

7:30 p.m., Wednesday, April 19, 2017, the meeting of the Rolla City Council was called to order by Mayor Scott Mitchell. Council members present were Albert, Albertson, Gottbreht, Sparrow and Vollmer.

**Absent:** Councilman Patrick Hemmy

**Others present:** Brian Julius, Moore Engineering; Ardell Olson; Sandra Olson; Sue Nelson

**Additions to Agenda:** Under Consent Agenda: Dolly 3G Trust -deck addition; 2016 Consumer Confidence Report  
New Business: Auditor Position Help Wanted Ad

**Consent Agenda:** March Starion bank statements submitted at the meeting.

Building Permit- Brandon Elick- storage—pulled out of Consent Agenda to be handled separately; reviewed and council discussed storage usage in regards to zoning requirements; permit application states the building to have water but no mention of sewer; and questioned the 50% coverage maximum- permit to be tabled until council receives more information

Councilmember Albertson moved, Councilmember Gottbreht seconded, to approve the Consent Agenda of March 15<sup>th</sup> council meeting minutes and March 22<sup>nd</sup> special council meeting minutes; March Financial Report; Time sheets 03/31/17 & 04/15/17; ND Clerks Association Conference expenses-Minot; Gas Bid Deadline May 17<sup>th</sup>; Record Disposal; Gaming Authorization- Dunseith Community Betterment; Building Permit- Dolly 3G Trust (Jerry Sparrow)-deck addition; Demolition Permit- Brandon Elick and City Sales Tax Grant Application-Rolla Park Board/Pool- \$10,800 for six years; All members on roll call voted “yes”. None voted “no”. Motion carried.

- Minutes –March 15th council meeting; March 22<sup>nd</sup> special council meeting
- Financial Report – March including transfers
- Time Sheets- 03/31/17 PR and 04/15/17 PR
- ND Clerks Association Conference expenses- Minot
- Gas Bid Deadline May 17<sup>th</sup>
- Record Disposal
- Gaming Authorization- Dunseith Community Betterment
- Building Permit - Dolly 3G Trust- deck addition
- Demolition Permit- Brandon Elick
- City Sales Tax Grant Applications- Rolla Park Board \$ 10,800 for six years-pool liner

**Bills:**

ROLETTE COUNTY PUBLIC HEALTH	CITY SALES TAX GRANT	\$	6,000.00	56025
ROLLA FIRE DEPT	CITY SALES TAX GRANT	\$	7,000.00	56026
STARION BANK	TO WTR PROJECT RESERVE CD	\$	13,000.00	56027
AMERICAN GENERAL CONTRACTORS	WTR PLANT IMPRV # 2015-2	\$	132,555.19	56028
STARION BANK	LOAN FEE- POLICE RADIOS	\$	200.00	56029
YOUNGERMAN, GEORGE	JDA- TRAVEL EXPENSE	\$	86.94	56030
US POSTAL SERVICE	UTILITIY BILLING POSTAGE	\$	142.00	56031
ALCO	RESTITUTION	\$	50.00	56032
NORTH FORTY	RESTITUTION	\$	6.50	56033
WESTSIDE SERVICE	RESTITUTION	\$	47.75	56034
STARION BOND SERVICES	ST#2015-1 BOND PMT	\$	87,838.25	56035
SUSAN MANSON	BOND REFUND	\$	500.00	56036
AFLAC	PREMIUM	\$	433.28	56037
ATCO	WATER MAINTENANCE	\$	115.55	56038
BANYON DATA SYSTEMS	VAULT SOFTWARE ANNUAL FEE	\$	169.00	56039
BAYMONTH INN & SUITES	NDLC MARCH MADNESS SEMINAR	\$	252.80	56040
CENEX FLEET CARD	GAS - POLICE	\$	989.92	56041
COMPUTERS N STUFF	PUBLIC WORKS / POLICE	\$	456.87	56042
D & B PIZZA	CITY GOV.WEEK/SANDBAG HELP	\$	406.61	56043
DAKOTA SUPPLY GROUP	WATER METERS	\$	261.84	56044
ENVIRONMENTAL EQUIP SERVICES	SWEEPER BROOMS	\$	908.37	56045
GCR TIRE CENTERS	BLADE TIRES	\$	2,680.00	56046
GRAND FORKS LABORATORY	WATER TESTING	\$	52.00	56047
GUSTAFSON OIL	PROPANE/GAS/DIESEL	\$	1,389.54	56048
HAAS TIRE	STREETS -BLADE	\$	188.00	56049
HAWKINS	CHEMICALS	\$	2,680.60	56050
INFORMATION TECH. DEPT.	VPN- POLICE	\$	62.80	56051
INFORMATION TECH. DEPT.	VPN-COURT	\$	12.70	56052
J-N-F TOWING	POLICE	\$	100.00	56053
LADUCER SANITATION	SERVICE	\$	16,690.00	56054
MEARS AUTO PARTS	STREETS	\$	189.24	56055
MICROLAP TECHNOLOGIES	FED EX CHGS- LAGOON SAMPLES	\$	43.51	56056
MITCHELL, SCOTT	REIMB'D FOR WATER PUMP PARTS	\$	52.10	56057
MUNICIPAL GOVERNMENT ACADEMY	WEBINARS;NDLC MARCH MADNESS	\$	530.00	56058
MUNRO ACE HARDWARE	SUPPLIES	\$	97.95	56059
MURPHY, MAE	NDLC MARCH MADNESS SEMINAR	\$	10.50	56060
ND LEAGUE OF CITIES	CELEBRATE CITIES - S. MITCHELL	\$	40.00	56061
ND SEWAGE PUMP & LIFT STATION	SERVICE MAIN & THEELS LIFTS	\$	1,267.50	56062
NORTH CENTRAL GRAIN COOP	STREETS/POLICE	\$	624.62	56063
NORTH DAKOTA ONE CALL	STREETS	\$	1.55	56064
NORTHERN PLAINS ELECTRIC	LAGOON	\$	73.54	56065
OFFICE OF STATE AUDITOR	2015 AUDIT REVIEW FEE	\$	165.00	56066

