

**RUGBY CITY COUNCIL
REGULAR MEETING
MONDAY, MARCH 5, 2012 - 7:30 P.M.
COUNCIL CHAMBERS**

Council Members present: Rheault (7:35pm), Lotvedt, Jacobson, Bednarz, Hoffert, Harmel, Geiszler, and Wentz. Also present were City Attorney Hartl and City Auditor Hauck. Mayor Cichos was present by speaker phone.

Council President Jacobson called the meeting to order at 7:30pm. Council members recited the Pledge of Allegiance. Roll call of council members by Jacobson.

A moment of silence was held for Mark Butz, past mayor and city attorney, who passed away last month.

JDA Appointments was added to the agenda under the JDA Update section.

Motion by Wentz to approve the minutes of the February 6, 2012 regular council meeting. Second by Geiszler, all voting yes, motion carried.

The Council reviewed the bill list. Motion by Hoffert to approve the financial statements, payment of the bills, and the bills paid since the last meeting. **Bills paid since last meeting:** 12404 Anne Duchscher \$51.21, 12405 Convention & Visitors Bureau \$5,540.67, 12406 Farmers Union Oil Co. \$2,162.38, 12407 Katherine Cunningham \$105.29, 12408 ND Dept. of Health \$939.27, 12409 ND Telephone Company \$506.78, 12410 Otter Tail Power Company \$12,287.55, 12411 Rugby Job Authority \$23,512.38, 12412 Staples Credit Plan \$391.56, 12413 Postmaster \$299.55, 12414 Rugby Sanitation, Inc. \$17,839.81, Total Regular Bills Paid \$63,636.45, 12415-12438 Payroll Checks \$39,038.95, Soc. Sec \$5,176.29, Medicare Taxes \$1,443.38, Payroll Taxes \$4,696.35, Electronic Total \$11,316.02, 12439 AFLAC \$156.48, 12440 NDPERS \$8,893.28, 12441 Heart of America Health Plan \$1,044.60, 12442 NDPERS \$495.00, 12443 NDPERS \$4,907.35, Total Bills For Payroll \$65,851.68, Grand Total All Bills Paid Since Last Meeting of 02/06/12 \$129,488.13. **Bills to be paid:** 12444 A & C Tire and Truck Repair \$118.23, 12445 A & E Auto Parts, Inc. \$29.28, 12446 B & M Laundry Service \$56.16, 12447 Bremer Bank \$3,045.87, 12448 Dakota Tree Service \$200.00, 12449 Ethanol Products, LLC \$1,433.79, 12450 Expressway Suites \$138.60, 12451 First District Health Unit \$648.00, 12452 Flexible Pipe Tool Company \$65.00, 12453 Galls, LLC \$190.93, 12454 Glenko Enterprises, LTD \$1,822.97, 12455 H.E. Everson Company \$67.18, 12456 Harper Oil Company \$1,518.57, 12457 Hawkins, Inc. \$784.37, 12458 Hi-Way Tesoro \$913.54, 12459 Information Technology Dept. \$1,200.00, 12460 Johnson's Plumbing Service \$726.78, 12461 Karla Harmel \$210.00, 12462 Labor Law Center, Inc. \$37.90, 12463 Lisa Enno \$300.00, 12464 Lotvedt Lumber, Inc. \$496.88, 12465 Municipal Gov. Academy \$15.00, 12466 ND Dept. of Health \$50.00, 12467 ND One Call Concepts, Inc. \$1.30, 12468 ND Rural Water Systems Assoc. \$430.00, 12469 ND Water & Pollution Confrence \$60.00, 12470 NDPERS \$20.00, 12471 Northern Plains Electric Coop. \$2,475.06, 12472 Pamida, Inc. \$118.36, 12473 Petty Cash \$58.19, 12474 Pierce County Auditor \$2,208.33, 12475 Pierce County Recorder \$13.00, 12476 Pierce County Tribune \$485.92, 12477 Pioneer Mutual Life Ins. Co. \$150.50, 12478 Premier Lube & Tire \$35.00, 12479 Public Safety Equipment Co. \$1,398.00, 12480 Rugby Fire Department \$32,369.14, 12481 Rugby Greenhouse \$50.00, 12482 Rugby Hardware Hank \$583.52, 12483 Rugby Insurance Agency \$1,363.87, 12484 Rugby Lumber, Inc. \$381.93, 12485 Rugby Sanitation, Inc. \$135.00, 12486 Rugby Service Center \$617.88, 12487 Rugby Veterinary Service \$228.00, 12488 Sensus USA \$1,650.00, 12489 SRT Communications, Inc. \$31.15, 12490 Star Business Forms \$942.48, 12491 The Computer Store \$199.99, 12492 Troy Munyer \$284.54, 12493 Verizon Wireless \$167.66, 12494 Workforce Safety & Insurance \$5,678.08, Total Bills Submitted For Approval \$66,205.95. Second by Bednarz. Roll call vote: all voting yes, motion carried.

