

**RUGBY CITY COUNCIL MEETING MINUTES
MONDAY, AUGUST 1, 2022– 7:30 PM
COUNCIL CHAMBERS AND GOTO**

Council Members present: Trottier, Brossart, Larson, Schneibel, Kraft and Lotvedt. Also present were Mayor LaRocque, Auditor Stewart, and Attorney Murray.

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.

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

The council considered the July 5, 2022, meeting minutes. There was a motion by Kraft to approve the July 5, 2022, minutes as presented. Lotvedt directed the council to page 7 of the minutes, paragraph 6 which reads “LaRocque explained that the City Engineer position will remain open, and Jim Olson is acting engineer until the completion of the 2 ½ Ave project.” Stewart explained that is what was stated at the meeting. Murray explained her understanding was that Olson could complete the 2 ½ Ave Project, but he is not the city engineer. She questioned Mayor LaRocque’s intent. LaRocque explained that was his intent and was stated in the follow up correspondence sent to AE2S. Lotvedt explained his intention was that Olson was the engineer for the USDA 2 ½ Ave Project, but the statement in the minutes claims he is acting engineer. LaRocque referred to the correspondence sent to AE2S, that is not included in the meeting materials this evening. Lotvedt explained that he would like to amend the minutes to clarify that Jim Olson, AE2S is not the acting engineer. Trottier asked that the Council see the correspondence that was sent by Mayor LaRocque. Kraft made a motion to rescind his motion to approve the July 5, 2022, minutes as presented. Stewart was retrieving the correspondence that was drafted by Mayor LaRocque to AE2S.

LaRocque presented former Mayor Steinke and former Council Member Berg with a plaque for their years of service to the City of Rugby.

Jason Gullickson, Ely Elementary School Principal, addressed the council regarding loading and unloading zones for Ely Elementary this fall. The school is currently under construction, and they have moved their main entrance from the west side of the building to the east side of the building. This will remain the entrance until the construction project is complete. Gullickson explained that they anticipate some congestion during loading and unloading times in the morning and afternoon. The committee was provided a diagram/map of the loading and unloading zones the school anticipates. Gullickson requested that the city install 4 way stop intersections at 2nd Street and 2nd Avenue as well as 3rd Street and 2nd Avenue. These would be on the northeast and southeast sides of the school. Gullickson would like to see the 4-way stop be permanent.

LaRocque questioned if there was a need on the west side of Ely for 3 way stops. Gullickson would like those stop signs to also remain. Lotvedt recommended that any teachers that cannot park south of the school should park in the north city parking lot, just east of Hartley’s Mall. He

would like to see the teachers avoid parking near the funeral homes. LaRocque questioned Gullickson as to considering school crossing guards out in the morning as well as the afternoon. Gullickson explained that they do not have staff available to have crossing guards in the morning on a regular basis.

Lotvedt questioned if parents would pick up on the east side of 2nd Ave SW (north and south), out in front of Niewoehner Funeral Home. Gullickson anticipates a lot of staff parking on that side of the street. Lotvedt advised Gullickson to have the staff park in the north city lot, not along that side of the street, to allow for parents to pick up children. Gullickson will take that back to his superintendent.

There was a motion by Kraft to have temporary (through construction) 4-way stops installed at 2nd St SW and 2nd Ave SW and 3rd St SW and 2nd Ave SW. Second by Schneibel, all voting yes, motion carried.

