

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, June 7, 2021, at the Sturgis City Hall Council Meeting Room. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Kevin Forrester, David Martinson, Dean Sigman, Angela Wilkerson and Beka Zerbst. Also present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: Aaron Jordan.

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

Motion by Martinson, second by Forrester and carried with all members present unanimously voting yes to go into executive session for two legal cases, two contracts and four personnel at 6:00 pm.

Motion by Sigman, second by Wilkerson to return to regular session at 6:33 pm.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

A Planning and Zoning public hearing was brought to order at 6:37 by Bill Phillips. Alex Usera, David Murtha, Preston Williams, Brad Neuschwander and Aaron Rabenberg were present. After discussion and questions a motion was made by Williams, seconded by Neuschwander and carried with all members present unanimously voting yes to recommend to the Council approval of Ordinance 2021-02 – Title 39- Medical Cannabis- A Temporary Ordinance Regarding the issuance of local medical cannabis establishment permits and or licenses.

Motion by Usera, seconded by Murtha and carried with all members present unanimously voting yes to adjourn the Planning and Zoning public hearing at 6:51 pm.

Motion by Martinson, second by Wilkerson and carried with all members present unanimously voting yes to approve first reading of Ordinance 2021-02 – Title 39 – Medical Cannabis – A Temporary Ordinance Regarding the issuance of local medical cannabis establishment permits and/or licenses.

Informational Reports:

- Sturgis Public Library minutes from April 4, 2021
- MUB minutes from April 27, 2021
- Black Hills Council of Local Governments – Jennifer Sietsema and Kalie Schneider was present to update the Council on the Meade County Hazard Mitigation plan. They will be having stakeholder meetings in the coming month to get the information out to the people. A mitigation plan will help save lives and property. They would like to set up a date for a working session with Council and Staff.

Announcements:

- The Touch a Truck event will be held on June 12th.
- The second Music on Main will be June 9th.
- There will be a Volks March at Ft. Meade on June 12th.
- School Board election on June 8th.

DEPARTMENT HEAD UPDATE

- Dave Smith gave an update on Building Inspections, Planning and Zoning (GIS), Code Enforcement, Disaster Mitigation, Rally Vendor Inspection and Airport.

City Manager Ainslie reported:

- The sales tax update for General Sales Tax and Capital Improvement Tax for April collected in May was up 23.9% month over month and year over year 16.9%. The Gross Receipts Tax (triple B) was up 89.7% month over month and year over year up 49.7%.
- Payroll Changes within Budget-
 - Community Center** - Brodie Eisenbraun – Front Desk Attendant - \$9.95; William Hale - Lifeguard - \$10.50
 - Police** – Teal Schmidt – Patrol Officer - \$22.95; Emma Barnard, Katherine “Katie” Sulzbach, Talina Spring – Animal Shelter Support Staff - \$10.50; Dakota Pelton, Olivea Tallmage, Angel Thompson, Russell Gaudett – Volunteer - \$0
 - Ambulance – Full-time Paramedics:** Casey Baker, Charles Hinton, Tammy McCoy, \$22.72; Cody Heupel, Stefanie Jenks, Charles Siferd, - \$21.47; Halli Schulz - \$26.22; Courtney Walker - \$24.22. **Half-time Paramedics** – Joshua Kusser - \$21.97, Hannah Nelson - \$21.72. **Part-time Critical Care Paramedic** – James Hale - \$19.48, Aaron Mitchell - \$22.48, Holly Sabers - \$23.30, Warren Shaulis - \$22.90, Derek Swain \$22.00. **Part-time Paramedics** – Tyrel Lewis - \$21.47, Kirsten Kirsch - \$19.41, Rachel Hobbs – \$21.47, Heidi Schulz - \$19.40, Jama Shaulis- \$21.98. **Half-time EMT Intermediate** – Nellie Isaacs - \$21.93. **Half-time EMT Basic** – Lee Stroschine - \$16.54. **Part-time EMT Basic-** Dusty Barker, Justin Boerboom, Scott Lensegrav, Megan Salzer, Mandie Schwartz, Anna Tescher - \$15.33. Annie Calhoon, Andrew Nelson, Gabriella Sprague \$15.00; David McCarthy and Kaleb Zook - \$15.59, Kent Stenson - \$15.16. **Part-time EMT-Advanced** – Samantha Bartels - \$19.91, Patrick Urbaniak - \$19.21.

