

**REGULAR RUGBY CITY COUNCIL MEETING MINUTES  
MONDAY, APRIL 5, 2021– 7:30PM  
CITY HALL COUNCIL CHAMBERS AND BY GOTOMEETING**

Council Members present: Albrecht, Kraft, Bednarz, LaRocque, and Trottier. Also present were Mayor Steinke, City Attorney Hartl, Jim Olson, AE2S and City Auditor Stewart.

Mayor Steinke called the meeting to order at 7:30 pm.

Council members recited the Pledge of Allegiance.

Roll call was taken by Steinke.

The Community Service Director Annual Report was removed from the agenda. There was a motion by Kraft to approve the agenda as amended. Second by Albrecht, motion carried.

The council considered the March 1, 2021 special meeting minutes. There was a motion by Albrecht to approve the minutes of the March 1, 2021, special council meeting. Second by Kraft, all voting yes, motion carried.

The council considered the March 1, 2021 meeting minutes. There was a motion by Kraft to approve the minutes of the March 1, 2021, regular council meeting. Second by Bednarz, all voting yes, motion carried.

Bills Paid Since Last Meeting of 3/01/2021: \$ 235,155.12

21236 M.J. McGuire Co	\$38,893.00
21237 B & M Laundry	\$117.67
21238 Bottineau Courant	\$241.50
21239 Brad's Auto Service & Towing	\$175.00
21240 Convention & Visitors Bureau	\$821.92
21241 Convention & Visitors Bureau	\$2,846.78
21242 David Bednarz	\$72.80
21243 Envision	\$1,677.39
21244 Heart of America Library	\$47,220.35
21245 Home of Economy	\$153.90
21246 I Design	\$1,208.83
e-ck JP Morgan	\$1,071.62
21247 Leever's Foods	\$13.52
21248 Lexipol, LLC	\$470.00
21249 MARC	\$2,257.30
21250 MEDICO	\$317.25
21251 Metropolitan Compounds	\$234.70
21252 NAPA	\$947.09
21253 ND Department of Health	\$18.54
21254 NDDOT - MVD	\$11.50
21255 NDDOT - MVD	\$5.00
21256 NDDOT - MVD	\$11.50
21257 ND One Call Concepts Inc.	\$10.80

21258	ND Telephone Co	\$736.17
21259	Northern Plains Electric Co-op	\$3,352.88
21260	Otter Tail Power Co.	\$13,396.09
21261	Pierce County Tribune	\$836.18
21262	Precision Autobody & Glass	\$7.50
21263	Rugby Job Authority	\$20,351.53
21264	Rugby Park District	\$1,066.00
21265	Rugby Welding & Machine	\$148.29
21266	Spartan Firearms	\$600.00
21267	Staples	\$609.72
21268	Valli Information Systems	\$660.18
21269	Verizon Wireless	\$518.76
e-ck	Wex Bank	\$483.46
21270	Workforce Safety & Insurance	\$250.00
ACH	Payroll Checks	\$52,208.82
ACH	Social Security	\$8,051.60
ACH	Medicare Taxes	\$1,883.04
ACH	Payroll Taxes	\$4,480.72
21271	AFLAC	\$971.77
ACH	NDPERS	\$375.00
ACH	NDPERS	\$7,595.07
ACH	Sanford Health / NDPERS	\$16,083.60
21272	State Tax Commissioner	\$1,690.78
Bills Submitted for payment 4/05/2021:		\$549,185.40
21273	Advanced Engineering Inc.	\$22,049.85
21274	American Welding & Gas	\$9,423.86
21275	Arnston, Stewart Wegner, PC	\$8,351.27
21276	ATCO International	\$225.00
21277	B & M Laundry	\$99.80
21278	Bartsch Electric	\$13,000.00
21279	Borsheim Crane Service LLC	\$2,343.20
21280	Bottineau Courant	\$80.50
21281	Brad Radomski	\$700.00
21282	Central Carriers Inc.	\$5,200.00
21283	Circle Sanitation	\$20,178.00
21284	Core & Main LP	\$156.00
21285	Dakota Fence	\$2,250.00
21286	Dakota Fire Extinguishers	\$794.14
21287	Drive Chevrolet Buick Rugby	\$39.72
21288	First District Health Unit	\$75.00
21289	Flexible Pipe Tool Company	\$158.10
21290	Gerrell's & Company	\$244.00
21291	H. E. Everson, Co	\$63.23
21292	Harper Oil Co	\$2,296.20
21293	Home of Economy	\$112.04

