

**REGULAR RUGBY CITY COUNCIL MEETING MINUTES**  
**MONDAY, APRIL 4, 2022– 7:30PM**  
**CITY HALL COUNCIL CHAMBERS AND BY GOTO MEETING**

Council Members present: Lotvedt, Kraft, Berg, Brossart (by GOTO), LaRocque and Trottier. Also present were Mayor Steinke, Auditor Stewart and Attorney Hartl. Absent were Lunde and Bednarz.

Mayor Steinke called the meeting to order at 7:35 pm.

Council members recited the Pledge of Allegiance.

Roll call was taken by Mayor Steinke.

There was a motion by LaRocque to approve the agenda. Second by Berg, all voting yes, motion carried.

The council considered the March 7, 2022, meeting minutes. There was a motion by LaRocque to approve the minutes of the March 7, 2022, regular council meeting. Second by Kraft, all voting yes, motion carried.

The council considered the March 16, 2022 special meeting minutes. There was discussion about committee meetings and special council meetings. There was a motion by LaRocque to approve the minutes of the March 16, 2022 special council meeting. Second by Kraft, majority voting yes, motion carried.

Bills Paid Since Last Meeting of 03/7/2022: \$201,929.53	
22144 Cole Schneibel	\$25.00
22145 Brad's Auto Service & Towing	\$108.00
22146 Convention & Visitors Bureau	\$1,301.44
22147 Convention & Visitors Bureau	\$2,786.38
22148 Dakota Fire Extinguisher	\$737.42
22149 David Bednarz	\$78.98
22150 First District Health Unit	\$75.00
22151 Hawkins Inc.	\$2,889.60
22152 Heart of America Library	\$48,223.54
e-ck JP Morgan	\$562.72
22153 MARC	\$1,924.56
22154 ND Department of Health-Chemistry	\$18.54
22155 Otter Tail Power Co.	\$15,633.16
22156 Precision Autobody & Glass	\$298.00
22157 Rugby Job Authority	\$31,868.97
22158 Rugby Park District	\$1,581.03
22159 Team Laboratory	\$1,552.50
22160 Valli Information Systems	\$705.15
e-ck Wex Bank	\$1,243.83

ACH	Payroll Checks	\$50,971.64
ACH	Social Security	\$7,794.76
ACH	Medicare Taxes	\$1,822.96
ACH	Payroll Taxes	\$4,079.90
22161	AFLAC	\$950.46
22162	Required Deduction	\$711.90
ACH	NDPERS	\$725.00
ACH	NDPERS	\$7,488.45
ACH	Sanford Health / NDPERS	\$14,023.54
ACH	State Tax Commissioner	\$1,747.10
Bills To Be Approved and Paid 4/4/2022:		\$602,244.20
22164	Advanced Engineering Inc.	\$46,013.98
22165	Allison Leer	\$67.50
22166	American Welding & Gas	\$63.87
22167	Andrew Hallof	\$350.00
22168	Aqua Pure, Inc.	\$13,825.00
22169	Austin Dibble	\$35.00
22170	Brad Radomski	\$700.00
22171	Circle Sanitation	\$20,004.00
22172	Core & Main LP	\$609.88
22173	Dakota Fire Extinguishers	\$303.22
22174	Dale Klein	\$369.13
22175	Darwin Belgarde Towing	\$300.00
22176	Environmental Equipment & Svc	\$245.13
22177	Heart of America Medical Center	\$112.00
22178	Home of Economy	\$251.95
22179	Integrated Process Solutions	\$6,065.29
22180	Interstate Power Systems	\$1,384.39
22181	Johnson's Plumbing	\$241.60
22182	MARC	\$455.49
22183	ND One Call Concepts	\$3.35
22184	ND Sewage Pump & Lift Station	\$1,530.00
22185	Northern States Supply	\$18.27
22186	Petty Cash	\$129.80
22187	Pierce County Auditor	\$3,412.50
22188	Power Plan	\$1,646.11
22189	Precision Autobody	\$57.00
22190	Rebecca Jordan	\$170.00
22191	Rugby Hardware Hank	\$173.94
22192	Rugby Service Center	\$921.80
22193	Scott Bommersbach	\$300.00
22194	Sensus	\$1,949.94
22195	Souris Basin Planning Council	\$300.00
22196	Staples	\$153.71
22197	US Bank	\$499,530.00

