

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – December 2, 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, Jane Evans and Brady Johnson Absent: none. Others present were, Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, Liquor Store Manager Linda Roseborough, Fire Chief Craig McMillin, Parks and Rec Director Sara Hammann, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Jack Swanson – Wild 102 radio, Jeff Olsen, Gabby Olsen and Rafay Rusek.

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

Council member Jane Evans motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve the November 4, 2019 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 following Consent Agenda, as written

1. Presentation of Accounts Payable claims November 1, 2019 through November 30, 2019 Batch AP11302019.  
CK# 67395-67450 = \$1,123,538.41
2. Presentation of daily checks November 1, 2019 through November 30, 2019  
CK# 67284-67394 = \$192,253.66  
E# 1685-1722 = \$382,449.76  
Voided E#1714  
PR 11/15/19 = \$38,122.56  
PR 11/30/19 = \$45,092.64  
Annual Fire Dept. = \$29,131.30
3. Presentation of Receipt entries October 1, 2019 through October 31, 2019.
4. Presentation of Journal entries JE093019.
5. Audit Committee review of September 2019 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. January 6, 2020 Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center
  - a. Roseau C & C Annual Banquet – January 22, 2020
  - b. Green & Berg – February 29, 2020 Wedding Reception
  - c. Lehrer – January 18, 2020 Wedding & Reception
8. Investment–Roseau EDA Hi Fi as of 11/26/2019 is \$134,384.16
9. Cash in bank-Regular checking as of 11/26/2019 is \$2,713,814.43.
10. Investment-Regular Hi Fi as of 11/26/2019 is \$1,560,173.02.

11. Investment Certificate of Deposit as of 11/26/2019 is \$809,422.54
12. Investment Certificate of Deposit as of 11/26/2019 is \$805,404.75.
13. Investment Certificate of Deposit as of 11/26/2019 is \$801,033.41.
14. Investment Certificate of Deposit as of 11/26/2019 is \$801,112.16.
15. Investment-Roseau EDA Money Market as of 11/26/2019 is \$217,265.14.
16. Cash in bank-Roseau EDA as of 11/26/2019 is \$323.08.
17. Coalition of Greater Minnesota Cities – 2020 Legislative Initiatives.
18. Approve 2020 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. Kim Beach – November & December 2019 as well.
5. Trent Wiskow
6. Brian Norman
7. Open
8. Cheldon Frank
9. Dave Trangsrud
10. Dan Whipple

19.

RESOLUTION NO. 51-19  
RESOLUTION ACCEPTING GRANT

**WHEREAS**, the Northwest Minnesota Foundation, has presented to the City of Roseau, a grant of \$800.00 and has designated that this grant be deposited in the City of Roseau Gazebo Concert Series Fund.

**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 City of Roseau Gazebo Concert Series Fund.

Adopted by the City Council of the City of Roseau, Minnesota this 2nd day of December, 2019.

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
Clerk/Treasurer

20. November 2019 Roseau Liquor Store monthly sales report
21. November 2019 City Revenues & Expenditures report
22. Roseau Promotions Director November/December report & 2020 Visitors Guide

23. Gary Slater farm land lease renewal
24. Johnson Oil Lease renewal

## **Delegations**

## **Committee Reports**

### **Planning Commission –**

CDC Todd Peterson reviewed the Planning Commission minutes from November 25<sup>th</sup>, 2019.

Items on that report were:

- Officer Manka provided an update on the cleanup report. Officer Manka issued one more citation but will not be issuing any additional clean-up letters or citations at this time due to winter weather.
- CDC Peterson advised that this would be the last regular scheduled meeting of the Planning Commission for 2019 and that the next regular meeting of the Planning Commission would be March 2020 unless there was an agenda item that came up between those dates.

### **Roseau County Commissioner**

County Commissioner Jack Swanson informed council of the following:

- Commissioner Swanson and Mayor Pelowski will be attending the Association of Minnesota Counties meeting, Sunday through Wednesday next week.
- Commissioner Swanson attended a meeting with US Secretary of Housing and Urban Development, Dr. Ben Carson to discuss HUD and affordable housing and the regulations that challenge affordable housing. Most Counties in attendance represented Metro areas. Commissioner Swanson and one other Commissioner were the only two representing rural counties so they were able to speak quite a bit. This is the first time that the counties have had this kind of opportunity. Commissioner Swanson hopes that good will come out of this meeting.
- The County meets tomorrow evening and will hold their Budget Hearing at 6 pm for public input concerning the 2020 County Property Tax Levy and Budget. The County raised its levy by 3%. Taxes on some classes of property increased due to evaluations. Some classes of property will pay less while others like the residential class will pay more.

