598.97, repair; Mid-States Organized Crime, \$150.00, other; MDU, \$9914.15, util; Neighborhood Housing Service, \$2500.00, other; Neve's Uniforms, \$215.83, supp; Northern Hills Drug, \$6000.00, other; Michael O'Bryan, \$778.28, grp insur; Occupational Health Network, \$292.25, supp; Office Depot, \$59.98, supp; Owens

Interstate Sales, \$13.92, repair; Pamida, \$77.94, supp; Pete Lien & Sons, \$1253.91, supp; Pitney Bowes, \$333.50, rent; Police Dept Petty Cash, \$36.44, repair; Pool & Spa Center, \$360.60, repair; Print Mark-et, \$758.85, publ; Robert Sharp & Assoc, \$288.80, publ-rally; Kathy Ruff, \$30.00, other; Rushmore Office, \$357.01, supp; Rustic Woodcrafts, \$25.00, repair; Fred Schmidt, \$30.00, other; SD 211, \$1000.00, other; SD Div of Criminal Investigation, \$48.00, other; Servall, \$92.35, supp; Sturgis Area Transportation, \$7500.00, other; Sturgis Center for the Arts, \$4000.00, other; Sturgis Napa, \$20.87, repair; Subway, \$43.89, supp-rally; Thomson West, \$88.20, prof fee; Brenda Vasknetz, \$60.00, travel-rally; Cheryl Weisz, \$500.00, grp insur; West River Electric, \$594.98, util; Donald Whitehead, \$30.00, other.

**Park** – City of Sturgis Water Dept, \$127.43, util; Double Star Computing, \$52.88, repair; First Interstate Bank-cr card, \$10.60, supp; Massa Berry Clinic, \$41.66, prof fee; Occupational Health, \$83.06, prof fee; Owens, \$-5.19, supp; Sturgis Napa, \$5.19, supp; Vanway Trophy, \$68.45, other.

**Brick Project** – Chamber of Commerce, \$50.00, publ.

**Ambulance** – CBH Coop, \$1051.37, supp; DB Billing, \$244.27, prof fee; Ecolab Pest, \$47.50, supp; First Interstate Bank-cr card, \$103.91, supp; Knology, \$37.73, util; Massa Berry Clinic, \$18.00, prof fee; MDU, \$432.64, util; Occupational Health Network, \$78.06, prof fee; Print Mark-et, \$63.24, publ; Nicole Skouge, \$724.83, grp insur; Sturgis Napa, \$18.69, supp.

**Special Sales Tax** – Sturgis Area Arts Council, \$2500.00, city promo; Sturgis Motorcycle Museum, \$4750.00, city promo.

**Capital Improvement** – Brosz Engineering, \$15,161.09, cap imp; Northwest Pipe Fittings, \$1546.19 cap imp.

**TIF #7 Legner** – Meade Co Treasurer, \$7737.91, other; Meade School District, \$11,705.41, other.

**Liquor** – Amcon, \$3585.62, cigarettes for resale; BH Power, \$1418.83, util; Cask & Cork, \$234.00, off sale liquor; City of Sturgis Water Dept, \$509.50, util; Coca Cola, \$50.00, pop for resale; Double Star Computing, \$52.88, repair; Eagle Sales, \$5229.95, other; Thomas Ferguson, \$1000.00, grp insur; Fisher Beverage, \$1643.11, other; Johnson Western Wholesale, \$7735.11, off sale liquor; Harriet Lolley, \$42.00, merch for resale; Lynn's Dakotamart, \$31.75, supp; M&B Enterprises, \$146.50, snacks for resale; MDU, \$88.81, util; North Country Business Products, \$1001.36, prof fee; Occupational Health, \$141.13, prof fee; Pepsi Cola, \$11.08, pop for resale; Prairie Berry, \$1335.00, off sale liquor; Print Mark-et, \$63.24, publ; Private Spring Water, \$1591.60, merch for resale; Republic Beverage Co, \$110.47, off sale liquor.

