

## PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in regular session starting at 6:30 p.m. on Monday, October 15, 2018 at the Erskine Building. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Rhea Crane, Steve Keszler, Terry Keszler, David Martinson, Ronald Waterland and Beka Zerbst. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: None.

Motion by T. Keszler, second by S. Keszler and carried with all members present unanimously voting yes to approve the agenda.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

### Informational Reports:

- Planning Commission – 10/2/18 minutes

### Announcements:

- Liz Hamburg, Executive Director of the Black Hills Area Community Foundation, and Terry Hermann presented a gift to Shawn Fisher the wife of Sturgis Volunteer Fire Department Assistant Chief David Fisher, who died while responding to a house fire in Tilford. The First Responders Charitable Fund was established by a long-time Sturgis couple, Albert and Laverne Elliott, and was created to provide immediate relief to the families of Sturgis first responders that die in the line of duty.
- The Kiwanis Hobo Stew Feed will be held on October 21<sup>st</sup> and the Alliance of Churches Chili Feed will be held on October 22<sup>nd</sup> at the Community Center.
- There will be a ribbon cutting for the new theater floor at the Community Center on October 19<sup>th</sup>.
- The Library will be hosting an author event on October 19, 2018 at the Community Center Theater for Craig Johnson, the author of the Longmire mystery novels.
- There will be an open house for Hersruds of Sturgis/Liberty Chevrolet on October 18, 2018.

### City Manager Ainslie reported:

- Finance Officer Bueno presented the 2018 3<sup>rd</sup> quarter financials.
- City Manager Ainslie presented the 78th Annual Sturgis ® Motorcycle Rally <sup>TM</sup> Profit and Loss financials.
- The sales tax update for General Sales Tax and Capital Improvement Tax for August collected in September was up 2.3% month over month and up 1.0% year over year. The Gross Receipts Tax (triple B) was down 6.8% month over month and up 3.7% year over year.
- The budget numbers for the end of the 3rd quarter are as follows: General Fund is at 74.7%; Triple B 77.9%; Water 50.6%; Wastewater 46%; Sanitation 55.2%.
- Payroll Changes – within budget:
  1. Parks- Tony Dargatz – Parks Maintenance Tech-\$16.49; Sheldon Tveidt – Parks Maintenance Tech - \$16.49. Cemetery, Sanitation, Wastewater & Water – Administrative Assistant- Brittney Ragels-\$12.79.

Motion by Crane, second by Waterland and carried with all members present unanimously voting yes to approve the following items on the consent calendar with the exception of the removal of d and e:

- a. Consideration of minutes from the October 1, 2018 regular council meeting.
- b. Consideration of setting a public hearing on November 5, 2018 for a Variance to the 10' side setback at 600 Anna Street for Sturgis Brewing Company (Roger Call).

- c. Consideration of Resolution 2018-63 - Plat of Lot SBC in Block J of Glover's Second Addition (Sturgis Brewing Company/Bryan Carter).

**RESOLUTION 2018-63  
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 Sturgis Brewing Company, LLC:

Plat of Lot SBC, Block J of Glover's Second Addition to the City of Sturgis. Formerly Lots 1 thru Lot 10, Vacated Alley, and a Portion of the Vacated Arlette Street, Less Highway Right-Of-Way, Block J of Glover's Second Addition to the City of Sturgis. All Located in the NE ¼ of the SW ¼ of the NW ¼ of Section 15, 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 15th day of October, 2018.

Published: 10/22/2018

Effective: 11/12/2018

- ~~d. Consideration of first amendment to Wildflowers Townhome Planned Unit Development Agreement.~~
- ~~e. Consideration of Resolution 2018-64 – Plat of Lots PS-SA-1,2,3,4 in Block 10 of Potter's 2<sup>nd</sup> Addition for Wildflower Apartments, 751 Boulevard St for Tim & Peggy Heuston.~~

Motion by Martinson, second by Bachand and carried with all members present unanimously voting yes to approve the first amendment of the Wildflowers Townhome Planned Unit Development Agreement which will allow lot sizes to be 3100 square feet and the frontage to be 24.53'. There is no plan to build a two-story apartment or increase density. Nothing is changing from the original PUD on the type of building.

Motion by Bachand, second by Martinson and carried with all members present unanimously voting yes to approve Resolution 2018-64 – Plat of Lots PS-SA-1,2,3,4 in Block 10 of Potter's 2<sup>nd</sup> Addition for Wildflower Apartments, 751 Boulevard St for Tim and Peggy Heuston.

