

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, December 18, 2017 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson (arrives at 6:13pm), Mike Bachand, Rod Bradley, Rhea Crane, Steve Keszler, David Martinson, Scott Peterson and Ronald Waterland. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: None.

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

Motion by Martinson, second by Crane and carried with all members present unanimously voting yes to go into executive session for one legal case, one contract and two personnel at 6:00 pm.

Motion by Waterland, second by Peterson to return to regular session at 6:32 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

Informational Reports:

- Planning Commission – 12/5/17 minutes

Announcements:

- The next two City Council meetings will be held on January 2, 2018 and January 16, 2018.
- Holiday trash schedule for Christmas and New Year's: Monday's pickup will be on Tuesday.
- The Christmas tree drop off at Exit 32 and on Ballpark Road will be set up December 26th.
- Paige McPherson Room ribbon cutting will be on December 21st at 4:00 pm at the Community Center. Scrooge Night will be held on December 21st.

City Manager Ainslie reported:

- City Staff donation to Toys for Tots - \$1515.00
- Payroll Changes – within budget:
 1. Police Dept – Detective – Victor Leveque – No wage change; Sergeant – Christopher Schmoker - \$23.55; Patrol Officer – Carter Howard - \$18.82.
 2. Sanitation Dept – Rubble Site Operator – Jacob Berghorst - \$13.89.

Motion by Bachand, second by Martinson and carried with all members present unanimously voting yes to approve the following items on the consent calendar with the exception of removing b and d:

- a. Consideration of minutes from the December 4, 2017 regular council meeting.
- b. ~~Consideration of write offs of uncollectible water sewer garbage accounts.~~
- c. Consideration of write offs of checks written in 2016.
- d. ~~Consideration of ESGR Statement of Support 2017.~~
- e. Consideration of Resolution 2017-60 – Supplemental Appropriation – Contingency Transfer and Grants.

RESOLUTION 2017-60 SUPPLEMENTAL APPROPRIATIONS CONTINGENCY TRANSFERS AND GRANT SUPPLEMENTS

2017 FISCAL BUDGET

WHEREAS, it appears that there will be insufficient funds in the 2017 Budget, to carry out the indispensable functions of government. It is proposed that the following Supplemental Contingency Transfer Appropriations and Insurance supplements be adopted. This will become effective immediately upon passage.

CONTINGENCY:

FROM: 101-41100-42910 Contingency – \$28,000

TO: Insurance – 101-4147-42100 – Liability Insurance - \$1,000
Community Center – 101-4511-42900 – Other - \$4,500
101-4511-42800 – Utilities - \$20,000

Airport – 101-4350-42500 – Repairs and Maintenance - \$2,500

GRANTS: Police: 101-4211-43400 Machinery and Equipment - \$38,637

Dated this 18th day of December, 2017.

Published: 12/23/2017

Effective: Immediately

- f. Consideration of Resolution 2017-61 – Plat for Believer's Fellowship at 180 Old Stone Road.

RESOLUTION 2017-61 RESOLUTION APPROVING PLAT

WHEREAS, the statutes of the State of South Dakota require that plats of property within the jurisdiction of the City of Sturgis be submitted to the governing body for approval before the same are recorded in the Office of the Register of Deeds; and

WHEREAS, the City of Sturgis Planning and Zoning have presented to the Common Council of the City of Sturgis a plat of the following described real property for John Williamson:

Plat of Lot B2 and Lot B3 of Fellowship Subdivision.
Formerly Lot B Revised, a portion of Lot 3 in the NW ¼ SE ¼ and the NE ¼ SW ¼ of Section 15. All Located in Township 5 North, Range 5 East, Black Hills Meridian, City of Sturgis, Meade County, South Dakota.

WHEREAS, said plat meets the requirements of the statutes.

WHEREAS, that the municipality approves the plat, and that the written certification of the City's approval will be affixed to the plat, by the Mayor.

