

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 21, 2014 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Branden Bestgen, David Hersrud, Marcia Johnston, Tim Potts, and Ronald Waterland. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Kelly Vasknetz.

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:

- The City Council meeting to be held on August 4th will be held on July 28th and the second meeting will be August 18th.

City Manager Ainslie reported:

- The budget numbers for the end of June 2014 are as follows: General Fund is at 45.4%; SST 71.8%; Capital Imp 58%; Equipment Replacement 44%; Liquor 36%; Water 40.5%; Wastewater 42.8%; Sanitation 48.9% and Ambulance 58.2%.
- The outcome of the Constituent Survey that was given out last November to the Citizens of Sturgis. The survey will be posted on the City website.
- The quarterly financial statements for the operating funds.
- The approval of the Homecoming parade to be held in October.

Motion by Waterland, second by Anderson and carried with all members present voting yes to approve the following items on the consent calendar:

- a. Approve the minutes from the July 7, 2014 regular Council meeting and the minutes from the Special Meeting on July 16, 2014.
- b. Set a public hearing for July 28, 2014 for an application for a Special Events license for the Dungeon Bar/Royal Flush at the Sturgis Fairgrounds at 1802 Ballpark for the White Plate Flat Trackers Half Mile Race.
- c. Set a public hearing for August 18, 2014 for Use of City Property and Street Closure for the Oktoberfest (formerly known as Harvest Festival) and the Ag Appreciation Banquet on September 20th.
- d. Set a public hearing for August 18, 2014 for Street Closure for the Supermoto Race Entertainment and Events on September 12th through the 14th.
- e. Set a public hearing for August 18, 2014 for Use of City Property, Street Closure and Open Container for the Sturgis Mustang Rally on August 30, 2014.

Motion by Hersrud, second by Waterland and carried with Carstensen, Anderson, Bachand, Bestgen, Hersrud, Potts and Waterland voting yes, Johnston abstaining, to approve the following claims with the exception of: **General** - Hersrud, \$544.08, repair:

Wages – Ambulance \$32,964.27; Attorney \$2935.10; Auditorium \$495.14; Buildings \$1969.70; Cemetery \$3834.77; City Manager \$4299.97; Community Center \$9431.22; Finance Office \$9082.29; Fire Department \$1626.08; Human Resource \$2208.94; Library \$7900.12; Liquor \$4659.96; Mayor and Council \$3391.63; Parks \$13,970.57; Planning & Permitting \$3641.71; Police \$34,035.86; Rally \$5149.98; Recreation \$4270.28; Sanitary Service \$11,826.72; Streets \$12,191.63; Wastewater \$7901.83; Water \$12,882.08; Federal Withholding \$17,809.52; FICA \$13,876.31.

Combined Cash Fund – Change Banks, \$10,310.00, change-rally; First Interstate Bank, \$10,000.00, change-rally.

