

**RUGBY CITY COUNCIL
REGULAR MEETING
MONDAY, OCTOBER 3, 2011 - 7:30 P.M.
COUNCIL CHAMBERS**

Council Members present: Rheault, Lotvedt, Jacobson, Bednarz, Hoffert, Harmel, 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 by Mayor Cichos.

Item number 12, Proposal for Purchase, was deleted from the agenda.

Motion by Hoffert to approve the minutes of the September 6, 2011 regular council meeting. Second by Geiszler, all voting yes, motion carried.

Motion by Jacobson to approve the minutes of the September 26, 2011 special meeting. Second by Wentz, all voting yes, motion carried.

Motion by Jacobson to approve the financial statements, payment of the bills, and the bills paid since the last meeting. Bills paid since last meeting: 11894 B & M Laundry Service \$56.16, 11895 Convention & Visitors Bureau \$11,303.65, 11896 Farmers Union Oil Company \$2,718.20, 11897 HACTC \$5,185.00, 11898 ND One Call Concepts, Inc. \$33.80, 11899 ND Telephone Company \$516.49, 11900 Otter Tail Power Company \$8,452.82, 11901 Rugby Job Authority \$27,532.05, 11902 125th History Book \$1,100.00, 11903 Merchants Bank \$26,372.59, 11904 Postmaster \$284.02, 11905 Rugby Sanitation, Inc. \$18,899.14, Total Regular Bills Paid \$102,453.92, 11906-11938 Payroll Checks \$43,986.85, Soc. Sec \$5,689.26, Medicare Taxes \$1,586.44, Payroll Taxes \$4,772.14, Electronic Total \$12,047.84, 11939 AFLAC \$210.38, 11940 NDPERS \$9,349.44, 11941 Heart of America Health Plan \$1,044.60, 11942 NDPERS \$545.00, 11943 NDPERS \$4,057.72, 11944 State Tax Commissioner \$1,789.44, Total Bills For Payroll \$73,031.27, Grand Total All Bills Paid Since Last Meeting of 09/06/11 \$175,485.19. Bills to be paid: 11945 A & E Auto Parts, Inc. \$320.68, 11946 Advanced Engineering, Inc. \$2,454.00, 11947 Aqua-Pure, Inc. \$5,600.00, 11948 B & J Excavating, Inc. \$400.00, 11949 Bechtold Paving, Inc. \$3,000.97, 11950 Bremer Bank \$3,045.87, 11951 Cow Country Supply \$3,102.36, 11952 CRA Payment Center \$87.64, 11953 D & S Motors, Inc. \$62.36, 11954 Dawn Hauck \$261.45, 11955 Ethanol Products, LLC \$1,867.83, 11956 Fargo Water Equipment, Inc. \$12,442.60, 11957 Glenko Enterprises, LTD \$1,678.53, 11958 Graymont Western Canada \$4,331.64, 11959 HACTC \$1,265.00, 11960 Hawkins, Inc. \$1,999.51, 11961 Holiday Inn of Fargo \$134.95, 11962 Johnson's Plumbing Service \$226.57, 11963 Lake Reg. Law Enforcement \$960.00, 11964 Leever's Foods \$6.58, 11965 Locators & Supplies, Inc. \$329.00, 11966 ND Dept. of Transportation \$5,972.85, 11967 ND Surplus Property \$250.00, 11968 Newman Signs, Inc. \$67.92, 11969 Northern Plains Electric Coop. \$2,922.48, 11970 Otter Tail Power Company \$69.16, 11971 Pamida, Inc. \$64.58, 11972 Petty Cash \$48.25, 11973 Pierce County Auditor \$2,208.33, 11974 Pierce County Tribune \$89.76, 11975 Pioneer Mutual Life Ins. Co. \$252.00, 11976 Precision Autobody & Glass \$44.10, 11977 Premier Lube & Tire \$34.25, 11978 Rugby Hardware Hank \$538.58, 11979 Rugby Sanitation, Inc. \$127.00, 11980 Rugby Service Center \$20.00, 11981 Rugby Veterinary Service \$29.50, 11982 Schneider Aerial, Inc. \$345.50, 11983 Schneider Custom Hauling \$283.00, 11984 SRT Communications, Inc. \$28.93, 11985 St. Michel Furniture \$78.00, 11986 Streicher's, Inc. \$611.87, 11987 Tim & Tami Kraft \$209.00, 11988 Total Backflow & Meter Res. \$10,879.50, 11989 Verizon Wireless \$155.32, Sub-total Bills Submitted For Approval

\$68,907.42, Wells Fargo Bank - Automatic Withdrawal / Dist. 2009-1 Bond Payment - Interest Due \$95,808.75, Total Bills Submitted For Approval \$164,716.17. Second by Bednarz, roll call vote: all voting yes, motion carried.

The Council reviewed the Fire Department financials.

Motion by Jacobson to approve the Municipal Judge's report for September 2011. Second by Lotvedt, all voting yes, motion carried.