Motion by Zerbst, second by Martinson and carried with all members present unanimously voting yes to approve the following items on the consent calendar with the exception of a:

- ~~Consideration to approve minutes from May 17, 2021, Regular Council meeting and May 24, 2021, Special Council meeting.~~
- Consideration to set a public hearing on June 21, 2021, for a street closure for the 2021 81st City of Sturgis Motorcycle Rally.
- Consideration to set a public hearing for June 21, 2021, for a Special Events License for The Loud American Roadhouse for 1337 Main Exchange for live music, food, and shopping on August 6-14, 2021.

The following corrections are for the May 17, 2021, Regular Council meeting:

Motion by Zerbst, second by Forrester to return to regular session at ~~6:01 pm~~ 6:25 pm.

Motion by Martinson, second by Zerbst and carried with ~~all members~~ Anderson, Carstensen, Forrester, Jordon, Martinson, Sigman and Zerbst voting yes, Bachand and Wilkerson voting no ~~present unanimously voting yes~~ to approve Resolution 2021-28 – Open Container during the 2021 Sturgis Motorcycle Rally.

Motion by Forrester, second by Bachand and carried with all members present unanimously voting yes to approve minutes from May 17, 2021, Regular Council meeting, with corrections, and May 24, 2021, Special Council meeting.

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

WAGES – Ambulance \$47,348.96; Attorney \$8595.97; Auditorium \$405.81; Buildings \$2458.07; Cemetery \$4716.35; City Manager \$9712.61; Community Center \$26,478.90; Finance Office \$13,384.99; Fire Department \$1262.64; Fleet \$13,875.33; Human Resource \$10,592.59; Library \$19,241.02; Liquor \$16,219.68; Mayor and Council \$9198.35; Parks \$22,036.51; Planning & Permitting \$21,154.58; Police \$86,338.10; Rally \$16,820.67; Recreation \$5783.76; Sanitary Service \$33,108.72; Streets \$24,079.47; Wastewater \$22,662.67; Water \$29,989.78; Federal Withholding \$35,035.84; FICA \$31,655.28.

COMBINED CASH FUND – First Interstate Bank, \$2,000.00, ATM cash; Darren Gramaas, \$84.47, refund utility; Petty Cash, \$75.00, petty cash.

GENERAL – A&B Business, \$725.89, supp; Baker & Taylor, \$73.43, supp; Elton Barden, \$225.00, prof fee; Dustin Barnes, \$60.00, police transport; Paula Basker, \$6.38, supp; Bear Butte Valley Water, \$141.85, util; Black Hills Energy, \$14,738.76, util; Black Hills Library Consortium, \$5,085.39, repair; Border States Electric, \$20.68, repair; Roger Burnham, \$3,824.58, prof fee; Cash-Wa Distributing, \$524.18, merch for resale; Century Link, \$337.32, util; City of Sturgis Water Dept, \$3,995.67, util; Grimm's Pump, \$708.81, supp; Grossenburg Implement, \$298.16, repair; HUB International, \$8,111.33, insur; Jake's Collision Repair, \$4,654.00, repair; Junction Ave Floral, \$50.00, other; Kevin Klug, \$225.00, prof fee; Kone, \$166.92, repair; Legendary Electric, \$132.66, supp; Lowe Roofing, \$215.21, repair; Marco Technologies, \$105.55, repair; Meade County Auditor, \$4,526.45, other; Motionsoft, \$900.00, prof fee; Travis Parker, \$300.00, other; Pete Lien & Sons, \$831.25, supp; Petty Cash, \$259.00, other; Race Wheels, \$600.00, other; SBHS Volleyball, \$480.00, prof fee; SD National Guard, \$3,000.00, other; SD Secretary of State, \$30.00, insur; Sturgis Motorsports, \$44.99, repair; Tom's T's, \$2,384.05, supp; Town-N-Country Plumbing, \$82.58, supp; U Drive Technology, \$275.01, util; Wolff's Plumbing, \$334.00, repair.

SPECIAL SALES TAX – Sturgis Area Chamber of Commerce, \$7,916.67, monthly alloc; Sturgis Economic Development, \$5,833.33, monthly alloc.

CAPITAL IMPROVEMENT – Aaron Swan & Assoc, \$5,845.00, improv; SD DENR, \$300.00, improv; SD Dept of Transportation, \$9.53, improv.

BUSINESS IMPROVEMENT DISTRICT – 32 Below, \$2,000.00, prof fee; John Hasting, \$1,200.00, prof fee; David Martinson, \$2,000.00, prof fee; Perfect Wave Production, \$4,200.00, prof fee; Chelsey Whitley, \$1,000.00, prof fee; Kris York, \$65.00, other.

HOTEL OCCUPANCY TAX DISTRICT – Sturgis Motorcycle Museum, \$20,000.00, other.

