

**RUGBY CITY COUNCIL
REGULAR MEETING
MONDAY, JUNE 4, 2012 - 7:30 P.M.
COUNCIL CHAMBERS**

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

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

There were no additions or deletions to the agenda.

Motion by Hoffert to approve the minutes of the May 7, 2012 regular council meeting and the May 31, 2012 Pierce County Hazard Mitigation meeting. Second by Geiszler, all voting yes, motion carried.

The Council reviewed the bill list. Motion by Jacobson to approve the financial statements, payment of the bills, and the bills paid since the last meeting. **Bills paid since last meeting:** 12697 Convention & Visitors Bureau \$4,394.49, 12698 Farmers Union Oil Co. \$1,247.47, 12699 Otter Tail Power Company \$7,907.25, 12700 Rugby Job Authority \$19,703.03, 12701 Postmaster \$303.08, 12702 Renae Vetsch \$150.00, 12703 Rugby Insurance Agency \$413.00, 12704 Rugby Sanitation, Inc. \$18,869.24, Total Regular Bills Paid \$52,987.56, 12705-12731 Payroll Checks \$39,803.88, Soc. Sec \$5,283.88, Medicare Taxes \$1,473.42, Payroll Taxes \$4,793.85, Electronic Total \$11,551.15, 12732 AFLAC \$156.48, 12733 NDPERS \$8,893.28, 12734 Heart of America Health Plan \$1,044.60, 12735 NDPERS \$605.00, 12736 NDPERS \$4,897.33, Total Bills For Payroll \$66,951.72, Grand Total All Bills Paid Since Last Meeting of 05/07/12 \$119,939.28. **Bills to be paid:** 12737 A & E Auto Parts, Inc. \$12.99, 12738 Adapco, Inc. \$1,118.40, 12739 Aqua-Pure, Inc. \$5,462.75, 12740 B & M Laundry Service \$56.16, 12741 Black Mountain Software, Inc. \$750.00, 12742 Bremer Bank \$3,045.87, 12743 Chamber of Commerce \$184.00, 12744 Chemsearch \$598.75, 12745 Comfort Inn \$69.00, 12746 Comfort Suites \$296.00, 12747 D & S Motors, Inc. \$408.20, 12748 Fargo Water Equipment \$5,145.67, 12749 Fleet Safety Equipment, Inc. \$953.70, 12750 Galls, LLC \$100.97, 12751 Gerrell's & Company \$266.50, 12752 H.E. Everson Co., Inc. \$174.61, 12753 Hawkins, Inc. \$1,688.66, 12754 HAMC \$48.76, 12755 Heseb Unlimited \$101.40, 12756 I Design \$654.50, 12757 Information Technology Dept. \$5.00, 12758 James Hoffert \$85.59, 12759 John Rose \$187.55, 12760 Johnson's Plumbing Service \$27.96, 12761 KZZJ AM 1450 \$37.00, 12762 Lake Region Dist. Health Unit \$100.00, 12763 Leever's Foods \$22.47, 12764 M.J. McGuire Company \$798.65, 12765 MARC \$778.86, 12766 Mark Krogstad \$102.44, 12767 Michael Todd & Co., Inc. \$1,490.40, 12768 Municipal Gov. Academy \$15.00, 12769 ND One Call Concepts, Inc. \$35.00, 12770 Newman Signs, Inc. \$73.56, 12771 Northern Plains Electric Coop. \$2,605.60, 12772 Otter Tail Power Company \$39.90, 12773 Pamida, Inc. \$112.03, 12774 Petty Cash \$7.93, 12775 Pierce County Auditor \$2,208.33, 12776 Pioneer Mutual Life Ins. Co. \$150.50, 12777 Premier Lube & Tire \$35.00, 12778 Rugby Amateur Hockey Assn. \$2,475.00, 12779 Rugby Greenhouse \$43.00, 12780 Rugby Hardware Hank \$1,665.99, 12781 Rugby Lumber, Inc. \$24.95, 12782 Rugby Sanitation, Inc. \$5,395.00, 12783 Rugby Service Center \$1,190.69, 12784 SRT Communications, Inc. \$31.12, 12785 Verizon Wireless \$167.50, 12786 Workforce Safety & Ins. \$6.86, Total Bills Submitted For Approval \$41,055.77. Second by Bednarz. Roll call vote: all voting yes, motion carried.

Motion by Jacobson to approve the Municipal Judge's Report for May 2012. Second by Lotvedt, all voting yes, motion carried.

The council discussed a building permit requested by James Koble. Koble's original permit request included steel posts but he changed it to a wood frame and posts. Colored metal would be installed on the outside and the roof would include a four inch overhang. Koble also stated that the building would be constructed on a cement slab. Koble also filed a variance to build within three and a half feet of his side yard instead of the required five feet. Motion by Lotvedt to approve the building permit provided the Planning and Zoning Commission approves the variance at the hearing next week. Second by Jacobson, all voting yes, motion carried.

Council Member Lotvedt presented two options for the infrastructure for the new development. The first option, with a preliminary cost of \$1,322,742.96, would be to complete the infrastructure for the extension of 6th Ave SE. The second option, with a preliminary cost of \$2,588,901.48, would be to complete the infrastructure for the entire development. The options would be changed slightly to include the following: gravel alleys, one inch copper pipe from the water main to the curb stops, mountable curb and gutters, and to move the lift station along the bike path, of which the majority is underground. An easement still needs to be obtained between the apartments along Country Road for utilities. Three other pieces of land will need to be obtained to finish the streets and provide installation of infrastructure. If option two is chosen, assessments will be made to the whole development and would benefit future lots to the east. If lots are developed someday east of Block 6, the lots would not have special assessments because the water, sewer and streets would be paid for by the current development. Bud Chalmers stated that the City would have first rights to purchase the land to the east in order to develop the whole street.

