

**RUGBY CITY COUNCIL
REGULAR MEETING
TUESDAY, SEPTEMBER 7, 2010 - 7:30 P.M.
COUNCIL CHAMBERS**

Council Members present: Rheault, Lotvedt, Jacobson, Bednarz, Hoffert, Harmel, Geiszler and Wentz. Also present were Mayor Cichos, City Attorney Hartl, and City Auditor Harmel.

Mayor Cichos called the meeting to order at 7:30pm. Council members recited the Pledge of Allegiance. Roll call of council members by Mayor Cichos.

There were no additions to the agenda.

Motion by Geiszler to approve the minutes of the August 2 & 12, 2010 meetings. Second by Hoffert, all voting yes, motion carried.

Motion by Rheault to approve the financial statements, payment of the bills, the bills paid since the last meeting: 10485 Alltel \$121.40, 10486 B & M Laundry Service \$24.84, 10487 Convention & Visitors Bureau \$5,163.44, 10488 Farm Plan \$685.36, 10489 HACTC \$2,000.00, 10490 ND One Call \$22.10, 10491 ND Public Health Lab \$48.00, 10492 ND Telephone Co. \$539.06, 10493 Otter Tail \$11,193.52, 10494 Rugby Job Authority \$21,074.06, 10495 Staples \$63.73, 10496 Farmers Union \$2,526.78, 10497 Hi-Way Tesoro \$1,289.84, 10498 Karla Jerome \$250.00, 10499 LeAnn Ostlie \$3.00, 10500 Postmaster \$282.93, 10501 Rugby Sanitation \$18,890.52, Total Regular Bills Paid \$64,178.58, 10502-10549 August Payroll Checks \$45,871.82, Soc. Sec \$7,141.16, Medicare Taxes \$1,670.10, Payroll Taxes \$4,480.50, Electronic Total \$13,291.76, 10550 AFLAC \$375.68, 10551 NDPERS \$7,682.86, 10552 NDPERS \$620.00, 10553 NDPERS \$3,198.12, Total Bills For Payroll \$71,040.24, Grand Total All Bills Paid Since Last Meeting \$135,218.82. Bills to be approved: 10554 A & E Auto Parts \$200.18, 10555 Administrative Professional \$89.00, 10556 Aqua-Pure \$7,445.18, 10557 Aqualogix \$167.50, 10558 Arden Miller Transport \$300.00, 10559 B & M Laundry Service \$24.84, 10560 Black Mountain Software \$789.00, 10561 CRA Payment Center \$159.76, 10562 Curry G. Mund \$32.85, 10563 Deplazes Redi-Mix \$1,252.00, 10564 Ethanol Products \$1,102.37, 10565 Farm Plan \$19.10, 10566 Farmers Union \$2,605.57, 10567 First District Health Unit \$18.00, 10568 G & P Commercial Sales \$608.38, 10569 Gerrells & Company \$464.00, 10570 Glenko Enterprises \$1,674.43, 10571 Graymont Western Canada \$4,321.12, 10572 Greg Boucher \$103.00, 10573 H.E. Everson \$366.77, 10574 HACTC \$6,284.98, 10575 Hawkins \$1,113.83, 10576 Hi-Way Tesoro \$1,406.95, 10577 Johnson's Plumbing \$59.78, 10578 JS Wholesale & Vending \$110.76, 10579 KZZJ \$75.50, 10580 Lotvedt Lumber \$167.40, 10581 MARC \$614.87, 10582 Marjorie Austin \$22,500.00, 10583 Mark Krogstad \$65.00, 10584 Marlene Hoffman \$50.00, 10585 Michael Todd & Company \$1,445.10, 10586 ND Dept. of Health \$209.53, 10587 ND League of Cities \$645.00, 10588 ND Public Health Lab \$48.00, 10589 Northern Improvement Co. \$432.15, 10590 Northern Plains Electric \$2,431.08, 10591 Otter Tail \$96.88, 10592 Pamida \$73.92, 10593 Petty Cash \$24.66, 10594 Phyllis Johnson \$65.00, 10595 Pierce County Auditor \$2,208.33, 10596 Pierce County Tribune \$173.88, 10597 Pioneer Mutual Life Ins. Co \$204.75, 10598 Pizza Hut \$20.00, 10599 Portraits By Misti \$220.00, 10600 POST Board \$140.00, 10601 Precision Autobody \$128.00, 10602 Premier Lube & Tire \$30.80, 10603 Rugby Greenhouse \$28.50, 10604 Rugby Hardware Hank \$4,110.93, 10605 Rugby Lumber \$113.80, 10606 Rugby Sanitation \$179.00, 10607 Rugby Service Center \$16.50, 10608 Rugby Veterinary Service \$74.50, 10609 Share Corporation \$542.10, 10610 SRT \$28.88, 10611 Staples \$183.92, 10612 Streicher's \$688.86, 10613 The Computer Store \$599.00, 10614 Thorsrud Supply \$425.39, 10615 Vessco \$328.11, Total Bills Submitted For Approval \$70,108.69. Second by Lotvedt, roll call vote: all voting yes, motion carried.

