

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, April 3, 2017 at the Erskine Building. Present: Alderpersons Jason Anderson, Mike Bachand, Rod Bradley, Rhea Crane, Tony Dargatz, Steve Keszler and Ronald Waterland. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Mayor Mark Carstensen and David Martinson.

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

Motion by Waterland, second by Bachand and carried with all members present voting yes to go into executive session for one legal case, one contract and one personnel matter at 6:05 pm.

Motion by Crane, second by Bachand to return to regular session at 6:32 pm.

Councilor Bradley led everyone in the Pledge of Allegiance.

Announcements:

- Councilor Bradley proclaimed April 4, 2017 as National Service Recognition Day.
- Councilor Waterland announced that there will be an Easter Cantata on April 9th at 7:00 pm and April 11th at 7:00 pm at the Grace Lutheran Church.
- Spring cleanup will be May 1-5.
- Councilor Keszler, on behalf of the Council, expressed their sincere heartfelt condolences to the families that were affected by the tragic fire in Spearfish this past weekend.
- City offices will be closed on April 14th for the Good Friday holiday.
- The City has been awarded a SRF loan through the State for the Wastewater project. There will be more information to come.
- Welcome back to Chief Vandewater.

Informational Reports:

- Planning Commission – 3/21/17 minutes

City Manager Ainslie reported:

- The sales tax update for General Sales Tax and Capital Improvement Tax for February collected in March was up 2% MTD and was down 3.6% YTD. The Gross Receipts Tax (triple B) was down 8.9% MTD and is up 3.8% YTD.
- Payroll Changes – within budget:
 1. Liquor Store Dept – Sales Clerk part-time – Rhonda Hall - \$8.80.
 2. Ambulance Dept – EMT-B – Courtney Venard - \$8.65 (\$12 after orientation).
 3. Parks Dept – Parks Superintendent – Cody King - \$2307.70 per pay period.

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

- a. Consideration to approve the minutes from the March 20, 2017 regular council meeting and the equalization meeting.
- b. Consideration to approve the 2017 Dam 5K street closure on May 13th from 7 am to Noon.
- c. Consideration to approve amending the minutes from December 19, 2016 on the public hearing held for the SRF funding with the following language: Mayor Carstensen opened

the public hearing for the proposed DENR funding application for the Wastewater Treatment Improvements Project by asking City Manager Ainslie to describe the project to the public. Ainslie then turned the hearing over to Blaise Emerson, Director of the Black Hills Council of Local Governments, to give more detail on the project which would consist of the following components: slip lining clay tile collection system, trunk line upgrade, biosolids removal, a new treatment facility, and biosolids treatment improvements.

Emerson also stated that the proposed Sanitary/Storm Water Facilities Funding Application to the DENR was requesting \$16,647,000 in CWSRF loan funds which would be at 2.5% for a 30 year term. A surcharge will be set up to pay back this loan. Emerson also explained the overall need for the project, the engineering alternatives that were considered and costs of each, the revenue source pledged for the loan repayment, and the effect of the proposed loan on user rates.

Mayor Carstensen called for public comment. One comment was received asking for a description of how a surcharge works. After discussion, there were no complaints or concerns voiced.

- d. Consideration to approve setting a public hearing on April 17, 2017 for a variance request of a temporary mobile office from Jacquelyn Gapp at 2250 Park Ave.
- e. Consideration to approve setting a public hearing on April 17, 2017 for a side setback variance for a carport from Mark Beauvais at 1805 Fulton St.
- f. Consideration to approve setting a public hearing on April 17, 2017 for a zoning amendment from Public Land to Planned Unit Development from the City of Sturgis at Potter's 2nd, Lots 1-24 incl Lots 1A-24A, Block 10, Lots 6A, 7A RW13, Block 10 (Francis Case Development).
- g. Consideration to approve setting a public hearing on April 17, 2017 for vacating a section line for Dollar General at 1940 Lazelle.

Motion by Bachand, second by Keszler and carried with all members present voting yes to approve the following claims:

WAGES – Ambulance \$27,673.86; Attorney \$3534.38; Auditorium \$184.74; Buildings \$1111.74; Cemetery \$2420.86; City Manager \$4463.93; Community Center \$11,037.98; Finance Office \$8844.73; Fire Department \$544.56; Human Resource \$6359.44; Library \$8807.30; Liquor \$6099.62; Mayor and Council \$3661.11; Parks \$7975.55; Planning & Permitting \$7485.54; Police \$48,882.88; Rally \$6866.11; Recreation \$3775.11; Sanitary Service \$13,299.34; Streets \$12,037.16; Wastewater \$8731.83; Water \$13,223.73; Federal Withholding \$; FICA \$.

