

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – APRIL 5TH, 2010 @ 5:00 P.M.
ROSEAU CITY CENTER COUNCIL CHAMBERS
121 Center Street East Suite 201
Roseau, MN 56751**

The 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, Gerry Schiltz, Pat Novacek, Linda Vatnsdal. Absent none. Others present were Community Development Coordinator Todd Peterson, Superintendent David Drown, Police Chief Ward Anderson, Attorney Patrick Moren, City Clerk Janet Lundbohm, Fire Chief Tim Skime, Lyle Grindy, Roger and Susan Peterson, Larry Gross, Clinton Gross, Mike Klein, Bonnie Meilke.

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

Council member Linda Vatnsdal motioned, Council member Gerry Schiltz seconded and it was carried by unanimous vote to approve motion to amend December 7th, 2009 City Council Meeting minutes to include discussion on reasons for purchasing Frey Account and Payroll software over Banyon Software which was less expensive. The justifications that should be included in the minutes include:

- Frey's BUC/CHIPS software is fully integrated with the City's existing Frey CUBIC billing software providing seamless integration from billing to accounting.
- The Frey BUCS/CHIPS software has increased functionality over Banyon.
- Purchasing the Frey package would require less data conversion on the billing side, thus significantly reducing staff time on conversion and troubleshooting.
- The City is currently satisfied with Frey's CUBIC billing software, and customer support and upgrades.
- The City has been using Frey's CUBIC billing software for over 10 years and has no experience with Banyon.

Council member Curt Ireland motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve the March 1st, 2010 minutes as presented.

Council member Pat Novacek motioned, Council member Curt Ireland seconded and it was carried by unanimous vote to approve the following Consent Agenda items:

- a. Accounts payable claims from March 1st, 2010 through March 31st, 2010 as presented, with a batch number of AP03312010 and is filed in edit books in the City Clerk's Office.
- b. Daily Batch checks written from March 1st, 2010 through March 31st, 2010 were audited, approved and are filed in edit books in the City Clerk's Office.
- c. Receipt entries February 1st, 2010 through February 28th, 2010 were audited, approved and are filed in edit books in the City Clerk's Office.
- d. Journal entries January 1st, 2010 through January 31st, 2010 were audited, approved and are filed in edit book in the City Clerk's Office.
- e. A review of January 2010 General Ledger checks written compared with check images on the bank statements found no irregularities.
- f. Upcoming meetings –
 - a. May 3rd, 2010 Regular meeting at 5:00 p.m.
- g. Approve the use of alcohol in the Community Center – none.
- h. Thank you – Roseau Health Care Auxiliary – Marsha Hagen.
- i. Thank you – Stroke Detection Plus – Amber Neuhaus, Wellness Coordinator.
- j. Regional Economic Alliance correspondence in regards to high-speed broadband.
- k. Helgeson Funeral Chapels letter to inform of intention to increase services by adding a cremation chamber (retort) to their facility at 1207 3rd St NE in the City of Roseau.
- l. Minnesota Department of Transportation response to a letter they received from the City of Roseau on February 19th, 2010 in regards to trunk highway improvements.

m.

2010 COMMITTEE APPOINTMENTS

ROSEAU VOLUNTEER FIRE DEPARTMENT: Chief Tim Skime, Asst. Chief Jeff Ballard, Captain Mike Trihey, 1st Lieutenant Mark Bernat, 2nd Lieutenant Troy Hammer, President Mark Jennings, Vice President Craig McMillin, Supply Officer Craig McMillin, Trustee Nick Gustafson, Trustee Neal Vatsndal, Training Officer Mark Jennings, Training Officer Oliver Ullman, Secretary Ryan Severson.

ROSEAU CONVENTION AND VISITORS BUREAU: Chairman Darrin Smedsmo, Pam Hetteen, Jack Swanson, Angie Grafstrom, Sheri Anderson, Carol Rhen, Joseph Bain, City Representatives Jeff Pelowski, Community Development Coordinator Todd Peterson, Liquor Store Manager Brad Wiberg.