21294	Jeff Armstrong	\$100.00
21295	Kara Harmel	\$285.00
21296	Killoran Trucking & Brokerage	\$7,500.25
21297	Leevers Foods	\$32.28
21298	Material Testing Services LLC	\$6,100.00
21299	Mouse River Journal	\$198.00
21300	NAPA Auto Parts	\$317.22
21301	ND One Call Concepts	\$25.30
21302	ND Peace Officers Association	\$40.00
21303	Northern Plains Electric Coop	\$3,402.54
21304	Northern States Supply	\$67.97
21305	Otter Tail Power Co	\$776.95
21306	Petty Cash	\$56.84
21307	PFM Financial Advisors LLC	\$20,000.00
21308	Pierce County Auditor	\$3,412.50
21309	Pierce County Tribune	\$897.62
21310	Power Plan	\$561.75
21311	Rebecca Jordan	\$170.00
21312	Rugby Farmers Union Elevator	\$41.00
21313	Rugby Hardware Hank	\$885.42
21314	Rugby Lumber	\$1,929.07
21315	Rugby Service Center	\$846.56
21316	Rugby Shooting Club	\$125.00
21317	Rugby Veterinary Service PC	\$278.00
21318	Rugby Welding & Machine	\$404.01
21319	Sensus USA, Inc.	\$1,949.94
21320	Standard & Poors Financial Svcs	\$10,250.00
21321	Team Laboratory	\$1,354.50
21322	TomCo2 Systems Co	\$45,771.00
21323	U.S. Bank	\$346,985.00
21324	Uniform Center	\$770.94
21325	USA Blue Book	\$5,247.09
21326	Valuations Northwest	\$125.00
21327	Verizon Wireless	\$438.74

The bills were reviewed by the council. Bills were individually reviewed by LaRocque and Kraft. There was a motion by LaRocque to approve payment of the bills as presented. Second by Trottier, roll call vote, Albrecht-yes, Kraft-yes, Bednarz-yes, LaRocque-yes, and Trottier-yes, motion carried.

Stewart presented the cash report, revenues to budget and expenditure to budget reports. There was a motion by Albrecht to approve the financials as presented. Second by Kraft, roll call vote, Albrecht-yes, Kraft-yes, Bednarz-yes, LaRocque-yes, and Trottier-yes, motion carried.

The Rugby Fire Department annual financial report was reviewed by the Council. Fire Chief Derek Bush was present to answer questions. There was a motion by Albrecht to accept the

Rugby Fire Department's annual financial report. Second by LaRocque, all voting yes, motion carried.

Cody Chilson, Vice President Dakota Natural Gas, addressed the council regarding natural gas and the possibility of bringing it to Rugby. He explained that they initially looked at bringing natural gas to Harvey and would need to expand to a second community to make it feasible. He explained that Hillsboro and Mayville will have natural gas in the near future. Chilson gave a brief history on the company.

Chilson explained that if propane could be purchased for \$.66 or less, it would be cheaper than natural gas. He explained the historic rates of natural gas. Chilson explained that fuel oil users would have to purchase fuel oil for \$.99 or less for it to be cheaper than natural gas.

Chilson went on to explain the amount of natural gas that a community would need to consume to make it profitable for them to expand to a community. He also explained that the first year they come into a community approximately 65% of the residential customers sign up for service.

He explained the commitment, of natural gas usage, that the company looks for from the businesses for five years. The permits and approvals that are necessary to bring natural gas to a community take time to get into place.

Chilson explained that only the businesses and residents that sign up for natural gas service will be billed for service. There is no financial commitment from the city to bring natural gas to Rugby. He explained that meter fees and rates are utilized to recover costs for infrastructure.

They discussed the difference in the quality of the natural gas and the btu's that it would produce for the user. Chilson explained costs that residents may encounter when looking to switch to natural gas.

Hartl questioned why a franchise agreement was necessary. Greg Palmer, President and CEO of Dakota Natural Gas, explained that it outlined the construction rules regarding street repairs, etc.

Chilson explained that prior to the company ordering materials or obtaining permits they would ask the council for an ordinance. Steinke explained that the information meeting had representatives from Rugby Manufacturing, Rugby Public Schools, Heart of America Medical Center and other companies in Rugby.

