

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, July 15, 2013 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons, Jason Anderson, Mike Bachand, David Hersrud (arrived at 6:44 pm), Marcia Johnston, Tim Potts, Kelly Vasknetz and Ronald Waterland. Also present City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Branden Bestgen.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

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

Announcements:

Various non-profits have thanked the City for their contribution to their organization.

Informational Reports:

Rod Heikes, Director of the Community Center, gave an update on his departments:

- The Community Center has 1058 members, with 49 scholarship members.
- The spring wellness program had 55 employees sign up and 36 employees completed the 13 week program. Prizes were raffled off and each participant received a gift certificate for completing the program. The fall wellness program will begin August 26th.
- They are getting ready for the Rally.
- The summer activities include girl's volleyball, adult softball, summer swim lessons and a basketball camp. This fall the activities will be football, girl's basketball, dance lessons and boxing fitness class.

Daniel Ainslie, City Manager, gave an update on Planning and Permitting department:

- The Use on Reviews that have been approved by Council in the past will come before the Council for their approval on a yearly base.
- There have been more plats and development activities this year.
- The voluntary annexation is moving right along.
- There will be changes made to the zoning ordinance this fall.
- The Code Enforcement officer has been very busy with snow removal this spring and enforcing the maintenance of yards this summer.

City Manager Ainslie reported:

- The 2013 budget is at 50% of the calendar year with General Fund at 41.3%, Special Sales Tax at 61%, Capital Improvements at 67.2%, Liquor at 32%, Water at 113%, Wastewater at 45%, Sanitation at 34% and Ambulance at 61%. Total budget expense is at 46.8%
- The quarter-end financials were given, which includes cash in bank chart, revenue/expense chart and fund balance chart.
- The following appointments were made to the Business Improvement District Board: Adam Martin representing NH Credit Union, Rosemary Roth representing First Interstate Bank, Rod Bradley representing Oasis Bar, Jason Fields representing Roscoz's , Ken McNenny representing The Knuckle Saloon.

Motion by Waterland, second by Johnston and carried with all members present voting yes to approve the consent calendar. Mayor Carstensen noted that there was a typo on item c. It should read August 2-10 not 2-3.

Motion by Potts, second by Hersrud and carried with all members present voting yes to approve the following claims with the exception of: General- Cetec, \$3799.20, prof fee; Johnston Hardware, \$187.13, repair; Liquor- Johnston Hardware, \$24.93, repair; Water- Cetec, \$61,606.45, cap impr; Johnston Hardware, \$1.97, supp; Mainline Contracting, \$234,306.54, cap imp; Wastewater- Cetec, \$611.50, prof fee.

Wages – Ambulance \$19,994.89; Attorney \$2884.62; Auditorium \$377.52; Buildings \$800.00; Cemetery \$3454.56; City Manager \$4222.12; Community Center \$9587.66; Finance Office \$8556.37; Fire Department \$1506.51; Human Resource \$2171.81; Library \$8835.48; Liquor \$4482.91; Mayor and Council \$3333.27; Parks \$17,132.81; Planning & Permitting \$4351.27; Police \$31,863.75; Rally \$4672.74; Recreation \$3522.73; Sanitary Service \$11,131.02; Streets \$8785.28; Wastewater \$6959.81; Water \$14,188.08; Federal Withholding \$15,751.37; FICA \$12,616.86.

Combined Cash Fund – Finance Change Banks, \$10,300.00, rally change; First Interstate Bank, \$20,000.00, ATM cash.