OTTER TAIL POWER	ELECTRICITY	\$	7,234.85	56067
POWER PLAN	STREETS	\$	415.01	56068
RICH PATTON	LIBRARY COMPUTERS SERVICED	\$	50.00	56069
ROLETTE COUNTY JAIL	BOARD- 8 PERSONS -MARCH	\$	2,800.00	56070
ROLLA WELDING	STREET- SKIDSTEER REPAIRS	\$	2,366.72	56071
SCHLENVOGT, KERRY	NDLC MARCH MADNESS SEMINAR	\$	264.09	56072
SHELLY GUILBERT	CITY GOVERN.WEEK -3RD GRADE	\$	60.00	56073
STAPLES CREDIT PLAN	OFFICE SUPPLIES	\$	253.97	56074
STARION BANK	POSTAGE	\$	16.81	56075
STARION BOND SERVICES	WATER REVENUE BOND PAYMENT	\$	8,156.25	56076
STARION BOND SERVICES	SEWER #27 FINAL BOND PAYMENT	\$	160,507.87	56077
THEEL MOTORS	POLICE	\$	9.74	56078
TUOMALA PLUMBING AND HEATING	WATER	\$	561.85	56079
TURTLE MOUNTAIN COMMUNICATIONS	TELEPHONE	\$	606.54	56080
TURTLE MOUNTAIN STAR	PUBLISHING	\$	336.72	56081
VERIZON WIRELESS	PUBLIC WORKS	\$	217.76	56082
VISA	OFFICE SUPPLIES	\$	54.95	56083
MITCHELL, SCOTT	REIMB'D FOR WATER PUMP PARTS	\$	53.82	56084
SPARROW, JERRY	NDLC MARCH MADNESS SEMINAR	\$	257.67	56085
Electronic Payments				
Payroll 941 Tax Deposit	Mar 31, 2017 Payroll Tax Deposit	\$	5,151.90	1118
Payroll 941 Tax Deposit	Apr. 15, 2017 Payroll Tax Deposit	\$	5,943.73	1127
NDPERS	Def. Compensation-Mar 31st PR	\$	1,375.00	1120
NDPERS	Def. Compensation- Apr 15th PR	\$	1,375.00	1128
NDPERS	Health Ins- Apr 2017 premium	\$	4,599.60	1126
NDPERS	Retirement- Mar 2017	\$	5,084.43	1119
NORTHERN PLAINS ELECTRIC	JDA -LOAN PMT- Apr 2017	\$	145.86	1125
PAYROLL	03/31/17 PAYROLL	\$	13,110.67	401633- 401650
PAYROLL	04/15/17 PAYROLL	\$	14,903.23	401651- 401669
STARION FINANCIAL	SERVICE CHG Mar 2017	\$	4.00	1122
PAYMENT SERVICES NETWORK	MARCH FEES	\$	83.95	1123
VERIZON	POLICE- VERIZON JETPACK PLAN	\$	384.62	1124
CITY OF ROLLA	#413 SAVINGS TO #413 CHECKING	\$	132,555.19	1131
DACOTAH BANK	2015 PICKUP LOAN PMT	\$	595.27	1130
DACOTAH BANK	2017 SKIDSTEER LOAN PMT	\$	720.78	1129
	2017 1st Qrtr ND WH TAX	\$	1,407.94	1121