Bills Paid Since Last Meeting of 7/5/2022: \$1,046,334.29

22394	A & R Roofing	\$159,850.00
22449	State Water Commission	\$5,949.30
22452	A-1 Evans Septic Service	\$320.00
22453	American Welding & Gas	\$63.87
22454	Aqua-Pure Inc	\$450.00
22455	B & J Excavating	\$1,440.00
22456	B & M Laundry	\$179.17
22457	Bonnie Berginski	\$85.00
22458	Darren Heidbreder	\$200.00
22459	CVB	\$1,932.80
22460	CVB	\$5,297.31
22461	Envision	\$2,737.71
22463	First District Health Unit	\$30.00
22464	G & P Commercial Sales	\$30.08
22465	HACTC	\$79.50
22466	Hawkins	\$3,821.84
22467	I Design	\$159.00
22468	Ironhide Equipment Inc	\$4,000.00
e-ck	JP Morgan Chase Bank NA	\$1,296.96
22469	Laserzip	\$194.50
22470	Lexipol LLC	\$3,249.46
22471	Locators & Supplies Inc	\$574.36
22472	MEDICO Life & Health Ins	\$152.75
22473	NAPA Auto Parts of Rugby	\$126.26
22474	ND Attack - Greg Foster	\$360.00
22475	ND Dept of Health	\$18.54
22476	ND Telephone Company	\$860.87
22477	Neil Lotvedt	\$82.19
22478	Northern Plains Electric	\$3,643.78
22479	Otter Tail Power Company	\$11,289.75
22480	PFM Financial Advisors LLC	\$25,500.00

22481	Primetime Electric	\$1,059.31
22482	Rugby Job Authority	\$26,190.22
22483	Sean Hurly	\$200.00
22484	State Tax Commissioner	\$149.93
22485	Team Laboratory	\$1,560.00
22486	Travis Lafferty, Jr.	\$400.00
22487	Valli Information Systems	\$705.58
22488	Volk Excavating	\$5,060.00
22489	Wagner Construction	\$647,457.06
22490	West Shore Services Inc	\$1,200.00
e-ck	Wex Bank	\$1,280.37
ACH	Payroll Checks	\$82,028.82
ACH	Social Security	\$12,193.24
ACH	Medicare Taxes	\$2,851.70
ACH	Payroll Taxes	\$6,111.74
22491	AFLAC	\$950.46
ACH	NDPERS	\$725.00
ACH	NDPERS	\$8,212.32
ACH	Sanford Health / NDPERS	\$14,023.54
Bills To Be Approved and Paid 8/1/2022:		\$125,186.05
22492	Advanced Engineering	\$40,679.47
22493	Brad Radomski	\$700.00
22494	Brad's Auto Service & Towing	\$1,096.00
22495	Brady Martz & Associates	\$8,000.00
22496	BSN Sports LLC	\$656.21
22497	Circle Sanitation	\$20,332.00
22498	Column Software PBC	\$1,536.45
22499	Core & Main LP	\$7,430.35
22500	D. J. Schneibel	\$125.00
22501	Dakota Fire Extinguishers	\$110.72
22502	Emergency Auto Tech. Inc	\$384.45
22503	First District Health Unit	\$75.00
22504	Frank Larocque	\$181.25
22505	Gary Brossart	\$183.75
22506	Hartley's School Buses	\$5,950.48
22507	Jeremy Johnston	\$225.00
22508	John Rose	\$100.00
22509	Locators & Supplies Inc	\$342.27
22510	MARC	\$1,431.78
22511	Mike Swanson Construction	\$21,309.60
22512	ND Dept of Enviro. Quality	\$25.00
22513	North Central Printing Inc	\$283.00
22514	Pierce County Auditor	\$3,412.50
22515	Rebecca Jordan	\$170.00
22516	Rick Larson	\$850.00
22517	Robert Spallinger	\$1,435.00

22518 Rugby Greenhouse	\$48.95
22519 Rugby Hardware Hank	\$465.19
22520 Rugby Lumber, Inc.	\$194.35
22521 Rugby Service Center	\$2,377.47
22522 Rugby Veterinary Services	\$177.00
22523 Rylan Hildenbrand	\$100.00
22524 Shaine Towe	\$200.00
22525 The Computer Store	\$658.00
22526 Van Diest Supply Company	\$3,135.00
22527 Verizon Wireless	\$550.91
22528 Wayne Trottier	\$253.90

The bills were reviewed by the council. Bills were individually reviewed by Kraft and Schneibel. Kraft explained that he had asked if the AE2S bills were for services before they were terminated as city engineer and was assured, they were. There was a motion by Kraft to approve payment of the bills as presented. Second by Schneibel. Lotvedt questioned what the general engineering fees were for on the AE2S bill. Stewart read aloud the summary on the statement that explained what the hours were spent on. June 4 – July 1, 2022, were the dates listed on the top of the statement. Roll call vote, Trottier-yes, Brossart- yes, Larson-yes, Schneibel-yes, Kraft-yes, Lotvedt-yes, motion carried.

