

REGULAR ROSEAU CITY COUNCIL MEETING

MONDAY – July 10, 2023, 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, Council members: Pat Novacek, Amy Bassingthwaite, Brady Johnson, and Mary Hayes. Absent: None. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, Fire Chief Leon Huot, Police Chief Marc Hodge, Liquor Store Manager Niki Johnson, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Roseau County Commissioner Jack Swanson, City employees Dan Halstensgard, Mike Picard, Angie Vonasek, Brad Petersburg, Keegan Foss, Josh Olson, Gary Przekwas, Mike Vacura, Roseau River Watershed - Tracy Halstensgard, Oak Crest Golf Course - Alex Halstensgard and Jared Strand.

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

Council member Mary Hayes motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve the June 5, 2023, regular meeting minutes with the removal of “Superintendent Drown would bring this back to council for approval before hiring.” On page 8 second paragraph.

Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve the following Consent Agenda with the removal of 7.b. Memorial Arena – Pucks and Pints Octo-Beer-Fest – Oct 7, 2023, alcohol application as the insurance amount is not correct.

1. Presentation of Accounts Payable claims June 1, 2023, through June 30, 2023, Batch AP06302023
CK# 743858-74426=\$69,125.51
2. Presentation of daily checks June 1, 2023, through June 30, 2023
CK# 74240-74384=\$333,259.04
E# 3433-3475=\$397,663.69
PR 6/15/23=\$52,111.52
PR 6/30/23=\$60,986.88
3. Presentation of Receipt entries May 1, 2023, through May 31, 2023.
4. Presentation of Journal entries JE043023.
5. Audit Committee review of April 2023 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. August 7, 2023, Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the:
 - a. Community Center- MN Deer Hunters – October 9, 2023
8. Investment–Roseau EDA Hi Fi as of 06/27/2023 is \$138,101.76.
9. Cash in bank-Regular checking as of 06/27/2023 is \$2,179,250.34.
10. Investment-Regular Hi Fi as of 06/27/2023 is \$1,568,980.06.
11. Investment Certificate of Deposit as of 06/27/2023 is \$834,914.89

- 12. Investment Certificate of Deposit as of 06/27/2023 is \$838,836.86.
- 13. Investment Certificate of Deposit as of 06/27/2023 is \$825,849.50.
- 14. Investment Certificate of Deposit as of 06/27/2023 is \$820,920.89.
- 15. Investment-Roseau EDA Money Market as of 06/27/2023 is \$204,331.55.
- 16. Cash in bank-Roseau EDA as of 06/27/2023 is \$25.29.
- 17. League of Minnesota Cities – Liability Coverage Waiver Form
- 18.

RESOLUTION NO. 33-23
RESOLUTION ACCEPTING DONATION

WHEREAS, the following have presented to the City of Roseau, donations, and have designated that these donations be deposited in the City of Roseau Gazebo Night Fund.

The Marvin Companies \$250.00 (2023 Sponsor)

Polaris Industries \$3,000 (2023 Sponsor)

WHEREAS, the City Council is appreciative of the donations 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 donations are accepted and acknowledged with gratitude, and
- 2. That the donations will be allocated to the City of Roseau Gazebo Night Fund.

Adopted by the City Council of the City of Roseau, Minnesota this 10th day of July 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

19. RESOLUTION NO. 34-23
RESOLUTION ACCEPTING GRANT

WHEREAS, the Northwest Regional Library has presented to the City of Roseau, a \$2,176.71 Grant for Roseau Gazebo Night and has designated that this grant be deposited in the City of Roseau Gazebo Night 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 Night Fund.

Adopted by the City Council of the City of Roseau, Minnesota this 10th day of July 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

- 20. 2022 Population Estimate
- 21.

RESOLUTION NO. 36-23
RESOLUTION ACCEPTING DONATION

WHEREAS, the following have presented to the City of Roseau, donations, and have designated that these donations be deposited in the City of Roseau Gazebo Night Fund.
Davidson Construction \$750.00 (2023 Sponsor)

WHEREAS, the City Council is appreciative of the donations 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 donations are accepted and acknowledged with gratitude, and
- 2. That the donations will be allocated to the City of Roseau Gazebo Night Fund.

Adopted by the City Council of the City of Roseau, Minnesota this 10th day of July 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

- 22. LG220 -Roseau Youth Hockey Raffle – 07/15/2023
- 23. LG220 – MN Deer Hunters Association – 10/09/2023
- 24. June 2023 City Revenues & Expenditures

Delegations/Petitions/Complaints

- The Discussion of the City Holiday Schedule was moved from the Operations Committee on the agenda.

Mayor Fabian and Councilmember Novacek stated that the State had moved up the mandated Juneteenth holiday to take affect June 19th, 2023, instead of June 19th, 2024, as was originally planned so council had to move on it quickly. At the previous council meeting, Council replaced the day after Thanksgiving holiday for the Juneteenth holiday.

Mike Picard representing the Employees Association stated that the Employees Association was not contacted about the change. The benefits of the Employee Handbook are part of the wages and benefits negotiation, and the 11 listed holidays were part of that agreement. The Employee’s Association is concerned that council changed an agreed upon item in the employee handbook.

Council stated that as Juneteenth is mandated, they had no choice but to give it as a holiday. Mr. Picard stated that to his knowledge, the City of Roseau is the only municipality that had replaced another holiday for Juneteenth. Roseau County and other cities have just added it as an additional holiday.

After discussion, Mayor Fabian motioned, Councilmember Pat Novacek seconded, and it was carried by unanimous vote to add Juneteenth as an additional holiday for this year and for the negotiations committee to meet with the Employees Association and Police Department to discuss holidays for 2024 and 2025.

- The discussion on the Oak Crest Coulee project was moved from the Superintendent/Streets on the agenda.

Tracy Halstensgard, the Administrator of the Roseau River Watershed District, informed council that the bids on phase one of the Oak Crest Coulee project were all rejected as they came in too high, and Houston Engineering considered them unreasonable.

Houston Engineering advised combining the two project phases into one project and to bid them together as the construction start dates are currently being proposed as the same timeline. Combining the projects may show a slight reduction in overall bid price solely based on the project size.

Ms. Halstensgard informed council that additional monies have been applied for and received. The Golf Course and Watershed District are increasing their allocation and the Soil and Water Board is meeting tomorrow on this as well.

Ms. Halstensgard asked council to consider increasing the amount of funding from the City of Roseau which was \$60,000 with an additional \$20,000.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by majority vote to approve an additional \$20,000 for the combined first two phases of the Oak Crest Coulee project.

Councilmember Pat Novacek opposed the project.

Committee Reports

Planning Commission

CDC Todd Peterson informed council that the Planning Commission met June 26, 2023, at 12:00 pm.

