

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – AUGUST 3, 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 Curt Ireland, Pat Novacek, Linda Vatnsdal and Gerry Schiltz. Absent none. Others present were Clerk-Treasurer Michelle Slater, Community Development Coordinator Todd Peterson, Superintendent David Drown, Liquor Store Manager Brad Wiberg, City Attorney Pat Moren, Jack Swanson-Roseau County Commission and Wild102, Lyle Grindy-Roseau Promotions, Fire Chief Tim Skime and Jane Evans.

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

Council member Vatnsdal motioned, Council member Ireland seconded and it was carried by unanimous vote to approve the June 29, 2009 minutes as presented.

The following corrections(s)/additions(s) were noted in the July 6, 2009 minutes;  
Page 1 - Council member Ireland motioned, Council member ~~Ireland~~ **Schiltz** seconded and it was carried by unanimous vote to approve the June 1, 2009 minutes as presented.

Page 5 – Mayor Pelowski reported that as a part of Governor Pawlenty’s budget fix, the City of Roseau was unallotted \$57,000 in Local Government Aid for 2009. ~~Council consensus was the inevitable 2010 Local Government Aid unallotment will be absorbed at this time and proper action would be taken when it is deemed necessary.~~ **Council consensus was the 2009 Local Government Aid unallotment will be absorbed and the 2010 anticipated unallotment will be addressed during the 2010 budget process.**

Council member Schiltz motioned, Council member Vatnsdal seconded and it was carried by unanimous vote to approve the July 6, 2009 minutes with changes.

Council member Novacek motioned, Council member Ireland seconded and it was carried by unanimous vote to approve the July 13, 2009 minutes as presented.

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

- a. Approval was given to pay the accounts payable claims from July 7, 2009 through August 3, 2009 as presented, with a batch number of AP073109 and is filed in edit books in the City Clerk’s Office.
- b. Daily Batch checks written from July 1, 2009 through July 31, 2009 were audited, approved and are filed in edit books in the City Clerk’s Office.
- c. Receipt entries June 1, 2009 to June 30, 2009 were audited, approved and are filed in edit books in the City Clerk’s Office.
- d. Journal entries June 1, 2009 through June 30, 2009 were audited, approved and are filed in edit book in the City Clerk’s Office.
- e. A review of April 2009 General Ledger checks written compared with check images on the bank statements found no irregularities.
- f. Upcoming meetings –
  - a. August 3, 2009 Regular Council meeting.
  - b. September 14, 2009 Regular Council meeting.
- g. Approve the use of alcohol in the Community Center –
  - a. January 1, 2010 Zimney wedding dance.
- h. State Demographic Center April 1, 2008 population estimate.
- i. Investment – Roseau EDA Hi Fi as of 07/28/09 is \$97,041.15.
- j. Cash in bank-DNR Escrow as of 07/28/09 is \$94,000.00.
- k. Cash in bank – Regular checking as of 07/28/09 is \$1,287,532.99.
- l. Investment – Regular Hi Fi as of 07/28/09 is \$3,862,493.32.

- m. Cash in bank – Liquor Credit Card as of 07/28/09 is \$7,647.79.
- n. Cash in bank – Airport Fuel Sales Credit Card as of 07/28/09 is \$848.451.
- o. Investment – Roseau EDA Money Market as of 07/28/09 is \$117,410.47.
- p. Cash in bank – Pine to Prairie Birding Trail as of 07/28/09 is \$3,635.85.
- q. Cash in bank – Scandinavian Festival as of 07/28/09 is \$2,673.49.
- r. Cash in bank – Roseau Community Youth Project as of 07/28/09 is \$3,324.24.
- r. Cash in bank – Welcome to Roseau as of 07/28/09 is \$1,137.17.
- s. Cash in bank – Roseau EDA as of 07/28/09 is \$4,454.54.

Council member Ireland motioned, Council member Novacek seconded and it was carried by unanimous vote to authorize Chief Anderson to accommodate the Make a Difference for ALS 5K Walk/10K Run on September 26, 2009 by directing traffic while participants cross highway 11 during the event.

Roseau Promotions Director Lyle Grindy reported;

- Today Quilt S'More is hosting a Minnesota Quilt Shop Hop event whereby two busloads of quilters visit quilt shops around Minnesota. One bus load is staying in Roseau and several stores were asked to stay open late to accommodate the quilters.
- A River Runs Through It Minniqua event scheduled for August 5, 2009 at the Roseau City Park has approximately 80 registrants to date.
- Krazee Daze will be held on Main Avenue on August 6, 2009. A flea market was added in the former Ben Franklin Store block with car dealers invited to display their vehicles. A lighted sign will be placed at Main Avenue and highway 11 to advertise the event.
- Denny's Outdoor Sports annual Fishing contest on the Roseau River is scheduled to be held August 8, 2009.
- The Welcome to Roseau picnic is scheduled for August 10, 2009 at the Roseau City Park.
- The annual Relay for Life event is scheduled for August 14, 2009 at the Roseau City Park.
- The annual Pioneer Farm Festival is scheduled for the weekend of August 29, 2009 at the Pioneer Farm.
- Commissioner of the Minnesota Department of Agriculture Gene Hugoson will host a listening session August 20, 2009 at the Roseau City Center, which is billed as a question and answer session for producers, processors, retailers, lenders and everyone involved in Minnesota's farm and food program.