General – 211 Helpline Center, \$500.00, other; A&J Surplus, \$14.66, repair; Laurie Adkins, \$60.00, prof fee; Daniel Ainslie, \$17.51, travel; Amcon, \$429.42, merch for resale; American Red Cross, \$500.00, other; Amick Sound, \$2018.10, repair; Arlen Ness Enterprises, \$650.00, refund overpymt; Bangs, McCullen, Butler, Foye & Simmons, \$4808.11, prof fee; Elton Barden, \$460.00, prof fee; Shawn Barrows, \$1500.00, payment to SVFD; Elvira Bender, \$30.81, travel; Bentz Equipment, \$488.77, repair; Best Buy Business Advantage, \$99.99, supp; BHSU RSVP, \$1500.00, other; BH Area Habitat For Humanity, \$1000.00, other; BH Power, \$15,134.49, util; BH Rally & Gold, \$963.32, supp; BH Urgent Care, \$666.00, prof fee; Boy Scout Troop 109, \$250.00, other; Buckle Tree, \$396.40, supp; Campbell Supply, \$696.44, supp; Casa Program, \$2500.00, other; CBH Cooperative, \$3560.94, repair; Chamber of Commerce, \$2500.00, other; Coca Cola, \$966.50, merch for resale; Crisis Intervention Shelter, \$4875.00, other; Dakota Backup, \$296.26, prof fee; Dakota Horizons, \$1375.00, other; Dakota Lumber, \$10.17, supp; Double Star Computing, \$1180.59, prof fee; Ecolab Pest, \$193.77, repair; Epic Outdoor Advertising, \$2100.00, rental-rally; Feeding SD, \$1500.00, other; First Interstate Bank, \$8396.46, merch for resale, travel; Freeman Electric, \$132.34, repair; Front Porch Coalition, \$1000.00, other; G&G Enterprises, \$112.50, merch for resale; Glover Investments, \$600.00, rental-rally; Goldmine International, \$5096.25, city promo-rally; Great Western Tire, \$1401.00, repair; Grocery Mart, \$115.00, grp insur; Heartland Paper, \$197.30, supp; Hills Materials, \$521.17, repair; J&L Services, \$700.00, repair; Jerry's Refrigeration, \$79.50, repair; Johnston Hardware, \$277.25, supp; Ketel Thorstenson, \$2500.00, other; Lacal Equipment, \$4229.99, repair; Scott Lensegrav, \$1500.00, paymt to SVFD; Locks by Bernie, \$15.00, repair; Lynn's Dakotamart, \$335.26, merch for resale; Marco, \$57.52, repair; Meade Co Auditor, \$3234.90, util; Meade Co Senior Citizens, \$4000.00, other; Meade Co Times, \$1233.47, publ; Menards, \$63.76, supp; Midcontinent Communications, \$42.35, util; MDU, \$4943.61, util; Motionsoft, \$450.00, prof fee; Motorola, \$2849.30, equip; Neve's Uniforms, \$59.95, supp; Brad Olson, \$500.00, grp insur; O'Reilly Auto Parts, \$119.90, supp; Owens Interstate Sales, \$414.36, supp; Pool & Spa Center, \$29.00, supp; Powerplan, \$1221.79, repair; Prairie Hills Transit, \$4500.00, other; Print Mark-et, \$992.09, publ; Rapid City Journal, \$173.25, publ; Rasmussen Mechanical Services, \$5186.77, prof fee; Jim Raysor, \$400.00, prof fee; Regional Home Medical Equip, \$120.40, supp; Robert Sharp & Assoc, \$1431.00, publ-rally; Rushmore Office, \$4476.16, supp; Sacrison Asphalt, \$196.20, supp; Servall, \$388.52, repair; Sherwin-Williams, \$211.88, supp; Shopko, \$285.95, supp; Signs Now, \$444.00, supp; Sturgis Area Arts Council, \$3500.00, other; Sturgis Economic Dev Corp, \$3750.00, other; Sturgis High School Rodeo, \$1000.00, refund damage deposit; Sturgis Motorcycle Museum, \$2500.00, other; Sturgis Motorsports, \$37.99, repair; Sturgis Napa, \$475.74, supp; Sturgis Veterinary Hospital, \$700.00, prof fee; Sturgis Volunteer Fire Dept, \$5750.00, paymt to SVFD; Sturgis Wild West Days, \$1000.00, refund deposit; Teen Court, \$500.00, other; Tom's T's, \$341.92, supp; Town-N-Country Plumbing, \$83.25, supp; Tom Trigg, \$5000.00, paymt to SVFD; Trugreen, \$981.50, supp; Ultramax, \$4539.00, supp; Waterous Company, \$371.16, repair; West Payment Center, \$127.24, prof fee; Western Dakota Tech Inst, \$95.00, other; Western Resources for Independent Living, \$1000.00, other; Whisler Bearing, \$235.12, repair; Wow! Business, \$670.93, util; Warner Zellner, \$1150.00, refund booth rent.