The council considered the monthly financial reports. There was a motion by Kraft to approve the monthly financials as presented. Second by Trottier, roll call vote, Trottier-yes, Brossart-yes, Larson-yes, Schneibel-yes, Kraft-yes, Lotvedt-yes, motion carried.

The council reviewed and considered budget amendments 147-150. Stewart explained that 147 is Revenue Budget Amendments in the total amount of \$23,854.29, 148 is Expenditure Budget Amendments in the total amount of \$3,580,606.00, 149 is for Water Plant Improvement Project Phase III- Clarifiers in the total amount of \$400,000.00 and 150 is for 2 ½ Ave Project in the amount of \$5,174,760.78. There was a motion by Schneibel to approve budget amendments 147-150 as presented. Second by Brossart, roll call vote, all voting yes, motion carried.

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

The council reviewed the CVB agenda for their upcoming meeting to be held on August 4, 2022.

The council reviewed the JDA minutes and financials. Frigaard explained projects he is working on. He explained that the mayor asked him to brighten up his office and he is working on what there is to see in Rugby to tie it into the JDA website. Frigaard explained projects for next year that are in the JDA 2023 Budget. LaRocque explained that total 2023 JDA Preliminary budget is \$ 332,550.

There was a motion by Lotvedt to accept the JDA minutes and financials. Second by Kraft, majority voting yes, motion carried.

The council reviewed the written report from Jackie Johnson, Heart of America Library Director, regarding the library. There was a motion by Schneibel to accept the report for the Heart of America Library. Second by Trottier, all voting yes, motion carried.

Recreation: Chairman Lotvedt, explained that the season is wrapping up. They will be working on the fields this fall. The light bulbs on Diamond 1 that were burnt out were changed out, with the use of Deplazes Redi-Mix's lift. They allowed the city to use the lift at no fee to the city. The picnic shelter at the ball diamonds recently blew down in a windstorm. Insurance has been notified and we are waiting on an adjuster to look at the structure.

Finance: Chairman Trottier explained that they had worked on the 2023 budget. Chief Rose had addressed the committee regarding pay raises for his department. Kraft explained that updates to the water plant require the city to have water rates that will pay for expenses and debt. These will be discussed later in the meeting.

Trottier explained that the 2023 budget requests were reviewed by the committee, page by page. Inflation has an impact on the 2023 budget for parts, repairs, fuel, etc. Trottier explained that the last fiscal year 99% of the city budget was spent.

Public Works: Chairman Kraft explained they discussed the 2 ½ Ave project progress. Kraft commended the Public Works employees for the work they do.

Public Safety: Chairman Trottier explained that they reviewed the June Police Report. Rose gave them an update on their staffing and positions open. They interviewed an applicant who then turned down the job offer. They briefly discussed the safety plan for the Rugby Schools. Officer Hurly has resigned his position and Chief Rose presented his resignation to the committee. Currently the city is looking for three officers. Rose will fill in a few shifts until the city can hire an officer.

Buildings: Chairman Brossart explained that the swimming pool project is complete. The 2023 Budget has \$50,000 for pool updates or repairs. He explained that the Armory roof is complete, and the swimming pool roof is on hold until the company comes back to town. They discussed a temporary electrical service for the Armory as there is not enough outlets.

The council discussed the dust with the 2 ½ Ave Project. LaRocque explained that he received an email from Jim Olson, AE2S, and he has discussed with Wagner Construction about a cold patch across Hwy 3 where the project site is. LaRocque explained that Wagner is not keen on that idea. They are looking at calcium chloride as a solution for the dust, temporarily.

Murray asked if Wagner had checked with DOT about putting calcium chloride down the portion of Hwy 3 that is tore up. No one was sure on this.

They discussed the current watering of the roadway, to keep the dust down. However, when the construction company is out of town for the weekend no dust control is occurring.

