

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – December 3rd, 2018 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, Acting Mayor Pat Novacek, Councilmembers: Don Ross, Amy Bassingthwaite and Jane Evans. Absent: Mayor Jeff Pelowski. Others present were, Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, Liquor Store Manager Linda Roseborough, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson and Emma Bassingthwaite - Roseau Civics student.

Planning Commission members present for the Joint Planning Commission/ City Council meeting were Bruce Stone, Mary Hayes, Dennis Sabourin, Larry Guggisburg, Eric Vasko, and Shane McFarlane.

Acting Mayor Pat Novacek called the meeting to order and the Pledge of Allegiance was said.

Council member Jane Evans motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the November 5th, 2018 regular meeting minutes as written.

Council member Amy Bassingthwaite motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the November 13th, 2018 Special meeting minutes as written.

Council member Amy Bassingthwaite motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the following Consent Agenda, with the correction of the date from January 8th to the 7th on item 6.

Consent Agenda

1. Presentation of Accounts Payable claims November 1st, 2018 through November 30th, 2018 Batch AP113018.
CK#65438-65504 = \$219,917.39.
2. Presentation of daily checks November 1st, 2018 through November 30th, 2018
Ck#65323-65437 = \$456,002.46
E#1220-1256 = \$382,519.50
11/15/18PR = \$38,373.13
11/30/18PR = \$41,313.69
Fire Dept. PR=\$29,004.44
3. Presentation of Receipt entries October 1st, 2018 through October 31st, 2018.
4. Presentation of Journal entries JE09302018.
5. Audit Committee review of September 2018 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:

- a. January 7th, 2019 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 21st, 2019
- 8. Investment–Roseau EDA Hi Fi as of 11/27/2018 is \$135,921.39.
- 9. Cash in bank-Regular checking as of 11/27/2018 is \$2,499,073.10.
- 10. Investment-Regular Hi Fi as of 11/27/2018 is \$1,554,039.46.
- 11. Investment Certificate of Deposit as of 11/27/2018 is \$800,193.86
- 12. Investment Certificate of Deposit as of 11/27/2018 is \$795,430.80.
- 13. Investment Certificate of Deposit as of 11/27/2018 is \$791,726.54.
- 14. Investment Certificate of Deposit as of 11/27/2018 is \$790,786.32.
- 15. Investment-Roseau EDA Money Market as of 11/27/2018 is \$288,965.09.
- 16. Cash in bank-Roseau EDA as of 11/27/2018 is \$179.42
- 17. November 2018 City Revenues & Expenditures
- 18. Roseau Liquor Store Monthly Sales Report for November 2018
- 19. Brady Martz – City Audit February 27th-March 1st, 2019
- 20. LMCIT 18-19 Premium Rates / Coverage Changes/2018 Dividend
- 21. Approve 2019 Airport Hangar Leases contingent upon all paperwork is obtained by the Clerk’s office.

Hangar

- 1. Steve Johnson
- 2. Mark Geroy
- 3. Harold Clark
- 4. Rick Barber
- 5. Greg Schmitz
- 6. Brian Norman
- 7. Open
- 8. Cheldon Frank
- 9. Dave Trangsrud
- 10. Dan Whipple
- 22. LG220 Exempt Permit – Roseau Youth Hockey Raffle – North Rink

Committee Reports

Planning Commission –

CDC Todd Peterson informed council that the Planning Commission’s Public Hearing was continued to 5:15 tonight as the Planning Commission did not have a quorum when it met November 26th, 2018.

Roseau County Commissioner

County Commissioner Jack Swanson was absent.

Operations Committee – did not meet.

Oakcrest Golf Course – did not meet.

Airport Committee

CDC Peterson informed council the airport committee did not meet but stated that the new terminal building under construction should be complete in February and the DNR and Polaris lease agreements for their terminal offices have been sent to them and is waiting for their response.

EDA

CDC Peterson informed council the EDA met November 28th, 2018. The main topics discussed were:

- The Communities Thrive Program Grant. The City of Roseau has submitted a letter of interest in the Communities Thrive program for the Roseau region represented by the cities of Roseau and Warroad, and surrounding communities. Eleven people met before the EDA meeting to discuss the Communities Thrive Program that is designed to help grow communities. A few of the eleven members are also EDA members.
- Housing. CDC Peterson asked if the City of Roseau, along with Northwest Community Action and the Roseau School would be interested in a home building program again. The City of Roseau would participate by financing the project, as they did on the past joint house project. The City of Roseau did not lose money on the last project, and considers that a positive reason to participate again. Roseau School Superintendent Larry Guggisburg was present and stated that the school is interested as well, but will need to see how large the construction class will be before they can make a decision. NWCA has not confirmed participation as of yet either. CDC Peterson stated that if the council is interested and it looks like the project will proceed, a site will be needed and early determination, at least by the beginning of school year, will be needed, so the outside work is complete before cold weather. Council indicated interest in pursuing another housing project and CDC Peterson stated that no action is needed at this time.
- CDC Peterson gave council an update on the US/Canadian Port of Entry issues. Earlier this year, the US Customs and Border Protection decided to reduce the hours on the US side of a few ports including the Roseau port. There is continued effort to have that decision reversed. Then, a couple of weeks ago Canada proposed to match the American side's hours. Canada backed off implementation when confronted with the adverse effects it would have on its citizens and economy along these ports of entry. U.S. Customs and Border Protection then decided on a new policy to lock the north bound gates when they closed for the evening even though the Canadian Port remained open. Congressman Peterson along with other officials were contacted and the decision was made that the north bound lane will remain open to accommodate the South Junction Port hours. A meeting has been requested for the week of December 17th with Congressman Peterson, Officials from Seattle CBP and local officials, to work on getting the hours the port is open on the US side back to midnight.

