

**RUGBY CITY COUNCIL MEETING MINUTES
WEDNESDAY, OCTOBER 3, 2022– 7:30 PM
COUNCIL CHAMBERS AND GOTO**

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, Nelson, Kraft, Schneibel, Larson, Brossart, and Gannarelli. Also present were Mayor Larocque, Auditor Stewart, and Attorney Murray.

Additions to the agenda were, JDA Legal Opinion and Interstate Engineering Contract. There was a motion by Schneibel to approve the agenda as amended. Second by Brossart, all voting yes, motion carried.

The council considered Ward 4 Council Member Dr. Wayne Trottier, Jr.'s, resignation. There was a motion by Brossart to accept Ward 4 Council Member Dr. Wayne Trottier, Jr.'s, resignation. Second by Larson, all voting yes, motion carried.

There was a motion by Larson to appoint Jennifer Zachmeier as Ward 4 Council Member. Second by Brossart. Gannarelli called for a point of information. He questioned if there is a 15-day waiting period before appointing someone to a vacancy in council. Murray explained that the 15-day waiting period would begin as of the date of Council Member Trottier's resignation letter, dated September 8, 2022. They briefly discussed prior vacancies in the council and how those positions were filled. LaRocque called for a roll call vote, Brossart-yes, Kraft-yes, Schneibel- no, Lotvedt-yes, Nelson-yes, Gannarelli-yes, and Larson-yes, motion carried.

Mayor Larocque swore in Jennifer Zachmeier as Ward 4 Council Member.

The council Vice-President position is vacant with the resignation of Council Member Trottier. There was a motion by Nelson to nominate Schneibel as Vice-President of Council. Second by Larson, roll call vote, all voting yes, motion carried.

The council considered the September 7, 2022, Special Budget Hearing meeting minutes. There was a motion by Schneibel to approve the September 7, 2022, Special Budget Hearing meeting minutes. Second by Lotvedt, roll call vote, all voting yes, motion carried.

The council considered the September 7, 2022, meeting minutes. There was a motion by Kraft to approve the September 7, 2022, meeting minutes. Second by Brossart, roll call vote, all voting yes, motion carried.

Bills Paid Since Last Meeting of 9/7/2022:	\$783,107.99
22625 Aqua-Pure Inc	\$450.00
22626 B & M Laundry	\$95.53
22627 Colonial Research Chemical Corp	\$2,345.25
22628 Column Software PBC	\$124.51
22629 Convention & Visitors Bureau	\$3,670.48

22630	Convention & Visitors Bureau	\$7,505.80
22631	EcoLab	\$173.80
22632	Envision	\$6,901.85
22633	Hawkins	\$1,952.00
22634	Heart of America Library	\$7,343.92
22635	HESEB Unlimited	\$284.00
22636	Jeffrey Berdahl	\$50.00
E-Ck	JP Morgan Chase	\$1,435.57
22637	MEDICO Life Ins.	\$141.00
22638	Napa Auto Parts	\$3.19
22639	ND Dept of Health / Chemistry	\$270.12
22640	ND Peace Officers Assn. (NDPOA)	\$40.00
22641	ND Telephone Co	\$758.62
22642	Otter Tail Power Company	\$11,717.31
22643	Peace Garden Peace Officers Assn	\$30.00
22644	Pierce County Treasurer	\$108.88
22645	Pierce County Tribune	\$226.87
22646	Rugby Job Authority	\$32,459.20
22647	Rugby Park District	\$1,855.33
22648	U. S. Bank St Paul	\$18,875.00
22649	Wagner Construction Inc	\$594,468.35
E-Ck	Wex Bank	\$1,008.67
ACH	Payroll Checks	\$57,370.99
ACH	Social Security	\$9,223.08
ACH	Medicare Taxes	\$2,157.02
ACH	Payroll Taxes	\$5,214.85
22650	AFLAC	\$984.52
ACH	NDPERS	\$700.00
ACH	NDPERS	\$7,345.24
22651	State Tax Commissioner	\$2,095.70
22654	State Tax Commissioner	\$25.95
22652	Jeffrey Berdahl	\$2,364.29
22653	John Rose	\$1,331.10
Bills To Be Approved and Paid 10/3/2022:		\$135,446.02
22655	Advanced Engineering	\$87,727.22
22656	American Welding & Gas	\$4,389.99
22657	B & J Excavating	\$3,714.12
22658	Brad Radomski	\$700.00
22659	Brad's Auto Svc & Towing	\$325.00
22660	Circle Sanitation	\$20,420.00
22661	Column Software PBC	\$628.47
22662	Core & Main LP	\$547.12
22663	Dustin Tarasen	\$500.00
22664	Erin Klein	\$217.50
22665	First District Health Unit	\$75.00

