

REGULAR ROSEAU CITY COUNCIL MEETING

MONDAY – December 6, 2021

Regular meeting at 5:00 P.M.

In person meeting

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 Dan Fabian, Councilmembers: Pat Novacek, Amy Bassingthwaite, Brady Johnson, and Jane Evans. Absent: none. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, Fire Chief Craig McMillin, Police Chief Ward Anderson, Liquor Store Manager Niki Johnson, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson.

Mayor Dan Fabian called the meeting to order, and the Pledge of Allegiance was said.

Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded, and it was carried by unanimous vote to approve the November 1, 2021, regular meeting minutes as written.

Council member Pat Novacek motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve the November 15, 2021, Special meeting minutes with the addition of Resolution #57-21.

Council member Jane Evans 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 November 1, 2021 through November 30, 2021 Batch AP113021.
CK# 71277-71309 = \$202,109.59
2. Presentation of daily checks November 1, 2021, through November 30, 2021
CK# 71156-71276 = \$937,657.60
E# 2650-2692 = \$373,127.32
PR 11/15/21 = \$39,624.56
PR 11/30/21 = \$44,416.74
PR 11/30/21 = \$38,683.12 Fire Department
Void checks #71155, E# 2631
3. Presentation of Receipt entries October 1, 2021, through October 31, 2021.
4. Presentation of Journal entries JE093121.
5. Audit Committee review of September 2021 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. January 3, 2022, 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 11/30/2021 is \$77,606.49.
9. Cash in bank-Regular checking as of 11/30/2021 is \$2,381,636.71.
10. Investment-Regular Hi Fi as of 11/30/2021 is \$1,564,542.08.

11. Investment Certificate of Deposit as of 11/30/2021 is \$825,756.27
12. Investment Certificate of Deposit as of 11/30/2021 is \$821,247.66.
13. Investment Certificate of Deposit as of 11/30/2021 is \$821,103.93.
14. Investment Certificate of Deposit as of 11/30/2021 is \$814,197.68.
15. Investment-Roseau EDA Money Market as of 11/30/2021 is \$118,205.42.
16. Cash in bank-Roseau EDA as of 11/30/2021 is \$25.29.
17. Approve 2022 Airport Hangar Leases contingent upon all paperwork is obtained by the Clerk's office.

Hangar

1. Steve Johnson
 2. Mark Geroy
 3. Josh Broten
 4. Darrin Smedsmo
 5. Erick Hallie
 6. Brian Norman
 7. Josh Broten
 8. Glen Holm
 9. Dave Trangsrud
 10. Dan Whipple
18. LMC-American Rescue Plan-Supplemental Distribution
 19. LMC-2021-2022 Premium Rates
 20. Resolution accepting additional ARPA funds

**CITY OF ROSEAU
RESOLUTION NO. 58-21**

**A RESOLUTION TO ACCEPT THE REDISTRIBUTION OF
UNREQUESTED CORONAVIRUS LOCAL FISCAL RECOVERY FUND
ESTABLISHED UNDER THE AMERICAN RESCUE PLAN ACT**

WHEREAS, Congress adopted the American Rescue Plan Act in March 2021 (“ARPA”) which included **\$65 billion in recovery funds for cities across the country.**

WHEREAS, ARPA funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities, residents, and businesses.

WHEREAS, The Fiscal Recovery Funds provides for \$19.53 billion in payments to be made to States and territories which will distribute the funds to nonentitlement units of local government (NEUs).

WHEREAS, NEUs generally have populations below 50,000.

WHEREAS, The ARPA requires that States and territories allocate funding to NEUs in an amount that bears the same proportion as the population of the NEU bears to the total population of all NEUs in the State or territory.

WHEREAS, after the deadline of October 11, 2021, passed for NEUs to request ARPA funds, nearly \$12 million of the \$377 million available to Minnesota’s NEUs remained unrequested.

WHEREAS, as allowed by the U.S. Treasury, the State of Minnesota has redistributed these remaining funds amongst eligible local governments who requested ARPA funds.

WHEREAS, the redistribution amount is approximately \$3.47 per capita, capped at 75% of the most recent budget adopted as of January 27, 2020.

WHEREAS, \$9,259.06 has been allocated to the City of Roseau (“City”) pursuant to the ARPA (Redistribution).

WHEREAS, the Redistribution will be distributed in two tranches with half received in 2021 and the second half in 2022.

WHEREAS, the United States Department of Treasury has adopted guidance regarding the use of ARPA funds.

