

## 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 17, 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 Crane, second by Waterland and carried with all members present unanimously voting yes to approve the agenda.

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

Motion by T. Keszler, second by S. Keszler to return to regular session at 6:25 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

### Informational Reports:

- MUB Board – 10/23/18 minutes

### Announcements:

- City Offices will close Christmas Eve Day at Noon, all day on Christmas Day and New Year's Day.
- The Liquor Store will be having an open house on Friday the 21<sup>st</sup> of December.
- The election for the Ambulance and Fire District will be held on December 18, 2018.
- Meade County will be having a retirement party for Kirk Chaffee on December 19<sup>th</sup> from 3:00-4:30 pm.
- The drop off for Christmas trees will be available at the Exit 32 and Ballpark Road.
- The Mayor presented the Sturgis Optimist Toy Drive with a check for \$1,489.00. This money was raised at the employee's Christmas party.

### City Manager Ainslie reported:

- The sales tax update for General Sales Tax and Capital Improvement Tax for October collected in November was down 4.5% month over month and up 1% year over year. The Gross Receipts Tax (triple B) was down 1% month over month and up 3.6% year over year.
- Payroll Changes – within budget:
  1. Community Center Dept – Front Desk Attendant – Taylor Eby - \$8.85.
  2. Police Dept – Patrol Officer – Sean Meehan - \$19.34.
  3. Liquor Store – Clerk – Lynne Psortmiller - \$10.00.

Motion by Waterland, second by T. Keszler and carried with all members present unanimously voting yes to approve the following items on the consent calendar except for the removal of c:

- a. Consideration of minutes from the December 3, 2018 regular council meeting.
- b. Consideration of Resolution 2018-75 – Supplemental Appropriation – Contingency Transfer, Grants and Insurance.

**RESOLUTION 2018-75  
SUPPLEMENTAL APPROPRIATIONS  
CONTINGENCY TRANSFERS  
INSURANCE AND GRANT SUPPLEMENTS  
2018 FISCAL BUDGET**

WHEREAS, it appears that there will be insufficient funds in the 2018 Budget, to carry out the indispensable functions of government. It is proposed that the following Supplemental Contingency Transfer Appropriations and Grants supplements be adopted. This will become effective immediately upon passage.

**CONTINGENCY:**

FROM: 101-41100-42910 Contingency – \$8,000

TO: Human Resources – 101-4143-41100 – Wages - \$8,000

**GRANTS:** Library: 101-4551-42700 Travel - \$400

Police: 101-4211-43400 Machinery and Equipment - \$7890.62

**INSURANCE:** Street Lighting – 101-4316-42500 – Repairs & Maintenance - \$9,758.81

Dated this 17th day of December 2018.

Published: 12-27-2018

Effective: Immediately upon passage

- ~~e. Consideration to sign an agreement with the SD DOT for the installation of new highway rail grade crossing signals & crossing surface.~~
- d. Consideration of the recommendation from Rally Charities for the 2019 donations to non-profits.
- e. Consideration of 2018 Utility Department write-offs.

Motion by Waterland, second by Martinson and carried with all members present unanimously voting yes to approve signing an agreement with the SD DOT for the installation of new highway-rail grade crossing signals and crossing surface on Ball Park Road. Participation of the City will be 10% and should be mostly man power not cash.

Motion by Bachand, second by S. Keszler and carried with Anderson, Bachand, Crane, S. Keszler, T. Keszler, Martinson, Waterland and Zerbst voting yes, Carstensen abstaining, to approve the following claims with additions:

**WAGES** – Ambulance \$47,622.60; Attorney \$9391.30; Auditorium \$398.61; Buildings \$3256.08; Cemetery \$4335.66; City Manager \$12,098.60; Community Center \$21,786.86; Finance Office \$20,233.52; Fire Department \$115.38; Human Resource \$14,615.98; Library \$19,817.56; Liquor \$13,113.88; Mayor and Council \$7523.54; Parks \$21,451.68; Planning & Permitting \$16,602.89; Police \$81,859.58; Rally \$16,049.92; Recreation \$7097.50; Sanitary Service \$33,057.76; Streets \$26,111.24; Wastewater \$20,460.27; Water \$27,107.03; Federal Withholding \$38,625.37; FICA \$31,611.52.