Dave Denich, Community Service Coordinator, presented the Heart of America Community Service Program Annual Report. Denich reported that Pierce County had 17 more community service cases than the prior year. There is a Senate Bill that will provide grant money for the program if the bill passes through the House. Motion by Hoffert to approve the report. Second by Jacobson, all voting yes, motion carried.

Brenda Foster, Rugby JDA, presented a request from the JDA to purchase land to extend 6th Avenue SE. The land would be purchased for \$100,000. JDA would purchase the land using \$50,000 of their money and a \$50,000 match from Rural Development Financing with 1% financing. It is proposed to develop the lots for residential housing. Motion by Wentz for JDA to purchase the land. Second by Gieszler, roll call vote, all voting yes with the exception of Lotvedt who abstained from the vote.

The discussion on the annexation of the land will be held at a later meeting.

Mayor Cichos presented a property tax exemption form for the years 2012 and 2013 completed by Richard Vannett to construct a new, single family property. Motion by Gieszler to approve the form. Second by Jacobson, all voting yes, motion carried.

A short discussion was held on the 2012 Budget. The 2012 Preliminary Budget stands with a 1.2% increase from last year. Motion by Hoffert to approve the budget as the 2012 Final Budget. Second by Jacobson, roll call vote, all voting yes, motion carried.

Councilman Jacobson reported that the city sales tax has been coming in above the current year's budget. Jacobson presented the idea of possibly using the extra money to pay more towards the taxpayer's portion of special assessments. A lengthy discussion followed. Motion by Lotvedt to keep the money in reserves to help fund the seal coat for the roads that will be needed in a couple years. Second by Bednarz, roll call vote, all voting yes with the exception of Jacobson and Hoffert who voted no. Motion carried.

Councilman Bednarz gave an update on the Armory floor. The floor has been ordered and it should arrive around the 20th of October and possibly be installed the week of November 7th. A short discussion was held on the bleacher situation. Bednarz reported that the school is in favor of aluminum bleachers.

A short discussion was held regarding the location of the new fire station. Mayor Cichos reported that AE2S should be in Rugby on Tuesday, October 4, 2011, to survey the lot and provide a legal description.

Councilman Wentz presented an application for NDDOT Special Road Fund projects for 2013 and an application for NDDOT Director's Task Force Transportation Enhancement Projects for 2013. Wentz stated that the application deadlines are December 16, 2011. Wentz recommended the city partner with the county to make some improvements and apply for the grants.

Mayor Cichos recommended that Roger Grimsley, AE2S, be contacted to help with the application for Safe Routes to Schools for 2013. Councilman Jacobson stated there is still a piece of 3rd Street that would be nice to have done.

Mayor Cichos also reported on the final inspection of the Safe Routes to Schools Project that was completed this year. The final cost of the project to the city is around \$5,000. There are still a few spots that need to be touched up, but the city crews will be handling those.

An application for a liquor license received from 3rd Street Station to provide liquor for an adult party at Center Cinema on October 29, 2011 was presented by City Attorney Hartl. Motion by Hoffert to approve the application. Second by Lotvedt, all voting yes, motion carried.

City Attorney Hartl also presented an application for a raffle for Haaland Estates Basic Care for giving away a quilt. The proceeds are to be used to purchase activities for the residents. Motion by Lotvedt to approve the application subject to Haaland Estates filling out a missed portion at the top of the form. Second by Geiszler, all voting yes, motion carried.

Committee Reports: **Public Safety** – Chairman Hoffert recommends that the Ordinance and Rec committee review and update some ordinances. Hoffert also stated there is a need for an additional cell phone for the policemen. Signs along Hwy. 3 will be updated to 36" reflective signs soon. **Finance** – Since the budget has been approved, the finance committee had no report. **Ordinances/Rec** – No report. **Water/Streets/Sewer** – Chairman Wentz reported that fall work is getting done. Public Works Supervisor, Rick Larson, reported that work on the computers at the water plant will be complete soon. Also, the last few water meters should be installed soon. **Personnel** – Mayor/Chairman Cichos reported that the committee is looking through the Employee Handbook and will be making recommendations to the council when finished. **Buildings/Property** – Mayor Cichos reported that he spoke with Myron Schmaltz at the Growing Place Day Care regarding the location of the new Fire Station and the issues with the parking lot.

Correspondence Received: The Council received a letter from Traynor Law Firm regarding a dispute between Clarence and Katherine Haman and Troy and Candy Munyer. Katherine Haman was present and stated the dispute as were Troy and Candy Munyer. City Attorney Hartl stated that the city would need more time to look into the issue and will make a formal statement after getting more information.

Meetings this month: Planning and Zoning Commission Meeting on October 10 at 7:30pm; Committee Meetings on Wednesday, October 19 – Public Safety 9am, Finance at 10am, Ord/Rec at 11am, Water/Streets/Sewer at 1pm, Personnel at 2pm, Buildings/Property at 3pm.

There being no further business to transact or to come before the Council at this time, Mayor Cichos adjourned the meeting at 8:33pm.