- CDC Peterson informed council that the Wesley Otto – Appeal of Notice of Violation, which is on the council agenda, is no longer an issue as Mr. Otto has fixed his shed.
- CDC Peterson stated that there was some discussion on specific properties on the 2022/2023 Clean up report. The Planning Commission recommended Council consider initiating abatement action on the Edward Klinger property inherited by Jerome Ziska. The house is vacant, open, and has been in bad shape for years. Mr. Ziska is in favor of the abatement. City Attorney Moren stated that there is a lien on the property and no contact information for the bank holding the lien. City Attorney Moren informed council there is still an abatement process where the Courts can raze the building. The abatement process would start by publishing the abatement action in the paper.

Councilmember Pat Novacek motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve abatement action on the Edward Klinger

property inherited by Jerome Ziska. Staff was directed to obtain consent from the current owner of the property, Jerome Ziska, for the City building inspector to enter the property and then provide a written report regarding requirements to bring the property up to code.

- CDC Peterson provided to council the Development Concept – Tri Crown LLC/Northern Foundation Housing Co-op Project. CDC Peterson met with representatives from Northcountry Foundation, CARDO, and Tri Crown LLC on a conference call regarding these concept layouts. CDC Peterson inquired about the number of streets being planned and if there could be a layout that incorporated less streets and pavement. CDC Peterson had also expressed concerns regarding the neighborhood parks and was informed they would be more for the homeowner’s association than for the general public. Design, signage, or other action will be necessary to communicate that. CDC Peterson stated that there is another conference call scheduled for next Thursday. Mayor Fabian inquired about the process to move this forward. CDC Peterson stated that the plans will be submitted to the Planning Commission and if approved, the Planning Commission will make the recommendation to council.
- CDC Peterson presented a sample ordinance from the City of Fosston regulating rental housing. The ordinance will cover all rental housing in the city. Other cities are considering a modified version of this rental ordinance for their communities. The City’s Building Official has provided information on their ability to perform inspections related to any potential ordinance and the times it would take to do the inspections. CDC Peterson stated that the League does not have a sample ordinance on this, but they did provide ordinances of larger cities. CDC Peterson asked if a sample ordinance for the City of Roseau should be put on the City website for public comment. Should council wish to proceed there would also be public meetings before considering passing the ordinance. It was council consensus to put the sample ordinance on the City website for public comment.

Roseau County Commissioner

Roseau County Commissioner Jack Swanson informed council on the following:

- Roseau County did add Juneteenth as an additional holiday for County employees as their current holidays are part of their labor contract and not having it as an additional holiday would have reopened the labor contract with the Teamsters.
- Roseau County is opening the bids tomorrow morning for the old highway shop.
- The County has a tax forfeit property (54.0122500) that the County would like to give the City of Roseau. Commissioner Swanson mentioned some concerns regarding the Supreme Court ruling and some additional legal issues that could play out in the meantime. Council consensus was to hold off acquiring this parcel until there was more clarity on these legal issues.

Operations Committee

- Councilmember Novacek asked for council approval to have all city job descriptions reviewed by George Gmach.
Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve having all city job descriptions reviewed by George Gmach.

Oakcrest Golf Course

Councilmember Amy Bassingthwaite informed council that the golf course is in good shape.

Airport Committee

CDC Peterson informed council that the airport committee did not meet but the FAA called CDC Peterson to inform him that they would be decommissioning the VOR building on the airport property. Bush pilots are the only ones still using that navigation aid. The FAA will be putting a new smaller building on that site to house a DME which is a smaller piece of equipment. Currently the power for the State weather station comes from the FAA VOR building which the FAA will no longer supply. CDC Peterson informed council that the AWOS system was to be replaced this summer but is still waiting for a grant agreement.

EDA

CDC Peterson informed Council that the EDA met June 26, 2023.

CDC Peterson informed Council the EDA approved hiring Cole Architects to provide preliminary design drawings for a new 47-unit apartment project like the Eleven01 in the amount of \$7500. Skip Duchesneau of DW Jones needs this information for a Minnesota Housing Workforce Housing grant Mr. Duchesneau is working on. DW Jones is going to front the cost. There were no other actionable items at the EDA meeting.

Department Reports

Liquor Store

Liquor Store Manager Niki Johnson informed council on the following:

- Manager Johnson reviewed the previous month's financial report. June was a good month.
- Manager Johnson informed council that part time liquor store employee Kory Meier was eligible for the \$2.50 pay increase in lieu of benefits. Manager Johnson recommended this increase for Mr. Meier as Manager Johnson stated Mr. Meier is doing a great job.

Councilmember Pat Novack motioned, Councilmember Brady Johnson seconded, and it was carried by unanimous vote to approve the \$2.50 pay increase in lieu of benefits for Kory Meier.

- Manager Johnson informed council that she would like to build a separate brand (logo) apart from the City's for the Liquor Store. Manager Johnson showed Council several ideas. This new logo would be used for advertising, business cards, hats, etc. Council member Hayes and Johnson, the advisors to the liquor store, are in favor of this. It was consensus for Manager Johnson to move forward with that project.

Fire Department

Fire Chief Leon Huot had a fire call and came back later in the meeting.

Police Department

Police Chief Marc Hodge informed council on the following items:

- The Police Department no longer has a Facebook page as Facebook will no longer let Chief Hodge have two accounts.
- The squads have had quite a few breakdowns this year. The power steering needed to be fixed in the 2017 squad. The 2021 squad needed a new engine (which was under warranty). Squads have also needed new brakes, etc. Chief Hodge informed council that the Police Department will be hitting the maintenance budget by end of July. Chief Hodge asked for another \$5,000 for the Police Department maintenance budget.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve another \$5,000.00 be added to the Police Department maintenance budget.

- Chief Hodge informed Council that he has been working with Marco on the camera systems within the City. The firmware was out of date on most of them and some were out of focus. Chief Hodge will be emailing Marco tomorrow to see which cameras are fixable and which ones are not.
- Chief Hodge is having a Zoom meeting tomorrow with Axon/Taser, on body cameras. The State uses Axon/Taser so it would be more compatible for transferring data. Currently the Police Department has Motorola body cameras.

Superintendent

City Superintendent David Drown informed council that as the Oak Crest Coulee project discussion had been covered under delegations, he had nothing new to discuss and asked if Council had any questions.

Councilmember Mary Hayes thanked Superintendent Drown for contacting the railroad to clean up their property.

Mayor Fabian asked if all the upgrades were complete at Gilbertson Field for the State Tournament. Superintendent Drown indicated that they were, just the speakers were left to move.

Councilmember Novacek asked why the C&C was coming to the Park Board for \$900. CDC Peterson stated that the C&C and the Parks department have been jointly working on activities that would be taking place at the park, and that there is money in the Park Board budget to cover some of the expenses of these joint activities that are associated with City events.

Councilmember Novacek asked why the C&C wouldn't be going to the CVB to apply for grant money for these events. CDC Peterson stated that the CVB does give grants but not for local events, they would be for attractions that would appeal to visitors from other communities. Mayor Fabian stated that usually grants need to be applied for months in advance. CDC Peterson stated that the City does not have a Park & Rec Director to apply for those grants and CVB

monies should be used only for tourism advertising, not hay bales and inflatables. Those would not be an appropriate use of CVB money and there is \$9,000 budgeted for operating supplies under Other Recreational Activities in the city budget.

