

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 2, 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 Johnston and carried with all members present voting yes to approve the agenda with the removal of 8h from the Consent Calendar and move it to 10d under Reports.

Announcements:

- Mayor Carstensen thanked City Staff for all the work done to make the Mustang Rally successful.
- Clean up will be held on October 6th through the 10th.
- The Supermoto will be held on September 13th and 14th and Octoberfest will be held on September 19th and 20th.
- The Municipal League Convention will be held in Spearfish this year on October 7th through the 10th.

City Manager Ainslie reported:

- Sales tax update for the end of August-General Sales Tax and Capital Improvement Tax was up 5.1% for the month and the Gross Receipts Tax (triple B) was down 13% for the month. Year to date General Sales Tax and Capital Improvement Tax were up 3.6% and the Gross Receipts Tax (triple B) was up 9.1%.
- Payroll Changes – within budget: **Community Center:** Jeremy Eckhart: Front Desk Receptionist, \$7.75 per hour. **Recreation:** Jeremy Eckhart: referee, \$20.00 per game; Taylor Eby: Referee, \$20.00 per game; Dillon Loper: Referee, \$20.00 per game; Carter Neuschwander: Referee, \$20.00 per game; Zach Weyer: Referee, \$20.00 per game. **Liquor Store:** Sales Clerk, \$8.00 per hour. **Ambulance:** Warren Shaulis: Status change to half-time.
- The work on pond 4 at the lagoons will be starting soon. This is an expensive project that most citizens will never see.
- A thank you was presented to the Council from a Rally goer that was very happy with his experience here in Sturgis.
- A reminder to the Council that any storm water projects that need done in the City will require some form of revenue stream to cover these projects.

Motion by Bestgen, second by Waterland to approve the following items on the consent calendar. This motion was rescinded and a motion was made by Bestgen, second by Waterland and carried with all members voting yes to approve items a through f and remove item g off the consent calendar for further discussion later in the meeting.

- a. Approve the minutes from the August 18, 2014 regular Council meeting.
- b. Approve setting a public hearing for September 15, 2014 for a Special Events License for Loud American at the City Armory on 9/20/14 for Ag Banquet.
- c. Approve setting a public hearing for September 15, 2014 for a Petition for Vacation of Portion of Street Right-of-way.
- d. Approve setting a public hearing for September 15, 2014 for a Use on Review at 2109 Meadowlark Drive for Loretta Mason for an in-home dog grooming business.

- e. Approve setting a public hearing for September 15, 2014 for a Use on Review for Lynette Mart at 1409 Pine View Drive for an in-home quilting business.
- f.

RESOLUTION 2014-50

A RESOLUTION OF THE STURGIS COMMON COUNCIL TO OPPOSE FEDERAL EXPANSION INTO LOCAL WATERWAYS

WHEREAS, the Community of Sturgis is based on diverse economic base comprised of Agriculture, Healthcare, Tourism, Natural Resources and Manufacturing; and

WHEREAS, the American median family income from 2000-2012 increased by 22% while Sturgis median family income increased by 57%; and

WHEREAS, significant growth in disposable income and quality of life was made possible by innovative entrepreneurs and a cooperative governmental structure which includes reasonable regulations; and

WHEREAS, the Environmental Protection Agency (EPA) is currently proposing a massive expansion of the clean water act; and

WHEREAS, the expansion of the aforementioned act will greatly affect the definition of navigable waterways; and

WHEREAS, the change in definition will thrust federal mandates onto nearly every small pool, ditch, pond, and "body of water" within the greater Sturgis Community; and

WHEREAS, this type of federal government expansion would hamper our economy as it has hampered the National economy.

NOW THEREFORE BE IT RESOLVED that the Common Council of Sturgis is opposed to any such efforts to expand federal oversight into local and private land matters and encourages the Federal Government to focus on federally significant waterways and allow local government and private citizens to grow and develop as the Constitution of the United States so wisely sets forth.

Dated this 2nd day of September, 2014.

Published: September 10, 2014

Effective: October 1, 2014

Discussion was held on Resolution 2014-51. Mayor Carstensen and City Manager Ainslie expressed their concerns that this project could take away projects that are slated for the near future from the State STIP monies. Councilor Bestgen stated that this would only be Federal money and the STIP monies would not be used for this project.