BE IT RESOLVED by the Common Council of the City of Sturgis, South Dakota, that the within and foregoing plat is hereby approved as provided herein.

Dated this 18th day of December, 2017.

Published: 12/23/2017

Effective: 01/13/2018

Motion by Bradley, second by Waterland and carried with all members present unanimously voting yes to approve the write offs of uncollectible water-sewer-garbage accounts.

Francie Ruebel Alberts, representing the Employers Support of the Guard and Reserve, thanked the City for their support of the Guards and Reserve as the City has 11 employees that are in the Guards.

Motion by Bachand, second by Keszler and carried with all members present unanimously voting yes to approve the ESGR Statement of Support for 2017.

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

WAGES – Ambulance \$23,015.00; Attorney \$3853.57; Auditorium \$184.79; Buildings \$1111.79; Cemetery \$2510.15; City Manager \$4241.15; Community Center \$9467.94; Finance Office \$8938.02; Fire Department \$218.45; Human Resource \$6692.15; Library \$8751.78; Liquor \$6190.09; Mayor and Council \$3661.11; Parks \$10,262.43; Planning & Permitting \$7803.68; Police \$37,547.18; Rally \$6876.36; Recreation \$3277.46; Sanitary Service \$14,183.31; Special Sales Tax \$1923.08; Streets \$12,041.91; Wastewater \$8215.42; Water \$13,408.12; Federal Withholding \$18,813.56; FICA \$14,061.70.

GENERAL – A&B Welding, \$272.53, sup; A&J Surplus, \$25.66, sup; Laura Abernathy, \$312.50, ins; Bear Butte Valley Water, \$107.20, util; BH Chemical, \$1,408.85, sup; BH Energy, \$12,893.00, util; BH Honey Farm, \$176.00, sup; BH Occupational Medicine, \$30.00, prof fee; BH.COM, \$120.00, sup; Campbell Supply, \$583.75, sup; Caselle, \$1,212.78, prof fee; CBH, \$9,278.93, sup; Century Business products, \$156.48, rep; Coca Cola, \$310.25, sup; Jerry Cole, \$500.00, ins; Judd Crowser, \$750.00, ins; Culligan of the BH, \$51.00, sup; Dakota Battery & Electric, \$47.28, rep; Diesel Machinery, \$3,222.40, rep; Double Star Computing, \$1,440.95, sup; Kathy Dykstra, \$500.00, ins; Ecolab Pest Eliminator, \$273.62, rep; Epic Outdoor Advertising, \$1,750.00, rent; First Interstate Bank MasterCard, \$6,169.06, sup; G&H Distributing, \$11.36, sup; Grocery Mart, \$35.85, sup; Hillyard, \$1,059.06, sup; Holiday Inn Express, \$175.00, other; Inland Truck Parts, \$96.28, rep; Jake's Collision Repair, \$689.00, rep; Jenner Equipment, \$35.10, rep; KT Connections, \$1,082.80, prof fee; Lynn's Dakotamart, \$109.75, sup; Marco Technologies, \$39.58, sup; Meade County Auditor, \$13,566.45, other; Meade County Register of Deeds, \$90.00, fee; MDU, \$8,098.52, util; Nebraska Salt & Grain, \$4,149.38, sup; Northern Hills FCU, \$4,315.00, Calcutta; Northern Hills Vet Clinic, \$371.19, prof fee; Owens Interstate Sales, \$795.76, sup; Pennington County Sheriff, \$800.00, prof fee; Pete Lien & Sons, \$143.75, rep; Pitney Bowes, \$106.17, rent; Pizza Hut, \$13.98, other; Powerplan, \$461.50, rep; Proline Custom Signs, \$1,100.00, rep; Purchase Power, \$500.00, sup; Rapid City Journal, \$465.84, pub; Rapid Digital Solutions, \$319.50, sup; Rasmussen Mechanical Services, \$482.50, rep; Rockingtree Floral, \$81.95, other; Rushmore Office Supply, \$633.32, sup; Sacrison Asphalt, \$124.80, sup; Lance Scherer, \$500.00, ins; Scott Peterson Motors, \$19.10, rep; Servall Towel & Linen, \$704.37, sup; Shopko, \$223.16, sup; Speedy Lube, \$70.98, rep; Christina Steele, \$500.00, ins; Sturgis NAPA, \$679.16, sup; The Knuckle Saloon & Steak House, \$2,250.00, other; Town-n-country Plumbing, \$109.45, rep; Twilight First Aid & Safety, \$263.54, sup; VAST Business, \$2,025.13, util; West Payment Center, \$198.28, prof fee; West River Electric, \$381.78, util; Wolff's Plumbing, & Heating, \$103.00, rep.