Gary Kraft will follow up with the dust control for Hwy 3.

The committee reviewed the Wagner Construction quote 2022-508 for the McGuires manhole installation. Kraft explained that previously the council decided to have the Public Works employees install this. At that time the city also believed they had a manhole to utilize for this. The quote from Wagner is \$14,725.00. Kraft explained that the direction of the line that the manhole needs to be replaced is not known for sure. Troy Munyer explained that it runs north, but he only televised a portion of the line. Kraft suggested that if our employees don't have time to complete this, it would cost the city less to have a local contractor complete the work.

If Wagner completes the project contingency money for the 2 ½ Ave Project could be utilized. If a local contractor completes the project, the city cannot utilize the 2 ½ Ave Project contingency fund. Trottier explained that he understood, in a past conversation with Jim Olson, that there was \$47,000 left for the 2 ½ Ave Project, that is not contingency money that could be utilized to install the manhole. Now it is understood that there is not \$47,000 left, the manhole installation by Wagner would come out of the contingency fund.

LaRocque asked for a motion to approve to have Wagner Construction complete the manhole installation at McGuires. Second by Schneibel, roll call vote, Trottier- yes, Brossart-no, Larson-no, Schneibel-yes, Kraft-no, Lotvedt-no, motion failed.

Trottier asked if there would be enough contingency money. Second if it is an allowable cost for the project. LaRocque explained that if Wagner completes the project it is allowable, if the city has someone else install the manhole it is at the city expense. There was a motion by Trottier to have Wagner Construction install the manhole at McGuires.

There was a motion by Trottier to table the Wagner Construction quote 2022-508 to install the manhole at McGuires. The council discussed other expenses for the project that would not be allowable for reimbursement. There was a second by Lotvedt to table the quote. All voting yes, motion carried.

The council considered pay request # 4 from Wagner Construction in the amount of \$948,770.28. There was a motion by Lotvedt to approve pay request #4 from Wagner Construction. Second by Brossart, roll call vote, all voting yes, motion carried.

The council considered pay request #4 from Mike Swanson Construction in the amount of \$21,309.60. There was a motion by Trottier to approve pay request #4 from Mike Swanson Construction in the amount of \$21,309.60. Second by Brossart, roll call vote, all voting yes, motion carried.

Lotvedt explained that he, Mayor LaRocque and Jon Nelson, State Representative, attended a NAWS meeting in Minot. They discussed at the meeting the replacement 4.3 miles of water lines from the city wells to the water plant. This was last replaced in the 1970's and contains asbestos cement pipe. Lotvedt explained that a new line could be ran parallel to the current line. The pipe to be installed would not be upsized, it would be replaced with the same size pipe. They are working with NAWS and Rural Water to find funding for the 4.3 miles of line to be replaced in the future.

Lotvedt explained that A & R Roofing will be back in August to begin the swimming pool roof.

LaRocque opened the Request for Qualifications of Engineering Services from AE2S, Interstate Engineering and Moore Engineering, Inc. The council reviewed the proposals they received. They also reviewed correspondence from Houston Engineering, Inc.

Kraft questioned Wade Senger, Interstate Engineering, if there was a cost estimate for the project in their proposal. Senger explained that his firm would charge based on the USDA cost curve, charging a percentage of the project. Kraft asked for an estimate of the percentage. Senger estimated the percentage would approximately be 8.5%.

LaRocque suggested the council consider tabling Request for Qualifications of Engineering Services from AE2S, Interstate Engineering and Moore Engineering, Inc. to allow Attorney Murray to review the documents. There was a motion by Kraft to table the Request for Qualifications received. Second by Trottier, all voting yes, motion carried.

The council conducted the second reading of Ordinance 438- General Commercial District and Ordinance 439-Light Industrial District. There was a motion by Kraft to approve the second reading of Ordinance 438- General Commercial District and Ordinance 439-Light Industrial District. Second by Brossart, all voting yes, motion carried.