- n. Coalition of Greater Minnesota information on LGA cuts- Mayor Pelowski requested to move this to Mayor and Council for the 2010 Budget discussion.
- o. Investment-Roseau EDA Hi Fi as of 03/30/2010 is \$102,570.55.
- p. Cash in bank-DNR Escrow as of 03/30/2010 is \$289,000.00.
- q. Cash in bank-Regular checking as of 03/30/2010 is \$1,543,628.66.
- r. Investment-Regular Hi Fi as of 03/30/2010 is \$3,150,878.14.
- s. Cash in bank-Liquor Credit Card as of 03/30/2010 is \$40,287.73.
- t. Cash in bank-Airport Fuel Sales Credit Card as of 03/30/2010 is \$2,362.18.
- u. Investment-Roseau EDA Money Market as of 03/30/2010 is \$80,707.71.
- v. Cash in bank-Pine to Prairie Birding Trail as of 03/30/2010 is \$8,547.62.
- w. Cash in bank-Scandinavian Festival as of 03/30/2010 \$2,404.19.
- x. Cash in bank-Roseau Community Youth Project as of 03/30/2010 is \$3,324.14.
- y. Cash in bank-Welcome to Roseau as of 03/30/2010 is \$1,162.17.
- z. Cash in bank-Roseau EDA as of 03/30/2010 is \$3,692.35.
- aa. Minnesota Pollution Control Agency letter on the receipt of the Pretreatment Annual Report for calendar year 2009 from the City of Roseau was on time, complete and well done as received.
- bb. Minnesota Pollution Control Agency letter on the receipt of the Inflow and Infiltration (I&I) Evaluation submitted for the Roseau Wastewater Treatment Facility was complete and well done as received.
- cc. Minnesota Department of Health letter notifying the city of Roseau that all community water systems must distribute a drinking water report officially known as a Consumer Confidence Report (CCR) annually, to their customers before July 1.
- dd. Minnesota Department of Health: The Statewide Health Improvement Program (SHIP) notification of a video conference for local elected officials on Tuesday, April 20, 2010, 12:00 Noon to 1:00 P.M. at the Roseau County Social Services.

Council member Pat Novacek motioned, Council member Curt Ireland seconded and it was carried by unanimous vote to renew the Coast True Value request to use the City owned downtown vacant lot at 118 Main Avenue North (former Jake's Pizza lot) to display lawn mowers etc., for sale, for the period of April 1, 2010 through March 31, 2011 (one year) and to have the same conditions as was recommended in 2009 that the usage is contingent upon Coast is responsible for removing weeds and keeping the lot clean as per Superintendent Drown.

Promotions Director Lyle Grindy reported on the following:

- He read comments he had received from about the Roseau Hockey Program which were all positive.
- He reported that he attended the Fargo Sport Show March 4th thru 7th working in the booth that was sponsored by the "Explore Minnesota Tourism".
- Roseau and International Falls are in the run off for "Capital of the State of Hockey", the voting will run from April 2nd through midnight on Thursday April 8th. The winning city will be invited to the game where he/she will be presented with a team autographed "State of Hockey" flag.
- The Civic and Commerce merchants committee completed their customer survey; a copy is on file at the Roseau City office. As a result of the survey he will be working with DEED and the office

of SBA to develop a workshop for employees /managers/owners to improve “COURTESY AND CUSTOMER SERVICE” (this will be about a two hour class).

- The City of Roseau received a 2010 Roseau Civic and Commerce Application for Membership for Council consideration.

After discussion Council member Gerry Schiltz motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve a City of Roseau 2010 Roseau Civic and Commerce membership for the same amount as 2009 which was \$250.00.

Council member Pat Novacek motioned, Council member Curt Ireland seconded and it was carried by unanimous vote to approve the Roger and Susan Peterson (#3-2010) Short Form Conditional Use application to construct an addition to the existing porch in the back of the house 13” above existing floor contingent upon Building Official Kevin Wiskow signing off on the building permit. Gary Bennett, CFM Area Hydrologist has been notified and a letter from Gary Bennett is on file at the Roseau City Office.

The Planning Commission heard concerns from Billy Hagen and Steve Czech of people dumping garbage and appliances by the dumpsters at West Side Trailer Court and the Planning Commission reported that this is a problem all over the city of non-residents dumping garbage in the dumpsters and will work with law enforcement and Superintendent Drown to try and come up with a solution to the problem.