**Water** – BH Power, \$1671.58, util; Butte Electric, \$183.60, util; City of Sturgis Water Dept, \$76.00, util; Dakota Backup, \$88.57, prof fee; Bradley Deutsch, \$210.58, grp insur; Double Star Computing, \$52.88, repair; First Interstate Bank-cr card, \$-4.09, supp; Julie Fischer, \$458.84, grp insur; Massa Berry Clinic, \$23.67, prof fee; MDU, \$117.65, util; Occupational Health, \$10.00, prof fee; Dale Olson, \$653.20, grp insur; Print Mark-et, \$63.24, publ.

**Wastewater**- BH Power, \$2397.34, util; City of Belle Fourche, \$24.99, other; City of Sturgis Water Dept, \$15.07, util; Double Star Computing, \$52.88, repair; Environmental Products, \$152.06, supp; Fastenal Co, \$36.98, repair; First Interstate Bank-cr card, \$355.30, supp; Municipal Supply, \$38.41, supp; Northwest Pipe Fittings, \$190.94, repair; Performance Automatics, \$309.59, repair; print Mark-et, \$63.24, publ; SD DENR-Pierre, \$30.00, prof fee; SD DENR-Sioux Falls, \$5500.00, other; Lance Stansbury, \$500.00, grp insur; USA Blue Book, \$96.26, supp.

**Sanitary Service** – Campbell Supply, \$30.53, repair; City of Belle Fourche, \$14,201.91, other; Dakota Backup, \$67.98, prof fee; Double Star Computing, \$52.88, repair; First Interstate Bank-cr card, \$33.65, repair; McGas Propane, \$447.00, supp; Michael Todd, \$429.97, supp; Owens, \$69.39, supp; Print Mark-et, \$63.24, publ; Sanitation Dept Petty Cash, \$5.99, supp.

Motion by McVay, second by Carstensen and carried with Carstensen, DesJarlais, Hersrud, McVay, LaRue and Usera voting yes and Brengle and Potts abstaining to approve Claim 145 – The Homeslice Group-\$6295.00; Claim 146 – Conrad Big C Signs - \$3138.50.

Committee Reports:

- Councilor DesJarlais report that the Forestry committee is working on controlling the pine beetle infestation on the Watershed property. They are working with the Forest Service. If there is any property owner in the area that would like to be at the meetings, contact Councilor Joe DesJarlais.
- Councilor Usera reported that the “Santa Recycling Station” fundraiser was created by Carol Hallock and Francie Rueble Alberts as a way for people to donate unwanted Christmas items for resale. The profits would benefit different community organizations. The drop-off place for the items was the Library. On January 8<sup>th</sup> they had their first sale and raised \$500 to be divided between the Crisis Intervention Shelter, the Senior Citizens, the Food Bank and the Library. They are planning on having another sale of these items in November. The Library’s “Mitten Tree” provided 85 items this year. “We Band of Angels” and “The Wild Blue” are the books chosen for the library’s Winter Reading Series. Discussion will take place during the month of January.

City Manager Report:

- Plans are to have a walk-through on the Liquor Store project by the end of the week and moving to the new building the first of February.
- The capital improvement plan this year includes doubling the pavement program to 62 blocks, resurfacing the tennis courts, repairs to the Stone Shelter, new fencing at the softball fields and a new accounting system for the Finance office.

Motion by Brengle, second by McVay and carried with all members voting yes to approve the following list of volunteers and part-time employees:

**Ambulance EMT’s** – part-time - \$8.00- Shawn Barrows, Jeremy Deuter, Dave Fisher, Jama Fiscus, Dan Grubl, Erik Haivala, Scott Hymans, Tracy Konst, Anni Lukesh, Brent Lyons, David McCarthy, Micky Montanio, Kari Nordstrom, Tammy Seidel, Bob Siedschlaw, Alisha Sieveke, Kent Stenson, Lee Stroschine, Tom Trigg, Joe Urbaniak, Pat Urbaniak, Adam Weisz –