**GENERAL** - A&B Business, \$647.34, sup; A&B Welding, \$5.27, sup; A&J Surplus, \$325.89, sup; A to Z Shredding, \$271.40, other; Daniel Ainslie, \$1,000.00, ins; Amazon, \$108.89, sup; AmericInn Lodge & Suites, \$1,013.92, travel; Baker & Taylor, \$710.02, sup; Greg Barnier, \$500.00, ins; Baseline Surveying, \$705.00, prof fee; Baymont Inn & Suites, \$175.00, other; Belle

Fourche Veterinary Clinic, \$46.26, prof fee; Ann Bertolotto, \$1,000.00, ins; Black Hills & Badlands Tourism Assn, \$750.00, promo; Black Hills Energy, \$23,226.23, util; Black Hills Occupational Medicine, \$155.00, prof fee; Black Hills Pioneer Weekly Pro, \$465.69, pub; Blackhills.com, \$120.00, rep; Border States Electric, \$716.05, rep; Brite Computers, \$84.00, sup; Mark Carstensen, \$80.00, other; Central States Sanitation, \$60.00, rep; Jerry Cole, \$1,000.00, ins; John Kevin Cote, \$500.00, travel; Culligan of the Black Hills, \$44.50, sup; Double Star Computing, \$2,439.76, prof fee; Kathy Dykstra, \$500.00, ins; Fastenal Co, \$105.53, rep; Kylan Goetsch, \$500.00, ins; Grocery Mart, \$1,072.96, other; Haggerty's Musicworks, \$29.06, rep; Jerred Hegstrom, \$500.00, ins; Hillyard, \$1,126.52, sup; Inland Truck Parts, \$83.20, rep; Jenner Equipment, \$183.95, sup; Junction Avenue Floral & Gifts, \$35.00, sup; Key City Glass, \$180.00, sup; Knight Security, \$250.00, rep; Leavitt Heartland Insurance Service, \$256.00, other; Lynn's Dakotamart, \$1,090.25, other; Marco Technologies, \$142.98, rep; MasterCard, \$67,188.30, sup; Meade County Auditor, \$18,681.35, other; MDU, \$7,168.43, util; Motionsoft, \$450.00, prof fee; Nebraska Salt & Grain, \$2,125.75, rep; Northern Hills Vet Clinic, \$1,781.29, prof fee; Northern Truck Equipment, \$496.00, rep; O'Reilly Auto Parts, \$98.27, rep; Posture Perfect Solutions, \$19.99, sup; Purchase Power, \$500.00, sup; Race Wheels Consulting, \$650.00, other; Rapid Fire Protection, \$200.00, rep; Sacrison Asphalt, \$121.20, sup; Lance Scherer, \$500.00, ins; SD Dept of Revenue, \$4.00, rep; SD Dept of Transportation, \$145.72, prof fee; Shopko Stores, \$135.72, sup; Dylan Siscoe, \$500.00, ins; Sturgis Rally Charities Foundation, \$1.00, other; Sturgis Volunteer Fire Dept, \$147.30, travel; The Glass Shop, \$863.06, sup; The Knuckle Saloon & Steak House, \$1,150.00, other; Tom's T's, \$252.00, sup; Transource Truck & Equipment, \$235.33, rep; Doug Wagner, \$500.00, ins; West Payment Center, \$166.00, prof fee.

**SPECIAL SALES TAX** – Black Hills Energy, \$650.00, util; MasterCard, \$9,913.34, promo; MDU, \$60.06, util.

**CAPITAL IMPROVEMENT** – American Engineering Testing, \$1,910.00; Baseline Surveying, \$695.00; Haggerty's Audio Visual, \$1,224.49; Legendary Electric, \$1,122.45; MasterCard, \$1,350.00; Neighborhood Housing Services, \$2,000.00; Pete Lien & Sons, \$269.00; SD Dept of Transportation, \$384,682.97.

**BUSINESS IMPROVEMENT DISTRICT** – Black Hills & Badlands Tourism, \$1,600.25, pub; Central States Sanitation, \$40.00, sup; MasterCard, \$4,688.75, other; Pro Q Motorsports, \$110.50, sup.