Planning Commission met on July 27, 2009 and were given a power point presentation compiled by Police Chief Anderson containing documented cleanup issues at the West Side Trailer Court that need to be addressed. Letters will be sent to the owners of the West Side Trailer Court and to individual trailers outlining items that need attention.

Council member Schiltz motioned, Council member Ireland seconded and it was carried by unanimous vote to set a public hearing on August 31, 2009 at the Planning Commission meeting to hear the Rezoning request (City of Roseau initiated) (#2-09) to rezone the Alex and Brenda McMillin and Annabelle Halvorson properties from F-R (Farming Residence Zoning District) to R-1 (Single Family Residence Zoning District) as recommended by the Planning Commission. These two properties petitioned and were annexed into the City of Roseau January of 2008 and it was deemed appropriate to complete the rezoning process.

The Planning Commission heard from Community Development Coordinator Peterson that three quotes were received for clean-up and debris removal from the former Jenson's Seed & Wool property leased from Burlington Northern Railroad (BN). BN accepted the R & Q Trucking quote in the amount of \$9,800; however, subsequently BN requires the purchase of an additional 5 million dollar railroad insurance policy at a cost of \$2,000 for a total cost of \$11,800. BN requires that all bids over \$10,000 be bid nationally. The issue is on hold; however, Superintendent Drown is working with R & Q Trucking to see if it is possible to get the cost below the \$10,000 threshold.

The Planning Commission heard from Community Development Coordinator Peterson that Border State Bank is platting the former Danny and Rachel Hamilton property. Peterson asked if the Planning Commission had any objections to a 66' right-of-way in lieu of the 80' right-of-way currently platted on the Southeast corner of the property. The Larsen's 3<sup>rd</sup> Addition plat would be amended and the City would vacate a small piece of right-of-way, leaving 66', as requested by neighbors and as recommended by the Planning Commission. Council consensus was that Peterson be directed to work with Attorney Moren to amend the current plat to reflect a 66' right-of-way at the aforementioned corner. It was noted the right-of-way line on the south side of the aforementioned street would not change and that portion (14 feet) of right-of-way to be vacated would take place on the north side only.

Roseau County Commissioner Swanson reported;

- The County Commissioners have formed a committee to work with Polaris and Mattracks to convert county recreational land into an off-highway recreation park, hoping to use this as an economic development tool for the County.
- Miles Hogenson, representing the Roseau/Lake of The Woods Trailblazers has informed the County Commissioners they are interested in acquiring the railroad property one mile east of Roseau starting beyond the 1410 Radio Station road and continuing east to highway 11, for a snowmobile trail. The East Diversion would have required a railroad bridge in this area; however, Minnesota Northern Railroad has indicated they plan to abandon the railroad tracks from Roseau east to Warroad.

Council member Ireland motioned, Council member Schiltz seconded and it was carried by unanimous vote to authorize Clerk Slater to transfer Beautification donations raised since 2002 totaling \$9854 into the City Hi Fi account to be used for future Beautification expenses. The donations were previously deposited into the General Fund as they were received.

The EDA met on July 29, 2009. Community Development Coordinator Peterson reported the EDA met on July 29, 2009. Peterson updated the Council on the progress of the gasification project, which is moving forward.

Liquor Store Manager Wiberg presented the July 2009 liquor sales report.

Fire Chief Tim Skime reported;

- The Firemen's Ball is scheduled for September 26, 2009.
- All pumper trucks have been certified for 2009.
- He met with FEMA today to verify fireman hours documented to help fight the 2009 flooding event.
- He attended the first Interoperational project meeting, which included the City of Roseau, three surrounding counties and the Province of Manitoba. The goal is to make sure radio communications are compatible if an emergency arises.
- Rural fire contracts are up for renewal on December 31, 2009.

Chief Skime notified the Council there have been some instances whereby burning permits were issued and had to be revoked. Burning permits allow the holder to burn trees and leaves and it was the intent of one permit holder to burn a gutted mobile home. The burning permit was revoked. Skime agreed to review the current burning permit for possible language changes to help address this issue.

Chief Skime made the Council aware of a more frequent shortage of firemen on the weekends and during holidays, leaving the Fire Department short of people willing to be on-call for fire fighting.