**Ambulance Paramedics** – part-time - \$12.00 – Al Johnson and Warren Shaulis .

**Police Reserves:** Rick Bush, Fred Schmidt, Pete Pi, Jr., Joel Ortiz, Pete Pi, Sr., Alicia Ramsdell, Scott Hast, Ben Holstlaw, Don Whitehead, Donny Ellsworth, Cody Loftin, Jim Ronfeldt, Jason Iszler, Bryan Satterwhite, William Speck, Andrew Tantonella, Kyle Wilson, Matt Veal. **VIPS:** Brian Mckay, Ryan Fitzpatrick, Kathie Ruff, Harvey Cranfill, Steve Westbrook, Gene Goff, Becky Porter-Watson, Diane Fish, Virginia Fitzpatrick, Michael Montanio, John Ruff, Ketura Veal, Ken Grosch, Jeff Frankhouser, Joyce Kaubish. **Firemen:** Shawn Barrows, Todd Bartels, LeRoy Cooper, Kurt Cruickshank, David Fischer, Adam Grubl, Chris Grubl, Dan Grubl, Erik Haivala, Scott Hymans, Nathan Jolley, Bob Keyte, Ron Koan, Mike Koch, Josh Kusser, Mark Larive, Maurice LaRue, Scott Lensegrav, Steve Lensegrav, Derrick Linn, Brent Lyons, Brian Maschino, Kim Maschino, Jason Mathers, Dave McCarthy, Tom Monahan, San Monahan, Micky Montanio, John Murphy, Tom Nelson, Brad Olson, Shawn Peterson, Jeff Potter, Alex Raber, Dan Roe, Ron Roth, Warren Shaulis, Lee Stroschine, Cindy Swenby, John Teigen, Tom Trigg, Pat Urbaniak, Adam Weisz, Joel Whelchel.

**Community Center Part-time-** \$7.25 - Allison Anderson, Bryan Cooley, Kristine Estes, Bethany Jensen, Kymber Keffeler, Bill Kopetsky, Megan Lange. \$7.50 - Taber Baldwin, Wayne Berglund, Eli Bueno, Sally Clement, Luke Erfman, Jarret Fowler, Lacey Hinker, Shannon Lensegrav, Bennett Prosser. \$7.75- Rebecca Clausen, Leah Hinker, Kristy Kienzle, Nodia Lippert, Daniel Meirose, Rachel Moken, Diane Moravec, Josh Odea, Nolan Schneider. \$8.00- Laban Clement, Mike Grosek. \$8.25 - Shannon Heikes. \$9.00 - Jeremy Eckhart, Adam Hosch. \$9.75 - Bob Looby. \$10.00 - Rudy Moravec. \$10.00 - Maxine Cordes- \$10.25.

Motion by Potts, second by Usera and carried with all members voting yes to approve the following wage increases:

**Liquor Store-** Melissa Conrad- \$11.43, Dave Karas-\$9.00, Jean Weischedel-\$9.25, Chuck Colombe-\$8.25.

**Library** – Linda Lensegrav - \$8.75

Hersrud introduced the following written resolution and moved its adoption:

**RESOLUTION 2011-04  
RESOLUTION ON ANNEXATION OF HEIBULT PROPERTY**

WHEREAS Robert A. and Susan K. Heibult have filed a written Petition for Annexation with the City of Sturgis; and

WHEREAS said Petition has been executed by more  $\frac{3}{4}$  of the registered voters residing in the territory sought to be annexed, and

WHEREAS said Petition has been executed by persons that hold ownership of more than  $\frac{3}{4}$  of the value property in the territory sought to be annexed to the City of Sturgis; and

WHEREAS said real property set forth in the Petition is contiguous to the City of Sturgis; and

NOW, THEREFORE, IT IS HEREBY RESOLVED that the following described real property shall be annexed to the City of Sturgis:

Lot C revised of Heibult-Lindsey Addition. Formerly Lot C of Heibult-Lindsey Addition, Located in the SE1/4SW1/4, Section 10, T.5N., R5E., B.H.M, City of Sturgis, Meade County, South Dakota. The East 20' of Lot C Revised.

As more fully set forth in Exhibit A attached to said Petition.

Dated this 17<sup>th</sup> day of January 2011.

