

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, July 2, 2018 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Terry Keszler, David Martinson, Ronald Waterland and Beka Zerst. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Rhea Crane and Steve Keszler.

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

Motion by Martinson, second by Anderson and carried with all members present unanimously voting yes to go into executive session for one legal case, one contract and one personnel at 6:01 pm.

Motion by Martinson, second by Waterland to return to regular session at 6:31 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

Informational Reports:

- MUB Board – 5/22/18 minutes
- Library Board – 6/11/18 minutes

Announcements:

- Police Chief Vandewater presented to Ethan Baker, Sergeant Chris Schmoker and Officer Dylan Goetsch the Life Saving Award and also the Live Saving Medals as they risked their lives to save a person from a burning home this past May. Mayor Carstensen also presented Sergeant Chris Schmoker and Officer Dylan Goetsch the City of Sturgis Award of Merit. Jason McKee thanked the Officers for their efforts in saving his life.
- The City Council meetings for July will be the 16th and 30th. There will only be one meeting in August on the 20th.
- The Tatanka Mountain Bike Race will be held on July 7th. This is an all-day event.
- Neighbors Feeding Neighbors will be held on July 12th from 4:00 pm to 7:00 pm.
- Soccer on the Street will be held on July 14th.
- Music on Main will be held on July 3rd and Fireworks will be shot off that evening.

City Manager Ainslie reported:

- Payroll Changes – within budget:
 1. Ambulance Dept – Driver – Lisa Katzenstein – no wage change; Donni Bruch, Tallina Spring – part-time \$10.00 (\$8.65 during orientation); Critical Care Paramedic – Erica Donovan, Aaron Mitchell - \$17.50.
 2. Rally and Events Dept – Camaro Rally Asst – Taylor Miller - \$9.25; Office Coordinator – Autumn Lyons - \$2.00 supervisory stipend; Survey Facilitator (rally temp) – Leah Hosch, Aubrey Smith - \$13.00; Photo Tower Attendant (rally temp) – Jen Parrow - \$10.00; Infor Booth Attendant (rally temp) – Cindy Wildeberger - \$9.50; Mary Murray, Larry Vissia - \$9.75; Kathy Dykstra - \$10.00; Parking Lot Attendant (rally temp) – Cynthia Scherer – no wage change.
 3. Fire Dept – Temp Fire Fighter – Roy Casteel, Shawn Fischer, Dravan Lensegrav, Daniel Mayer, Micky Montanio, Corey Nelson, Tom Price, Seth Schwartz, Lee Stroschine - \$15/hr July 3-4.

4. Police Dept – Records Asst/Receptionist – Becky Merwin - \$13.00 part-time.
5. Community Center Dept – Front Desk Attendant part-time – Tyler Kaiser - \$8.85; Custodian (rally temp) – Lisa Dachtler - \$10.50; Armory Custodian (rally temp) – Abraham Usera - \$10.50; Patricia Usera - \$10.75; Life Guards, Front Desk– All existing part-time staff – increase to \$10.50 for rally.

Motion by Bachand, second by Zerst and carried with all members present unanimously voting yes to approve the following items on the consent calendar with the exception of e and f:

- a. Consideration of minutes from the June 18, 2018 regular council meeting.
- b. Consideration of setting a public hearing on July 16, 2018 for a Zoning Amendment to rezone a 100' corridor on property along I-90 for a billboard at 170 Old Stone Road for Bill Meirose.
- c. Consideration of setting a public hearing on July 16, 2018 for a Use on Review to allow RV camping at 940 Dickson Dr for Patti and Tom Donney (Saab Heritage Museum).
- d. Consideration of Application of Abatement of property taxes for Robert McKee.
- ~~e. Consideration of Resolution 2018-43 – Bond Issue for Public Works Campus.~~
- ~~f. Consideration of 2018 vehicle purchase from state contract bid pricing out of Sanitation Reserve Funds.~~

Motion by Waterland, second by Martinson and carried with all members present unanimously voting yes to approve Resolution 2018-43 – Bond Issue for Public Works Campus.

RESOLUTION NO 2018-43

RESOLUTION RELATING TO THE IMPROVEMENT OF THE PUBLIC WORKS CAMPUS; AUTHORIZING AND DIRECTING THE ISSUANCE AND SALE OF A SALES TAX REVENUE BOND TO PAY THE COST OF SAID IMPROVEMENTS; DEFINING THE TERMS AND MANNER OF PAYMENT OF THE BOND AND THE SECURITY THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STURGIS, SOUTH DAKOTA, AS FOLLOWS:

SECTION 1. RECITALS, AUTHORIZATION AND FINDINGS.

1.01. Recitals and Authorization. (a) The City of Sturgis, South Dakota (the Issuer) operates an existing public works campus (the Facilities), for municipal purposes.

(b) The Issuer is authorized to borrow money and issue its revenue bonds under South Dakota Codified Laws, Chapters 10-52 (the Act) and 6-8B, in order to finance a portion of the cost of improvements to the Facilities (the Improvements). The Issuer is authorized to issue its obligations in order to defray the cost thereof, and to make all pledges, covenants and agreements authorized by law for the protection of the holders of the obligations.

