

REGULAR RUGBY CITY COUNCIL MEETING MINUTES
MONDAY, JANUARY 4, 2021– 7:30PM
COUNCIL CHAMBERS AND BY GOTOMEETING

Council Members present: Albrecht, Kraft, Bednarz, Berg, Lunde, LaRocque, and Trottier. Council Members present by GOTOMEETING: Longie and Attorney Hartl. Also present were Mayor Steinke and City Auditor Stewart.

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

Council members recited the Pledge of Allegiance.

Roll call was taken by Steinke.

There was a motion by Berg to approve the agenda as presented. Second by Kraft, motion carried.

The council considered the December 7, 2020 meeting minutes. There was a motion by Albrecht to approve the minutes of the December 7, 2020, regular council meeting. Second by Kraft, all voting yes, motion carried.

The council considered the December 14, 2020 special meeting minutes. There was a motion by Kraft to approve the minutes of the December 14, 2020 special council meeting. Second by Lunde, all voting yes, motion carried.

The council considered the December 23, 2020 special meeting minutes. There was a motion by LaRocque to approve the minutes of the December 23, 2020 special council meeting. Second by Lunde, all voting yes, motion carried.

Cameron Erickson, Rugby Farmers Elevator, addressed the council regarding a request from 2013 to place a 30,000 gallon propane tank on the elevator property. Erickson referenced council minutes from August 5, 2013.

Bednarz questioned why the elevator had not placed the 30,000 gallon tank in 2013 and had instead placed four, 1,000 gallon tanks. Bednarz questioned if the reasons included the issues for first time home buyers and Federal Housing Association, FHA, loans was why the larger tank was not placed. Erickson explained that he was not here in 2013, but did believe that it had something to do with it.

Albrecht explained that when the elevator expanded the last time, her property value decreased. She explained that the placement of a large propane tank would cause an additional decrease to her property value.

Erickson acknowledged the concerns the council presented. Attorney Hartl stated he had spoken to Galen Mack earlier in the day regarding this matter. Hartl explained the potential problem geared toward for home buyers or sellers within 200 feet of the proposed propane tank. He explained that a home financed through FHA that has a propane tank greater than 1,000 gallons within 300 feet, the buyer is not eligible for the FHA financing. Steinke questioned if Hartl

needed any additional time to investigate the information. Hartl explained that he did not need additional time.

Lunde questioned how long the tank was and asked if the tank could be placed closer to their elevators bins. Erickson explained that it has to be in the vicinity of the current four propane tanks because of setbacks from the elevator and office. Bednarz asked if the elevator would consider placing an additional four, 1,000 gallon tanks instead. Erickson cited reasons for the larger tank are to support a larger grain dryer and the cost savings of purchasing a larger volume of propane.

LaRocque questioned if a temporary tank would be suitable for the situation, which could be removed when the elevator is done drying grain. Erickson explained that would not be suitable.

Steinke suggested that a letter be sent to property owners in the area to submit comment or appear to address their concerns. Albrecht believes that giving an opportunity for property owners to comment, is the minimum the city needs to do before making a decision.

Trottier questioned where the city was at with the expansion of the elevator property. Steinke explained that those expansions would have gone through Planning and Zoning and the Council. He questioned how the devaluation of the property affects the appraisal value. Albrecht explained that the residential properties near the elevator would have a lesser value on their land compared to residential properties in another area of town.

There was a motion by Lunde to send letters out to residents from Main Ave South, along First St E, including the entire block north of First St E, continuing along the residential area all the way east, from the Rugby Farmers Elevator and the City to allow residents to be informed and address their concerns with the potential placement of a 30,000 gallon propane tank. Second by Bednarz, all voting yes, motion carried.

