

**RUGBY CITY COUNCIL
REGULAR MEETING
MONDAY, MARCH 7, 2011 - 7:30 P.M.
COUNCIL CHAMBERS**

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

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

There were no amendments, additions or deletions to the agenda.

Motion by Geiszler to approve the minutes of the February 7, 2011 meeting. Second by Hoffert, all voting yes, motion carried.

Motion by Hoffert to approve the financial statements, payment of the bills, and the bills paid since the last meeting: 11122 Alltel \$119.30, 11123 Convention & Visitors Bureau \$4,943.62, 11124 Farmers Union \$7,461.13, 11125 ND Telephone \$1,695.36, 11126 ND Water & Pollution Control \$424.00, 11127 Otter Tail 10,965.88, 11128 RSC Equipment Rental \$6,814.50, 11129 Rugby Job Authority \$24,964.08, 11130 Postmaster \$262.18, 11131 Rugby Sanitation \$18,091.63, Total Regular Bills Paid: 75,741.68; 11132-11157 Payroll Checks February \$38,400.94, Soc. Sec. \$5,028.75, Medicare Taxes \$1,402.26, Payroll Taxes \$4,473.58, Electronic Total \$10,904.59, 11158 AFLAC \$342.60, 11159 NDPERS \$7,682.86, 11160 NDPERS \$545.00, 11161 NDPERS \$3,415.51, Total Bills For Payroll \$61,291.50, Grand Total All Bills Paid Since Last Meeting of 02/07/11 \$137,033.18. Bills to be approved: 11162 A & C Tire & Truck Repair \$173.95, 11163 A & E Auto Parts \$360.68, 11164 Aqua-Pure \$946.21, 11165 B & M Laundry \$155.32, 11166 Bobcat of Devils Lake \$256.88, 11167 Boiler Inspection Program \$280.00, 11168 Brad's Towing \$75.00, 11169 BW Doublewood Inn \$138.60, 11170 C & H Repair \$1,041.68, 11171 Comfort Inn \$213.00, 11172 Delores M. Logue \$350.00, 11173 Ethanol Products \$957.60, 11174 Farm Plan \$19.00, 11175 Farmers Union \$4,667.66, 11176 Fritz Delivery \$51.00, 11177 H.E. Everson \$123.69, 11178 HACTC \$2,883.97, 11179 Hawkins \$2,034.08, 11180 Heart of America Med. Center \$27.60, 11181 Hi-Way Tesoro \$48.91, 11182 Information Technology Dept. \$1,200.00, 11183 Integrated Process Solutions \$471.90, 11184 Johnson's Plumbing Service \$373.49, 11185 Kellie LaFloe \$200.00, 11186 Lotvedt Lumber \$10.00, 11187 M.J. McGuire \$1,121.01, 11188 Marlene Hoffman \$10.00, 11189 ND Post Board \$45.00, 11190 Northern Plains Electric \$2,697.01, 11191 Pamida \$33.37, 11192 Petty Cash \$37.07, 11193 Pierce County Auditor \$2,208.33, 11194 Pierce County Tribune \$192.37, 11195 Pioneer Mutual Life Ins. \$220.50, 11196 Postmaster \$264.00, 11197 Power Plan \$575.92, 11198 Precision Autobody \$153.10, 11199 Premier Lube \$34.55, 11200 Robert Walls \$49.97, 11201 Rugby Greenhouse \$38.00, 11202 Rugby Hardware Hank \$266.26, 11203 Rugby Sanitation \$137.00, 11204 Rugby Veterinary Service \$66.30, 11205 Rugby Welding & Machine \$811.54, 11206 Scott Bommersbach 205.07, 11207 Souris Basin Planning Council \$300.00, 11208 SRT Communications \$29.01, 11209 The Computer Store \$896.97, Total Bills Submitted For Approval: \$27,452.57. Second by Lotvedt, roll call vote: all voting yes, motion carried.

Motion by Hoffert to approve the Municipal Judge's report for February 2011. Second by Rheault, all voting yes, motion carried.

Brenda Foster, Rugby Job Development Authority Executive Director, handed out marketing materials and reported on the recent housing study recommendations, and the housing study forum held last week. Foster requested the council review the recommendations and provide JDA with possible priorities. Discussion was held on the lack of market rate rentals, demolition of abandoned housing, possibly annexing land and creating a land use committee. Hoffert and Lotvedt volunteered to be on the committee. The city has recently implemented tax incentives to promote residential and commercial construction.