TIF #21 HIDDEN ESTATES – Advanced Engineering, \$36,556.13, cap improv.

LIQUOR – Arctic Glacier USA, \$423.75, liquor; Black Hills Energy, \$1,518.18, util; Cash-Wa Distributing, \$2,624.45, liquor; Cask & Cork, \$1,514.56, liquor; City of Sturgis Water Dept, \$399.68, util; Coca Cola, \$1,166.50, liquor; Dakota's Best, \$303.90, liquor; Desjarlais Farms, \$64.00, liquor; Fisher Beverage, \$19,748.62, liquor; Johnson Western Wholesale, \$32,933.18, liquor; MB Enterprises, \$175.87, liquor; Okoboji Wines, \$202.00, liquor; Pepsi Cola, \$188.50, liquor; Prairie Berry, \$624.00, liquor; Quality Brands of the BH, \$34,903.81, liquor; Republic Beverage Co, \$29,180.93, liquor; Schade Vineyard, \$96.00, liquor; Southern Glazer's of SD, \$13,479.33, liquor; TAGS, \$368.75, liquor; VOSS Distributing, \$37.70, liquor.

WATER – Black Hills Energy, \$7,430.12, util; Boulder Canyon Construction \$6,916.00, repair; City of Sturgis Water Dept, \$315.61, util; Core & Main LLP, \$11,363.04, supp; Hach Company, \$226.62, prof fee; Hawkins, \$45.00, supp; Petty Cash, \$5.04, supp; Postmaster, \$82.00, supp; SD DENR, \$100.00, other; Tom's T's, \$97.10, supp.

WASTEWATER – Advanced Engineering, \$30,697.18, cap improv; Black Hills Energy, \$2,831.25, util; Postmaster, \$81.50, supp; SD DENR, \$350.00, prof fee; Tom's T's, \$142.96, supp.

SANITARY SERVICE – Black Hills Energy, \$254.42, util; Century Link, \$72.67, util; City of Belle Fourche, \$27,749.24, other; Postmaster, \$81.50, supp; Tom's T's, \$209.70, supp.

AMBULANCE – Black Hills Energy, \$442.45, util; Black Hills Windshield Repair, \$50.00, repair; City of Sturgis Water Dept, \$96.76, util; Dept of Veterans Affairs, \$1,450.00, refund; Henry Schein, \$635.51, supp; Image Trend, \$231.00, prof fee; Dr Joy Mueller, \$500.00, prof fee; SDBMOE, \$425.00, prof fee.

Motion by Bachand, second by Zerbst and carried with all members present unanimously voting yes to approve a Use on Review to operate an at-home, part-time motorcycle repair business at 2120 Moose Drive for PerformanceX LLC, dba Exit 32 Fit Shop for Brandon Anderson.

Motion by Anderson, second by Forrester and carried with all members present unanimously voting yes to approve a 2.5’ variance to the 5’ required side setback for a new 14x19.1’ carport at 1930 Arizona Avenue for Laverne Paul.

Motion by Martinson, second by Zerbst and carried with all members present unanimously voting yes to approve a Special Events License for the Knuckle Saloon for the Jack Daniels Rally Tent at 1201 Lazelle St. on August 7 – 13, 2021.

Motion by Sigman, second by Wilkerson and carried with all members present unanimously voting yes to approve a Special Events License for the Knuckle Saloon for Music on Main on June 16 and July 7, 2021, at 919 Harley-Davidson Way.

Motion by Wilkerson, second by Anderson and carried with all members present unanimously voting yes to approve a Special Events License for the Knuckle Saloon for the Camaro Rally Mixer on June 24, 2021, at 919 Harley-Davidson Way.

Motion by Martinson, second by Zerbst and carried with all members present unanimously voting yes to approve a Consumption Only Permit for the City of Sturgis on August 9 and 12, 2021 at 1040 Harley-Davidson Way for the Sturgis Motorcycle Rally VIP Social and Sturgis Motorcycle Rally Vendor Social.

Motion by Forrester, second by Sigman and carried with all members present unanimously voting yes to approve Resolution 2021-30 – Street Closure and Open Container on June 24-26, 2021, and a Police Escort on June 25-27, 2021 for the Camaro Rally.