Kraft questioned how long it would take Dakota Natural Gas to recover their initial costs. He questioned if natural gas rates would ever be comparable to Fargo rates? Chilson explained that Rugby would probably never see rates as low as Fargo. Their infrastructure is 50+ years old. Kraft questioned the life expectancy of the supply line. Chilson explained a steel line could last forever where a plastic line could last for 50+ years.

Neil Lotvedt, former Council Member and city resident, explained that in the past KLJ had come to the city and wanted a franchise fee upfront before bringing natural gas to Rugby.

Chilson explained that they run their pipelines in the public right of way. He anticipates having at least one job added to the city, once natural gas would be installed.

LaRocque questioned if residents would need to have natural gas detectors in their homes once they have natural gas installed. Chilson did recommend that resident users install natural gas detectors. He explained that Dakota Natural Gas does add odor to their natural gas, so most people would smell natural gas if there was a leak.

Palmer explained that a Franchise Agreement is different than a Franchise Fee. Dakota Natural Gas would need a Franchise Agreement from the city, not a Franchise Fee.

There was a motion by Bednarz for a resolution of support for Dakota Natural Gas to conduct a feasibility study to bring natural gas to Rugby. Second by Kraft, all voting yes, motion carried.

Maurus Brossart, city resident, addressed the council regarding his bid to the JDA for mowing the Chalmers Lots. Brossart explained that when the bids were opened, the JDA tabled the bids. Brossart is questioning the legality of this practice. Paul Murphy, licensed attorney representing Mr. Brossart, explained that the advertisement for bids was not specific and questioned what N.D.C.C. the bid procedure was based on.

Steinke explained that the bids were tabled, and that they were rejected. Steinke cited that the cost of the bids was the reason that they did not accept the bids. Lotvedt explained that bids must be accepted or rejected, they cannot be tabled. He explained that the JDA is a political subdivision of the city and that is why they are addressing the council. Steinke explained that the vote to table the bids was not a roll call vote, but unanimous. Hartl explained that if the bids are not accepted it is an assumption that the bids are rejected.

Jim Olson, AE2S, explained the bid process as well. He was confused by the “tabling” of the bids. Olson recommended that century code must be followed. Steinke explained that Mr. Brossart had approached her about mowing the JDA lots. The JDA put the mowing out for bids to be able to allow Mr. Brossart, if he wished, and the public the chance to put a bid in for mowing.

Lotvedt questioned if the JDA can do anything they want? Kraft explained they cannot do anything they want. LaRocque explained that he is told many times that the JDA is an “arm of the city” and therefore it is a committee which must come before the city council. Steinke questioned Hartl as to difference between the sub-committees of the council and the JDA, a political subdivision created by a vote, and the ability of the JDA to make their own decisions. Lotvedt questioned if the Executive Director is a city employee? Steinke confirmed that the Executive Director is a city employee. Lotvedt questioned if the JDA board was elected? Steinke explained that they are not elected. Lotvedt explained that because of the tax dollars the council is the overseer.

Hartl questioned if a bid was awarded or if a bid was going to be awarded. Steinke explained that no a bid was not awarded nor would be awarded. Hartl explained that there are three options

for the JDA, 1) the city can mow the grass 2) grass cannot be mowed and grow tall; or 3) the JDA can call for new bids and award one.

The JDA, in 2020, paid \$30 per hour to have the city mow the Chalmers Lots. There was a motion by LaRocque to have the JDA committee call for mowing bids, again, and bring them to the city council. Second by Bednarz. Bednarz explained that the city public works employees have enough to do, without mowing the Chalmers lots too. Steinke called for a vote, majority voting yes, motion carried.

Brossart explained that he contacted the Attorney General to have Steinke release the JDA minutes. Steinke explained that she felt the draft minutes had to be approved prior to them being emailed out to Brossart. Steinke explained it was her mistake, which she was unaware that the minutes did not have to be approved before sending out, and then she sent them to Brossart.

The council considered the March 2021 Municipal Court Report. There was a motion by Kraft to approve the March 2021 Municipal Court Report. Second by Albrecht, all voting yes, motion carried.