Finance Committee Chairman Jacobson reported on the guidelines developed by Foster for new and expanding businesses. In the past, tax incentives were granted on a sliding scale with a 100% exemption the first year, 80% exemption the second year, 60% exemption the third year, 40% exemption the fourth year, and 20% exemption the fifth year. The new proposal would be a 100% exemption the first year, a 100% exemption the second year, a 75% exemption the third year, a 50% exemption the fourth year, and a 25% exemption the fifth year. A qualified project may receive up to a 100% exemption in years 3, 4 and 5, provided that at least one full time job has been created for every \$250,000.00 of the building's true and full value. The recipient of the exemptions would also be required to file an annual employment verification report with the Rugby JDA. Motion by Geiszler to approve the guidelines as recommended by the Finance Committee and the JDA. Second by Hoffert. Discussion held. Roll call vote: all voting yes, motion carried. Foster also reported that the Johnson Clinic sale has been finalized.

Motion by Hoffert to call for bids for gravel, with bids to be opened at the regular city council meeting on April 4, 2011 at 7:30pm. Second by Bednarz, all voting yes, motion carried.

Discussion was held on the Rugby Sanitation Contract, which calls for an annual Consumer Price Index (CPI) increase in years 2, 3, & 4 of the four year contract. Council Member Geiszler reported on details of the contract. The Council reviewed information from the US Dept. of Labor, Consumer Price Index (all urban consumers) for 2010, which was 1.6%. The contract also allows for a rate adjustment if the cost of diesel rises above \$4.50/gal., or increases in the landfill disposal fees. Discussion was also held on collecting twelve months in the remaining nine months of the year. Motion by Hoffert to increase the garbage rate by .39 cents per kitchen per month. Second by Geiszler, roll call vote: all voting yes, motion carried.

City Auditor Harmel reported on the 2010 Year End Financial Report and the 2009 Audit. Motion by Hoffert to accept both reports. Second by Lotvedt, roll call vote: all voting yes, motion carried.

Water/Sewer/Street Committee Member Jacobson reported on research the committee conducted on a radio read water meter system. Lengthy discussion was held on how the system would work, recouping costs for the system, bids versus RFP's, the type of radio read meters to purchase, having the meters professionally installed, plumbing issues in residences, and potential problems with installation. Motion by Geiszler to call for a Request for Proposals for radio read water meters. Second by Lotvedt. More discussion followed. Roll call vote: all voting yes, motion carried.

Motion by Lotvedt to approve the 2010 Library Report. Second by Hoffert, all voting yes, motion carried.

Building/Property Committee Chairman Bednarz reported that the locks at the Rugby Armory will probably need to be changed, and further research will be done on the matter.

City Attorney Hartl reviewed a raffle permit application submitted by H & R Block Relay for Life and recommended approval. Motion by Hoffert to approve the raffle request. Second by Bednarz, all voting yes, motion carried.

Committee Reports: Buildings/Property – Armory plumbing has been repaired by city staff. The committee will meet with Mike Kuntz, ICON Architect, on March 28 to discuss a potential new Fire Station. The filter system replacement at the swimming pool is almost finished. Finance - no report. Personnel - no report. Ordinance/Recreation - no report. Public Safety – Have been advertising for the Chief's position and will meet at their regular meeting on March 17 to review applications, and meet on March 31 to interview applicants. The Safe Routes to Schools project was reviewed and the committee determined that the plan as bid will not be changed. Adding additional signage to the Hwy 3 and 4th St. SW crossing was discussed. The committee continues to research a possible new drug and alcohol policy for employees. Water/Streets/Sewer – Council Member Geiszler reported that he had received comments from patrons in Ward 4 commending the Public Works Dept. on snow removal this winter.

Correspondence Received, Special Meetings and Reminders: The council reviewed an invitation to a contractor's supper and advertising materials for equipment. Meeting this month: Planning & Zoning Commission - Monday, Mar. 14 at 7pm; Public Safety Committee Meeting (changed from Mar. 24) - Thursday, Mar. 17 at 4pm; Building/Property Committee Meeting (Architect attending) - Monday, Mar. 28 at 4pm; Public Safety Committee Meeting (interviewing Chief position) - Thursday, Mar. 31 at 3pm.

There being no further business to transact or to come before the Council at this time, Council President Jacobson adjourned the meeting at 8:54pm.



Karla Harmel, City Auditor

3-14-11

Date Submitted

David C. Cichos, Mayor

Date Approved