**RESOLUTION 2018-64  
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 Timothy J. Heuston and Peggy J. Heuston:

Plat of Lots PS-2A-1, PS-2A-2, PS-2A-3 and PS-2A-4, Block 10 of Potter's Second Addition. Formerly Lot PS-2A, Block 10 of Potter's Second Addition. All Located in the NE ¼ of the NW ¼ of the SW ¼ of Section 10, 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.

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

**WAGES** – Ambulance \$25,931.19; Attorney \$4021.29; Auditorium \$189.97; Buildings \$1142.46; Cemetery \$2019.64; City Manager \$4543.56; Community Center \$9916.94; Finance Office \$9405.31; Fire Department \$167.28; Human Resource \$6316.52; Library \$9424.80; Liquor \$6235.08; Mayor and Council \$3761.77; Parks \$11,435.36; Planning & Permitting \$8476.42; Police \$36,415.93; Rally \$8383.73; Recreation \$2866.08; Sanitary Service \$14,868.83; Special Sales Tax \$1923.08; Streets \$11,695.80; Wastewater \$8438.87; Water \$12,548.33; Federal Withholding \$15,705.07; FICA \$14,459.67.

**GENERAL** – A&B Welding, \$5.27, sup; A&A Surplus, \$2,799.72, sup; Avaya, \$8.25,util; Baker & Taylor, \$745.61, sup; Greg Barnier, \$695.97, travel; Bear Butte Valley Water, \$102.25, util; Bierschbach Equipment, \$758.10, sup; Black Hills Energy, \$19,944.78, util; Black Hills Harley Davidson, \$681.84, rep; Black Hills Pioneer, \$852.65, pub; Black Hills Windshield Repair, \$50.00, sup; Border States electric, \$674.30, sup; Brosz Engineering, \$6,500.00, prof fee; CB&B Aviation, \$986.02, sup; Central States Sanitation, \$580.00, rep; Chain Saw Center, \$55.96, other; Culligan of the Black Hills, \$70.50, sup; Dakota Battery & Electric, \$112.60, rep; Dakota Extinguisher & Safety, \$20.00, sup; DEMCO, \$372.65, sup; Double Star Computing, \$3,323.97, prof fee; Fastenal Co, \$75.15, sup; Grocery Mart, \$94.63, sup; Harvey's Lock Shop, \$139.00, rep; Hillyard, \$201.70, rep; Jenner Equipment, \$53.80, sup; Knecht Home Center, \$88.14, sup; Knight Security, \$444.00, rep; Liberty Chrysler Center, \$30.68, rep; Loud American, \$154.00, sup; Lynn's Dakotamart, \$195.37, sup; Marco Technologies, \$79.81, rep; MasterCard,

\$68,787.35, sup; Matthew Bender & Co, \$102.08, sup; Meade County Auditor, \$16,910.18, other; Meade County Register of Deeds, \$90.00, other; MDU, \$3,763.31, util; North Central International, \$229.58, rep; Northern Hills Sod Farm, \$138.60, sup; O'Reilly Auto Parts, \$134.18, sup; Otis Elevator, \$656.25, rep; Penworthy Company, \$130.37, sup; Pete Lien & Sons, \$1,253.25, sup; Powerplan, \$400.12, rep; Push-Pedal-Pull, \$360.00, prof fee; Rapid Diesel Service, \$867.59, rep; Rapp Sales, \$83.50, sup; Richter's Tire & Exhaust, \$92.00, sup; Rosenbauer South Dakota, \$113.87, sup; Sage Publications, \$266.16, sup; SD Police Chiefs Assn, \$169.88, other; Sherwin-Williams, \$225.96, sup; Shopko Stores, \$83.93, sup; Simon North Region SD, \$383.83, sup; Speedy Lube, \$233.44, sup; Sturgis Motorsports, \$61.98, sup; Summit Signs & Supply, \$495.00, sup; Tom's T's, \$384.79, sup; Town-n-Country Plumbing, \$74.36, sup; Weis Fire & Safety Equipment, \$1,517.27, sup; West Payment Center, \$166.00, prof fee.

**SPECIAL SALES TAX** – Black Hills Energy, \$46.67, util; MasterCard, \$4,334.75, promo; MDU, \$39.96, util.

**CAPITAL IMPROVEMENT** – Acterra Group, \$1,920.00; Brosz Engineering, \$857.50; Fennell Design, \$15,411.00; Kadrmas, Lee & Jackson, \$2,115.00; MasterCard, (\$19.99); Pete Lien & Sons, \$488.00.

