

OFFICIAL MUNICIPAL ELECTION BALLOT
STURGIS, SOUTH DAKOTA
APRIL 9, 2024

Petitioners proposed the following ballot question for submission to the voters. The ballot question will not become effective unless approved by majority vote.

SHOULD THE ACTION OF THE STURGIS COMMON COUNCIL
AUTHORIZING THE COUNCIL PRESIDENT TO SIGN THE PROFESSIONAL
SERVICES CONTRACT (HOST AGREEMENT) WITH
AMA-PRO, AFT-E AND ØUTERKIND, PASSED ON
FEBRUARY 20, 2024, BE REJECTED?

EXPLANATORY STATEMENT

The question posed is whether to approve or reject the City Council's action authorizing the City Council President to sign the Professional Services Contract (Host Agreement) with AMA-Pro, AFT-E and Øuterkind, passed on February 20, 2024.

The City has considered hosting a street race during the Rally since August 2022. The City discussed the idea with five race promoters before its selection. Since then, the promoters visited Sturgis at least ten times, meeting with citizens and business owners and City representatives.

The proposal came before the Council on October 2, 2023. On November 20, 2023, the Council held a public work session on the topic. The Council considered the matter during a regular meeting on December 4, 2023. At that time and after public input, the Council authorized the Mayor to sign a Letter of Intent. The promoters next sent a draft agreement to the City for review. The document was revised five times before the Council President signed it.

The City can cancel the five-year agreement at any time by mutual agreement of the parties. The track must be set up and torn down by the promotor. The Sturgis Police Department and Sturgis Ambulance Service approved the track layout. The promotor must provide liability insurance including coverage for the City. The cost for the first year of the contract is \$653,962. The parties anticipate the City's cost of the event will be covered by event revenue; however, there is no guarantee that this will happen.

To vote use a cross (X) or check mark (✓) in the square in front of the "YES" or "NO."

- YES A "YES" vote rejects the City Council action.
- NO A "NO" vote approves the City Council action.