Kraft explained that the Street Department will be renting a machine from Swanson Equipment, to fill cracks in the roadway in specific areas of town. The cost of the rent is \$2,000 per week. Kraft explained that where cracks on streets are depressed, this will fill in the area and avoid the spots from washing out. This will be helpful on the portion of Hwy 3 that was not resurfaced this year. Munyer explained that the product is a block that is melted down with aggregate and self-levels. Traffic must remain off the surface for 15 minutes to allow it to set up. There was a motion by Kraft to rent the machine from Swanson Equipment. Second by Lotvedt, roll call vote, all voting yes, motion carried.

Murray clarified that the \$500 monthly salary would pay for up to 10 hours of her services. She does not plan on charging mileage unless she must travel elsewhere. Any hours beyond 10 hours a month would be billed at \$100 per hour. Murray requested a city paid cell phone, dedicated to the city officials to contact her. Trottier questioned the protocol as to who contacts Attorney Murray, to ensure that the 10 hours a month are utilized most efficiently. Murray suggested checking with the Mayor or Auditor to see if a topic has been addressed.

LaRocque is opposed to having council members go through the mayor to see if Murray has been contacted regarding specific questions or issues. He suggested the council members contact the Auditor to see if a topic has already been forward to Murray.

Schneibel questioned if the city provides cell phones for other city employees. The city does provide phones for some of the city employees. An additional line could be added to the city plan. There was a motion by Lotvedt to approve Attorney Murray's request for a city cell phone. Second by Trottier, roll call vote, all voting yes, motion carried.

Lotvedt explained that the city had mapping completed and a GIS system completed. Lotvedt wants the public to be able to view this information. Stewart explained that the information is cloud hosted and she is looking to a public link to have it available on the city website.

The council reviewed Resolution 2022-6 Enterprise Fund Rates. Stewart explained the importance of enterprise funds and the cost of water and sewer rates. The resolution provides the proposed 2023 water/sewer/infrastructure rates. Stewart reviewed the rates with the council. The rates are a result of the rate study that the city completed last year. There was a motion by Lotvedt to approve Resolution 2022-6 Enterprise Fund Rates. Second by Kraft, roll call vote, Trottier-yes, Brossart-yes, Larson-yes, Schneibel-yes, Kraft-yes, and Lotvedt-yes. Motion carried.

The council reviewed the 2023 Preliminary Budget. Stewart explained the Certificate of Levy as well as the Comparison of Levy. The 2023 Preliminary Budget total levy is \$997,900. The council reviewed the budget summary, transfers, wage summary, reserve budget and over/under report.

Stewart explained that the proposed employee wage increase is 15% for the full-time Police Department employees and 10% for hourly, full-time, non-salaried employees, and 4% for salaried full-time employees. The proposed budget pays 2% more of employee retirement requirement and 25% more of family health insurance. This would make the employee retirement and health insurance fully paid by the city. The intent is to make city positions more attractive to prospective employees. Recruitment and retention of employees has become difficult. The yearly anniversary raise of \$.35 is also in the 2023 budget.

The council reviewed the 2023 proposed revenues/expenditures, budget requests, and library and JDA budgets. Lotvedt explained that the last few years benefit raises have not been given. He would like to see a dollar per hour raise instead of a percentage raise. Schneibel would like to see performance reviews tied into future raises. Trottier believes that what Schneibel is describing is a merit pay system. He does believe that the city pay increase system needs to be redone. LaRocque explained that currently the city is having difficulties filling positions. He cited a patrol position that has been open for over a year.

LaRocque explained that the Finance Committee is recommending that the 2023 Preliminary Budget be approved by the council. Murray explained that after the preliminary budget is approved it can be amended and can only go down for the final budget. There was a motion by Lotvedt to approve the 2023 Preliminary Budget as presented. Second by Trottier, roll call vote, Lotvedt-yes, Kraft-yes, Schneibel-yes, Larson-yes, Brossart-yes, and Trottier-yes. Motion carried.

The council reviewed Ordinance 440- Annual Appropriations. There was a motion by Kraft to approve Ordinance 440-Annual Appropriations, second by Trottier, all voting yes, motion carried.

