

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – DECEMBER 7TH, 2009 @ 5:00 P.M.
ROSEAU CITY CENTER COUNCIL CHAMBERS
121 Center Street East Suite 201
Roseau, MN 56751**

A Regular monthly meeting of the Roseau City Council was held on the above date, time and place. Members present were Mayor Jeff Pelowski, Council members Gerry Schiltz, Linda Vatnsdal, Pat Novacek and Curt Ireland. Others present Community Development Coordinator Todd Peterson, Superintendent David Drown, Police Chief Ward Anderson, Liquor Store Manager Brad Wiberg, Attorney Patrick Moren, City Clerk Janet Lundbohm, Lyle Grindy, Ron Schwer, Jeff Olson and Gwen Kerner.

Mayor Pelowski called the meeting to order and the Pledge of Allegiance was said.

Council Member Curt Ireland motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve the November 23rd, 2009 minutes as presented.

Council member Gerry Schiltz motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve the following Consent Agenda items:

- a. Accounts payable claims from November 3rd, 2009 through December 7th, 2009 as presented, with a batch number of AP113009 and is filed in edit books in the City Clerk's Office.
- b. Daily Batch checks written from November 1, 2009 through November 30, 2009 were audited, approved and are filed in edit books in the City Clerk's Office.
- c. Receipt entries October 1, 2009 through October 31, 2009 were audited, approved and are filed in edit books in the City Clerk's Office.
- d. Journal entries October 1 through October 31, 2009 were audited, approved and are filed in edit book in the City Clerk's Office.
- e. A review of September 2009 General Ledger checks written compared with check images on the bank statements found no irregularities.
- f. Upcoming meetings –
 - a. December 7, 2009 Regular meeting at 5:00 p.m..
 - b. January 4, 2010 Regular meeting at 5:00 p.m.
- g. Approve the use of alcohol in the Community Center for January 18, 2010 for the Civic and Commerce Annual Meeting.
- h. Liquor Store monthly sales October 2009 report.
- i. Liquor Store monthly sales November 2009 report.
- i. Village Family Services thank –you.
- j. Minnesota Department of Health-Public Water Supply Inventory Report.
- k. Minnesota Department of Health-Food and Beverage Inspection Report.
11/16/09 – Laminated signs were posted and finger brush placed at each sign.
- l. Approve “open book” format as an alternative to holding a Local Board of Appeal and Equalization meeting for 2010 and 2011.
- m. Approve rough draft of November 30, 2009 Planning Commission Minutes.
- n. Approve Resolution – Gregg Slater Subordination agreement.

R # 38 - 09

SUBORDINATION AGREEMENT

WHEREAS, the City of Roseau possesses a valid and enforceable lien against the following described real property located in the County of Roseau, State of Minnesota, to wit:

Lot Seven (7), in Block Two (2), of Morningside Addition to the City of Roseau, according to the Recorded Plat thereof, Roseau County, Minnesota.

as evidenced by a Repayment Agreement dated August 18, 2006, and filed of record in the Office of the Roseau County Recorder on August 21, 2006, as Document Number 255033, and

WHEREAS, Gregg J. Slater, a single person, and fee owner of the above-described real property, has applied for a mortgage loan from Border State Bank; and

WHEREAS, Border State Bank has indicated that it is unwilling to accept a mortgage upon the above-described real property in security for said loan unless the City of Roseau shall subordinate its mortgage to the lien to be created by said Border State Bank on said property;

NOW THEREFORE, in consideration of the premises and as an inducement to Border State Bank to accept said mortgage, the City of Roseau hereby agrees to subordinate, and hereby does subordinate, its lien against the above described real property to the mortgage lien of Border State Bank against said property, said mortgage to have the same validity, force and effect as if executed, delivered, and recorded prior to the date of execution of said City of Roseau Mortgage.

IN TESTIMONY WHEREOF, the City of Roseau has caused these present-to be executed by Jeffrey Pelowski, Mayor.

Dated this 7th day of December, 2009.

