

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, April 15, 2013 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons, Joe DesJarlais, David Hersrud, Marcia Johnston, Jamie McVay, Tim Potts, and Kelly Vasknetz. Also present City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Dane Sundstrom and Ronald Waterland.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

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

Announcements:

It is National Library Week with several events going on at the Library.

The Mayor thanked the Public Works Department for their hard work on snow removal last week. There was no overtime used during this snow event.

Informational Reports:

Dale Olson, Water Superintendent, gave an update on his department:

- Well #3 building remodel and booster pump upgrade has been finished.
- They can monitor the gallons of water per minute with the new SCADA system.
- Well #1 building and plumbing completed.
- Phase II should be completed by May 19th.
- Lazelle Street project is going well; construction was 4 to 6 weeks ahead of schedule before the snow storm last week.

Tom Trigg, Fire Chief, gave an update on the Fire Department:

- Over the past few months 6 new members have signed up with two of them being certified. The department has a full roster.
- So far there have been 32 calls compared to 48 last year.
- They are upgrading a new pump and motor in the brush fire truck.
- Eight members have pack tested which will allow them to work on State and Federal fires.
- The contract with the City and Volunteers is almost finished.

City Manager Ainslie reported:

- He recognized the Parks Department for their hard work in clearing snow last week and having two burials. He also recognized the Water Department in their efforts in clearing snow for the City.
- There will be quarterly charts that compare 2011, 2012 and 2013 expenses, revenue and fund comparisons with recommended cash reserves. There will be a chart showing cash and the institution that holds the cash.
- The 2013 budget is at 25% of the calendar year with the following percentages spent: General Fund 20.7%; Special Sales Tax 20% ; Capital Improvements 44% ; Liquor Store 12.5% ; Water Department 32%-due to the capital improvement projects; Wastewater Department 15% ; Sanitation 17% ; Ambulance 20%.
- The departments have been testing two phones from AT & T for usefulness and service. There have been no concerns from the users. AT & T does enhance their capacity during the Rally. An emergency page is coming in around 2 to 5 seconds later then Verizon, but does not cause a problem. The use of minutes should not cause a problem as we have

excess of 1000 minutes per month that are not used. The City will be using AT & T for their cell phone carrier.

- The following people will be appointed to the Fairground committee that will look at previous and future uses: Cara Oviatt, Angela Murray, Tricia Mutchler, Gene McPherson, Jade Addison, Charles Wheeler, Dan Johnston and Joe DesJarlais.

Motion by DesJarlais, second by Johnston and carried with all members present voting yes to approve the consent calendar.

Motion by Potts, second by Hersrud and carried with all members present voting yes to approve the following claims with the exceptions of : Mainline Contracting, \$172,984.84, cap imp; RCS Construction, \$181,712.88, cap imp; Mark Carstensen, \$300.00, other gen gov't; Johnston Hardware, \$209.92, repair; Johnston Hardware, \$75.40, supp; Johnston Hardware, \$12.67, repair; Jacobsen Ford, \$685.41, repair.

Wages – Ambulance \$14,417.90; Attorney \$2884.62; Auditorium \$326.24; Buildings \$688.07; Cemetery \$1840.36; City Manager \$4714.63; Community Center \$8985.23; Finance Office \$8691.15; Fire Department \$1702.56; Human Resource \$2171.81; Library \$8816.51; Liquor \$4302.88; Mayor and Council \$3333.27; Parks \$10,530.72; Planning & Permitting \$3140.12; Police \$36,217.21; Rally \$3382.37; Recreation \$2721.82; Sanitary Service \$10,889.36; Streets \$9561.64; Wastewater \$7667.78; Water \$13,298.40; Federal Withholding \$15,049.13; FICA \$11,654.14.

Combined Cash Fund – First Interstate Bank, \$2000.00, ATM cash.