The council reviewed and considered the resignation of Chief of Police John Rose. There was a motion by Schneibel to accept the resignation of Chief of Police John Rose. Second by Brossart, all voting yes, motion carried.

The council reviewed and considered the resignation of Ward 1 Council Member Matthew Lunde. There was a motion by Schneibel to accept the resignation of Ward 1 Council Member Matthew Lunde. Second by Lotvedt, all voting yes, motion carried.

The council reviewed correspondence regarding interest in the Ward 1 Council seat from Bruce Rheault, former Council Member. Kraft asked if Jon Nelson, ND State Senator, and city resident, would be able to serve as a council member or if there would be conflicts of him filling a council seat. LaRocque explained that he has spoke to Nelson and he is interested in serving as a Council Member. Nelson explained that he would serve as a Council Member. LaRocque nominated Jon Nelson for Ward 1 Council Member. Second by Brossart, roll call vote, Lotvedt-yes, Kraft-yes, Schneibel-no, Larson-yes, Brossart-yes, Trottier-no, motion carried.

LaRocque swore in Jon Nelson as Ward 1 Council Member.

Trottier nominated Bruce Gannarelli for Ward 3 Council Member. Second by Larson, roll call vote, all voting yes, motion carried. Gannarelli is not present and will be sworn in at the September meeting.

The council reviewed the application for local permit from Rugby Dollars for Scholars. Murray reviewed and acknowledged that the application is in order for approval. There was a motion by Lotvedt to approve the local permit application for Rugby Dollars for Scholars. Second by Larson, all voting yes, motion carried.

LaRocque reminded the council that the September meeting will be held on Wednesday, September 7. The budget hearing will be held at 6:30p.m. and the council meeting will be held at 7:30pm.

Stewart explained the packet of materials each council member received from Wagner Construction, for increased fuel costs. This material is for the council reference and no action is necessary.

LaRocque went back to Lotvedt's motion to amend the July 5, 2022, minutes to read that Jim Olson, is the engineer, only for, the 2 ½ Ave project. Trottier questioned Robert's Rule of Order regarding the June 28, 2022, meeting where the City Engineer was listed on the agenda, and it was not acted on. He questioned what happened to the item. Murray believes that it should have been on the agenda and should have been formally tabled. Trottier explained that he has questioned the authority of a mayor for the last two years. He questioned if the mayor has authority to terminate a city employee? Murray cited the city home rule charter as well as state statute that gives the mayor the authority to terminate an employee. Trottier referred to the agenda item and asked where it stands. He believes it is still new business. Murray believes that LaRocque believed the item was addressed as he left the position "open". There was no motion to approve or deny LaRocque leaving the city engineer position open. Trottier has spoken to

individuals who specialize in Robert's Rules of Order and told him that the city engineer agenda item is still new business, because it hasn't formally been dealt with.

Murray clarified that the city engineer position was taken care of at the July 5, 2022, meeting when LaRocque explained that Jim Olson, AE2S, was only the engineer for the 2 ½ Ave Project. Murray explained that the council had hired AE2S as the city engineer, not Jim Olson the individual.

Trottier questioned what happens to an item on an agenda if it's not specifically taken care of. Murray explained that the city engineer was not formally addressed at the June 28 meeting, however it was formally addressed at the July 5 meeting.

Kraft questioned if LaRocque could clarify his position right now as to the city engineer. LaRocque explained that he was not appointing a city engineer and does not intend to appoint a city engineer. Olson is the contracted engineer for 2 ½ Ave Project. Murray explained that in the future all agenda items should be taken care of at the meeting by approve, deny, or table each item.

LaRocque called for a vote on Lotvedt's motion to amend the July 5, 2022, council minutes to read that Jim Olson, is the engineer, only for, the 2 ½ Ave project. All voting yes, motion carried.

There being no further business to transact or come before the Council at this time, there was a motion by Brossart to adjourn the Council Meeting. Second by Larson, all voting yes, motion carried. Meeting adjourned at 10:01 p.m.

Frank LaRocque, Mayor

Attest: _____
Jennifer Stewart, City Auditor

Approved