**HOTEL OCCUPANCY DISTRICT** – MasterCard, \$10,050.00, other.

**LIQUOR** – Arctic Glacier, \$48.72 resale; Black Hills Energy, \$1,761.74, util; Black Hills Occupational Medicine, \$30.00, prof fee; Black Hills Security & Systems, \$323.98, rep; Cash-Wa Distributing, \$1,275.82, resale; Cask & Cork, \$366.50, resale; Coca Cola, \$221.00, resale; Dakota's Best Distributing, \$126.00, resale; Double Star Computing, \$27.81, prof fee; Duhamel Broadcasting, \$2,449.00, pub; Fat Boys, \$151.00, resale; Fisher Beverage, \$5,793.40, resale; Johnson Western Wholesale, \$5,361.75, resale; Lynn's DakotaMart, \$62.89, sup; MasterCard, \$3,775.32, prof fee; MDU, \$229.63, util; Travis Parker, \$500.00, ins; Pepsi Cola, \$175.00, resale; Prairie Berry, \$804.00, resale; Quality Brands, \$6,190.66, resale; Republic Beverage, \$15,160.89, resale; Schade Vineyard, \$132.00, resale; Southern Glazer's of SD, \$1,692.78, resale; True Brands, \$1,155.94, resale; Weimer's Diner & Donuts, \$166.50, resale.

**WATER** – Black Hills Energy, \$455.91, util; black Hills Occupational Medicine, \$30.00, prof fee; Kathy Bulau, \$500.00, util; Double Star Computing, \$99.06, prof fee; Grocery Mart, \$60.74, sup; Hach Co, \$224.00, prof fee; Hawkins, \$1,133.91, sup; MasterCard, \$3,728.69, util; Midcontinent Testing Lab, \$161.00, prof fee; MDU, \$315.22, util; Twilight First Aid, \$173.51, sup.

**WASTEWATER** – Chris Supply, \$42.88, rep; Double Star Computing, \$99.06, prof fee; Harley Jacobs, \$500.00, ins; MasterCard, \$911.85, sup; Meade County Weed & Pest, \$2,385.85, other; MDU, \$56.92, util; SD Public Assurance Alliance, \$53.53, ins.

**SANITATION** – Affordable Tire & Alignment, \$23.50, sup; Black Hills Occupational Medicine, \$35.00, prof fee; City of Belle Fourche, \$428.97, other; Diesel Machinery, \$3,358.83, rep;

Double Star Computing, \$99.06, prof fee; Key City Glass, \$30.00, rep; Lynn's DakotaMart, \$19.95, sup; MasterCard, \$8,974.95, sup; Meade County Weed & Pest, \$2,384.00, other; Powerplan, \$31.27, rep; Ramkota Hotel, \$416.00, travel; SD Public Assurance Alliance, \$53.52, ins; Tim Stumpf, \$500.00, ins.

**AMBULANCE** – A&B Welding, \$469.77, sup; Bent Willows Design, \$55.00, sup; double Star Computing, \$27.81, prof fee; Heritage Cleaners, \$65.10, sup; Lynn's DakotaMart, \$5.63, sup; MasterCard, \$5,212.61, sup; Medical Waste Transport, \$255.30, other; MDU, \$179.83, util; Dr Natalie Tymkowych, \$1,250.00, prof fee.

## **YE 2019**

**GENERAL** – Black Hills Pioneer Weekly Pro, \$159.62, pub; Leavitt Heartland Insurance Service, \$20,905.00, ins; SDML Work Comp Fund, \$90,475.68, ins.

**SPECIAL SALES TAX** – SDML Work Comp Fund, \$182.52, ins.

**LIQUOR** - SDML Work Comp Fund, \$2,172.49, ins.

**WATER** – SD DENR, \$36.00, travel; SDML Work Comp Fund, \$10,026.03, ins.

**WASTEWATER** - SDML Work Comp Fund, \$6,473.23, ins.

**SANITATION** - SDML Work Comp Fund, \$21,674.57, ins.

**AMBULANCE** – Leavitt Heartland Insurance Service, \$16,947.00, ins; SDML Work Comp Fund, \$32,325.48, ins.

Motion by Waterland, second by S. Keszler and carried with all members present unanimously voting yes to approve a Special Events License for The Oasis Bar at the Sturgis Liquor Store for the Holiday Open House on December 21, 2018.