General – A&B Business, \$205.40, supp; A&B Welding, \$671.02, supp; A&J Surplus, \$220.82, repair; Amcon Distributing, \$250.60, repair; Avaya, \$36.39, util; Andrew Barff, \$30.00, other; Dusty Barker, \$30.00, other; Katherine Behrens, \$141.75, other; BH Chemical, \$535.88, supp; BH Power, \$11,477.84, util; Randy Brennick, \$30.00, other; Butte Electric, \$516.48, util; Campbell Supply, \$229.55, supp; Caselle, \$527.99, prof fee; Patricia Casteel, \$168.00, other; CBH Cooperative, \$12,447.44, supp; Central Air Heating, \$233.28, repair; Century Business, \$81.99, supp; Chamber of Commerce, \$395.00, other; Susan Chaplin, \$147.00, other; City of Sturgis Water Dept, \$1169.61, util; Clubhouse Hotel, \$224.00, travel; Coca Cola, \$984.75, merch for resale; Corbon Law Enforcement, \$124.99, supp; Dakota Backup, \$1802.18, repair; Dakota Radiator, \$80.00, repair; Double Star Computing, \$609.65, prof fee; Ecolab Pest, \$336.42, repair; Fedex, \$51.04, supp; Cindy Ferguson, \$136.50, other; First Interstate Bank, \$4389.90, travel, supp; Kathryn Flagstad, \$174.00, other; Freeman Electric, \$962.74, repair; FSH Communications, \$60.00, util; Glover Investments, \$600.00, rental-rally; Joanne Harmon, \$152.25, other; Hauff Mid-America Sports, \$186.00, supp; Diana Hayes, \$168.00, other; Hills Materials, \$418.04, supp; Holiday Inn Express, \$269.97, travel; Audrae Howard, \$152.25, other; Judy Hughes, \$174.00, other; Carol Imhoff, \$152.25, other; KT Connections, \$99.00, supp; Knight Security, \$119.95, repair; Knology, \$196.80, util; Darlyne Kopren, \$147.00, other; Lcal Equipment, \$257.47, repair; Lynn's Dakotamart, \$112.22, supp; Marco, \$54.46, repair; Meade Co Times, \$981.11, publ; Midcontinent Communications, \$41.61, util; MDU, \$6210.22, util; Motionsoft, \$450.00, prof fee; Ben Mumm, \$65.92, supp; Northern Hills Vet Clinic, \$10.50, prof fee; Office of Fire Marshall, \$300.00, maint; Optimist Club, \$75.00, other; O'Reilly Auto Parts, \$831.58, repair; Owens Interstate Sales, \$283.59, repair; Pitney Bowes, \$79.88, supp; Pool & Spa Center, \$80.05, supp; Print Mark-et, \$920.79, publ; Rapid City Journal, \$49.80, publ; Rapid Delivery, \$10.80, repair; Rasmussen Mechanical Services, \$140.55, repair; Regional Home Medical Equip, \$63.95, supp; Robert Sharp & Assoc, \$106.25, publ-rally; Rushmore Office, \$1825.66, supp; Rushmore Safety Supplies, \$107.94, supp; SD Municipal League, \$40.00, travel; Servall Towel, \$505.25, repair; Sherwin-Williams, \$74.20, supp; Shopko Hometown, \$80.97, supp; Sturgis Napa, \$1183.69, repair; Summit Signs, \$450.00, supp; The Knuckle Saloon, \$297.50, other; Town-N-Country Plumbing, \$3.20, repair; Kathryn Tribby, \$147.00, other;

Twilight, \$132.65, supp; Two Wheeler Dealer, \$13.60, supp; Verizon, \$1922.33, util; West Payment Center, \$113.97, prof fee; West River Electric, \$539.30, util.

Library – First Interstate Bank, \$786.23, lib furnishing.

Liquor - BH Security, \$240.00, other; BH Chemical, \$94.91, maint; BH Power, \$1634.27, util; Cask & Cork, \$417.00, off sale liquor; Century Business Products, \$.89, supp; City of Sturgis Water Dept, \$326.96, util; Coca Cola, \$474.30, pop for resale; Double Star Computing, \$1510.57, repair; Eagle Sales, \$16,639.41, off sale beer; Ecolab Pest, \$98.03, repair; First Interstate Bank, \$46.99, grp insur; Fisher Beverage, \$13,548.17, off sale beer; Johnson Western Wholesale, \$42,333.42, off sale liquor; Lynchburg Hardware, \$140.94, merch for resale; MDU, \$209.47, util; North Country Business Products, \$1834.81, prof fee; Okoboji Wines, \$564.00, off sale liquor; One Way Service Pros, \$313.16, repair; Pepsi Cola, \$321.55, pop for resale; Prairie Berry, \$2115.00, off sale liquor; Print Mark-et, \$61.38, publ; Republic Beverage, \$30,720.45, off sale liquor; Rushmore Office, \$156.00, supp; Schade Vineyard, \$360.00, off sale liquor; Servall, \$182.93, supp; Sturgis Napa, \$61.35, repair; The Homeslice Group, \$5854.00, publ; Tour Ice, \$104.50, merch for resale; Verizon, \$53.47, util.