The Planning Commission recommended that City Attorney Pat Moren research the Minnesota statutes in regards to abandoned trailers and what the procedure would be to have those trailers removed at West Side Trailer Court and whose responsibility it is to remove the trailers. There are about 10 to 12 vacant trailers some are owned by Jack Lund and some are abandoned.

Billy Hagen commented that they will try and make things look better this spring.

CDC Peterson reported that R & Q had received a permit from BNSF to clean up the property formerly leased from BNSF by Howell Steel and they will be cleaning up the property this week.

CDC Peterson reported that he had gotten a call from MnDot and they said that the maintenance of the bridge on highway 11 is on their two year plan.

Dave Anderson commented that he had not had a chance to visit with the County Commissioners about the confiscated vehicles that are being stored on the property south and east of the South Side Car Wash by the Court House to have them removed, he will try and remember before the next Planning Commission meeting.

The Planning Commission extended a “thank you” to the city crew for the removal of the trees along the river that had fallen into the river or were on the river.

Council member Pat Novacek motioned, council member Curt Ireland seconded and it was carried by unanimous vote to set a Public Hearing on April 26th, 2010 at the Planning Commission meeting to consider the City of Roseau Rezoning request to rezone the Residential Real Estate for sale on bids property from C-1 (CENTRAL COMMERCIAL ZONING DISTRICT) to R-1 (SINGLE FAMILY RESIDENCE ZONING DISTRICT) as recommended by the Planning Commission.

Council member Curt Ireland motioned, council member Gerry Schiltz seconded and it was carried by unanimous vote to set a Public Hearing for April 26th, 2010 at the Planning Commission meeting to consider the Todd Peterson (#2-2010) Variance request to construct a porch on the front of his house with a front yard setback of 26.5’ in lieu of the 30’ front yard setback required, a 3.5’ Variance as recommend by the Planning Commission.

Roseau County Commissioner Jack Swanson reported:

- State Representative David Olin had attended the last County board meeting and representative Olin had said the \$100,000,000.00 in State Aid cuts was good news.
- The city/county/school conference that he had attended in St. Paul at the end of March was good.
- Roseau County along with 13 other counties stuck together as a region and decided not to go forward with the state radio board- emergency committee recommendation for the communication technology that was being proposed because of the costs.
- The trailblazers would like to buy the Minnesota Northern Railroad right-of-way for an ATV, snowmobile, bike and pedestrian trail. If the Trailblazers purchase the railroad right-of-way, they would own it and the County would be the financial agent for it.

Councilperson Pat Novacek made a motion to adopt the following resolution:

**#R 15-10
RESOLUTION**

WHEREAS, pursuant to a Notice for Bids published in the Roseau Times Region newspaper, the City Council of the City of Roseau opened sealed bids at 5:30 p.m. for the purchase from the City of Roseau the following described real estate, which the City of Roseau acquired said real estate in conjunction with a flood buy-out program following the devastating flood which inundated the City of Roseau, Minnesota, in the year 2002; and

WHEREAS, the following described real estate consists of a bare lot only, following removal of any of the flood damaged structures previously located on said premises; and

WHEREAS, there were three (3) bids with the highest bid being in the amount of One Thousand Five Hundred and no/100 (\$1,500.00) Dollars being made by Larry Gross; and

WHEREAS, it is deemed to be in the best interest of the City of Roseau that said real estate be sold to Larry Gross, for the sum of One Thousand Five Hundred and no/100 (\$1,500.00) Dollars, the same being the accepted bid of said vacant lot which is described as follows:

Legal Description:

Lot Five (5), of Auditor's Plat No. One (1), of Block Twenty-five (25) of the Correction Plat of Roseau, according to the Plat thereof on file and of record in the office of the County Recorder in and for Roseau County, Minnesota.