(c) The Issuer is also authorized under the Act to levy a non-ad valorem tax (as defined in the Act), on the sale, use, storage and consumption of items taxed under South Dakota Codified Laws, Chapter 10-45 and 10-46, subject to certain exceptions; and the Issuer has enacted Title 20 of the Sturgis City Ordinances, as amended (the Sales Tax Ordinance), pursuant to the Act imposing the sales and use tax authorized by the Act within the Issuer (the Sales Tax).

(d) The Issuer covenants that so long as the Bond described hereunder remains Outstanding and unpaid:

(i) It will not amend or repeal the Sales Tax Ordinance in any way that would adversely affect the amount of Sales Tax which would otherwise be collected and deposited to the Revenue Bond Account described hereinafter. However, nothing shall prevent the Issuer from amending the Sales Tax Ordinance in order to comply with South Dakota state law or to make certain changes in the administration of the Sales Tax, provided that such changes would not materially adversely affect the owner of the Bond.

(ii) It will administer, enforce and collect, or cause to be administered, enforced or collected, the Sales Tax authorized by the Sales Tax Ordinance and shall take such action as is necessary to collect delinquent payments in accordance with the law.

(iii) It will keep or cause to be kept such books and records showing the proceeds of the Sales Tax, in which complete entries shall be made in accordance with standard principles of accounting, and the owner of the Bond shall have the right at all reasonable times to inspect the records and accounts relating to the collection and receipts of such Sales Tax.

(iv) In the event the Sales Tax of the Issuer is replaced and superseded, the revenues derived by the Issuer from the replacement source or sources, as received by the Issuer shall be appropriated in the same manner as the Sales Tax. From and after the date of a replacement, the outstanding Bond shall have a first and prior lien, but not necessarily an exclusive such lien, upon such replacement revenues to the extent therein specified, which lien shall be on a parity with the lien of the Prior Bonds and any other then outstanding Parity Sales Tax Debt, each as hereinafter defined.

1.02 Sale. The United States of America, acting through the United States Department of Agriculture (the Lender) has agreed, subject to certain terms and conditions, to lend the Issuer \$4,600,000 to finance the cost of the Improvements. The Issuer hereby accepts such terms. It is hereby found and determined to be necessary and expedient for the Issuer to issue and sell to the Lender, pursuant to the Act, its Sales Tax Revenue Bond, Series 2018 (the Bond), in the aggregate principal amount of \$4,600,000. The proceeds of the Bond will be used, together with funds on hand as may be required, to finance the Improvements and reimburse the Issuer for expenditures previously incurred by it to finance the costs of the Improvements.

1.03. Findings. (a) The issuance of the Bond of the Issuer of not more than \$4,600,000 in principal amount is hereby authorized, approved and confirmed, and the Mayor, Finance Officer and other appropriate officials of the Issuer shall be authorized to execute and deliver the Bond to the Lender, for and on behalf of the Issuer, upon receipt of the purchase price therefor. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Bond, and their execution and delivery of the Bond shall evidence such approval. The terms of the Bond, as so executed and delivered, shall be deemed to be incorporated herein by reference.

(b) It is hereby found and determined that the aggregate principal amount of the Bond, when added to all other indebtedness of the Issuer subject to its general (5%) debt limit, will not exceed 5% of the assessed value of the taxable property in the Issuer.

(c) The City has heretofore issued to the Lender its Sales Tax Revenue Bonds, Series 2010 (Build America Bonds—Direct Pay), currently outstanding in the amount of \$727,532 (the Prior Bonds). The City has determined that the conditions set forth in the resolutions authorizing the Prior Bonds for the issuance of additional sales tax revenue bonds on a parity with the Prior Bonds have been met.

SECTION 2. TERMS AND EXECUTION.

2.01. Issuance of Bond. All acts, conditions and things which are required by the Act and laws of the State of South Dakota to be done, to exist, to happen and to be performed prior to the issuance of the Bond having been done, existing, and having happened, it is now necessary for this Board to establish the form and terms of the Bond, to provide for the security thereof, and to issue the Bond forthwith.

2.02. Terms. To finance the cost of the Improvements and to evidence the loan referred to in Section 1.02 hereof, the Issuer shall forthwith issue the Bond, in fully registered form, in the principal amount of \$4,600,000, dated as of the date of its delivery. The Bond shall be payable in installments of principal maturing in the years and amounts set forth in the Bond, with a final maturity not later than 40 years after the date of issuance thereof.

The Bonds shall bear interest at the maximum rate of 3.50% per annum on the installments of principal from time to time remaining unpaid. The principal of and interest on the Bond shall be payable to the registered holder thereof at the address appearing on the bond register of the Issuer.

