

## 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, October 5, 2020 at the Sturgis City Hall Council Meeting Room. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Rhea Crane, Terry Keszler, David Martinson, Ronald Waterland and Beka Zerbst. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Steve Keszler.

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

Motion by Crane, second by T. Keszler and carried with all members present unanimously voting yes to go into executive session for two legal cases, two contracts and two personnel at 6:01 pm.

Motion by Waterland, second by Anderson to return to regular session at 6:28 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

### Informational Reports:

- Library Board minutes from September 16, 2020 (unapproved)

### Announcements:

- The following Proclamations were presented to the Council by the Mayor.
  1. Heather Krastins-Lambert Day
  2. American Legion
  3. Grace Lutheran
  4. World Habitat Day
- The City Hall will be closed for Native American Day on the 12<sup>th</sup> of October.
- Clean up week is October 5-9. Have your items at the curb the day of your garbage pickup.
- Councilor Martinson wanted to thank Rally and Events staff and the Sturgis Chamber staff for a very successful Oktoberfest/Fall Festival this year.

### City Manager Ainslie reported:

- a. Payroll Changes within Budget-
  1. Recreation: Tristyn Jackson - Children's Yoga Instructor \$10.00
- b. The sales tax update for General Sales Tax and Capital Improvement Tax for August collected in September was up 9.4% month over month and up 8.8% year over year. The Gross Receipts Tax (triple B) was up 5.9% month over month and down 0.3% year over year.
- c. The following persons have been appointed to the Aquatics Committee: Allison Cauter Creed, Karen Lyness, John Coyle, Richelle Bruch, Jeff Dekraai, Jeanie Shyne, Amber Whitford, Bev Ganz, Jeanie Blair, Lynn Birk, Megan Snyder, Alex Usera, Stuart Johnson, Callie Taken, Jamie Helms and Twyla Barden.

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

- a. Consideration to approve minutes from the September 21, 2020 Regular City Council meeting.
- b. Consideration to approve Resolution 2020-69 - Surplus property.

**RESOLUTION 2020-69**  
**A RESOLUTION DECLARING PROPERTY SURPLUS**

BE IT FURTHER RESOLVED BY THE COMMON COUNCIL OF THE CITY OF STURGIS that the personal property described below is hereby declared surplus and to be disposed of as described by SDCL 6-13-1. It is being advisable and in the best interest of the City to sell/trade/dispose of such personal property.

**Public Works:**

- 1) Lennox Compressor (S/N 5896A 43124) with Lennox Pulse 21 Furnace and 1 (60 Amp Disconnect Panel)
- 2) AHRI Certified Compressor (S/N 1617E22563) with Lennox Pulse 21 Furnace and 1 (60 Amp Disconnect Panel)
- 3) AHRI Certified Compressor (S/N 1407422027) with Lennox Pulse 21 Furnace and 1 (60 Amp Disconnect Panel)
- 4) Coleman Compressor (S/N W1B9614925) with Lennox Pulse 21 Furnace and 1 (60 Amp Disconnect Panel)
- 5) Coleman Compressor (S/N W1H8089832) with Lennox Pulse 21 Furnace and 1 (60 Amp Disconnect Panel)
- 6) Tire machine-Bushman 931A – Serial # 11279

**Rally:**

- 1) Two (2) Dell Laser MFP 1815dn

**Finance:**

- 1) Hyosung 1520/Standard 3 ATM
- 2) Compucessory Paper Shredder (broke)

**Police:**

- 1) 2004 Chevrolet Express G3500 Van - VIN 1GAHG39U341199432
- 2) 24 Non-Functional X26 Tasers

Dated this 5<sup>th</sup> day of October 2020.

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- c. Consideration to set a public hearing on October 19, 2020 for a Special Events License for the Loud American for the Booster Club Dueling Piano Fundraiser on November 13, 2020 at 1019 Main Street (Auditorium).
- d. Consideration to set a public hearing for Monday, October 19, 2020 for a variance to the side setback for new carport at 716 Sherman Street for Sam Mudlin.
- e. Consideration to approve the Parade Route for Homecoming, October 9, 2020.

Motion by Martinson, second by Crane and carried with all members present unanimously voting yes to approve the following claims:

**WAGES** – Ambulance \$22,101.07; Attorney \$4126.63; Auditorium \$197.37; Buildings \$1188.34; Cemetery \$2482.48; City Manager \$4670.01; Community Center \$9809.03; Finance Office \$1743.53; Fire Department \$436.00; Fleet \$6179.85; Human Resource \$5082.06; Library \$9136.12; Liquor \$6400.10; Mayor and Council \$3913.78; Parks \$11,501.54; Planning & Permitting \$8704.02; Police \$37,138.53; Rally \$9385.82; Recreation \$3058.39; Sanitary Service \$15,249.62; Streets \$11,514.35; Wastewater \$8477.27; Water \$18,687.21; Federal Withholding \$16,117.99; FICA \$14,356.35.