Water – BH Power, \$88.29, util; Butte Electric, \$183.60, util; Campbell Supply, \$217.55, supp; Caselle, \$382.34, prof fee; CBH Cooperative, \$632.13, supp; Century Business, \$.22, supp; City of Sturgis Public Works, \$94.00, supp; City of Sturgis Water Dept, \$85.71, util; Dakota Backup, \$238.71, prof fee; Diesel Machinery, \$650.99, repair; Double Star Computing, \$39.07, prof fee; DXP Enterprises, \$170.00, supp; Ecolab Pest, \$58.30, prof fee; First Interstate Bank, \$73.50, grp insur; G&H Distributing, \$148.18, supp; Governors Inn, \$328.00, travel; Hawkins, \$1997.26, supp; HD Supply Waterworks, \$1837.83, supp; Meade Co Times, \$858.38, publ; Mid Continent Testing, \$136.00, prof fee; MDU, \$74.98 util; Northern Hills Electric, \$45.90, repair; OReilly Auto Parts, \$191.52, supp; Postmaster, \$2500.00, supp; Print Mark-et, \$61.38, publ; Rushmore Office, \$882.43, supp; Servall Towel, \$11.24, repair; Shopko Hometown, \$38.94, supp; SD One Call, \$42.18, prof fee; Sturgis Water Dept Petty Cash, \$103.71, supp; TTG Enterprises, \$1672.00, supp; USA Blue Book, \$313.25, supp; Verizon, \$230.03, util; Western Mailers, \$124.49, prof fee.

Wastewater - Campbell Supply, \$27.99, repair; City of Sturgis Water Dept, \$18.63, util; Double Star Computing, \$39.07, prof fee; Faris Machinery, \$1705.00, supp; First Interstate Bank, \$32.00, grp insur; Print Mark-et, \$61.38, publ; Sturgis Napa, \$76.40, repair; Town-N-Country Plumbing, \$51.34, repair; Verizon, \$145.23, util.

Sanitary Service – A&B Welding, \$63.79, repair; Campbell Supply, \$15.48, repair; CBH Cooperative, \$407.00, supp; Century Business Leasing, \$195.76, prof fee; Dakota Backup, \$136.50, prof fee; Double Star Computing, \$39.07, prof fee; First Interstate Bank, \$29.99, grp insur; Jim's Auto Salvage, \$35.00, repair; Key City Glass, \$286.00, repair; Owens Interstate Sales, \$323.49, supp; Powerplan, \$75.00, repair; Print Mark-et, \$61.38, publ; Sturgis Napa, \$95.06, repair; Verizon, \$55.55, util; Whisler Bearing, \$58.12, repair.

Ambulance – Shane Barrows, \$59.00, supp; CBH Cooperative, \$2815.50, supp; City of Sturgis Water Dept, \$47.92, util; Coca Cola, \$20.75, supp; Dakota Backup, \$51.64, supp; Double Star Computing, \$1029.07, prof fee; First Interstate Bank, \$1253.53, travel; Knology, \$42.39, util; MDU, \$230.61, util; Physio-Control, \$467.50, repair; Print Mark-et, \$61.38, publ; Regional Home Medical Equip, \$216.00, supp; Rushmore Office, \$144.17, supp; Jama Shaulis, \$20.00, travel; Shopko Hometown, \$49.99, supp; Lee Stroschine, \$15.00, travel; Sturgis Napa, \$905.91, supp; Verizon, \$22.02, util.

Motion by Hersrud, second by McVay and carried with Carstensen, DesJarlais, Hersrud, Johnston, McVay, and Vasknetz voting yes and Potts abstaining to approve the following claims: Mainline Contracting, \$172,984.84, cap imp; RCS Construction, \$181,712.88, cap imp.

Motion by McVay, second by Vasknetz and carried with DesJarlais, Hersrud, McVay, Potts and Vasknetz voting yes and Carstensen and Johnston abstaining to approve the following claims:

Mark Carstensen, \$300.00, other gen gov't; Johnston Hardware, \$209.92, repair; Johnston Hardware, \$75.40, supp; Johnston Hardware, \$12.67, repair; Jacobsen Ford, \$685.41, repair.

