

## 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, August 19, 2019 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 Zerbst, second by Waterland and carried with all members present unanimously voting yes to approve the agenda.

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

Motion by Martinson, second by T. Keszler to return to regular session at 6:30 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

### Announcements:

- Most of the City Park is now open.
- The Community Center pool is now open.
- The next Council meeting will be September 3, 2019.
- The Community picnic will be held on August 21<sup>st</sup>.
- NH Gymnastics will hold their open house on August 23<sup>rd</sup>.
- The Mustang Rally will be held on Labor Day weekend and Supermoto will be held the next weekend.
- Councilor S. Keszler thanked Public Works for their work during the Rally.
- Councilor Crane reported that the Chamber is needing people to grill at the Community picnic.
- City Manager Ainslie reported that the airport has a profit of \$11,000 from fuel sales. Thanks to Dave Smith and everyone at the airport.

### City Manager Ainslie reported:

- a. Payroll Changes within Budget
  1. Liquor Store: Sam Tingle-Sales Clerk Rally Point Annex \$11.00; Justin Burnham-Stocker \$10.00; All Existing Liquor Store Part-Time staff increase pay by \$1.00/hour July 22- August 18, 2019.
  2. Rally and Events: Laurel Hansen-Niesen-Rally Event Temp \$11.25; Jesaca Gallosa-Photo Tower \$10.50; Janis Mathis-Anderson-Photo Tower \$11.25.
- b. The sales tax update for General Sales Tax and Capital Improvement Tax for June collected in July was up 11.3% month over month and up 7% year over year. The Gross Receipts Tax (triple B) was up 1.1% month over month and down .05% year over year.

Motion by Martinson, second by T. Keszler and carried with all members present unanimously voting yes to approve the following items on the consent calendar except for d and g:

- a. Consideration to approve minutes from the July 29, 2019 regular council meeting.
- b. Consideration to set a public hearing for September 3, 2019 for a Retail On-Off Sale Malt Beverage & SD Farm Wine License for DesJarlis Farms LLC at 1355 Ballpark Road.
- c. Consideration to set a public hearing for September 3, 2019 for a Special Events License for the Loud American at the Armory for the Ag Banquet on September 26, 2019.

- ~~d. Consideration to set a public hearing for September 16, 2019 for a Resolution Approving Assessment Rule.~~
- e. Consideration to approve a Consumption Only Permit for the City Employee After Rally Party on August 23, 2019 from 5pm-8pm at H-D Rally Point.
- f. Consideration to set public hearing for September 3, 2019 for a Special Events License for the Knuckle Brewery for a class reunion at the Armory on September 14, 2019.
- ~~g. Consideration to set a public hearing for September 3 for use of City property, street closure and open container for the 2019 Supermoto to be held on September 6 and 7.~~

Motion by Bachand, second by Martinson and carried with all members present unanimously voting yes to set a public hearing for September 16<sup>th</sup> on a resolution approving the Assessment Rule.

Motion by Bachand, second by Crane and carried with all members present unanimously voting yes to set a public hearing for September 3 for use of City property, street closure and open container for the 2019 Supermoto to be held on September 6 and 7.

Motion by Martinson, second by Anderson and carried with all members present unanimously voting yes to approve the following claims with the removal of cemetery software from the Airport budget and place it in the proper department:

**WAGES** – Ambulance \$30,310.30; Attorney \$4295.15; Auditorium \$231.44; Buildings \$1202.98; Cemetery \$2911.54; City Manager \$4827.87; Community Center \$12,642.25; Finance Office \$9035.74; Fire Department \$105.14; Human Resource \$6021.60; Library \$9192.52; Liquor \$9191.60; Mayor and Council \$3837.04; Parks \$12,014.44; Planning & Permitting \$11,258.37; Police \$116,218.68; Rally \$18,435.98; Recreation \$3276.58; Sanitary Service \$18,717.12; Streets \$16,769.74; Wastewater \$11,702.38; Water \$9991.47; Federal Withholding \$24,874.54; FICA \$23,066.30.

