

**RUGBY CITY COUNCIL  
REGULAR MEETING  
MONDAY, JULY 2, 2012 - 7:30 P.M.  
COUNCIL CHAMBERS**

Council Members present: Rheault , Lotvedt, Kraft, Bednarz, Hoffert, Geiszler, and Wentz. Also present were Mayor Cichos, City Attorney Hartl and City Auditor Hauck.

Mayor Cichos called the meeting to order at 7:30pm. Council members recited the Pledge of Allegiance. Roll call of council members was taken by Cichos.

There were no additions or deletions to the agenda.

Motion by Geiszler to approve the minutes of the June 4, 2012 regular council meeting and the June 26, 2012 reorganization meeting. Second by Lotvedt, all voting yes, motion carried.

A variance request was presented for James Koble to construct a garage three and a half feet from the property line versus the required five feet. Motion by Hoffert to approve the variance request. Second by Wentz, all voting yes, motion carried.

A variance request was presented for Carlan Pieterick to construct a garage that would cover slightly more than the allowed 30% of his lot. Motion by Hoffert to approve the variance request. Second by Geiszler, all voting yes, motion carried.

A conditional use request was presented for Stephanie Steinke to construct a twin home in a single family residential area. Motion by Lotvedt to approve the conditional use request. Second by Geiszler, all voting yes, motion carried.

Rugby resident, Rob Bollinger requested to be on the agenda but was not in attendance.

Scott Craun, head of maintenance at the Heart of America Medical Center, was present to request that a modular unit to contain an MRI Unit be allowed to be moved into the Emergency Room parking lot of the hospital. There will be a two foot gap between the modular unit and the hospital building with a causeway between. It will be on a cement foundation, have a fence around it to make sure people do not go near it, and will be reinforced with steel around the magnet. Motion by Hoffert to approve the building with considerations for improvement of the amount of insulation and possibly enhance the aesthetics of the unit. Second by Lotvedt, all voting yes, motion carried.

Damien Reiter, representative of Ottertail Power, was present and discussed developing a maintenance agreement for the street lights around town. Currently the city owns the standards and Ottertail Power owns the fixtures. Ottertail would like the city to own the fixtures so Ottertail would not be responsible for replacing fixtures. There has never been a maintenance agreement in place before. The cost would be around \$1.65 per month per light. Motion by Hoffert to go ahead with the maintenance contract with a maximum of \$98.93 per month. Second by Bednarz, all voting yes, motion carried.

Clint Carlson presented a plat of Block 1 of Serumgard's 1<sup>st</sup> Addition. Carlson would like to break the block into lots and sell the lots individually. Included was a 10 foot easement around the entire block. The Planning and Zoning Commission agreed to vacate 10 feet of 6<sup>th</sup> Avenue and Carlson would give 10 feet on the west side of the block to allow for a road dedication. Planning and Zoning also thought that the area may need to be re-zoned at some