2.03. Registration. The Bond shall be fully registered as to both principal and interest and shall be initially registered in the name of and payable to the United States of America. While so registered, principal of and interest on the Bond shall be payable by pre-authorized debit payment process, as described in SF 5510, or by such other method as may be designated by the Lender in writing, and delivered to the Finance Officer. The Finance Officer shall act as bond registrar and as such shall establish and maintain a bond register for the purpose of recording the names and addresses of the registered holder and its assigns, and the date of registration of any transfer.

2.04. Redemption. Prepayments of scheduled installments of principal on the Bond, or any portion thereof, may be made at any time at the option of the Issuer. Proceeds of refunding obligations of the Issuer, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Bond, shall, after payment of interest, be applied to the principal. Partial prepayments shall not affect the obligation of the Issuer to pay the remaining installments as scheduled. The Finance Officer shall enter in the bond register the amount and date of each prepayment.

2.05. Execution and Delivery. The Bond shall be prepared under the direction of the Finance Officer and shall be executed on behalf of the Issuer by the signature of the Mayor, attested by the Finance Officer. When the Bond has been so executed and authenticated, it shall be delivered by the Finance Officer to the Lender upon payment by the Lender of the principal amount, and the Lender shall not be required to see to the application of the purchase price.

2.06. Assignment and Exchange. The Bond shall be transferable by the registered owner or its attorney duly authorized in writing upon presentation thereof to the Finance Officer together with a written instrument of transfer satisfactory to the Finance Officer and duly executed by the registered owner or its attorney. The following form of assignment shall be sufficient for the purpose:

“For value received _____ hereby sells, assigns and transfers unto _____ the within Bond of the City of Sturgis, South Dakota, and does hereby irrevocably constitute and appoint _____, Attorney, to transfer said Bond on the books of said Issuer with full power of substitution in the premises.

Dated: _____”

Such transfer shall also be noted on the Bond to be transferred and in the bond register. Upon request of the registered owner or transferee, and upon surrender of any Bond, the Issuer shall execute and deliver one or more other bonds, in denominations of \$100 or integral multiples thereof of an aggregate principal amount equal to the principal amount of the Bond which then remains unpaid, and maturing at the same time or times as the then unpaid principal installments of the Bond, and the Bond shall be promptly canceled by the Finance Officer. No service charge shall be made for such transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax, fee or governmental charge or other expense incurred by the Issuer with respect to such exchange. In the event of a request for the issuance of more than one new bond upon any such exchange, the Issuer shall make such provisions relative to the form of such bonds as shall be deemed necessary or desirable to ensure that the terms of and the security for the indebtedness represented by the Bond shall not be varied in any material respect by reason of such exchange.

SECTION 3. FUNDS AND ACCOUNTS.

By the resolution authorizing issuance of the Prior Bonds, the City has established a Special Revenue Fund into which all Sales Tax collections shall be deposited. To secure the payment of principal of and interest on the Bond, the following funds and accounts within the Special Revenue Fund shall be used solely for the following respective purposes until payment in full of the principal of and interest on the Bond:

3.01. Revenue Bond Account. For each month in which the Issuer receives Sales Tax from the State Department of Revenue, it will determine the amount of interest on and principal of the Bond which has accrued and is unpaid on the Bond through the end of the month in which such Sales Tax is received. From each such receipt of Sales Tax, there shall be set aside and credited to the Revenue Bond Account an amount equal to such accrued and unpaid interest and principal, until the balance in the Revenue Bond Account is equal to the total sum of the principal and interest to become due on the Bond on the next succeeding installment payment date. Moneys from time to time held in the Revenue Bond Account shall be disbursed only to meet payments of principal and interest on the Bond as such payments become due, provided that on any date when the outstanding Bond is due or prepayable by its terms, if the amount then on hand in the Revenue Bond Account is sufficient, with other moneys available for the purpose, to pay the Bond and the interest accrued thereon in full, it may be used for that purpose. In the event that sufficient moneys are not available in the Revenue Bond Account, including by transfer from the Reserve Account, the Issuer, to the extent it may at the time legally do so, may, but shall not be required to, temporarily advance moneys to the Revenue Bond Account from other funds of the Issuer on hand and available for the purpose.

3.02. Reserve Account. The City has created and established an account designated the “Reserve Account.” There shall be credited to the Reserve Account from Sales Tax proceeds, following application of Sales Tax revenues to the Revenue Bond Account as described herein and any debt service accounts established for Parity Sales Tax Debt, the amount of \$1,785.00 monthly until the amount on deposit in the Reserve Account is equal to \$214,176.00 (the “Reserve Requirement”). Thereafter, in the event that the amount on deposit in the Reserve Account shall fall below the Reserve Requirement, additional deposits shall be made from available Sales Tax to the Reserve Account until the Reserve Requirement is again reached. Moneys credited to the Reserve Account may be used only for the payment of principal of and interest on the Bond or such other uses as shall be approved by the Lender and shall not disqualify the Bond as a tax-exempt obligation and shall be used only for debt service in the event

that there are insufficient moneys in the Revenue Bond Account to meet such principal and interest payments promptly when due.