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

The Councilmen reviewed the Rugby Fire Department 2011 Year End Financials and 2011 City Reimbursement. The City Reimbursement was approved in the "Bills to be paid" section.

Councilman Rheault entered the meeting at 7:35pm.

Brenda Foster, Executive Director of the Rugby Job Development Authority, gave an update on JDA events. Foster presented a brochure describing the Renaissance Zone in Rugby and the opportunities available to the businesses and residents in the area. Folders with tax incentive information are available at City Hall and the JDA office. Foster reported that she attended an event in Williston to observe the oil industry and housing problems there. On March 15, 2012 at 1pm, a speaker will be at Dakota Farms to report on the oil boom.

Mayor Cichos stated that a member at large has decided to leave the JDA and Keith Gault would like to take his place. Councilman Bednarz would like to step down as the council representative on the JDA board. Councilman Geiszler would like to take his place. Motion by Hoffert to make the mentioned appointments. Second by Wentz, all voting yes, motion carried.

The council reviewed an application for a property tax incentive for Farmers Union Elevator for the new construction of an office building. Brenda Foster recommends the passing of the incentive but to change the tax incentive percentages according to the policy. The first and second years would be 100% tax exempt, third year at 75%, fourth year at 50%, and the fifth year at 25%. A question was raised on the application for the elevator to employ two additional people. Motion by Hoffert to accept the application with the proposed changes and with the clarification on the number of employees to be hired. Second by Bednarz. Roll call vote: all voting yes with the exception of Lotvedt who abstained from the vote, motion carried.

The council reviewed a tax abatement request for Marie Beachler for 2010 and 2011. Motion by Lotvedt to approve both years. Second by Wentz. Roll call vote: all voting yes, motion carried.

City Auditor Hauck discussed an inquiry on property owned by the city that was leased by Cameron Thornberg. Another person has requested to lease the land since Thornberg would like to discontinue his lease. City Attorney Hartl stated that the land will need to be advertised for lease bids. Mayor Cichos stated that he would like a request sent to Thornberg for the clean-up of the property and for the payment of past rent.

Discussion was held on a piece of property by the water tower. Currently the city property line is very close to the tower. When maintenance is needed on the tower, equipment is brought onto the lot next to the water tower with the permission of the lot owner. Councilman Wentz stated that the lot is approximately 75'x152' and city infrastructure runs under the lot. The owners are asking \$9,000 for the purchase of the lot. Councilman Hoffert remembered there was a reason why this wasn't purchased before but could not remember the exact reasoning. Motion by Lotvedt to purchase the lot provided the title is clear. Second by Wentz. Discussion was held on taking taxpayer money away from the city. Roll call vote: all voting yes, with the exception of Hoffert who voted no, motion carried. Council President Jacobson referred the issue to the Finance Committee.

Councilman Lotvedt presented four engineering proposals for the design of Chalmers First Addition which included Advanced Engineering, Wold Engineering, Interstate Engineering, and Moore Engineering. The infrastructure committee narrowed down the selection to Wold Engineering and Interstate Engineering, with a recommendation of Interstate Engineering. Discussion was held on the proposals including the possibility of expansion. Further discussion was held on the prices which ranged from \$40,000 to \$60,000. Motion by Geiszler to accept the proposal from Interstate Engineering. Second by Wentz. James Day was present and asked if the current homes will be assessed the costs for the infrastructure of the new development. Council President Jacobson stated that typically the infrastructure costs are added into the price of the lot. Roll call vote: all voting yes, motion carried.