**Rolla Community Center cash account**

VENDOR NAME	DESCRIPTION	AMOUNT	CK #
FIRE EXTINGUISHING SYSTEMS INC	ANNUAL INSPECTION	\$ 204.90	2231
OTTER TAIL POWER	ELECTRICITY	\$ 836.31	2232
TUOMALA PLUMBING & HEATING	REPLACE WATER HEATER	\$ 902.13	2233

Councilmember Albertson moved, Councilmember Sparrow seconded, to pay bills are read when funds are available. All members on roll call voted "yes". None voted "no". Motion carried.

**Committee Reports**

**Public Works Committee –** Spring Clean Up Week- May 6<sup>th</sup>- May 13<sup>th</sup>

The City Auditor submitted the 2016 Consumer Confidence Report submitted to the council. The report will be published in next Monday's issue of the Turtle Mountain Star.

Cliff Rush - overtime hours worked during spring flood - Councilmember Albertson moved, Councilmember Vollmer seconded, to approve the 54.5 hours of overtime totaling \$ 2082.99 for Cliff Rush during the spring flooding. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Albertson moved, Councilmember Gottbreht seconded, to approve purchase of Media for \$ 30,285 plus freight with removal and replacement. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Gottbreht moved, Councilmember Albertson seconded, to approve \$26 a yard Mikkelson Aggregate quote and discuss with Public Works Director Rush how much recycled asphalt to order. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Vollmer moved, Councilmember Albertson seconded, to approve the Tuomala Plumbing and Heating quote of \$3650 to replace LP heaters in fire hall. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Albertson moved, Councilmember Sparrow seconded, to approve the purchase of new pump for the mail lift station and get what we can from the old pump on trade in. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Vollmer moved, Councilmember Albertson seconded, to approve the purchase of static mixer for the water plant. All members on roll call voted "yes". None voted "no". Motion carried.

Councilmember Vollmer moved, Councilmember Gottbreht seconded, to accept the A-1 Evans quote for jetting. All members on roll call voted "yes". None voted "no". Motion carried.

**Police** – The wrecked Police Tahoe has a bent frame and the insurance adjuster totaled out the vehicle. Valued about \$30,000. The Police Department is working on options for replacing the vehicle.

**Other Committees:**

**Forestry-** the committee wants to dissolve as it is short members; the council requested the committee give more time to recruit more committee members

**Cemetery-** Committee meeting, Pat, Chris and Brandon Elick ----Wednesday, April 26<sup>th</sup> at 5 p.m.

Councilmember Albertson moved, Councilmember Gottbreht seconded, to approve the committee reports. All members on roll call voted “yes”. None voted “no”. Motion carried.

**Water Treatment Plant Improvement Project # 2015-2:** Councilmember Albertson moved. Councilmember Gottbreht seconded, to approve the American General Pay Request #9 in the amount of \$ 92,537.19. All members on roll call voted “yes”. None voted “no”. Motion carried.

Councilmember Albertson moved. Councilmember Sparrow seconded, to approve the Moore Engineering invoice # 15308 in the amount of \$ 32,530.35. All members on roll call voted “yes”. None voted “no”. Motion carried.