General – A&B Business, \$266.69, supp; A&B Welding, \$39.21, supp; ABC, \$944.00, other; Animal Health International, \$16.53, prof fee; Avaya, \$36.39, util; Avtech, \$120.00, util; Baker & Taylor, \$358.48, supp; Beyond Basil, \$8821.00, supp; BH Community Economic Development, \$1000.00, other; BH Council of Local Government, \$1722.50, other; BH Tent & Awning, \$34.00, repair; BHSU RSVP, \$125.00, other; BH Chemical, \$326.78, supp; BH Power, \$52.32, util; BH Rally & Gold, \$927.27, supp; BH Urgent Care, \$1121.12, prof fee; Butte Electric, \$422.88, util; Campbell Supply, \$754.15, supp; CASA Program, \$1000.00, other; Caselle, \$527.99, prof fee; CBH Cooperative, \$15,488.50, supp; Century Business, \$82.35, supp; Chain Saw Center, \$237.68, repair; Chamber of Commerce, \$2500.00, other; City of Sturgis Water Dept, \$4144.20, util; Coca Cola, \$632.80, merch for resale; Council of State Governments, \$58.50, supp; Crisis Intervention Shelter, \$2250.00, other; Dakota Backup, \$1506.10, prof fee; Demco, \$237.62, supp; Double Star Computing, \$985.78, prof fee; Ebsco Subscription Service, \$3115.05, supp; Ecolab Pest, \$185.42, maint; Faith Independent, \$34.00, supp; Fedex, \$80.95, supp; Finance Office Petty Cash, \$46.00, grp insur; First Interstate Bank, \$2499.38, supp; First Western Insurance, \$70.00, supp; Freeman Electric, \$6291.24, repair; FSH Communications, \$60.00, util; G&H Distributing, \$110.34, repair; Glover Investments, \$600.00, rental-rally; Good Shepherd Clinic, \$500.00, other; Great Western Tire Company, \$40.00, repair; Grimm's Pump Service, \$5838.19, supp; Hills Materials, \$16,207.34, supp; Hillyard, \$79.62, supp; ICMA, \$680.00, other; Impact Youth Mission, \$500.00, other; Jacobsen Ford, \$75.50, repair; Knology, \$474.05, util; Konstant and Klein Appraisals, \$700.00, prof fee; LPN Holdings, \$1552.93, supp; Lynn's Dakotamart, \$622.34, supp; Marco, Inc, \$16.40, maint; Maverick Publishing, \$24,100.00, publ-rally; Meade Co Senior Citizens, \$2000.00, other; Meade Co Auditor, \$3487.55, repair; MidAmerica Books, \$190.85, supp; Midcontinent Communications, \$41.58, util; MDU, \$3455.40, util; Neighborworks Dakota Home Resources, \$2250.00, other; Neve's Uniforms, \$467.83, supp; Newman Traffic Signs, \$622.23, supp; Northern Hills Drug & Alcohol, \$2625.00, other; Northwest Manufacturing, \$246.73, repair; Northwest Pipe Fittings, \$384.68, supp; O'Reilly Auto Parts, \$287.99, repair; Owens Interstate Sales, \$405.62, supp; Pete Lien & Sons, \$2849.81, supp; Pitney Bowes, \$61.19, supp; Polar Engraving, \$1280.00, merch for resale; Poly John Enterprises, \$124.65, supp; Powerplan, \$660.14, repair; Print Mark-et, \$920.67, publ; Public Safety Equipment, \$19.98, supp; Quick Signs, \$164.02, supp; Rapid City Journal, \$99.00, publ-rally; Robert Sharp & Assoc, \$1245.77, supp; Rockingtree Landscape, \$87.45, supp; Rushmore Office, \$2000.28, supp; SD 211, \$250.00, other; SEDC, \$2500.00, other; Servall, \$348.86, maint; Shopko, \$538.90, supp; Stoptech, \$524.00, equip; Sturgis Area Transportation, \$3500.00, other; Sturgis Center for the Arts, \$1750.00, other; Sturgis Napa, \$757.73, repair; Think! Toner & Ink, \$171.76, supp; Tom's T's, \$103.92, supp; Town-N-Country Plumbing, \$242.47, repair; Trugreen, \$1065.25, supp; Tim Vasknetz, \$3000.00, prof fee; Verizon, \$44.98, util; West River Electric, \$396.83, util.

Special Sales Tax – Sturgis Area Arts Council, \$1250.00, city promo; Sturgis Motorcycle Museum, \$1250.00, city promo.

Capital Improvement – Fourfront Design, \$4359.39, cap imp; Tom Hildebrand, LTA, \$3387.60, cap imp.