Capital Improvement – Push-Pedal-Pull, \$22,375.63, bldg.

Revolving Fund Loan – Rapid Construction \$59,719.70, other; Sturgis Economic Dev Corp, \$100,000.00, other.

Liquor- Amcon, \$826.20, cig for resale; Arctic Glacier USA, \$543.12, merch for resale; BH Rally & Gold, \$211.50, merch for resale; Campbell Supply, \$19.53, repair; Cask & Cork, \$105.52, off sale liquor; Change Banks, \$5000.00, rally change; Coca Cola, \$730.10, pop for resale; Double Star Computing, \$12.50, prof fee; Eagle Sales, \$39,254.39, off sale beer; Ecolab Pest, \$103.07 repair; First Interstate Bank, \$10,880.83, change-rally; Fisher Beverage, \$28,085.96, off sale beer; Freeman Electric, \$201.02, repair; Johnson Western Wholesale,

\$32,786.86, off sale liquor; Lynn's Dakotamart, \$5.43, repair; MDU, \$21.48, util; North Country Business Product, \$790.00, prof fee; Okoboji Wines, \$227.00, off sale liquor; One Way Service Pros, \$473.33, repair; Pepsi Cola, \$339.00, pop for resale; Prairie Berry, \$2004.00, off sale liquor; Print Mark-et, \$66.14, publ; Republic Beverage, \$88,922.82, off sale liquor; Rushmore Office, \$991.58, supp; Servall, \$158.48, supp; Sturgis Cigar & Knife Co, \$481.98, repair; The Homeslice Group, \$4768.00, publ; Valiant Vineyard, \$1884.00, off sale liquor.

Water – BH Power, \$5429.98, util; Dakota Backup, \$2172.58, prof fee; Double Star Computing, \$12.50, prof fee; First Interstate Bank, \$633.11, travel; Grocery Mart, \$10.00, grp insur; Lynn's Dakotamart, \$17.30, grp insur; MDU, \$65.88, util; Print Mark-et, \$66.14, publ; Wow! Business, \$80.26, util.

Wastewater – BH Urgent Care, \$48.00, prof fee; Campbell Supply, \$68.46, repair; Chain Saw Center, \$365.69, repair; Double Star Computing, \$12.50, prof fee; Fastenal Co, \$112.09, repair; First Interstate Bank, \$50.38, other; Owens Interstate Sales, \$441.08, repair; Print Mark-et, \$66.14, publ; Sturgis Napa, \$107.92, repair; Tom's T's, \$52.61, supp; Wells Plumbing, \$272.81, supp.

Sanitary Service – A&B Welding, \$178.59, repair; BH Power, \$23.38, util; Butler Machinery Co, \$61.93, repair; Campbell Supply, \$105.00, repair; City of Belle Fourche, \$20,471.55, other; Double Star Computing, \$12.50, prof fee; Fastenal Co, \$94.46, repair; Great Western Tire, \$652.95, supp; Grocery Mart, \$5.00, grp insur; Inland Truck Parts, \$172.54, repair; Key City Glass, \$90.00, repair; Lynn's Dakotamart, \$8.65, grp insur; Owens Interstate Sales, \$112.61, supp; Powerplan, \$391.06, repair; Print Mark-et, \$66.14, publ; SDSWMA, \$760.00, prof fee; Sturgis Napa, \$295.38, repair; Tom's T's, \$52.61, supp; Whisler Bearing, \$73.54, repair.