3.03. Deposit and Investment of Funds. The Finance Officer shall cause all moneys in the Revenue Bond Account and the Reserve Account (the Accounts) to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of Chapter 4-6A, South Dakota Codified Laws, in a deposit account or accounts, which shall be maintained so long as any of the Bond and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No moneys shall at any time be withdrawn from such deposit accounts except for the purposes of the Accounts as authorized in this resolution, except that moneys from time to time on hand in the Accounts may at any time, in the discretion of this Council, be invested in securities permitted by the provisions of Section 4-5-6, South Dakota Codified Laws. Income received from the deposit or investment of moneys shall be credited, handled and accounted for in the same manner as other moneys in the Accounts. The investment of the moneys on deposit in the Accounts is further restricted by the provisions of Section 7.01 hereof. Deposits and securities described in this section shall constitute "Qualified Investments."

3.04. Additional Revenues or Collateral. The Issuer reserves the right at any time to pledge additional moneys, revenues or collateral as security for the Bond. Such pledge shall not be effective unless and until the Issuer receives an opinion of nationally recognized bond counsel stating that such pledge will not adversely affect the validity or tax exemption of the Bond.

3.05. Appropriation of Other Moneys. The Issuer reserves the right in any year while the Bond is outstanding to appropriate from moneys on hand and legally available for such purpose in its cash reserve accounts such amounts as this Council may specify and direct that such amounts be used to pay principal and interest on the Bond.

SECTION 4. PRIORITIES AND ADDITIONAL BONDS.

4.01. Priority of Bond Payments. If at any time the Sales Tax is insufficient to pay principal and interest then due on the Bond, any and all moneys then on hand shall be first used to pay the interest accrued on the Bond, and the balance shall be applied toward payment of principal of the Bond.

4.02. Additional Bonds. The Issuer reserves the right to issue additional bonds, payable from the Sales Tax, on a parity as to both principal and interest with the Bonds (together with the Bonds and Prior Bonds, the "Parity Sales Tax Debt") in the manner and upon satisfaction of the conditions and subject to the limitations set forth in any loan or other security agreement between the City and the Lender, and if any Prior Bonds are then outstanding, subject to the limitations contained in the resolutions under which such Prior Bonds were issued.

SECTION 5. AMENDMENTS.

5.01. Amendments without Bondholder Consent. The Issuer reserves the right to amend this resolution from time to time and at any time, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or of making such provisions with regard to matters or questions arising hereunder as this City Council may deem necessary or desirable and not inconsistent with this resolution, and which shall not adversely affect the interest of the holder of the Bond, or for the purpose of adding to the covenants and agreements herein contained, or to the Sales Tax, other covenants and agreements thereafter to be observed, for the purpose of surrendering any right or power herein reserved to or conferred upon

the Issuer, or for the purpose of authorizing the issuance of additional bonds in the manner and subject to the terms and conditions prescribed in Section 4. Any such amendment may be adopted by resolution, without the consent of the holder of the Bond.

5.02. Amendments with Bondholder Consent. With the consent of the holder of the Bond, the Issuer may from time to time and at any time amend this resolution by adding any provisions hereto or changing in any manner or eliminating any of the provisions hereof, or of any amending resolution.

SECTION 6. PAYMENT OF BOND.

6.01. General. When the liability of the Issuer on the Bond has been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holder of the Bond shall cease.

6.02. Payment. The Issuer may discharge its liability with reference to the Bond by depositing with the holder or holders thereof, or the paying agent or agents, if any, for such Bond on or before that date a sum sufficient for the payment thereof in full, or if any Bond shall not be paid when due, the Issuer may nevertheless discharge its liability with reference thereto by depositing with the holder or holders thereof, or the paying agent or agents, if any, a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

6.03. Repayable Bond. The Issuer may also discharge its liability with reference to any prepayable Bond which is called for redemption on any date in accordance with its terms, by depositing with the holder or holders thereof, or the paying agent or agents, if any, on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due thereon, provided that notice of such redemption has been duly given as provided in the resolution authorizing the Bond.

SECTION 7. TAX MATTERS AND EFFECTIVE DATE.

7.01. Tax Matters. The Issuer covenants and agrees with the holders from time to time of the Bond that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bond to become subject to taxation under the Internal Revenue Code of 1986, as amended (the Code), and applicable Treasury Regulations (the Regulations). The Finance Officer shall ascertain monthly the amount on deposit in the Revenue Bond Account. If the amount on deposit therein ever exceeds by more than \$100,000 the aggregate amount of principal and interest due and payable from the Revenue Bond Account within 13 months thereafter, such excess shall either (1) not be invested except at a yield equal to or less than the yield borne by the Bond, or (2) be used to prepay and redeem principal installments of the Bond. The Mayor and Finance Officer, being the officers of the Issuer charged with the responsibility for issuing the Bond pursuant to this resolution, are authorized and directed to execute and deliver to the Lender a certification in order to satisfy the provisions of Section 1.148-2(b) of the Regulations. Such certification shall state that on the basis of the facts, estimates and circumstances in existence on the date of issue and delivery of the Bond as therein set forth, it is not expected that the proceeds of the Bond will be used in such a manner that would cause the Bond to be an arbitrage bond, and the certification shall further state that to the best of the knowledge and belief of the officers there are no other facts, estimates or circumstances that would materially change such expectation.

