

**RUGBY CITY COUNCIL MEETING MINUTES  
MONDAY, DECEMBER 5, 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, Schneibel, Larson, Brossart (by Teams), Zachmeier, and Gannarelli. Also present were Mayor LaRocque, Auditor Stewart, and Attorney Murray (by Teams). Absent were Kraft and Nelson.

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

The council considered the November 7, 2022, meeting minutes. There was a motion by Schneibel to approve the November 7, 2022, meeting minutes. Second by Brossart, all voting yes, motion carried.

Bills Paid Since Last Meeting of 11/7/2022: \$304,880.72

22768	A & R Roofing	\$121,854.50
22769	Aqua Pure Inc	\$2,253.60
22770	B & J Excavating	\$742.40
22771	Bechtold Paving	\$15,210.79
22772	Brady Martz and Associates	\$16,355.62
22773	Column Software PBC	\$582.74
22774	CVB	\$1,542.42
22775	CVB	\$2,120.68
22776	David Bednarz	\$84.38
22777	Deplazes Redi-Mix & Const.	\$246.00
22778	EcoLab	\$173.80
22779	Glenko Enterprises	\$2,518.85
22780	HACTC	\$79.50
22781	Harper Oil Co	\$2,363.76
22782	Hawkins Inc	\$1,451.28
22783	John Deere Financial	\$29.07
E-Ck	JP Morgan Chase Bank	\$807.81
22784	Maguire Iron	\$2,328.75
22785	MARC	\$2,411.87
22786	ND Department of Health	\$415.74
22787	Otter Tail Power Company	\$9,281.45
22788	Pierce County Tribune	\$505.26
22789	Robert Spallinger	\$615.00
22790	Rugby Job Authority	\$26,007.54
22791	Uniform Center	\$880.95
22792	Valli Information Systems	\$734.81

22793	Valuations Northwest	\$125.00
22794	Water Smith, Inc	\$1,081.25
E-Check	Wex Bank	\$569.96
22795	Frank Larocque	\$180.00
ACH	Merchants Bank	\$15.00
ACH	ND Public Finance Authority	\$3,816.67
ACH	Payroll Checks	\$51,020.62
ACH	Social Security	\$7,834.12
ACH	Medicare Taxes	\$1,832.20
ACH	Payroll Taxes	\$4,899.51
22796	AFLAC	\$992.45
ACH	NDPERS	\$775.00
ACH	NDPERS	\$6,866.55
ACH	Sanford Health / NDPERS	\$13,288.82

Bills To Be Approved and Paid 12/5/2022: \$123,325.81

22797	Adrian Simpson	\$25.00
22798	Advanced Engineering	\$61,967.10
22799	American Welding & Gas	\$63.87
22800	Andrew Hallof	\$550.00
22801	Bartsch Electric LLC	\$13,980.00
22802	Brad's Auto & Towing	\$462.00
22803	Candy Munyer	\$250.00
22804	Circle Sanitation	\$20,389.00
22805	Coffee Cottage Café	\$45.09
22806	Dale Klein	\$150.00
22807	Drive Chevrolet Buick Rugby	\$215.34
22808	First District Health Unit	\$75.00
22809	Gary Brossart	\$150.00
22810	H. E. Everson Co	\$164.50
22811	Harper Oil Company	\$6,797.86
22812	Jennifer Stewart	\$150.00
22813	Locators & Supplies Inc	\$315.90
22814	Lotvedt Lumber	\$400.00
22815	Macen Heisler	\$105.00
22816	MaxAir, LLC / Jemco	\$2,260.36
22817	Melissa Anderson	\$150.00
22818	Petty Cash	\$55.87
22819	Pierce County Auditor	\$3,412.50
22820	Rebecca Jordan	\$170.00
22821	Rugby Broadcasters Inc	\$29.75
22822	Rugby Hardware Hank	\$780.91
22823	Rugby Lumber	\$4,942.20
22824	Rugby Service Center	\$1,476.96
22825	Rugby Welding & Machine	\$99.54
22826	Samuel Feldman	\$200.00

22827	Scott Bombersbach	\$300.00
22829	Uniform Center	\$605.95
22830	Verizon Wireless	\$586.11
22831	Wayne's Construction	\$2,000.00

The council considered the monthly financial reports. Stewart reviewed the cash report, expenditure compared to budget, and revenue compared with budget. Stewart explained a necessary transfer to pay the SUEZ Water Treatment Services bill in the amount of \$515,200.00. This is for 70% of the cost of the clarifiers, as the parts have been received by the city. The city has budgeted in 2023 for the WTP Phase III Project, however due to lead time for materials and cost savings, the city ordered the materials earlier this year. This will need to be paid for prior to the end of 2022, which requires the budget transfer and amendment. Stewart recommended that \$293,017 be transferred to the 5014 fund, 2023 Phase III WTP Improvements from 5011, Water Supply & Treatment Enterprise Fund. It was recommended that the balance, \$222,183, be paid out of the 5090 fund, Municipal Infrastructure Fund as in the 2023 Budget, this amount was budgeted to be paid out of the 5090 fund. There was a motion by Lotvedt to pay the SUEZ invoice in the amount of \$515,200.00 as recommended with the budget transfer and amendments. Second by Larson, roll call vote, all voting yes, motion carried

There was a motion by Schneibel to approve the monthly financial reports as presented. Second by Lotvedt, roll call vote, all voting yes, motion carried.

