

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – April 1st, 2019 at 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, Councilmembers: Pat Novacek, Amy Bassingthwaite, and Brady Johnson Absent: Jane Evans. Others present were, Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, Fire Chief Craig McMillin, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Jack Swanson – Wild 102 radio, and Tracee Bruggeman – Brady Martz, Bruce Stone, Tami Osweiler, Ben Johnston and City Crew – Nathan Sorrels, Dan Halstansgard, Gary Przekwas, Donny Johnson, Angie Vonasek, Brandon Johnson, Brad Petersburg, Mike Picard.

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

Mayor Pelowski and council thanked the City Crew for the work they do, not only for the winter snow removal but also for the work they do in general. Mayor Pelowski asked that each crew member stand to be recognized; state their name, years of service and main job.

They are as follows:

Nathan Sorrels, 1 year, City Center maintenance
Daniel Halstansgard, 2 years, Water Department
Gary Przekwas, 30 years, Water Department
Donny Johnson, 12 years, Sanitation Department
Angie Vonasek, 5 years, Office Manager
Brandon Johnson, 3 years, Street Department
Brad Petersburg, 5 years, Mechanic
Mike Picard, 1 year, Street Department

2 crew members were absent.

Chad Johnson, 15 years, Sanitation Department
Mike Vacura, 6 years, Street Department

City Superintendent Drown stated the City Crew makes his job easy.

Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded and it was carried by unanimous vote to approve the March 4th, 2019 regular meeting minutes as written.

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve the March 27th, 2019 special meeting minutes as written.

Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded and it was carried by unanimous vote to approve the following Consent Agenda, as written

1. Presentation of Accounts Payable claims March 1st, 2019 through March 31st, 2019
Batch AP03312019.
CK# 66065-66113 = \$120,480.57
2. Presentation of daily checks March 1, 2019 through March 31, 2019
CK# 65954-66064 = \$270,899.43
E# 1371-1404 = \$418,295.06
PR 03/15/19 = \$37,831.40
PR 03/30/19 = \$44,156.75
3. Presentation of Receipt entries February 1, 2019 through February 28, 2019.
4. Presentation of Journal entries JE013119.
5. Audit Committee review of January 2019 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. May 6th, 2019 Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center- none
8. Investment–Roseau EDA Hi Fi as of 03/26/2019 is \$139,903.79
9. Cash in bank-Regular checking as of 03/26/2019 is \$2,004,043.98.
10. Investment-Regular Hi Fi as of 03/26/2019 is \$1,555,990.38.
11. Investment Certificate of Deposit as of 03/26/2019 is \$804,832.79
12. Investment Certificate of Deposit as of 03/26/2019 is \$795,430.80.
13. Investment Certificate of Deposit as of 03/26/2019 is \$795,119.03.
14. Investment Certificate of Deposit as of 03/26/2019 is \$790,786.32.
15. Investment-Roseau EDA Money Market as of 03/26/2019 is \$313,854.73.
16. Cash in bank-Roseau EDA as of 03/26/2019 is \$916.27.
17. MN Department of Human Services-New Residential Program Licenses
18. Appoint Jill Helgeson to the Planning Commission for Larry Guggisburg
19. RESOLUTION NO. 21-19

RESOLUTION ACCEPTING GRANT

WHEREAS, the Northwest Minnesota Foundation, has presented to the City of Roseau, a grant of \$10,950.00 and has designated that this grant be deposited in the City of Roseau Fire Department Fund for the “Jaws of Life project”.

WHEREAS, the City Council is appreciative of the grant and commends them for their civic efforts,

NOW, THEREFORE BE IT RESOLVED, BY THE City Council of the City of Roseau, Minnesota;

1. That the grant is accepted and acknowledged with gratitude, and
2. That the grant will be allocated to the Roseau Fire Department Fund for the “Jaws of Life project”.

Adopted by the City Council of the City of Roseau, Minnesota this 1st day of April 2019.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

20. March 2019 City Revenues & Expenditures
21. March 2019 Liquor Store Revenue & Expenditures
22. KLJ Airport Project Status Report – CDC Peterson noted that Relocate/New Hangar is no longer a project as the tenant of the current hangar has found other storage options.

Delegations/Petitions/Complaints

Tracee Bruggeman from Brady Martz presented to council the City of Roseau audited financial statements for the year ended December 31, 2018. Ms. Bruggeman stated the audit went well and the City of Roseau has healthy fund balances and low debt levels.

Ms. Bruggeman also stated the gross profit margin at the liquor store decreased by .77% from 26.45% in 2017 to 25.68% in 2018. Any change in margin has a direct effect on the operating profits of the fund. The profit margin is within the normal range it just has decreased.

CDC Peterson stated that Liquor Store has gone back to retail software versus the fund accounting software that they had tried. The retail software can give them a better read on their inventory and pricing to maintain profit margins.