**BUSINESS IMPROVEMENT DISTRICT** – Central States Sanitation, \$80.00, sup; Dakota Playground, \$8,812.50, other; Lynn's Dakotamart, \$18.72, sup; MasterCard, \$1,372.43, sup.

**TIF #11 SPM** – Fence Crafters, \$3,564.00, other.

**LIQUOR** – Arctic Glacier, \$78.35, resale; Black Hills Energy, \$2,133.20, util; Black Hills Occupational Medicine, \$30.00, prof fee; Black Hills Security & Systems, \$134.85, other; Cash-Wa Distributing, \$1,203.19, resale; Cask & Cork, \$273.50, resale; Coca Cola, \$385.50, resale; Dakota's Best Distributing, \$126.00, resale; Double Star Computing, \$338.75, sup; Duhamel Broadcasting, \$2,304.00, pub; Fisher Beverage, \$9,314.93, resale; Johnson Western Wholesale, \$17,791.13, resale; Lynn's Dakotamart, \$76.88, sup; MasterCard, \$4,456.92, sup; MB Enterprises, \$158.10, resale; MDU, \$67.52, util; Travis Parker, \$374.10, travel; Pepsi, \$117.00, resale; Prairie Berry, \$720.00, resale; Quality Brands of the BH, \$12,166.39, resale; Republic Beverage, \$4,180.50, resale; Southern Glazer's of SD, \$2,439.92, resale.

**WATER** – Black Hills Energy, \$14,437.26, util; Black Hills Pioneer, \$21.25, pub; Double Star Computing, \$12.50, prof fee; Grocery Mart, \$39.98, rep; Hawkins, \$15.00, sup; MasterCard, \$3,772.22, rep; Midcontinent Testing Lab, \$1,112.00, prof fee; MDU, \$143.08, util; Powerplan, \$51.28, rep; SD One Call, \$100.80, prof fee.

**WASTEWATER** – Black Hills Energy, \$5,180.89, util; Double Star Computing, \$12.50, prof fee; G&H Distributing, \$91.94, sup; MasterCard, \$1,751.12, sup; MB Tree & Landscape, \$105.00, sup; Midcontinent Testing Lab, \$1,006.40, prof fee; MDU, \$48.62, util; Watertree, \$1,524.72, rep.

**SANITATION** – Butler Machinery, \$346.39, rep; Century Link, \$59.61, util; Dakota Playground, \$5,312.50, equip; Diesel Machinery, \$87.60, rep; Double Star Computing, \$12.50, prof fee; Inland Truck Parts, \$218.58, rep; Lynn's Dakotamart, \$2.99, sup; MasterCard, \$48,606.13, sup; Midcontinent Testing Lab, \$288.00, sup; SWANA, \$223.00, prof fee; Yellowstone Valley Parts, \$1,800.00, rep.

**AMBULANCE** – A&B Welding, \$257.00, sup; BH Energy, \$639.87, util; Double Star Computing, \$12.50, prof fee; Jones & Bartlett Learning, \$706.62, sup; Lynn's Dakotamart, \$9.98; MasterCard, \$17,086.99, sup; MDU, \$35.04, util; Richter's Tire & Exhaust, \$2,191.46, rep; SD Federal Property, \$80.00, sup; Shopko Stores, \$94.98.

Motion by Martinson, second by Bachand and carried with all members present unanimously voting yes to approve Resolution 2018-66 - Vacate a portion of Park Ave to fix building encroachment on ROW for Ron and Jackie Gapp – Sturgis Meat Service – at 2350 Park Avenue.

**RESOLUTION 2018-66  
RESOLUTION TO VACATE A PORTION OF A STREET**

WHEREAS, Sturgis Meat Service (Ron and Jackie Gapp) petitioned the Common Council to vacate a portion of Park Avenue within the following legal description:

A portion of Park Avenue adjoining and abutting Lots 1-7, Block 12 and adjoining and abutting the west half of the vacated 13<sup>th</sup> Street, all of Comstock’s Addition to the City of Sturgis, more particularly described on Exhibit A attached hereto.

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 the right of way described herein.

Dated this 15th day of October, 2018.

Published: 10/22/2018

Effective: 11/12/2018

Motion by T. Keszler, second by Waterland and carried with all members present unanimously voting yes to approve a Special Events License for the Knuckle Saloon at the Community Center for the Library and Arts Council Author Presentation and Reception on October 19, 2018.

Motion by Waterland, second by Zerbst and carried with all members present unanimously voting yes to approve the lease of Romey Street to Sturgis Brewing Company.

Motion by Martinson, second by Anderson and carried with all members present unanimously voting yes to approve second reading of Ordinance 2018-11 – Supplemental Appropriations.