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

Convention and Visitors Bureau: Schneibel reported that they had met and awarded 1% Grants to eligible applicants, they have been busy with Christmas approaching. There was a motion by Schneibel to approve the CVB minutes and financials. Second by Gannarelli, majority voting yes, motion carried.

The council considered the monthly bills. Lotvedt explained that the AE2S bill has additional services charged at \$16,149.00. He believes that it should not be under additional services. He questioned if the billed amount is part of the 15% engineering fees for the project. He would like further explanation of the additional services in the amount of \$16,149.00. The council had a lengthy discussion about the billing from AE2S. There was a motion by Schneibel to approve all bills, except the portion of the AE2S bill for Additional Services. Second by Lotvedt, roll call vote, Lotvedt-yes, Larson-yes, Gannarelli-yes, Brossart-yes, Zachmeier-yes, Schneibel-yes, motion carried.

There was a motion by Schneibel to request additional information from AE2S on the additional services portion of the AE2S bill. Second by Lotvedt, roll call vote, all voting yes, motion carried.

JDA: Karl Frigaard, Job Development Executive Director, addressed the council regarding his research into what amount of natural gas the community would possibly use if available. There

is anticipation that the upcoming legislative session will appropriate an additional \$150,000,000 towards a major natural gas distribution line between Williston and Grand Forks.

Frigaard explained that he is working with an individual who would like to start a daycare in an existing building on Main Ave. There was a motion by Lotvedt to approve the JDA minutes and financials. Second by Larson, all voting yes, motion carried.

### Committee Reports

Recreation: Chairman Lotvedt explained that the current focus of the committee is to see if the Recreation Director from this summer will be returning next year. The picnic shelter construction will be completed in the spring.

Finance: Schneibel explained that they had reviewed the financials and the 2021 audit.

Ordinance: Chairman Schneibel explained that they had discussed the ownership of the curb stop to the water main. He explained that they would like further clarification from the council regarding future language of the ordinance.

Public Works: Lotvedt explained that the wording for the ordinance regarding the curb stop ownership to the water main should state, that the ownership of the waterline from the water main to the first curb stop shall be the cities responsibility. He explained to the council, many reasons, why he believes the ordinance should be changed. There was a motion by Lotvedt that they rescind back, that the city owns to the closest curb stop to the main. Second by Larson, all voting yes, motion carried.

Lotvedt explained that they discussed changing to a Public Works Director and eliminating the separate positions of Water Plant Supervisor and Street and Sewer Supervisor. He explained to the council that they had recommended a \$1.00 per hour raise for Munyer to be the Public Works Director. Munyer has been interim Water Plant Supervisor for the last year and had not received any pay raise yet.

Lotvedt explained that in 2018 the council had implemented an incentive for public works employees, that pass a state exam, to receive a \$.25 per hour incentive wage increase. Just the same when any of the public works employees pass a state exam, their supervisor would receive a \$.25 per hour wage increase. The committee is now recommending that the incentive for the supervisor receiving a \$.25 per hour wage increase, when the employee passes a state exam be removed. This would leave the incentive for the employee, that passes a state exam to receive a \$.25 per hour wage increase. There was a motion by Lotvedt that Troy Munyer is Public Works Director and receive a \$1.00 per hour raise and remove the incentive for the supervisor receiving a \$.25 per hour wage increase, when the employee passes a state exam. Second by Larson. Dale Klein, city employee, addressed the council regarding North Dakota Century Code and Administrative Law regarding water plant operator certification requirements. The council discussed state operator certification requirements. LaRocque called for a roll call vote, all voting yes, motion carried.

Public Safety: Chairman Larson explained that currently the Police Department is staffed with three full-time officers and two part-time officers. Two full-time positions are still open.

Buildings: Chairman Brossart explained to the council that David Jaeger has been hired as the Armory Caretaker. He explained that they are looking to update some of the lighting at the pool next spring. They are also waiting on a bid for door replacements at the pool next spring. These are both maintenance issues.