Committee Reports

Planning Commission –

CDC Todd Peterson reviewed the Planning Commission minutes from March 25th, 2019.

- The Planning Commission recommended, by unanimous vote to the Roseau City Council, to set a public hearing for variance application #1-19 on April 29th at 12:30 pm. Variance application #1-19 is from Rob Sando for the purpose of constructing a new garage 32'X42' (1,344 SF) to replace an existing pole building (28'x32') that collapsed from snow load this winter. The new garage would be in excess of the total square footage allowed for accessory buildings (1,244.5 SF). With the three existing accessory buildings on the site the total accessory square footage would be 1,790 SF, for a variance of 545.5 SF. Mr. Sando originally requested a larger garage, but was willing to consider a smaller size to keep the total square footage for all accessory structures under 1,800 SF (the size of the house on the site.)

After discussion, Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded and it was carried by unanimous vote to set a public hearing on Variance #1-19 for Rob Sando on April 29th at 12:30 pm. at the Planning Commission meeting.

- The Planning Commission's Tour of the City and regular meeting will be held the Monday prior to Memorial Day (May 20th, 2019). The tour will take place from 10am to 12 pm prior to the May regular meeting.
- The Planning Commission reviewed the Land Use and Community Design information, discussed the need for additional building lots in the City of Roseau and possible locations of the next subdivision.
- The Planning Commission reviewed the proposed design alternatives for converting TH 89 between TH 11 and 7th ST SW from a rural to urban design highway.

CDC Peterson informed council that the owners of most of the properties that will be affected have been contacted to get feedback and find out what concerns or objections they may have on this proposed project. (This includes Roseau Police Department, Roseau County, Roseau County Ford, Polaris Industries and Northern Resources Coop). CDC Peterson stated that Houston Engineering, Inc. should have the report complete and provided to the City and MnDOT in the next 1-2 months. The report will be used by MnDOT to solicit funds for project construction. CDC Peterson clarified to council that the proposed urban design will mirror Highway 11 that runs through town with the lighting, sidewalks, no ditches, curbs, storm sewer, etc.

Roseau County Commissioner

County Commissioner Jack Swanson informed council the county has a couple of tax forfeited properties. The county cannot sell the properties. The county can only put them up for bids. The County can however, transfer both properties to the City, which in turn can make them buildable lots and sell them. Commissioner Swanson stated that the County will not be seeking any compensation for the lots and will wave approximately \$7,000 in back taxes that are owed. The only restriction from the County is that the City turns them into buildable lots. If the City is interested, Commissioner Swanson will bring it to the County Board. CDC Peterson stated that these are possible building lots for the joint school house project. CDC Peterson has contacted Tim Anacabe from Northwest Community Action about the possible lots and moving forward with the joint house project. The school will need to know if the joint house building project is going to proceed as soon as possible.

City Attorney Michelle Moren stated that the City could accept ownership of the tax forfeited lots by resolution, contingent on the County's offer of the lots with no requested compensation and the only restriction of turning the lots into buildable lots.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded and it was approved by unanimous vote to pass a resolution to accept ownership of the two tax forfeited lots, contingent on the County's offer of the lots with no requested compensation and the only restriction of turning the lots into buildable lots.

RESOLUTION NO. 22-19 OF THE CITY OF ROSEAU AUTHORIZING THE OFFER OF TAX FORFEITED LANDS FROM THE COUNTY OF ROSEAU

At the regular meeting of the City Council of the City of Roseau, Minnesota, held on Monday, April 1, 2019, at 5:00 p.m., Delegate Jack Swanson on behalf of Roseau County tentatively offered a transfer of County Tax Forfeited real property to the City of Roseau, for building purposes.

WHEREAS, Jack Swanson stated that the County Board for Roseau County would be meeting later in April 2019, to discuss and possibly transfer the following two parcels of tax forfeited real property to the City of Roseau, for nominal consideration:

The Westerly Fifty (50) feet of Lots One (1), Two (2), Three (3) and Four (4) of Block Five (5) in Brandt's Railway Addition to the City of Roseau, according to the recorded plat thereof on file and of record in the office of the Register of Deeds in and for Roseau County, Minnesota. (Parcel ID No. 54.0095800)

Lot Two (2) of Block Two (2) in Larsen's Second Addition to the City of Roseau, according to the recorded plat thereof. (Parcel ID No. 54.0250708)

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

WHEREAS, the City of Roseau contingently accepts the provisional offer of the County of Roseau to transfer the subject real property to the City of Roseau for nominal consideration with the understanding by the City of Roseau that the City will not be responsible for any delinquent taxes or other payments to the County of Roseau, or any other person or entity, and the only condition of the transfer of said real property to the City of Roseau will be that the City of Roseau be required to make the real property, described as follows, buildable:

