

**REGULAR ROSEAU CITY COUNCIL MEETING**

**MONDAY – February 1, 2021 at 5:00 P.M.**

**In person and Zoom 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, Police Chief Ward Anderson, City Superintendent David Drown, Liquor Store Manager Linda Roseborough, Fire Chief Craig McMillin, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Jack Swanson-Wild 102 Radio. EDA members present via Zoom meeting were Tim Loven, Jerry Olson, and Kellie Roth.

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

Mayor Fabian expressed his sympathy to CDC Todd Peterson and Superintendent David Drown on the loss of their fathers.

Mayor Fabian added a special EDA meeting to the agenda.

Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded, and it was carried by unanimous vote to approve the January 11, 2021 regular meeting minutes as written.

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

1. Presentation of Accounts Payable claims January 1, 2021 through January 31, 2021 Batch AP013121.  
CK# 69630-69664 = \$95,750.80
2. Presentation of daily checks January 1, 2021 through January 31, 2021  
CK# 69531-69629 = \$170,902.47  
E# 2220-2271 = \$424,414.97  
PR 01/15/21 = \$42,645.73  
Longevity = \$5,695.80  
Sick Payout = \$8,408.14  
PR 01/31/21= \$44,144.59
3. Presentation of Receipt entries December 1, 2020 through December 31, 2020.
4. Presentation of Journal entries JE113020.
5. Audit Committee review of November 2020 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. March 1st, 2021 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 01/25/2021 is \$191,808.24.
9. Cash in bank-Regular checking as of 01/25/2021 is \$2,385,580.84.

10. Investment-Regular Hi Fi as of 01/25/2021 is \$1,563,606.24.
11. Investment Certificate of Deposit as of 01/25/2021 is \$821,642.92
12. Investment Certificate of Deposit as of 01/25/2021 is \$817,564.48.
13. Investment Certificate of Deposit as of 01/25/2021 is \$813,127.13.
14. Investment Certificate of Deposit as of 01/25/2021 is \$809,952.12.
15. Investment-Roseau EDA Money Market as of 01/25/2021 is \$204,599.75.
16. Cash in bank-Roseau EDA as of 01/25/2021 is \$609.36.
- 17.

RESOLUTION NO. 15-21  
RESOLUTION ACCEPTING GRANT

**WHEREAS**, the Walkable Community Grant has been presented to the City of Roseau. This grant of \$5,000.00 is designated be deposited in the City of Roseau for trail signs.

**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 Trail signs.

Adopted by the City Council of the City of Roseau, Minnesota this 1st day of February 2021.

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

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

18. January Promotions Report
19. January 2021 City Revenues & Expenditures
20. January 2021 Liquor Store Monthly Sales

**Delegations/Petitions/Complaints** –There were no Delegations, Petitions or Complaints

**EDA**

The EDA then called its meeting to order. The purpose of the meeting was to clarify the responsibilities of the EDA and the responsibilities of the City concerning the Eleven01 Apartment project.

CDC Peterson informed council the EDA met January 27, 2021 at 12:00 pm.  
CDC Peterson reviewed EDA minutes.

- The EDA welcomed new member Mayor Dan Fabian
- Robert Foley Jr. was elected President and Tim Loven was elected Vice President of the EDA.
- Promotions Director Mary Hoffer reviewed the January report as well as how the CVB is using the \$30,000 Explore Minnesota Tourism grant money to promote the area.

- The EDA authorized soil borings and plan costs for the Eleven01 Apartment project.
- There was discussion about who is responsible for the overall cost of the apartment project if state grant dollars are not approved. There were also questions about involvement in the project by Citizens State Bank and Border Bank. The EDA will own the project with DW Jones as developer. It's expected the Civil Engineering and Architectural Drawing work will cost between \$70,000 and \$80,000.
- Roseau County has officially approved purchase of three lots at the Roseau Industrial Park for the purpose of constructing a County Highway Shop.

CDC Peterson then presented to council an “Introduction to Local Economic Development Organizations” and highlighted the following sections.