Personnel: Chairman Gannarelli explained that he will begin meeting with department heads to conduct supervisor training. Next month they will be looking at policy 703 Corrective Action and 705 Grievance Procedures.

Mayor LaRocque opened the fuel bids received.

1. Schaan Oil submitted a bid for gas for \$.03 discount per gallon, from the pump price, beginning on 1/1/2023-12/31/23.
2. Harper Oil submitted a bid for gas, diesel, and fuel oil for \$.10 discount per gallon on all products from 1/1/23-12/31/23.
3. Ferrellgas, LP submitted a bid for propane for a fixed price of \$1.849 per gallon through 6/30/2023.

The council discussed the bids received as well as past bids. They discussed the city propane tank ownership and leases. There was a motion by Lotvedt to accept all bids received. Second by Schneibel, roll call vote, all voting yes, motion carried.

Mayor LaRocque opened the 2015 Ford Taurus bids received.

1. Ringwood Motors submitted a bid for \$525 for the 2015 Ford Taurus.
2. Rick Koenig submitted a bid for \$1,201 for the 2015 Ford Taurus.

There was a motion by Schneibel to accept Rick Koenig's bid of \$1,201 for the 2015 Ford Taurus. Second by Gannarelli, roll call vote, all voting yes, motion carried.

Tim Matthews and Richard McGovern, of Wagner Construction, joined the council by Teams.

Attorney Murray explained that the Certificate of Substantial Completion for the 2 ½ Ave Project should only be issued after outstanding issues are addressed. Sidewalks, driveways, concrete, asphalt, installing signs and sprinkler issues. Murray was aware of an issue with Rita Neigum's property too. She explained that Wagner has sent an email that the staging area owned by Cindy Schaan, South Town Apartments sprinkler system repairs, resetting a signpost and installing a Local Traffic Only sign were the items emailed that were non-contract items that remained open. Murray explained that the punch list of items needs to be cleared up before the

end of the contract period. She asked that the Public Works Department let the council know if they have any other concerns regarding the 2 ½ Ave Project.

Matthews addressed the council regarding his knowledge of the items that remain open and that they will be completed once the weather allows in the spring. Lotvedt asked when the date of substantial completion is. The date on the Certificate of Substantial Completion is October 28, 2022. Lotvedt clarified that the one-year warranty began on that date. Matthews concurred that the warranty began on that date. There was a motion by Lotvedt to approve the Certificate of Substantial Completion dated October 28, 2022. Second by Brossart, all voting yes, motion carried.

The council reviewed Pay Application # 8 for Wagner Construction. Lotvedt questioned Matthews regarding the change orders listed on the Application for Payment. It was discovered that the Pay Application that had been sent out last week had been amended today. Lotvedt had been referencing last week's Pay Application. Lotvedt questioned why \$36,600 more insulation than what was bid. Matthews explained that it was originally planned to insulate the main only. The plan was changed to insulate the service lines to the curb stop. He questioned why the 15" PVC went up \$27,000. Matthews explained that the plans missed a large area of footage and the additional was necessary for the project. Lotvedt questioned the 10" pavement at \$40,000. Matthew explained that this was the aggregate base, not the pavement. He explained that gravel was added to put the drain tile in deeper on the edges under the curb. This ensured the drain tile was not too shallow and will help avoid crushing the drain tile. There was a motion by Larson to approve Pay Application #8 for Wagner Construction. Second by Gannarelli, roll call vote, all voting yes, motion carried.

Stewart explained that Pay Application # 9 for Wagner Construction was submitted today. Stewart asked that the council consider tabling the Pay Application, to allow them time to review it before they decide on it. Matthews agreed that this would be acceptable. Matthews explained that Pay Application #9 includes their request for the fuel escalation charge, trucking escalation charge and Change Order #4. Matthews explained Change Order #4 as it is a balancing change order, for accounting purposes. There was a motion by Lotvedt to table Pay Application #9. Second by Zachmeier, all voting yes, motion carried.

The council considered Water and Waste System Grant Agreement, RUS Bulletin 1780-12, with the USDA. Murray explained that this acknowledges that the city agrees with the USDA agreement to receive the USDA funds. There was a motion by Schneibel to approve Water and Waste System Grant Agreement, RUS Bulletin 1780-12. Second by Larson, roll call vote, all voting yes, motion carried.

The council conducted the second reading of Ordinance 441 Committee Member to Portfolio Holder. There was a motion by Larson to approve the second reading of Ordinance 441 Committee Member to Portfolio Holder. Second by Lotvedt. Stewart clarified a correction from the first reading to correct the typo on the second reading. Murray agreed the second reading was corrected. LaRocque called for a vote, all voting yes, motion carried.

