

**RUGBY CITY COUNCIL MEETING MINUTES
MONDAY, NOVEMBER 7, 2022– 7:30 PM
COUNCIL CHAMBERS AND MICROSOFT TEAMS**

Mayor LaRocque called the meeting to order at 7:30 pm.

Council members recited the Pledge of Allegiance.

Roll call was taken by Mayor LaRocque.

Council Members present: Lotvedt, Nelson, Kraft, Schneibel, Larson, Brossart (by Teams), Zachmeier, and Gannarelli. Also present were Mayor Larocque, Auditor Stewart, and Attorney Murray.

There was a motion by Kraft to approve the agenda as presented. Second by Schneibel, all voting yes, motion carried.

The council considered the October 3, 2022, meeting minutes. There was a motion by Lotvedt to approve the October 3, 2022, meeting minutes. Second by Kraft, all voting yes, motion carried.

Bills Paid Since Last Meeting of 10/3/2022: \$220,215.93

22684 Post Board	\$550.00
22685 American Welding & Gas	\$63.87
22686 Aqua-Pure Inc	\$3,731.36
22687 B & M Laundry Service	\$179.17
22688 Blaine or Susan Schmaltz	\$100.00
22689 Chamber of Commerce	\$75.00
22690 Column Software	\$661.50
22691 Computer Express	\$2,948.00
22692 Convention & Visitors Bureau	\$2,697.18
22693 Convention & Visitors Bureau	\$5,953.77
22694 Daryl's Refrigeration, LLC	\$180.00
22695 Drive Chevrolet Buick Rugby	\$177.74
22696 EcoLab	\$173.80
22697 Envision	\$254.00
22698 G & P Commercial Sales	\$310.60
22699 GovOffice	\$780.00
22700 H. E. Everson	\$64.23
22701 Harper Oil	\$2,399.25
22702 Hawkins	\$3,601.41
22703 Home of Economy	\$235.01
E-CK J. P. Morgan / P-Card	\$1,104.28
22704 Leo Adam	\$201.25
22705 MARC	\$595.79
22706 Medico	\$258.50
22707 NAPA	\$11.25
22708 ND League of Cities	\$100.00
22709 ND One Call	\$35.85

22710	ND Peace Officers Association	\$40.00
22711	ND Telephone Co	\$829.34
22712	Newman Signs	\$632.00
22713	North Central Printing	\$191.00
22714	Northern Plains Elec. Coop	\$2,997.83
22715	Otter Tail Power Company	\$7,516.87
22716	Pierce County Tribune	\$411.80
22717	Portraits by Misti	\$95.00
22718	Rugby Job Authority	\$23,768.51
22719	Rugby Welding & Machine	\$187.81
22720	Schneider Aerial Spraying	\$847.75
22721	Staples	\$710.01
22722	State Tax Commissioner	\$106.14
22723	State Water Commission	\$7,135.50
22724	Sunny 101.0/KBTO FM	\$340.00
22725	Swanston Equipment Corp	\$2,000.00
22726	U. S. Bank	\$65,165.63
22727	Valli Information Systems	\$736.78
E-Ck	Wex Bank	\$703.67
22728	Yvonne Hagen	\$1,025.00
ACH	Payroll Checks	\$45,268.54
ACH	Social Security	\$6,921.36
ACH	Medicare	\$1,618.68
ACH	Payroll Taxes	\$4,017.41
22729	AFLAC	\$992.45
ACH	NDPERS	\$775.00
ACH	NDPERS	\$6,469.66
ACH	Sanford Health / NDPERS	\$11,819.38
Bills To Be Approved and Paid 11/7/2022:		\$945,472.93
Wire	U.S. Bank	\$9,450.00
22730	Advanced Engineering	\$30,338.77
22731	American Welding & Gas Inc	\$63.87
22732	Aqua Pure Inc	\$450.00
22733	B & M Laundry	\$132.68
22734	Brad Radomski	\$700.00
22735	Brad's Auto Service & Towing	\$727.00
22736	Circle Sanitation Inc	\$20,429.00
22737	Core & Main	\$1,226.73
22738	Drive Chevrolet Buick Rugby	\$104.59
22739	Envision	\$198.39
22740	First District Health Unit	\$75.00
22741	Glen Johnson	\$14.29
22742	Graymont Western Canada	\$5,163.00
22743	H. E. Everson Co.	\$23.92
22744	Home of Economy	\$617.68