Councilmember Albertson moved. Councilmember Gottbreht seconded, to table the Sweeney Controls invoice # 13078. All members on roll call voted “yes”. None voted “no”. Motion carried.

Councilmember Albertson moved. Councilmember Sparrow seconded, to rescind the November 16, 2016 motion to approve the utility easements for Block 103, White’s 1<sup>st</sup> Addition and Block 2, Neameyer’s Third Addition as they are no longer needed for the water line to the new jail. All members on roll call voted “yes”. None voted “no”. Motion carried.

**Street Improvements # 2017-1-** review project plan options - Councilmember Albertson moved. Councilmember Sparrow seconded, to do the base bid and all of out of scope work for Street Improvement District # 2017-1. All members on roll call voted “yes”. None voted “no”. Motion carried.

**Second Reading of Ordinance # 407 City Sales Tax** - Councilmember Albertson moved. Councilmember Vollmer seconded, to have the second and final reading of Ordinance # 407 City Sales Tax. All members on roll call voted “yes”. None voted “no”. Motion carried.

An ordinance amending Ordinance No. 407 to establish and regulate a City Sales, Use and Gross Receipts Tax under the Home Rule Charter of The City of Rolla, and repealing Ordinance No. 411 relating to the Dedication of Tax Proceeds.

BE IT ORDAINED by the City Council of The City of Rolla, Rolette County, North Dakota:

**SALES, USE, AND GROSS RECEIPTS TAX**

**SECTION 1: Definitions.** All terms defined in Chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2 of the North Dakota Century Code (NDCC), including any future amendments, are adopted by reference. All references to the NDCC include amendments adopted by the North Dakota Legislative Assembly.

**SECTION 2: Collection and Administration.** Where not in conflict with the provisions of this Ordinance, the provisions of NDCC Chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2 and all administrative rules adopted by the Tax Commissioner, pertaining to the collection and administration of the retail sales use, and gross receipts tax, including provisions for liability, refund penalty, interest or credit, govern the administration by the North Dakota Office of State Tax Commissioner (hereinafter "Tax Commissioner") of the taxes imposed by this Ordinance. Upon receipt of the remittance to the City of Rolla from the tax commissioner the City shall collect its administrative fee on no more than one half of the amount received.

**SECTION 3: Sales Tax Imposed.** Subject to the provisions of NDCC § 40-05.1-06, and except as otherwise provided by this Ordinance, or the sales and use tax laws of the State of North Dakota, a tax of 2.0 percent is imposed upon the gross receipts of retailers from all sales at retail, including the leasing or renting of tangible personal property within the corporate limits of the City of Rolla, North Dakota.

**SECTION 4: Use Tax Imposed.** Subject to the provisions of NDCC § 40-05.1-06, and except as otherwise provided in this Ordinance of the sales and use tax laws of the State of North Dakota, an excise tax is imposed upon the storage, use, or consumption within the corporate limits of the City of Rolla, North Dakota of tangible personal property purchased at retail for storage, use, or consumption in this City, at the rate of Two percent (2%) of the purchase price of the property. An excise tax is imposed on the storage, use, or consumption within the corporate limits of the City of Rolla, North Dakota of tangible personal property not originally purchased for storage, use, or consumption in the City at the rate of Two percent (2%) of the fair market value of the property at the time it was brought into this City.

**SECTION 5: Gross Receipts of Alcoholic Beverages.** Subject to the provisions of NDCC § 40-05.1-06, and except as otherwise provided in this Ordinance, a gross receipts tax of Two percent (2%) is imposed upon all gross receipts from the sale of alcoholic beverages within the City. A person who receives alcoholic beverages for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of those alcoholic beverages at the rate of Two percent (2%).

**SECTION 6: Exemptions.**

- A. In addition to the exemptions provided by state law, this Ordinance provides exemptions from imposition and computation of the city sales or use tax for sales of new farm machines, farm machine repair parts, and farm irrigation equipment; new mobile homes; gross receipts from coin operated amusements; gross receipts of coin operated vending sales of \$0.99 or less;
- B. Sales to contractors that are exempt under NDCC § 57-39.2-04(15) shall be exempt from any city sales tax, but

contractors shall be subject to the city use tax on those items used within the city that would be taxed pursuant to NDCC § 57-40.2-03.3 on which the city sales tax has not previously been paid;

- C. With respect to the purchase price of tangible personal property used by a contractor or subcontractor to fulfill a contract as defined by NDCC § 57-40.2-03.3, the tax imposed by this section applies only to bids submitted on or after June 1, 2017.