Motion by Hersrud, second by McVay and carried with all members present voting yes to approve a temporary liquor store annex location of 580 Lazelle Street during the 2013 Motorcycle Rally and to apply for an off-sale liquor license for this location.

Motion by DesJarlais, second by Johnston and carried with all members present voting yes to approve the following payroll changes: Parks – Seasonal – Elizabeth Bertolotto - \$8.00; Brittan Porterfield - \$9.00. Community Center – Referee, seasonal – Amada Heidrich - \$20/game. Sanitation – Rubble Site Supervisor – John Flueckinger - \$14.27. Ambulance – Paramedic – Koree Zagala - \$15.00 – full time; Jason Reitz - \$12.00 part-time; Aaron Mitchell - \$15.00 full-time; EMT-B – Virginia Roy-Daily – \$8.00 part-time. Manager/Planning & Permitting – Planner & City Information Officer – Christina Steele - \$19.71.

Motion by McVay, second by Vasknetz and carried with all members present voting yes to approve second reading of Ordinance 2013-02 – Title 26 – Downtown Business Improvement District.

ORDINANCE 2013-02

AN ORDINANCE ADDING TITLE 26– DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota that Title 26 read as follows:

TITLE 26

Downtown Business Improvement District

SECTION 26.01

26.01: Boundaries of District

SECTION 26.02

26.02: Purpose of the District

SECTION 26.03

26.03.01: Special Assessments

26.03.02: Exemptions

SECTION 26.04

26.04.01: Downtown Business Improvement District Board

26.04.02: Duties of the Board

26.01 Boundaries of the District.

A. The Business Improvement District shall include the following area:

1. The Business Improvement District includes property located north of Sherman Street to and including properties fronting Lazelle, on the east properties fronting Middle Street and to the west, properties fronting 4th Street;

26.02 Purpose of the District.

The Business Improvement District is created for the purpose of a collective contribution funding for a portion or all of the future proposed public events, public activities, beautification efforts

and promotion of the District as allowed by SDCL Ch. 9-55 which encourages economic development within the District.

All expenditures of the Business Improvement District funds shall be for events, public activities, beautification efforts and promotion of the District that occur within the Business Improvement District. The Business Improvement District funds shall be collected by the City, deposited into a separate fund and distributed to a qualified 501 (c) 3 which will complete the activities described in the annual adopted City budget to carry out the purposes described within this Title. Funds collected from this assessment may not be used to host, promote or staff the annual Motorcycle Rally, nor may they be used for the benefit of an individual business.

26.03.01 Special Assessments.

- A. The real property in the district shall be subject to an annual special assessment based upon the special benefit to the property within the district as authorized by SDCL § 9-55-2.
- B. The special assessment shall be fair and equitable as required by SDCL § 9-55-7. The rate of each special assessment shall be determined pursuant to SDCL § 9-55-13 based upon the following formula:
 1. For property located within the Business Improvement District, the property shall be assessed a total of \$2 per linear foot of the property's street frontage (it shall not include frontage along alleyways).
 2. The maximum assessment on each property within the Business Improvement District shall be capped at \$600.
 3. The assessments shall be subject to adjustment by the City Common Council by resolution as provided in SDCL Ch. 9-55.

26.03.02 Exemptions.

The following real property is exempt from taxation or assessment under this chapter:

- A. All real property which is exempt from taxation under SDCL Ch. 10-4, except those properties identified under 26.03.02 (G).
- B. Owner occupied residential property.
- C. Property used solely for residential uses.
- D. Property used as a place of worship.
- E. Property used by a school district and Meade County
- F. Hospital property
- G. All City property shall not be exempt. The City shall pay an assessment consistent with the linear calculation of each property located within the Businesses Improvement District.

26.04.01 Downtown Business Improvement District Board.

There is hereby created a Business Improvement District Board.