Published: January 26, 2011

Effective: February 16, 2011

McVay seconded the motion for the adoption of the foregoing resolution with all members voting yes and the resolution was declared passed and adopted.

Sharon Martinisko, Neighbor Works, Dakota Home Resources, gave a video on the upcoming group work camps that will be coming to Sturgis this summer. There will be approximately 439 people coming to Sturgis to work on and repair approximately 80 homes, and of those 80 homes, 50 are in Sturgis. Ms. Martinisko asked if the Council would donate \$20,000 to this project. Mayor LaRue felt that this was a very worthwhile project, but was not within our budget cycle. Councilor Hersrud asked that the City Manager to look at this year's budget and see if we could come up with some money. Councilor Potts recommended that \$5000 be taken out of the "Future Sturgis" budget, as one of their goals is improving low income housing.

Motion by Brengle, second by Potts and carried with all members voting yes to recess the regular meeting at 6:26 pm and have the scheduled public hearing.

The following people spoke during the public meeting discussing temporary structures, vendor fees and duration of vendor license:

Dave Wilson – Temporary Structures – He would be in agreement with the 7 days prior and 4 days after for tents. He asked that there would be no change to the vendor fee. More vendors mean more sales tax. Keep the vendors in Sturgis.

Toni Woodruff, representing the Buffalo Chip, asked that we create an inviting environment for the vendors and that raising the fees would discourage the smaller vendors.

Ken McNenny, representing the Knuckle Saloon, is not opposed to the temporary structure ordinance. He does want the vendor fee to stay stable at the \$600. He would like to have the City look at the square footage fee. He said nothing should be done for this year, as there is not enough time. The length of the vendor license should be shortened or only allow one.

Brian Carter, representing the Knuckle Saloon, agrees with McNenny's suggestions. He likes the square footage fee, where the bigger tent would pay more than the smaller vendor. He wants to keep the smaller vendor here.

Mike Bradley – He asked that we take into consideration the big tents and that they need a much longer time to set up; 48 hours is a distress to him. If nothing else, he said the City could charge the tent vendors \$100 a day when they are empty. He was not sure on the vendor fees, but did not want the Rally to lose the Mom and Pop vendors.

Bob Davis – He thought that 48 hours was unreasonable; bringing inventory and setting up a tent takes several days, that there is more work involved than anyone knows. It is major undertaking for a large tent. The 7 days prior and 4 days after would probably work. He felt that this would be the worse time ever to raise vendor fees. He stated that the economy is still recovering and that many are just trying to survive the recession. He stated that there are pros and cons of the square footage fee. He would sit on a committee to work on this proposal, as he has sat on other committees that have discussed this idea.

Kim Teigen – She approves the 7 days prior and 4 days after for the temporary structures. She does not like the two twelve day licenses. This is too long of time for the vendors to be set up. She stated that when the tents go up, the citizens of Sturgis stop shopping in Sturgis, going to the park or any other activity in Sturgis. She would like to see an increase to the fee in 2012 and the vendor license is for only 14 or 15 days. She would like to see a balance between the Rally and the local citizens for the rest of the year.

John Teigen – He handed out a paper titled “Negative effects of existing vendor situation”. He spoke toward the effects of what happens to the year around businesses after the tents are set up and vendors start selling their merchandise. He listed 12 businesses that provide “Rally merchandise” year around and the negative affect it has on those businesses. He also listed 8 year around businesses that lose money after the tents go up. He suggested a 10 or 12 day vendor license.

Robin Baldwin - She asked that the vendor license fee stays where it is at especially for the smaller vendor. She would like to see one 12 day period for the vendor license. A graduated fee could be looked at.

Rick Grosek – Sturgis Center for the Arts- He explained that it is hard to survive in the downtown district for many businesses. It is very difficult to keep people coming downtown once the tents are set up and it takes time for the people to start coming back. He spoke for the Farmer's Market and My Sister's Closet. He is also not in favor of the two twelve day vendor licenses.

Nancy Kile – She supports John Teigen and Rick Grosek in their statements. She does not want to create a situation where no one wants to go downtown.

Motion by Potts, second by Hersrud and carried with all members voting yes to return to the regular Council meeting at 7:23 pm.