The council reviewed and considered the CVB, March 4, 2021 meeting minutes and financials. There was a motion by Albrecht to approve the CVB, March 4, 2021 meeting minutes and financials as presented. Second by LaRocque, all voting yes, motion carried.

The council reviewed and considered the JDA, January 13, 2021 meeting minutes and financials presented at the February 10, 2021 JDA meeting. There was a motion by Albrecht to approve the JDA, January 13, 2021 meeting minutes and February 10, 2021 financials.

Trottier questioned where the JDA was with hiring an Executive Director? Steinke explained that Karl Frigaard has been hired and will begin on Monday, April 12, 2021. Lotvedt questioned if the city council needed to approve the hiring of the new director? Hartl explained that the JDA is different than a committee of the city. He does not believe that the city council needs to approve whom they hire. Lotvedt questioned if the director is an employee of the city? Steinke explained that legal clarification on this topic is necessary.

Bednarz questioned what salary Mr. Frigaard was hired at. Steinke explained that a \$60,000 annual salary was offered and accepted. LaRocque questioned if an Attorney General Opinion would be obtained as the “legal clarification”. Hartl explained that an Attorney General Opinion could be obtained to answer this question. He believes that the separate board of the JDA is not managed by the City Council. Trottier questioned if the JDA is micro-managing the city council?

Lotvedt gave an example of the Airport Authority, which is overseen by the Park Board. He explained that the Airport Authority is made up of appointed members and the Park Board is elected positions. The city does the JDA payroll and then bills the JDA for the payroll and expenses. The JDA in turn, cuts a check back to the city.

Steinke called for a second for the JDA minutes and financials. Motion was second by Kraft, all voting yes, motion carried.

Recreation Committee: Bednarz explained that B & J Excavating is waiting for the ball diamonds to get moisture before they go out and level it from last fall. The chain link fence at the diamonds has been repaired for a cost of \$4,500. He also noted that girls' softball has been using Diamond 3.

Finance Committee: Chairman Kraft explained that they had discussed revising ordinance regarding purchasing. They are looking at a draft policy, instead of changing ordinance.

Ordinance Committee: Chairman Kraft explained they too are looking at a draft policy for purchasing. They discussed pet snakes and decided not to recommend any changes to the allowed pets.

Public Works: Chairman Bednarz explained they received an estimate from Dakota Fence to add fence around the new CO2 tank on the north side of the water plant. The estimate is for \$6,675. There was a motion by Bednarz to accept the bid from Dakota Fence, in the amount of \$6,675, to install a fence around the CO2 tank. Second by LaRocque, roll call vote, all voting yes, motion carried.

Public Safety Committee: LaRocque explained that they had reviewed citizen complaints regarding trees and visibility as well as semi traffic speeds on Hwy 3 between 2<sup>nd</sup> and 4<sup>th</sup> Streets.

Building: Bednarz explained that they have been looking into window replacement for the swimming pool.

Olson clarified that they have been looking at windows to increase ventilation at the pool as well as fans and opening up the garage doors that have been blocked up. Olson has reached out to local contractors and hopes to keep the cost under \$200,000 to allow for informal bids. His estimate at this time is \$195,000 for all of it. Olson requested Task Order #6 to proceed with an informal bid process for the work at the swimming pool. Currently there is \$350,000 set aside for pool repairs. Bednarz explained that the committee had decided that the ventilation and windows need to be repaired before the roof is repaired.

LaRocque questioned how much it would cost to make the current indoor pool and outdoor pool. Olson explained it would cost a lot of money to make that transition. Steinke explained that the Rugby Pool trains a lot of surrounding community swim instructors, because we can get into our pool earlier because it is indoor.

Albrecht shared that she has had many people voice opinion to her about maintaining the indoor pool and not converting to an outdoor pool.

There was a motion by Bednarz to move forward with Task Order #6. Second by Trottier, all voting yes, motion carried.

Bednarz informed the council that they had obtained estimates from FLR Sanders, a Minnesota business, to refinish the Armory floor.

Olson explained that the 2 ½ Ave Project is on hold, as we wait for the USDA to review our application at the federal level. Olson explained the documents he has forwarded to Attorney Hartl for the 2 ½ Ave Project. Olson expressed the importance of these documents and the attention that is necessary.

Olson explained to the council that the Hwy 3 project will not be occurring this summer. He had confirmed with the Devils Lake DOT about the 2 ½ Ave project and any necessary permits to cross Hwy 3. They confirmed that no permit is necessary because it is in the city limits.