**ORDINANCE 2018-11**

**AN ORDINANCE AMENDING ORDINANCE NO. 2017-09  
ANNUAL APPROPRIATIONS FOR THE YEAR 2018  
OF THE CITY OF STURGIS, MEADE COUNTY, SOUTH DAKOTA**

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota, that ordinance 2017-09 is amended so that the following amounts are hereby appropriated to meet the obligation of the municipality for the year 2018.

<b>General Fund 101</b>	
<b>Council</b>	
4111-42200 – Professional Fees	\$18,500
4111-42800 – Utilities (Kiwanis)	\$2,000
<b>Auditorium</b>	
4560-42500 – Repairs & Maintenance	\$6,000
<b>Rally</b>	
4199-42900 – Other	\$18,000
<b>Airport</b>	
4350-42600 – Supplies & Materials	\$10,000
<b>Total for General Fund</b>	<b><u>\$54,500</u></b>
Source of Funding: Unappropriated cash	

<b>Special Sales Tax</b>	
9000-42800 – Utilities	\$9,000
9000-51100 – Transfer Out	<u>\$6,500</u>
<b>Total for Special Sales Tax</b>	<b><u>\$15,500</u></b>
Source of Funding: Unappropriated cash	
<b>Capital Improvement Fund 212</b>	
4311-42500 – Repairs (Streets)	\$50,000
4511-43700 – Capital Improvements (CC)	\$50,000
4520-43700 – Capital Improvements (Parks)	\$60,000
9000-43200 – Buildings (PW out Buildings)	\$450,000
9000-43300 – Improvements	<u>\$3,000,000</u>
<b>Total for Capital Improvement Fund 212</b>	<b><u>\$3,610,000</u></b>
Source of Funding: RD and Pioneer Bank Loans-Unappropriated cash	
<b>BID Fund 213</b>	
9000-51100 – Transfer out	<b>\$17,500</b>
<b>Equipment Replacement Fund 219</b>	
9000-43400 – Machinery & Equipment	<b>\$97,850</b>
Source of Funding: Unappropriated cash	
<b>TIF #12 – Dolan Creek 330</b>	
9000-42900 – Other	<b>\$30,000</b>
Source of Funding: Property Tax	
<b>TIF #15 – Woodland Development Project 332</b>	
9000-43700 – Capital Improvements	<b>\$125,000</b>
Source of Funding: Property Tax	

Adopted this 15th day of October, 2018.

First reading: 10/01/2018  
Second reading: 10/15/2018  
Adopted: 10/15/2018  
Published: 10/22/2018  
Effective: 11/12/2018

Motion by Crane, second by Zerbst and carried with all members present unanimously voting yes to approve Resolution 2018-65 – City of Sturgis opposing Amendment W.

**RESOLUTION 2018-65**

**RESOLUTION OPPOSING CONSTITUTIONAL AMENDMENT W**

WHEREAS, the State of South Dakota’s Constitution has enshrined representative government within the state; and,

WHEREAS, Amendment W would establish a non-elected board which has the authority to create rules for 11 sections of law; and,

WHEREAS, unfunded mandates passed by the Federal and State Governments have already placed a significant burden on local finances and force locally elected leaders to invest taxpayer funds on items that have not been requested by local taxpayers; and,

WHEREAS, the creation of a new board with such authority will likely increase the number of unfunded mandates and exacerbate the financial stress placed upon municipalities by such unfunded mandates; and,

WHEREAS, Amendment W proposes to establish a fourth branch of government, not subject to the checks and balances of the Legislature, South Dakota Courts or Executive Branch.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Sturgis City Council does hereby state its opposition to Amendment W because it threatens the financial future of municipalities and grants radical powers to an unelected board.

Dated this 15<sup>th</sup> day of October, 2018.

Published: 10/22/2018

Effective: 11/12/2018

Any other business:

- Bonnie Alberts commended Indian Motorcycle and Scott Peterson Motors for continuing to make improvements to their property and add value to the City of Sturgis.
- Councilor Keszler congratulated Councilor Martinson for his performance with Lynyrd Skynyrd in Sioux Falls this past weekend.
- Councilor Zerbst thanked staff for a job well done on the Post-Rally Summit.

Motion by Bachand, second by Zerbst and carried with all members present unanimously voting yes to go into executive session for 1-25-2 legal contractual matters at 7:42 pm.

Motion by Bachand, second by Martinson to return to regular session at 7:53 pm.

Motion by T. Keszler, seconded by Crane and carried with all members present unanimously voting yes to adjourn the meeting at 7:54 pm.

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

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