

**RUGBY CITY COUNCIL MEETING MINUTES
MONDAY, DECEMBER 1, 2025 – 7:00 PM
ARMORY COUNCIL CHAMBERS AND MICROSOFT TEAMS**

Mayor LaRocque called the meeting to order at 7:00 pm.

Council members recited the Pledge of Allegiance.

Roll call was taken by LaRocque.

Council Members present: Lotvedt, Nelson, Kraft, Schneibel, Larson, Reinke, Santjer, and Zachmeier.

Also, present were Mayor LaRocque, Public Works Director Munyer, Officer Towe, Attorney Mickelson Hendrickson, and Auditor Stewart.

The council considered the agenda. Reinke would like to move the Goven correspondence to the top of the agenda, he would like to share information he brought back from a meeting with Affordable Housing and address an open records request. There was a motion by Lotvedt to approve the agenda as amended. Second by Nelson, all voting yes, motion carried.

The council considered the November 19, 2025, meeting minutes. There was a motion by Zachmeier to amend the minutes to read on page 3 paragraph 4, “Reinke explained his concern with council members contacting the developers as the JDA was working with them, not the council. Reinke stated multiple times that it was inappropriate for Zachmeier to contact Affordable Housing. Zachmeier stated it was appropriate for her to represent her constituents and that she did not need to be authorized to speak to people to gather information,” and to approve the minutes as amended. Second by Larson, all voting yes, motion carried.

Reinke apologized to Zachmeier and the council for raising his voice at the November 19, 2025, Council Meeting. He apologized for his distracting behavior. Zachmeier stated that her first amendment right guarantees her freedom at all times to speak without any need to be authorized.

The bills were reviewed by Kraft and Schneibel.

Bills Paid Since Last Meeting of 11/03/2025: \$223,974.13

25859	American Welding & Gas	\$70.86
25860	Aqua-Pure Inc	\$958.72
25861	Axon Enterprise Inc	\$1,998.00
25862	B & M Laundry	\$132.25
25863	Black Mountain Software	\$20,225.15
25864	Computer Express	\$350.00
25865	Convention & Visitors Bureau	\$3,470.17
25866	Convention & Visitors Bureau	\$6,826.13
25867	Deplazes Redi-Mix & Const.	\$8,390.00
25868	EcoLab	\$182.49

25869 Envision \$41.86
 25870 H. E. Everson Co. \$158.48
 25871 I Design \$235.00
 25872 Information Technology Dept \$186.55
 25873 Interstate Engineering \$1,179.00
 25874 John Deere Financial \$4.54
 25875 Johnson's Plumbing \$273.93
 E-Ck JP Morgan Chase Bank \$5,495.85
 25876 MARC \$1,181.66
 25877 Minot Daily News \$474.24
 25878 NAPA \$291.15
 25879 ND League of Cities \$630.00
 25880 ND One Call Concepts \$34.50
 25881 ND Telephone Co \$950.03
 25882 Newman Signs \$402.17
 25883 Northern Plains Electric Coop \$3,312.00
 25884 Otter Tail Power Company \$9,657.86
 25885 Pace Analytical Services \$385.60
 25886 Pierce County Clerk of Court \$50.00
 25887 USA Blue Book \$140.60
 25888 Rugby Job Authority \$33,108.33
 25889 Vallie Information Systems \$894.82
 25890 Wellabe \$129.25
 E-Ck Wex Bank \$127.51
 ACH Payroll Checks \$64,827.37
 ACH Social Security \$9,719.22
 ACH Medicare Taxes \$2,273.06
 ACH Payroll Taxes \$5,461.67
 25891 AFLAC \$494.62
 25892 AFLAC \$1,034.88
 ACH NDPERS \$800.00
 ACH NDPERS \$10,738.23
 ACH Sanford Health / NDPERS \$25,889.38
 ACH California State Disbursement \$787.00
 Bills To Be Approved at 12/01/25 Meeting: \$56,562.35
 25893 Adrian Simpson \$150.00
 25894 Andrew Hallof \$150.00
 25895 Aqua-Pure Inc \$450.00
 25896 B & J Excavating \$2,635.57
 25897 Brady Martz & Assoc. \$17,000.00
 25898 Brandjord Chevrolet \$131.14
 25899 Candy Munyer \$250.00
 25900 Circle Sanitation \$20,604.25
 25901 Colonial Research Chemical \$5,590.24
 25902 David Jaeger \$1,300.00
 25903 First District Health \$90.00