The Water Plant computers will be discussed at the next committee meetings. Windows 7 is the current operating system on the computers and must be updated to Windows 10.

Olson shared some of the issues that have arisen from the new CO2 tank. Tomco is flying in a repair man whom will be onsite Wednesday. The final balance on the tank will not be mailed until Olson is satisfied with the work.

Olson explained that the ball diamond easement required a survey, which should be complete next week.

Olson briefly informed the council of the GIS Platform meeting that was held.

Pipe Detectives will begin televising the northwest part of town's sewer lines on April 26.

The Comprehensive Land plan is in the works; currently at the steering committee level.

The FLR Sanders estimates were reviewed by the council. Two estimates were available. One was a water based seal for \$4,128 and the other for an oil based seal for \$2,641.92. Kraft questioned if one bid included sanding and one not? Stewart reviewed the work explanation of Dakota Design Floors for \$12,300 as well as both estimates from FLR Sanders. There was a motion by Bednarz to move forward with FLR Sanders estimate for \$4,128. LaRocque questioned if FLR Sanders had any references. Trottier offered to contact Rugby Public Schools. Bednarz revised his motion to read, move forward with the FLR Sanders, water based estimate for \$4,128 provided that Rugby Public Schools is satisfied with the vendor. Second by LaRocque, roll call vote, Albrecht-yes, Kraft-yes, Bednarz-yes, LaRocque-yes, and Trottier-yes, motion carried.

Olson mentioned that he had met with Chief Rose and Munyer regarding the staging area for the 2 ½ Ave Project. McGuire has a lease with the city, for the property to the west of Hwy 3, which Stewart will forward to Olson.

The council considered the gravel bids received. One bid was received today. Bids were due March 31, 2021. The late bid was not accepted by the council. Steinke opened up the only bid received prior to the due date from B & J Excavating. Class 5 gravel, \$ 14.00 per yard and



Washed Sand, \$20.00 per yard. There was a motion by Bednarz to accept the bid from B & J Excavating. Second by Albrecht, roll call vote, Albrecht-yes, Kraft-yes, Bednarz-yes, LaRocque-yes, and Trottier-yes, motion carried.

The council considered grass clipping hauling bids. Stewart explained that per the city insurance, the contactor would need to have a hired, non-owned motor vehicle policy or endorsement. The first bid, from Jason Solem, for \$25 per load. Second bid opened, from Robert Spallinger, \$25 each for the first two trailers each day and \$15 for each additional trailer that day. If gas prices are over \$3.75 per gallon the \$15 price will increase to \$17.50 per additional trailer. There was a motion by Bednarz to accept the bid from Robert Spallinger, contingent upon the insurance requirements. Second by LaRocque, roll call vote, Albrecht-yes, Kraft-yes, Bednarz-yes, LaRocque-yes, and Trottier-yes, motion carried.

The council reviewed and considered the Limited English Proficiency Plan. Steinke explained that because we are currently applying for USDA funding, for the 2 ½ Ave project, we must have a LEP. Stewart explained that we must meet the requirement because individuals sign up for water and sewer service at City Hall. Trottier questioned the ability to develop a list of individuals who speak a second language. Stewart clarified that a google translate site would be the primary method of translating to individuals not speaking English. There was a motion by Albrecht to approve the Limited English Proficiency Plan as presented. Second by LaRocque, all voting yes, motion carried.

The council considered the Rugby City Hall Accessibility Survey or 504 Plan. This survey is also necessary because of USDA funding. This survey reviewed the handicap accessibility for residents coming into City Hall to apply for water and sewer services. Many of the accessibility barriers are easily corrected, except for the need for an elevator to make the Council Chambers ADA accessible. There was a motion by Albrecht to accept the Rugby City Hall Accessibility Survey – 504 Plan. Second by Trottier, all voting yes, motion carried.

Steinke questioned how much of the Industrial Park, undeveloped lots, that the city has been mowing. Munyer explained that typically they mow along the boulevard in the Industrial Park. More research on this topic will be done.

There being no further business to transact or come before the Council at this time, there was a motion by Bednarz to adjourn the Council Meeting. Second by Trottier, all voting yes, motion carried. Meeting adjourned at 10:00p.m.

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Susan Steinke, Mayor

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

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Date Approved