The bills were reviewed by the council. Bills were individually reviewed by Trottier and Kraft. There was a motion by Kraft to approve payment of the bills as presented. Kraft questioned what is billed by AE2S as General Engineering. He explained he did not dispute the hours billed. They discussed the billing extensively. They discussed the City Engineer and the duties of the engineer. Steinke called for a second, for a second and for a second. Motion died for a lack of a second. Trottier questioned Hartl if the city hired Jim Olson and he would be paid through AE2S or if we hired AE2S. Hartl explained that the city hired AE2S as city engineer and Olson is their representative. There was a motion by LaRocque to pay the bills as presented. Second by Kraft, roll call vote, Lotvedt-no, Kraft-yes, Berg-yes, LaRocque-yes, Trottier-yes, Brossart-no, motion carried. Lotvedt made a motion to have AE2S provide a detailed billing for the General Engineering Billing. Second by Brossart, motion carried.

The council reviewed the financial reports as presented. Stewart explained that the 2 ½ Ave Fund will have budget amendments made with the recommendation of the Finance Committee at a later date. She explained that the city will need to take out bonds to cover the construction of the 2 ½ Ave Project, then after it is complete the USDA will reimburse the city for the USDA Grant and the USDA Loan will pay off the balance of the bonds. There was a motion by Lotvedt to approve the financial reports as presented. Second by Trottier, roll call vote, all voting yes, motion carried.

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

Steinke explained that the CVB will meet this week and there are no previous minutes or financials at this time.

Steinke explained that the JDA board met in March however the minutes are not available yet. The director has been out of the office the month of March. Trottier questioned what is happening with the JDA in the absence of the director. She explained that the board met and the bills are being paid in his absence.

Terry Peterson, Aggie Foundation President, addressed the council regarding their Gaming Site Authorization for Hangovers Bottle Shop. He explained that they do not have their own program to support but donate all the gaming money they generate from the community back to the community.

Kraft questioned if the Aggie Foundation does gaming in other communities that have their own gaming organizations. Peterson explained that they are in many communities that have their own gaming organizations. He explained that the Aggie Foundation accepts applications from organizations in the communities they conduct gaming in, and grant proceeds to those that have eligible uses. Kraft questioned how much of the gaming proceeds go to administration. Peterson explained that 90% goes back to the community. Peterson then explained that 40% would be donated back to eligible uses in Rugby. Lotvedt questioned if Peterson contacted Hangovers or

if they reached out to Peterson. Peterson went on to explain that statute allows businesses to choose who does their gaming. He also explained that the city has discretion to approve or not approve site authorizations. He promised that 100% of the charitable proceeds will be left in Rugby. He explained that if they do not hold up their end of the deal they will relinquish the site.

The council clarified that last month they denied the application. Trottier explained that in a different situation, precedence was already set by not allowing an outside organization to conduct gaming in the city. LaRocque explained that this application was discussed and denied last month. Peterson explained that he was on the call last month and he could hear the meeting, but the city could not hear him. He is at this meeting to represent the Aggie Foundation and Hangovers Bottle Shop. There was a motion by Trottier to deny the Site Authorization for the Aggie Foundation. Second by LaRocque, majority voting yes, motion carried.

Finance: The council reviewed a draft letter to All Seasons Rural Water regarding the current true-up process. Lotvedt explained that in the past, NAWs and the USDA required that the city cannot profit from water that they sell to All Seasons at a cost basis. Hartl questioned if there is a time limitation to this requirement. He asked that verification of a limitation be obtained.

The Finance Committee is recommending to the council to have a request for proposals be sent out for the 2021 Audit. Brady Martz has been completing the yearly city audits for many years. There was a motion by Lotvedt to send out an RFP for the 2021 Audit Services. Second by Berg, all voting yes, motion carried.

Public Works: The council reviewed preliminary drawings for a proposed utility easement near the new hospital site. Lotvedt explained that Interstate Engineering has put together the drawing. He suggested the city extend sewer and water down the proposed easement, down 15<sup>th</sup> St SE. He explained that the new hospital will need to install a retention pond, for the runoff that will occur. He explained that an easement is necessary for 20' parallel to the walking path to have the water drain down the alley to Chalmers Addition drainage.