Bestgen introduced the following written resolution and moved its adoption:

RESOLUTION 2014-51

RESOLUTION ENCOURAGING CONGRESS TO ADDRESS THE SHORTFALLS IN FEDERAL HIGHWAY TRUST FUND AND COMPLETE A LONG TERM TRANSPORTATION REAUTHORIZATION BILL PRIOR TO IT'S EXPIRATION ON SEPTEMBER 30, 2014

WHEREAS, transportation is a critical factor in our economy and access to transportation routes is a significant catalyst to economic development; and

WHEREAS, the Ports-to-Plains Alliance has provided Ports-to-Plains' Congressional delegation with its Federal Priorities of the Ports-to-Plains Alliance for MAP-21 Implementation and Reauthorization and these Federal Priorities; and

WHEREAS, due to the ongoing significant production of fossil fuel developments in North Dakota the growth of this industry directly impacts the Black Hills region; and

WHEREAS, access to the oil fields in North Dakota is a top priority to continued economic expansion of the Black Hills region; and

WHEREAS, the City of Sturgis directly adjoins the Theodore Roosevelt Expressway and is ideally located to grow economically with the expansion of the fossil fuel developments; and

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Sturgis City Council does hereby join other government and private entities in respectfully encouraging Congress to fully fund the Theodore Roosevelt Expressway to encourage economic growth in the Black Hills region and the continued development of fossil fuels in North Dakota which enhance the National Security of our great Nation.

BE IT FURTHER RESOLVED that the Sturgis City Council that:

Section 1. We urge the Members of Congress representing South Dakota to work to ensure that congress:

1. Passes a short-term fix immediately so that the Trust Fund does not run out of money in August, 2014; and
2. Passes a long-term fix by September 31, 2014, or as soon thereafter as possible, that accomplishes the following:
 - a. Reauthorizes Federal transportation programs (MAP-21) for five or six years in accordance to Ports-to-Plains Alliance priorities; and
 - b. Provides the user-fee-based, sustainable revenues for the Highway Trust Fund necessary to support the higher levels of investment needed to modernize America's national transportation network, including rural freight corridors important to energy development and agricultural production like the Theodore Roosevelt Expressway.

Section 2. This resolution is to be in full force and effect from and after its passage and approval.

Dated this 2nd day of September, 2014.

Published: September 10, 2014

Effective: October 1, 2014

Waterland 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 Potts, second by Hersrud with all members voting yes to approve the following claims:

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

General – A&B Business, \$261.64, repair; Amazon, \$69.78, supp; Amcon, \$1939.73, merch for resale; American Legal Services, \$21.72, prof fee; Avaya, \$36.39, util; Baker & Taylor, \$227.60, supp; BH Chemical, \$3688.95, supp; BH Power, \$13,881.82, util; BH Rally & Gold, \$2169.00, merch for resale; Border States Electric, \$425.52, repair; Eric Bostrom, \$1347.45, supp; Jerry

Burnham, \$2500.00, pro fee; Business Card Sculptures, \$95.95, other; Butte Electric, \$506.59, util; Chain Saw Center, \$22.50, repair; Chamber of Commerce, \$200.00, other; City of Sturgis Water Dept, \$10,320.95, util; Joe Collins, \$150.00, tow refund; Dakota Ammo, \$780.00, supp; DV8 Sports, \$355.00, vendor refund; Kathy Dykstra, \$105.28, travel; Ear/Insta-mold, \$623.00, supp; Earthgrains Baking Co, \$661.90, merch for resale; Donna Eixenberger, \$200.00, supp; Fire Pro, \$99.80 repair; First Western Insurance, \$198.75, insurance; Foremost Promotions, \$540.00 supp; Four Aces Lodging Group, \$3000.00, supp; Freeman Elect, \$1125.73, repair; G & G Enterprises, \$3169.50, resale; Glaser, \$3250.00, supp; Graffiti Solutions, \$16.00, supp; Hills Vending, \$993.79, resale; Integrity Heating & Air Conditioning, \$213.51, repair; J&L Services, \$400.00, repair; Key City Glass, \$5.00, repair; Kone, \$137.16, repair; Lakota Foods, \$159.36, resale; Tyrone Lee, \$83.62, sup; Valerie Martin, \$500.00, insurance; MB Tree & Landscape, \$475.00, sup; McLeod's Printing & Office Supply, \$722.74, sup; Menard's, \$261.22 sup; Midamerica Books, \$113.70, sup; Motionsoft, \$450.00, prof fee; Party Time Plus, \$505.40, sup; Penworthy Co., \$113.78, sup; Pete Lien & Sons, \$53.00, sup; Austin Peterson, \$13.24, sup; Pizza Hut, \$43.79, sup; Postmaster, \$196.00, sup; Richter's Tire & Exhaust, LLC, \$7.00, repair; Rockingtree Floral, \$50.00, other; Matthew Rotterdam, \$180.20, other; Rushmore Communications, \$220.00, repair; Rushmore Fencing, \$222.98, sup; Rushmore Mountain Sport, \$49.99, sup; Rushmore Office Supplies, \$84.00, sup; S&C C leaning, \$3100.00, repair; Sage Publications, \$184.79, sup; Schwans, \$352.26, merch for resale; SD Federal Property Agency, \$129.00, sup; SD Parks & Recreation Assn, \$300.00, travel; Servall, \$1101.39, sup; Speed by Design, \$1035.00, vendor refund; Speedy Lube, Inc., \$15.30, repair; Sturgis Volunteer Fire Dept, \$144.00, sup; The Ice Man, \$787.50, sup; The Knuckle Saloon & Steakhouse, \$4710.00, sup; Tom's T's, \$437.85, sup; Town-n-Country Plumbing, \$126.20, repair; Traffic Services Company, LLC, \$660.00, sup; Twilight First Aid & Safety, \$242.35, sup; United Way, \$180.00, travel; Verizon, \$2265.73, util; Verizon, \$267.96, supp; Ben Wallace, \$82.91, refund; Western Communications, \$100.00, sup; Whisler Bearing, \$55.00, repair; WOW! Business, \$996.58, util; Your Premium Cigar Bar, \$248.00, vendor refund; Zylstra Body & Frame, \$65.00, repair; Zylstra Towing, \$105.00, repair.