The City advertised for a Statement of Qualifications (SOQ) for a Construction Manager at Risk (CMAR) and received three (3) submittals. Rice Lake/RCS Construction; Ainsworth Benning Construction/John T. Jones; PKG/Scull Construction.

Motion by T. Keszler, second by Crane and carried with all members present unanimously voting yes to approve PKG/Scull Construction for the Construction Manager at Risk (CMAR) for the Sturgis Water Resource Recovery Facility (WRRF). The following two findings were made: That it is in the public's interest to utilize the services of a construction manager and that the construction management services are not unreasonably duplicative and would be in addition to the normal scope of separate architect or engineer contracts that already have or will be entered into in the future and to allow the City Manager to sign all documents associated with this project. The Design Phase service is to not exceed \$17,500.

Motion by Anderson, second by Crane and carried with all members present unanimously voting yes to approve Resolution 2018-79 – Annexation of Lots 9-30 on Old Stone Road Property – Valerie and Dr. William Meirose.

## **RESOLUTION 2018-79**

### **RESOLUTION OF ANNEXATION OF LOTS 9-30 ON OLD STONE ROAD PROPERTY**

**WHEREAS**, Valerie and Dr. William Meirose as owners of the subject property herein, have signed and submitted a Voluntary Development and Annexation Agreement to the City of Sturgis date May 21, 2018, and

**WHEREAS**, the Common Council of the City of Sturgis has statutory authority pursuant to SDCL 9-4-1.1 to enter into an agreement for Voluntary Development and Annexation; and

**WHEREAS**, the Agreement for Voluntary Development and Annexation between the parties is for property contiguous to a portion of the present boundary of the City of Sturgis and within the

area where the growth of the City can be accommodated to provide for the orderly growth and development of the City; and

**WHEREAS**, that ample and suitable resources exist to accommodate the orderly growth and development of the described contiguous territory as evidenced by the City's current provision of many of the City services to the area and consistent with the previous Annexation Study; and

**WHEREAS**, that there is reasonable present and demonstrable future need for annexing said contiguous territory in accordance with the Annexation Study; and

**WHEREAS**, that population and census data indicate that the City has and may experience growth or development beyond its present boundaries; and

**WHEREAS**, that exclusions or irregularities in municipal boundary lines are not the result of arbitrariness but are based upon existing geographical features, physical barriers, existing property boundaries, existing occupancies and uses, and existing city boundaries; and

**WHEREAS**, that there exists a community of interest between the contiguous territory and the City of Sturgis.

**NOW, THEREFORE, BE IT RESOLVED** the Common Council for the City of Sturgis hereby declares the annexation of the following platted non-agricultural territory as defined at SDCL 9-4-5 and 10-6-31, identified as 170 Old Stone Road, Sturgis and described as follows:

Legal Description:

“Lots 9-19, both inclusive, the South twenty (20) feet of Lot 28, and Lots 29-30, both inclusive; all located in the Grandpre Subdivision, being a part of Lot A of Lot 3 in the NW ¼ of the SE ¼ of Section 15, Township 5, North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota as shown on the plat filed in Plat Book 4 on Page 231.”

**NOW, THEREFORE BE IT FURTHER RESOLVED** that as a result of this Resolution and the completion of the executed Voluntary Annexation and Development Agreement by the parties, the corporate limits of the City of Sturgis shall be and are hereby extended to include the above described property.

**DATED** this 17th day of December, 2018.

Published: 12-27-2018

Effective: 01-17-2019

Motion by Anderson, second by Martinson and carried with all members present unanimously voting yes to approve Resolution 2018-80 – Annexation of Old Stone Road Property – Marie VanSickel.