Councilmember Novacek asked about proper event insurance stating that some of the events that have been taking place on City property did not have the appropriate insurance coverage.

Councilmember Novacek then made the following motion on event insurance.

“Due to the ongoing scheduling activities as special events on city property, the following motion is made: Events on city owned property provides for liability coverage under the general insurance policy of the city. At times the city has required individuals and organizations to carry liability insurance. The city insurance trust has a few exclusions based on risks. Including:

Motor vehicle races, stunts, demolition derbies, and so on.

Motorized amusement rides such as carnival type rides

Rodeos

Stunting activities or events that involve a significant risk of serious injury to participant, performer, or others, such as high-wire acts, base or bungee jumping, skydiving, circus type acts, acts involving dangerous animals.

Liquor and beer sales

Fireworks displays

Any event involving the above exclusions on city owned property must provide event insurance at a level required by the city. Further the policy must list the city as additional insured and copy of policy be provided 30 days prior to the event.”

Council discussed Councilmember Novacek’s motion, acknowledged that this issue must be figured out, but tabled the motion for this month to speak with the City’s insurance agent and City Attorney Moren.

Councilmember Novacek withdrew the motion.

Mayor Fabian informed council that he had received an email with pictures from a city resident that showed areas in the City that need clean up and/or weeds removed. CDC Peterson forwarded the email to Superintendent Drown.

Fire Department

Fire Chief Leon Huot returned from the fire call and gave an update on the proposed tender truck for the fire department. The firm quote received was \$439,000.

The \$439,000 is the delivered price minus radios and some equipment. Financing was discussed as the Fire Relief Association puts money towards the truck as well. It was consensus to move forward to get official financing options.

Councilmember Hayes asked if a stop sign could be installed on Oak Crest Blvd. for traffic coming from the south.

Superintendent Drown stated that a clear intersection does not need signs, but one could be installed if council recommended.

After discussion, Councilmember Mary Hayes motioned, Councilmember Pat Novacek seconded, and it was carried by unanimous vote to install a stop sign on Oak Crest Blvd.

Councilmember Mary Hayes inquired about the open parks and rec position and if there was a plan for hiring a new person. Superintendent Drown indicated that he was interviewing candidates for the position and asked for clarity of the position and stated that it was his understanding that the Council was okay with the Parks Position just maintaining the existing parks and programming as they are today. Superintendent Drown stated that there was already a pay grade 7 in the budget to hire a new person and that he was recommending that person work within the Utilities Department and report to the City Superintendent alone.

CDC Peterson inquired if the park and rec position would include oversight of some programming that is currently being run out of the Planning Office including the summer camp and the proposed Rec Center or just maintenance. Mayor Fabian stated that the Rec Center should remain in Todd's office as it would be too complicated to give to a new park and rec person.

Councilmember Novacek stated someone needs to be hired and in the past, there have been too many bosses. Councilmember Novacek suggested the park and rec. person answer to just one boss, the City Superintendent.

Councilmember Hayes asked if this person would work half time in utilities and half time in parks. Superintendent Drown stated the person would be in parks but during the slow times would be used in utilities.

CDC Peterson stated his concern was that advertising for this position was only put in the Roseau Times Region and not anywhere else. As it was not brought to CDC Peterson's attention it was not put on the City website. It was also not brought to anyone's attention that this was advertised as a director position (grade 7) and not a grade 5 position.

Superintendent Drown stated that he did not want any part of the process if there were multiple people involved. In the past he has been able to interview and hire, on his own, the utility person and this should not be any different. Superintendent Drown stated that the Park Board should be just an advisory board and not involved in the hiring or directing of the park and rec person.

Councilmember Bassingthwaite felt that there should be a couple of Park Board members on the interview committee.

Superintendent Drown reiterated that he did not want the Park Board or anyone else involved in the interview process as he felt it was his job.

It was again clarified that the park and rec. person would be hired just to maintain what the City parks and rec has going to date.

It was asked if the current person filling the job was interested and Superintendent Drown stated that Josh Olson was not interested in taking the position.

CDC Peterson stated that in the past all of the park and rec directors have been hired by committee. Mayor Fabian stated that too many people are involved, and council should move forward filling this position.

Council member Mary Hayes motioned, Councilmember Brady Johnson seconded, and it was carried by unanimous vote to approve Superintendent Drown conducting the interviews. Councilmember Novacek had left for a Fair Board meeting.

Fire Chief Huot informed council that he had one more item for the fire department. Some of the fire fighters pooled their money and purchased a 1951 fire truck the City used to own. Chief Huot asked if the City would be interested in accepting the truck as a donation or buying it for a dollar if needed. It is a piece of history and will be running in the parade. City Attorney Moren informed council that it could be accepted as a donation.

Council member Amy Bassingthwaite motioned, Councilmember Brady Johnson seconded, and it was carried by unanimous vote to accept the donation of the 1951 fire truck.

RESOLUTION NO. 40-23
RESOLUTION ACCEPTING DONATION

WHEREAS, some of the firefighters presented to the City of Roseau, the donation of a 1951 fire truck the City of Roseau used to own.

WHEREAS, the City Council is appreciative of the donation and commends them for their civic efforts,

NOW, THEREFORE BE IT RESOLVED, BY THE City Council of the City of Roseau, Minnesota;

That the donation of the 1951 fire truck is accepted and acknowledged with gratitude

Adopted by the City Council of the City of Roseau, Minnesota this 10th day of July 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

City Attorney

City Attorney Moren informed council on the following:

- City Attorney presented to council Ordinance NO 46 (Third Series)
City Attorney informed council that the new cannabis law going into effect August 1, 2023, allows a city to, by ordinance, authorize a study related to the establishment and operation of cannabis businesses within the City of Roseau. During the term of this

Ordinance, no business, person, or entity may establish or operate a cannabis business in the City of Roseau. This ordinance will remain in full force and effect until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or until January 1, 2025

City Attorney Moren asked for council approval of the text and informed council that a public hearing will need to be held and asked for council approval to publish a notice of public hearing in the Roseau Times Region.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve the text of the proposed Ordinance NO 46 and to set the public hearing for July 27, 2023, at 8:00 a.m.