Council member Vatnsdal motioned, Council member Schiltz seconded and it was carried by unanimous vote to allow Delmore Drive to be blocked off during the Altru Hospital picnic on August 10, 2009 from 5 p.m. to 8 p.m.

After discussion, Superintendent Drown agreed to compile fuel quote specifications to allow local vendors the opportunity to give a quote on gas and diesel used by the City of Roseau. The matter will be discussed at the September 14, 2009 Regular Council meeting.

Superintendent Drown presented bids for Phase I of the Riverview Park Gazebo project. The gazebo estimate was \$41,149.49 and the concrete costs would not exceed \$16,000. Phase I does not include walkways or plantings. Since the total is over the \$45,000 Park Gazebo 2009 budget, Council member Ireland motioned to authorize the Gazebo project city share not exceed \$48,149.49. The balance of Phase I costs will be paid by the city using donations to the Roseau Parks & Recreation Riverview Park Fund at Northwest Minnesota Foundation.

The foregoing was duly seconded by Council member Vatnsdal and upon vote being taken, the following voted in favor thereof: Ireland, Vatnsdal, Schiltz and Pelowski

and the following voted against the same: Novacek

and the following abstained: None

and the following were absent; None

whereupon said motion was declared duly passed and adopted.

Council member Vatnsdal reported Northwest Minnesota Foundation (NMF) is accepting donations on behalf of the Riverview Park gazebo project and will be sending tax deductible receipts and keeping the records. There is approximately \$9000 in the fund at this time. To access NMF funds, the City of Roseau pays bills for the Gazebo and submits a bill to NMF for payment.

It was noted the Council will be asking for costs for Phase II of the River View Park project to be considered in the 2010 budgeting process.

Council member Novacek motioned, Council member Ireland seconded and it was carried by unanimous vote to adopt the City General Records Retention Schedule as compiled by the Minnesota Historical Society.

Council member Novacek motioned, Council member Ireland seconded and it was carried by unanimous vote to authorize the Clerk-Treasurer to sign the proposal from American Financial Consulting, LLC (AFC) to perform state and local tax diagnostic services called a Reverse Sales Tax Audit Process at a cost of 30% of the refunded tax and interest received both directly from taxing jurisdictions and from vendors, plus reasonable mileage and lodging expenses. AFC only receives payment if refund opportunities exist. Two previous audits AFC performed netted the City over \$14,000.

Council member Novacek motioned, Council member Schiltz seconded and it was carried by unanimous vote to authorize the Clerk-treasurer to sign the Prospective Consent to Briggs and Morgan's Representation of Xcel Energy and Its Affiliates as received.

Council member Novacek introduced the following Resolution and moved for its adoption:

**R# 25-09**  
**RESOLUTION PROVIDING FOR THE REDEMPTION AND PREPAYMENT OF**  
**THE \$1,191,000 GENERAL OBLIGATION STREET IMPROVEMENT BOND OF**  
**1994, SERIES A**

**WHEREAS**, the City of Roseau hereby determines and declares that it is necessary and expedient to call for redemption and prepayment of the City's \$1,191,000 General Obligation Street Improvement Bond of 1994, Series A balance of principal originally dated November 23, 1994, which matures on and after January 1, 2012; and

**WHEREAS**, the current fund balance for the \$1,191,000 General Obligation Street Improvement Bond of 1994, Series A is sufficient to pay in full the principal and accrued interest; and

**WHEREAS**, the prepayment would save approximately \$21,500 in interest payments; and

**WHEREAS**, the City of Roseau has been notified by the holder of the bond, The United States Department of Agriculture Rural Development, that full prepayment will be allowed at no charge to the City of Roseau;

**NOW THEREFORE BE IT RESOLVED**, that the Roseau City Council does approve the prepayment of the \$1,191,000 General Obligation Street Improvement Bond of 1994, Series A balance of principal and accrued interest on August 17, 2009.

Adopted this 3<sup>rd</sup> day of August 2009.

s/s Michelle Slater  
Clerk-Treasurer

s/s Jeff Pelowski  
Mayor

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Schiltz and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Novacek, Schiltz, Vatsndal, Ireland and Pelowski.

and the following voted against the same: None

and the following abstained: None

and the following were absent: None

whereupon said motion was declared duly passed and adopted.

After discussion, Council member Vatsndal motioned, Council member Novacek seconded and it was carried by unanimous vote to advertise for sale certain buildable flood buyout lots owned by the City and offer non-buildable lots to adjacent property owners first and if they are not interested, offer the lots to the general public.

Community Development Coordinator Peterson gave an East Diversion project update.

Council member Novacek motioned, Council member Vatsndal seconded and it was carried by unanimous vote to authorize East Diversion Project bills received from Dallco Inc. to be paid on the first Thursday of every month and to be audited by the Council at the following Regular Council meeting.