Bills Paid Since Last Meeting of 12/7/2020	\$229,056.69
21060 Andrew Hallof	\$1,272.23
21061 Big State Industrial Supply	\$183.11
21062 Bank of North Dakota (BND)	\$39,063.00
21063 Bobcat of Devils Lake	\$4,710.00
21064 Convention & Visitors Bureau	\$3,549.02
21065 Convention & Visitors Bureau	\$6,892.91
21066 D & S Motors	\$60.24
21067 Dave Bednarz	\$74.75
21068 Envision	\$863.27
21069 First District Health Unit	\$135.00
21070 Haley Elsner	\$11.66
21071 Heart of America Library	\$2,423.84
21072 Home of Economy	\$599.00
21073 Interstate Power Systems	\$772.49
21074 Jay's Automotive Services	\$157.87
21075 John Rose	\$184.00
e-CK JP Morgan	\$1,285.57
21076 Lynae Voeller	\$100.00

21077	M. J. McGuire Company	\$122.70
21078	Merchants Bank	\$114.66
21079	ND Department of Health	\$18.54
21080	ND Dept. of Environmental Quality	\$300.00
21081	Otter Tail Power Company	\$9,999.55
21082	Pierce County Tribune	\$1,017.28
21083	Rugby Job Authority	\$34,156.39
21084	Rugby Lumber	\$7,638.00
21085	Rugby Park District	\$1,066.00
21086	Staples	\$850.34
21087	Valli Information Systems	\$649.98
21088	Van Diest Supply Co	\$11,216.00
21089	Verizon Wireless	\$80.02
e-CK	Wex Bank	\$240.69
ACH	Payroll Checks	\$57,989.63
ACH	Social Security	\$9,125.72
ACH	Medicare Taxes	\$2,134.24
ACH	Payroll Taxes	\$5,954.26
21090	AFLAC	\$971.77
ACH	NDPERS	\$350.00
ACH	NDPERS	\$7,241.70
ACH	NDPERS	\$13,576.32
21091	State Tax Commissioner	\$1,904.94
Total All Bills Submitted for 01/04/2021:		\$87,738.19
21092	Advanced Engineering	\$6,635.14
21093	Brad Radomski	\$700.00
21094	Brady Martz & Assoc, PC	\$15,416.95
21095	Circle Sanitation Inc.	\$19,317.25
21096	Core & Main LP	\$1,542.07
21097	GovOffice LLC	\$780.00
21098	Johnson's Plumbing	\$843.93
21099	Kara Harmel	\$100.00
21100	Killoran Trucking & Brokerage Inc.	\$6,756.88
21101	Leevers Foods	\$23.95
21102	MARC	\$228.09
21103	Municipal Finance Officers Assoc.	\$90.00
21104	ND League of Cities	\$1,978.00
21105	ND Sheriff's & Deputies Assoc.	\$50.00
21106	ND Water Users Association	\$300.00
21107	Petty Cash	\$15.20
21108	Pierce County Auditor	\$3,412.50
21109	Pierce County Treasurer	\$1,358.60
21110	Rebecca Jordan	\$170.00
21111	Rugby Hardware Hank	\$2,117.45
21112	Rugby Insurance Agency	\$24,555.00

21113 Rugby Lumber Inc.	\$20.95
21114 Rugby Service Center	\$523.94
21115 Rugby Veterinary Service	\$359.40
21116 Rugby Welding & Machine	\$13.55
21117 Verizon Wireless	\$429.34

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

The financials and budget amendments were reviewed by the council. Stewart presented the cash report, expenditure report and revenue report all for month ending December 2020 to the Council. The council also reviewed the cash report, expenditures report and revenue report for the month of January 2021. She explained a transfer from the General Fund to the Recreation Fund to offset the year end shortfall in the amount of \$4,100. There was a motion by Albrecht to accept the financials and budget amendment as presented. Second by Kraft, roll call vote, Albrecht-yes, Lunde-yes, Kraft-yes, Bednarz-yes, Berg-yes, LaRocque-yes, Longie-yes, and Trottier-yes, motion carried.

The council considered the December 2020 Municipal Court Report. There was a motion by Albrecht to approve the December 2020 Municipal Court Report. Second by Bednarz, all voting yes, motion carried.

The council reviewed the Convention & Visitors Bureau Meeting Agenda for January 7, 2021. The council reviewed and considered the JDA October 14, 2020 meeting minutes and financials presented at the December 9, 2020 JDA meeting. There was a motion by Albrecht to approve the JDA October 14, 2020 meeting minutes and December 9, 2020 financials. Second by Kraft, roll call vote, Albrecht- yes, Kraft – yes, Berg-yes, Bednarz – yes, LaRocque-yes, Trottier- yes, Lunde-yes, motion carried.