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

1. The City accepts the Redistribution of coronavirus local fiscal recovery fund established under the ARPA to be used in a manner consistent with guidance adopted by the United State Department of Treasury.
2. The City Clerk-Treasurer and Mayor are authorized to take actions to secure the Redistribution for the City, if necessary.

Adopted by the City Council of Roseau, Minnesota this 6th day of December, 2021.

Mayor

Attested:

City Clerk-Treasurer

21. September 2021 City Revenues & Expenditures
22. September 2021 Roseau Liquor Store monthly sales report

Delegations/Petitions/Complaints

Committee Reports

Planning Commission –

CDC Peterson informed council that the Planning Commission met Monday, November 29, 2021, at 12pm. The following items were discussed:

- At 12:05 pm a public hearing was held for rezoning request #8-21 (Citizens State Bank) Citizens State Bank and #9-21 (City of Roseau). Lots 1-24, Block 1, and the N57' of the W74' of Outlot B of the Johnson Addition. The properties were being aggregated for development when the project went through a foreclosure. The bank is working with a developer that would like to redevelop the site for commercial activity, but the site is zoned C-2 outlying commercial severely restricting the use of the site due to the large setbacks and limits the development to under 3 stories. The rezoning request is to rezone the parcel to C-1 central commercial which allows for more dense and taller development. There was one inquiry received before the hearing. CDC Peterson stated that the rezoning will not affect them.
The Planning commission recommends to the Roseau City Council to approve the rezoning of the entire parcel covered by application #8-21 and #9-21 from C-2 (Outlying Commercial) to C-1 (Downtown Commercial).

Continued after the 5:15 public hearing

5:15 Annexation Public Hearing. Annexing to the City of Roseau certain real estate located in Spruce Township, Roseau County, Minnesota, pursuant to Minnesota Statutes Section §414.033, entitled “Annexation by Ordinance” Subdivision 2 (3). Ordinance No.41 Third Series Petition from Neal and Erica Vatnsdal.

At 5:15 pm a public hearing was held to consider annexing to the City of Roseau certain real estate located in Spruce Township, Roseau County.

Council member Brady Johnson motioned, Council member Jane Evans seconded, and it was approved by unanimous vote to open the public hearing on Ordinance No. 41. Third Series.

There were no written or oral comments received by the City prior to or during the public hearing.

City Attorney Moren presented to council the following Ordinance No. 41 Third Series for review.

Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to close the public hearing.

Council member Pat Novacek introduced the following Ordinance No. 41 Third Series and moved for its adoption and authorized Mayor and Clerk to sign:

ORDINANCE NO. 41 THIRD SERIES
(Uncodified)

AN ORDINANCE OF THE CITY OF ROSEAU, MINNESOTA, ANNEXING TO THE CITY OF ROSEAU CERTAIN REAL ESTATE LOCATED IN SPRUCE TOWNSHIP, ROSEAU COUNTY, MINNESOTA, PURSUANT TO MINNESOTA STATUTES SECTION § 414.033, ENTITLED “ANNEXATION BY ORDINANCE” SUBDIVISION 2 (3).

WHEREAS, Neal D. Vatnsdal and Erica L. Vatnsdal, husband and wife, have petitioned the City of Roseau, Minnesota, to annex by Ordinance the following described real estate currently located in Spruce Township, Roseau County, Minnesota:

That part of Government Lot Two (2), of Section Nineteen (19), in Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West of the Fifth Principal Meridian in Minnesota described as follows, to-wit: Commencing at the point of intersection of the West Line of said Lot Two (2) and the South Right-of-Way Line of the Burlington Northern Railway; thence South along the West Line of said Lot Two (2), a distance of Two Hundred Ninety-two and one-tenth (292.1) feet; thence Northeasterly on a bearing of North 87° 10’ 30” East, a distance of Three Hundred Sixty-five (365) feet to the point of beginning of the tract of land herein intended to be described; thence continue Northeasterly on said bearing a distance of Three Hundred Forty (340) feet; thence North, parallel to the West line of said Lot Two (2), to the South Right-of- Way Line of the Burlington Railway; thence Southwesterly on and along said Right-of-way Line a distance of Three Hundred Forty and four-tenths (340.4) feet, more or less, to a point on said Right-of-way Line which is directly North of the point of beginning; thence South, parallel to the West Line of said Lot Two (2), a distance of Three Hundred Ten and one-tenth (310.1) feet to the point of beginning, and there terminating.