**COMBINED CASH FUND** – First Interstate Bank, \$2000.00, ATM.

**GENERAL** – 3E Electrical Engineering, \$80.00, rep; A&B Business, \$635.62, sup; Amazon, \$395.11, sup; Baseline Surveying, \$710.00, prof fee; Baymont Inn & Suites, \$2636.00, resale; Bear Butte Valley Water, \$141.85, util; Black Hills Energy, \$15579.84, util; Roger Burnham, \$3713.17, prof fee; Century Link, \$328.56, util; Chain Saw Center, \$151.93, sup; city of Sturgis Water, \$13970.81, util; Dana's Plumbing, \$225.00, sup; Double Star Computing, \$425.60, prof fee; Judy Duprel, \$500.00, ins; Epic Outdoor Advertising, \$4037.52, sup; Ryan Fitzpatrick, \$30.00, other; Ken Grosch, \$60.00, other; Dan Grubl, \$1500.00, contract; Jerred Hegstrom, \$322.51, sup; Holiday Inn, \$375.00, travel; Jim's Auto Salvage, \$110.00, rep; Charles Kaiser, \$30.00, other; Tyler Kaitfors, \$500.00, ins; Knight Security, \$540.00, rep; Kone, \$161.61, rep; Scott Lensegrav, \$5000.00, contract; Marco Technologies, \$105.55, rep; Match MG US, \$10000.00, prof fee; Motionsoft, \$450.00, prof fee; Alora Murray, \$180.00, other; North Central Supply, \$28.00, rep; Benny Page, \$231.55, ins; Park Avenue Car Wash, \$42.20, sup; Travis Parker, \$30.00, other; Petty Cash, \$127.75, other; Purchase Power, \$500.00, sup; Rushmore Office Supply, \$1157.47, sup; S&C Cleaners, \$6500.00, prof fee; Glen Skala, \$400.00, refund; Sturgis VFD, \$7936.29, contract; Tom's T's, \$491.00, sup; U Drive Technology, \$54.00, util; Pat Urbaniak, \$1500.00, contract; Van Diest Supply, \$536.25, sup.

**SPECIAL SALES TAX** – Sturgis Area Chamber of Commerce, \$9166.67; SEDC, \$6666.67.

**CAPITAL IMPROVEMENT** – Complete Concrete, \$43047.91; West River Electric, \$17643.95.

**BUSINESS IMPROVEMENT DISTRICT** – Richard Lutz Agency, \$1250.00, prof fee; Rushmore Office Supply, \$56.53, sup; The Knuckle Saloon, \$954.00, sup.

**LIQUOR** – Arctic Glacier, \$202.38, resale; Badlands Distillery, \$373.44, resale; Black Hills Energy, \$1883.44, util; Black Hills Security & Systems, \$134.85, other; Cash-Wa Distributing, \$1718.96, resale; Cask & Cork, \$751.68, resale; City of Sturgis Water Dept, \$604.12, util; Coca Cola, \$558.50, resale; Dakota's Best Distributing, \$147.25, resale; Desjarlais Farms, \$578.00, resale; Double Star Computing, \$16.88, prof fee; Fisher Beverage, \$9249.36, resale; Johnson Western Wholesale, \$15255.98, resale; Okoboji Wines, \$706.00, resale; Panacea Meadery, \$270.00, resale; Pepsi Cola, \$71.00, resale; Quality Brands, \$14862.75, resale; Republic Beverage, \$13165.50, resale; Rushmore Office Supply, \$396.93, sup; Southern Glazer's of SD, \$3110.48, resale.

**WATER** – Russell Abernathy, \$500.00, ins; black Hills Energy, \$10256.08, util; City of Sturgis Water Dept, \$411.92, util; Core & Main, \$2736.55, sup; Double Star Computing, \$16.88, prof fee; Hawkins, \$1908.22, sup; Petty Cash, \$4.96, sup; Rushmore Office Supply, \$62.00, sup; West River Lawn & Snow, \$515.00, rep; Whisler Bearing, \$46.79, rep.

**WASTEWATER** – Advanced Engineering & Environmental, \$29062.10, cap imp; Black Hills Energy, \$3772.97, util; Double Star Computing, \$16.88, prof fee.