RESOLUTION 2021-30

RESOLUTION TO CLOSE DESIGNATED STREETS AND PERMIT OPEN CONTAINERS ON CERTAIN PUBLIC PROPERTY AND WITHIN CERTAIN PUBLIC RIGHTS OF WAY FOR THE STURGIS CAMARO RALLY

WHEREAS the Sturgis Camaro Rally is an event that brings many people from all over the North America to the Sturgis area for the Sturgis Camaro Rally to join their fellow Camaro enthusiasts for four days of racing, car shows, touring the Black Hills, and other events, bringing in much needed revenue to our hotels, restaurants, grocery, and retail stores, and

WHEREAS a request has been made for street closure to vehicular traffic and unauthorized parking between 2:00 pm-10:00 pm on June 24, 2021, on Harley Davidson Way from Main Street north to Lazelle Street for the Camaro Rally Social, and

WHEREAS a request has been made for street closure to vehicular traffic and unauthorized parking between 6:00 am to 7:00 pm on June 25, 2021, for Third Street from Lazelle Street to the Post Office for the Camaro Rally Autocross line up, and

WHEARAS a request has been made for street closure to vehicular traffic and unauthorized parking between 2:00 am to 3:00 pm on June 26, 2021, for Main Street from Fourth Street to First Street and Third Street from Main Street north to Lazelle, Harley Davidson Way from Sherman north to Lazelle Street and First Street from Sherman north to Lazelle Street This area shall be marked by city barricades with clearly legible signs. The Police Department will be authorized to tow vehicles within the street closure area, starting June 24th, 25th and 26th at the necessary times to ensure no unauthorized parking, and

WHEREAS a request was made for a police escort for the following days: Friday, June 25, 2021, starting at the Community Center out to Ft Meade VA Hospital back to Junction Ave to I-90 starting at 9:00 AM for a parade for the Veterans. Saturday, June 26, 2021, starting at 3:30 PM from the front Community Center parking lot, onto Lazelle St, go right on Lazelle to Whitewood Service Rd, right on Whitewood Service Rd to City Limits. Sunday, June 27 starting at 9:00 AM from the Community Center parking lot, down Lazelle to Junction Ave, then to the head of Vanocker Canyon for the Fun Run, and

WHEREAS a request was made to lift the Open Container Ban for the downtown area are as follows: Thursday, June 24 from 2:00 PM until 10:00 PM for the Camaro Rally Social. Friday June 25 from 10:00 AM until 10:00 PM for the Camaro Rally Autocross. Saturday, June 26 from 10:00 AM until 10:00 PM for the Camaro Rally Show and Shine, and

WHEREAS the following description of the downtown open container area is permitted under the authority of state law:

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 streets to vehicular traffic and unauthorized parking described

above. The areas described previously will have the Open Container Ban lifted. Persons legally possessing malt beverage and/or wine must have the beverage in the authorized non-glass container. The areas shall be marked by city barricades with clearly legible signs. The Police Department will be authorized to tow vehicles within the street closure area.

Dated this 7th of June 2021.

Published: 06-14-2021

Effective: 07-05-2021

Motion by Anderson, second by Zerbst and carried with Carstensen, Anderson, Forrester, Martinson, Sigman, Wilkerson and Zerbst voting yes, Bachand abstaining, to approve second reading of Ordinance 2021-01 – Title 26 - revised Downtown BID changes.

ORDINANCE 2021-01
AN ORDINANCE AMENDING TITLE 26 – ESTABLISHMENT OF BUSINESS
IMPROVEMENT DISTRICTS

BE IT ORDAINED by the Common Council of the City of Sturgis, Meade County, South Dakota that Section 26.02.01 – Establishment of the Downtown Business Improvement District; 26.02.05 Special Assessments; 26.02.06 – Exemptions; 26.03.05 Vote Allocation to be amended to read as follows:

TITLE 26
ESTABLISHMENT OF BUSINESS IMPROVEMENT DISTRICTS

CHAPTERS:

- 26.01 General Provisions
- 26.02 Downtown Improvement District
- 26.03 Hotel and Motel Improvement District

Chapter 26.02
DOWNTOWN IMPROVEMENT DISTRICT

SECTIONS:

- 26.02.01 Establishment of the Downtown Business Improvement District
- 26.02.02 Downtown Business Improvement District Board
- 26.02.03 Duties of the Board
- 26.02.04 Boundaries of the Downtown Business Improvement District
- 26.02.05 Special Assessments
- 26.02.06 Exemptions

26.02.01 ESTABLISHMENT OF THE DOWNTOWN BUSINESS IMPROVEMENT
DISTRICT:

The Downtown Business Improvement District is created for the purpose of a collective contribution funding for a portion or all of the future proposed public events, public activities, beautification efforts and promotion of the District as allowed by SDCL Ch. 9-55 which encourages economic development within the District.