Berg questioned if the JDA has been pursuing finding a new Executive Director? Steinke explained that the JDA Board has interviewed an applicant. Trottier questioned if the JDA had hiring and firing ability. Steinke clarified that the JDA does have the ability to interview their applicants and make a recommendation to the City Council as to whom to hire. Trottier then questioned if the JDA was a committee of the city. Attorney Hartl clarified that the JDA is an arm of the city and not a committee of the city. Trottier also questioned the minutes that stated that Ms. Heisey, former JDA Executive Director, would be available as a sub-contractor to the JDA. Steinke explained that it was to be as needed, which she has not been needed, and only if needed. Lunde questioned what Ms. Heisey would be paid for her subcontract wage. Steinke explained that \$50 per hour would be paid if she was utilized.

Albrecht explained the Planning & Zoning Findings of Fact for both, Elk Creek Capital LLC-Dollar General and Mark Hamilton. Elk Creek Capital LLC requested a variance regarding the number of parking spaces required by ordinance.

Mr. Hamilton requested a variance regarding minimum yard requirements and a building being a minimum of five feet from the property line.

There was a motion by Albrecht to approve the Findings of Fact, variance, for Elk Creek Capital LLC. Second by Kraft, all voting yes, motion carried.

There was a motion by Albrecht to approve the Findings of Fact, variance, for Mark Hamilton. Second by Kraft, all voting yes, motion carried.

Recreation Committee- Chairman Berg explained that Austin Harles, MBF Drain Tile, had agreed with AE2S's measurements on the footage, 13,841 feet, of the drain tile installed. Harles alluded to Berg a reason for the discrepancy was that he was incorrect on the number of feet of drain tile he received from Goltz Farm's. Harles will be sending an adjusted invoice to reflect the correction of drain tile footage. Berg explained that invoice from Goltz Farm's, dated January 3, 2021, has been voided because it was incorrectly billed. Berg told the council the total amount due to Harles at this time is \$19,200 less the use of the skid steer. Kraft questioned if the goal of the council this evening was to determine what portion of the \$19,200 should be paid to Harles. He suggested that the Recreation Committee and Finance Committee sort through that and bring it back to council in February.

Lunde expressed his concern with the city allowing anyone to utilize city equipment. Steinke explained that Finance is in the process of reviewing the rates and policy of equipment use. Steinke assured Lunde that the Finance Committee is working on the matter and there should not be any future issues.

Bednarz explained that he was concerned that Harles had been attempting to straighten the fence poles at the ball diamonds with the bumper of his pick-up. He stressed the importance of having a professional repair the fence that has been damaged. Bednarz cited concerns with the fact that we had received an invoice for extra drain tile and as soon as the survey of the installed drain tile was sent out to Harles, he claimed there was a mistake- that the survey was correct. Lunde believes that Harles should be let go. Bednarz would like to have Dakota Fence look at their estimate and make the professional repairs in the spring.

Jamie Wald, Recreation Manager, explained that since the fresh snow she has noticed other damages to the fence. Hunter Hager, former Recreation Director and Coach, had also concurred that the damages were not there when the program wrapped up last fall.

There was a motion by Bednarz to tell Harles to not return and have Dakota Fence repair the fence in the spring. Lunde agreed. Bednarz asked Jim Olson, AE2S, what his opinion was on the topic. Olson explained that he has a serious lack of confidence in Harles work. Olson recommended the council cease all work with Harles immediately. Bednarz reminded the council that Harles has promised to take care of the parking lot on east side of Diamond One if the tile does not drain, because he did not put pea rock down with the tile. Kraft expressed concern with the cost to have Dakota Fence make the repairs; he suggested having volunteers or city Public Works employees complete it. LaRocque explained that he was concerned with the possible fraud of Harles trying to overcharge the city.