7.02. Tax-Exempt Status of the Bond and Rebate. The Issuer shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income

under Section 103 of the Code of the interest on the Bond, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bond, and (3) the rebate of excess investment earnings to the United States.

7.03. Repeal. All provisions of all other ordinances, resolutions and other actions and proceedings of the Issuer and of this City Council which are in any way inconsistent with the terms and provisions of this resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this resolution.

Adopted: 07/02/2018

Published: 07/09/2018

Effective: 07/30/2018

Motion by Martinson, second by Anderson and carried with Carstensen, Anderson, T. Keszler, Martinson, Waterland and Zerbst voting yes, Bachand voting no, to approve purchasing a 2018 1 Ton 4X4 Crew Cab-Long Box – Contract #17149 from the State Contract bid for \$31,500 using Scott Peterson Motors. The money will come out of Sanitation Fund.

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

WAGES – Ambulance \$24,389.48; Attorney \$3975.17; Auditorium \$189.83; Buildings \$1142.32; Cemetery \$3326.00; City Manager \$4497.44; Community Center \$10,098.32; Finance Office \$9166.85; Fire Department \$206.73; Human Resource \$7052.58; Library \$9257.22; Liquor \$6112.24; Mayor and Council \$3761.77; Parks \$13,807.67; Planning and Permitting \$9084.78; Police \$39,427.01; Rally \$9038.32; Recreation \$4673.76; Sanitary Service \$15,236.80; Special Sales Tax \$1923.08; Streets \$13,543.02; Wastewater \$9886.20; Water \$15,722.85; Federal Withholding \$17,273.48; FICA \$15,606.41.

GENERAL = A&B Business, \$368.44, supp; Adams-ISC, \$830.00, repair; Baker & Taylor, \$340.33, supp; Elton Barden, \$200.00, prof fee; Greg Barnier, \$411.59, travel; Shawn Barrows, \$5000.00, pymt to SVFD; BH Energy, \$2511.54, util; BH Pioneer, \$159.62, supp; Fay Bueno, \$287.31, grp insur; Roger Burnham, \$3500.00, prof fee; Chain Saw Center, \$128.69, repair; Children's Home Society, \$300.00, prof fee; City of Sturgis Water Dept, \$5691.57, util; Carsey Clement, \$2870.00, prof fee; Devon Crowe, \$100.00, prof fee; Dakota Kustom Coating, \$287.50, repair; Cheryl Delzer, \$175.00, other; Double Star Computing, \$4558.33, prof fee; Cory Dressler, \$30.00, other; EB Communications, \$117.00, prof fee; Ebsco Subscription Services, \$2975.46, supp; ESO Solutions, \$675.00, other; Fence Crafters, \$1748.11, repair; First Western Insurance, \$200.00, insur; Dave Fischer, \$1500.00, payment to SVFD; Nicolis Forbes, \$90.00, other; Ken Grosch, \$60.00, other; Hills Septic Service, \$700.00 repair; Hillyard, \$186.30, supp; Holiday Inn, \$435.00 travel; Interstate All Batteries, \$74.95, supp; Kennedy's Window Cleaning, \$1005.00, repair; Ketel Thorstenson, \$1500.00, prof fee; Kevin Klug, \$100.00, prof fee; Lacle Equipment, \$2718.75, repair; Scott Lensegrav, \$1500.00, pymt to SVFD; Lighting Maintenance, \$6553.12, repair; Aaron Lukesh, \$30.00, other; Lynn's Dakotamart, \$308.82, supp; Menards, \$193.55, repair; Motionsoft, \$1350.00, repair; O'Reilly Auto Parts, \$22.06, repair; Petty Cash, \$46.00, other; Prairie Hills Transit, \$7000.00, other; Push=Pedal-Pull, \$182.50, repair; Radarsign, \$995.00, supp; S&C Cleaners, \$3000.00, repair; Sacrison Asphalt, \$210.00, supp; Billy Schlosser, \$30.00, other; SD Public Assurance Alliance, \$104.68, insur; SD Secretary of State, \$90.00, insur; Shopko, \$180.54, supp; Signs Now, \$105.30, supp; Sturgis Area Arts Council, \$1750.00, other; Sturgis Volunteer Fire Dept, \$8049.81, pymt to SVFD; Superior Sanitation, \$450.00, repair; Taste of Home, \$8.00, supp; The Corner Station, \$24.43, supp; Tom's T's, \$16.46, supp; Traffic Services Co, \$5076.43, supp; Twilight First Aid, \$188.98, supp.

SPECIAL SALES TAX – City of Sturgis Water Dept, \$287.14, util; Sturgis Area Chamber of Commerce, \$3775.33, allocation; Sturgis Economic Development Corp, \$8500.00, allocation.