Ambulance – A&B Welding, \$10.00, supp; BH Garage Doors, \$605.00, repair; BH Urgent Care, \$251.60, prof fee; Buckle Tree, \$143.10, supp; CBH Cooperative, \$3408.00, supp; Century Business, \$189.00, supp; Coca Cola, \$37.10, supp; Double Star Computing, \$12.50, prof fee; Ecolab Pest, \$36.57, supp; First Interstate Bank, \$1419.80, supp; Flowers by Rose, \$35.00, supp; Grocery Mart, \$20.00, grp insur; Nellie Isaacs, \$17.70, supp; Johnston Hardware, \$32.46, supp; Kreisers, \$3047.26, supp; Lynn's Dakotamart, \$57.45, grp insur; MDU, \$47.49, util; Olson Towing, \$220.00, repair; Print Mark-et, \$66.14 publ; Rapid City Regional Hospital, \$258.60, prof fee; Regional Health Physicians, \$150.00, prof fee; Regional Home Medical Equip, \$370.00, supp; Rushmore Office, \$351.92, supp; Shopko, \$284.02, supp; Speedy Lube, \$69.25, supp; Sturgis Napa, \$32.72, supp; Sturgis Volunteer Fire Dept, \$87.22, supp; Summit Signs, \$49.50, supp.

Equipment Replacement Fund – Scott Peterson Motors, \$24,481.00, equip.

Motion by Johnston, second by Bestgen and carried with Carstensen, Anderson, Bachand, Bestgen, Johnston, Potts and Waterland voting yes, Hersrud abstaining, to approve the following claim: **General** - Hersrud, \$544.08, repair.

Motion by Hersrud, second by Johnston and carried with Anderson, Bestgen, Carstensen, Hersrud, Johnston, Potts and Waterland voting yes and Bachand voting no to approve a Use on Review for Laurel Gann, 2213 Pipestone Drive, to approve a dog grooming business with the following stipulations: the use on review will be for 6 months, commercial rates will be paid for City utilities; sales tax returns will be provided quarterly to the Finance Office and a Certificate of Insurance will be provided.

Motion by Potts, second by Johnston and carried with all members present voting yes to approve a Zoning Variance for Jeffrey Shipley, 1611 Spruce St, to approve side yard setbacks with the stipulation that that the gravel surface would be hard surfaced to the street.

Motion by Bachand, second by Potts and carried with all members present voting yes to approve a street closure for the "The 10th Annual Fulton Street Bash to be held on August 2, 2014.

Hersrud introduced the following written resolution and moved its adoption:

RESOLUTION 2014 -39
RESOLUTION TO AUTHORIZE CLOSURE OF SOUTH BALDWIN STREET FOR
EXIT 32 ENTERTAINMENT AND EXHIBITOR EVENTS

WHEREAS, the Sturgis Motorcycle Rally will be held in the City of Sturgis, August 4, 2014 through August 10, 2014; and

WHEREAS, Beginning on Thursday, July 31st through Sunday, August 10th the City of Sturgis has scheduled no-admission special events and metric/motorsports industry companies to be present on the SEDC Exit 32 property on Anna Street, and

WHEREAS, the venue is in need of additional parking for participants, and

WHEREAS, the public events that are held on this property enhance visitors' experience and lead to additional sales tax generation, and

WHEREAS, it is in the public interest to provide a safe venue for these no-admission special events to host the many tourists that are expected to attend.

NOW, THEREFORE, BE IT RESOLVED that to accommodate the safe presentation of these Special Events and the newly developed exhibitor venue for the motorsports industry, a portion of South Baldwin Street (approx. 175 ft.) shall be closed between 6:00 am Thursday, July 31 through 6:00 pm Sunday, August 10, 2014.

Dated this 21st day of July, 2014.

Published: 07/30/2014

Effective: 08/20/2014

Bestgen 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 Johnston, second by Waterland and carried with all members present voting yes to approve a Special Events license for the Knuckle Saloon for a special event and motorsports exhibit venue to promote metric industry companies July 31st through August 10th.

Motion by Waterland, second by Johnston and carried with all members present voting yes to approve the following payroll changes: **Liquor Store** – Rally – Cashier – Merrissa Moore and Roxanne Boyer - \$10; Parking and Stocker – Alex Nold - \$8. **Photo Tower Attendant** – Gloria Mercado and TBD - \$8. **Community Center** – Custodians – Justin Krogstad, Antoinette Waters and Raymond Leal - \$8.50; Concessions – Mike Abell - \$8.75. **Auditorium** Custodian – Justine Daniels - \$8.50. **Info Booth** – Larry Vissia and Mary Murray- \$8. **Water** – Water Operator – Cody Stalder - \$11.54.