COMBINED CASH FUND – Tammy Zautke, \$64.78, water refund.

GENERAL – A&B Business, \$301.61, sup; A&J Surplus, \$90.40, repair; Ace Steel, \$663.49, repair; Adams Machining, \$223.39, repair; Amcon Distributing, \$381.77, merch for resale; American Legal Services, \$50.68, prof fee; Avaya, \$25.55, util; Shawn Barrows, \$1500.00, pymt to SVFD; Bear Butte valley Water, \$122.05, util; BH Energy, \$14,543.60, util; Border States Electric, \$809.08, repair; Roger Burnham, \$3605.00, prof fee; Caselle, \$1479.00, prof fee; Century Business Products, \$287.15, sup; Chamber of Commerce, \$285.00, travel; Coca Cola, \$101.00, sup; Creative Product Sourcing, \$927.31, other; Custom Cage, \$680.00, equip; Dakota Business Center, \$60.35, repair; Dakota Extinguisher, \$196.00, maint; Fabric Junction, \$45.00, sup; Flowers by Rose, \$149.10, other; Foothills Seed, \$193.75, sup; Gabriel Hydrick, \$186.43, sup; International Code Council, \$170.00, equip; Jake's Collision Repair, \$750.00, equip; KT Connections, \$1082.80, prof fee; Tyler Kaitfors, \$25.00, grp insur; Lisa Katzenstein, \$139.98, sup; Scott Lensegrav, \$1500.00, pymt to SVFD; Meade County Times, \$539.60, publ; Mobile Mini, \$88.54, sup; Neve's Uniforms, \$325.65, sup; Petty Cash, \$115.00, sup; Purchase Power, \$500.00, sup; Rasmussen Mechanical, \$1249.58, repair; Rockingtree Floral, \$50.90, other; S&C Cleaners, \$3000.00, repair; SD Dept of Public Safety, \$40.78, prof fee; Sturgis ATV, \$19.67, repair; Sturgis Volunteer Fire Dept, \$6798.50, pymt to SVFD; The Glass Shop, \$792.00, repair;

Tom's T's, \$773.80, sup; Tom Trigg, \$5000.00, pymt to SVFD; Twilight First Aid, \$38.68, sup; Universal Athletic, \$206.94, sup; Geody Vandewater, \$32.17, sup; Vast Business, \$1358.29, util; Verizon, \$2146.34, util; West River Electric, \$512.85, util.

SPECIAL SALES TAX – Chamber of Commerce, \$9166.67, monthly pymt; Sturgis Economic Development, \$8333.33, monthly pymt.

CAPITAL IMPROVEMENT – Fourfront Design, \$2233.62, imp; Northern Technologies, \$5600.00, imp.

LIQUOR – Amcon, \$1334.64, merch for resale; Arctic Glacier, \$129.10, merch for resale; BH Energy, \$1863.15, util; BH Security, \$134.85, other; Cask & Cork, \$1045.92, liquor; Century Business Products, \$2.78, sup; Chamber of Commerce, \$30.00, travel; Coca Cola, \$463.50, merch for resale; Dakota's Best Distributing, \$19.35, liquor; Fisher Beverage, \$6706.56, liquor; Johnson Western Wholesale, \$8409.09, liquor; KT Connections, \$98.44, prof fee; LPA Retail System, \$1350.00, prof fee; Pepsi Cola, \$145.70, merch for resale; Prairie Berry, \$1122.00, liquor; Quality Brands of the BH, \$10,424.52, liquor; Republic Beverage, \$25,302.09, liquor; Southern Glazer's of SD, \$192.82, liquor.

WATER – BH Energy, \$201.71, util; Century Business Products, \$40.45, sup; Credit Collections Bureau, \$345.68, prof fee; Dakota Extinguisher, \$227.00, repair; HD Supply Waterworks, \$3517.49, sup; KT Connections, \$98.44, prof fee; Meade County Times, \$173.14, publ; Mobile Mini, \$44.27, sup; Petty Cash, \$6.96, sup; Twilight First Aid, \$19.34, sup; Vast Business, \$31.86, util; Verizon, \$213.92, util.

WASTEWATER – Advanced Engineering, \$5920.50, cap imp; BH Energy, \$3086.58, util; KT Connections, \$98.44, prof fee; Scott Peterson Motors, \$1505.12, repair; Twilight First Aid, \$19.34, sup; Verizon, \$139.31.

