

**SPECIAL ROSEAU CITY COUNCIL MEETING
MONDAY – DECEMBER 15, 2014 @ 5:00 P.M.
ROSEAU CITY CENTER COUNCIL CHAMBERS
121 Center Street East Suite 201
Roseau, MN 56751**

A Special meeting of the Roseau City Council was held on the above date, time and place. Members present were Mayor Jeff Pelowski, Council members Pat Novacek, Linda Vatnsdal, Don Ross and Curt Ireland. Others present were Community Development Coordinator Todd Peterson, Attorney Patrick Moren, Attorney Michelle Moren, Liquor Store Manager Linda Roseborough, and Fireman Craig McMillan.

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

Pursuant to due call and notice a special meeting of the Roseau City Council was held on the above date, time and place. The purpose of the meeting was to:

- Consider Membership in the Texas Buyboard National Purchasing Cooperative
- Final 2015/16 Budget discussion and Employee Contract Negotiations
- Consider Resolution 2015 Final Budget

Superintended David Drown presented information on the Texas Buyboard National Purchasing Cooperative. The Texas Buyboard Cooperative operates similar to the State of Minnesota Bid Contract Listing. However, the Minnesota State Bid Contract List does not contain a contract price for garbage trucks, whereas the Texas Buyboard National Purchasing Cooperative does and the City would like to become a member of the Buyboard Cooperative in order to purchase a new garbage truck.

After considerable discussion Pat Novacek moved to introduce the following resolution for consideration:

RESOLUTION NO. 36-14

**RESOLUTION AUTHORIZING PARTICIPATION IN THE
NATIONAL COOPERATIVE PURCHASING ALLIANCE**

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

WHEREAS, the City of Roseau is interested in participating in the National Cooperative Purchasing Alliance which is a National Government Purchasing Cooperative working to reduce the cost of goods and services by leveraging the purchasing power of public agencies in all 50 states.

The City of Roseau desires to participate in the Purchasing Alliance for the purpose of fulfilling and executing its respective public governmental purposes, goals, objectives, programs and functions; including the purchase of equipment for City of Roseau operations.

WHEREAS, the City of Roseau has reviewed the benefits of participating in this program and based on this review has concluded the program will provide the best value to taxpayers of the City through the anticipated savings to be realized.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ROSEAU, COUNTY OF ROSEAU, MINNESOTA:

The City of Roseau is authorized to participate in the National Cooperative Purchasing Alliance and that the City Clerk/Treasurer or designee is authorized to register for the National Cooperative Purchasing Alliance on behalf of the City of Roseau for the purpose of utilizing purchasing contracts that have been competitively bid by other members of the National Cooperative Purchasing Alliance.

The motion for adoption of the foregoing Resolution was duly seconded by Curt Ireland and upon a vote being taken thereon, the following voted in favor thereof: Mayor Pelowski, Councilmembers Ross, Ireland, Vatsdal and Novacek

Voting Against: None

Absent: None

Abstaining: None

Approved and passed by the Roseau City Council this 15th day of December, 2014.

Mayor Jeff Pelowski, on behalf of the Council Labor Negotiations committee presented the following two-year labor agreements with the City Employees Association and the Roseau Police Association.

Roseau Police Association/Roseau Employees Association Wage & Benefit Negotiations

Contract Years 2015 and 2016

- 1) 2% COLA for 2015 and 3% for 2016
- 2) Health Insurance: Medica Passport 4000-30%; Premium cost-share: 90% Employer - 10% Employee; \$1,800.00 city HSA contribution into each employee's HSA account for 2015 and 2016; both in two semi-annual payments. An city HRA plan shall reimburse employee out-of-pocket costs above \$3,300.00 (family policy) and \$2,600.00 (single policy) for all eligible health insurance claims covered under in-network providers (out of network claims will not be eligible for HRA reimbursements).
- 3) Employees will receive pay step increases as applicable in 2015/16 as outlined in the city pay plan.
- 4) All other benefits per the employee handbook to remain the same.

After discussion Councilmember Curt Ireland motioned, seconded by Linda Vatsdal to approve contracts with the Roseau Employees Association and the Roseau Police Association as presented and to approve the same terms to the four department heads for 2015-16. The motion passed by unanimous vote.