CAPITAL IMPROVEMENT – Brosz Engineering, \$22,926.56, improv; Interconnection Systems, \$112,500.00, improv; Kadrmas, Lee & Jackson, \$5665.00, improv; Kulpers Construction, \$40,798.54, improv; Wilen Masonry, \$23,000.00, improv.

BUSINESS IMPROVEMENT DISTRICT – 35th & Taylor, \$1500.00, prof fee; Anderson Imaging, \$614.75, supp; BH Sports Car Club, \$500.00, supp; Ross Dale, \$100.00, supp; Days Inn, \$203.20, supp; Digital Throttle, \$1225.49, publ; James Dittman, \$1000.00, prof fee; Robert Fredrickson, \$100.00, supp; G&H Distributing, \$41.62, supp; David Graham, \$1500.00, prof fee; Iron Horse Saloon, \$10,155.38, other; Autumn Lyons, \$53.38, supp; October Road Production, \$1200.00, prof fee; Perfect Wave Production, \$3000.00, prof fee; Temple Display, \$5782.79, other; Tom’s T’s, \$2612.55, supp; Traffic Services, \$5076.43, supp; Vanway Trophy, \$1972.95, supp.

TIF #12 DOLAN CREEK – First Interstate Bank, \$4119.78, other.

LIQUOR – Arctic Glacier USA, \$100.50, merch for resale; BH Security & Systems, \$134.85, lease; Cask & Cork, \$119.50, liquor; City of Sturgis Water Dept, \$300.54, util; Coca Cola, \$397.00, pop; Dakota’s Best Distributing, \$131.75, liquor; Double Star Computing, \$39.82, prof fee; Fat Boys, \$270.00, liquor; Fisher Beverage, \$14, 848.01, liquor; Johnson Western Wholesale, \$18,260.45, liquor; M&B Enterprises, \$213.26, merch for resale; Okoboji Wines, \$222.50, liquor; Pepsi Cola, \$150.50, pop; Quality Brands of the BH, \$12,781.64, liquor; Republic Beverage, \$11,233.72, liquor; Southern Glazer’s of SD, \$735.86, liquor.

WATER – American Water Works Assn, \$315.00, prof fee; BH Energy, \$2713.91, util; City of Sturgis Water Dept, \$126.52, util; Credit Collections Bureau, \$111.21, prof fee; Double Star Computing, \$39.82, prof fee; Hawkins, \$1306.61, supp; Lynn’s Dakotamart, \$48.78, supp; Petty Cash, \$2.95, supp; Trisha Roe, \$450.00, refund; SD DENR, \$2200.00, other; West River Lawn & Snow \$1277.50, repair.

WASTEWATER – Advanced Engineering, \$3651.50, cap improv; BH Energy, \$2470.04, util; Double Star Computing, \$39.82, prof fee; Integrated Process Solutions, \$6622.00, cap improv; Midcontinent Testing Lab, \$503.20, prof fee.

SANITARY SERVICE – BH Energy, \$240.75, util; Century Link, \$57.77, util; Double Star Computing, \$39.82, prof fee; Godfrey Brake Service, \$1190.86, repair; Lynn’s Dakotamart, \$7.00, supp; Petty Cash, \$16.00, other.

AMBULANCE – City of Sturgis Water Dept, \$ 203.91, util; Double Star Computing, \$144.82, prof fee; Henry Schein, \$870.02, supp; Jake’s Collision Repair, \$4202.97, repair; Lynn’s Dakotamart, \$97.83, supp; Medica, \$29.42, refund; Medical Waste Transport, \$116.55, supp; Ramkota Hotel, \$179.30, travel; Regional Health, \$1089.88, supp; Richter’s Tire, \$70.00, repair; Shopko, \$83.94, supp; Tom’s T’s, \$949.65, supp.

Motion by T. Keszler, second by Zerbst and carried with all members present unanimously voting yes to approve Resolution 2018-46 – Street Closure for the first Soccer on the Street event in partnership with the Sturgis Soccer Association on July 14, 2018.

**RESOLUTION 2018 -46
RESOLUTION TO AUTHORIZE STREET CLOSURE
FOR THE 1ST SOCCER ON THE STREET EVENT**

WHEREAS, the 1st Annual Soccer on the Street Event will be held in the City of Sturgis, July 14, 2018. This event is in partnership with the Sturgis Soccer Association and is for the children of Sturgis and the surrounding communities; and

WHEREAS, beginning on Saturday, July 14th at 7:00 am to 9:00 pm, street closure will be on Harley Davidson Way from the south sidewalk of Lazelle Street to the north sidewalk on Main Street; and

WHEREAS, it is in the public interest to provide a safe venue for this special event; and

WHEREAS, the public event to be held will enhance visitors' experience and lead to additional sales tax generated revenue, and

NOW, THEREFORE, BE IT RESOLVED that to accommodate the safe presentation of providing this special event, beginning on Saturday, July 14th at 7:00 am. to 9:00 pm, Harley Davidson Way will be closed.

Dated this 2nd day of July, 2018.