22745	Interstate Engineering	\$715.00
22746	J. P. Cooke Company	\$84.95
22747	Johnson's Plumbing	\$738.58
22748	MEDICO Life Ins	\$470.00
22749	ND League of Cities	\$420.00
22750	ND One Call Concepts	\$33.80
22751	ND Telephone Co	\$759.98
22752	ND Water Users Association	\$300.00
22753	Northern Plains Electric Coop	\$2,784.05
22754	Pierce County Auditor	\$3,412.50
22755	Rebecca Jordan	\$170.00
22756	Robert Spallinger	\$4,267.50
22757	Rugby Broadcasters Inc/KZZJ	\$119.75
22758	Rugby Farmers Union Elevator Co	\$114.00
22759	Rugby Greenhouse	\$58.00
22760	Rugby Hardware Hank	\$353.90
22761	Rugby Service Center	\$941.51
22762	Rugby Welding & Machine	\$808.50
22763	Staples Credit Plan	\$210.57
22764	Team Laboratory Chemical	\$1,955.50
22765	Troy Munyer	\$34.06
22766	Verizon Wireless	\$655.44
22767	Wagner Construction	\$856,350.42

The bills were reviewed by the council. Bills were individually reviewed by Lotvedt and Nelson. There was a motion by Brossart to approve the bills as presented. Second by Nelson. Roll call vote Zachmeier-yes, Brossart-yes, Kraft-yes, Schneibel-yes, Lotvedt-yes, Nelson-yes, Gannarelli-yes, and Larson-yes, motion carried.

The council considered the monthly financial reports. Stewart explained that the 3570 fund for the 2½ Ave project loan funds are now utilized, in full. The city will begin utilizing the USDA grant funds for the balance of the project. There was a motion by Nelson to approve the monthly financial reports as presented. Second by Larson, roll call vote, Larson-yes, Gannarelli-yes, Nelson-yes, Lotvedt-yes, Schneibel-yes, Kraft-yes, Zachmeier-yes, and Brossart-yes, motion carried.

The council considered the October 2022 Municipal Court Report. There was a motion by Lotvedt to approve the October 2022 Municipal Court Report. Second by Kraft, all voting yes, motion carried.

Convention and Visitors Bureau: Laurie Odden, Convention and Visitors Bureau Executive Director, addressed the council. Odden explained that the CVB has begun their new fiscal year. She explained that the Pumpkin Patch had surpassed their goal of 1,000 people, with almost 1,400 people attending. The Craft Show will be held this weekend at the Armory. The Parade of Lights will be held on November 26. Odden commented that it is difficult to hear with the new

council table set up. There was a motion by Schneibel to approve the CVB minutes and financials as presented. Second by Brossart, all voting yes, motion carried.

JDA: Stewart explained the minutes and financials that were presented on behalf of the JDA. There was a motion by Lotvedt to approve the JDA minutes and financials as presented. Second by Kraft. Schneibel questioned why the October 12, 2022, JDA minutes were not included in the materials. Stewart explained that the council reviews and approves the minutes that have been approved by the JDA Board of Directors. LaRocque called for a vote on the motion; all voting yes, motion carried.

Attorney Murray explained that the JDA Executive Director had been placed on administrative leave and the reasons for the leave. There were concerns about receipts that could not be located for the JDA as well as meal reimbursement for the JDA Executive Director. Murray explained that BCI Agent Zachmeier was able to locate most receipts after a search of the JDA office. States Attorney Mack has indicated, that at this time, there is not enough evidence to pursue a criminal matter.

Murray explained that there were many policy violations discovered during the investigation. Chief of Police Bommersbach has met with Karl Frigaard, JDA Executive Director, regarding these concerns and policy violations. Murray encouraged the council to consider an employee improvement plan. She explained that at a minimum Frigaard needs to read the Employee Policy Manual. Many concerns were raised about Frigaard's job duties being completed. Murray encouraged the council and the JDA board to request financial reimbursement for the meal expense Frigaard over charged, based on the defined meal rates allowed.

Stewart explained that Frigaard was provided a statement for the balance due on the meal overage and has provided a check to the JDA for the balance owed. Nelson questioned if there was a mileage over payment. Stewart explained that the overage was meals, as Frigaard was utilizing the JDA debit card to pay for meals while he traveled, regardless if it was over the allowable rate. Murray explained that the mileage Frigaard was claiming had no documentation. Frigaard has not been using a Travel Voucher to document his mileage and meals. Documentation is necessary to justify the amount paid.

Lotvedt explained that the JDA is a political sub-division of the city. The JDA board is an advisory board. He explained that the council is fiscally responsible for the JDA. Lotvedt recommended that Frigaard be placed on an employee improvement plan. LaRocque asked Gannarelli to assist with the implementation of an employee improvement plan.

Gannarelli questioned who the supervisor of the supervisors is. He believes that an individual, not the entire council, needs to be directly involved. Murray explained that the mayor is the CEO of the city or his delegate. There was a motion by Lotvedt that a complete employee improvement plan be implemented at the JDA and the Mayor will be the overseer, or his appointee, to ensure the situation improves at the JDA. Second by Zachmeier, all voting yes, motion carried.