SPECIAL SALES TAX – Black Hills Energy, \$757.48; MDU, \$52.74; VAST Business, \$320.50.

CAPITAL IMPROVEMENT – Campbell Supply, \$77.37; Northern Technologies, \$2,850.00; Pete Lien & Sons, \$443.25; Quality Services, \$4,188.41; Stan Houston Equipment, \$55.00.

BUSINESS IMPROVEMENT DISTRICT – Campbell supply, \$60.96; Lynn's Dakotamart, \$10.98.

LIQUOR – Amcon Distributing, \$950.13, resale; Arctic Glacier, \$47.04, resale; BH Chemical, \$212.70, sup; Cask & cork, \$385.39, resale; Coca Cola, \$103.50, resale; Dakota's Best Distributing, \$77.75, resale; Double Star Computing, \$62.81, prof fee; Duhamel Broadcasting, \$2,862.00, pub; Ecolab Pest Eliminator, \$114.62, rep; Epic Outdoor Advertising, \$1,150.00, pub; First Interstate Bank MasterCard, \$347.02, prof fee; Fisher Beverage, \$3,709.72, resale; Gold Pan Pizza, \$76.71, refund; Johnson Western Wholesale, \$5,993.95, resale; KT Connections, \$98.44, prof fee; Lynn's Dakotamart, \$15.12, sup; Main St Grill, \$17.77, refund; Midco Business, \$85.00, util; MDU, \$220.32, util; Pepsi Cola, \$102.65, resale; Quality Brands of the BH, \$6,541.00, resale; Republic Beverage, \$9,747.09, resale; Roscoz, \$62.90, resale; Rushmore Office Supply, \$480.26, sup; Servall, \$169.91, sup; Southern Glazers, \$908.16, resale; Sturgis Wine Co, \$25.28, refund; The Knuckle Saloon & Steak House, \$199.00, other; True Brands, \$176.47, resale; VAST Business, \$289.33, util; Weimer's Diner & Donuts, \$144.50, resale;

WATER – Laura Abernathy, \$62.50, ins; BH Energy, \$708.97, util; Campbell Supply, \$47.25, sup; Caselle, \$266.22, prof fee; CBH, \$521.15, sup; Core & Main, \$735.13, sup; Double Star Computing, \$62.81, prof fee; Ecolab Pest Eliminator, \$64.27, rep; First Interstate Bank MasterCard, \$70.92, ins; G&H Distributing, \$118.70, sup; Grimm's Pump & Industrial Supply, \$37.20, rep; KT Connections, \$98.44, prof fee; Midcontinent Testing Lab, \$147.00, prof fee; MDU, \$305.82, util; Northwest Pipe Fittings, \$182.70, sup; Owens Interstate Sales, \$19.62, sup; Pete Lien & Sons, \$138.50, rep; Rushmore Office Supply, \$72.55, sup; SD One Call, \$62.72, prof fee; Servall Towel & Linen, \$11.86, rep; Shopko, \$30.96, sup; Sturgis NAPA, \$3.85, sup; VAST Business, \$140.32, util.