Motion by Jacobson to approve the Municipal Judge's report for August 2010. Second by Geiszler, all voting yes, motion carried.

The Council reviewed the Rugby JDA minutes & financial statements. Motion by Hoffert to approve. Second by Wentz, all voting yes, motion carried.

Mayor Cichos opened the public hearing for a variance submitted by Mark and Deb Millang, 804 5th Avenue SW, the legal description being Lot 1, Block 1, Anderson's Addn. The variance is required in order for them to add on to their current attached garage, as they are requesting to build within three feet of the north property line. The Planning & Zoning Commission held a public hearing last month, and no written or verbal comments were received. Motion by Hoffert to approve the variance. Second by Wentz, all voting yes, motion carried.

The council considered an application for an abatement of taxes filed by Jon Jochimson for 604 3rd St SW, the legal description being: Lots 10 & 11, Block 3, Lockwoods Addn., which is for a tax credit for a disabled veteran. City Assessor Stevenson explained that this was for Jochimson's 2008 taxes, and that tax credits for disabled veterans are reimbursed by ND State. Motion by Lotvedt to approve the request. Second by Hoffert, roll call vote: all voting yes, motion carried.

The Council considered a recommendation by the Finance Committee to approve hiring Brady Martz & Assoc. to conduct financial audits for 2009, 2010, & 2011. Motion by Jacobson to approve the three year contract. Second by Geiszler, roll call vote: all voting yes, motion carried.

Roger Grimsley, Advanced Engineering, updated the Council on the warranty work to be completed by Bituminous Paving, which included areas of black dirt and grass seeding, along with one valley gutter at 3rd Street & 6th Ave SE. He also encouraged the council to consider a long term Capital Improvement Plan. Discussion was held on the lack of curb and gutter along a portion of the street at 810 3rd Avenue SE and if city staff should install the curb and gutter. Motion by Lotvedt to have city staff install approximately 64 feet of curb and gutter along 3rd Avenue SE, with 42 feet along city property and 22 feet along private property, and to charge a fee of \$20.00 per linear foot to the homeowner. Second by Wentz. More discussion followed. Roll call vote: all voting yes, motion carried.

Finance Committee Chairman Jacobson and City Auditor Harmel reported on the proposed 2011 Preliminary Budget. The council reviewed the 2011 budget requests, and the proposed 2.5% increase in wages. The proposed amount to be levied is \$506,530.71, which is \$11,377.84 more than the 2010 budget. As the value of a mill has increased, the proposed mill levy is expected to be around 115, which is about 3 mills less than 2010. The council will hold a special budget meeting on Wednesday, September 15 at 7:30pm in Council Chambers to review the 2011 budget. Motion by Jacobson to approve the 2011 Preliminary Budget. Second by Hoffert, roll call vote: all voting yes, motion carried.