The council considered the revised 2023 Council Meeting Calendar. Discussion was held regarding holding the second council meeting. Murray explained that a calendar of meetings needs to be forwarded to the Secretary of State and needs to be posted on the city website. She explained that if the council wishes to change a meeting date or cancel the scheduled second meeting of the month, they can do so during their first council meeting held that month. The proposed calendar lists the first and third Monday of each month as a scheduled meeting unless the Monday is a holiday then the Tuesday after is listed. There was a motion by Lotvedt to approve the revised 2023 Council Meeting Calendar. Second by Schneibel. Gannarelli asked if the council would have a time limit on the first meeting of the month? If whatever topics were not covered in the allotted time would be moved to the second meeting of the month? Schneibel believes that adding a second council meeting each month would shorten the first council meeting of the month. They had a lengthy discussion on setting time limits on the meetings and holding one or two meetings a month. It was discussed that at the end of the first monthly meeting the council could cancel the second scheduled meeting for that month if they feel they do not need it. The council discussed holding their meetings at 7:00pm. Lotvedt amended his motion to hold regular council meetings at 7:00pm, beginning in 2023. LaRocque called for a vote, all voting yes, motion carried.

The council considered the Findings of Fact from Planning and Zoning regarding Healthy Heights Addition to be re-zoned from agricultural to C-2 General Commercial. Planning and Zoning is recommending approving the zoning change. There was a motion by Schneibel to approve the Planning & Zoning Findings of Fact for Healthy Heights Addition – Lot 1 – Block 1 to the City of Rugby to re-zone from agricultural to C-2 General Commercial. Second by Larson, all voting yes, motion carried.

The council considered the 2023 renewal applications for Alcoholic Beverage License. There was a motion by Larson to approve the 2023 renewal applications for Alcoholic Beverage License. Second by Zachmeier, all voting yes, motion carried.

The council reviewed and considered the 2021 Audit. Stewart explained that the financials all presented fairly. She also explained the Brady Martz management letter that included an observation and recommendation that the city request a detailed breakout for professional services billed by the hour prior to approval and payment. There was a motion by Schneibel to approve the 2021 Audit. Second by Lotvedt, roll call vote, all voting yes, motion carried.

The council considered employee handbook policy revisions. Policy 328 Health Insurance and 339 401(a) Defined Benefit Plan were amended to reflect the changes in employee benefits for 2023. Stewart explained that policy 530 Credit Card Management has several revisions since it was enacted in October 2017. Murray recommended revisions to policy 530 Credit Card Management. There was a motion by Larson to approve Policy 328, 339 as presented and 530 with the recommendations made by Murray. Second by Brossart, all voting yes, motion carried.

The council reviewed the ND DOT correspondence regarding project number NH-3-002(169)199, PCN 22921 Concrete Pavement Repair. If the council has any comment for the ND DOT, they must respond to them by December 20, 2022.

Lotvedt explained that the easements for 15<sup>th</sup> St SE and the walking path, near the new hospital still need to be executed. Murray explained that she reviewed the easements, however the city is agreeing to terms in the easement and need to have Mayor LaRocque sign the certification on the easement and the auditor attest his signature. Lotvedt explained that time is of the essence to execute the easements. Follow up will be done with Wade Senger, Interstate Engineering, to have the easements updated and get them executed.

Chief of Police Bommersbach explained to the council the necessity for his department to have an IT contract with Computer Express in the future. Bommersbach explained the new electronic equipment they now have in their vehicles. The council reviewed a proposed contract with Computer Express that covered the Police Department, City Hall, and Water Plant for \$500 per month. The council discussed Bommersbach's use of Computer Express this year. There was a motion by Schneibel to send the Computer Express contract to the Finance Committee and table the contract until next month. Second by Lotvedt, all voting yes, motion carried. Bommersbach will reach out to Jamie Nelson, Computer Express IT, to have him attend the Finance Committee meeting in December.

The council considered a abatements for Myron Welk, on two separate parcels per the recommendation of Kelsey Siegler, Pierce County Tax Director. There was a motion by Lotvedt to approve abatement 2022-17 and 2022-18. Second by Gannarelli, roll call vote, all voting yes, motion carried.

The council considered an application for Local Permit or Restricted Event Permit for Barton Sportsman Club. There was a motion by Larson to approve the application for Local Permit or Restricted Event Permit for Barton Sportsman Club. Second by Schneibel, all voting yes, motion carried.

The council reviewed correspondence received from the Pierce County Food Pantry.

There being no further business to transact or come before the council at this time, there was a motion by Larson to adjourn the council meeting. Second by Lotvedt, all voting yes, motion carried. Meeting adjourned at 9:56p.m.

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Frank LaRocque, Mayor

Attest: \_\_\_\_\_  
Jennifer Stewart, City Auditor

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Approved