### **Operations Committee –**

The Operations Committee did not meet.

### **Oakcrest Golf Course –**

The Oakcrest Golf Course did not meet.

### **Airport Committee**

The airport committee did not meet and there were no new items to discuss.

## **EDA**

CDC Peterson informed council the EDA met Wednesday, November 13<sup>th</sup>. The main topic was Work Force Recruitment and what packages or incentives could be offered to assist in the recruitment and housing efforts. Laws restrict what the City can offer and contribute. City Attorney Michelle Moren is researching to determine what types of assistance the City may be able to offer. CDC Peterson stated that the available stock of market rate housing is limited, possibly restricting a large recruitment effort. Real estate agents have been contacted for their input. Basically the only rental units available are the restricted income apartments, which mainly benefits a large family with one person working. CDC Peterson stated that this issue is complicated, and any assistance the City can provide may not be quick enough or direct enough. The City and EDA will continue to work on this issue.

## **Department Reports**

### **Liquor Store**

Liquor Store Manager Roseborough reported that November sales at the Municipal Liquor Store were really good due to deer hunting opener and Thanksgiving.

### **Fire Department**

Fire Chief Craig McMillin informed council that the last revision has been done to the hardware for the mapping system. Fire Chief McMillin stated that this mapping system will be an improvement over the cell phone system they currently rely on. The Fire Department will be ordering the hardware this week.

### **Police Department**

Police Chief Ward Anderson informed council that interviews have been conducted today and one more will be held tomorrow for the part time police officer position. No decisions have been made yet.

### **Superintendent**

City Superintendent David Drown had no new business.

### **Parks and Rec Director**

Parks and Rec Director Sara Hammann informed council that:

- A fresh coat of paint in the spring will cover the graffiti that was sprayed on the park buildings.
- The arch is up at Gilbertsons Ball field and stated that Heatmor did a great job painting it.
- The new water fountains have been installed at the arena.

Parks and Rec Director Hammann and City Superintendent Drown informed council that the Center Ice Club would like to donate and install new flooring upstairs in the arena. This would be at no cost to the City. The installation will take about four days, so if it cannot be done due to the arena schedule during the hockey season, it would be done the end of March. The Center Ice Club would submit the final design for City approval.

After discussion, Council member Jane Evans motioned, Council member Pat Novacek seconded and it was carried by unanimous vote to allow the Center Ice Club to move forward with the project.

Council member Jane Evans stated that the arena looks great due to all of the improvements, but the bathrooms need work and would like to see improvements on those.

### **City Attorney**

City Attorney Michelle Moren had no new business.

### **Community Development Coordinator**

- CDC Peterson provided to council information about Corporate Technologies – IT. The City currently has a three year contract with MARCO. MARCO has become expensive and their service has been lacking. CDC Peterson stated that he has talked with Corporate Technologies and it appears that they can provide IT services at a much lower cost. Corporate Technologies, located in Fargo, does have a tech in Grand Forks. The base cost for Corporate Technologies is approximately \$1400 per month. The base cost for MARCO is approximately \$2600. There are additional costs for additional services with both Corporate Technologies and MARCO. CDC Peterson stated that this information is being provided to start discussion and action is not required at this meeting. CDC Peterson will gather more information for further discussion.
- CDC Peterson presented to council the Minnesota Department of Transportation – Hwy 89 Corridor Study correspondence from Darren Laesh (MnDOT) and the Houston Engineering report. This study was able to justify the change from a rural design to an urban design, but it will not move this project up as previously thought. MnDOT has this project programmed in 2027, but MnDOT could potentially advance this project to 2025 (with additional transportation funding/bonding bill). MnDOT is requesting a meeting with City Council and the County Board for recommendations and to discuss local cost participation for the roundabouts, street lighting and other workshare items. CDC Peterson asked for a couple of council members to be part of that committee. Mayor Pelowski stated that he would be interested in being part of that committee.
- CDC Peterson presented to council Resolution #52-19 Roseau to U.S. Hwy 2 Highway Improvement. Commonly referred to as the “Grygle to Gully Truck Route”, this route bypasses a substandard section of MN Trunk Highway 89 through the counties of Beltrami, Clearwater and Marshall, making the best use of existing infrastructure without the need to invest scarce resources in redundant and unneeded routes. While it provides adequate 10-ton road infrastructure, its county designation does not provide for the same maintenance, speed levels and visibility to the travelling public as a State Highway. Counties do not have the same level of resources as the State of Minnesota to maintain major highway corridors. Resolution #52-19 of the Roseau City Council requests that the State of Minnesota take over the county-owned portions of the “Grygla to Gully Truck Route” and designate them as a new State Highway to allow for increased speed limits, adequate highway corridor maintenance, and better visibility of the route for the traveling public. The Roseau City Council also requests that the 45 mile segment of the State TH