**CITY OF ROSEAU
ROSEAU COUNTY, MINNESOTA**

ORDINANCE NO. 46 (THIRD SERIES)

**AN INTERIM ORDINANCE AUTHORIZING A STUDY AND IMPOSING A
MORATORIUM ON THE OPERATIONS OF CANNABIS BUSINESSES WITHIN
THE CITY OF ROSEAU**

**THE CITY COUNCIL OF THE CITY OF ROSEAU HEREBY ORDAINS AS
FOLLOWS:**

WHEREAS, the Minnesota Legislature recently enacted, and the Governor signed, 2023 Minnesota Session Laws, Chapter 63-H.F. No. 100 (the “Act”), which is an act “*relating to cannabis; establishing the Office of Cannabis Management; establishing an advisory council; requiring reports relating to cannabis use and sales; legalizing and limiting the possession and use of cannabis and certain hemp products by adults; providing for the licensing, inspection, and regulation of cannabis businesses and hemp businesses; establishing licensing fees; requiring testing of cannabis flower, cannabis products, and certain hemp products; requiring labeling of cannabis flower, cannabis products, and certain hemp products; limiting the advertisement of cannabis flower, cannabis products, cannabis businesses, and hemp businesses; providing for the cultivation of cannabis in private residences; transferring regulatory authority for the medical cannabis program; providing for Tribal medical programs; taxing the sale of cannabis flower, cannabis products, and certain hemp products; establishing grant and loan programs; clarifying the prohibition on operating a motor vehicle while under the influence of certain products and chemicals; amending criminal penalties; establishing expungement procedures for certain individuals; requiring reports on expungements; providing for expungement of certain evictions; clarifying the rights of landlords and tenants regarding use of certain forms of cannabis; establishing labor standards for the use of cannabis flower, cannabis products, and certain hemp products by employees and testing of employees; providing for the temporary regulation of certain edible cannabinoid products; providing for professional*”

licensing protections; providing for local registration of certain cannabis businesses operating retail establishments; amending the scheduling of marijuana and tetrahydrocannabinols; classifying data; making miscellaneous cannabis-related and hemp-related changes and additions; making clarifying and technical changes; requiring reports; transferring money; appropriating money; amending Minnesota Statutes 2022, sections 13.411, by adding a subdivision; 13.871, by adding a subdivision; 18K.02, subdivision 5; 34A.01, subdivision 4; 97B.065, subdivision 1; 144.99, subdivision 1; 144A.4791, subdivision 14; 151.72; 152.01, subdivision 9, by adding subdivisions; 152.02, subdivisions 2, 4; 152.021, subdivisions 1, 2; 152.022, subdivisions 1, 2; 152.023, subdivisions 1, 2; 152.024, subdivision 1; 152.025, subdivisions 1, 2; 152.11, subdivision 2; 152.22, by adding subdivisions; 152.29, subdivision 4, by adding a subdivision; 152.30; 152.32; 152.33, subdivision 1; 152.35; 169A.03, by adding subdivisions; 169A.20, subdivision 1; 169A.31, subdivision 1; 169A.51, subdivisions 1, 4; 169A.72; 175.45, subdivision 1; 181.938, subdivision 2; 181.950, subdivisions 2, 4, 5, 8, 13, by adding a subdivision; 181.951, subdivisions 4, 5, 6, by adding subdivisions; 181.952, by adding a subdivision; 181.953; 181.954; 181.955; 181.957, subdivision 1; 192A.555; 244.05, subdivision 2; 245C.08, subdivision 1; 256.01, subdivision 18c; 256B.0625, subdivision 13d; 256D.024, subdivisions 1, 3; 256J.26, subdivisions 1, 3; 270B.12, by adding a subdivision; 270C.19, by adding a subdivision; 273.13, subdivision 24; 275.025, subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19; 297A.61, subdivision 3; 297A.67, subdivisions 2, 7, by adding a subdivision; 297A.70, subdivisions 2, 4, 18; 297A.85; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 340A.402, subdivision 1; 340A.412, subdivision 14; 360.0752, subdivision 2; 461.12, by adding a subdivision; 484.014, subdivision 3; 504B.171, subdivision 1; 609.135, subdivision 1; 609.2111; 609.2112, subdivision 1; 609.2113, subdivisions 1, 2, 3; 609.2114, subdivisions 1, 2; 609.5311, subdivision 1; 609.5314, subdivision 1; 609.5316, subdivision 2; 609A.01; 609B.425, subdivision 2; 609B.435, subdivision 2; 624.712, by adding subdivisions; 624.713, subdivision 1; 624.714, subdivision 6; 624.7142, subdivision 1; 624.7151; proposing coding for new law in Minnesota Statutes, chapters 3; 116J; 116L; 120B; 144; 152; 169A; 270C; 289A; 295; 340A; 477A; 504B; 609A; 624; proposing coding for new law as Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 151.72; 152.027, subdivisions 3, 4; 152.21; 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10, 11, 12, 13, 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7; 152.28, subdivisions 1, 2, 3; 152.29, subdivisions 1, 2, 3, 3a, 4; 152.291; 152.30; 152.31; 152.32, subdivisions 1, 2, 3; 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2, 3, 4, 5; 152.37.

WHEREAS, the Act provides local units of government with regulatory authority related to cannabis businesses, including: (1) the authority to require local registration of certain cannabis businesses operating retail establishments; (2) the authority to adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business, provided that any such restrictions do not prohibit the establishment or operation of a cannabis business; (3) the authority to limit the number of certain cannabis businesses based upon community population; and (4) the authority to prohibit the operation of a cannabis business within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an

attraction within a public park that is regularly used by minors, including a playground or athletic field; and

WHEREAS, the Act establishes the Office of Cannabis Management (OCM) effective July 1, to work with local units of government to develop model ordinances for reasonable restrictions on the time, place, and manner on the operation of cannabis businesses. The OCM is also required to establish additional rules and regulations relating to the operation of those businesses; and

WHEREAS, the Act, as set forth in Minnesota Statutes §342.13(e), authorizes the governing body of local unit of government which is conducting studies or has authorized a study to be conducted or has held or has scheduled a hearing for the purpose of considering adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of a cannabis business, to adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety, and welfare of its citizens. Before adopting the interim ordinance, the governing body must hold a public hearing. The interim ordinance may regulate, restrict, or prohibit the operation of a cannabis business within the jurisdiction or a portion thereof until January 1, 2025.

WHEREAS, the City of Roseau (the “City”), as the local unit of government, will be conducting studies to determine reasonable restrictions on the time, place, and manner of the operation of cannabis businesses, and the City seeks to review OMC model ordinances, rules, and regulations to assist in developing regulations; and

WHEREAS, due to the significant changes in Minnesota law resulting from enactment of the Act, and due to the lack of currently available OCM model ordinances, the City wishes to adopt an interim ordinance for the purposes of protecting the planning process and the health, safety, and welfare of its citizens; and

WHEREAS, the City shall hold a public hearing on July 27, 2023 at 8:00 a.m. at City Council Chambers regarding the consideration and adoption of an interim ordinance prohibiting the operation of cannabis businesses with the City of Roseau until January 1, 2025, or until the interim ordinance is repealed, whichever occurs first.

NOW, THEREFORE, the City Council of the City of Roseau does hereby ordain:

SECTION 1. AUTHORIZATION OF STUDY. The City Council hereby authorizes and directs City Staff and legal counsel to conduct a study regarding the adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of cannabis businesses in the City of Roseau, together with the study of any other recommended and authorized local regulations as set forth in the Act. Staff and counsel shall review OCM model ordinances when available. Staff and counsel shall provide recommendations to the City Council regarding the adoption of regulations.