Steinke repeated the motion on the floor - to tell Harles to not return and have Dakota Fence repair the fence in the spring. Lunde seconded the motion. Trottier questioned if the Recreation Committee and Finance Committee could work together to come up with a solution. Steinke explained that Recreation meets just before Finance on committee day. Berg questioned the council and how they would justify not paying Harles any additional money when he has installed the tile, which according to the invoice is \$38,000. The city has paid for the tile itself, to Goltz Farms. Kraft reminded the council that at this time they are not considering what to pay Harles or not pay. Trottier pointed out that LaRocque questioned if a crime has been committed and if fraud is going on. Hartl explained that it does not appear that a crime has been committed as of this time. He does not believe there is sufficient evidence at this time that would suggest fraud. Olson suggested that the council negotiate a deduct in invoice, with the contractor, to wrap this up. Kraft questioned if Harles had used the previous contractors plan for installing the drain tile. Berg acknowledged that Harles had. Steinke clarified that Berg had showed Harles the plans from Ellingson. Berg clarified that he had.

Jamie Wald, Recreation Manager, addressed the council. She explained that when Berg had met with Harles at the diamonds she had approached Berg whom had acknowledged to her that he had given Harles the bid from Ellingson. Lunde questioned who gave Harles the go ahead to work on the project. Berg explained that in August and September Harles had been contacted.

Stewart informed the council that at the August 3, 2020 council meeting the board had approved additional funds to be transferred to the Recreation Fund to offset the shortage of funds to complete the project.

Bednarz requested to rescind his motion. He is frustrated with the project. Kraft asked for an estimate for the alleged damage that Harles had done. Bednarz explained that the \$4,500 was the estimate for that damage.

Steinke called for a roll call vote on the motion, to tell Harles to not return and have Dakota Fence repair the fence in the spring. Roll call vote, Albrecht – yes, Kraft- yes, Berg-yes, Bednarz-yes, LaRocque- yes, Lunde-yes, Trottier-yes, Longie-yes, motion carried.

Kraft asked for an estimate of the footage of the fence damaged. Bednarz estimated 30 feet.

Kraft explained that he was disappointed to read in the newspaper that Jamie Wald had been in charge of the Drain Tile Project. This was not accurate; Wald was not in charge of the project.

Finance Committee: nothing to report.

Ordinance Committee: The truck routes and zoning were discussed.

Public Works: Chairman Bednarz explained that the door for the north end of the shop has been ordered. The new dump trucks will be done soon. Bartsch Electric is going to look at the lift stations to wire them for a portable generator.

Public Safety Committee: LaRocque reported that they had opened the Armory for walking. They discussed signage for the truck traffic in the city. Steinke asked if the council had any ideas on opening the Armory or City Hall. Currently the Armory is only open from 7:00am-11:00am, daily. There was a motion by LaRocque to open the Armory up to normal hours when the State of North Dakota issues Pierce County in the moderate risk level or lower. When the risk level is high or higher, then the Amory would be closed again. Seconded by Albrecht. Trottier and Lunde questioned if the mask mandate had expired. The city mandate has expired and the state mandate has not. Steinke called for a vote, all voting yes, motion carried.

Lunde would like to extend the city mask mandate until April 1, 2021. Albrecht suggested following the state. Lunde made a motion to extend the city mask mandate until April 1, 2021. Steinke called for a second, three times. Motion died for lack of a second.

There was a motion by LaRocque, if the risk level for Pierce County is moderate (yellow) or lower the city mask mandate be discontinued if the risk level is orange(high) or higher the city mask mandate be continued. Second by Bednarz. LaRocque added an expiration of the mandate be May 28, 2021. Kraft believes that if there is no enforcement there is not a purpose to have a mandate. He questioned what the council is accomplishing by this. Trottier explained that the city is looking at policies and they are not temporary. This is similar to a mandate. Steinke called for a roll call vote, Albrecht – no, Kraft – no, Berg – no, Bednarz – yes, LaRocque – yes, Lunde – no, Trottier – yes, Longie – no. Motion failed.

Building: no December meeting.