AND ALSO:

An appurtenant non-exclusive easement for ingress, egress, access and utilities over, under and across the following described land:

Through that part of Lot 2, Sect. 19, in Twp. 162 N., Range 39 W., described as follows:

Commencing at the point of intersection of the West line of said Lot 2 and south right-of-way line of Burlington Northern Railway; thence southerly along the west line of said Lot 2 a distance of 257.1 ft.; thence northeasterly on a bearing of N 87° 10' 30" E. a distance of 705 ft; thence southerly and parallel to the west line of said Lot 2 a distance of 70 ft; thence southwesterly to a point on the west line of said Lot 2, said point being 70 ft. south of the point of beginning; thence north on and along the west line of said Lot 2 a distance of 70 ft. to the point of beginning, subject to special assessments, ditch liens, restrictions, reservations and easements of record, if any.

Said parcel abuts the City of Roseau.

AND WHEREAS, the above described parcel:

- (a) Is urban or suburban in character or about to become so;
- (b) Is all residential property;
- (c) Contains 2.42 acres ± (being less than 120 acres);
- (d) Is not presently served by public water, public wastewater facilities and public water and public wastewater facilities are not otherwise available;
- (e) Consists of 2.42 acres ± which abut the corporate limits of the City of Roseau;
- (f) Contains no existing conditions under Minnesota Statutes § 414.033 Subdv. 2(3), which would prohibit the annexation of the above described land (real estate) by Ordinance.

AND WHEREAS, the provisions of Minnesota Statutes § 414.033 Subdv. 13 are not applicable for the reason that the current electrical provider, Roseau Electric Cooperative, Inc., will continue to provide electrical services to the subject real estate, and therefore there will be no need for an estimate of the cost impact of

any change in electric utility service; and

WHEREAS, the City of Roseau previously set a Public Hearing on the above described Petition for Annexation by Ordinance said hearing to be held on Monday, December 6, 2021, at 5:15 p.m. at the City Council Chambers on the 2nd floor of the Roseau City Center building, 121 Center Street East, Suite 201, Roseau, Minnesota 56751; and

WHEREAS, Notice of said Public Hearing was given in accordance with Minnesota law by Certified Mail to Spruce Township, Roseau County, Minnesota, and to all landowners within, or contiguous to the area to be annexed, and further that said Notice was published in two (2) consecutive editions of the Roseau Times Region newspaper; and

WHEREAS, the Public Hearing above described was duly held on Monday, December 6, 2021, at the time and location above specified; and

WHEREAS, all persons desiring to be heard with respect to the requested annexation were heard at said Hearing;

WHEREAS, following the closing of the Public Hearing the City Council of the City of Roseau approved the Petitioners' request for annexation to the City of Roseau.

NOW THEREFORE, the City of Roseau, Minnesota, does ordain as follows:

SECTION 1. That the corporate limits of the City of Roseau, Minnesota are hereby extended to include the following described real estate and said lands are hereby annexed to be included within the City of Roseau, Roseau County, Minnesota, and upon approval by the Chief Administrative Law Judge of the Office of Administrative Hearings-Municipal Boundary Adjustments said

annexed real estate shall be zoned R-1 – Single Family Residence:

That part of Government Lot Two (2), of Section Nineteen (19), in Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West of the Fifth Principal Meridian in Minnesota described as follows, to-wit: Commencing at the point of intersection of the West Line of said Lot Two (2) and the South Right-of-Way Line of the Burlington Northern Railway; thence South along the West Line of said Lot Two (2), a distance of Two Hundred Ninety-two and one-tenth (292.1) feet; thence Northeasterly on a bearing of North 87° 10' 30" East, a distance of Three Hundred Sixty-five (365) feet to the point of beginning of the tract of land herein intended to be described; thence continue Northeasterly on said bearing a distance of Three Hundred Forty (340) feet; thence North, parallel to the West line of said Lot Two (2), to the South Right-of- Way Line of the Burlington Railway; thence Southwesterly on and along said Right-of-way Line a distance of Three Hundred Forty and four-tenths (340.4) feet, more or less, to a point on said Right-of-way Line which is directly North of the point of beginning; thence South, parallel to the West Line of said Lot Two (2), a distance of Three Hundred Ten and one-tenth (310.1) feet to the point of beginning, and there terminating.

AND ALSO:

An appurtenant non-exclusive easement for ingress, egress, access and utilities over, under and across the following described land:

Through that part of Lot 2, Sect. 19, in Twp. 162 N., Range 39 W., described as follows:

Commencing at the point of intersection of the West line of said Lot 2 and south right-of-way line of Burlington Northern Railway; thence southerly along the west line of said Lot 2 a distance of 257.1 ft.; thence northeasterly on a bearing of N 87° 10' 30" E. a distance of 705 ft; thence southerly and parallel to the west line of said Lot 2 a distance of 70 ft; thence southwesterly to a point on the west line of said Lot 2, said point being 70 ft. south of the point of beginning; thence north on and along the west line of said Lot 2 a distance of 70 ft. to the point of beginning, subject to special assessments, ditch liens, restrictions, reservations and easements of record, if any.