SECTION 2. MORATORIUM. The City of Roseau hereby imposes a moratorium on the

operation of any cannabis business within the City. No business, person, or entity may establish or operate a cannabis business within the jurisdictional boundaries of the City of Roseau until January 1, 2025 or until ordinances regulating such cannabis business become effective, or until the Council rescinds this interim ordinance. During the moratorium, it will be deemed a violation of this Ordinance for any business, person, or entity to establish or operate a cannabis business within the City.

SECTION 3. ENFORCEMENT. This interim ordinance may be enforced by criminal prosecution as set forth in Minnesota law. Further, the City may enforce this interim ordinance by injunction or other civil remedy in district court. A violation of this interim ordinance is also subject to the City’s general penalty clause in section 154.99 of the Roseau City Code.

SECTION 4. EFFECTIVE DATE AND EXPIRATION DATE. This ordinance shall be in full force and effect from and after its passage and publication according to law and shall expire upon the earlier of the following events: (a) adoption of ordinances regulating such uses, until the Council rescinds or terminates the Interim Ordinance establishing a moratorium, or January 1, 2025.

SECTION 5. SUMMARY PUBLICATION. Pursuant to Minnesota Statutes Section 412.191, in the case of a lengthy ordinance, a summary may be published. While a copy of the entire ordinance is available without cost at the office of the City Clerk-Treasurer, the following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance:

The purpose of this Interim Ordinance is to authorize a study related to the establishment and operation of cannabis businesses within the City of Roseau. The City will be undergoing a study regarding the adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of cannabis businesses in the City of Roseau, together with the study of any other recommended and authorized local regulations as set forth in the newly enacted Cannabis Act. During the term of this Ordinance, no business, person, or entity may establish or operate a cannabis business in the City of Roseau. This ordinance will remain in full force and effect until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or until January 1, 2025, whichever occurs first. Passed this 10 day of July, 2023.

Dated this 10 day of July 2023.

APPROVED:

Mayor

ATTEST:

City Clerk-Treasurer

This Ordinance introduced on: July 10, 2023

This Ordinance published on: July 14, 2023

This Ordinance given a hearing on: July 27, 2023

This Ordinance adopted on: July 27, 2023

This Ordinance published on: July 30, 2023

**RESOLUTION NO. 39-23
OF THE CITY OF ROSEAU AUTHORIZING SUMMARY PUBLICATION OF A
PROPOSED ORDINANCE.**

At the regular meeting of the City Council of the City of Roseau, Minnesota, held on Monday, July 10th, 2023, at 5:00 p.m., a Motion was made by Councilperson Amy Bassingthwaite for passage of the following Resolution:

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

WHEREAS, the City Council of the City of Roseau is considering the adoption of an Interim Ordinance Authorizing a Study and Imposing a Moratorium on the Operations of Cannabis Businesses within the City of Roseau (“Interim Cannabis Ordinance”);

WHEREAS, prior to consideration of the proposed Interim Cannabis Ordinance, the City of Roseau must hold a public hearing and notice of said public hearing and proposed ordinance must be published in the legal newspaper;

WHEREAS, The City Council of the City of Roseau has determined the publication of the title and a summary is prudent due to the lengthy nature of proposed **“ORDINANCE NUMBER 46 AN INTERIM ORDINANCE AUTHORIZING A STUDY AND IMPOSING A MORATORIUM ON THE OPERATIONS OF CANNABIS BUSINESSES WITHIN THE CITY OF ROSEAU**

WHEREAS, a Public Hearing shall be held on July 27, 2023 at 8:00 a.m. at the Council Chambers of the Roseau City Council, located at 121 Center Street East, Suite 201, Roseau, Minnesota 56751;

WHEREAS, Pursuant to Minnesota Statutes 412.191, Subdivision 4 and M.S. 331A.01, Subd. 10, the Council may, by a majority vote of its members, direct that only the title of the proposed Ordinance and a summary be published with notice that a printed copy of the Ordinance is available for inspection by any person during regular office hours at the City Offices; and

WHEREAS, Prior to the publication of the title and summary, the Council has read and approved the text of the summary and determined that it clearly informs the public of the intent and effect of the proposed Ordinance; and

WHEREAS, The Council finds that the text of the Summary Publication of proposed Ordinance Number 46 attached clearly informs the public of the nature and intent of the proposed Ordinance.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROSEAU, MINNESOTA, that the Council approves by at least 4/5 vote, the Summary Publication of the Proposed **“ORDINANCE NUMBER 46 AN INTERIM ORDINANCE AUTHORIZING A STUDY AND IMPOSING A MORATORIUM ON THE OPERATIONS OF CANNABIS BUSINESSES WITHIN THE CITY OF ROSEAU**

BE IT FURTHER RESOLVED: the publication shall read as follows:

The following is a summary of the proposed Ordinance. The proposed Ordinance, in its entirety is available for review and/or photocopying during regular office hours at the City of Roseau Offices, at 121 Center Street East, Suite 202, in the City of Roseau, Minnesota, or by standard or electronic mail.

The purpose of this Interim Ordinance is to authorize a study related to the establishment and operation of cannabis businesses within the City of Roseau. The City will be undergoing a study regarding the adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of cannabis businesses in the City of Roseau, together with the study of any other recommended and authorized local regulations as set forth in the newly enacted Cannabis Act. During the term of this Ordinance, no business, person, or entity may establish or operate a cannabis business in the City of Roseau. This ordinance will remain in full force and effect until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or until January 1, 2025, whichever occurs first.

This Motion for Resolution was seconded by Councilperson Brady Johnson, and upon a vote being taken, the following voted in favor: Mayor Fabian, Councilmembers Bassingthwaite, Johnson, and Hayes. Councilmember Novacek was absent.

WHEREAS, the Council has by at least 4/5 vote approved this public notice on the 10th day of July, 2023.

Mayor

ATTEST:

City Clerk-Treasurer

- City Attorney Moren presented to council the following Chapter 114.
AN ORDINANCE AMENDING TITLE XI OF THE ROSEAU CITY CODE BY
ADDING CHAPTER 114 - REGULATING TETRAHYDROCANNABINOL
PRODUCTS

THE CITY COUNCIL OF THE CITY OF ROSEAU HEREBY ORDAINS AS
FOLLOWS:

SECTION 1. AMENDMENT. City Code Title XI is amended by adding Chapter 114 as
follows:

TETRAHYDROCANNABINOL PRODUCTS

114.01. PURPOSE AND INTENT.

The purpose of this chapter is to regulate the sale of legalized adult-use of any product that contains tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minn. Stat. §151.72, as amended also known as “THC Products” for the following reasons:

(a) Minn. Stat. §151.72 allows the sale of certain products containing tetrahydrocannabinol, also known as “THC”.

(b) Minn. Stat. §151.72, as amended in 2023, does not prohibit municipalities from adopting and enforcing local ordinances to regulate THC product businesses including, but not limited to, local zoning and land use requirements and business license requirements.

(c) The National Institute of Health has raised concerns about the safety of THC products, including for medical purposes, especially for youth.

(d) The City recognizes the danger THC use presents to the health, welfare, and safety of youth in Roseau.