22666	Frank Larocque	\$180.00
22667	Jeremy Monroe	\$243.50
22668	Johnson's Plumbing	\$72.75
22669	Midwest Glass & Door	\$160.00
22670	Petty Cash	\$96.37
22671	Pierce County Auditor	\$3,412.50
22672	Rebecca Jordan	\$170.00
22673	Rick Larson	\$2,500.00
22674	Robert Spallinger	\$1,265.00
22675	Rugby Broadcasters	\$194.75
22676	Rugby Hardware Hank	\$419.34
22677	Rugby Lumber	\$403.76
22678	Rugby Service Center	\$1,016.33
22679	Rugby Veterinary Service	\$513.00
22680	Scott or Lori Young	\$100.00
22681	Swanston Equipment Corp	\$4,640.00
22682	Tucker Volk	\$50.00
22683	Verizon Wireless	\$764.30

The bills were reviewed by the council. Bills were individually reviewed by Brossart and Nelson. Gannarelli questioned why the bills are reviewed by individual council members. Murray explained that the council must approve the bills each month. The council has two members review all the bills individually each month, so that the entire council does not have to review them all each month. Checks and balances are important with the city financials. There was a motion by Brossart to approve the bills as presented. Second by Nelson. Roll call vote, Zachmeier-yes, Brossart-yes, Kraft-yes, Schneibel-yes, Lotvedt-yes, Nelson-yes, Gannarelli-yes & Larson-yes, motion carried.

The council considered the monthly financial reports. Stewart explained a proposed transfer from 5011 Water Supply & Treatment Enterprise Fund to 5014 2023 Phase III WTP Improvements in the amount of \$147,274. There was a motion by Kraft to approve the monthly financials as presented. Second by Schneibel, roll call vote, Lotvedt-yes, Nelson-yes, Gannarelli-yes, Larson-yes, Schneibel-yes, Kraft-yes, Brossart-yes, Zachmeier-yes, motion carried.

There was a motion by Lotvedt to approve the transfer of funds in the amount of \$147,274 from 5011 Water Supply & Treatment Enterprise Fund to 5014 2023 Phase III WTP Improvements. Second by Brossart, roll call vote, Lotvedt-yes, Nelson-yes, Gannarelli-yes, Larson-yes, Schneibel-yes, Kraft-yes, Brossart-yes, Zachmeier-yes, motion carried.

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

Convention and Visitors Bureau: Laurie Odden, Convention and Visitors Bureau, explained that their new year began October 1, 2022. The Pumpkin Patch had a successful first weekend with over 500 people in attendance. Odden requested assistance from the Public Works

Department to take down the flowerpots hanging downtown. LaRocque instructed her to contact Public Works Director Munyer to help her with that.

JDA: Murray explained that she researched the City Home Rule Charter, Attorney General Opinions and State Law, and determined that the Job Development Authority can gift the Dunseith Johnson Clinic to the Heart of America Medical Center. There was a motion by Lotvedt to proceed to transfer the Dunseith Johnson Clinic to the Heart of America Medical Center from the Job Development Authority. Second by Kraft. Roll call vote, Lotvedt-yes, Nelson-yes, Gannarelli-yes, Larson-yes, Zachmeier-yes, Brossart-yes, Kraft-yes, and Schneibel-yes, motion carried.

Schneibel made a motion to approve the JDA report and financials. Seconded by Larson, roll call vote, all voting yes, motion carried.

Committee Reports

Recreation: nothing to report.

Finance: Chairman Nelson explained that the Water Treatment Plant Clarifiers, transfer of funds, was discussed. They had Wagner Construction join their committee meeting and discussed the Fuel Surcharge request by Wagner Construction for the 2 ½ Ave Project. Nelson has concerns that the paving of streets may not be completed this fall. He also outlined the use of funds the USDA stipulates before the city is eligible for the allowed grant money for this project, the city must spend all the loan funds. Nelson explained that once the project is complete, then the Fuel Surcharge should be looked at, not before. Nelson explained the potential of using the USDA grant money for other potential projects, beyond the 2 ½ Ave Project. LaRocque clarified that Nelson would like to have the council wait to address any fuel surcharge request until after the project is complete. Nelson explained that the DOT Hwy 3 Underpass Project may be an eligible project to use the USDA grant money on.