SECTION 2. In conjunction with Minnesota Statutes § 414.036, with respect to the property taxes payable on the area legally described above hereby annexed to the City of Roseau, the City of Roseau shall make cash payments to Spruce Township in accordance with the following schedule:

- (a) In the first year following the year the City of Roseau could first levy on the annexed area, an amount equal to \$177.72.
- (b) In the second year, an amount equal to \$177.72.

With respect to the requirements under Minnesota Statutes § 414.036 regarding any special assessments assigned by the Township to the annexed property and any portion of debt incurred by the Township prior to the annexation and attributable to the property to be annexed, but for which no special assessments are outstanding, for the real estate described above, the City has determined that there are no special assessments or debt incurred by the Township on the subject real estate for which reimbursement is required.

SECTION 3. That in accordance with Minnesota Statutes § 414.033 Subdv. 7 this annexation ordinance shall be filed with the Chief Administrative Law Judge of the Office of Administrative Hearings-Municipal Boundary Adjustments (hereinafter designated “Judge”), with Spruce Township, with the Roseau County Auditor, and with the Secretary of State of the State of Minnesota; and upon the approval by the Judge a copy of the annexation ordinance shall be delivered immediately by the City Council of the City of Roseau, Minnesota, to the Roseau County Auditor.

SECTION 4. All ordinances and parts of ordinances inconsistent with this ordinance are hereby repealed.

SECTION 5. This ordinance shall take effect and be in full force following its passage, publication and approval by the Judge.

Dated this 6th day of December, 2021.

APPROVED:

Dan Fabian, Mayor

ATTEST:

Elizabeth Carlson, City Clerk/Treasurer

(Publication in the Roseau Times Region Newspaper on the ____ day of December 2021.)

The motion for the adoption of the foregoing Ordinance was duly seconded by Council member Amy Bassingthwaite. Those voting in favor of the motion: Fabian, Novacek, Bassingthwaite, Evans, Johnson. Opposed: None. The motion was passed.

Planning Commission portion of the meeting resumed.

After further discussion pertaining to the rezoning of the entire parcel covered by application #8-21 and #9-21 from C-2 (Outlying Commercial) to C-1 (Downtown Commercial). Council member Pat Novacek motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve the rezoning of the entire parcel covered by application #8-21 and #9-21 from C-2 (Outlying Commercial) to C-1 (Downtown Commercial).

- CDC Peterson and City Attorney Moren provided to council “Proposed Communal Housing and Short-Term Housing Regulations”. CDC Peterson stated that there was ongoing discussion at the Planning Commission meeting on the need and/or desire to provide language in the Roseau City Code regarding communal housing and short-term

rental housing. The Planning Commission would like direction from the City Council and will discuss it further at the next Planning Commission meeting. City Attorney Moren informed council that she is researching regulations lake communities are implementing. It was council consensus to move forward with the discussion of the communal housing and short-term housing regulations to make sure it is done safely and legally in the City of Roseau.

- CDC Peterson noted Planning Commission concerns over campers being pulled in next to houses and apartment buildings this past summer which is also against regulations.

Roseau County Commissioner

County Commissioner Jack Swanson was at the Association of Minnesota Counties Annual Conference but emailed the following information: The County's Truth in Taxation hearing is the evening of December 14. The County's preliminary proposed levy increase, approved September, was 7%. The County would hope to lower that amount at their December 28 meeting, but they are seeing rapidly increasing costs of doing business. As an example, they are required to add four additional jailer/dispatchers to ensure Department of Corrections compliance, and to mitigate risk in the jail. Those four FTE's will cost the county about \$320,000 annually, which is the equivalent of about 4% of the current levy.

Operations Committee – Did not meet.

Oakcrest Golf Course – No new business.

Airport Committee - Did not meet.

EDA - Did not meet.

Department Reports

Liquor Store

Liquor Store Manager Niki Johnson informed council that November was a busy month with deer hunting and Thanksgiving. Manager Johnson informed council that handicap parking is not clearly marked making it difficult for those who need it to get into the liquor store. City Superintendent Drown stated that he would see that there is proper signage for the handicap parking.

Fire Department

Fire Chief Craig McMillin had no new business.