- A. Composition. The board shall consist of five owners of property within the Business Improvement District. All appointments shall be made by the City Manager. For purposes of this section, a property owner includes the following:
 1. An officer or director of a corporate property owner;
 2. A manager or member of a limited liability company that owns property;
 3. A partner of a partnership that owns property;

4. A representative appointed by a property owner.
- B. Terms. Upon initial appointment, 3 of the members shall be appointed for 2-year terms, and 2 members shall be appointed for 1-year terms. Thereafter, all members of the board shall be appointed to serve a 2-year term. A member of the board may serve more than 1 term.
- C. Vacancies. The City Manager shall appoint a qualified individual to fill any vacancy for the remainder of the term vacated.
- D. Officers. The Board shall annually select from its members a chair and vice chair.
- E. Compensation. All members of the board shall serve as such without compensation, except for actual expenses, which shall be subject to approval of the Common Council.

26.04.02 Duties of the Board.

The Business Improvement Board shall review the activities funded through the assessment and make annual recommendations to the City Council for use of the funds. The Board's recommendation shall be made no later than May 15 of each year. The Board shall meet at least twice per year after January to discuss previous years' expenditures and to recommend a budget for the following year. Should a property owner wish to call for a special meeting, the property owner must submit a written request to the City Finance Officer at least 7 days in advance of the requested special meeting.

Dated this 15th day of April, 2013.

First reading: 01/22/2013

Second reading: 04/15/2013

Adopted: 04/15/2013

Published: 04/24/2013

Effective: 05/14/2013

Motion by Hersrud, second by Johnston and carried with all members present voting yes to approve billboard lease agreement with G.I., LLC.

Motion by Johnston, second by Hersrud and carried with all members present voting yes to approve the sponsorship agreement with Legends Sales & Marketing.

The following bids were received for the Strong Field Concession/Restroom Building: Nordic Woods Construction- Base Bid - \$155,900, Alternate Bid #1 \$169,900; Iverson Construction- Base Bid - \$146,900, Alternate Bid #1-\$170,000; Timberline Builders, Inc. – Base Bid - \$164,583, Alternate Bid #1-\$214,000; Semmler Construction – Base Bid - \$130,990, Alternate Bid#1 - \$147,000; Scull Construction – Base Bid - \$179,800, Alternate Bid#1 \$187,800.

Motion by Johnston, second by Vasknetz and carried with all members present voting yes to award low bid to Semmler Construction, Base Bid of \$130,990 for Strong Field Concession/Restroom Building.

The following bids were received for the south water tank interior recoating: Abhe & Svaboda, Inc. - \$214,200; TMI Coatings, Inc. - \$188,500; Coblaco Services, Inc. - \$125,250; Pittsburg Tank & Tower Services - \$86,840; Maguire Iron, Inc. - \$79,280.

Motion by DesJarlais, second by Potts and carried with all members present voting yes to award the low bid to Maguire Iron, Inc. for \$79,280 for the south water storage tank interior surface recoating.

Motion by Johnston, second by Potts and carried with all members voting yes to approve the results of the election held on April 9, 2013. All poll books were thoroughly examined and the votes cast were as follows:

For First Ward Mayor – Three Year Term	Mark C. Carstensen 71 Penny Harvey Green 39
For First Ward Alderman – Three Year Term	Mike Bachand 80 Joe DesJarlais 29
For Second Ward Mayor – Three Year Term	Mark C. Carstensen 85 Penny Harvey Green 31
For Third Ward Mayor – Three Year Term	Mark C. Carstensen 149 Penny Harvey Green 19
For Fourth Ward Mayor – Three Year Term	Mark C. Carstensen 171 Penny Harvey Green 51
For Fourth Ward Alderman – Three Year Term	Jim Harrison 83 Branden Bestgen 137

The results of the election of April 9, 2013 are hereby declared to be as follows:
 Mark C. Carstensen received the majority of votes for Mayor, three-year term, and is hereby declared elected to that office.
 Mike Bachand received the majority of votes for First Ward Alderman, three-year term, and is hereby declared elected to that office.
 David Hersrud ran unopposed for Second Ward Alderman, a three-year term.
 Jason Anderson ran unopposed for Third Ward Alderman, a three-year term.
 Branden Bestgen received the majority of the votes for Fourth Ward Alderman, three-year term, and is hereby declared elected to that office.

Any other business:
 Councilor Hersrud asked Public Works Director Rick Bush who is responsible to repair the breaking up of the pavement at the detours on Lazelle Street. Bush said that it would be the City’s responsibility.

Motion by Potts, seconded by Johnston and carried with all members present voting yes to adjourn the meeting at 7:43 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$