point. This worked better for the driveway of the duplex that is on the east side of the block also. Carlson did not intend the zoning to be R-3 Mobile Home Park District permanently and would like the area to look nice. Water and sewer may be an issue but could possibly be fixed. A new water line may need to be put in on the north side of the block since every lot will need its own water and sewer. The zoning of the block is an issue since you cannot sell individual lots of an R-3 zone. Discussion was held. Motion by Lotvedt to approve the plat subject to it being re-zoned and the old building moved out. Second by Hoffert. Carlson requested that the plat be approved without the zoning issue to allow him to sell the duplex and the house that are currently on the block. Further discussion was held. Wentz requested a call for question. 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:** 12787 Convention & Visitors Bureau \$6,594.71, 12788 Farmers Union Oil Company \$1,018.40, 12789 HACTC \$240.00, 12790 Hi-Way Tesoro \$1,205.77, 12791 ND Telephone Company \$524.22, 12792 Otter Tail Power Company \$8,738.45, 12793 Postmaster \$180.00, 2794 Rugby Job Authority \$18,109.90, 12795 Staples Credit Plan \$125.77, 12796 Wells Fargo Bank \$400.00, 12797 Kevin Lashman \$350.00, 12798 Postmaster \$308.61, 12799 Rugby Sanitation, Inc. \$23,009.90, Total Regular Bills Paid \$60,805.73, 12800-12854 Payroll Checks \$56,853.85, Soc. Sec \$7,329.36, Medicare Taxes \$2,043.84, Payroll Taxes \$6,121.26, Electronic Total \$15,494.46, 12855 AFLAC \$156.48, 12856 NDPERS \$8,893.28, 12857 Heart of America Health Plan \$1,148.30, 12858 NDPERS \$605.00, 12859 NDPERS \$4,983.53, 12860 State Tax Commissioner \$1,750.00, Total Bills For Payroll \$89,884.90, Grand Total All Bills Paid Since Last Meeting of 06/04/12 \$150,690.63. **Bills to be paid:** 12861 A & E Auto Parts, Inc. \$621.87, 12862 Assocaited Supply Company \$1,126.24, 12863 Bechtold Paving, Inc. \$1,379.46, 12864 Brady, Martz & Associates \$12,000.00, 12865 Bremer Bank \$3,045.87, 12866 California Contractors Supplies \$159.60, 12867 CRA Payment Center \$241.85, 12868 David Cichos \$421.45, 12869 Electronic Communications \$20.00, 12870 Eric Kuntz \$72.15, 12871 Ethanol Products, LLC \$1,979.56, 12872 Fargo Water Equipment \$264.83, 12873 G & P Commercial Sales, LLC \$258.72, 12874 Galls, LLC \$984.29, 12875 Gerrell's & Company \$226.49, 12876 H.E.Everson Company \$437.14, 12877 Hawkins, Inc. \$1,301.24, 12878 Heart of America Med. Center \$12.19, 12879 Howard's Repair Shop \$1,373.92, 12880 I Design \$279.00, 12881 Information Technology Dept. \$6.20, 12882 Interstate Engineering, Inc. \$17,676.03, 12883 Johnson's Plumbing Service \$233.79, 12884 JS Wholesale & Vending, Inc. \$697.29, 12885 Juneberi Creations \$74.00, 12886 KZZJ AM 1450 \$105.00, 12887 Lotvedt Lumber, Inc. \$16.00, 12888 M.J. McGuire Company \$3,270.18, 12889 ND Dept. of Health \$45.00, 12890 ND League of Cities \$1,642.00, 12891 Northern Plains Electric Coop. \$2,816.54, 12892 Office of the State Auditor \$165.00, 12893 Otter Tail Power Company \$33.26, 12894 Pamida, Inc. \$155.97, 12895 Petty Cash \$22.80, 12896 Pierce County Auditor \$19,357.90, 12897 Pierce County Tribune \$880.48, 12898 Pioneer Mutual Life Ins. Co. \$150.50, 12899 Power Plan \$100.00, 12900 Premier Lube & Tire \$70.75, 12901 Qualification Targets, Inc. \$113.73, 12902 Quill Corporation \$96.43, 12903 Rugby Hardware Hank \$1,336.11, 12904 Rugby Sanitation, Inc. \$190.00, 12905 Rugby Veterinary Service \$336.11, 12906 Sensus USA, Inc. \$343.75, 12907 SRT Communications, Inc. \$31.12, 12908 State Fire & Tornado Fund \$3,870.42, 12909 State Tax Commissioner \$1,288.48, 12910 Streicher's, Inc. \$304.96, 12911 Verizon Wireless \$168.83, Total Bills Submitted For Approval \$81,804.50, Second by Geiszler. Roll call vote: all voting yes, motion carried.

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

JDA Executive Director Foster gave an update on the housing development. JDA invited developers to present options for the housing development of Chalmer's First Addition. Annabelle Homes, Duane Sand, and Prairie West Builders presented their ideas. Annabelle Homes stated that they would construct all of the infrastructure and the city would not have to do any bonding and special assess the new addition. The infrastructure will be deeded back to the city when the project is complete. Annabelle Homes also stated that they would sell lots and allow other builders to build homes in the addition. In order to go forward, Annabelle Homes needs 20 people signed up that would be interested in building a home. A booth will be set-up at the state fair in which Rugby's addition will be featured in order to gain interest. An open house will also be held on July 30, 2012, to get insight on local interest. Discussion was held on the advertising that was done for the JDA meeting and if all the rules were followed. City Auditor Hauck will check with North Dakota League of Cities' Attorney, Jerry Hjelmstead as to the rules of advertising pertaining to JDA.