25904 Jennifer Stewart \$150.00
25905 M. J. McGuire Co \$285.22
25906 Melissa Anderson \$150.00
25907 ND Dept of Health / Chemistry \$701.68
25908 Pierce County Auditor \$3,672.92
25909 Precision Autobody & Glass \$105.00
25910 Rebecca Jordan \$170.00
25911 Robert Spallinger \$935.00
25912 Rugby Broadcasters Inc \$36.00
25913 Rugby Greenhouse \$45.00
25914 Rugby Hardware Hank \$214.72
25915 Scott Engeland \$150.00
25916 Travis Lafferty \$37.97
25917 Troy Munyer \$100.00
25918 Valuations Northwest Inc \$125.00
25919 Vanguard Appraisals \$125.00
25920 Verizon Wireless \$720.14
25921 Yvonne Hagen \$487.50

The council considered the monthly bills. There was a motion by Kraft to approve the monthly bills. Second by Schneibel, roll call vote, all voting yes, motion carried.

The council considered the monthly financials that included the cash report, expenditures vs. budget, and revenues vs. budget. They also reviewed the Bremer year-to-date interest. There was a motion by Nelson to approve the financials as presented. Second by Lotvedt, roll call vote, all voting yes, motion carried.

Stewart explained the necessity of a transfer of funds from Old National Bank to Merchants Bank in the amount of \$161,194.00. It was explained that even though the USDA was provided with new banking information in December 2024, the payment for \$161,194 was withdrawn from Merchants Bank instead of Old National Bank. Stewart has spoken with USDA Rural Development and submitted documentation, once again, to ensure that future payment is taken out of Old National Bank. Merchants Bank was very gracious and covered the balance over the account funds that the city had to fulfill the payment obligation. The council was very grateful to Merchants Bank for doing that. There was a motion by Nelson to approve the transfer of funds. Second by Larson, roll call vote, all voting yes, motion carried.

The council considered the November Municipal Court Report. There was a motion by Kraft to approve the November Municipal Court Report as presented. Second by Zachmeier, all voting yes, motion carried.

Portfolio Reports

Buildings/Property: Portfolio Holder Lotvedt explained that the Armory is open again on a regular basis. He explained that an extension of Country Road, south, across Hwy 2, will be necessary in the future. He explained that in April 2013 a portion of Chalmers Addition was

rezoned to R-1. Our current GIS map does not reflect that. Interstate Engineering will update this on the zoning map. He explained that he is in touch with the building inspector to check on the old Red Owl building, as it appears from the outside window that moisture may be an issue inside the building.

Finance: Portfolio Holder Nelson had nothing to report.

Ordinance: Mickelson Hendrickson presented ordinance revisions for R-1 & R-2 zoning. She explained that it would need to be referred to Planning and Zoning to have a hearing and submit their findings back to the council. There was a motion by Zachmeier to forward the ordinance revision prohibiting barndominiums and storage containers in R-1 & R-2 zoning, to Planning and Zoning for consideration. Second by Santjer, all voting yes, motion carried.

Personnel: Portfolio Holder Schneibel had nothing to report.

Public Safety: Portfolio Holder Kraft explained that the Yield signs on Country Road, east and west frontage road will be changed to Stop signs. With the addition of the hospital in this location, the traffic has picked up substantially and the need for the signage change is apparent. Kraft explained that the city has received a \$7,500 grant from BNSF for the K-9 Unit. Officer Fjellanger is headed to K-9 training next week as well. They discussed traffic by the elevator scale as well. Towe reported that he is enjoying being back in Rugby and working for the Police Department.

Public Works: Portfolio Holder Larson explained that the department is working on equipment in the shop and waiting on the pump for Well 5. Munyer explained that he is working on the GIS mapping.

Recreation: Portfolio Holder Santjer had nothing to report.