SANITARY SERVICE – BH Energy, \$316.07, util; Century Business Products, \$278.48, prof fee; Century Link, \$54.95, util; Fedex, \$30.81, other; KT Connections, \$98.44, prof fee; New Deal Tire, \$1091.20, other; Quick Signs, \$49.98, sup; Rockingtree Floral, \$50.85, sup; SDSWMA, \$260.00, travel; SWANA, \$193.00, prof fee; Twilight First Aid, \$19.34, sup; Verizon, \$37.77, util.

AMBULANCE – Century Business Products, \$386.19, sup; Dataform, \$220.00, sup; Feld Fire, \$1544.17, sup; Shawn Fischer, \$82.66, prof fee; Greens Alignment, \$60.00, repair; Henry Schein, \$740.36, sup; Holiday Inn, \$133.33, travel; Howard Johnson Oacoma, \$178.62, travel; KT Connections, \$98.44, prof fee; Lindstad's Alignment, \$53.25, repair; Pizza Hut, \$64.20, sup; Tom Price, \$400.00, other; Rockingtree Floral, \$53.25, sup; Lee Stroschine, \$23.96, travel; Verizon, \$336.80, util.

Motion by Bachand, second by Crane and carried with all members present voting yes to approve Resolution 2017-18 - Boundaries for TIF # 14 – Senior Living with the correction of removing the words Hurley Subdivision on Lot 5.

RESOLUTION 2017-18

CREATION OF TAX INCREMENTAL DISTRICT NUMBER FOURTEEN

WHEREAS, the Common Council of the City of Sturgis deems it necessary to create a tax incremental district, pursuant to SDCL 11-9-5, to be designated as Tax Incremental District Number Fourteen (TID #14) and includes the real property as more particularly described herein; and

WHEREAS, the Council has reviewed and considered the recommendation provided to the Council by the Sturgis Planning and Zoning Commission; and

WHEREAS, the property within the following described District meets the qualifications and criteria set forth in SDCL 11-9-8 for a tax incremental district; and

WHEREAS, the Council finds that not less than twenty-five percent, by area, of the real property within the district is a blighted area or the development of not less than fifty percent, by area, of the real property within the district will stimulate and develop the general economic welfare and prosperity of the state; and

WHEREAS, the Council finds that the use of tax increment financing to promote development is authorized by the statutes of the State of South Dakota; and

WHEREAS, the Council finds improvement of the area is likely to significantly enhance the value substantially of all the other real property in the district.

NOW THEREFORE BE IT RESOLVED, by the City of Sturgis that the real property legally described below and known as Senior Living Project shall constitute the final boundaries of Tax Incremental District Number Fourteen (TID #14):

Lots 7, 10, and 11 of Hurley Subdivision, located in the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat recorded in Plat Book 21 on Page 194.

Lots 8 and 9 of Hurley Subdivision, located in the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., of the City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 21 on Page 194.

Lot 5H1-ROE of Hurley Subdivision. Formerly Lots 5H1-A & 5H1-B of Hurley Subdivision, located in the N1/2NW1/4 of Section 16 T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota as shown on the plat filed in Plat Book 23 on Page 316.

Lot 5H2 Revised of Hurley Subdivision. Formerly Lot 5H2 and Lot 5H3 of Hurley Subdivision, located in the N1/2NW1/4 of Section 16 T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota as shown on the plat filed in Plat Book 24 on Page 76.

Remainder of Lot A-2 of Hurley Subdivision, located in the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 21 on Page 153, and as corrected in the Affidavit of Correction recorded September 30, 2004, in Book 666 on Page 417; EXCEPTING therefrom Lot 7-16 of Hurley Subdivision, as shown on the plat filed in Plat Book 21 on Page 194; and EXCEPTING therefrom Lot 17 of Hurley Subdivision, as shown on the plat filed in Plat Book 23 on Page 92.

Lot 13 of Murray Tract #1, located in the SW1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown by the plat filed in Plat Book 5 on Page 235.

Lot 13A of Murray Tract #1, located in the SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown by the plat filed in Plat Book 12 on Page 27.

Lot 24N, a subdivision of Lot 24 of Murray Tract #1, located in the SW1/4SW1/4 of Section 9. T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown by the plat filed in Plat Book 19 on Page 85.

Lot 24S, a subdivision of Lot 24 of Murray Tract #1, located in the SW1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat recorded in Plat Book 19 on Page 85.