NOW THEREFORE BE IT RESOLVED, that the City of Roseau, Minnesota, accepts the high bid submitted by Larry Gross to purchase the above described real estate for said sum of One Thousand Five Hundred and no/100 (\$1,500.00) Dollars and that the Mayor and the City Clerk of the City of Roseau are hereby authorized and directed to execute a deed of conveyance running from the City of Roseau, as Grantor, to Larry Gross, as Grantee, conveying the above described real estate; and

BE IT FURTHER RESOLVED, that the real estate taxes due and owing on the subject real estate for the year 2010 are exempt. The purchaser, Larry Gross shall be responsible for any remaining special assessments and for all real estate taxes due and payable thereafter.

The motion for adoption of the foregoing Resolution was duly seconded by Councilperson Linda Vatsndal and upon a vote being taken thereon, the following voted in favor thereof: Councilpersons: Mayor Jeff Pelowski, Councilperson Pat Novacek, Councilperson Linda Vatsndal, Councilperson Gerry Schiltz and Councilperson Curt Ireland.

Voting against said Resolution: NONE

s/s Jeff Pelowski
Mayor

ATTEST:

s/s Janet Lundbohm
City Clerk

I hereby certify that the foregoing resolution is a true and correct copy of the original resolution adopted by the City Council of the City of Roseau on April 5, 2010.

s/s Janet Lundbohm
Janet Lundbohm City Clerk, City of Roseau,
Minnesota

The Operations committee did not meet but CDC Peterson will try and set a date that will work for all members of the committee as they do have items on the agenda for discussion.

CDC Peterson reported that the EDA met on March 31st, 2010 and that the AURI gasification project grant from the Department of Energy has not gotten an extension yet. AURI is still working on finding funding for the additional module so that gas produced off of the unit can be used for the conversion to a synthetic diesel; AURI hopes to add this unit to the gasification unit after installation.

Art Nash from UMC will be working on a market area profile that will identify existing businesses and population characteristics in a 30 mile circle around Roseau in an attempt to identify what retail and service demands are not being met based upon national averages for consumption of products and services.

CDC Peterson reported that there has been some interest in acquiring EDA loans but no applications have been received at this time.

Fire Chief Tim Skime reported:

- 2010 is the 25th anniversary of the Fireman's Ball which will be held at the end of September.
- About a year and a half ago the Fire Department received a donation of \$2,000.00 and they would like to use that money to purchase 21 tables at a cost of \$1,800.00.
- Some of the Roseau Firemen will be attending the Northern Region Firefighters Association Spring Meeting April 8, 2010 in Red Lake Falls.
- Tim Skime requested that when the City of Roseau receives reimbursements for grass fires from the DNR to let him know.

Council member Curt Ireland motioned, Council member Gerry Shciltz seconded and it was carried by unanimous vote for the purchase of 21 tables at a cost of \$1,800.00 by the Fire Department for use at the Fire Hall.

Council member Pat Novacek reported that he is applying for a grant with other cities in Roseau County for the purpose of purchasing radio equipment. The City of Roseau would be the applicant and fiscal agent for the grant.

City Attorney Pat Moren advised the Council that his office had reviewed the proposed credit card contract and related information which will be presented at the next meeting of the operations committee.

Superintendent Drown reported that Northern Municipal Power Agency raised the City of Roseau's rate by 5% and he recommended that the City of Roseau's electric rates be raised by 5% March 20th, 2010 for the April 1, 2010 billing, this would not include off peak rates.

Council member Linda Vatsndal made a motion to adopt the following resolution:

R #16-10
RESOLUTION

WHEREAS, the City of Roseau provides residential and commercial electric power to its customers and;

WHEREAS, the City of Roseau's Electric power supplier Northern Municipal Power Agency has increased the cost of power which it supplies to the city of Roseau and;

WHEREAS, the city of Roseau must charge appropriate fees for the electric power which it provides to its customers and;

the city of Roseau deems it necessary to pass on to its customers the increase in power costs initiated by Northern Municipal Agency;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Roseau, County of Roseau, Minnesota:

The following rate and fee schedule is adopted and shall become effective as of the April, 2010 billing:

City of Roseau Enterprise Rate Schedule

ELECTRIC RATES

Customer Charge:	Residential	\$ 7.35
	Commercial Single	\$ 26.00
	Commercial 3 Phase	\$ 33.60
Energy Charge:	First 200 kwh	\$.11/kwh
	All other kwh	\$.0756/kwh
Off Peak:		\$.044/kwh
Off Peak for months of July, August and September (air conditioning)		\$.055/kwh
Uncontrolled Electric Heat		\$.1365/kwh
*****Subject to Superintendent approval		
Power Cost Adjustment	Based on Killowatts used	\$.0053/kwh