WASTEWATER – Laura Abernathy, \$62.50, ins; Advanced Engineering & Environmental, \$23,769.79, cap imp; American Engineering Testing, \$1,766.80, prof fee; Campbell Supply, \$202.87, sup; Double Star Computing, \$62.81, prof fee; G&H Distributing, \$45.97, sup; Jenner Equipment, \$264.43, rep; KT Connections, \$98.44, prof fee; Kieffer Sanitation, \$90.00, sup; Owens Interstate Sales, \$207.47, rep; Sanitation Products, \$1,179.79, sup; Scott Peterson Motors, \$37.29, rep; Sturgis NAPA, \$128.76, rep; Twilight First Aid & Safety, \$80.10, sup.

SANITATION – Laura Abernathy, \$62.50, ins; BH Energy, \$12.00, util; Campbell Supply, \$189.00, sup; CBH, \$3,188.44, sup; Century Business Products, \$312.10, prof fee; City of Belle Fourche, \$21,316.52, other; Bill Coacher, \$476.58, ins; Double Star Computing, \$62.81, prof fee; Holtz Industries, \$215.00, rep; Jim's Auto Salvage, \$30.00, sup; KT Connections, \$98.44, prof fee; Kieffer Sanitation, \$171.00, other; Owens Interstate Sales, \$141.82, rep; Powerplan, \$32.39, rep; Sturgis NAPA, \$285.18, rep.

AMBULANCE - A&B Welding, \$125.55, sup; CBH, \$1,537.88, sup; Coca Cola, \$22.75, sup; Dept of Social Services, \$249.72, refund; Double Star Computing, \$62.81, prof fee; First Interstate Bank MasterCard, \$2,218.33, prof fee; Image Trend, \$246.00, prof fee; Interstate All Batteries, \$130.00, rep; KT Connections, \$98.44, prof fee; Lynn's Dakotamart, \$12.38, sup; MDU, \$190.68, util; Motorola Solutions, \$4,413.00, equip; Richter's Tire & Exhaust, \$138.72, rep; Rockingtree Floral, \$40.45, sup; Rushmore Office Supply, \$72.61, sup; Sturgis Guns & Motorcycles, \$4,600.00, other; Sturgis NAPA, \$57.18, sup; VAST Business, \$167.42, util; Western Communications, \$942.00, rep.

Motion by Martinson, second by Bachand and carried with all members present unanimously voting yes to approve reducing the frontage variance to 66' for Lot 1B for LPN Holdings.

Motion by Waterland, second by Peterson and carried with Carstensen, Anderson, Bachand, Crane, Keszler, Martinson, Peterson and Waterland voting yes, Bradley abstaining, to approve a Retail Wine License application for Wicked Wanda's Creations LLC dba Wanda's Kitchen at 1025 Junction Ave.

Discussion was held on the covenants for Dolan Creek Estates and how this affects this use-on-review for an in-home daycare.

Motion by Bradley, second by Anderson and carried with Carstensen, Anderson, Bradley, Keszler, Martinson, Peterson and Waterland voting yes, Bachand and Crane voting no, to approve a Use on Review to operate an in-home daycare for Corrina Ross at 2544 Meadows Dr with the recommendation from Planning and Zoning: the applicant shall install a yard and fencing by spring of 2018, and restrict outdoor play to the fenced-in backyard.

Motion by Waterland, second by Crane and carried with all members present unanimously voting yes to approve to rezone property for Dan Roe at 1801 Ballpark Road from Medium-Density Residential housing to Single-Family Residential/Office Commercial.

Motion by Bradley, second by Anderson and carried with Carstensen, Anderson, Bradley, Crane, Keszler, Martinson, Peterson and Waterland voting yes, Bachand voting no, to approve Resolution 2017-62 to vacate a portion of the alley for Aaron Schoon/Jake's Collision at 2418 Junction.