Committee Reports

Recreation: Chairman Lotvedt explained that the picnic shelter construction has begun. It will be reconstructed with the addition of partial walls to help the stability of the structure.

Finance: Kraft explained that representatives from First International Bank met with the committee regarding where city funds are held. They offered their willingness to have the opportunity, in the future, to serve the financial needs of the city. Stewart explained that Merchants Bank and Bremer Bank currently hold the majority of the city funds. The committee will discuss this in the future.

Ordinance: Chairman Kraft explained that they are considering eliminating the committee system and moving towards a portfolio holder system. Murray explained that the draft is in the meeting materials. She explained that the mayor would still be able to appoint individuals to a special committee should the council transition to a portfolio holder system. Murray explained that the portfolio holder, would be similar to the current committee chairman. She then explained that there would not be monthly committee meetings. The portfolio holder would bring their concerns to the council.

Kraft questioned how many individuals constitutes as a quorum. Murray explained that five council members is a quorum. It was discussed that the portfolio holder would not have individual authority; all decisions would have to be made by a council vote.

Murray explained a council form of government and a commission form of government.

Public Works: Chairman Kraft explained that a new employee has been hired to fill the vacant position with the department. The committee discussed tree branch disposal charges. Lotvedt does not believe city residents need to pay for disposal of tree branches. There was a motion by Lotvedt to eliminate the fees to dispose of tree branches for trees within the city. Second by Schneibel, roll call vote, all voting yes, motion carried.

Curb stop ownership was discussed. Currently, per ordinance, the property owner is responsible from the main to the home or structure. The city maintains ownership of the curb stop and has access to the curb stop. Troy Munyer, Public Works, explained that with the 2 ½ Ave Project some lines have had a second curb stop added to them. The council discussed changing the wording to read “the city shall maintain ownership from the main to the nearest curb stop”. Lotvedt motioned to have the city take over ownership from the nearest curb stop to the main. Second by Kraft. Schneibel questioned if the ordinance would need to be changed for this to take effect. Murray explained that the ordinance will need to be revised for this to change. LaRocque called for a vote, all voting yes, motion carried.

Kraft explained that citizens had addressed the committee inquiring a train horn quiet zone. Murray explained that a Quiet Zone will remove liability at the rail crossing from the railroad and place the liability on the City of Rugby. They discussed the potential cost to initiate a Quiet Zone. The council discussed potential funding sources. Murray explained city liability in detail,

to the council. Nelson agreed that the city should not accept more liability, by having a Quite Zone. Nelson would like to see what funds are available for a Quite Zone.

Public Safety: Chairman Larson explained that there is an open officer position. He informed the council that a former officer is returning to work for the city.

Buildings: Chairman Brossart explained that they have installed bollards at the Armory around the generator and propane tank. Lotvedt Construction is selling the city the bollards at \$100 each. If purchased, the current market value is \$47 per foot, with each being 6 feet. Brossart informed the council that the rain troughs on the swimming pool will not be installed until spring.

Personnel: Chairman Gannarelli explained that he is putting together a training program for city supervisors. Topics will include conflict resolution, working with employees and other topics. Murray clarified inpatient and outpatient definitions, regarding the Employee Handbook. They reviewed policy regarding exempt and non-exempt classifications.

Jim Olson, AE2S Project Manager, addressed the council regarding 2½ Avenue project and ay request 7 from Wagner Construction. Pay application 7 is in the amount of \$1,063,713.76. This leaves a balance of \$84,958.99 to finish the project in the spring. Olson asked the council to award Wagner Construction a Certificate of Substantial Completion. He explained that they are over 90% complete. They discussed the signs, ie. STOP, YIELD, that are not put back up yet. Olson indicated that he would speak to Wagner Construction about installing those as soon as possible for liability reasons. Olson explained that there is a short list of things for Wagner to complete in the spring that include concrete work, asphalt patching, sprinkler line repairs and landscaping. There are no additional change orders currently. There was a motion by Lotvedt to approve Wagner Constructions pay application 7 in the amount of \$1,063,713.76. Second by Gannarelli, roll call vote, all voting yes, motion carried.

The council discussed the Johnson's Plumbing Contract to install backflow preventers on the public lines. Murray questioned how long the council wanted to allow Johnson's to complete the work complete. Munyer explained that it may take one day, per location for Johnson's Plumbing to install. There was a motion by Kraft to allow Johnson's Plumbing 60 days to complete the work. Second by Lotvedt, roll call vote, all voting yes, motion carried.

LaRocque asked that the council add committee appointments to the agenda. Motion by Nelson to add committee appointments to new business. Second by Kraft, all voting yes, motion carried.

The council considered the committee appointments. The amendments were Rick Larson, Chairman of Public Safety and David Schneibel, Chairman of Ordinance. There was a motion by Larson to approve the Committee Appointments as amended. Second by Schneibel, all voting yes, motion carried.