Ordinance: Chairman Kraft explained that they discussed committee meetings and council meetings before they revise the ordinance and provide a draft to council. Gannarelli explained he would like to see one of the proposed two council meetings begin earlier than 7:30pm. LaRocque recommended Portfolio holders instead of 3 person committees. Gannarelli explained he would like to see the Mayor appoint a group of 3 people to deal with special topics.

Murray explained how a Portfolio holder would work within the city organization.

A change from Committee's to Portfolio holders would only apply to the city committees. The committee intends to have a first reading of the revisions for the November council meeting.

Public Works: Chairman Kraft explained that they met with the ND DOT today regarding the Hwy 3 Underpass project. They hope to complete that project next year. Kraft explained that the committee had discussed the Raw Water Line, Clarifiers, Backflow Preventers, Armory Sidewalk, 2 ½ Ave Project, and the open Public Works position.

Public Safety: Chairman Brossart explained that the committee discussed the roadways at Parkland Trailer Court. Currently the Police Department has three open positions.

Buildings: Chairman Brossart explained that the Pool Roof has been completed. They will install the rain spouts in two weeks. He explained that Bartsch Electric was sending the specifications for the new fans at the pool to their engineers to see if there are options for operating the fans.

Personnel: Chairman Gannarelli explained that they had discussed compensatory time and developing leadership training for supervisory positions within the city. He explained that they do not believe evaluations and employee raises should be tied together.

He explained a health insurance reimbursement discussion the committee had and has referred to the City Attorney for an opinion.

Jim Olson, AE2S, explained that the USDA grant money being utilized for a separate project is a bit of a gray area. Olson explained that a large amount of the available grant funds will be utilized to pay for the paving portion of the 2 ½ Ave Project. He anticipates the paving for the 2 ½ Ave Project should begin in mid-October. Olson explained that shifting the funds over to another project the USDA will require a new PER and a new contract with the engineering firm and new contractor.

Olson presented pay request #6 for Wagner Construction in the amount of \$ 856,350.42. Olson explained the balance to finish is \$1,973,000. He explained that the paving will be done in two 2” layers. The amount to be complete this fall will depend on the weather. Ideal temperature for the paving crew is 72 degrees. After the paving is done, if the weather holds, the restoration will begin. If the restoration does not start this fall, it will begin next spring. Gannarelli commended the contractor on the job they are doing. Olson estimates that if the weather holds it will take the paving crew two weeks to complete their work. Sprinkler systems will be repaired in the spring.

The council and Olson discussed what snow removal would look like if the paving does not get completed this fall. Nelson questioned if the last curb and gutter was poured needed 28 days to cure. Olson explained that yes that is the length of cure. Nelson explained that he is aware that Bottineau had a problem with paving and are in current litigation with Wagner Construction. Olson asked that the council not compare the 2 ½ Ave Project to what goes on in another community. Nelson explained that he understood that the issue with Bottineau was a delay in the pavers. Olson has read the newspaper and agreed that it did seem the pavers were the problem in that case. There was a motion by Nelson to approve pay request #6 for the 2 ½ Ave Project in the amount of \$856,350.42. Second by Brossart, roll call vote, all voting yes, motion carried.

Olson presented the Pipe Detectives report, which reviewed the new line that has been installed in the 2 ½ Ave Project, to Stewart for the city file.

The council considered a change order for Fuel Escalation cost for Wagner Construction as well as a Trucking Escalation cost for Marian Trucking though Wagner Construction. Nelson recommended that the council wait to consider the Fuel Escalation cost Wagner Construction is

requesting until the end of the project. LaRocque clarified that this was Nelson's motion. Nelson agreed it was. Kraft explained that this was not part of the contract between them and the city. Nelson explained that Wagner has no risk in this process, and it should be considered at the end of the project. The council continued to discuss the Fuel Escalation cost that Wagner Construction is requesting of the city. Nelson suggested that the city consider what excess USDA grant money could be utilized for before they determine if the city should pay Wagner Construction for the Fuel Escalation change order. Gannarelli questioned if the city should compromise and pay half of the requested Fuel Escalation Charge. Nelson explained that the committee had discussed a portion of the requested Fuel Escalation be considered for payment, however they had not agreed to anything. Nelson feels it is important to see what the excess grant money can be utilized for before they consider paying the Fuel Escalation charge. Nelson questioned when the city will have a better idea of how much USDA grant money will be left over. Olson explained that once the paving is complete, the city will have a better idea.