Police Department

Police Chief Ward Anderson informed council that the electronic speed signs by the school are not working properly. City Superintendent Drown informed Chief Anderson that these signs were purchased by the school, the city installed them and provides electricity to them but the

City has nothing else to do with them. Chief Anderson stated that the school is trying to keep them working but every time there is an update the signs stop working properly.

Police Chief Anderson then asked council to consider making an exception to the City Employee Handbook which states that an employee must use bonus time before sick time. When an employee contracts COVID they do not have a choice, they have to take time off and the handbook does not address COVID. Though council was sympathetic and understanding, it was council consensus not to make an exception as it would set precedence, potentially creating problems in the future.

Superintendent

City Superintendent David Drown informed council that snow removal should be finished tomorrow as the blower and loader both broke down and needed repair, the Christmas lights are all up though the snow had tripped some of the ground fault breakers, and one compressor needs repair at the arena but should be working in the next couple of weeks.

City Attorney

City Attorney Michelle Moren presented to council:

- Assignment of Agricultural Lease between Anthony Brateng and South 89 Farms, Inc. The original lease was between the City of Roseau and Anthony Brateng for 14.5 tillable acres of real property in Roseau County. In lieu of rental payments the Lessee is responsible for maintaining the premises in a manner acceptable to the Lessor. Mr. Brateng wished to assign the Lessee portion of the lease to South 89 Farms.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was carried by majority vote to approve the assignment of lease to be between the City of Roseau and South 89 Farms. Council member Pat Novacek opposed.

- Petition for Annexation from the Evangelical Covenant Church

PETITION FOR ANNEXATION

IN THE MATTER OF THE PETITION OF EVANGELICAL COVENANT CHURCH OF ROSEAU, A CORPORATION UNDER THE LAWS OF MINNESOTA, FOR ANNEXATION TO THE CITY OF ROSEAU, MINNESOTA, PURSUANT TO MINNESOTA STATUTES, SECTION 414.033, ENTITLED "ANNEXATION BY ORDINANCE" SUBDIVISION 2 (3).

**TO THE CITY COUNCIL OF THE CITY OF ROSEAU,
MINNESOTA:**

The undersigned, being the owner (sole owner) of the following described parcel of real estate located in Spruce Township (Twp. 162 North, Range 39

West), Roseau County, Minnesota, hereby petitions the City Council to annex to the City of Roseau, Minnesota, **by ordinance**, the following unincorporated land or property which abuts (or will abut) the corporate limits of the City of Roseau, and which;

- (a) Are urban or suburban in character or about to become so;
- (b) Contains 5.37 acres \pm (being less than 120 acres);
- (c) Are not presently served by public water, public wastewater facilities, and public water and public wastewater facilities are not otherwise available;
- (d) Abuts (or will abut) the corporate limits of the City of Roseau;
- (e) Contains no existing conditions under Minnesota Statute § 414.033 Subd. 2 (3) as amended in 2008, which would prohibit the annexation of the following described land by ordinance.

FURTHER, the undersigned requests the City of Roseau to hold a public hearing pursuant to Minnesota Statute §414.033 Subd. 2b with respect to the requested annexation and that thirty (30) days written notice be given by certified U.S. Mail to the town or towns affected by the proposed ordinance (Spruce Township, Roseau County, Minnesota) and to all landowners within and/or contiguous to the area to be annexed;

FURTHER, that the annexation Ordinance, if passed by the City of Roseau, in conjunction with Minnesota Statute §414.033 Subd. 7 be filed with the Director

of the Office of Administrative Hearings – Municipal Boundary Adjustments (hereinafter “Director”), and on Spruce Township, the Roseau County Auditor, and the Secretary of State of the State of Minnesota; and upon approval by the Director, a copy of the annexation ordinance be delivered immediately by the City Council of the City of Roseau, Minnesota, to the Roseau County Auditor;

FURTHER, that upon the completed annexation of the following described lands the City of Roseau comply with Minnesota Statute §414.033 Subd. 11 entitled “When Annexed Land is in Floodplain or Shoreland Area”;

FURTHER, that the City Superintendent of the City of Roseau has advised that the electric service provider currently serving the following described land, to-wit: the Roseau Electric Cooperative, Inc., will continue to provide electrical services to said lands and therefore there will be no need for an estimate of the cost impact of any change in electrical utility service.

LAND WHICH IS THE SUBJECT OF THIS PETITION:

The Southerly Eight Hundred Seventy (870) feet of the Westerly Two Hundred Fifty (250) feet of the Southwest Quarter of the Southeast Quarter (SW¹/₄ SE¹/₄) of Section Eighteen (18), Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof.