(e) The Minnesota Legislature recognized the danger of THC product use among the public at large by setting potency and serving size requirements.

(f) The Minnesota Legislature recognized the danger of THC product use among youth by prohibiting the sale of any product containing THC to those under the age of 21, requiring that edible THC products be packaged without appeal to children and in child-resistant packaging or containers.

(g) The City has the opportunity to be proactive and make decisions that will mitigate this threat and reduce exposure of young people to the products or to the marketing of these products and improve compliance among THC product retailers with laws prohibiting the sale or marketing of THC products to youth.

(h) A local regulatory system for THC product retailers is appropriate to ensure that retailers comply with THC product laws and business standards of the City of Roseau to protect the health, safety, and welfare of our youth and most vulnerable residents.

(i) A requirement for a THC product retailer license will not unduly burden legitimate business activities of retailers who sell or distribute THC products to adults but will allow the City of Roseau to regulate the operation of lawful businesses to discourage violations of state and local THC Product-related laws.

(j) Restrictions as to time and place for sale or distribution of THC products will not unduly burden legitimate business activities of retailers.

(k) In making these findings and enacting this ordinance, it is the intent of the Roseau City Council to ensure responsible THC product retailing, allowing legal sale and access without promoting increases in use, and to discourage violations of THC Product-related laws, especially those which prohibit or discourage the marketing, sale, or distribution of THC products to youth under 21 years of age.

114.02 DEFINITIONS.

Except as may otherwise be provided or clearly implied by context, all terms shall be given their commonly accepted definitions. The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

COMPLIANCE CHECKS. The system the City uses to investigate and ensure that those authorized to sell licensed products are following and complying with the requirements of this article. Compliance checks involve the use of persons under 21 who purchase or attempt to purchase licensed products. Compliance checks may also be conducted by the City, Roseau County Sheriff's Department, or other units of government, or other designee of the City of Roseau, for educational, research, and training purposes, or for investigating or enforcing Federal, State, or local laws and regulations relating to licensed products.

EXCLUSIVE LIQUOR STORE. An establishment that meets the definition of exclusive liquor store in Minn. Stat. § 340A.101, subd. 10.

LICENSED PRODUCT OR THC PRODUCT. Any product that contains more than trace amounts of tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minn. Stat. §151.72, as may be amended from time to time. Licensed product does not include medical cannabis as defined in Minn. Stat. §152.22, subd. 6, as may be amended from time to time, , excluding "medical cannabis" as defined by Minn. Stat. §152.22, Subd. 6, as the same may be amended from time to time.

MOVEABLE PLACE OF BUSINESS. Any form of business operated out of a kiosk, truck, van, automobile, or other type of vehicle or transportable shelter and not a fixed address storefront or other permanent type of structure authorized for sales transactions.

SALE. Any transfer of goods for money, trade, barter, or other consideration.

SCHOOL. Any public or private elementary, vocational, or secondary school, or a public or private college or university, or a state licensed date care center.

SELF-SERVICE MERCHANDISING. Open displays of licensed products in any manner where any person has access to the licensed products without the assistance or intervention of the licensee or the licensee's employee. Assistance or intervention means the actual physical exchange of the licensed the customer and the licensee or employee.

THC. Is the acronym for tetrahydrocannabinol, the principal psychoactive constituent of cannabis.

TOBACCO STORE. A retail store utilized primarily for the sale of tobacco products and accessories and which the sale of other products is incidental.

VENDING MACHINE. Any mechanical, electric, or electronic, or other type of device that dispenses licensed products upon the insertion of money, tokens, or other form of payment directly into the machine by the person seeking to purchase the licensed product.

114.03 LICENSE.

Subd. 1. License Required. No person shall sell or offer to sell any licensed product within the City without first having obtained a license to do so from the City.

Subd. 2. Application. An application for a license to sell licensed products shall be made on a form provided by the City. The application shall contain the full name and date of birth of the applicant, the applicant's residential and business addresses and telephone numbers, the name of the business for which the license is sought, and any additional information the City deems necessary. A business applicant, at the time of application, shall furnish the City with a list of all persons that have an interest of five percent or more in the business. The list shall name all owners and show the interest held by each, either individually or beneficially for others. It is the duty of each business licensee to notify the City Clerk-Treasurer in writing of any change in ownership in the business. If the City Clerk-

Treasurer determines that an application is incomplete, the City Clerk-Treasurer shall return the application to the applicant with notice of the information necessary to make the application complete. Upon receipt of a completed application, the City Clerk-Treasurer shall forward the application to the City of Roseau Chief of Police to conduct a criminal background check utilizing the Minnesota Bureau of Criminal Apprehension for said background check. Upon completion of the background check, the City Clerk-Treasurer shall forward the application to the City Council for action at its next regularly scheduled City Council meeting.

Subd. 3. Action. The City Council may either approve or deny the application for a license, or it may delay action for a reasonable period of time as necessary to complete any investigation of the application or the applicant it deems necessary. If the City Council approves the license, the City Clerk-Treasurer shall issue the license to the applicant. If the City Council denies the license, notice of the denial shall be given to the applicant along with notice of the applicant's right to appeal. Appeals of any decision must be made within thirty (30) days of the denial. If a license application is denied, the earliest an applicant may reapply is 12 months from the date the license is denied.

Subd. 4. Term. All licenses issued under this article shall expire on December 31 of each year.

Subd. 5. Revocation or Suspension.

(1) Any license issued under this chapter may be revoked or suspended as provided in this chapter.

(2) If a license is mistakenly issued or renewed to a person or a business, it shall be revoked upon the discovery that the person or business was ineligible for the license

under this chapter and the City shall provide the person or business with a notice of revocation, along with information on the right to appeal.

(3) Any change in the ownership or control of a licensed business shall be deemed equivalent to a transfer of the license, and any such license shall be revoked 30 days after any such change in ownership or control unless the licensee has notified the Council of the change in ownership by submitting a new license application for the new owners, and the City Council has approved the transfer of the license by appropriate action. Any time an additional investigation is required because of a change in ownership or control of a business, the licensee shall pay an additional investigation fee to be determined by the City. The City may at any reasonable time examine the transfer records and minute books of any business licensee to verify and identify the owners, and the City may examine the business records of any other licensee to the extent necessary to disclose the interest which persons other than the licensee have in the licensed business. The City Council may revoke any license issued upon its determination that a change of ownership of a licensee has resulted in the change of control of the licensed business so as materially to affect the integrity and character of its management and its operation, but no such action shall be taken until after a hearing by the City Council on notice to the licensee.

Subd. 6. Transfers. All licenses issued under this chapter shall be valid only on the premises for which the license was issued and only for the person or business to whom the license was issued. The transfer of any license to another location, business, or person is prohibited.

Subd. 7. Display. All licenses shall be posted and displayed in plain view of the general public on the licensed premises.

Subd. 8. Renewals. The renewal of a license issued under this article shall be handled in the same manner as the original application. The request for a renewal shall be made at least 30 days but no more than 60 days before the expiration of the current license.