5:15 Public Hearing – Roseau County Ford Sign Permit

Planning Commission Chairman Dennis Sabourin called the continued Public Hearing to order at 5:15 pm.

CDC Peterson informed council that the Public Hearing scheduled for 12:30 p.m. on Monday, November 26, 2018, at the City Center Council Chambers, for the purposes of considering sign

variance 06-18 for Roseau County Ford was continued to December 3rd, 2018 at 5:15 p.m. due to the lack of a quorum of the Planning Commission. This variance is for the purpose of erecting a new monument sign (9'x19') 171 SF in addition to existing signage of 220 SF for a total of 391 SF of signage, exceeding the total square footage allowed for all signage of 275 SF for a C-2 (Outlying Commercial) zoning district. CDC Peterson stated that 2 notices have been sent out. Larry Guggisburg motioned, seconded by Mary Hayes to open the public hearing, the motion passed by unanimous vote. There were no oral or written comments provided to the City prior to the meeting. No one appeared at the meeting to provide comment on the proposed variance request. Dennis Sabourin motioned, seconded by Bruce Stone to close the public hearing, the motion passed by unanimous vote. After discussion, Bruce Stone motioned, seconded by Dennis Sabourin, to recommend to the City Council to approve the variance request 06-18 to construct a new monument sign 9'x19') 171 SF in addition to existing signage of 220 SF for a total of 391 SF of signage, exceeding the total square footage allowed for all signage of 275 SF for a C-2 (Outlying Commercial) zoning district. The motion passed by unanimous vote.

The justification for this approval included:

- The large sign does not impact any neighboring properties
- The existing properties in the vicinity of the proposed sign are all commercial in nature
- The new sign is needed for the addition of Chrysler/Jeep products under the Roseau County Ford dealership.

Councilmember Don Ross inquired about the necessity for Roseau County Ford to request the variance as they were adding new product lines. CDC Peterson stated that it is one single dealership so a variance is needed. If it were two new dealerships and not just product lines each could have a certain amount of signage. Another example was a strip mall where each tenant (business) would be allowed a certain amount of signage.

Larry Guggisburg made a motion to adjourn the Planning Commission meeting, seconded by Eric Vasko, carried by unanimous vote.

After discussion, Council member Amy Bassingthwaite motioned, Council member Don Ross seconded and it carried by unanimous vote to approve Roseau County Ford sign variance request #18-06, to construct a new monument sign that is 9' x 19' (171 SF) on the southwest corner of the dealership site. The maximum signage allowed in a C-2 (Outlying Commercial Zone) is 275 SF and the dealership maintains 220 SF of existing signage requiring a 116 SF variance to allow the additional new sign. The new sign is needed for the addition of Chrysler/Jeep/Ram products under the Roseau County Ford dealership.

The justification for this approval included:

- The large sign does not impact any neighboring properties
- The existing properties in the vicinity of the proposed sign are all commercial in nature
- The new sign is needed for the addition of Chrysler/Jeep products under the Roseau County Ford dealership.

Department Reports

Liquor Store

Liquor Store Manager Linda Roseborough had nothing new

Fire Department

Fire Chief Craig McMillin was absent

Police Department

Police Chief Ward Anderson had nothing new

Superintendent

Superintendent David Drown stated that the arena is in good shape; both of the new compressors are running well.

City Attorney

City Attorney Michelle Moren informed council that research had been done on the open burning ordinances of other cities. City Attorney Moren will draft more restrictive sample ordinances for council consideration. Restrictions can include time periods, wind restrictions such as direction and speed.

Council member Jane Evans asked School Superintendent Larry Guggisburg to weigh in on the discussion as the school is impacted. Superintendent Guggisburg informed council that legally the school has to keep its air handlers running and if there is burning nearby; smoke can get sucked into the air handlers filling the school with smoke. This causes health issues for both students and adults, especially those with asthma and allergies.

After discussion, it was council consensus to have City Attorney Moren draft more restrictive open burning ordinances for the city council to consider.

City resident Bruce Stone inquired about the possibility of city leaf disposal where the residents pay the city for the pickup and disposal, as the population in the City of Roseau is aging.