Jim Olson, AE2S, addressed the council regarding the 2 ½ Ave and 6th St Project. The contract is in review with the USDA. The State Engineer currently has the contract. February 1, 2021 the council will have to hold a Public Information Meeting for the 2 ½ Ave and 6th St Project. This is a requirement of the USDA. The council determined that February 1, 2021 would be the meeting date, held at City Hall, at 6:30p.m.

Olson explained he is waiting on an estimate from Terracon for a geo-tech report. He explained that at the last Public Works Committee meeting they had discussed the five areas of sewer lines that he would like to have televised. He is currently meeting with companies to obtain proposals to have approximately 10,000 lineal feet of the first area televised. Olson showed the council how shallow the man-hole, west of north Cenex, actually is at approximately two feet deep. Once he obtains the estimates, the Public Works Committee will review them. Olson recommended televising one area of town at a time, since the time between projects will be substantial. Olson explained that the eight inch clay tile across the ball diamonds has also been added to the first area to televise.

Kraft explained that the reason for televising the lines is to identify where problems are and to assist the council in making informed decisions.

The 2019 Audit was reviewed by the council. The findings of the audit had no derogatory or concerning remarks. There was a motion by Albrecht to approve the 2019 Audit Report. Second

by Lunde, roll call vote, Albrecht- yes, Kraft-yes, Berg- yes, Bednarz-yes, LaRocque- yes, Lunde- yes, Trottier-yes, and Longie-yes, motion carried.

The council reviewed the area banks and the designation of depository century code. There was a motion by Albrecht to accept Merchants Bank, Bremer Bank, Ramsey Bank, North Star Credit Union and First International Bank as designated depositories of the City of Rugby.

Steinke read aloud the correspondence from the Office of the Attorney General for a grant in the amount of \$5,249.62 in Coronavirus Emergency Supplemental Funds. There was a motion by Kraft to accept the grant from the Attorney General. Second by Albrecht, roll call vote, Albrecht- yes, Kraft-yes, Berg- yes, Bednarz-yes, LaRocque- yes, Lunde- yes, Trottier-yes, and Longie-yes, motion carried.

The council considered an advertising agreement with The Pierce County Tribune. There was a motion by Albrecht to accept the 2021 Pierce County Tribune Advertising Agreement. Second by Longie, roll call vote, Albrecht- yes, Kraft-yes, Berg- yes, Bednarz-yes, LaRocque- yes, Lunde- yes, Trottier-yes, and Longie-yes, motion carried.

The council considered a Future Business Leaders of America Proclamation for February 7-13, 2021. There was a motion by Albrecht to approve the Future Business Leaders of America Proclamation. Second by Bednarz, all voting yes, motion carried.

The council reviewed documentation regarding the Shively property located near Ellery Park. The home burned in April 2020. The council has had citizen concerns about the safety of the property. Bednarz has spoken to the family that owns the property. Bednarz asked that Attorney Hartl send correspondence to the family and ask them to clean the property up by a July 1, 2021. Hartl explained that correspondence could be sent from his office. He reviewed previous correspondence from the city to the family, which was all responded to. Hartl questioned what the city is prepared to do if nothing is complete by July 1, 2021. Kraft questioned what the process is for the condemnation of a property. He recommended that if nothing is done, the city would either obtain a court order or if the owner is willing to sign off on the property the city could tear the structure down. The city would need to consider where to dump the debris and if there is asbestos in the home there are additional costs. Trottier asked if the owner has any circumstances that may cause the delay in the clean-up of this property. The council did not know of any. LaRocque asked Hartl to research condemnation procedures. Hartl explained that the titled owner would need to be sued in District Court and an order from the court to tear down the structure.

Kraft questioned when City Hall would be unlocking their doors. Steinke explained that when the risk level goes down to moderate (yellow) they would open.

Steinke reviewed the special meetings and reminders.

Correspondence was received from the Rugby Fire Department regarding their annual meeting and supper to be held on January 15, 2021.

There being no further business to transact or come before the Council at this time, there was a motion by Albrecht to adjourn the Council Meeting. Second by Kraft, all voting yes, motion carried. Meeting adjourned at 9:40p.m.

Susan Steinke, Mayor

ATTEST: _____
Jennifer Stewart, City Auditor

Date Approved