By: s/s Jeff Pelowski
Mayor

STATE OF MINNESOTA)
)
COUNTY OF ROSEAU)

- o. Investment-Roseau EDA HiFi as of 12/01/09 is \$76,362.67.
- p. Cash in bank-DNR Escrow as of 12/01/09 is \$289,000.00.
- q. Cash in bank-Regular checking as of 12/01/09 is \$2,123,956.21.
- r. Investment-Regular HiFi as of 12/01/09 is \$3,006,708.05.
- s. Cash in bank-Liquor Credit Card as of 12/01/09 is \$13,189.22.
- t. Cash in bank-Airport Fuel Sales Credit Card as of 12/01/09 is \$3,606.54.
- u. Investment-Roseau EDA Money Market as of 12/01/09 is \$76,656.52.
- v. Cash in bank-Pine to Prairie Birding Trail as of 12/01/09 is \$3,547.62.
- w. Cash in bank-Scandinavian Festival as of 12/01/09 is \$2,404.19.
- x. Cash in bank-Roseau Community Youth Project as of 12/01/09 is \$3,324.14.
- y. Cash in bank-Welcome to Roseau as of 12/01/09 is \$1,162.17.
- z. Cash in bank-Roseau EDA as of 12/01/09 is \$3,938.95.
- aa. LMCIT – Elimination of Managed Care Premium Credit for participation in a managed care program effective on or after January 1, 2010.

Cynthia Madigan was unable to attend the City Council meeting to give the 2010 Census Presentation.

Roseau Promotions Director Lyle Grindy reported on the following:

- Diva Days was held on November 7, 2009
- The annual Tree lighting was held at 5:00 p.m. on November 27, 2009
- The annual holiday craft show was held on November 27 and 28, 2009
All events were well attended.
- The “Roseau Holiday Fantasy Promotion” began on November 26, 2009 for 4 cash drawings of \$1,000.00 each of Roseau Dough with the first drawing to be held Wednesday, December 9th at 4:00 pm and then a drawing will be held every Wednesday until the 30th of December, 2009.

Council Member Linda Vatsndal notified the City Council that the Beautification Committee does not want to be in charge of the “Christmas Lighting Contest” and she recommended that the contest continue for this year.

After discussion Council Member Pat Novacek made a motion to proceed with the “Christmas Lighting Contest” as done in previous years with the judging being done the two weeks before Christmas and prizes to be awarded in Roseau Dough, seconded by Curt Ireland, carried by unanimous vote.

NOTE:

- Mayor Jeff Pelowski and Council member Linda Vatsndal volunteered to find the judges for the contest, (as in the past the judges names are anonymous).
- The City office will research previous years winners for the judges, notify the paper and radio stations of the contest and dates when the judging will be done and who the contest winners are.

A Public Hearing was held to consider a proposed vacation of a portion of 9th Street Northeast in the City of Roseau, Minnesota, between 5th Avenue Northeast and 6th Avenue Northeast.

At 5:30 p.m. Council Member Pat Novacek motioned, seconded by Linda Vatsndal and it was carried by unanimous vote to open the Public Hearing.

Oral comments – CDC Peterson had received a phone call from Tom Jerome and he had inquired where the property was located that was being vacated, he had no comment.

Written comments – none

Council Member Gerry Schiltz motioned, Curt Ireland seconded and it was carried by unanimous vote to close the Public Hearing.

Council Member Pat Novacek introduced the following resolution and moved for its adoption; seconded by Council Member Linda Vatsndal, and carried by unanimous vote.