City Superintendent Drown informed council that the compost site is open Tuesday morning until Wednesday morning every week, and for a full week in the spring and fall. The key for the gate can be picked up at the Utility Office the days the gate is closed. Superintendent Drown stated that leaf collection equipment for the City is very expensive and suggested contacting the "Sentence to Serve" as they will help with the collection and disposal of leaves.

Council member Jane Evans commented that it is greatly appreciated that the city does pick up and dispose of trees and branches when they are placed at the curb.

Community Development Coordinator

CDC Peterson had nothing new.

Mayor and Council**6:00 Truth in Taxation Public Hearing**

At 6:00 pm the City Council held a public hearing on the proposed 2018, payable 2019, tax levy and 2019 city budget. Council member Jane Evans motioned seconded by Council member Amy Bassingthwaite 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. Acting Mayor Pat Novacek reviewed the proposed tax levy and summary budget. After discussion Council member Amy Bassingthwaite motioned to close the public hearing, seconded by Council member Jane Evans and carried by unanimous vote.

Community Development Coordinator Todd Peterson stated that the preliminary levy is unchanged from last year. Once the preliminary is set it cannot be increased. Council may leave it as is or reduce it.

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

#R 36 -18
RESOLUTION
FINAL 2018 PAYABLE 2019 TAX LEVY

WHEREAS, on September 10, 2018 the City Council of the City of Roseau, Minnesota, motioned and approved holding a Truth in Taxation Hearing at 6:00 pm, December 3rd, 2018 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 2018 payable 2019 property tax levy in the amount of \$1,049,242 and with a breakdown as follows:

2018 PAYABLE 2019

FINAL TAX LEVY

1.	General Levy	\$ 995,988
	Library Expenses	\$ 53,254
	Total General	\$1,049,242
	2018 Payable 2019 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 Amy Bassingthwaite and upon a vote being taken thereon, the following voted in favor thereof: Novacek, Ross Bassingthwaite and Evans

Voting Against: none
Absent: Mayor Jeff Pelowski
Abstaining: none

Adopted by the City Council this 3rd day of December 2018.

Acting Mayor

CDC Todd Peterson informed council the only change to the budget had been the cost of road improvements from \$50,000 to \$64,000, a \$14,000 increase. CDC Peterson went over the budget. Council member Pat Novacek would like to address the city health insurance next year. CDC Peterson stated that the City Employee Wage & Negotiation contracts are up at the end of 2019 so health insurance will be up for negotiation at that time.

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

**#R 37 -18
RESOLUTION
2019 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 2018 payable 2019 Tax Levy,

NOW THEREFORE BE IT FURTHER RESOLVED that the 2019 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:

2019 FINAL BUDGET

	REVENUE	DISBURSEMENTS	+ OR () BALANCE
101 General	\$ 2,322,446	\$ 2,996,218	\$ (673,772)
228 Lodging Tax	\$ 57,000	\$ 79,991	\$ (22,991)
227 Gazebo Concert Fund	\$2,500	\$2,500	\$ 0
229 Commercial Rehab (SCDP)	\$ 1,000	\$ 0	\$ 1,000
231 DOC Lease	\$ 30,786	\$ 17,800	\$12,986
233 TIF	\$ 84,578	\$ 78,605	\$ 5,973
452 Airport Terminal	\$ 4,356,363	\$ 4,481,050	\$ (124,687)
601 Water Enterprise	\$ 386,000	\$ 530,757	\$ (144,757)
602 Sewer Enterprise	\$ 367,000	\$ 287,196	\$ 79,804
603 Garbage Enterprise	\$ 439,000	\$ 410,624	\$ 28,376
604 Electric Enterprise	\$ 4,142,628	\$ 3,776,552	\$ 366,076
609 Liquor Enterprise	<u>\$ 1,905,900</u>	<u>\$ 1,566,424</u>	<u>\$ 339,476</u>
TOTAL ALL FUNDS	\$ 14,095,201	\$ 14,227,717	\$ (132,516)

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: Ross, Bassingthwaite and Evans

Voting Against: Pat Novacek
Absent: Mayor Jeff Pelowski

Abstaining: none

Adopted by the City Council this 3rd day of December 2018.

Acting Mayor

City Clerk - Treasurer

Delegations/Petitions/Complaints

Business owner Denny Kjos informed council that the property tax proposed on his business will be going up 121 percent next year and the deadline to object has passed. Mr. Kjos stated that he had been to the County Treasurer, Auditor and Assessors Offices. Mr. Kjos asked if there was anything the City could do to help. Council informed Mr. Kjos that the City does not have anything to do with the valuation of property. Property values are done by the Assessor's office. As the time had passed to object, it was suggested he contact Representative Dan Fabian.

Unfinished Business-

Acting Mayor Pat Novacek presented a Letter of Recognition to retiring Council member Don Ross for his service to the City of Roseau, which Council member Ross graciously accepted.

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

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Acting Mayor Pat Novacek