**COMBINED CASH FUND** – DAZ Construction, \$3.57, refund; G&G Garbage, \$89.20, refund.  
**GENERAL** – A&B Welding, \$5.10, sup; A&J Surplus, \$14.76, sup; A to Z Shredding, \$105.20, other; Adams-ISC, \$281.82, rep; Baker & Taylor, \$111.36, sup; Elton Lane Barden, \$175.00, prof fee; Bear Butte Valley Water, \$206.20, util; Bierschbach Equipment, \$90.00, prof fee; Black Hills Chemical, \$3,265.66, sup; Black Hills Energy, \$27,304.14, util; Black Hills Pioneer, \$529.46, pub; Border States Electric, \$1,146.61, rep; Buckle Tree, \$62.14, sup; Business Radio Licensing, \$120.00, sup; Butte Electric, \$368.82, util; Cash-Wa Distributing, \$669.30, resale; Century Link, \$388.46, util; Chris Supply, \$9.26, rep; City of Sturgis Water Dept, \$5,207.03, util; Culligan of the Black Hills, \$64.00, sup; Cummins-Allison Corp, \$242.00, rep; Dana's Plumbing, \$325.52, sup; Dustin Evans, LLC, \$1,500.00, prof fee; Epic Outdoor Advertising, \$15,847.70, sup; Fastenal Company, \$173.10, sup; G&H Distributing, \$120.09, sup; Grocery Mart, \$550.20, sup; Don Hackett, \$75.00, prof fee; Harvey's Lock Shop, \$14.00, sup; Jerred Hegstrom, \$89.03, sup; Hillyard, \$176.36, sup; Jerry's Refrigeration, \$790.94, sup; Keffeler Kreation, \$20.00, other; Kennedy's Window Cleaning, \$1,005.00, rep; Key City Glass, \$54.00, rep; Kevin Klug, \$175.00, prof fee; Local Equipment, \$732.35, rep; Legendary Electric, \$664.28, rep; Loud American, \$325.00, sup; Lynn's Dakotamart, \$448.07, sup; Marco Technologies, \$91.78, rep; MasterCard, \$76,441.44, sup; Matfactor, \$307.15, sup; Meade County Auditor, \$16,016.00, other; MG Oil Co, \$28,036.20, sup; MDU, \$1,928.58, util; Motionsoft, \$450.00, prof fee; North Star Construction, \$19,029.60, rep; Northwest Pipe Fittings, \$3,364.43, sup; O'Reilly Auto Parts, \$293.11, rep; Park Avenue Car Wash, \$40.00, sup; Tre Parlier, \$330.00, rep; Powerplan, \$640.38, rep; Quality Carpet Care, \$240.00, prof fee; Don Rourke, \$50.00, prof fee; Rushmore Office Supply, \$837.40, sup; Sacrison Asphalt, \$159.60, sup; Sam Erion Construction, \$11,665.74, prof fee; Speedy Lube, \$286.42, sup; Sturgis Ambulance, \$300.00, prof fee; Summit Signs & Supply, \$74.70, sup; Tom's T's, \$1,728.00, sup; Town-n-Country Plumbing, \$147.57, rep; Traffic Displays, \$379.00, refund; Twilight First Aid & Safety, \$331.49, sup; U Drive technology,

\$267.00, prof fee; Vanway Trophy & Award, \$1,318.30, other; Kristie Wagner, \$2,500.00, prof fee; Z&S Dust & Control System, \$6,351.84, rep.

**SPECIAL SALES TAX** – Black Hills Energy, \$44.21, util; MasterCard, \$444.54, util MDU, \$46.50, util.

**CAPITAL IMPROVEMENT** – Ainsworth Benning Construction, \$254,225.19; American Engineering Testing, \$113.70; Fennell Design, \$2,246.25; Grangaard Construction, \$52,489.91; Johnson Controls, \$15,444.49; MasterCard, \$26.57; North Star Construction, \$110,222.08; Scull Construction, \$51,262.14.

**BUSINESS IMPROVEMENT DISCTRICT** – DRT Racing, \$8,000.00, prof fee; Lynn’s Dakotamart, \$13.57, sup; MasterCard, \$3,938.73, pub; Swank Motions Pictures, \$28.00, sup; Tom’s T’s, \$60.00, sup.