A hearing was held for the annexation of Outlot 419, also known as Chalmers First Addition. No protests were heard. County Commissioner Johnston was present and asked about the weeds in the addition. Kipp Johnson will be talking to Steve Schneider to spray the noxious weeds.

An \$85,000 loan was made to NCCRC in April of 2007. The facility has changed its name to Heart of America Correctional and Treatment Center (HACTC). Since the facility was not able to repay a loan from USDA, they are not able to repay the \$85,000 loan to the city. Motion by Geiszler to dismiss the loan. Second by Hoffert, all voting yes, motion carried.

A horse racing machine has been put in Jesters Lounge. The proceeds go to the Fort Abraham Lincoln Foundation. The organization is licensed to conduct games of chance in North Dakota. Motion by Hoffert to approve the machine. Second by Kraft, all voting yes, motion carried.

A Homestead Credit tax abatement application for Norman and Sharon Erickson was presented to the council. Motion by Lotvedt to approve the application. Second by Bednarz, all voting yes, motion carried.

Discussion was held on the engineering firms that were selected to present to the council on July 16, 2012 regarding their proposals to conduct a Comprehensive Land Use Plan (CLUP). Interstate Engineering and Ulteig Engineering were selected by the committee. The proposal submitted by Ulteig was not a full plan and would cost much less but would not provide all the information that the city could potentially use. Ulteig was asked to update their proposal to include all the infrastructure maps and will be presenting their updated proposal to the council. Interstate Engineering submitted a proposal for the complete project. Motion by Bednarz to approve the full CLUP to include all the infrastructure and possible future upgrades to infrastructure. Second by Wentz. A short discussion followed. All voting yes, motion carried.

Councilman Hoffert was approached by a Rugby resident requesting that bulk water be accessible on the northeast side of town so trucks didn't have to go through town. Mayor Cichos assigned this topic to the Water, Sewer, and Streets Committee. Rick will work on some costs for the next meeting.

City Attorney Hartl presented two raffles, one for Rugby Sports Boosters and one for the North Dakota National Guard. Motion by Hoffert to approve both raffles. Second by Bednarz, all voting yes, motion carried.

Committee Reports: **Public Safety** – Chairman Hoffert’s report was as per the minutes. **Finance** – Chairman Geiszler reported that Mayor Cichos and City Auditor Hauck attended a State Water Commission meeting in which Rugby received around \$57,000 from NAWS for the computer upgrade at the water plant. The committee would like to contribute \$15,000 to the library for construction of an elevator. Motion by Hoffert to approve the \$15,000 contribution. Second by Geiszler, roll call vote, all voting yes. The site for the fire hall has been changed to the Don’s Drive Inn lot pending the signing of legal papers. **Ordinances/Rec** – no report. **Water/Streets/Sewer** – Chairman Wentz reported that there is a new FCC requirement for radios to be narrow-banded by January 1, 2013. The radios at the wells need to be replaced. The original price quote was for \$36,000, but it was not accurate. We have not received a new price quote but will be between \$15,000 and \$20,000. Motion by Lotvedt to purchase the radios but not to exceed \$20,000. Second by Wentz, all voting yes. An inquiry was received on a maintenance agreement for the water tower. More discussion is needed on this topic. A Public Safety issue was presented since the LEC cannot set-off the sirens right now. More information is needed. **Personnel** – no report. **Buildings/Property** – Chairman Bednarz contacted Gerrells to get price quotes on bleachers for the Armory. A meeting will be held in the next couple weeks with the school regarding an agreement for janitorial duties at the Armory.

Meetings this month: Planning and Zoning Commission Meeting- July 9, 7:30pm; Committee Meetings on Wednesday, July 18 – Public Safety 9am, Finance at 10am, Ord/Rec at 11am, Water/Streets/Sewer at 1pm, Personnel at 2pm, Buildings/Property at 3pm, Infrastructure 4pm. Special Council meeting to review applicants for the Comprehensive Land Use Plan on Monday July 16, 2012 at 7:30pm.

There being no further business to transact or to come before the Council at this time, Mayor Cichos adjourned the meeting at 9:33pm.

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Dawn Hauck, City Auditor

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Date Submitted

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David Cichos, Mayor

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Date Approved