Subd. 9. Issuance as Privilege and Not a Right. The issuance of a license issued under this article is a privilege and does not entitle the license holder to automatic renewal of the license.

114.04 FEES.

No license shall be issued under this chapter until the appropriate license fee shall be paid in full. The fee for a license under this article shall be established by the City Council and adopted in the City fee schedule and may be amended from time to time.

114.05 ELIGIBILITY AND BASIS FOR DENIAL OF LICENSE.

Subd. 1. Eligibility.

(1) Moveable Place of Business. No license shall be issued to a moveable place of business. Only fixed location businesses shall be eligible to be licensed under this article.

(2) Proximity to Schools. No license shall be issued for a premises within 500 feet of any school. The distance is to be measured from the closest side of the school to the closest side of the structure on the premises which the licensed product is to be sold.

(3) Delinquent Taxes and Charges. No license shall be granted or renewed for operation on any premises on which taxes, assessments, utility charges, service charges, or other financial claims of the City are delinquent and unpaid. In the event an action has been commenced pursuant to the provisions of Minn. Stat. ch. 278, as it may be amended from time to time, questioning the amount or validity of taxes, the City Council may, on application by the licensee, waive strict compliance with this paragraph. No waiver may be granted, however, for taxes or any portion thereof which remain unpaid for a period exceeding one year after becoming due.

Subd. 2. Grounds for Denial. Grounds for denying the issuance or renewal of a license under this chapter include, but are not limited to, the following:

(1) The applicant is under the age of 21 years.

(2) The applicant is prohibited by Federal, State, or other local law, ordinance, or other regulation from holding a license.

(3) The applicant has been convicted within the past five years for any violation of a Federal, State, or local law, other ordinance, provision, or other regulation relating to the licensed products.

(4) The applicant has had a license to sell licensed products suspended or revoked during the 12 months preceding the date of application, or the applicant has or had an interest in another premises authorized to sell licensed products, whether in the City or in another jurisdiction, that has had a license to sell licensed products suspended or revoked during the same time period, provided the applicant had an interest in the premises at the time of the revocation or suspension, or at the time of the violation that led to the revocation or suspension.

(5) The applicant is a business that does not have an operating officer or manager who is eligible pursuant to the provisions of this chapter.

(6) The applicant is the spouse of a person ineligible for a license pursuant to the provision of subdivision 2(2) and 2(3) of this section or who, in the judgement of the City Council, is not the real party in interest or beneficial owner of the business to be operated, under the license.

(7) The applicant fails to provide any information required on the application or provides false or misleading information. Any false statement on an application, or any willful omission of any information called for on such application form, shall cause an automatic refusal of license, or if already issued, shall render any license issued pursuant thereto void and of no effect to protect the applicant from prosecution for violation of this chapter, or any part thereof.

114.06 PROHIBITED ACTS.

Subd. 1. In general.

- (1) No person shall sell or offer to sell any licensed product: (i) By means of any type of vending machine.
 - (ii) By means of self-service merchandising.
 - (iii) By any other means, to any other person, on in any other manner or form prohibited by state or other local law, ordinance provision, or other regulation.
 - (iv) That is not in the original packaging with labeling in compliance with labeling requirements of Minn. Stat. §151.72, subd. 5, as may be amended from time to time.
- (2) No person shall sell or offer for sale a product containing THC that does not meet all the requirements of Minn. Stat. §151.72, subd. 3., as may be amended from time to time.

Subd. 2. Legal Age. No person shall sell any licensed product to any person under the age of 21.

(1) Age Verification. Licensees shall verify by means of government issued photographic identification that the purchaser is at least 21 years of age.

(2) Signage. Notice of the legal sales age and age verification requirement must be posted prominently and in plain view at all times at each location where licensed products are offered for sale. The required signage, which will be provided to the licensee by the City, must be posted in a manner that is clearly visible to anyone who is or is considering making a purchase.

Subd. 3. Samples Prohibited. No person shall distribute samples of any licensed product free of charge or at a nominal cost.

Subd. 4. Use of False Identification. It shall be a violation of this chapter for any person to attempt to disguise their true age by the use of a false form of identification, whether the identification is that of another person or one on which the age of the person has been modified or tampered with to represent an age older than the actual age of person.

Subd. 5. Unlawful Purchases. It shall be unlawful for any person who is under the age of 21 years to purchase any licensed product. Persons acting under the direct supervision of the City, law enforcement, or other governmental unit and which are actively engaged in a compliance check of the licensed premises are exempted from this provision while engaged in the compliance check.

Subd. 6. Hours and Days of Sale. No sale of THC products may be made between 10:00 p.m. and 8:00 a.m Monday through Sunday.

Subd. 7. Sale to Obviously intoxicated person prohibited. THC products must not be sold to a customer who the retailer knows or reasonably should know is intoxicated.

114.07 ADDITIONAL REQUIREMENTS.

Subd. 1. Storage. All licensed products shall either be stored behind a counter or other area not freely accessible to customers, or in a case or other storage unit not left open and accessible to the general public.

Subd. 2. Minimum Clerk Age. Individuals employed by a licensed retail establishment under this article must be at least 18 years of age to sell edible cannabinoid products.

114.08 RESPONSIBILITY.

All licensees are responsible for the actions of their employees in regard to the sale, offer to sell, and furnishing of licensed products on the licensed premises. The sale, offer to sell, or furnishing of any licensed product by an employee shall be considered an act of the licensee. Nothing in this section shall be construed as prohibiting the City from also subjecting the employee to any civil penalties that the City deems to be appropriate under this ordinance, state or federal law, or other applicable law or regulation.

114.09 COMPLIANCE CHECKS AND INSPECTIONS.

All premises licensed under this chapter shall be open to inspection by the City during regular business hours. From time to time, but at least once per year, the City or the Roseau County Sheriff's Department, or other entity authorized by the City of Roseau Chief of Police shall conduct compliance checks.

No person used in compliance checks shall attempt to use a false identification misrepresenting their age. All persons lawfully engaged in a compliance check shall answer all questions about their age asked by the licensee or their employee, and produce any identification, if any exists, for which they are asked. The City will conduct a compliance check that involves the participation of a person at least 18 years of age, but under the age of 21 to enter the licensed premises to attempt to purchase the licensed products. Persons used for the purpose of compliance checks shall be supervised by law enforcement or other designated personnel. Nothing in this chapter shall prohibit compliance checks authorized by state or federal laws for educational, research, or training purposes, or required for the enforcement of a particular State or Federal law. Additionally, from time to time, the City will conduct inspections to determine compliance with any or all other aspects of this chapter.

114.10 VIOLATIONS AND PENALTY.

Subd. 1 Criminal Penalty. A violation of this chapter shall be a misdemeanor. Nothing in this chapter prohibits the City from seeking prosecution as a misdemeanor for an alleged violation of this chapter.

Subd. 2. Administrative Penalty. If a licensee or an employee of a licensee is found to have violated this article, the licensee shall be charged an administrative penalty as follows:

(1) First Violation. The City Council shall impose a civil fine of \$500.00 and suspend the license for not less than 1 day.

