

**Rutland City Council**  
**August 1, 2022**

The monthly City Council meeting was convened at 5:00 p.m. by Mayor Mahrer. Council Members Anderson, Lysne, McLaen present; Erickson absent. City Auditor, City Attorney and City Engineer present.

**Agenda:** Anderson/Lysne moved approval of the agenda. Motion carried.

**Minutes:** Lysne/McLaen moved approval of the June 6 and June 28, 2022 minutes. Motion carried.

**Insurance Coverage:** The Council reviewed the property insurance coverage and made no changes.

**2023 Preliminary Budget:** The Sargent County Auditor has been unable to provide property tax valuations to use in estimating the 2023 preliminary budget. The City valuation last year was \$23,429. Residential valuation was raised 10% and commercial 2% so there will be some increase in revenue. The City set the 2022 budget at 105 mills which is the maximum allowed. Last year 105 mills generated \$34,583.92. A preliminary budget has been prepared for discussion; it exceeds 105 mills. The Council can reduce the preliminary budget but may not increase it at the final budget hearing.

The Auditor suggested adopting a budget at 105 mills, plus the City Share of Specials at \$525.00 and the Emergency Fund at \$525.00 with the 2010 Street specials (Debt Service Funds) at \$18,088.69. The exact figure can be presented at the September 12 meeting and the public hearing on the final budget can be scheduled for the October 3 meeting.

Lysne/McLaen moved that the City Council approve a preliminary 2023 budget at 105 mills, plus special revenue funds at \$525 each (City Share of Specials and Emergency Fund) and 2010 Street Specials (Debt Service Fund) at \$18,088.69 and, further, that the public hearing on the final budget be scheduled for the October 3 meeting starting at 5 p.m. Motion carried.

The Auditor will provide an updated preliminary budget for the September meeting once the property tax valuations are known.

**Lariat Bar:** Anderson reported that there is a meeting at 7 pm this evening with interested individuals on the possible purchase of the Lariat Bar building. He asked if the City would consider operating a municipal bar. The City of Milnor ran a municipal bar until it closed in 1980; that is not a private business in Milnor.

The Mayor stated that the City's current needs for new sidewalk and water tower will take City funds; the City is not in a situation to invest in another enterprise.

City Attorney Even stated that licensing a municipal liquor operation could be a conflict of interest in the granting and owning of a license. The City of Gwinner operates a golf course, restaurant and bar and that requires operating funds. She will obtain additional information from the State.

**City Engineer:** Mike Bassingthwaite was present to discuss needs for the sidewalks, water valves and City mains. The water tower would be eligible for State funding in a 2% loan at this time; it is anticipated that the loan rate will rise.

The Council discussed the water main problems and valves. Mayor Mahrer stated that some standing pipes will be replaced along with valve replacement if they cannot be repaired.

Bassingthwaite noted that several, if not all, City mains are at 4” and if any work is done on the mains, the City will be required to increase them to 6”. He stated that a larger project would be more cost effective in terms of obtaining outside funding. Some mains were replaced in the 1980s but not the gate valves and hydrants.

The City Engineer discussed the sidewalk needs stating that outside grant sources are not readily available. The State has the Transportation Alternative Program (TAP) grants available and there is no longer a cap on the projects. It is an 80/20 funding with the Federal requirements. If there is a \$300,000 project then the City would need to contribute \$60,000. An environmental and historical survey would be needed at an approximate cost of \$25,000. The process would take about \$25K to get to the bidding, \$30K in Construction Engineering with another \$50K as the matching 20% -- about \$100,000 before getting to the actual project. A project needs to be big enough to make the cost worth obtaining the outside funding. The TAP grant applications for 2024 projects are due August 22<sup>nd</sup>.

It was noted that the City has applied in the past for the TAP grant but the project has been smaller; the City would rank 7<sup>th</sup> with funding going to the first five or six.

The Council approved submitting a TAP grant application for sidewalk funding.

**Post Office:** McLaen reported that Rodney Erickson will be getting a least contract/agreement from the USPO legal office for building rental for a post office station in Rutland. She stated that Alice Sutherland, from Gwinner, has been hired as the Post Master Relief handling the Rutland mail.

**Park Board Vacancies:** Kyle Mahrer was notified of his selection by draw for the four-year term on the Rutland Park Board and has agreed to serve. There is a vacant two-year term on the Board.

Lysne/McLaen moved that Richard “Mac” Pherson be appointed to fill the vacant two-year term on the Rutland Park Board until the 2024 election when the position will be on the ballot. Motion carried.

**Financial Report:** Lysne/McLaen moved approval of the June and July 2022 financial reports as presented. Motion carried unanimously.

**Bills:** Erickson/McLaen moved approval of the payment of bills:

ACH	Waste Management	\$ 97.50	Hall Garbage
ACH	Waste Management	1,926.96	Garbage contract
ACH	DRN	147.05	Phone
ACH	DRN	147.89	Phone
13424	Advantage Pest Control	160.00	spray Hall, Museum, bldgs.
13425	Deborah Banish	910.87	July, postage reimbursement
13426	Delores Lysne	127.05	Jan-June
13427	Forman Lumber	82.38	lightbulbs, brooms
13428	Jacobson Plumbing	178.42	Install water heat limit controls
13429	Joe’s Ag Supply	295.00	Chemical spray
13430	John Deere Financial	108.37	Oil and Filters
13431	Lori McLaen	508.03	building paint
13432	Michael Mahrer	355.55	Jan-June
13433	ND One Call	6.50	Line locate
13434	Rodney Erickson	277.05	Jan-June
13435	Roger Pearson	45.00	June

13436	Scott Haan	\$ 879.53	June 19-July 2
13437	SE Water	1,253.16	417,720 gals. May
13438	Sign Solutions	227.27	Street sign caps/brackets
13439	Team Lab	676.50	Lagoon chemicals
13440	US Treasury	1,967.53	2022 f941 Qtr. 2
13441	Vining Oil	1,439.44	Hall fuel oil
13442	Walock-Johnson Ins.	1,585.00	Fire & Tornado bldgs.
13443	Scott Haan	1,046.26	July 3-16
13444	Deborah Banish	831.15	July
13445	John Deere Financial	8.13	mower supply
13446	ND League of Cities	371.00	2023 dues
13447	Otter Tail Power	991.30	Electric
13448	Roger Pearson	45.00	July
13449	SE Water	1,179.00	393,000 gals May
13450	ND Chemistry Lab	198.60	water sample testing
13451	Ferguson Water Works	363.59	Replacement meters
13452	Forman Lumber	13.98	Marker Paint – trees
13453	ND Sewage & Lift	431.12	Annual maintenance
13454	ND One Call	2.60	Line locate
13455	Sargent Co. Teller	49.68	Minute publication
13456	Scott Haan	1,879.02	July 17-30
13457	Workforce Safety	186.83	Assessment
13458	B&B Gardens	1,338.85	Trees

Motion carried.

**Delinquents:** There is eight delinquents at this time.

**Truck:** The City has received two bids for sale of the 1971 International that is not operational.

Lysne/McLaen moved approval of the sale of the 1971 International for \$500.00. Motion carried.

The Mayor reported that the City sewer lift has been cleaned and inspected.

The City Auditor asked about the April Lagoon cell discharge. The Mayor reported that the State verbally approved the discharge without taking or submitting a sample. Mail was not being delivered to Bismarck due to heavy winter storms at that time.

The meeting adjourned at 6:30 p.m.

ATTEST:

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Deborah Banish, City Auditor

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Michael Mahrer, Mayor