STANDBY GENERATION ELECTRIC RATE (this rate to be reviewed by City and NMPA staff at time of installation)

Facilities Charge:	\$.050/per installed KVA per month
Demand Charge:	\$ 7.00/kwh of billing demand (Refer to determination of billing demand/kwh)
Energy Charge:	\$.027
Mercury Vapor Lights:	\$ 7.20/mo
Meter Deposit:	\$ 100.00 Minimum or average of monthly bills if over \$100.00/month.
Penalty Charge – After the 17 th of the month	10%
Reconnect Fee:	\$ 30.00 plus tax

The motion for the adoption for the foregoing Resolution was duly seconded by Council member Gerry Schiltz, and upon vote being taken thereon, the following voted in favor thereof: Council members Pat Novacek, Curt Ireland, Jeff Pelowski, Linda Vatsndal, and Gerry Schiltz.

Voting against said Resolution: None

ATTEST:

s/s Janet Lundbohm
City Clerk

s/s Jeff Pelowski
Mayor

I hereby certify that the foregoing resolution is a true and correct copy of the original resolution adopted by the City Council of the City of Roseau on April 5th, 2010.

s/s Janet Lundbohm
Janet Lundbohm, City Clerk

Larry Gross commented that increasing rates could cause sales to go down further negating the effectiveness of the rate increase.

Superintendent Drown reported that the gazebo structure construction is done.

Mayor Jeff Pelowski made a motion to accept Carols Cedar Cellar bid of \$10,937.64 for the MnDot Landscape Partnership Project which was not the lowest bid but Carol was the only local bid and she will

have the capability to hold the trees on site and maintain them until the city crew is able to plant them, and they are not always able to plant all of them at one time so it is cost beneficial to the city, and MnDot encourages communities to use local bidders if possible, seconded by Curt Ireland,

Upon vote being taken thereon, the following voted in favor thereof: Council member Pat Novacek, Council Member Gerry Schiltz, Council Member Curt Ireland, and Mayor Jeff Pelowski.

and the following voted against the same: None

and the following abstained: Council Member Linda Vatnsdal

and the following were absent: None

Whereupon said motion was declared duly passed.

CDC Peterson handed out the Roseau East Diversion Project Update (March 31, 2010) which is on file at the Roseau City office. The project changes daily and SEH and the Corps of Engineers have further refined the project elements and hydraulic modeling and have come to the determination that the size of the storage areas defined in the feasibility study was overestimated. New hydraulic models on the more refined inlet structure, channel and outlet structure show that only the west storage area is needed to mitigate any increase in stage downstream. As a result the Corps has put a stop work order on SEH for further development of the diversion plans as the project components for the East Side Storage areas are reworked. Once the Corps determines what components, if any, are needed on the east side of the diversion channel SEH will resume completion of the Reach 2 and Reach 1 plans for bidding in August 2010. The Corps believes that the cost of the East Diversion project will be reduced from the \$40 million estimate previously provided to the City given the actual bids received on Reach 2A and the potential cost savings associated with the deletion of the East Storage area. Current estimates are between \$29 million and \$35 million depending on the final design elements and bids received.

Council member Gerry Schiltz motioned, seconded by Council member Linda Vatnsdal and it was carried by unanimous vote to authorize the Community Development Coordinator to sign NWRDC Arts Council Grant in the amount of \$1,950.00 for the Scandinavian Festival.

The Roseau City Council discussed the \$60,000.00 in additional LGA reductions for the City of Roseau and its potential impact on the 2010 budget. No action was taken

The City Council set a Special Meeting for the next Roseau Draft Action Plan/Comprehensive work session for Monday, April 26th, 2010, at 5:00 PM.

Council member Pat Novacek motioned, Council member Linda Vatnsdal seconded, carried by unanimous vote that there was not further business, therefore the meeting be adjourned.

ATTEST:

City Clerk

Mayor