Liquor – Amcon Distributing, \$2182.70, cig for resale; BH Rally & Gold, \$1306.25, merch for resale; BH Urgent Care, \$62.14, prof fee; Cask & Cork, \$715.33, off sale liquor; Century Business Products, \$1.18, supp; City of Sturgis Water Dept, \$288.24, util; Coca Cola, \$1014.70, pop for resale; Double Star Computing, \$12.50, prof fee; Eagle Sales, \$31,349.26, off sale beer; Ecolab Pest, \$98.03, maint; Finance Change Banks, \$9000.00, rally change; First Interstate Bank, \$30,008.46, ATM cash; Fisher Beverage, \$18,576.25, off sale beer; Freeman Electric, \$3160.00, repair; Greg Davis, \$395.00, publ; Johnson Western Wholesale, \$53,173.47, off sale liquor; Locks by Bernie, \$15.00, repair; Lynn's Dakotamart, \$7.37, grp insur; MDU, \$14.83, util; North Country Business Products, \$973.85, prof fee; One Way Service Pros, \$96.20, repair; Pepsi Cola, \$258.00, pop for resale; Prairie Berry, \$1410.00, off sale liquor; Print Mark-et, \$61.38, publ; Republic Beverage Co, \$98,000.53; off sale beer; Rushmore Office, \$1002.51, supp; Servall, \$152.40, supp; Shopko, \$11.45, grp insur; Sturgis Cigar & Knife, \$216.75, merch for resale; Tour Ice, \$571.10, merch for resale.

Water – A&B Business, \$275.47, supp; Armstrong Extinguisher, \$25.00, maint; BH Urgent Care, \$48.00, prof fee; Butte Electric, \$907.85, util; Campbell Supply, \$93.36, supp; Caselle, \$382.34, prof fee; CBH Cooperative, \$1296.13, supp; City of Sturgis Water Dept, \$207.54, util; Credit Collections Bureau, \$11.80, prof fee; Dakota Backup, \$205.38, prof fee; Double Star Computing, \$12.50, prof fee; Theresa Faes, \$38.09, refund; First Interstate Bank, \$585.00, travel; Flowers by Rose, \$45.00, supp; Freeman Electric, \$129.11, supp; G&H Distributing, \$120.96, supp; HD Supply Waterworks, \$204.55, supp; Hills Materials, \$348.38, supp; Lynn's Dakotamart, \$19.83, grp insur; Meade Co Times, \$27.16, prof fee; MDU, \$34.55, util; Northwest Pipe Fittings, \$1048.44, supp; Pete Lien & Sons, \$447.75, supp; Postmaster, \$2500.00, supp; Powerplan, \$239.65, supp; Print Mark-et, \$61.38, publ; SD DENR, \$2200.00, other; Servall, \$11.94, maint; Shopko, \$47.73, supp; SD One Call, \$126.54, prof fee; Sturgis Napa, \$24.20, supp; Town-N-Country Plumbing, \$11.39, supp; Verizon, \$-28.38, util.

Wastewater – Chain Saw Center, \$175.00, repair; City of Sturgis Water Dept, \$18.60, util; Double Star Computing, \$12.50, prof fee; First Interstate Bank, \$9.95, grp insur; Grimm's Pump Service, \$19.71, repair; Jenner Equipment, \$5280.00, equip; Lynn's Dakotamart, \$3.69, Owens Interstate Sales, \$204.67, repair; Print Mark-et, \$61.38, publ; SD Assn of Rural Water, \$450.00, maint; Sturgis Napa, \$133.08 supp; Verizon, \$46.40, util.

Sanitary Service – A&B Welding, \$93.28, repair; A&J Surplus, \$52.60, repair; B&G Sales of Grand Rapids, \$4956.50, supp; Campbell Supply, \$123.98, repair; Century Business Leasing, \$195.76, prof fee; Diesel Machinery, \$525.96, repair; Double Star Computing, \$12.50, prof fee; Eddies Truck Sales, \$334.36, repair; First Interstate Bank, \$163.01, supp; Great Western Tire, \$75.00, supp; Lynn's Dakotamart, \$7.37, grp insur; Owens Interstate Sales, \$65.68, repair; Print Mark-et, \$61.50, publ; Rapid Delivery, \$32.40, repair; Safety Vision, \$318.61, repair; Sturgis Napa, \$227.34, repair; Verizon, \$-12.40, util.

Ambulance – BH Urgent Care, \$376.30, prof fee; CBH Cooperative, \$2881.93, supp; City of Sturgis Water Dept, \$226.00, util; Coca Cola, \$48.80, supp; Double Star Computing, \$42.50, prof fee; Ecolab Pest, \$35.00, supp; Finance Office Petty Cash, \$11.00, prof fee; First Interstate Bank, \$1190.70, supp; Great Western Tire, \$116.56, supp; Holiday Inn, \$99.00, travel; Jacobsen Ford, \$773.67, repair; Knology, \$81.15, util; Lynn's Dakotamart, \$211.03, supp; MDU, \$34.24, util; Print Mark-et, \$61.38, publ; Rushmore Office, \$975.30, supp; Shopko, \$39.98, supp; Sturgis Napa, \$76.76, supp; Verizon, \$22.02, util.