**LIQUOR** – Arctic Glacier USA, \$1,640.37, resale; Badlands Distillery, \$373.44, resale; Black Hills Energy, \$1,855.62, util; Black Hills Rally & Gold, \$617.00, resale; Cash-Wa Distributing, \$5,806.91, resale; Cask & Cork, \$1,256.55, resale; City of Sturgis Water Dept, \$315.87, util; Fat Boys, \$246.00, resale; Fisher Beverage, \$27,003.55, resale; Johnson Western Wholesale, \$59,100.53, resale; MasterCard, \$4,434.77, pub; MDU, \$18.15, util; Pepsi Cola, \$858.25, resale; Prairie Berry, \$897.00, resale; Quality Brands of the Black Hills, \$25,642.53, resale; Republic Beverage, \$156,261.22, resale; Rushmore Office Supply, \$774.29, sup; southern Glazer’s of SD, \$15,118.20, resale; True Brands, \$763.97, resale; Valiant Vineyard, \$264.00, resale.

**WATER** – Advanced Engineering & Environmental, \$7,832.38, sup; Black Hills Energy, \$9,905.93, util; Black Hills Pioneer, \$169.10, pub; Butte Electric, \$1,002.93, util; Bity of Sturgis Water Dept, \$211.65, util; Core & Main, \$4,600.39, prof fee; Dakota Extinguisher & Safety, \$87.00, rep; Dakota Pump, \$13,188.80, rep; Hawkins, \$1,575.24, sup; Dan Jacobson, \$2,500.00, refund; Legendary Electric, \$816.63, rep; MasterCard, \$4,677.73, sup; MDU, \$153.87, util; Northwest Pipe Fittings, \$528.80, rep; Powerplan, \$418.89, rep; Sacrison Paving, \$3,843.83, rep; Speedy Lube, \$45.97, rep; USA Blue Book, \$213.90, sup.

**WASTEWATER** – Advanced Engineering & Environmental, \$91,930.00, cap imp; Black Hills Energy, \$2,765.08, util; Dakota Redi-mix, \$99,492.52, cap imp; Fastenal Co, \$36.03, sup; Flexible Pipe Tool Co, \$25.00, rep; MasterCard, \$471.64, sup; MDU, \$57.83, util; Northwest Pipe Fittings, \$176.82, sup; USA Blue Book, (\$121.25), sup.

**SANITATION** – Affordable Tire & Alignment, \$45.50, sup; Black Hills Chemical, \$554.97, sup; Black Hills Energy, \$15.00, util; Century Link, \$60.85, util; City of Belle Fourche, \$34,993.62, other; Dakota Battery & Electric, \$370.20, rep; Godfrey Brake Service, \$4,103.93, rep; Holtz Industries, \$226.00, sup; Lynn’s Dakotamart, \$15.96, sup; MasterCard, \$5,964.37, sup; Northern Truck Equipment, \$10,224.00, sup; Powerplan, \$2,090.52, rep; Traffic Displays, \$562.00, refund; Waste not Recycling, \$2,376.00, other.

**AMBULANCE** – A&B Welding, \$273.80, sup; Arrow International, \$2,010.50, sup; Black Hills Chemical, \$136.32, sup; Black Hills Energy, \$629.76, util; City of Sturgis Water Dept, \$337.35, util; Henry Schein, \$1,200.78, sup; Keffeler Kreations, \$20.00, other; Key City Glass, \$54.00, rep; Liberty Chevrolet, \$5,343.82, rep; Lynn’s Dakotamart, \$5.78, sup; MasterCard, \$3,760.84, sup; Medical Waste Transport, \$160.95, other; MDU, \$35.15, util; Steven Payne, \$167.20, refund; Physio Control, \$2,917.05, prof fee; Rushmore Office Supply, \$80.26, sup; Thrivent Financial, \$105.00, refund; Western Communications, \$39.15, rep.

Motion by Crane, second by Waterland and carried with all members present unanimously voting yes to adopt Resolution 2019-56 - Amending TIF #11.