RESOLUTION NO. 37-09

A RESOLUTION VACATING A PORTION OF 9TH STREET NORTHEAST IN THE CITY OF ROSEAU, BETWEEN 5TH AVENUE NORTHEAST AND 6TH AVENUE NORTHEAST

THE CITY COUNCIL OF THE CITY OF ROSEAU, MINNESOTA, DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City Council previously passed Resolution No. 33-09 noting its interest in vacating pursuant to Minnesota Statute § 412.851 a portion of 9th Street Northeast in the City of Roseau, between 5th Avenue Northeast and 6th Avenue Northeast, legally described as follows:

That portion of 9th Street Northeast in the City of Roseau, Minnesota described as follows:

Commencing at the Southeast corner of Lot 1, Block 1 of Flaig's Addition to the City of Roseau, Minnesota being the point of beginning of that certain portion of 9th Street Northeast intended to be vacated; thence running Westerly on and along the South boundary line of said Lot 1, Block 1 of Flaig's Addition, a distance of 110 feet to a point; thence running Southerly a distance of 14 feet to a point which is 66 feet ± Northerly of the Northeast corner of Lot 1, Block 2 of Flaig's Addition, thence running Easterly a distance of 110 feet to a point which is 14 feet ± Southerly of the point of beginning, thence running Northerly 14 feet ± to the point of beginning and there terminating, containing 0.0354 acres ±, all located in Larsen's third Addition to the City of Roseau.

and setting a public hearing to consider the vacation of said portion of such street; and

WHEREAS, a public hearing to consider the vacation of said portion of such street was held on the 7th day of December, 2009, before the City Council in the City Center Council Chambers located at 121 Center Street East, Suite 201, Roseau, Minnesota 56751, at 5:30 p.m. after due published and posted notice had been given, as well as personal mailed notice to all affected property owners by the City of Roseau, and all interested and affected persons were, at the Public Hearing, given an opportunity to voice their concerns and be heard; and

WHEREAS, any person, corporation or public body owning or controlling easements contained upon the property vacated, reserves the right to continue maintaining the same or to enter upon such way or portion thereof vacated to maintain, repair, replace or otherwise attend thereto; and

WHEREAS, the Council in its discretion has determined and finds that the vacation will benefit the public interest because; (1) the small portion being the subject of this vacation proceeding is 80 feet in width and, (2) the balance of 9th Street Northeast is only 66 feet in width and, (3) that it is in the best interest of the public that the street be of even width from 5th Avenue Northeast to 6th Avenue Northeast and, (4) that the vacation of this 14 foot by 110 foot strip more fully set forth in the legal description will not be detrimental to any abutting landowner or to the public.

WHEREAS, at least four-fifths of the City Council concur in this resolution.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ROSEAU, COUNTY OF ROSEAU, MINNESOTA, that the above described vacation is hereby granted and that portion of 9th Street Northeast in the City of Roseau, Minnesota described as follows is hereby vacated:

Commencing at the Southeast corner of Lot 1, Block 1 of Flaig’s Addition to the City of Roseau, Minnesota being the point of beginning of that certain portion of 9th Street Northeast intended to be vacated; thence running Westerly on and along the South boundary line of said Lot 1, Block 1 of Flaig’s Addition, a distance of 110 feet to a point; thence running Southerly a distance of 14 feet to a point which is 66 feet ± Northerly of the Northeast corner of Lot 1, Block 2 of Flaig’s Addition, thence running Easterly a distance of 110 feet to a point which is 14 feet ± Southerly of the point of beginning, thence running Northerly 14 feet ± to the point of beginning and there terminating, containing 0.0354 acres ±.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to sign all documents necessary to effectuate the intent of this resolution.

Adopted by the Council this 7th day of December, 2009.

EFFECTIVE DATE: January 4, 2010

	AYES	NAYS
Jeff Pelowski, Mayor	x _____	_____
Gerry Schiltz, Council member	x _____	_____
Patrick Novacek, Council member	x _____	_____
Curt Ireland, Council member	x _____	_____
Linda Vatsndal, Council member	x _____	_____

Attested by:
s/s Janet Lundbohm
Janet Lundbohm, City Clerk

Approved:
signed by : s/s Jeff Pelowski
Jeff Pelowski, Mayor

The City Council reviewed the information that Community Development Coordinator Todd Peterson handed out (on file at the Roseau City Office) on accounting software as the current city accounting software program (Sage MIP) is not optimal for the City’s on-going financial management and Auditor Roy Lunde from Brady Martz would also like the city to update the accounting system. After much discussion of the pros and cons of Frey and Banyon comparisons, Council Member Curt Ireland made a motion to go with Frey as long as it comes out of the 2009 Budget, seconded by Council Member Linda

Vatnsdal, the following voted in favor thereof; Council Member Curt Ireland, Council Member Linda Vatnsdal and Mayor Jeff Pelowski

and the following voted against the same: Council Member Gerry Schiltz
Council Member Pat Novacek

and the following abstained: None
and the following were absent: None

whereupon said motion was declared duly passed.