Steinke explained that the council already voted to obtain easements from Bud and Betty Chalmers. Steinke asked where the city is with obtaining the easement from the Chalmers. Lotvedt explained that the council needs to approve the easement drawing, then it will go to the hospital for approval and then to Bud and Betty Chalmers for approval. He explained that a legal description for the easement drawing will be obtained, after the council approves the easement drawings. LaRocque clarified that the retention pond will be built by the hospital. Lotvedt explained that the retention pond will be on the hospital land. The pond is necessary because the water cannot drain to the golf course road per the Pierce County Water Board.

Lotvedt explained that the council needs to approve the easement drawing today. Once it is approved, the legal description will be added and Chalmers will sign it. Steinke clarified that it is just the approval of the plat. Lotvedt explained to council that they will then be running sewer and water down the city street. Steinke explained that at some point and time water and sewer would be added. Lotvedt stated that if the hospital is built the city will be running water and sewer. Lotvedt explained that a fire hydrant will be necessary for the hospital.

Dave Schneibel, citizen and former Fire Chief, explained that a single water line may not be enough water for the hospital sprinkler system. Lotvedt explained that the new hospital will not have sprinklers. Hartl explained that the document the council is reviewing is not a plat. Hartl clarified that Lotvedt is asking the council to accept the preliminary drawing, without a legal description. Lotvedt explained that a legal description, for the council to look at, will be provided after the council approves the preliminary drawing. Hartl explained that the drawing is the city's intent to install water and sewer lines along the proposed route. Lotvedt explained the sanitary sewer will go from the retainage pond and follow parallel up to 12<sup>th</sup> street and cross and go down the alley to the storm sewer drainage system in Chalmers Addition.

6<sup>th</sup> Ave has the sewer and water. Water would be extended out to a fire hydrant in the circle or cul-de-sac on 15<sup>th</sup> St. Steinke clarified that the council would be approving the preliminary drawing on 15<sup>th</sup> St– 66 feet wide, 675 feet long with a cul-de-sac on the end and the 20 foot easement going north. She clarified nothing else is being approved.

There was a motion by Kraft to approve the preliminary draft of the easement Project No. J21-00-110.2. Second by Berg, roll call vote, all members voting yes, motion carried.

Lotvedt questioned if the clarifiers do not fit when they arrive, what the city will do. He suggested that the city have SUEZ come look at the water plant clarifiers and not have the Public Works employees sign off on the measurements and drawings. LaRocque questioned who did the measuring for the clarifiers. Troy Munyer, Public Works Supervisor, measured the current clarifiers. They discussed the past history of the clarifiers extensively. Steinke believes that when the final plans are received and before they are signed off on, someone other than the city employees and council should review the plans. Lotvedt also agreed with this. LaRocque asked if the council was accepting of someone to review the measurements and drawings and pay them for this. Lotvedt explained he wants the SUEZ representative to come to Rugby and confirm the measurements and drawings. Munyer explained that the replacement of the clarifiers is outlined in the 2014 Comprehensive Land Use Plan.

Munyer explained that once the generator is placed, outside of the Armory, that a propane tank will be necessary as well. Munyer would like to have a fence constructed around the propane tank and generator. Steinke asked Munyer to obtain two bids for the fence and installation.

Pipe Detectives are currently on site televising the ball diamonds. Lotvedt explained they did not finish today. They are having difficulties getting through the line.

The council reviewed and considered a change order for the 2 ½ Ave project from Wagner Construction. Steinke explained that the plans and specifications were done to replace the existing infrastructure. The change order is to upgrade a portion of the pipe from 8 inch to 10 inch to have a larger capacity. Lotvedt informed the council that AE2S's engineer was wondering why they did not upgrade the 8 inch pipe. Lotvedt explained that Jim Olson, AE2S, admitted that they made a mistake and that the city needs to use 10 inch. Lotvedt agreed that the pipe needs to be upsized from 8 to 10 inches. 2025 feet of pipe would be upsized to 10 inches. They discussed the cost of pipe and the change order costs. Lotvedt made a motion that the manholes be created for 10 inch, not 8 inch and to get more information on change order line

items 1 and 2. Second by Trottier. Discussion regarding the total project cost, USDA approved amounts were all discussed. They also discussed that there were no engineering fees added to this change order. Steinke took a roll call vote on the motion. All members voting yes, motion carried.