Nancy Kile spoke to the Council about adult oriented businesses prior to any action taken on the transfer of the liquor license to KSLB & D. Motion by Hersrud, second by Potts and carried with Carstensen, DesJarlais, Hersrud, LaRue, McVay, Potts and Usera voting yes, and Brengle abstaining to approve the

transfer of the Buffalo Bills Corp. (Buffalo Bill's Bowling & Firehouse Saloon) Alcoholic Beverage license to KSLB & D Inc.

Motion by McVay, second by Hersrud and carried with Carstensen, DesJarlais, Hersrud, LaRue, McVay, Potts and Usera voting yes, and Brengle abstaining to approve the transfer of the Sturgis Sportscenter Malt Beverage License to Buffalo Bills Corp. (Buffalo Bill's Bowling & Firehouse Saloon).

Motion by McVay, second by Hersrud and carried with Carstensen, DesJarlais, Hersrud, LaRue, McVay, and Usera voting yes, and Brengle and Potts abstaining to approve the Retail (on-off sale) Wine license for Sturgis Ranch Mart #23.

Motion by Hersrud, second by Carstensen and carried with all members voting yes to approve the travel request for Councilors DesJarlais and Usera to go to the Tourism Conference in Pierre.

Potts introduced the following written resolution and moved its adoption:

**RESOLUTION 2011-03**  
**A RESOLUTION DECLARING PROPERTY SURPLUS**

Parks:	1970 GMC ½ ton pickup 1972 Ford 1 ton truck 1978 Ford ½ ton pickup 1979 Ford ½ ton pickup 1983 Ford Ambulance	
Rally:	Computer: hard drive, monitor & keyboard Box of old City Cell phones Fax machine-broken	
Finance:	Computer tower-Creative Computer tower-HP Monitor-broken HP 5780 Printer-broken	
Public Works	Vac Truck front hose, 1"x500' water hose 2 old radiators Parts for cement saws 4 tires for New Holland Loader -23.5 R25 5 Tires and wheels 1000x20 2 20' wheels 2 tires – 1400 x 24 Sickle mower Lawn mower	PTO Pump Trailer 2 Electric pumps
Police	1990 Dodge Caravan 1991 Ford Explorer 8 Dell computer towers 8 Dell keyboards 1 Dell monitor 1 Juster Speakers 5 Dell Speakers 6 Police motorcycle helmets	
Airport	2 Wall mounted outside security light fixtures 6 office chairs 2 damaged recliners	

1 gas meter register with broken readout  
1 galvanized water pressure tank

BE IT FURTHER RESOLVED BY THE COMMON COUNCIL OF THE CITY OF STURGIS that the personal property described above is hereby declared no longer necessary, useful or suitable for municipal purposes. It being advisable and in the best interest of the City to sell such personal property.

Dated this 17th day of January 2011.

Published: January 26, 2011

Effective: February 16, 2011

McVay seconded the motion for the adoption of the foregoing resolution with all members voting yes and the resolution was declared passed and adopted.

Mike Bradley gave comment on Ordinance 2011-01 – Licensing of Businesses-Special Events License. Mr. Bradley owns two liquor licenses and he feels that an establishment that wants to serve liquor should have to go through one of the established liquor license holders and there should be no exceptions. Motion by DesJarlais, second by Carstensen and carried with Carstensen, DesJarlais, Hersrud, LaRue, Potts and Usera voting yes, Brengle abstaining and McVay voting nay to approve first reading of Ordinance 2011- Ordinance Amending Title 3 – Licensing of Businesses-Special Event licenses.

Any other Business:

None

Motion by Potts, second by McVay and carried with all members voting yes to go into executive session at 7:40 p.m. for legal and contracts.

Motion by Carstensen, second by DesJarlais and carried with all members voting yes to come out of executive session at 8:40 p.m.

Mayor LaRue adjourned the meeting at 8:40 p.m.

ATTEST: \_\_\_\_\_  
Fay Bueno, Finance Officer

APPROVED: \_\_\_\_\_  
Maury LaRue, Mayor

Publish once at the total approximate cost