Special Sales Tax – Chamber of Commerce, \$8750.00; Sturgis Economic Development, \$9041.67.

Capital Improvement – Baseline Surveying, Inc., \$510.00; Brosz Engineering, Inc., \$1527.78; Fourfront Design, Inc., \$2238.13; Freeman Electric, \$50.00.

Liquor – Amcon Distributing, \$1269.89, resale; Black Hills Power, \$2323.08, util; Cask & Cork, \$1303.00, off sale liquor; Sturgis Water Dept, \$567.66, util; Eagle Sales, \$417.00, off sale beer; Eagle Sales, \$9989.40, off sale beer; Fisher Beverage, \$3932.30, off sale beer; Republic Beverage, \$1222.76, off sale liquor; Schade Vineyard, \$600.00, off sale liquor; Utility Refund Vendors, \$411.59, deposit refunds; Verizon, \$53.51, util; WOW! Business, \$8.43, util.

Water – Black Hills Power, \$1384.74, util; Brosz Engineering, \$5114.72, cap imp; Butte Electric, \$1889.12, util; Sturgis Water Dept, \$112.95, util; Postmaster, \$2500.00, sup; SD DENR, \$50.00, prof fee; Verizon, \$221.24, util; WOW! Business, \$48.10, util.

Wastewater – Black Hills Power, \$4148.61, util; Cetec, \$333.50, cap imp; Chain Saw Center, \$141.42, repair; City of Belle Fourche, \$57.90, other; Sturgis Water Dept, \$20.52, util; Energy Laboratories, \$470.00, prof fee; Flexible Pipe, \$181.55, repair; Knutson Irrigation Service, \$111.94, sup; Verizon, \$154.65, util.

Sanitation – Black Hills Chemical, \$1242.49, sup; Black Hills Power, \$238.83, util; CBH, \$1638.22, sup; Century Business Leasing, \$193.58, prof fee; Century Link, \$54.32, util; City of Belle Fourche, \$26061.16, other; Jay Johnson, \$16.19, travel; Kieffer Sanitation, \$49300.00, sup; Motion Industries, \$246.70, rep; Verizon, \$80.80, util.

Ambulance – A&B Business, \$530.66, sup; Barrows Electric, \$319.07, rep; Black Hills Power, \$81.56 util; CBH, \$34.51, sup; Sturgis Water, \$412.16, util; Emergency Medical Products, \$2824.29, sup; Moore Medical, \$427.45, sup; Purchase Power, \$256.84, sup; Schwans, \$239.35,

sup; Speedy Lube, \$69.25, sup; Napa, \$5.44, sup; Thomas Emergency Medical, \$3171.44, sup; United Healthcare, \$109.12, refund; Verizon, \$225.02, util; WOW! Business, \$87.50, util.