**RESOLUTION 2017-62
RESOLUTION TO VACATE AN ALLEY LOCATED ON PROPERTY OWNED BY
AARON SCHOON**

WHEREAS, Aaron Schoon, owner of the referenced property below has petitioned to request that the Sturgis City Council vacate the portion of the alley adjacent to the herein referenced property:

A PORTION OF THE ALLEY BETWEEN BLOCKS BC AND BLOCK C OF
GLOVER'S FIRST ADDITION TO THE CITY OF STURGIS AND TRACT A
OF MAVERIK ADDITION. LOCATED IN THE SW1/4 OF THE NW1/4 OF
THE NW1/4 OF SECTION 15, TOWNSHIP 5 NORTH, RANGE 5 EAST,
BLACK HILLS MERIDIAN, CITY OF STURGIS, MEADE COUNTY,
SOUTH DAKOTA.

NOW THEREFORE BE IT RESOLVED that we, the assembled members of the Common Council of the City of Sturgis, do hereby approve the request to vacate alley described herein.

Adopted this 18th day of December, 2017.

Published: 12/23/2017
Effective Date: 01/13/2018

Motion by Waterland, second by Martinson and carried with all members present unanimously voting yes to approve the amended Voluntary Development and Annexation Agreement for LPN Holdings.

Motion by Peterson, second by Keszler and carried with all members present unanimously voting yes to approve the Annexation Petition and Resolution 2017-63 – Voluntary Annexation for LPN Holdings.

**RESOLUTION 2017-63
RESOLUTION ON ANNEXATION OF LAND OWNED
BY MIKE LEVEQUE – LPN HOLDINGS LLC**

WHEREAS, Mike Leveque, LPN Holdings LLC has filed a Petition for Annexation with the City of Sturgis; and

WHEREAS, said Petition has been executed by more than $\frac{3}{4}$ of the registered voters and more than $\frac{3}{4}$ of the owners of the value of the territory sought to be annexed to the City of Sturgis; and

WHEREAS, said real property set forth in the Petition is contiguous to the City of Sturgis; and

NOW THEREFORE BE IT RESOLVED, that this Resolution of Annexation shall become effective upon the filing of this resolution and a map of the annexed area with the Meade County Register of Deed pursuant to S.D.C.L. 9-4-11; and

BE IT FURTHER RESOLVED that upon such approval that the following described real property shall be annexed to the City of Sturgis:

A portion of Lots 8-12, Block 4, Lot 1-18, Block 5, all in Schnell's Addition and the adjoining Vacated 16th Street and Alley located in the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5; A portion of Lots 1-9, Block 4, all in Schnell's Addition and adjoining Vacated 15th Street located in the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5; A portion of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 8; A portion of Lots 7-20, Block 4; Lots 1-4, 13-24, Block 5 all in Schnell's Addition and adjoining Vacated Hill Street, 16th Street and Alley, and portions of Lot 1 of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 8; AND a portion of Lots 11-14, Block 3; Lots 1-9, 18-24, Block 4; Lots 8, 17-24, Block 1, all in Schnell's Addition and adjoining Vacated Hill Street, 15th Street and Alleys and portions of Lot 2 of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 8. All Located in Township 5 North, Range 5 East, Black Hills Meridian, Meade County, South Dakota.

Dated this 18th day of December, 2017

Published: 12/23/2017

Effective: upon filing at the Register of Deeds (SDCL 9-4-11

Motion by Crane, second by Peterson and carried with all members present unanimously voting yes to approve Resolution 2017-64 – Plat for LPN.