Discussion was held on the Armory floor. Councilman Bednarz discussed that it was brought to the attention of the council that the floor can be dis-assembled and re-assembled when needed. Gerrells has agreed to come to the Armory and show the city crew how to disassemble the floor. It was discussed to dis-assemble the floor during the first week in April. Motion by Hoffert to give the Building and Property Committee permission and discretion on decisions regarding the Armory Floor. Second by Lotvedt, all voting yes, motion carried.

The second reading was held for the Open Container Ordinance added to the Pedestrian Ordinance Chapter. Motion by Lotvedt to pass the second reading. Second by Rheault, all voting yes, motion carried.

The second reading was held for the Parking Ordinance Amendment. Motion by Lotvedt to pass the second reading. Second by Rheault. Discussion was held on parking tickets during snow removal. All voting yes, motion carried.

Motion by Wentz to call for gravel bids for class three or better gravel. Second by Geiszler, all voting yes, motion carried.

A request from Robert Berndt was received regarding the use of the Armory. Berndt would like to use the Armory to play basketball during hours when the Armory typically isn't open. The council requested the matter be looked into further.

City Attorney Hartl presented a raffle for Eddy's Angels, a raffle to be held for the benefit of Ed Sanchez who was diagnosed with cancer. Motion by Lotvedt to approve the raffle request. Second by Geiszler, all voting yes, motion carried.

City Attorney Hartl presented a 2AM closing request for Crooks on March 10, 2012. Motion by Lotvedt to approve the request. Second by Wentz, all voting yes, motion carried.

City Attorney Hartl presented a raffle for Brave Soles. Hartl requested a clarification on the amount of the prizes. A lengthy discussion was held on the legitimacy of Eddy's Angels and Brave Soles being organizations. Lotvedt amended his motion to approve the raffle requests of Eddy's Angels and Brave Soles pending the opinion of the Attorney General. Second by Geiszler, all voting yes, motion carried.

City Attorney Hartl presented a raffle request for H & R Block Relay for Life Team. Motion by Wentz to approve the request with the appropriate signature. Second by Lotvedt, all voting yes, motion carried.

City Attorney Hartl presented a 2AM closing request for Jesters on March 18, 2012. Motion by Lotvedt to approve the request. Second by Geiszler, all voting yes, motion carried.

Committee Reports: **Public Safety** – Chairman Hoffert reported that there was a meeting on February 29th. The new police vehicle has not arrived yet. Ken Hooker was hurt in a fire in his shop last month. The siren by Center Mutual is still being worked on. **Finance** – No report. **Ordinances/Rec** – Chairman Rheault reported there is a meeting on Wednesday at 3pm to discuss the recreation director position. **Water/Streets/Sewer** – No report. **Personnel** – No report. **Buildings/Property** – Chairman Bednarz reported that he and Councilman Lotvedt will be meeting with the firemen on March 12, 2012 to update them on the new fire hall building. There was a conference call earlier today to discuss wetland issues and surcharging with the architects and engineer for the new fire hall. The engineer would like to hire a delineator to go to the site to ensure there are no issues or impacts on the wetlands. Councilman Lotvedt stated that according to the maps, the wetlands are nowhere near the site for the new fire hall. Lotvedt requested permission from the council to obtain a second opinion from a soil engineer, costing approximately \$3,500 to \$5,000, to help reduce costs for surcharging. Councilman Hoffert requested that the second opinion wait until a decision is made regarding the wetland issue. Motion by Lotvedt to hire a second soil engineer to test the soil. Second by Harmel. Roll call vote: all voting yes, with the exception of Hoffert who voted no, motion carried.

City Auditor Hauck stated that she will be attending March Madness with the ND League of Cities on March 20 and 21. This will impact committee meetings. A request was made to change the committee meetings to March 19.

Meetings this month: Planning and Zoning Commission Meeting has been cancelled for March; Committee Meetings on Monday, March 19 – Public Safety 9am, Finance at 10am, Ord/Rec at 11am, Personnel at 2pm . Water/Streets/Sewer and Buildings/Property times and dates are to be determined.

There being no further business to transact or to come before the Council at this time, Council President Jacobson adjourned the meeting at 9:07pm.

Dawn Hauck, City Auditor

Date Submitted

Gerry Jacobson, Council President

Date Approved