Published: 07/09/2018

Effective: 07/30/2018

Motion by Waterland, second by Anderson and carried with all members present unanimously voting yes to approve Resolution 2018-44 - Use of City Property and Street Closure for the 14th Annual Fulton Street Bash on August 4, 2018.

RESOLUTION 2018 -44
RESOLUTION TO AUTHORIZE STREET CLOSURE
FOR THE 14th ANNUAL FULTON STREET BASH

WHEREAS, the 14th Annual Fulton Street Bash will be held in the City of Sturgis, August 4, 2018; and

WHEREAS, beginning on Saturday, August 4th at 2:00 pm. to 10:00 pm, street closure will be on Dakota Street between Fulton Street and the alley to the east.

WHEREAS, it is in the public interest to provide a safe venue for this special event.

WHEREAS, the public event to be held will enhance visitors' experience and lead to additional sales tax generated revenue, and

NOW, THEREFORE, BE IT RESOLVED that to accommodate the safe presentation of providing this special event, beginning on Saturday, August 4th at 2:00 pm. to 10:00 pm, Dakota Street between Fulton Street and the alley to the east will be closed.

Dated this 2nd day of July, 2018.

Published: 07/09/2018

Effective: 07/30/2018

Motion by Waterland, second by Martinson and carried with all members present unanimously voting yes to approve Resolution 2018-45 - Street Closure and Open Container for the Full Throttle Off Road Rally Show and Shine on July 28, 2018.

RESOLUTION 2018-45

RESOLUTION TO CLOSE DESIGNATED STREETS AND PERMIT OPEN CONTAINERS ON CERTAIN PUBLIC PROPERTY AND WITHIN CERTAIN PUBLIC RIGHTS OF WAY FOR THE FULL THROTTLE OFF ROAD RALLY

WHEREAS, the 1st annual Off Road ATV/UTV Rally will be held in the City of Sturgis, July 28, 2018, and

WHEREAS, this event includes various events at the Full Throttle Saloon, rides through the Hills and a downtown Sturgis day featuring a show and shine event. The downtown event will include a poker run; and

WHEREAS, the request for street closure is for Harley-Davidson Way from the south sidewalk of Lazelle Street to the north sidewalk of Main Street, and then from the south sidewalk of Main Street to the north sidewalk on Sherman Street on July 28th from 2:00 pm to 5:00 pm; and

WHEREAS, the City street shall hereby be closed to vehicular traffic and unauthorized parking between 2:00 pm. and 5:00 p.m. on July 28, 2018. The Police Department will be authorized to tow vehicles within the street closure area, starting July 28, 2018 after 1:00 pm.

WHEREAS, an open container area has been requested within a portion of the public property of the City of Sturgis from 1:00 pm to 6:00 pm on July 28, 2018, and as authorized by Section 3.02.20(C) of Sturgis City Ordinance and SDCL 35-1-5.5, for those persons legally possessing an alcoholic beverage in the authorized non-glass container, bearing a logo and available for purchase from designated on-sale licensees, on that public property open to the public, within area bounded as follows:

a. On the west, by the eastern edge of the Right of Way of 4th Street, beginning at the intersection of 4th Street and Lazelle Street and continuing south to the intersection of 4th Street and Sherman Street,

b. On the south, by the north edge of the Sherman Street Right of Way between 4th Street and Middle Street, and on

c. On the east, by the western edge of the Middle Street Right of Way beginning at the intersection of Sherman Street and Middle Street and including the entire Main Street Right of Way to a point two hundred eighty (280) feet East of the intersection of Main Street and Middle Street, continuing west from Middle Street to Fourth Street on the south side of Lazelle Street.

d. On the north, continuing north to the intersection of Middle Street and the alley located between Lazelle Street and Dudley Street, and by the alley Right of Way located between Lazelle Street and Dudley Street and extending from the intersection of that alley and Middle Street across Junction Avenue and continuing to the intersection of that alley and the Right of Way for 1st Street and along the south edge of Lazelle from Middle Street to Fourth Street.

e. Included in this Open Container area are the designated cross walks at the intersections of Main Street and Junction Avenue, Main Street and Middle Street, Lazelle Street and Junction Avenue, 1st Street, Harley Davidson Way and 3rd Street as they cross Lazelle Street, and also including the Right of Way area of Third Street, Harley Davidson Way, First Street, Main Street and Junction Avenue within these boundaries. This also includes the Harley Davidson Rally Point.

NOW THEREFORE IT IS HEREBY RESOLVED, as set forth herein that the City of Sturgis shall hereby close the City street to vehicular traffic and unauthorized parking between 2:00 pm. and 5:00 pm. on July 28, 2018, and establish an open container area on July 28, 2018 from 1:00 pm to 6:00 pm on that public property open to the public within area bounded on the West by the east edge of the Right of Way of 4th Street, bounded on the East by the west edge of the Right of Way of Junction Avenue, bounded on the South by the north edge of the Right of Way of Sherman Street, and bounded on the north by the south edge of the Right of Way of Dudley Street from Middle Street to First Street, and including within this boundary the street area of Third Street, Harley-Davidson Way, First Street and Main Street. This area shall be marked by city barricades with clearly legible signs, provided by the organizers and consistent with the limitations of this Resolution, stating that the barricade marks the boundary of the open container area. The open container area does not include the City Library, nor any City Property not open to the public, and does not include any private property within the open container area.