RESOLUTION 2017-64 RESOLUTION APPROVING PLAT

WHEREAS, the statutes of the State of South Dakota require that plats of property within the jurisdiction of the City of Sturgis be submitted to the governing body for approval before the same are recorded in the Office of the Register of Deeds; and

WHEREAS, the City of Sturgis Planning and Zoning have presented to the Common Council of the City of Sturgis a plat of the following described real property for LPN Holdings LLC:

Plat of Lot 1A, Lot 1B and Lot 1C of LPN Holdings Addition to the City of Sturgis. Formerly a portion of Lot 1 of the South $\frac{1}{2}$ of Section 5; Formerly a portion of Lot 1 of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8, Lot 2 of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 8; AND Formerly Lots 8, 17-24 in Block 1; Lots 11-14 in Block 3; Lots 1-24 in Block 4; Lots 1-24 in Block 5 of Schnell's Addition and adjoining VACATED Hill

Street, 15th Street, 16th Street and Alleys. All located in Township 5 North, Range 5 East, Black Hills Meridian, City of Sturgis, Meade County, South Dakota.

WHEREAS, said plat meets the requirements of the statutes.

WHEREAS, that the municipality approves the plat, and that the written certification of the City's approval will be affixed to the plat, by the Mayor.

BE IT RESOLVED by the Common Council of the City of Sturgis, South Dakota, that the within and foregoing plat is hereby approved as provided herein.

Dated this 18th day of December, 2017.

Published: 12/23/2017

Effective: 01/13/2018

Motion by Martinson, second by Peterson and carried with all members present unanimously voting yes to approve Resolution 2017-59 – Intent to Create TIFD #15.

**RESOLUTION 2017-59
INTENT TO CREATE TAX INCREMENTAL DISTRICT**

WHEREAS, the Common Council of the City of Sturgis is willing to consider the future creation of a tax incremental district, pursuant to SDCL 11-9-5, which would be designated as Tax Incremental District Number Fifteen (TID #15) and such consideration would include the real property as more particularly described below; and

WHEREAS, the Council has prepared a Comprehensive General Plan which identifies the subject area as a General Commercial Area necessary to increase and enhance sales tax revenue collections and enhance the quality of life in Sturgis by increasing the variety of products available for sale within the Community; and

WHEREAS, the property as described below is expected to meet 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 future district is a "blighted area" or the development of not less than fifty percent, by area, of the real property within the future district as set forth below would 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 future improvement of the area would be likely to significantly enhance the value of substantially all the other real property in the future district.

NOW THEREFORE BE IT RESOLVED, by the City of Sturgis that the real property would constitute the proposed area of Tax Incremental District Number Fifteen (TID #15):

Lot 1A, Lot 1B and Lot 1C of LPN Holdings Addition to the City of Sturgis.
Formerly a portion of Lot 1 of the South ½ of Section 5; Formerly a portion of Lot 1 of the NW1/4NE1/4 of Section 8, Lot 2 of the NE1/4NE1/4 and the

NE1/4NW1/4 of Section 8; AND Formerly Lots 8, 17-24 in Block 1, Lots 11-14 in Block 3, Lots 1-24 in Block 4; and Lots 1-24 in Block 5 of Schnell's Addition. All Located in Township 5 North, Range 5 East, Black Hills Meridian, City of Sturgis, Meade County, South Dakota.

NOW, BE IT FURTHER RESOLVED that this statement of future intent to create Tax Incremental District Number Fifteen, City of Sturgis, described above, should occur upon receipt of all necessary paperwork and plans from the landowner LPN Holdings LLC, its assigns, or successors in interest.

Dated this 18th day of December, 2017.

Published: 12/23/2017

Effective: 01/13/2018

Motion by Waterland, second by Anderson and carried with all members present unanimously voting yes to approve designating the legal newspaper for 2018 as Black Hills Pioneer.

Motion by Anderson, second by Peterson and carried with all members present unanimously voting yes to approve the purchase of a 2018 ATV using funds from the 2016-17 SD DOH West Nile Virus Prevention Grant allocations.

Motion by Bradley, seconded by Waterland and carried with all members present unanimously voting yes to approve a three-year term personnel contract for Finance Officer Fay Bueno and City Attorney Greg Barnier.

Motion by Waterland, seconded by Peterson and carried with all members present unanimously voting yes to adjourn the meeting at 8:06 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$