**SECTION 7: Maximum Tax Imposed.** Any patron or user paying a tax imposed by this Ordinance in excess of Twenty-Five Dollars (\$25.00) upon any single transaction of one or more items may obtain a refund of the excess tax payment by filing a request for refund upon the fom1s provided by the Tax Commissioner.

**SECTION 8: Contract with Tax Commissioner.** The Rolla City Auditor is hereby authorized to contract with the Tax Commissioner for administration and collection of taxes imposed by this Ordinance. The City Auditor has all powers granted to the Tax Commissioner and in the absence of a valid contract with the Tax Commissioner or failure of the Tax Commissioner to perform the delegated duties shall perform these duties in place of the Tax Commissioner.

**SECTION 9: Dedication of Tax Proceeds.** It is provided that the percentages in each category shall be reviewed annually and are subject to change by the City Sales Tax Committee appointed by the Mayor and approved by the City Council.

- A. Ten and One-Half percent (10.5%) of all revenues raised and collected under this ordinance, less administrative expenses, shall be expended for capital improvements and infrastructure, including but not limited to frontage roads, new streets, community buildings, swimming pools, community recreation, water treatment plant, maintenance of sewer and water systems, streets, sidewalk projects, etc. as well as for promotion of the city and community events. Distribution of these funds will be based on the recommendation of the City Sales Tax Committee and upon approval of the City Council.
- B. Seventy-Five percent (75%) of all revenues raised and collected under this ordinance shall be placed in a Contingency Reserve Fund for capital improvements and infrastructure including but not limited to water treatment plant, maintenance of water and sewer, streets, frontage roads, sidewalk projects, etc. No administrative expenses shall be deducted from this fund.
- C. Ten and One-Half percent (10.5%) of all revenues raised and collected under this ordinance, less administrative expenses, shall be dedicated to an economic development fund. All revenue shall be maintained in the fund to be known as the Job Development Authority Fund, separate and apart from all other funds except as provided by this section. The revenue contained in such fund shall be used for community economic development projects. Proposed projects may include assisting and promoting the expansion and maintenance of our existing firms and investigating leads for the purpose of creating new business and industry in the local community. The Job Development Authority would have the responsibility of making available low interest limited loan program, which would include capped loans and loan availability only after a firm commitment from the applicant.
- D. Four percent (4%) of all revenues raised and collected under this ordinance, less administrative expenses, shall be used for promotion of the City and community events through the Rolla Chamber of Commerce. All revenues shall be maintained in a fund to be known as the City Promotion and Community Events fund. Said funds shall be disbursed to the Rolla Chamber of Commerce only, upon written request by the Chamber and approval by the City Council.

**SECTION 10: Saving Clause.** Should any section, paragraph, sentence, clause or phrase of the ordinance be declared unconstitutional or invalid for any reason, the remainder of the ordinance shall not be affected thereby.

**SECTION 11: Effective Date of Ordinance.** This ordinance is in force and takes effect from and after its passage and publication as provided by law, but not prior to June 1, 2017.

First Reading: April 11, 2017  
Second Reading: April 19, 2017  
Approved: April 19, 2017

\_\_\_\_\_  
Scott Mitchell, Mayor

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Attest: Mae Murphy, City Auditor

**Rolette County Relay for Life – sponsorship request -no action**

**Advertise for City Auditor Position –** City auditor Mae Murphy submitted retirement date of June 30, 2017. Councilmember Albertson moved. Councilmember Gottbreht seconded, to advertise for city auditor position in the local newspaper and state-wide. All members on roll call voted “yes”. None voted “no”. Motion carried.

**Next regular city council meeting is Wednesday, May 17, 2017.**

There being no further business, Mayor Mitchell adjourned the meeting at 9:27 p.m.

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Scott Mitchell, Mayor

ATTEST:

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Mae Murphy, City Auditor