The Westerly Fifty (50) feet of Lots One (1), Two (2), Three (3) and Four (4) of Block Five (5) in Brandt's Railway Addition to the City of Roseau, according to the recorded plat thereof on file and of record in the office of the Register of Deeds in and for Roseau County, Minnesota. (Parcel ID No. 54.0095800)

Lot Two (2) of Block Two (2) in Larsen's Second Addition to the City of Roseau, according to the recorded plat thereof. (Parcel ID No. 54.0250708)

This Motion for Resolution was made by Councilmember Amy Bassingthwaite and was seconded by Councilmember Brady Johnson, and upon a vote being taken, the following voted in favor: Mayor Jeff Pelowski, Councilmember Amy Bassingthwaite, Councilmember Brady Johnson, Councilmember Pat Novacek .

The following voted against the same: NONE

The following abstained: NONE

The following were absent: Jane Evans

Adopted by the Council this 1st day of April, 2019.

EFFECTIVE DATE: April 1, 2019.

Jeff Pelowski, Mayor

ATTEST:

Beth Carlson, City Clerk/Treasurer

Operations Committee – did not meet.

Oakcrest Golf Course – did not meet.

Airport Committee

The airport committee did not meet.

EDA

CDC Peterson informed council the EDA met on March 27th to discuss the following items:

- Workforce Development – CDC Peterson informed council that there will be a meeting tomorrow with Karen White and Nate Door and the Northwest Minnesota Foundation to see if the surrounding communities can work cooperatively as a region and pool resources to attract additional workforce into the region.
- The housing project concerning the school.
- Resources for the infrastructure in creating a new subdivision in the City of Roseau. The council discussed that lot cost could be kept to a minimum if the City, itself, developed the subdivision rather than having a third party develop the subdivision which inflates the lot prices. The City could roll the infrastructure into the cost of the lots. Council discussed options on City development while keeping the cost down and the assessment policy versus just charging the cost of hookup fees.

- The building Shopko was leasing will be vacant once Shopko is done with its liquidation process. The EDA discussed other retailers that offered discount merchandise. The EDA will wait to see what transpires at the end of the Shopko liquidation..
- The EDA accepted the resignation of Cheri Losse, the Civic and Commerce representative, from the EDA board. The Civic and Commerce will be recommending a replacement.

Department Reports

Liquor Store

Liquor Store Manager Linda Roseborough was absent.

Fire Department

Fire Chief Craig McMillin had no new business other than the Fire Department was part of the Welcome for the Girls basketball team from the state tournament.

Police Department

Police Chief Ward Anderson had no new business.

Superintendent

Superintendent David Drown informed council that the bids had been opened for the 2019 Utility Improvements project.

CDC Peterson informed council that Taggart Contracting, Inc. had the low bid of \$124,771.

Houston Engineering, Inc. had estimated the project at \$167,127. CDC Peterson clarified that this project is to repair the water main next to the Center Street Bridge and move the water main where Polaris is building their new lobby.

After discussion, Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was approved by unanimous vote to award the bid for the 2019 Utility Improvement projects to Taggart Contracting, Inc. with the low bid of \$124,771.00

City Attorney

City Attorney Michelle Moren presented to council a sample ordinance amending City Code Chapter 93 entitled “Nuisances – Open Burning”. Council had earlier asked City Attorney Moren to look into ways to possibly amend the ordinance after several complaints of thick smoke in the City limits and smoke entering the school through its air handling system. City Attorney asked for council to review and also asked Police Chief Anderson, Fire Chief McMillin and City Superintendent Drown for input on the sample ordinance. If the City wants to move forward with an amended ordinance, the proposed ordinance will need go to the DNR for approval first.

Community Development Coordinator

CDC Peterson covered everything earlier in the meeting.

Mayor and Council

Mayor Pelowski informed council that he and CDC Peterson met with a MN Public Radio reporter earlier today for a couple of hours to discuss the City's diversion ditch and the potential spring flooding concerns.

Mayor Pelowski also talked about the meeting with the Customs and Border Protection from Seattle Washington and the Pembina Port, the Canadians and congressional staff and Congressman Peterson who joined the meeting via cell phone. Mayor Pelowski stated that the meeting went bad. The CBP had their minds made up before the meeting began. The CBP stated that there is a shortage of funding and even if there was funding they would not spend it on the Roseau Port as other larger ports and commercial ports would take priority. Congressman Collin Peterson stated that this issue will have to be dealt with in Washington. Congressman Peterson is trying to set a meeting next Tuesday in Washington. Mayor Pelowski, CDC Peterson and possibly a representative of the Polaris Military Division plan on attending.

Unfinished Business-

There being no further business Councilmember Brady Johnson motioned to adjourn the City Council meeting, seconded by Councilmember Pat Novacek and carried by unanimous vote.

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Jeff Pelowski