Also an easement for ingress and egress purposes across a strip of land 50 feet wide described as follows: the Easterly 50 feet of the Westerly 300 feet of the Southerly 870 feet of said Southwest Quarter of the Southeast Quarter (SW¹/₄ SE¹/₄) of Section Eighteen (18),

Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West.

Therefore, the description of the real estate to be annexed to the City of Roseau, Minnesota, is as follows:

The Southerly Eight Hundred Seventy (870) feet of the Westerly Two Hundred Fifty (250) feet of the Southwest Quarter of the Southeast Quarter (SW¹/₄ SE¹/₄) of Section Eighteen (18), Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West of the Fifth Principal Meridian in Minnesota, according to the United States Government Survey thereof.

Also an easement for ingress and egress purposes across a strip of land 50 feet wide described as follows: the Easterly 50 feet of the Westerly 300 feet of the Southerly 870 feet of said Southwest Quarter of the Southeast Quarter (SW¹/₄ SE¹/₄) of Section Eighteen (18), Township One Hundred Sixty-two (162) North, Range Thirty-nine (39) West.

With a total of 5.37 acres, more or less.

RESPECTFULLY SUBMITTED BY THE OWNER OF THE ABOVE DESCRIBED REAL ESTATE WHO IS SIGNATURE TO THIS PETITION.

Dated this 30th day of November, 2021.

Evangelical Covenant Church of Roseau

By: Anthony Fitcher
Its: President

Continued after the 6:00 truth and taxation public hearing.

6:00 Truth and Taxation Public Hearing

At 6:00 pm the City Council held a public hearing on the proposed 2021, payable 2022, tax levy and the 2022 city budget.

Council member Brady Johnson motioned seconded by Council member Jane Evans to open the public hearing. The motion passed by unanimous vote.

There were no comments written or oral received by the City in advance of the meeting or during the public hearing.

After discussion, Council member Amy Bassingthwaite motioned to close the public hearing, seconded by Council member Pat Novacek and carried by unanimous vote.

City Attorney portion of the meeting resumed. Petition for Annexation Evangelical Covenant Church.

After discussion, Council member Pat Novacek motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to set a public hearing on the Evangelical Covenant Church Annexation for February 7, 2022, at 5:15 pm.

Moren Law Office will send out notices and publish the notice in the Roseau Paper.

- City Attorney Moren reviewed the Rural Fire Contracts with Fire Chief McMillin. There were no changes and had been approved by Resolution 30-21 contingent on no changes being made so the fire contracts just need signatures.
- The MN Energy Natural Gas Franchise Renewal ordinance extension is in place until a new agreement can be reached. City Attorney Moren stated the new agreement may be ready for the January 2022 council meeting.
- City Attorney Moren informed council that a policy for city employees working two positions in the city needs to be created. The City of Roseau has hired one of its fire fighters full time to the city crew. The fire fighters are not true volunteers, they are paid on-call. The two positions are two different rates, one is subject to PERA, the other is under the Fire Relief Association, and overtime must be paid when 40 hours has been reached for the combined hours of the positions. Overtime may be paid at the rate of the position worked when 40 hours is reached, or it may be paid at a blended rate. The

employee will need to track time worked for both positions and turn it in for each pay period to ensure overtime is paid. City Attorney Moren also recommended that a written agreement with employees working two positions be in place.

It was council consensus for City Attorney Moren to draw up the city policy concerning employees working more than one job for the City and a written agreement with the employee using the blended rate for overtime.

- City Attorney Moren presented council R# 61-21 a joint powers resolution between the Roseau Police Department, Moren Law Office and the State of Minnesota, Department of Public Safety, Acting on behalf of the Bureau of Criminal Apprehension. This resolution allows sharing of confidential information among the State of Minnesota, Roseau Police Department and Moren Law Office.

Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve the joint power agreement, Resolution 61-21.

- City Attorney then presented Resolution 59-21.

RESOLUTION NO. 59-21

A RESOLUTION ACCEPTING RESIGNATION AND DECLARING A VACANCY.

WHEREAS, the Roseau City Council has received the written resignation of Councilmember Jane Evans dated December 6, 2021, which resignation is effective on December 31, 2021.

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

1. The council accepts Jane Evans' resignation as described above.
2. The council declares that a vacancy exists on the Roseau City Council effective on January 1st, 2022.

Passed by the City Council of Roseau, Minnesota this 6th day of December, 2021.