Motion by Waterland, second by Vasknetz and carried with Anderson, Bachand, Carstensen, Hersrud, Vasknetz, and Waterland voting yes, Johnston and Potts abstaining, to approve the following claims: General- Cetec, \$3799.20, prof fee; Johnston Hardware, \$187.13, repair;

Liquor- Johnston Hardware, \$24.93, repair; Water- Cetec, \$61,606.45, cap impr; Johnston Hardware, \$1.97, supp; Mainline Contracting, \$234,306.54, cap imp; Wastewater- Cetec, \$611.50, prof fee.

Motion by Hersrud, second by Anderson and carried with Anderson, Carstensen, Hersrud, Johnston, Potts, Vasknetz, and Waterland voting yes, Bachand voting no, to approve a special events liquor license for the Knuckle Saloon at the Sturgis City of Riders Motorcycle Expo Reception Tent on August 2,6,8 and 14, 2013.

Motion by Waterland, second by Hersrud and carried with Carstensen, Hersrud, Johnston, Potts and Waterland voting yes, Anderson abstaining, Bachand and Vasknetz voting nay, to approve a special events liquor license for the Knuckle Saloon at Lynn's County Market, 1111 Lazelle from August 3-10, 2013 during the rally with the condition that they donate \$2000 to a charity of the Council's choice.

During the public hearing, Police Chief Jim Bush spoke to having open container in the right of way for Indian bike reveal and was in opposition to this idea.

Motion by Waterland, second by Bachand and carried with all members present voting yes to approve a special events malt beverage license for Buffalo Bill's Corp at the Sturgis Motorcycle Museum private parking lot, 981 Main St, on August 3-9, 2013.

Motion by Hersrud, second by Johnston and carried with Anderson, Carstensen, Hersrud, Johnston, Potts and voting yes, Bachand, Vasknetz and Waterland voting nay, to allow the special events malt beverage license for Buffalo Bill's Corp at the Sturgis Motorcycle Museum in the right of way all the way to Junction Avenue on August 3rd only for the Indian bike reveal.

Hersrud stepped out of meeting.

Motion by Potts, second by Johnston and carried with all members present voting yes to approve the following payroll changes: Liquor Store – Rally Parking Lot Attendant – Cody Webber, David Langer - \$8.00. Rally Dept – Seasonal Assistant – Kelsey Kaitfors - \$10.00; Rally Assistant – Brandon Jones - \$10.00; Temp Rally – George Gerig, Joyce Kaubsich - \$8.00; Info Booth – Frances Ganje-Severson, supervisor - \$8.25; Valerie Fowler - \$8.00; Survey Facilitator – Susan Anders, Steve Anders, Sherry Roth, Randy Bender, Megan Cutler, Patty McAnnis, Sherri Adams - \$10.00. Community Center – Rally Custodian – Judith Gerig - \$8.50. Planning & Permitting Dept – Rally Inspector – Lisa Anderson - \$10.50; Katy VanDaele - \$10.00. Street Dept – Rally Street Crew Helpers – Coleman Jacques, 1 position TBD - \$10.50.

Hersrud stepped back in.

City Manager Ainslie explained that there will be a proposed Resolution of Support for Sturgis Motorcycle Rally Inc. (SMRi) introduced at the next Council meeting on July 29th and explained what the resolution will cover. At this time, Mr. Ainslie asked that a discussion be held on this proposed Resolution.

Dean Kinney and Ross Lamphere presented to the Council and audience a power point presentation explaining the history of the trademarks from 1938 to the present time. The presentation also stated who makes up the board of SMRi and terms. What their expenses and revenues were in 2012. Who is in opposition to allowing SMRi to have the Trademarks and what are the risks of losing the Trademarks. The amount of money that has been given out to Sturgis Rally Charities the past three years and what organizations received this money was stated.

Councilor Waterland questioned how the decision was made on who would sit on the board and if the board would consider having more representation from the City on the board. A nine member board was created so that one group does not have voting control.

Jack Hoel stated his opposition to the council approving a Resolution in Support of SMRi.