**SANITATION** – Allstate Peterbilt of Bismarck, \$68.52, rep; Black Hills Energy, \$234.13, util; Century Link, \$67.99, util; Double Star Computing, \$16.88, prof fee.

**AMBULANCE** – 3E Electrical Engineering, \$80.00, rep; Black Hills Energy, \$640.50, util; City of Sturgis Water Dept, \$424.06, util; Double Str Computing, \$16.88, prof fee; Henry Schein, \$70.10, sup; Image Trend, \$357.00, prof fee; Dr Joy Mueller, \$500.00, prof fee; Olson Towing, \$100.00, rep; Richter's Tire & Exhaust, \$18.00, rep; SDEMSA, \$770.00, travel; Tom's T's, \$5717.40, sup.

Motion by Crane, second by Bachand and carried with Carstensen, Anderson, Crane, S. Keszler, Martinson and Zerbst voting yes, Bachand and Waterland voting no, to pave at least the first 100' of the driveway at 1506 W Farley St for SSD Properties, LTD (Noel Larson).

City Manager Ainslie gave a PowerPoint presentation of the timeline of the purchase of the Marcotte Property, how the property will be developed and what the sale of the property would be used for.

After discussion from the public a motion was made by Martinson, second by Waterland and carried with Bachand, Carstensen, T. Keszler, Martinson, Waterland and Zerbst voting yes, Anderson abstaining, and Crane voting no to rescind Resolution 2020-59 – Surplus the Marcotte Property.

Motion by Crane, second by Bachand and carried with all members present unanimously voting yes to approve Resolution 2020-68 - Regarding the Discretionary Formula for Assessment.

**RESOLUTION 2020-68**  
**RESOLUTION REGARDING THE DISCRETIONARY FORMULA**  
**FOR ASSESSMENT FOR THE CITY OF STURGIS**

**WHEREAS**, SDCL 10-6-35.2 authorizes the Board of County Commissioners, at its discretion, to adopt any formula for assessment of specifically classified structures;

**WHEREAS**, on July 28, 2020, the Meade County Commission adopted a resolution approving a discretionary formula for certain subsections of SDCL 10-6-35.2 but the resolution did not adopt a discretionary formula for commercial residential structures of 4 units or more as defined in subsection 5 ;

**WHEREAS**, SDCL 10-6-35.4 permits the governing body of any municipality to adopt any or all property classifications defined in 10-6-35.2 which are not adopted by the Board of County Commissioners;

**WHEREAS**, SDCL 10-6-35.2 states the formula may include for any or all of the five tax years following construction all, any portion or none of the assessed valuation for tax purposes;

**WHEREAS**, the South Dakota Department of Revenue and Regulation's formula recognizes the local effort for school tax purposes to the extent of 20, 40, 60, 80, 100% for the 5-year period;

**NOW, THEREFORE, BE IT RESOLVED**, that the following properties shall be, and hereby are, specifically classified for the purpose of taxation pursuant to SDCL § 10-6-35.2:

Any new commercial residential structure of 4 units or more within the structure as described in subsection (5), if the new structure or addition has a full and true value of thirty thousand dollars or more;

**BE IT FURTHER RESOLVED**, the assessed value to be used for tax purposes of any structure classified pursuant to this Resolution shall, following construction, be calculated as follows:

1st Year - 0% of increased value  
2nd Year - 0% of increased value  
3rd Year - 0% of increased value  
4th Year - 0% of increased value  
5th Year - 0% of increased value

Adopted this 5<sup>th</sup> day of October 2020.

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Recess was called at 8:13 pm – Back in session at 8:23 pm

Motion by Crane, second by Waterland and carried with all members present unanimously voting yes to approve the voluntary annexation development agreement for the property of Lot 2 of the Davenport Addition.

Motion by Martinson, second by T. Keszler and carried with all members present unanimously voting yes to approve the voluntary annexation petition for property located south of Lot 3 of Davenport Ranch Addition from Davenport Family Real Estate, LLC.

Motion by Waterland, second by Zerbst and carried with all members present unanimously voting yes to approve adopting the Storm Water Management Program Plan.

There was no discussion on the sewer charges for out of city properties.

Any other business:

None

Motion by T. Keszler, second by Zerbst and carried with all members present unanimously voting yes to go into executive session for personnel and contracts at 8:41 pm.

Motion by Crane, second by Martinson to return to regular session at 8:56 pm.

Motion by Waterland, seconded by T. Keszler and carried with all members present unanimously voting yes to adjourn the meeting at 8:57 pm.

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

APPROVED \_\_\_\_\_  
Mark Carstensen, Mayor

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