At 6:00 p.m. the 2010 Levy and Budget discussion was held and the opportunity for "public comment" and consideration. Mayor Jeff Pelowski called for any comments from the public and there were none.

Mayor Jeff Pelowski gave a budget summary and reported that the city is pretty close to a balanced budget. CDC Peterson stated that all of the levies have been approved by the state.

Mayor Jeff Pelowski proceeded to review the City of Roseau "2010 TAX LEVY AND TAX RATE INFORMATION", DETERMINING YOUR CITY PROPERTY TAX (on file at the Roseau City office) printout he handed out at the meeting. After discussion the City Council set a Special Meeting for December 21, 2009 at 5:00 p.m. to further discuss the budget and tax levy.

Ron Schwehr questioned when the increase from the surcharge would be on his light bill and City Superintendent David Drown said it would be on the November 20th billing which will be mailed out on the 7th of December, 2009.

Community Development Coordinator Peterson reported that the joint airport zoning board has not met.

Community Development Coordinator Peterson reported that the EDA met on November 25, 2009 and noted that they are working on existing loan accounts. The gasification project is proceeding and that three sites were being considered, arena, fire hall and city shop with the city shop being the optimal location.

Liquor Store Manager Wiberg asked the City Council if he could use the money from the fee charged and collected from NSF checks to buy gift certificates as door prizes and the City Council recommended he give Roseau Dough as door prizes and to check with the State Liquor Board and Brad said he would check with Roy Lunde also.

Council Member Pat Novacek reported that he will talk to Fire Chief Tim Skime about the Fire Contracts.

Police Chief Anderson questioned that since the towing fee has gone up from \$50.00 to \$55.00 should the ticket be raised at this time and the City Council recommended that it be changed at the January 4th 2010 city council organizational meeting.

Superintendent Drown reported that he has not heard from the representative of Minnesota Municipal Utilities Association (MMUA) on the 2009-2010 Safety Management Program Contract. The matter will be added to the January 4th, 2010 meeting.

The gazebo is pretty much done and he is expecting delivery of the gazebo soon.

City Attorney Moren handed out a copy of a letter to the Minnesota Office of the State Auditor in regards to the passage of City of Roseau Ordinance No. 18 Third Series.

Community Development Coordinator Peterson will get a copy of the bond to verify all of the city office positions are bonded to satisfy Section 1. (A) (1) of Ordinance No. 18.

Community Development Coordinator Peterson gave an update on progress of wrap up on the city center.

- The heating system lines have been flushed four times.
- The sound system has been installed in the City Council chambers.

- The lights in the atrium have been changed.
- The testing has been done on the windows in the community room that have been leaking and that report has been given to Kraus Anderson for further review and recommendation.

CDC Peterson and Gwen Kerner are working on the City of Roseau website and are getting photos to have 4 different banners flowing at the top of the web page, and would like feedback as the web page is not final.

CDC Peterson reported the Bridge Construction is complete for 2009 for the Roseau East Diversion, and final completion of bridges will occur in 2010. The land acquisition is going slow. SEH has completed the final East Diversion draft plan set for comment and review.

Mayor Jeff Pelowski recommended to schedule a meeting for the next Roseau Draft Action Plan/Comprehensive Plan work session at the January 4th, 2010 city council meeting.

Council Member Gerry Schiltz motioned, Council Member Curt Ireland seconded and it was carried by unanimous vote that there was no further business, therefore the meeting be adjourned.

ATTEST:

City Clerk

Mayor