**Public Safety:** Chairman LaRocque explained that they discussed field training officer evaluation forms. They discussed the Stonegarden grant and SIRN 20/20 radio project.

**Buildings Committee:** Chairman Berg explained that they discussed the maintenance of the Armory floor. The committee received two bids for the floor project. They are recommending the Cole quote of \$3,967.14 and that it be complete after the roof project is finished. There was a motion by Lotvedt to accept the Cole quote for Armory floor maintenance in the amount of \$3,967.14 and have it complete after the roof is finished. Second by Trottier, roll call vote, all voting yes, motion carried.

LaRocque asked if they could go back to Public Works and address a special meeting they had with the DOT. He explained the Hwy 3 project that will occur this summer. He also explained the project that is slated for the Hwy 3 underpass in 2023. They discussed emergency vehicles and the need for coordination with the DOT to ensure that emergency services can get around town when necessary. They also discussed the need to communicate with the railroad to ensure that the tracks are not blocked for prolonged periods of time.

The council considered the Planning and Zoning Findings of Facts for Outlot 571, 572 and 573. Hartl made note that Outlot 572, is a residence that is zoned Commercial 2. There are four houses in the zoning. This does not allow for residential construction; however the homes are grandfathered in. Hartl explained that if the home would burn current zoning would not allow for a rebuild without a variance. Hartl recommends that in the future that the Ordinance Committee consider adding language to the Commercial Zoning to allow for Residential 1 and Residential 2 structures. There was a motion by Kraft to approve Outlots 571, 572 and 573. Second by Trottier, all voting yes, motion carried.

The council considered the second reading of Ordinance 433 Beer Licenses and Ordinance 434 Liquor Licenses. They also reviewed correspondence submitted by the Balta Bar and Grill asking to include them in the extra-territorial zoning and allow them to be considered for a Special Event Permit without a city liquor or beer license. The council discussed that they would need to have language that would include establishments in Pierce County instead of the extra-territorial area. Hartl explained that the council would need to conduct two new readings of the ordinance. Kraft explained that the main purpose of the revision was to allow the Rugby Eagles to serve alcohol at the Pierce County Fair. There was a motion by Kraft to approve the second readings of Ordinance 433 and 434. Second by Lotvedt, roll call vote, LaRocque abstaining, Lotvedt – yes, Kraft – yes, Berg- no, Trottier – yes, Brossart – yes, majority voting yes, motion carried. Kraft explained that this vote is not against the Balta Bar and Grill and that the council will look at the ordinance.

The council considered gravel bids received. There was one bid received from b & J Excavating. Class 5 gravel, \$14.40 per yard and washed sand, \$21.60 per yard. There was a motion by Lotvedt to accept all gravel bids. Second by Kraft, all voting yes, motion carried.

The council considered Resolution 2022-3 providing for the Issuance and Sale of Loan Anticipation Revenue Bonds, Series 2022. This is for the USDA loan that the city was approved for. The bonds will be used to pay for the 2 ½ Ave project during construction. After the project is complete, the USDA loan will be available to the city, which will allow the city to pay off the bonds used for the construction phase. There was a motion by LaRocque to approve Resolution 2022-3 providing for the Issuance and Sale of Loan Anticipation Revenue Bonds, Series 2022. Second by Trottier, roll call vote, all voting yes, motion carried.

The council conducted the first reading of Ordinance 435 – Adopting the Republication of the 1967 code for the City of Rugby, North Dakota. There was a motion by Lotvedt to approve the first reading of Ordinance 435- Adopting the Republication of the 1967 code for the City of Rugby, North Dakota. Second by Kraft, all voting yes, motion carried.

The council considered Gaming Site Authorizations for Rugby Jaycees for I.C. Dubbles and 3<sup>rd</sup> Street Station. Hartl explained that the applications are in order for approval. There was a motion by Lotvedt to approve the Gaming Site Authorizations for Rugby Jaycees for I.C. Dubbles and 3<sup>rd</sup> Street Station. Second by LaRocque, 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 Kraft to adjourn the Council Meeting. Second by Lotvedt, all voting yes, motion carried. Meeting adjourned at 9:14 p.m.

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Susan Steinke, Mayor

ATTEST: \_\_\_\_\_  
Jennifer Stewart, City Auditor

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Date Approved