Mayor

Attested:

City Clerk-Treasurer

After a lengthy discussion and with great reluctance Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve Resolution 59-21 accepting the resignation of Jane Evans from the City Council and declare a vacancy.

Community Development Coordinator

CDC Todd Peterson presented a Resolution Supporting Regional Park or Trail Designation Application in Greater Minnesota for the Roseau River Water Trail. (R #60-21) The City of Roseau would be the lead applicant, Roseau County a joint applicant and the Roseau River Watershed District would be partner. Should the Roseau River Water Trail receive formal designation as a regional trail or park it would be eligible to receive legacy funds for the Water Trail project and make some of the city's parks eligible for funding improvements related to the overall vision of the Water Trail Master Plan.

After discussion, Council member Jane Evans motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve Resolution Supporting Regional Park or Trail Designation Application in Greater Minnesota for the Roseau River Water Trail. (R #60-21).

CDC Peterson attended a Coalition of Greater Minnesota Cities Conference in Willmar. Topics discussed were:

- The State Demographer shared the 2020 Census results and implications. The population did not change much for our area, but some legislative districts will be redrawn. The districts will most likely be decided by the courts as the legislative proposals vary greatly.
- Recent State legislation has done lot for childcare. CDC Peterson contacted Missy Okeson from the Northwest Minnesota Foundation, Polaris, LifeCare and the School about the new resources that are available for childcare and whether there is any interest in pursuing something for the Roseau Community.
- A recent settlement on the opioid crisis was presented, however, the settlement mainly pertains to communities over 10,000 in population and does not pertain to the City of Roseau. Roseau County will likely get a little funding from the settlement that it may provide to area agencies dealing with the opioid epidemic.
- MPCA is discussing regulating additional contaminants in city effluent. MPCA is looking at doing more research on the sources of "forever chemicals" called PFAS that are entering drinking water sources. MPCA would like to measure the amount of PFAS coming from city effluent. It was discussed at the conference that MPCA should focus on regulating the source of these chemicals not in the city effluent where they cannot be removed. There is also discussion about including nitrate and ammonia water quality standards for city effluent discharge. The CGMC urged members to contribute to CGMC's Environments Action fund to help CGMC respond these proposed regulations.
- There was also a discussion on resident recruitment and creative ways of getting people to rural towns.

CDC Peterson discussed with the State Demographer issues the City was having with the 2020 census pertaining to the City of Roseau. The demographer provided maps used to identify the number of housing units in the city and CDC Peterson pointed out lots of discrepancies between

the map and the actual in the number of housing units in certain tracts. The State Demographer will be sending the Mayor information regarding any challenges to the 2020 census data as it pertains to the City of Roseau and informed us that we should make a formal challenge based on our concerns.

Mayor Fabian asked about a buyer building one house using two lots in the new Oak Crest Estates. Council member Bassingthwaite stated that council had discussed this issue previous to selling the lots. A buyer can do this, but they have to pay full price for each lot, the full assessments on each lot, and the rebate is not on the lots it is on the house that is built.

Council discussed the developer that is interested in constructing two apartment buildings. CDC Peterson stated that it is still very preliminary, but the developer has asked about a possible TIF district.

Mayor Council

CDC Peterson provided council with General Fund Budgets 2014-2022 to show historic data. Historically the general fund has run at a deficit of roughly \$1 million. A significant amount of the General Fund deficit is filled with transfers from the City's Enterprise Funds which are designed to run at a profit. Generally, a 10% profit in each Enterprise Fund is maintained to provide a transfer to the General Fund of roughly \$750,000 or $\frac{3}{4}$ of the deficit in the General Fund. In recent years, Enterprise Fund Reserves have also been used to cover the remainder of the deficit. CDC Peterson stated that the City cannot continue to pull from Enterprise Fund Reserves indefinitely to make up this deficit. (The State Auditor and NMPA maintain reserve amounts the City should have on hand to maintain operations in the event of an emergency which today is roughly \$5-6 million.) The City will need to increase its levy to fill the current deficit in the General Fund and it was recommended that a 2% increase each year over the next 11 years would fill this gap in a gradual way rather than waiting and increasing it by a large amount all at once. The longer increases in the levy are pushed off, the larger the increase will ultimately need to be.

CDC Peterson provided a spread sheet showing how a 2% increase each year for the next 11 years will fill the General Fund gap, as well as the amount of existing reserves that will be used over that period of time while the levy is being increased.

CDC Peterson stated that there may be a potential change to the 2022 budget concerning the Highway 11 ditch project that would reduce the city cost by roughly \$70,000, but State funding is not certain, so it was recommended to leave the full amount in the budget.