89 west and north of Grygle and the 1 mile stretch of MN TH 1 contained within the “Grygla to Gully Truck Route” be brought up to the 10 ton standards providing adequate shoulders and right of way to facilitate a full 10-ton, 60 mph, truck route from Roseau, MN to Bagley, MN connecting with U.S. Hwy. 2. MNDOT did not want to take the lead on this as they felt it should come from the local Counties and communities. Roseau County Engineer Ketring has met with neighboring counties. Though the counties were not opposed to it, it does not affect them as much as it does Roseau County. CDC Peterson asked for council approval to adopt this Resolution to forward this discussion. Mayor Pelowski suggested letters of support from companies such as Polaris Industries and Marvin Windows.

After discussion, Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to adopt Resolution #52-19.

## **RESOLUTION 52-19**

### **ROSEAU TO U.S. HWY 2 HIGHWAY IMPROVEMENT**

WHEREAS, the City of Roseau and the surrounding region is an important industrial, agricultural and tourism region for the State of Minnesota providing thousands of manufacturing, agricultural and tourism jobs contributing millions of dollars of income and tax base for the State of Minnesota; and

WHEREAS, the City of Roseau and its industry and businesses rely almost exclusively on the State Trunk Highway System for the movement of heavy freight and commuters to and from Roseau to destinations around the State, Country and the World; and

WHEREAS, the State of Minnesota does not currently provide a safe State designated truck/auto route which meets minimum standards for a 10-ton highway from Roseau to regional centers in central and southern Minnesota (in particular the Twin Cities); and

WHEREAS, the State of Minnesota only has limited highway funds to address the huge transportation system needs across the State and thus efficient use of limited resources is paramount; and

WHEREAS, the State of Minnesota, the Federal Highway Administration and the counties of Polk, Pennington, Marshall, Beltrami and Roseau have worked cooperatively to fund and build an alternate truck route which meets 10-ton standards utilizing county roads from U.S. Highway 2 to the City of Roseau along portions of the following State Highways and County Roads:

- State Highway 92
- Polk County 2
- Pennington County 27
- State Highway 1
- Pennington County 28
- Marshall County 54

- State Highway 89, and

WHEREAS, this recently improved truck and auto route which is commonly referred to as the “Grygla to Gully Truck Route” bypasses a substandard section of Minnesota Trunk Highway 89 through the counties of Beltrami, Clearwater and Marshall, making the best use of existing infrastructure without the need to invest scarce resources in redundant and unneeded routes; and

WHEREAS, while the “Grygla to Gully Truck Route” provides adequate 10-ton road infrastructure, its county designation does not provide for the same maintenance, speed levels and visibility to the travelling public as a State Highway; and

WHEREAS, Counties are not afforded the same level of the resources as the State of Minnesota to maintain major highway corridors;

NOW THEREFORE BE IT RESOLVED, that the Roseau City Council respectfully requests that the State of Minnesota take over the county-owned portions of the “Grygla to Gully Truck Route” and designated them as a new State Highway to allow for increased speed limits, adequate highway corridor maintenance, and better visibility of the route for the travelling public;

BE IT FURTHER RESOLVED, that the Roseau City Council requests that the 45 mile segment of the State TH 89 west and north of Grygla and the 1 mile stretch of MN TH 1 contained within the “Grygla to Gully Truck Route” be brought up to 10-ton standards providing adequate shoulders and right of way to facilitate a full 10-ton, 60 mph, truck route from Roseau, MN to Bagley, MN connecting with U.S Hwy. 2.