**“Economic Development Authority (EDA):** An EDA is a legal entity created by a City or a County to facilitate a well-rounded development program by taking advantage of some of the port authority powers and all of the HRA powers. By combining and utilizing HRA, EDA and City powers, community leaders are able to create flexible business assistance and development programs. EDAs for example, are allowed, to buy and sell property; make loans and grants to businesses; provide guarantees or other credit enhancements; and to sell bonds.”

“All cities have authority from the State Legislature to create an EDA. The City may consolidate the EDA with an existing HRA or the City may establish the EDA as a separate entity. The City Council may create an EDA by passing an enabling resolution. Before adopting the enabling resolution, the City must first conduct a public hearing. The enabling resolution establishes a Board of Commissioners for the EDA. The City Council can choose to serve as the EDA Board of Commissioners or create a board composed of council members and community members. The Mayor, with the approval of the Council, appoints the Commissioners. The Board may consist of three, five or seven members who serve six-year terms. The Board is subject to the open meeting law.”

### **Reasons for Forming an EDA**

“The Minnesota Legislature granted Cities the power to create economic development authorities in 1987. By giving Cities this ability, they can promote economic growth. EDA’s were created to work in conjunction with and to facilitate other economic development organizations such as Port Authorities and Housing Redevelopment Authorities (HRA). This allows Cities to create a better approach to economic development allowing them to create flexible business assistance and development programs.”

“In addition to HRA powers, EDAs were authorized to exercise the powers of Cities in connection with City development districts and the powers of municipalities or development agencies in connection with municipal industrial development. By consolidating the powers of the economic and housing development into one body, City officials are not only able to focus development on blighted areas but, also create programs that will prevent blight from occurring elsewhere within the community.”

“The primary powers of the EDA:

- Serve to promote business and to recruit new businesses.
- Issue revenue bonds.
- Acquiring property.
- Purchase and sell land.
- Serve as a limited partner.
- Make or guarantee or other credit enhancements.
- Issues general obligation bonds (approved by election).”

CDC Peterson explained that though the EDA is an arm of the City, it has different powers than City. The EDA is able to do development type activities that the city cannot do, such as type of ownership, issue bonds and mortgages.

The EDA has the funds to initiate the first part of the project and is moving ahead with soil borings so the Eleven01 project can move quickly this spring. CDC Peterson stated that the City of Roseau is almost guaranteed to be approved for a grant and does not see any reason the Eleven01 apartment project would not be funded. CDC Peterson stated that the EDA is not out anything by doing the borings as the City owns the land and the information from the borings does not expire.

CDC Peterson stated that it was his understanding that the EDA has \$250,000 at its disposal for projects and that the EDA would be paying for the soil borings and the architects plan costs.

CDC Peterson and Skip Duchesneau of DW Jones are going to Owatonna to tour a modular build plant to see if it is something the City would like to consider, as it would save building cost and time on the Eleven 01 project.

There being no further discussion, EDA board members Pat Novacek motioned seconded by EDA board member Jack Swanson to adjourn the EDA meeting and upon a roll call vote taken.

Those voted in favor were: Tim Loven, Jerry Olson, Kellie Roth, Jack Swanson, Pat Novacek and Dan Fabian.

Those voting against: None

Those absent: Robert Foley Jr.

## **Committee Reports**

**Planning Commission** – did not meet.

### **Roseau County Commissioner**

County Commissioner Jack Swanson informed council that the county CARES Act committee meets tomorrow to prioritize the businesses most in need of the limited funding and those that were not eligible in the first round of funding. There is approximately \$620,000 available to around 100 applicants, but there are at least 132 applicants asking for over 2 million dollars.

Mayor Dan Fabian stated that the legislature met in October in special session. The language was vague, and the application process is short as the money must go out by mid-March.

Commission Swanson complemented Public Health and Life Care on how well and effectively they are handling the COVID-19 vaccination process. The second COVID-19 vaccination clinic is tomorrow at the City Center

### **Operations Committee**

The Operations Committee met Thursday, January 14, 2021 at 3pm to clarify snowmobile use in the City, discuss the routes designated for snowmobiles to pass through the City, and walking paths that will be cleared of snow.