Library Board: Reinke reported the library is having their 41st annual mitten tree and is collecting nonperishable food for the food pantry.

Unfinished Business

The council considered fuel bids received for 2026. Envision submitted a bid for gas and diesel at a \$.10 discount from the c-store pumps, \$.13 discount from bulk truck, and \$.15 discount for propane. Second bid was from Harper Oil for gas and diesel at a \$.10 discount for gas, diesel and heating fuel. Third bid was from Schaan Oil for gas and diesel at a \$.03 discount. There was a motion by Nelson to accept all 2026 fuel bids. Second by Lotvedt, roll call vote, all voting yes, motion carried.

The council considered land rental bids for 2026-2031. The first bid was from Yvette Rozmarynowski for parcel 2679010, 50.01 acres of hay land for \$26.00 per acre. The second bid was from Yvette Rozmarynowski for parcel 2677003, 18.69 acres of hay land for \$22.00 per acre. There was a motion by Schneibel to approve both bids as submitted. Second by Reinke, roll call vote, all voting yes, motion carried.

New Business

The 2024 Audit was distributed and will be considered at the December 17 meeting.

The council reviewed the bid proposal for the water meter reading update. At budget time in June/July, we budgeted \$41,478.25 to update the equipment in 2026. Upon speaking to Core & Main to get onboard for 2026, we were notified that the estimate would need to be updated and the new cost is \$49,894.26. There was a discrepancy in the initial integration cost compared to the new estimate which is a major factor in the price increase. There was a motion by Larson to approve the Core & Main proposal for the water meter reading equipment upgrade in the amount of \$49,894.26. Second by Lotvedt, roll call vote, all voting yes motion carried.

The council considered two proposals for a five-year water/sewer/storm water rate study. Interstate Engineering provided a proposal of \$10,000 and a second from AE2S to complete it for \$19,975. This study provides important information for the yearly water rate increases. There was a motion by Lotvedt to approve the Interstate Engineering water/sewer/storm water rate study for \$10,000. Second by Kraft, roll call vote, all voting yes, motion carried.

The council reviewed and considered the 2026 applications for Alcoholic Beverage License. There was a motion by Larson to approve all 2026 applications for Alcoholic Beverage License, contingent upon all property taxes being current. Second by Reinke, all voting yes, motion carried.

The council considered an application for local permit for Barton Sportsmen. There was a motion by Schneible to approve the local permit application for Barton Sportsmen. Second by Lotvedt, all voting yes, motion carried.

There was no public comment.

The council reviewed correspondence from Jeff Duchscher of Rugby Manufacturing and Old National Bank.

The next meeting is scheduled for Wednesday, December 17, 2025- 7:00p.m.

Reinke reported that he met with Andrea Diede of Affordable Housing. She explained that the housing was “workforce housing”. It was explained that every person who applies to live in the housing has to be able to pay the entire rent on their salary, even if multiple individuals would want to share a home. They also must pass a criminal and financial background check. Diede had clarified that she had offered to the former JDA Director to come to Rugby and meet with individuals before they moved along in the application process. He thought that there was full support, so they did not have the meeting. Reinke was informed that in order for Affordable Housing Developers to move forward with Rugby, they had to turn down Napoleon, Harvey, Williston and Killdeer communities. Nearby they have apartments in Rolla, Velva, and Rugby. They invested over \$3,000,000 in the Rugby property a couple of years ago.

Reinke explained that he received an open records request, requesting any records received or sent from November 7, 2025- November 20, 2025, regarding Affordable Housing. Reinke reviewed his response to the open records request.

Craig Zachmeier, Rugby resident, addressed the council. Zachmeier explained that he and his wife, Jennifer, supported the Affordable Housing project. He explained that the Chalmers Residents only wanted their questions answered. Zachmeier emailed Affordable Housing and they called her back to get answers to the residents' concerns about the project. He expressed concerns about how the council has handled this subject.

There being no further business to transact or come before the council at this time, there was a motion by Nelson to adjourn the meeting. Second by Kraft, all voting yes, the meeting adjourned. The meeting adjourned at 8:09p.m.

Frank LaRocque, Mayor

Attest: _____
Jennifer Stewart, City Auditor