Motion by Hersrud, second by Potts and carried with all members present voting yes to approve second reading of Ordinance 2014-11 – Supplemental Appropriation Ordinance.

ORDINANCE 2014-11

AN ORDINANCE AMENDING ORDINANCE NO. 2013-14

**ANNUAL APPROPRIATIONS FOR THE YEAR 2014
OF THE CITY OF STURGIS, MEADE COUNTY, SOUTH DAKOTA**

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota, that ordinance 2013-14 is amended so that the following amounts are hereby appropriated to meet the obligation of the municipality for the year 2014.

General Fund 101	
4196-4290 Planning and Permitting – Other	\$52,000
Source of Funding: FEMA money from Atlas Blizzard	
Special Sales Tax 211	
9000-4561 Industrial Park (SEDC)	\$16,500
Source of Funding: Unexpended Cash balances	
Equipment Replacement 213	
9000-43400 Equipment	
Source of Funding: FEMA money from Atlas Blizzard	\$125,000
Revolving Loan 218	
9000-4290 Other (Davenport Project and SEDC)	\$250,000
Source of Funding: Unexpended Cash balances	

Adopted this 21st day of July, 2014.

First reading: 07/07/2014
Second reading: 07/21/2014
Adopted: 07/21/2014
Published: 07/30/2014
Effective: 08/20/2014

Motion by Waterland, second by Anderson and carried with all members present voting yes to approve second reading of Ordinance 2014-12 – Title 17 – Water.

**ORDINANCE 2014-12
AN ORDINANCE AMENDING TITLE 17– WATER**

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota that Title 17 Water –Chapter 17.01 – General Provisions, Section 17.01.01: Scope and Purpose; Chapter 17.02 – Water Code: Section 17.02.02: Municipal Utility Board Powers and Authority; 17.02.03: Water Rates and Charges are amended to read as follows:

**TITLE 17
WATER**

Chapters:

- 17.01: General Provisions
- 17.02: Water Code

**CHAPTER 17.01
GENERAL PROVISIONS**

17.01.01: Scope and Purpose
17.01.02: Definitions

17.01.01: SCOPE AND PURPOSE

The purpose of this Title is to recognize that the Municipal Utility Board is responsible for the efficient, economic and safe operation of the Municipal Water Treatment and Distribution System in the City of Sturgis.

17.01.02: DEFINITIONS
RESERVED

CHAPTER 17.02
WATER CODE

SECTIONS:

17.02.01: Adoption of Municipal Utility Board Rules & Regulations
17.02.02: Municipal Utility Board Powers and Authority
17.02.03: Water Rates and Charges

17.02.01: ADOPTION OF MUNICIPAL UTILITY BOARD RULES AND REGULATIONS

There is hereby adopted, by the City, the current and subsequent Sturgis Municipal Utility Board rules and regulations as amended, and the same are hereby adopted and incorporated as fully as if set out at length herein, and from the date of which this Ordinance shall take effect, the provisions thereof shall be controlling.

17.02.02: MUNICIPAL UTILITY BOARD POWERS AND AUTHORITY

The Municipal Utility Board, by virtue of its statutory authority, is empowered to promulgate rules and regulations for the orderly operation of the Municipal Water System and to set reasonable water rates and charges for the sale and distribution of water. The Municipal Utility Board has the authority to amend the rules and regulations as it sees fit for the orderly operation of the Municipal Water treatment and Distribution System in the City of Sturgis.

17.02.03: WATER RATES AND CHARGES

Water sold or furnished by the Municipal Utility Board shall be sold at the rates set forth in the Municipal Utility Board Regulations which are on file at the City Finance Office at Sturgis City Hall. The Municipal Utility Board shall present the City Manager with the proposed rate schedule for the following calendar year by March 15th of each year.