Olson explained that there are bills coming in for the 2 ½ Ave Project. Bills include AE2S bills, bond council and retainage. Wagner Construction asked that their fuel cost escalation and trucking cost escalation reimbursement requests be addressed this evening, however they are not

on the phone line this evening. They had made a request to the City Auditor to be on the agenda this evening. Olson suggested that the council wait to address this, until after the final bills come in next spring, when the work is complete.

Nelson questioned Olson, about the communication between the council and the 2½ Ave project. Olson explained that bi-weekly progress meetings occurred during this project. He explained that those were meetings with the Project Manager and Wanger Construction. Olson explained that the project is not complete and after the project is complete the council can consider the requests for fuel cost and trucking cost increase. Nelson asked Olson to put together a report of what costs are left on the 2 ½ Ave project. Olson indicated that bond council and AE2S both have costs yet to be billed to the project. Nelson again asked for a report of what amounts are left to pay on the project. Nelson also questioned if the fuel escalation and trucking escalation costs were paid, would Bechtold Paving come and ask for more money. Olson explained that it could set precedence. Olson explained that if the council approve payment for the additional costs requested, the USDA will probably approve the payments.

Nelson explained that the council also wants to explore what any leftover balance of USDA grant funds could be utilized for. Olson explained that it could be utilized to extend the current project a block one way or the other. He explained that the USDA would require a revision of the preliminary engineering report before they would approve anything. Nelson confirmed that he agreed with this.

They continued to discuss why Wagner Construction had requested to be on the agenda today. Olson again asked the council if Wagner could be awarded the Certificate of Substantial Completion. The project is more than 90% complete. LaRocque requested that the certificate be sent to Murray for review before the council approves it. Olson indicated he would forward the certificate to Stewart.

Olson left the meeting.

Lotvedt explained the easements for 15th St SE and the walking path for the extension of the water main to the new hospital property. Murray wants to ensure that the legal descriptions are correct and the language for ingress and egress access is in the easement. Murray will contact Wade Senger to discuss this.

Lotvedt explained that the water line for the hospital will be looped, and the hospital has agreed to pay for this. He explained that the owners of the property near the new hospital site are willing to give the city an easement to put the line on their property instead of under the frontage road. Lotvedt asked the council to make a decision to keep the water line out from underneath the frontage road. There was a motion by Schneibel to proceed with \$1,500 cost and obtain the easement from the Jensen's to keep the water main out from under the frontage road. Second by Gannarelli, roll call vote, all voting yes, motion carried.

The council reviewed the Healthy Heights dry pond information. This information was sent out to the Planning and Zoning Committee.

The council considered a zoning request from SRT, that is located in the second half-mile of extraterritorial zoning. There was a motion by Lotvedt to approve the SRT zoning request. Second by Brossart, all voting yes, motion carried.

The council considered the call for fuel bids. There was a motion by Schneibel to approve the call for fuel bids. Second by Lotvedt, all voting yes, motion carried.

The council reviewed the Armory Caretaker resignation. They reviewed the call for bids for an Armory Caretaker, that will be considered at the Building Committee meeting.

The council considered a call for bids for the 2015 Ford Taurus Interceptor Sedan. Murray questioned if bids are allowed to be raised at the opening of the bids. In the past the council has not advertised the ability to raise the bids. There was a motion by Schneibel to approve the call for bids for the 2015 Ford Taurus Interceptor Sedan, as is. Second by Kraft, all voting yes, motion carried.

The council considered the adoption of the Leadership Code for Elected Officials. There was a motion by Nelson to adopt the Leadership Code for Elected Officials. Second by Brossart, all voting yes, motion carried.

The council reviewed correspondence received from Dale Niewoehner regarding the city converting from committees to portfolio holders.

The council held the first reading of Ordinance 441 Committee Member to Portfolio Holder. There was a motion by Lotvedt to approve the first reading of Ordinance 441 committee Member to Portfolio Holder. Second by Nelson, all voting yes, motion carried.

The council considered applications for a local permit. Schneibel declared that he is the President of the Rugby Sports Boosters.

There was a motion by Nelson to approve the application for local permit for Little Flower School. Second by Kraft, all voting yes, motion carried.

There was a motion by Kraft to approve the application for local permit for the Good Samaritan Hospital Services Foundation. Second by Lotvedt, all voting yes, motion carried.

There was a motion by Larson to approve the application for local permit for the Rugby Sports Boosters. Second by Gannarelli, all voting yes, motion carried.

The council reviewed correspondence received from the family of Betty Larson.

There being no further business to transact or come before the council at this time, there was a motion by Lotvedt to adjourn the council meeting. Second by Brossart, all voting yes, motion carried. Meeting adjourned at 9:39p.m.

Attest: _____

Frank LaRocque, Mayor

Jennifer Stewart, City Auditor

Approved