Council member Pat Novacek motioned to reduce the transfer to the Oak Crest Golf Course by \$5,000. Motion died for lack of a second.

Council member Pat Novacek motioned to reduce the Parks small tools and minor equipment from \$15,500 to \$5,000. Council member Brady Johnson asked if Council member Novacek would reconsider reducing it to \$10,000 instead. Council member Novacek withdrew his original motion.

Council member Pat Novacek motioned to reduce the Parks small tools and minor equipment from \$15,500 to \$10,000. Council member Brady Johnson seconded, and it was carried by unanimous vote.

Council discussed the responsibilities of the department heads concerning purchases by employees and encouraged better communication prior to the purchases.

Community Development Coordinator Todd Peterson stated that the preliminary levy is increased by 2% over last year. Once the preliminary budget is set it cannot be increased. Council may leave as is or reduce it.

After considerable discussion Jane Evans moved to introduce the following resolution for consideration:

**#R 62 -21
RESOLUTION
FINAL 2021 PAYABLE 2022 TAX LEVY**

WHEREAS, on September 13, 2021 the City Council of the City of Roseau, Minnesota, motioned and approved holding a Truth in Taxation Hearing at 6:00 pm, December 6th, 2021 Regular City Council meeting,

NOW, THEREFORE, BE IT RESOLVED, that the City of Roseau, County of Roseau, after holding its Truth in Taxation Public Hearing hereby adopts the final 2021 payable 2022 property tax levy in the amount of \$1,070,227 and with a breakdown as follows:

2021 PAYABLE 2022

FINAL TAX LEVY

1.	General Levy	\$ 1,015,908
	Library Expenses	\$ 54,319
	Total General	\$1,070,227
	2021 Payable 2022 Final Levy Grand Total	\$1,070,227

BE IT FURTHER RESOLVED, that the Community Development Coordinator submits to the Roseau County Auditor the proper documentation certifying the levy has been adopted.

The motion for adoption of the foregoing Resolution was duly seconded by Amy Bassingthwaite and upon a vote being taken thereon, the following voted in favor thereof: Council member Amy Bassingthwaite, Jane Evans, Brady Johnson, and Mayor Dan Fabian

Voting Against: Pat Novacek

Absent: none

Abstaining: none

Adopted by the City Council this 6th day of December 2021.

Mayor

After considerable discussion Amy Bassingthwaite moved to introduce the following resolution for consideration:

**#R 63 -21
RESOLUTION
2022 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 2021 payable 2022 Tax Levy,

NOW THEREFORE BE IT FURTHER RESOLVED that the 2022 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:

2022 FINAL BUDGET

	REVENUE	DISBURSEMENTS	+ OR () BALANCE
101 General	\$ 2,480,619	\$ 3,331,621	\$ (851,002)
228 Lodging Tax	\$ 57,000	\$ 80,550	\$ (23,550)
227 Gazebo Concert Fund	\$ 3,620	\$ 3,620	\$ 0
229 Commercial Rehab (SCDP)	\$ 1,000	\$ 0	\$ 1,000
231 DOC Lease	\$ 30,800	\$ 10,850	\$ 19,950
233 TIF	\$ 109,850	\$ 100,300	\$ 9,550
454 Oak Crest Estates	\$ 25,000	\$ 227,875	\$ (102,875)
455 Larsen Addition	\$ 0	\$ 0	\$ 0
601 Water Enterprise	\$ 393,000	\$ 383,174	\$ 9,826
602 Sewer Enterprise	\$ 372,000	\$ 276,040	\$ 95,960
603 Garbage Enterprise	\$ 456,000	\$ 431,164	\$ 24,836
604 Electric Enterprise	\$ 4,090,000	\$ 3,619,658	\$ 470,342
609 Liquor Enterprise	<u>\$ 1,855,300</u>	<u>\$ 1,578,198</u>	<u>\$ 277,102</u>
TOTAL ALL FUNDS	\$ 10,317,162	\$ 10,605,567	\$ (288,405)

The motion for adoption of the foregoing Resolution was duly seconded by Brady Johnson and upon a vote being taken thereon, the following voted in favor thereof: Council members Amy Bassingthwaite, Jane Evans, Brady Johnson and Mayor Dan Fabian.

Voting Against: Pat Novacek

Absent: none

Abstaining: none

Adopted by the City Council this 6th day of December 2021.

Mayor

City Clerk - Treasurer

There being no further business Councilmember Jane Evans motioned to adjourn the meeting, seconded by Councilmember Brady Johnson and approved by unanimous vote.

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Dan Fabian