Bachand introduced the following written resolution and moved its adoption, with the stipulation that the Muscular Dystrophy Association donate \$2000 to a charity of the Council's choice:

**RESOLUTION 2013-40
TO APPROVE OR DENY A PUBLIC LOTTERY**

WHEREAS, the City of Sturgis has by Ordinances enacted by the City Council limited the use of public lotteries within the city to public purposes intended to provide for the benefit and safety of the members of the community, balanced with the purpose to encourage commerce and the development of a healthy and robust business and community atmosphere, and

WHEREAS, the Muscular Dystrophy Association, Inc. has submitted an application to conduct a public raffle within the City of Sturgis beginning on August 3, 2013 and continuing until August 10, 2013 at which time the lottery prizes will be awarded by a drawing at 4:00 pm at the 3rd & Lazelle, Sturgis, on August 10, 2013, and

WHEREAS, the Muscular Dystrophy Association, Inc. presented its application to conduct this lottery to the City Finance Office on June 25, 2013 and seeks to commence and seeks to begin to sell such raffle tickets on August 3, 2013, and

WHEREAS, the request of the Muscular Dystrophy Association, Inc. to have approval to conduct this lottery has met all the requirements of City Ordinance, all the requirements of state law and has met all the administrative requirements of the City Finance Office in submitting its application,

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Sturgis City Council that the application of the Muscular Dystrophy Association, Inc. to conduct a public lottery/raffle in the City of Sturgis is hereby

 X Approved, with lottery ticket sales to be conducted at the stated times forth above and as stated in the terms of the lottery application, for the reason that the expected public benefits intended to be accomplished by the Lottery ordinance are present.

 Denied, with no lottery sales to be permitted as requested, for the reason that the expected public benefits intended to be accomplished by the Lottery ordinance are not present.

RESOLVED, this 15th day of July, 2013.

Published: 7-24-2013

Effective: 8-13-2013

Johnston seconded the motion for the adoption of the foregoing resolution. Motion carried with Bachand, Carstensen, Hersrud, Johnston, Vasknetz and Waterland voting yes, Anderson and Potts voting no, and the resolution was declared passed and adopted.

Motion by Vasknetz, second by Johnston and carried with all members present voting yes to approve a Use of City Property from Thunder Road Ministries for "Kidz Zone" at the City Park on August 4-10, 2013 from 9am to 3pm daily.

Motion by Johnston, second by Waterland and carried with all members present voting yes to approve the annual review of existing Use on Review applications.

Hersrud introduced the following written resolution and moved its adoption:

RESOLUTION 2013-41

**A RESOLUTION AUTHORIZING THE MAYOR TO
SIGN AGREEMENT TO UTILIZE COMMUNICATION SERVICES**

WHEREAS, the City of Sturgis desires to enter into contract with Meade County for the purpose of providing joint dispatch services for the residents of the City of Sturgis and Meade County, and

WHEREAS, the City of Sturgis Police Department, Ambulance Service and Sturgis Volunteer Fire Department use the Meade County Dispatch Center of dispatch services, and

WHEREAS, Meade County has agreed that only half of the operations cost of the dispatch services should be paid for by municipalities based on their use of the dispatch services for police services, and

WHEREAS, the 9-11 calls for the City of Sturgis Police Department consisted of 40% of the combined municipal operations dispatch calls during 2010, 2011 and 2012, and

WHEREAS, the City of Sturgis and Meade County will benefit greatly by continuing to share resources and reduce costs through the use of the proposed Communication Services Agreement.

NOW THEREFORE, Mayor Mark Carstensen is hereby authorized to execute said approved Agreement to Utilize Communication Services for the above stated purposes.

Dated this 15th day of July, 2013.

Published: 7-24-2013

Effective: 8-13-2013

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

Motion by Waterland, second by Johnston and carried with all members present voting yes to approve first reading of Ordinance 2013-11 Title 34 – Flood Damage Prevention.

Motion by Hersrud, second by Vasknetz and carried with all members present voting yes to approve first reading of Ordinance 2013-12 Title 38 – Ambulance Service License.

Any other business:

Kara Graveman, Executive Director of ABC, informed the Council that Sturgis was one of eight communities in the United States chosen for the Communities of Prevention grant which is called the COPS program. Graveman wanted the Council to know that the Police are making a difference in our community.

Motion by Waterland, second by Anderson and carried with all members present voting yes to go into executive session for legal and two contracts at 9:11 pm.

Motion by Hersrud, second by Anderson and carried with all members present voting yes to return to regular session at 9:27 pm.

Motion by Johnston, seconded by Bachand and carried with all members present voting yes to adjourn the meeting at 9:27 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

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