The council reviewed a preliminary site analysis for a new Fire Hall, provided by EAPC Architects, which showed overlays of different styles and locations. Lengthy discussion was held with the firemen in attendance. Motion by Bednarz to table the issue until the October 4, 2010 Council meeting. Second by Jacobson, roll call vote: Wentz - no, Geiszler - no, Harmel - no, Hoffert - yes, Bednarz - yes, Jacobson - yes, Lotvedt - no, Rheault - yes. Tie Vote, with Mayor Cichos breaking the tie by voting yes. Motion carried.

Mayor Cichos appointed the following as election inspectors for the General Election in November: Precinct 4 & 5, Ward 1, 1st & 2nd - Pete Murtaugh; Precinct 6, Ward 2 - Harriett Kreklau; Precinct 7, Ward 3 - Candy Munyer; Precinct 8, Ward 4 - Renae Dockter. Motion by Jacobson to approve the appointments. Second by Wentz, all voting yes, motion carried.

The Council reviewed the HACTC Housing Contract for Boarding Prisoners. The Public Safety Committee recommended approval, but amending item #1 - Term of Agreement, changing the word "indefinitely" to "June 30, 2011". The daily rate would remain at \$55.00 per day. Motion by Hoffert to approve the contract. Second by Geiszler, roll call vote: all voting yes, motion carried.

The Council reviewed the Uncollected Taxes report provided by Pierce County.

City Attorney Hartl reported that the sale is complete on the Austin property. Discussion was held on the installation of a valley gutter at 3rd Avenue and 6th Street SE, which Bituminous Paving has agreed to repair, but can not find a contractor. Discussion was also held on potential conflicts of interests when a city employee is a subcontractor for a city contractor. Discussion was held on having city employees repair the valley gutter on city time, with Bituminous Paving paying the City of Rugby for the repair. Motion by Lotvedt to have city employees install the valley gutter on city time and to be reimbursed by Bituminous Paving. Second by Hoffert. More discussion followed. Hoffert called the question. Roll call vote: all voting yes, motion carried.

Discussion was held on boulevard trees along Highway 3, the city's lack of safety equipment, tree policies, procedures, and ordinances. The city will remove the boulevard trees at 404 3rd St SW, then devise new policies and procedures for tree care.

There were no raffle or special event permits requested.

Committee Reports: Buildings/Property - the swimming pool interior was painted. Finance - met and discussed 2011 budget. Ordinances/Rec - no report. Personnel - met and reviewed sick, vacation and holiday leave, and allowing employees to donate sick leave to other employees. The council discussed different options for vacation leave. Public Safety - hired officer Scott Bommersbach, discussed more publicity for tree policies, and ways to improve the handling of neighborhood grievances. Motion by Hoffert to have Council members contact residents in their respective wards regarding violations. Second by Lotvedt. More discussion followed. Roll call vote: all voting yes, motion carried. Water/Streets/Sewer - Will hold a special meeting on Thursday, Sept. 9 at 8am at the water plant to review water plant operations with Rod Rock.

Correspondence Received, Special Meetings and Reminders: Meetings this month: Water/Sewer/Streets Committee Meeting with Audrey Boe Olson from NDRWS Assoc. attending on Sept. 14 at 4pm; Special City Council Meeting to Review 2011 Budget on Sept. 15 at 7:30pm; NDLC Conference in Bismarck from Sept. 23 - 25; Building/Property Committee Meeting on Sept. 27 at 4pm; Public Safety Regular Committee Meeting is rescheduled to Sept. 30 at 8am (changed from Sept. 23 at 4pm)

There being no further business to transact or to come before the Council at this time, Mayor Cichos adjourned the meeting at 9:12pm.



Karla Harmel, City Auditor

9-13-10

Date Submitted

David C. Cichos, Mayor

Date Approved