Council member Jane Evans will head up a work group to discuss and designate trails for ATV's, walkers, bikes, golf carts, ski trails, and snowmobiles as the Park Board is already working on this.

Police Chief Ward Anderson presented a map of trails in the golf course that Ben Huener had skied and marked with GPS. Mr. Huener stated that snowmobiles were not a problem on the ski trails as the snowmobiles were mostly running along the river, and the golf course greens are roped off.

Mayor Fabian suggested leaving snow on the bridges so the carbides on the snowmobiles would not damage them.

### **Oakcrest Golf Course**

The Oakcrest Golf Club Board of Directors provided to council a letter and financial statement. Oakcrest Golf Club finished higher in 2020 than 2019 in terms of overall day-to-day operations. Council member Brady Johnson stated that memberships were up due to family memberships, and memberships were a record for Oakcrest Golf Club.

### **Airport Committee**

The Airport Committee did not meet.

### **Department Reports**

#### **Liquor Store**

Liquor Store Manager Roseborough informed council that the liquor store is having a good start to this year after finishing a record year in 2020.

#### **Fire Department**

Fire Chief Craig McMillin informed council that the fire department has started some renovations at the fire hall and the fire department is helping with the Polar Plunge, a fund-raising event.

#### **Police Department**

Police Chief Ward Anderson presented to council the 2020 Annual Police Department Report. Chief Anderson informed council that overall violations and incidents such as traffic accidents and suicides were down, and gun permits, and welfare checks were up. Chief Anderson stated that the City of Roseau does not have metro area issues here.

Mayor Fabian stated that the price of parking tickets should be discussed as a snow removal parking ticket is \$65, which the City receives. If the vehicle needs to be towed the ticket is still \$65, but the City must pay \$100 for the tow at a \$35 loss to the City.

Police Chief Ward Anderson asked for council approval to spend an estimated total of \$65,100 on the new squad car. There is a total of \$67,285 in the squad car fund, (the police department tracks that amount as it is not a separate fund in the budget), but of that amount only \$50,000 was approved in the budget. Chief Anderson stated that there has also been a jump in prices in the last 4 years. The new squad should be ready in the next few months.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was approved by unanimous vote to approve the purchase of the new squad in the amount of \$65,100.

There was discussion of what could be reutilized from the old squad to the new squad. Chief Anderson stated that they use what they can, but a lot of equipment is fitted for a specific year and model and technology changes quickly.

### **Superintendent**

City Superintendent David Drown had no new business.

Mayor Fabian informed council that Superintendent Drown had given him a tour of the infrastructure of the City.

Council member Pat Novacek complemented the City Crew on the great job they do keeping snow off the streets.

### **Parks and Rec Director**

CDC Peterson presented to council a proposal from the Park Board to raise the camping rates for 2021. Former Park & Rec Director Adam Crist had done a study of camping rates and Roseau's was low. The Park Board recommends gradually increasing the camping rates.

The proposal for 2021 is:

Camping/RV Hookup - \$22.00

Camping/RV Hookup – New pull through sites - \$27.00 (max stay of 7 nights – no monthly rates)

Camping/RV Hookup Weekly Rates - \$105.00

Camping/RV Hookup Monthly Rate (excluding July) - \$388.00

Camping/RV Hookup Monthly Rate (July) - \$453.00

Camping (Tent site – no hookups) - \$12.00

Park Shelter Building/Patio Rental - \$60.00

After discussion, Council member Jane Evans motioned, Council member Pat Novacek seconded to approve the 2021 camping rates proposed by the Park Board and add the changes to the fee schedule.

CDC Peterson informed council that Angie Vonasek is currently taking reservations and helping people who have questions about Rec Desk online reservations and CDC Peterson is scheduling the arena until a new Park & Rec Director is hired.

CDC Peterson informed council that the ad is out for the Park & Rec position. Five applications have been submitted. Applications must be in February 12, but the position is open until filled.