JDA Executive Director Foster stated that the JDA recommends the council go with option two. JDA will be having a meeting on June 14th to meeting with potential developers. If a developer is chosen by the city council, the city would no longer be involved in the infrastructure development. Motion by Hoffert to have a special meeting after the JDA meets on June 14th to choose option one or option two unless a developer decides to take over the project. Second by Rheault, all voting yes, motion carried.

The council reviewed the 2011 JDA Financial Statement. A short discussion was held on the Ben Franklin building that was sold in 2011. Motion by Jacobson to approve the 2011 JDA Financial Statement. Second by Hoffert, all voting yes, motion carried.

Foster proposed the JDA's lot price recommendations for the new development. Blocks 4 and 5 would be \$15,000 each with a cap on infrastructure of \$40,000. Lots in Blocks 1, 6, and 7 would be priced at \$7,500 each. A lengthy discussion followed. The cap on infrastructure is not appropriate since the costs have not yet been determined. Motion by Geiszler to approve the recommended lot prices for Blocks 4 and 5 of \$15,000 each excluding specials. Second by Hoffert, all voting yes, motion carried.

Motion by Geiszler to approve the recommended lot prices for Blocks 1, 6, and 7 of \$7,500. Second by Hoffert. Discussion was held on covenants for the development. All voting yes, motion carried.

A Disabled Veterans Tax Credit for Roger and Pat Steig was presented. Motion by Jacobson to approve the application. Second by Lotvedt, all voting yes with the exception of Hoffert who abstained, motion carried.

Discussion was held on allowing modular homes into the residential zones of the city. The city of Minot does not have a specific ordinance, but they have a policy that states as long as a modular home is built to IBOC code, or the International Building Code, which all site built homes are built to, then the modular home would be allowed in their single family residential zone, provided they show proof of the building code. The current ordinance states that to be able to move a home into city limits, the house must first be approved by the building inspector and then by the two councilmen in the ward, is sufficient enough to regulate the modular homes coming into town. A short discussion was held on sending letters to neighbors where the home is to be placed.

Motion by Hoffert to approve the Eagles special event permit application for serving beer and alcohol at the Pierce County Fair on June 28 – July 1, and July 4. Second by Jacobson, all voting yes, motion carried.

Motion by Geiszler to approve the gaming site authorizations for the Rugby Jaycees at Jesters and Third Street Station. Second by Wentz, all voting yes, motion carried.

A 2AM closing application was presented for Crooks on June 10th and June 24th. Police Chief Rose stated he was concerned with the issues the owner has with the patrolling of the bar around closing time. A short discussion followed. Motion by Lotvedt to approve both 2AM closing requests. Second by Wentz, all voting yes, motion carried.

Police Chief Rose stated that he would like to see the city either pass an ordinance that allows bars to be open until 2AM all the time or to get rid of the 2AM applications, as it is very difficult to schedule the number of police officers on duty for these events.

Motion by Jacobson to approve the special event permit for Third Street Station to serve alcohol at the car races this summer. Second by Lotvedt, all voting yes, motion carried.

Committee Reports: **Public Safety** – Chairman Hoffert reported that bids for the 2006 Durango were received but were quite low, so the committee rejected them. **Finance** – No report. **Ordinances/Rec** – Chairman Rheault stated that Pake Hagan and Eric Kuntz are doing a great job for the recreation department. Babe Ruth games should be starting next week. **Water/Streets/Sewer** – Chairman Wentz reported that the line from the well to the golf course was fixed for a cost of \$2,900. The second line will be fixed when it dries up so there is a back-up if there are any problems. **Personnel** – Mayor Cichos reported that there has been discussion on the vacation and sick leave carry over for employees. A survey was given to all employees, but not all have returned their survey. **Buildings/Property** – Chairman Bednarz met with Superintendent Lind regarding the Armory rent. Lind requested a committee be formed to construct an agreement for the janitorial duties for the Armory. Lind agreed with the rent price of \$9,500. Motion by Bednarz to raise the daily Armory rent to \$180. Second by Hoffert. Discussion was held. Motion by Bednarz to amend his previous motion to include a \$15/use charge for the classrooms for sporting events. Second by Hoffert, all voting yes, motion carried. Any new reservations will need to pay the new rate. **Infrastructure** – no further report.

The council reviewed complaints from citizens regarding the trucks parked in the city parking lot. It is difficult to park when there are four big trucks taking all the parking spots.

A resignation letter from Wayne Stevenson was presented. Motion by Lotvedt to accept the resignation with regrets. Second by Hoffert, all voting yes, motion carried.

Meetings this month: Planning and Zoning Commission Meeting- June 11, 7:30pm; Committee Meetings on Wednesday, June 20 – Public Safety 9am, Finance at 10am, Ord/Rec at 11am, Water/Streets/Sewer at 1pm, Personnel at 2pm, Buildings/Property at 3pm, Infrastructure 4pm. Reorganization Meeting – June 26 at 7:30pm.

There being no further business to transact or to come before the Council at this time, Mayor Cichos adjourned the meeting at 9:19pm.

Dawn Hauck, City Auditor

Date Submitted

David Cichos, Mayor

Date Approved