Lot 4 of Lot A of the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 5 on Page 139 (sometimes referred to as Ferguson Subdivision).

Lot 5 located in the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 8 on Page 50.

Lot 6 of Hurley Subdivision, located in the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 13 on Page 10.

Lots 1 and 2 of Lot A of the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota, as shown on the plat filed in Plat Book 9 on Page 50 (sometimes referred to as Ferguson Plat).

Lot 3 of Lot A of the SE1/4SW1/4 of Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County South Dakota (sometimes referred to as Ferguson Subdivision), as shown on the plat filed in Plat Book 8 on Page 50.

Lot C-1 of Lot C of Symonds Subdivision in the City of Sturgis, Meade County, South Dakota, as shown by the plat filed in Plat Book 12 on Page 14.

Lot C-2 of Symonds Subdivision of Lot C in the SE1/4SW1/4 of Section 9 and the vacated portion of the Section Line between the NE1/4NW1/4 of Section 9, T5N., R5E., B.H.M., Meade County, South Dakota, as shown on the plat filed in Plat Book 12 on Page 14.

Lot H-2 (Vacated Right-of-Way adjacent to Lot 1 of Lot A of SE 1/4 SW 1/4). Formerly a portion of the Dolan Creek Road Right-of-Way located in the SE 1/4 SW 1/4 Section 9, T5N., R5E., B.H.M., City of Sturgis, Meade County, South Dakota as shown on the plat filed in Plat Book 24 on Page 185.

NOW, BE IT FURTHER RESOLVED that said Tax Incremental District Number Fourteen, City of Sturgis, described above shall upon passage and publication be forwarded to the State of South Dakota Department of Revenue to set the aggregate assessed value pursuant to SDCL 11-9-20.

Dated this 3rd day of April, 2017.

Published: 04-12-2017

Effective: 05-03-2014

Motion by Anderson, second by Crane and carried with all members present voting yes to approve first reading of Ordinance 2017-02 – Title 30 – City Beautification and Regulation of Advertising.

The following hay bids were received for WWTF Pond #4: Guy Casteel – Average - \$8,250; Gerad Cuka/Justin Williams – Average - \$20,037.75; Scott Cammack – Average - \$12,080; Bear Butte Trust-Henry Bruch – Average -\$4,026. Barry Stadium – Guy Casteel – Average - \$1500.00; Scott Cammack – Average - \$945; Tanse Hermann – Average- \$437.50; Bechen Ranch (Doug Bechen) – Average - \$927.88. Marcotte Property – Guy Casteel – Average- \$1000; Scott Cammack – Average - \$375; Tanse Herrmann – Average -\$300; Bechen Ranch (Doug Bechen) Average - \$556.88.

Motion by Waterland, second by Anderson and carried with all members present voting yes to approve the following bids for 2017-2020: WWTF Pond #4 – Gerad Cuka/Justin Williams - \$20,001 – 1st year, \$20,025 – 2nd year, \$20,050 – 3rd year and \$20,075 – 4th year. Barry Stadium – Guy Casteel - \$1500 a year for all 4 years. Marcotte Property – Guy Casteel - \$1000 a year for all 4 years.

Motion by Crane, second by Anderson and carried with all members present voting yes to approve purchase of a John Deere 1580 Terrain Cut Lawn Mower using South Dakota State Bid for the amount of \$27,733.86.

The following bids were received: Ainsworth Benning – Base bid - \$122,024.50 – Alt 1- \$7,105.25-Alt 2 - \$1,622.25; Complete Contracting Solutions – Base bid - \$113,600 – Alt 1 - \$7,195.80 – Alt 2 - \$1,876.90; Iverson Construction – Base bid - \$95,995 – Alt 1 - \$7,037- Alt 2 - \$1,388; Scull Construction – Base bid - \$126,485.60 – Alt 1 - \$7,671- Alt 2 - \$1,515; Tru-Form Construction – Base bid - \$85,637.55- Alt 1 - \$5,325 – Alt 2- \$977.

Motion by Bachand, second by Keszler and carried with all members present voting yes to approve the low bid from Tru-Form Construction for the following amounts Base bid - \$85,637.55- Alt 1 - \$5,325 – Alt 2- \$977for the new park shelter to replace the Old Stone Shelter.

Any other business:

The Optimists will be having an Easter Egg Hunt in the park on April 15th at 10:00 am.

Motion by Waterland, seconded by Crane and carried with all members present voting yes to adjourn the meeting at 7:36 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$