Mayor Pelowski reviewed the proposed 2015 budget including the major capital items. The proposed 2015 budget is essentially balanced with the exception of the two large building projects to expand the Liquor Store and Fire Hall. There was considerable discussion over the proposed capital improvement listings and in particular about whether the two largest capital projects should be paid for with existing reserve funds or should be financed out over a longer period utilizing bonding. There were some general questions about the Fire Hall project, the overall needs of the fire department and the timing of the proposed expansion.

After considerable discussion Pat Novacek moved to introduce the following resolution for consideration:

#R 37-14 RESOLUTION 2015 FINAL BUDGET

WHEREAS, the City of Roseau is required to adopt a Tax Levy and annual operating budget,

AND WHEREAS, the City of Roseau has held a Truth in Taxation Public Hearing and adopted a 2014 payable 2015 Tax Levy,

NOW THEREFORE BE IT FURTHER RESOLVED that the 2015 General Fund, Special Revenue Funds and Enterprise Funds annual operating budget is hereby adopted, and the staff is directed to ensure its implementation as follows:

2015 FINAL BUDGET

	REVENUE	DISBURSEMENTS	+ OR () BALANCE
101 General	\$ 2,528,653	\$ 3,364,852	\$ (836,199)
228 Lodging Tax	\$ 45,000	\$ 57,491	\$ (12,491)
229 Polaris Promissory Note	\$ 1,000	\$ 5,000	\$ (4,000)
233 TIF	\$75,284	\$ 58,623	\$ 16,661
449 Fire Hall Expansion	\$ 0	\$ 905,000	\$ (905,000)
450 Liquor Store Expansion	\$ 0	\$ 694,300	\$ (694,300)
601 Water Enterprise	\$ 421,400	\$ 325,330	\$ 96,070
602 Sewer Enterprise	\$ 375,500	\$ 316,818	\$ 58,682
603 Garbage Enterprise	\$ 406,900	\$ 549,709	\$ (142,809)
604 Electric Enterprise	\$ 4,332,400	\$ 3,789,327	\$ 543,073
609 Liquor Enterprise	<u>\$ 1,775,550</u>	<u>\$ 1,502,422</u>	<u>\$ 273,128</u>
TOTAL ALL FUNDS	\$ 9,961,687	\$ 11,568,872	\$ (1,607,185)

The motion for adoption of the foregoing Resolution was duly seconded by Curt Ireland and upon a vote being taken thereon, the following voted in favor thereof: Councilmember Novacek

Voting Against: Mayor Pelowski, Councilmembers Ross, Ireland, and Vatnsdal
 Absent: None
 Abstaining: None

The resolution was not adopted.

The City Council further discussed the proposed 2015 budget items. In particular the Council discussed whether the Fire Hall expansion project has been publicized enough so that citizens are aware of the needs of the Fire Department and are supportive of the proposed project. Craig McMillan noted that at the Fireman’s Ball and other events the firemen discuss the needs of the fire department and that the public is supportive of their efforts. It was the consensus of the Council that they are supportive of the fire department and felt that this was a worthy project; however, members have concerns about taking \$1.6 million out of reserves in one year to do both the Liquor Store and Fire Department projects. The Liquor Store expansion has been on the table for three years and it was the consensus of the Council that this project should be done this year. There was more discussion about investigating some options to finance the fire hall expansion project over a longer period of time.

After considerable discussion Curt Ireland moved to introduce the following resolution for consideration:

**#R 38-14
 RESOLUTION
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TOTAL ALL FUNDS	\$ 9,961,687	\$ 10,663,872	\$ (702,185)

Also included in the motion was the recommendation to research financing options for financing the fire hall expansion.

The motion for adoption of the foregoing Resolution was duly seconded by Don Ross and upon a vote being taken thereon, the following voted in favor thereof: Mayor Pelowski, Councilmembers Ross, Ireland and Vatnsdal.

Voting Against: Councilmember Novacek

Absent: None

Abstaining: None

Adopted by the City Council this 15th day of December 2014.

Council member Linda Vatnsdal 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:

Community Development Coordinator

Mayor