Council consensus was the Roseau City Council nominates Kelly Falk to represent the City of Roseau for the "One Women 2010" Women's History Month event, which will take place March 2010. Council member Vatsndal agreed to fill out the proper paperwork for the nomination.

A proposal to update the City of Roseau Compensation Study from Employers Association, Inc. for the year 2010 at a cost of \$7,290 was tabled until the September 14, 2009 Council meeting pending more information on the inclusion of an analysis of benefits.

After discussion, Mayor Pelowski motioned, to accept the SimplexGrinnel audio/video wireless proposal package to resolve the sound issue in the Council Chambers at a cost of \$24,411.00 plus tax.

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Ireland and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Pelowski, Ireland, and Vatsndal.

and the following voted against the same: Novacek and Schiltz

and the following abstained: None

and the following were absent: None

whereupon said motion was declared duly passed and adopted.

SimplexGrinnel installed the wireless audio system in the Community Center and after some outstanding construction issues are resolved in the City Center, any unused State bonding money left will be used to help pay for the Council Chambers audio system.

Council member Schiltz motioned, Council member Ireland seconded and it was carried by unanimous vote to renew the Northland Community and Technical College lease for a period of 10 years at a charge of \$250 per month.

Clerk Slater agreed to compile preliminary 2010 budget numbers and a preliminary levy (under levy limits) to present to the Council on September 14, 2009 at the Regular Council meeting. The preliminary levy must be adopted by September 15, 2009.

After discussion, Council member Ireland motioned, Council member Vatnsdal seconded and it was carried by unanimous vote to authorize the Mayor to sign the EARLY RETIREMENT agreement between Michelle Slater and the City of Roseau;

**EARLY RETIREMENT**

Reference Policy Statement: Adopted March 6, 2000

Employee: Michelle Slater

Retirement Date: November 30, 2009 under PERA "Rule 90"

Agreement between the City of Roseau and Michelle Slater regarding Group Health Insurance Benefits after retirement from the City of Roseau. The terms are as follows as agreed upon by the Roseau City Council;

- a. That Michelle Slater be allowed to discontinue the Roseau City Employees Health Partners Group insurance in lieu of an Individual Health Partners Plan paid by Michelle Slater personally.
- b. That the City shall reimburse Michelle Slater \$400 per month in the form of a check payable to Michelle Slater to be used toward the premium of an Individual Health Partners Health Plan until August 31, 2014 and \$500 per month thereafter until August 31, 2019.
- c. That the City forego the requirement an employee who terminates employment at anytime during the fiscal year must reimburse the City a pro-rated HSA amount based on termination date (December 31, 2007 Council action) or \$145.83 for the month of December 2009.
- d. That any unused vacation, sick leave and bonus due to Michelle Slater at the time of retirement, be paid out in January 2010 through the regular payroll process, allowing Michelle Slater to deposit the maximum HSA amount allowed by law into her HSA account.

Approved this 3<sup>rd</sup> day of August 2009.

s/s Michelle Slater

s/s Jeff Pelowski, Mayor

As a result of the pending retirement of Clerk-treasurer Michelle Slater, Mayor Pelowski, Council Member Shiltz and Community Development Coordinator Peterson met to discuss a possible change in the Organizational Chart for the Clerk's Office, which was presented to the Council. The Proposed Organizational Chart consisted of Community Development Coordinator Peterson as a department head over a Treasurer, City Clerk and Accounting Clerk, whereby distributing the current Clerk-Treasurer duties among current personnel in the Clerk's Office and one part-time or full-time person yet-to-be determined. In this scenario Employers Association LLC (G Gmach) would be asked to review updated job descriptions for these positions for possible step and grade changes on the City pay chart. Council member Novacek motioned to advertise the current Clerk-Treasurer position, asking for a candidate that possesses human resources, financial and accounting qualifications and that the position remains the Clerk-Treasurer position. Council member Vatnsdal seconded the motion for discussion.

After discussion the motion for the adoption of the foregoing motion and upon a vote being taken thereon, the following voted in favor thereof: Novacek.

and the following voted against the same: Pelowski, Ireland, Vatnsdal and Schiltz

and the following abstained: None

and the following were absent: None

whereupon said motion failed.

Community Development Coordinator Peterson agreed to ask Employers Association LLC to review and rate updated job descriptions for Clerk's Office personnel to move forward on a possible reorganization of the Clerk's Office as per Council consensus.

A Comprehensive Plan work session will be held Tuesday, September 22, 2009 from 5:00 p.m. to 7:00 p.m. in the Council Chambers.

Council member Vatnsdal motioned, Council member Ireland seconded and it was carried by unanimous vote that there was no further business, therefore the meeting be adjourned.

ATTEST:

\_\_\_\_\_  
Clerk-Treasurer

\_\_\_\_\_  
Mayor