Motion by Hersrud, second by Anderson and carried with all members present voting yes to approve second reading of Ordinance 2014-13 – 2015 Appropriations (Budget). (The complete ordinance is on file at the Finance Office at City Hall) and the following Resolution.

**RESOLUTION 2014-53
RESOLUTION REGARDING THE MUNICIPAL UTILITY RATES
FOR THE CITY OF STURGIS**

WHEREAS, the City of Sturgis has adopted through Ordinance 11.04.04 and 11.05.31, the City of Sturgis may set its garbage and sewer municipal utility rates by resolutions; and

WHEREAS, the City of Sturgis continues to face ongoing inflationary price increases for utility, fuel, tipping rates, health insurance and other operating costs; and

WHEREAS, the City of Sturgis has only raised rates by three percent over the previous ten or more years; and

WHEREAS, the City of Sturgis has made a concerted effort to reduce ongoing operational costs in its municipal utility funds; and

WHEREAS, despite these reductions in costs, ongoing fixed costs continue to rise at a rate that exceeds most inflationary indexes.

NOW, THEREFORE, the Common Council of the City of Sturgis does hereby adopt an increase in Recycling and Garbage Collection Charges equal to 3% and the Sewer Use Fee equal to 4% starting January 1, 2015.

Adopted this 2nd day of September, 2014.

Published: September 10, 2014

Effective: October 1, 2014

Motion by Waterland, second by Anderson and carried with all members present voting yes to deny submission of a Letter of Map Revision (LOMR) to the Federal Emergency Management Agency (FEMA) for the corner of Junction Avenue and Dickson Drive.

Motion by Hersrud, second by Waterland and carried with all members voting yes to approve the authorization of the City Manager to enter into and sign the agreement with the South Dakota Department of Transportation for project P 7668 (05), PCN 04AE (Main Street Re-construction).

After discussion and a revision to the Resolution 2014-52 (last sentence, last paragraph), the following resolution was introduced by Potts:

**RESOLUTION 2014 - 52
A RESOLUTION AUTHORIZING SIGNATURES TO SIGN
LEASE AGREEMENTS AND REQUESTS OF MUNICIPAL EQUIPMENT AND
RESOURCES**

WHEREAS, individuals, businesses, non-profit organizations, sport organizations, and other entities desire to use City facilities and/or property for the promotion of special events that provide financial, educational, and/or cultural benefit to the City of Sturgis;

WHEREAS, the promoters may request the use of City staff or other City resources to assist with the set-up, tear-down and/or production of the special event;

WHEREAS, City policy requires all event promoters to submit documents to the City outlining the details of their event and to make request for the use of City property and to make request for any special accommodations, permits, and/or licenses that may be required for the successful promotion of their event;

WHEREAS, City policy requires that these event promoters sign lease or rental agreements with the City for the use of any City property;

WHEREAS, promoters must follow-up with designated City staff after the special event in order to communicate deficiencies that must be remedied prior to the City's approval of any future events on City property;

WHEREAS, the Common Council desires to invest its time in establishing and reviewing significant policy matters and desires to direct its staff to coordinate the day to day administrative affairs of the City.

NOW THEREFORE, City Manager Daniel Ainslie or Mayor Mark Carstensen is hereby authorized to execute said lease agreements and requests of City equipment and resources for any event anticipated to have a total cost to the City of less than \$10,000 through calendar year 2015, in addition, there shall be an evaluation of total costs completed in the 4th Quarter of 2015 to determine the complete costs of events to develop a potential fee schedule if necessary.

Dated this 2nd day of September, 2014.

Published: 09-10-14

Effective: 10-01-14

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.

Any other business:

Councilor Bestgen introduced the following committees:

Legal & Finance – Biweekly – Bestgen, Vasknetz, Carstensen and Waterland

Rally – Biweekly – Hersrud, Johnston, Bachand and Potts

Public Safety – Quarterly – Bestgen, Vasknetz, Johnston and Bachand

Infrastructure – Quarterly – Anderson, Carstensen, Waterland and Potts

Annexation – As-needed – Hersrud, Johnston, Carstensen and Waterland

Ordinance – As-needed – Bachand and three other Councilors as needed

Motion by Waterland, second by Bachand and carried with all members present voting yes to go into executive session for personnel and contracts at 7:47 pm.

Motion by Bestgen, second by Johnston and carried with all members present voting yes to return to regular session at 10:12 pm.

Motion by Waterland, seconded by Potts and carried with all members present voting yes to adjourn the meeting at 10:13 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$257.61.