Olson explained that if there is USDA grant funds leftover after the 2 ½ Ave Project, the city will be required to have a new Preliminary Engineering Report completed on the proposed project for which the balance of the grant funds would be utilized. Lotvedt listed potential projects that the grant funds could be utilized for.

Murray asked the board to motion and second before a lengthy discussion, such as this. Kraft seconded Nelson's motion. She clarified that the restoration may require change orders as well as other additional costs that have not been presented to the council. Until the project is complete, the city will not know what additional USDA grant funds may or may not be available. Murray read back Nelson's motion to wait until the end of the 2 ½ Ave Project to consider the Fuel Escalation and Trucking Escalation change orders. LaRocque called for a vote, all voting yes, motion carried.

There was a motion by Kraft to wait until the end of the 2 ½ Ave Project before they decide on the Trucking Escalation change order. Second by Lotvedt, all voting yes, motion carried.

The council reviewed correspondence received from the USDA regarding the fuel escalation request by Wagner and that USDA cannot give a formal opinion on this until the council decides on this.

Kraft explained the need to install backflow preventers on city water lines. Johnson's Plumbing has provided an estimate for \$31,120 to install backflow preventers for the city infrastructure that requires it. There was a motion by Kraft to accept Johnson's Plumbing bid for \$31,130 to install backflow preventers. Second by Schneibel, roll call vote, all voting yes, motion carried.

Wade Senger, Interstate Engineering, addressed the council regarding their contract for the city clarifier project. There was a motion by Lotvedt to approve the Interstate Engineering contract, pending Attorney Murray's approval. Second by Brossart, roll call vote, all voting yes, motion carried.

Nelson questioned what the curing of curb and gutter should be. Senger explained that a 7 day break should occur and on 3000psi concrete it should be 40 degrees and rising.

The council considered an estimate from Rugby Lumber for a fence to be installed around the Armory generator and propane tank in the amount of \$3,330 for materials only. Munyer explained that the vehicles parked in the Armory lot are parking right up along the generator and propane tank. There was a motion by Schneibel to purchase the fence from Rugby Lumber. Second by Kraft, roll call vote, all voting yes, motion carried.

Lotvedt explained that an estimate has been obtained for the construction of a new picnic shelter at the ball diamonds. The city has received the insurance reimbursement for the structure that blew down earlier this year. Lotvedt explained that installation of wind walls would help to stabilize the structure. The estimate for reconstruction, without wind walls, is \$18,579. There was a motion by Schneibel to go with the second option, which includes the 8' wind walls in the amount in \$18,579 plus the cost of the wind walls for the new picnic shelter. Second by Brossart, roll call vote, all voting yes, motion carried.

Lotvedt explained that to meet ADA requirements for the city meeting room, the city will need to complete some remodeling at the Armory. This will include the south classroom as the Council Chamber and the girl's locker room will have the addition of a family restroom that is ADA accessible. Lotvedt would like the council to get moving on ordering materials for this project so the remodel can begin the end of December. The estimate of cost for the renovations is \$49,400. There was a motion by Brossart to move forward with the Armory remodel project. Second by Zachmeier, roll call vote, all voting yes, motion carried.

Laurie Odden, Chamber and CVB Director, explained that in March there will be a pool tournament held in the Armory for multiple days that will require the use of the entire Armory. Lotvedt ensured that the pool tournament will have access to the space they need.

Lotvedt explained that council members should disclose if they are contractors or business owners to avoid any conflict of interests as council members. Murray explained that the conflict should be disclosed and then the council allows or disallows the council member to vote on the topic. Murray explained that a vote to abstain is counted the same as the majority vote.

Brossart and LaRocque gave an update, to the council, of their experience at the League of Cities annual meeting held in September.

There being no further business to transact or come before the council at this time, there was a motion by Lotvedt to adjourn the council meeting. Second by Larson, all voting yes, motion carried. Meeting adjourned at 9:39p.m.

Frank LaRocque, Mayor

Attest: _____
Jennifer Stewart, City Auditor

Approved