Dated this 2nd of July, 2018.

Published: 07/09/2018

Effective: 07/30/2018

Motion by T. Keszler, second by Bachand and carried with all members present unanimously voting yes to approve a Special Events Application for the Oasis Bar at Harley-Davidson Rally Point for Neighbors Feeding Neighbors on July 12, 2018.

Motion by Zerbst, second by Martinson and carried with all members present unanimously voting yes to approve a transfer of a Malt Beverage License and a Wine License from Fresh Start Convenience Stores to BW Gas and Convenience Retail LLC dba Yesway Store #1194 at 2620 Lazelle.

Motion by Waterland, second by Anderson and carried with all members present unanimously voting yes to approve a transfer of a Malt Beverage License from Fresh Start Convenience Stores to BW Gas and Convenience Retail LLC dba Yesway Store #1193 at 2350 Lazelle.

Motion by Martinson, second by T. Keszler and carried with all members present unanimously voting yes to approve second reading of Ordinance 2018-10 – Title 11 – Health and Sanitation.

ORDINANCE 2018-10

AN ORDINANCE AMENDING TITLE 11 – HEALTH AND SANITATION

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota that Title 11 – Health and Sanitation – Chapter 11.04 – Collection and Disposal of Garbage and Rubbish, Section 11.04.12 - Special Event Sanitation Fee to be amended to read as follows:

Chapter 11.04

COLLECTION AND DISPOSAL OF GARBAGE AND RUBBISH

SECTIONS:

11.04.01: Council May adopt System for Collection and Disposal

11.04.02: City Collection System

11.04.03: Rates

11.04.04: Council Authority over Rates

11.04.05: Billing and Failure to Pay

- 11.04.06: Container Regulations
- 11.04.07: Illegal Disposal of Waste
- 11.04.08: Placement of Garbage Cans and Rubbish
- 11.04.09: Accumulation of Garbage and Rubbish
- 11.04.10: Compulsory and Universal System
- 11.04.11: Hazardous or Toxic Waste not to be placed in Any Container for Collection
- 11.04.12: Special Event Sanitation Fee
- 11.04.13: Billing and Failure to Pay
- 11.04.14: Appeal Process

11.04.12: SPECIAL EVENT SANITATION FEE

A sanitation fee in the amount of Two Hundred Seventy-Five Dollars and seventy-five cents (\$275.75) shall be imposed and collected for additional garbage and public collection disposal and for the provision of the temporary sanitation services to all temporary vendors within the City during any special event of over four (4) days in duration, unless specifically exempted from payment under the language of the Temporary Vendor License requirements set out in Subsection 31.02.03.5 (D) and (E), Sturgis City Ordinances. With exception of any vendor who holds a malt beverage, liquor or wine license, whose primary income or point of sales is from malt beverage, liquor or wine sales to be included herein to the following Special Event Sanitation Fee guidelines.

The fee of \$275.75 shall be imposed for access up to five (5) refuse “totes”. An additional fee of \$55.15 shall be imposed for each additional refuse tote beyond five (5) provided to the account holder at that property. If any of the provided refuse totes require an additional dump, it will have an additional charge of \$11.26 per tote, per day, per extra dump. A fee of \$113.75 per day per dump will be charged for a 15 yard roll-off container.

Residents who request an additional tote or pickup at their home will be subject to an additional fee of \$11.26 per tote, per day, per extra dump.

The number of additional refuse totes or extra dumps required for each property during a special event shall be determined by the Public Works Director or his/her designee. A property owner may dispute the determination and request a review of that determination by the Public Works Director within 72 hours of delivery of the additional totes to the property by providing a written objection and any supporting documentation to the City Finance Office. The City Manager will review the complaint and provide a written decision to the property owner within 5 days. If the property owner still disputes the fee for the additional refuse totes, the remedy for the property owner is to submit a formal appeal as provided for at Section 11.04.23 herein.

Adopted this 2nd day of July, 2018.

First reading: 06-18-2018
Second reading: 07-02-2018
Adopted: 07-02-2018
Published: 07-09-2018
Effective: 07-30-2018

Any other business:

Charlie Wheeler thanked the City for taking over the Camaro Rally. It is a great event.

Deb Holland asked about the Code Red System and why it was sent out only 10 minutes prior to the storm event on Friday. The City goes by the notification from the National Weather Service before they put any notice out to constituents.

Patricia Linard asked about having a puppy training class at her residence. She would be required to get a use-on-review as she is in a residential area.

Bonnie Alberts thanked the Animal Shelter for their help with the McKee cats during their time away from their home.

Motion by Waterland, seconded by Zerbst and carried with all members present unanimously voting yes to adjourn the meeting at 8:04 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$