**RESOLUTION 2019-56**  
**AMENDMENT OF TAX INCREMENTAL DISTRICT NUMBER ELEVEN**  
**(Scott Peterson Motors)**

WHEREAS, the Common Council of the City of Sturgis created Tax Incremental District # 11 through the adoption of Resolution 2014-54 with the effective date of September 4, 2014;

WHEREAS, the Common Council also established the project plan for TID #11 which included total Tax Increment Financing of \$1,905,000; and,

WHEREAS, the Common Council of the City of Sturgis deems it necessary to amend the project plan for Tax Incremental District #11, as authorized by SDCL 11-9-18, to remove certain property from the TID boundaries; and,

WHEREAS, the Amended project plan for Tax Incremental District Number Eleven (TID #11) shall include the same property and tax base as originally established, with the removal of:

Lot SBC in Block J of Glover's 2<sup>nd</sup> Addition, formerly Lots 1-10, vacated alley, and a portion of the vacated Arlette Street, less Highway right of way in Block J in Glover's 2<sup>nd</sup> Addition to the City of Sturgis, Meade County, South Dakota, all located in the NW ¼ of Section 15, T5N, R5E, B.H.M., City of Sturgis, Meade County, South Dakota. (Parcel Number 01.62.05.01)

WHEREAS, the Council has reviewed and considered the recommendation for an amended project plan provided to the Council by the Sturgis Planning and Zoning Commission; and

WHEREAS, the property within District #11 continues to meet the qualifications and criteria set forth in SDCL 11-9-8 for a tax incremental district; and

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

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

NOW THEREFORE BE IT RESOLVED, by the City of Sturgis that the project plan for Tax Incremental District Number Eleven (TID #11) shall be amended as presented to this Council to remove certain property from within the TID boundaries.

NOW, THEREFORE BE IT FURTHER RESOLVED that said project plan for Tax Incremental District Number Eleven, City of Sturgis, shall upon passage and publication be amended and be forwarded to the State of South Dakota Department of Revenue.

Dated this 19<sup>th</sup> day of August 2019.

Published: 08-28-19

Effective: 09-18-19

After much discussion a motion was made by Martinson, second by T. Keszler and carried with Anderson, Carstensen, Crane, S. Keszler, T. Keszler, Martinson, Waterland and Zerbst voting yes and Bachand voting no to approve first reading of Ordinance 2019-08 – Title 3 - Alcohol, Malt Beverages and Drinking Establishments.

Motion by Zerbst, second by Martinson and carried with all members present unanimously voting yes to table Ordinance 2019-09 – Title 6 – Cemetery to the September 3<sup>rd</sup> Council meeting.

The following bids were received: C. Eagle Construction LLC - \$61,340.40 and BTD - \$144,644 Motion by Crane, second by T. Keszler and carried with all members present unanimously voting yes to approve the bid from C. Eagle Construction LLC of \$61,340.40 to add Sidewalk and ADA ramps to East Side of Community Center and have the City Manager sign all necessary documents.

After discussion a motion was made by T. Keszler, second by Waterland and carried with all members present unanimously voting yes to disapprove a second legal newspaper.

Motion by Waterland, second by S. Keszler and carried with all members present unanimously voting yes to approve having the Mayor sign the 2019 Highway Infrastructure Program Funding Allocation Agreement for Assistance Replacing the 9<sup>th</sup> Street Bridge.

Motion by Waterland, second by Crane and carried with all members present unanimously voting yes to approve first reading of Ordinance 2019-10 - 2020 Budget Appropriation.

Any other business:

- Councilor Zerbst gave a huge thanks to all City staff for another successful Rally, especially the Public Works staff and the Police Department.
- Councilor Martinson thanked City Manager Ainslie and Finance Officer Bueno and the Department Heads for all the work on preparing the 2020 budget.
- Brittney Olson, Spirt of Sturgis, presented to the Council and the Rally and Event Department posters from this year's and last year's Antique Bike Race and Hooligan Races. Thanks goes out to the City of Sturgis.

Motion by Waterland, seconded by Anderson and carried with all members present unanimously voting yes to adjourn the meeting at 9:02 pm.

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

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

Published once at the total approximate cost of \$