Resolved and agreed upon this 2<sup>nd</sup> day of December, 2019

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City Clerk

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Mayor

- CDC Peterson informed council that the School house build was moving along, all of the rafters are up and sheeting of the roof has begun. CDC Peterson stated that MN Housing and NWCA has housing funds to provide gap funding for next year’s project should it be needed.
- It was noted that Scott Johnson has started the renovation on the Center Street house he acquired from the City through the tax forfeit land exchange this fall.
- CDC Peterson presented to council a memorandum and maps of Residential Subdivision Development Alternatives. There are five parcels suitable for future residential development. CDC Peterson stated that he spoke with Ben Deiter about contacting Katie Klatt to see if she would be interested in selling a parcel, as the Klatt parcel could be one of the easiest and least expensive to develop. The Roger Hites property is another smaller parcel and would be the next favorable to develop. The other three parcels would take a

lot of work and expense just to get to them. CDC Peterson stated that if council wished to move forward with the possible residential subdivision and securing one of these parcels, council approval would be needed get an appraisal on the Roger Hites property.

After discussion, Council member Jane Evans motioned, Council member Brady Johnson seconded and it was carried by majority vote to approve getting an appraisal on the Roger Hites property. Council member Pat Novacek abstained.

**6:00 Truth in Taxation Public Hearing**

At 6:00 pm the City Council held a public hearing on the proposed 2019, payable 2020, tax levy and 2020 city budget. Council member Amy Bassingthaite 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. Mayor Jeff Pelowski reviewed the proposed tax levy and summary budget.

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

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

**#R 53 -19  
RESOLUTION  
FINAL 2019 PAYABLE 2020 TAX LEVY**

**WHEREAS**, on September 9, 2019 the City Council of the City of Roseau, Minnesota, motioned and approved holding a Truth in Taxation Hearing at 6:00 pm, December 2<sup>nd</sup>, 2019 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 2019 payable 2020 property tax levy in the amount of \$1,049,242 and with a breakdown as follows:

2019 PAYABLE 2020

FINAL TAX LEVY

1.	General Levy	\$ 995,988
	Library Expenses	\$ 53,254
	Total General	\$1,049,242
	2019 Payable 2020 Final Levy Grand Total	\$1,049,242



**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 Jane Evans and upon a vote being taken thereon, the following voted in favor thereof: Mayor Jeff Pelowski, Council members Pat Novacek, Amy Bassingthwaite, Jane Evans and Brady Johnson.

Voting Against: none  
Absent: none  
Abstaining: none

Adopted by the City Council this 2<sup>nd</sup> day of December 2019.

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Mayor

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City Clerk - Treasurer

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

**#R 54-19  
RESOLUTION  
2020 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 2019 payable 2020 Tax Levy,

**NOW THEREFORE BE IT FURTHER RESOLVED** that the 2020 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:

**2020 FINAL BUDGET**

	REVENUE	DISBURSEMENTS	+ OR ( ) BALANCE
101 General	\$ 2,410,671	\$ 3,443,074	\$ (1,032,403)
228 Lodging Tax	\$ 57,000	\$ 80,550	\$ (23,550)
227 Gazebo Concert Fund	\$ 3,500	\$ 3,620	\$ (120)
229 Commercial Rehab (SCDP)	\$ 1,000	\$ 0	\$ 1,000
231 DOC Lease	\$ 30,786	\$ 13,950	\$ 16,836
233 TIF	\$ 121,408	\$ 112,014	\$ 9,394
452 Airport	\$ 640,500	\$ 900,000	\$ (259,500)
601 Water Enterprise	\$ 367,000	\$ 383,783	\$ (16,783)

602 Sewer Enterprise	\$ 352,000	\$ 279,434	\$ 72,566
603 Garbage Enterprise	\$ 434,000	\$ 589,670	\$ (155,670)
604 Electric Enterprise	\$ 4,132,500	\$ 3,687,919	\$ 444,581
609 Liquor Enterprise	<u>\$ 1,855,300</u>	<u>\$ 1,570,341</u>	<u>\$ 284,959</u>
TOTAL ALL FUNDS	\$ 10,405,665	\$ 11,064,355	\$ (658,690)

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

Voting Against: none  
Absent: none  
Abstaining: none

Adopted by the City Council this 2<sup>nd</sup> day of December 2019.

\_\_\_\_\_  
Mayor

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

Council noted that the employee negotiations were not finished yet and if needed Council would have to approve exceeding the budget.

**Unfinished Business-**

Council member Jane Evans asked for council members to think about community projects that could be projects for fund raisers.

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

ATTEST:

\_\_\_\_\_  
Elizabeth Carlson Clerk-Treasurer

\_\_\_\_\_  
Mayor Jeff Pelowski