All expenditures of the Downtown Business Improvement District funds shall be for events, public activities, beautification efforts, unique Economic Development activities and promotions

of the District that occur within the Downtown Business Improvement District. The Downtown Business Improvement District funds shall be collected by the City, deposited into a separate fund and distributed to a qualified 501 (c) 3 which will complete the activities described in the annual adopted City budget to carry out the purposes described within this Title. Funds collected from this assessment may not be used to host, promote, or staff the annual Motorcycle Rally, nor may they be used for the benefit of an individual business.

26.02.05 SPECIAL ASSESSMENTS:

- A. The real property in the district shall be subject to an annual special assessment based upon the special benefit to the property within the district as authorized by SDCL § 9-55-2.
- B. The special assessment shall be fair and equitable as required by SDCL § 9-55-7. The rate of each special assessment shall be determined pursuant to SDCL § 9-55-13 based upon the following formula:
 - 1. For property located within the Business Improvement District, the property shall be assessed a total of \$6 per linear foot of the property's street frontage (it shall not include frontage along alleyways).
 - 2. The assessments shall be subject to adjustment by the City Common Council by resolution as provided in SDCL Ch. 9-55.

26.02.06 EXEMPTIONS:

The following real property is exempt from taxation or assessment under this chapter:

- A. All real property which is exempt from taxation under SDCL Ch. 10-4, except those properties identified under 26.03.02 (G).
- B. Owner occupied residential property.
- C. Property used solely for residential uses.
- D. Property used as a place of worship.
- E. Property used by a school district and Meade County.
- F. Hospital property.
- G. City property located within the District boundaries shall not be exempt. The City shall pay an assessment consistent with the linear calculation of each property located within the Businesses Improvement District.

Chapter 26.03

HOTEL AND MOTEL IMPROVEMENT DISTRICT

SECTIONS:

- 26.03.01 Establishment of the Hotel and Motel Business Improvement District
- 26.03.02 Boundaries of the Hotel and Motel Business Improvement District
- 26.03.03 Hotel and Motel Business Improvement District Board
- 26.03.04 Duties of the Board
- 26.03.05 Vote Allocation
- 26.03.06 Hotel and Motel Business Improvement District Occupancy Tax
- 26.03.07 Occupancy Tax Assessment
- 26.03.08 Licenses and Account Charge
- 26.03.09 Enforcement and Remedies
- 26.03.10 Reporting Occupancy Tax

26.03.05 VOTE ALLOCATION:

The proportionate vote of a Board member shall be established at one vote for the first twenty-five lease rooms available to the public, and an additional vote for each portion of twenty-five additional available lease rooms at the qualified property. The vote allocation of the Board members shall be as follows:

Best Western	55 (3 votes)
Days Inn	53 (3 votes)
Baymont Inn	84 (4 votes)
Super 8	58 (3 votes)
Sturgis Motel	29 (1 vote)
Hotel Sturgis	22 rooms (1 vote)
<u>South Pine Motel</u>	<u>9 (1 vote)</u>
TOTAL:	310 (16 votes)

First reading: 05-17-2021

Second reading: 06-07-2021

Adopted: 06-07-2021

Published: 06-14-2021

Effective: 07-05-2021

The following bids were received for the Pool Locker Room renovation: Mac Construction Co. - \$179,397.00 with the two alternates - \$9,963-Women's and \$9,963 - Men's. C Eagle Construction - \$280,600.00 - with the two alternates - \$12,800 - Women's and \$13,000 - Men's. Motion by Martinson, second by Bachand and carried with all members present unanimously voting yes to approve low bid from Mac Construction Co. for \$179,397.00 with the two alternates - \$9,963-Women's and \$9,963 - Men's, for the Pool Locker Room renovation and have the City Manager sign all necessary documents.

Motion by Bachand, second by Sigman and carried with all members present unanimously voting yes to approve adding three FEMA flood gauges in the city with a one-time installation cost of \$16,950 to the City of Sturgis. Annual operation and maintenance cost is \$13,575 with the City of Sturgis contributing \$9,575 and USGS providing the \$4,000 annually.

The Council discussed adopting the 2021 Building Codes (IBC & IRC) and the 2021 International Fire Code. The first reading of the ordinance will be at the next meeting.

Motion by Martinson, second by Sigman and carried with all members present unanimously voting yes to approve a professional service agreement with Fennell Design for \$52,750. They would provide three preliminary designs by October 31, 2021, for the Lake Front Adventure Park.

Any other business:

None

Motion by Martinson, second by Zerbst and carried with all members present unanimously voting yes to go into executive session for personnel and contracts at 8:50 pm.

Motion by Anderson, second by Forrester to return to regular session at 9:31 pm.

Motion by Bachand, seconded by Zerbst and carried with all members present unanimously voting yes to adjourn the meeting at 9:32 pm.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$