CDC Peterson inquired as to who from the City council would like to be part of the screening process. The Park Board will have 2 members, Youth Hockey and the School District will also have members on the interview committee.

Council discussed who the Park and Rec position would answer to. There was discussion as to whether it would be both CDC Peterson and Superintendent Drown or just one of them, and that the department head in charge would depend on the responsibilities and job description for the position. Superintendent Drown stated that the Park and Rec position runs into trouble when trying to answer to too many bosses. CDC Peterson stated that the Park and Rec position requires answering to the Park Board, Arena Board and City Council. It is councils hope that as the applicant gets experience and organized it can become a department head position.

Mayor Fabian asked as to the job description, and CDC Peterson stated that there is a job description, but the job description could change according to the applicant's abilities and skill set. Council discussed starting the position as a scheduler for the park, arena, and youth activities before learning the maintenance side, depending on the applicant's abilities.

### **City Attorney**

City Attorney Michelle Moren informed council Richard Larsen had been contacted to extend the deadline for the purchase agreement. Mr. Larsen will provide the abstract and sign the purchase agreement this spring.

City Attorney Moren stated that the mutual aid agreement has been sent. It is the same as the one sent in the past. This agreement is with other law enforcement agencies for the mutual benefit of the public safety of all citizens in the State of Minnesota.

Police Chief Anderson stated that officers from the Roseau Police department have been sent to other counties when they have requested help.

### **Community Development Coordinator**

CDC Todd Peterson presented to council the timeline for the establishment of Tax Increment Financing (Economic Development) District for Workforce Housing Project Eleven01 apartments (City only) limited to 10 years and Tax abatement for 15 years (City, County and School District).

CDC Peterson stated the council will need to call a public hearing for both the Tax Increment Financing (Economic Development) District for Workforce Housing Project (City only) limited to 10 years and Tax abatement for 15 years (City, County and School District) for both on March 15<sup>th</sup> at 4:00 pm.

After discussion, Council member Pat Novacek motioned, Council member Brady Johnson seconded to set a Public Hearing for March 15 at 4:00 pm on Eleven01 TIF and Tax Abatement proposals.

CDC Peterson stated that a packet of information will be sent and Skip Duchesneau from DW Jones will be available.

### **Mayor Council**

Mayor Fabian inquired as to the cyber security for the City of Roseau, noting that the cyber security of the City of Thief River had been hacked and held for ransom. CDC Peterson stated that the City of Roseau has hired Corporate Technologies to oversee the cyber security for the City of Roseau. There are 2 separate servers that are backed up to the cloud and fire walls in place. City employees are careful not to open things that they shouldn't and call IT when there is a question.

Council member Pat Novacek stated that the City of Roseau has intranet so a lot of day to day transactions are not coming from the outside to the server and there is a direct line from the city shop to the server.

Council inquired as to the fiscal impact of COVID to the City of Roseau. CDC Peterson stated that the City of Roseau used the CARES Act money where it could and turned the excess money over to the County to disburse within the County. Revenues are down in a few areas such as the City Center rentals and the abated liquor license fees could not be recouped. The City of Roseau fared better than anticipated with the Liquor Store having a record year in sales.

Mayor Fabian addressed the sample resolution that was provided by the Coalition of Minnesota Cities concerning LGA. Mayor Fabian stated that it is his experience, rather than sending a resolution to call local representatives with the LGA concerns is more effective.

Council member Brady Johnson inquired as to if the City of Roseau would rent out the Memorial arena for a wedding November 25. The arena has been leased for many events in the past. City Attorney Moren stated that if alcohol were to be served council would have to approve it. Council suggested the interested party meet with City Attorney Moren before the March council meeting to go over their plan before they present it council.

### **Unfinished Business-**

There being no further business Council member Pat Novacek motioned to adjourn the City Council regular meeting, Seconded by Council member Brady Johnson and it was carried by unanimous vote.

ATTEST:

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Elizabeth Carlson Clerk-Treasurer

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Mayor Dan Fabian