Dated this 21st day of July, 2014.

First reading: 07-07-2014
Second reading: 07-21-2014
Adopted: 07-21-2014
Published: 07-30-2014
Effective: 08-20-2014

A motion was made by Potts, second by Hersrud to approve Resolution 2014-40, after looking at the resolution, there were some corrections that were needed, so this motion died.

Potts introduced the following corrected written resolution and moved its adoption:

RESOLUTION 2014- 40
A RESOLUTION OF THE STURGIS COMMON COUNCIL ENDORSING THE
RESTORATION OF THE LAZELLE STREET LANE CONFIGURATION

WHEREAS, the current paved section of Lazelle through a majority of the City of Sturgis is insufficient to accommodate five typical driving lanes; and,

WHEREAS, the South Dakota Department of Transportation sought to alleviate the congestion and safety concerns of the narrow traveling lanes by restriping the travel lanes to include three lanes; and,

WHEREAS, for more than six months Lazelle Street in Sturgis has been restriped to three lanes; and

WHEREAS, the reduced three lane configuration led to difficulties for street sweeping and maintenance on the most heavily traveled street in the City; and

WHEREAS, there have arisen significant safety concerns regarding the merging of two highway travel lanes into a single traveling lane in the center of our community.

WHEREAS, the increased traffic congestion inherent with the annual Sturgis® Motorcycle Rally™ necessitates a five lane configuration for at least one month each year; and,

WHEREAS, such conversion will inevitably lead to further confusion during both the expansion phase and the merging phase; and,

WHEREAS, this increased confusion will likely decrease the safety of the traveling public along this heavily traversed corridor.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Sturgis City Council does hereby support the conversion of the existing three lane sections of Lazelle into five lanes, protests any future reducing of said lanes within the City of Sturgis and further petitions the South Dakota Department of Transportation to permanently mark all narrow five lane sections to four lanes with a center turn lane only at signalized intersections until such a time arises when a proper width five lane roadway can be constructed.

Dated this 21st day of July, 2014.

Published: 7-30-14
Effective: 8-20-14

Hersrud 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 Bachand and carried with all members present voting yes to reject all bids from the Skid steer bid opening in February 20, 2014.

Motion by Potts, second by Johnston and carried with all members present voting yes to approve authorizing the Mayor to sign the Forestry Grant agreement from SD Department of Ag- Division of Resource Conservation & Forestry.

Motion by Johnston, second by Bestgen and carried with all members present voting yes to approve the Memorandum of Understanding with the National Guard.

Any other business:
None

Motion by Bestgen, second by Johnston and carried with all members present voting yes to go into executive session for personnel and contracts at 8:18 pm.

Motion by Bestgen, second by Waterland and carried with all members present voting yes to return to regular session at 8:30 pm.

Motion by Hersrud, seconded by Bestgen and carried with Carstensen, Anderson, Bachand, Bestgen, Hersrud, Johnston, and Waterland voting yes, Potts abstaining, to approve the recommendation from Sturgis Rally Charities for the 2014 charitable contributions.

Motion by Bestgen, seconded by Waterland and carried with all members present voting yes to go back into executive session for contracts at 8:35 pm.

Motion by Bestgen, second by Potts and carried with all members present voting yes to come out of executive session.

Motion by Johnston, second by Anderson and carried with all members present voting yes to approve the sale of east property on Exit 32 and authorize the City Manager to sign the purchase agreement.

Motion by Waterland, second by Potts and carried with all members present voting yes to approve the lease from Allegiant Emergency Services for 2 ambulances for the Rally at \$4000 for each ambulance.

Motion by Bestgen, second by Waterland and carried with all members present voting yes to approve the ambulance protocol agreement with the Buffalo Chip.

Motion by Bestgen, second by Anderson and carried with all members present voting yes to adjourn the meeting at 11:35.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$