**RESOLUTION 2018-80  
RESOLUTION FOR ANNEXATION OF OLD STONE ROAD PROPERTY**

**WHEREAS**, The Common Council of the City of Sturgis had prepared a study pursuant to SDCL 9-4-4.1 to determine the need for annexing contiguous territory and to identify the resources necessary to extend the municipal boundaries to the area described in the study. A copy of the Annexation Study is available for public review at the Finance Office at City Hall; and

**WHEREAS**, the Annexation Study which has been prepared finds that certain contiguous territory described therein, and described in this Resolution, should be annexed to and included within the boundaries of the City to provide for the orderly growth and development of the City; and

**WHEREAS**, the property for subject to this Resolution is for property contiguous to a portion of the present boundary of the City of Sturgis and within the area where the growth of the City can be accommodated to provide for the orderly growth and development of the City; and

**WHEREAS**, Marie VanSickel, owner of property at 150 Old Stone Road, located adjacent to the City of Sturgis and described in greater detail below; and

**WHEREAS**, the area owned by Marie VanSickel and subject to this Resolution is attached as Exhibit A and incorporated herein, and consists of platted non-agricultural territory as defined at SDCL 9-4-5 and 10-6-31, more fully described as follows:

**LEGAL DESCRIPTION:**

Grandpre Plat Lots 20-27 Inc, N 40 FT Lot 28 in Lot A of Lot 3 NW. SE., also referred to by the Meade County Equalization Office as Parcel #11.65.02, of Section 15, T5N R5E Black Hills Meridian, Meade County, South Dakota, subject to all easements, restrictions, and reservations shown of record in the office of the Register of Deeds of Meade County, South Dakota, if any.

**WHEREAS**, the property described in this Resolution fits within the following statutory criteria for annexation:

1. That ample and suitable resources exist to accommodate the orderly growth and development of the described contiguous territory as evidenced by the City's current provision of many of the City services to the area and consistent with the Annexation Study.
2. That municipal utilities and a major street network are, and have been, considered in terms of the proposed boundary extension in accordance with the Annexation Study.
3. That the City has established a definite timetable upon which municipal services will be extended into the contiguous territory as described in the Annexation Study' subject to the City's policies and ordinances in accordance with South Dakota Codified Law.
4. That the approximate costs of the extended services to the residents in the described contiguous territory and to the City are set forth in detail in the Annexation Study subject to the City's reasonable policies, ordinances, regulations, terms and conditions in accordance with South Dakota Codified Law.
5. That any exclusions or irregularities in municipal boundary lines, following approval of this Resolution, are not the result of arbitrariness but are based upon existing geographical features physical barriers, existing property boundaries, existing occupancies and uses, and existing city boundaries.
6. That there is reasonable present need, and demonstrable future need, for annexing the subject contiguous territory in accordance with the Annexation Study.
7. That there exists a community of interest between the contiguous territory and the City of Sturgis.

**NOW, THEREFORE BE IT RESOLVED** that the property identified as Grandpre Plat Lots 20-27 Inc, N 40 FT Lot 28 in Lot A of Lot 3 NW. SE., also referred to by the Meade County Equalization Office as Parcel #11.65.02, of Section 15, T5N R5E Black Hills Meridian, Meade

County, South Dakota, subject to all easements, restrictions, and reservations shown of record in the office of the Register of Deeds of Meade County, South Dakota, if any, shall be and is hereby annexed into the City of Sturgis as provided by State Law and the corporate limits of the City of Sturgis extended to include it.

**DATED** this 17th day of December, 2018.

Published: 12-27-2018

Effective: 01-17-2019

Motion by Martinson, second by Waterland and carried with all members present unanimously voting yes to approve the revisions to the 2019 Policy and Procedures Manual.

Motion by Anderson, second by S. Keszler and carried with all members present unanimously voting yes to adopt the four-point proposal for the Municipal Deer Management Plan.

Motion by Waterland, second by Martinson and carried with all members present unanimously voting yes to approve first reading of Ordinance 2018-15 – Title 2 – Contractor’s Licensing and Construction Regulations.

Motion by T. Keszler, second by Bachand and carried with all members present unanimously voting yes to table first reading of Ordinance 2018-16 – Title 32 – Animals.

Motion by Martinson, second by Anderson and carried with Carstensen, Anderson, Crane, S. Keszler, T. Keszler, Martinson, Waterland and Zerbst voting yes, Bachand voting no, to approve first reading of Ordinance 2018-17 – Title 9 – Fire Prevention.

Any other business:

Fireworks can be shot off from 4:00 pm on December 31<sup>st</sup> to 1:00 am on January 1<sup>st</sup>.

Motion by Waterland, seconded by Bachand and carried with all members present unanimously voting yes to adjourn the meeting at 8:22 pm.

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

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

Published once at the total approximate cost of \$