(2) Second Violation Within 36 Months. The City Council shall impose a civil fine of \$1,000.00 and suspend the license for not less than 3 consecutive days.

(3) Third Violation Within 36 Months. The City Council shall revoke the license for at least one year.

Subd. 3. Administrative Penalty Procedures. No penalty shall take effect until the licensee has received notice (served personally or by mail) of the alleged violation and of the opportunity for a hearing before the City Council, and such notice must be in writing and must provide that a right to a hearing before the City Council must be requested within 10 business days of receipt of the notice or such right shall terminate.

Subd. 4 Revocation. In addition to any other penalty imposed under this chapter, any license issued under this section may be revoked by the City Council for a violation of any provision of this chapter if the licensee has been given a reasonable notice and an opportunity to be heard.

Subd. 5. Appeal. Any appeal of the decision of the City Council to impose a civil penalty must be made within thirty (30) days of the decision of the City Council.

114.11. SEVERABILITY

If any section or provision of this ordinance is held invalid, such invalidity shall not affect other sections or provisions that can full force and effect without such invalidated section or provision.

SECTION 2. FEE SCHEDULE AMENDMENT. The fee schedule shall be amended from time to time by the Roseau City Council. Current THC License fee is \$ 200.00.

SECTION 3. REPEAL OF TEMPORARY EMERGENCY ORDINANCE. On the effective date of this ordinance as defined in Section 4 below, the Temporary Emergency Ordinance adopted by the Roseau City Council on August 1, 2022 shall be repealed in its entirety.

SECTION 4. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage and publications as required by law.

SECTION 5. SUMMARY PUBLICATION. The following summary clearly informs the public of the intent and effect of the ordinance and is approved for publication:

SUMMARY PUBLICATION FOR CITY OF ROSEAU – ORDINANCE NUMBER 114 – AN ORDINANCE AMENDING TITLE XI OF THE CITY CODE BY ADDING CHAPTER 114 REGULATING TETRAHYDROCANNABINOL PRODUCTS

The above-referenced Ordinance amends the Roseau City Code by amending City Code Ordinance Title XI – Business Regulations by adding Chapter 114 regulating tetrahydrocannabinol products within the City. The ordinance establishes regulations for persons, businesses, and other entities engaged in the sale of any product that contains

tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minnesota Statutes, section 151.72 as amended (“THC Products”) in order to protect the public health, safety and welfare. The ordinance requires sellers to obtain a license through the City and adhere to regulations designed to prevent such products from being sold to or accessed by those under the age of 21. The ordinance provides for mandated compliance checks and escalating penalties for each violation of the ordinance by licensed or non-licensed individuals or entities. This Ordinance, once it takes effect, will repeal the Temporary Ordinance adopted by the Roseau City Council on August 1, 2022, to temporarily regulate sales of THC Products in the City.

This summary is adopted pursuant to Minn. Stat. §412.191, Subd. 4. A printed copy of the entire Ordinance is available for inspection and copying at the Roseau City Office located at Roseau City Center, 121 Center Street East, Suite 202, Roseau, Minnesota 56751.

ADOPTED by the City Council of the City of Roseau this _____ day of July, 2023.
Dated this _____ day of July 2023.

APPROVED:

Mayor

ATTEST:

City Clerk-Treasurer

This Ordinance introduced on: July 10, 2023

This Ordinance published on: July 14, 2023

This Ordinance given a hearing on: July 27, 2023

This Ordinance adopted on: July 27, 2023

This Ordinance published on: July 30, 2023

Council discussed registration through the state, the application process, licensing, licensing fees, compliance checks, products, as well as the legal age for THC products.

Councilmember Brady Johnson motioned, Councilmember Mary Hayes seconded, and it was approved by unanimous vote to approve the text in the proposed addition of Chapter 114 to City Ordinance Title XI and to set a public hearing for July 27, 2023, at 8:15 a.m.

RESOLUTION NO. 38-23
OF THE CITY OF ROSEAU AUTHORIZING SUMMARY PUBLICATION OF A
PROPOSED ORDINANCE.

At the regular meeting of the City Council of the City of Roseau, Minnesota, held on Monday, July 10th, 2023, at 5:00 p.m., a Motion was made by Councilperson Amy Bassingthwaite for passage of the following Resolution:

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

WHEREAS, the City Council of the City of Roseau is considering the adoption of a THC Ordinance pursuant to Minnesota Statutes Section 151.72 as amended;

WHEREAS, prior to consideration of the proposed THC Ordinance, the City of Roseau must hold a public hearing and notice of said public hearing and proposed ordinance must be published in the legal newspaper;

WHEREAS, The City Council of the City of Roseau has determined the publication of the title and a summary is prudent due to the lengthy nature of proposed "ORDINANCE NUMBER 114 – AN ORDINANCE AMENDING TITLE XI OF THE CITY CODE BY ADDING CHAPTER 114 REGULATING TETRAHYDROCANNABINOL PRODUCTS

WHEREAS, a Public Hearing shall be held on July 27, 2023 at 8:15 a.m. at the Council Chambers of the Roseau City Council, located at 121 Center Street East, Suite 201, Roseau, Minnesota 56751;

WHEREAS, Pursuant to Minnesota Statutes 412.191, Subdivision 4 and M.S. 331A.01, Subd. 10, the Council may, by a majority vote of its members, direct that only the title of the proposed Ordinance and a summary be published with notice that a printed copy of the Ordinance is available for inspection by any person during regular office hours at the City Offices; and

WHEREAS, Prior to the publication of the title and summary, the Council has read and approved the text of the summary and determined that it clearly informs the public of the intent and effect of the proposed Ordinance; and

WHEREAS, The Council finds that the text of the Summary Publication of proposed Ordinance Number 114 attached clearly informs the public of the nature and intent of the proposed Ordinance.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROSEAU, MINNESOTA, that the Council approves by at least 4/5 vote, the Summary Publication of the Proposed ORDINANCE NUMBER 114 – AN ORDINANCE AMENDING TITLE XI OF THE CITY CODE BY ADDING CHAPTER 114 REGULATING TETRAHYDROCANNABINOL PRODUCTS

BE IT FURTHER RESOLVED: the publication shall read as follows:

The following is a summary of the proposed Ordinance. The proposed Ordinance, in its entirety is available for review and/or photocopying during regular office hours at the City of Roseau Offices, at 121 Center Street East, Suite 201, in the City of Roseau, Minnesota, or by standard or electronic mail.

The above-referenced Ordinance amends the Roseau City Code by amending City Code Ordinance Title XI – Business Regulations by adding Chapter 114 regulating tetrahydrocannabinol products within the City. The ordinance establishes regulations for persons, businesses, and other entities engaged in the sale of any product that contains tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minnesota Statutes, section 151.72 as amended (“THC Products”) in order to protect the public health, safety and welfare. The ordinance require sellers to obtain a license through the City and adhere to regulations designed regulations designed to prevent such products from being sold to or accessed by those under the age of 21. The ordinance provides for mandated compliance checks and escalating penalties for each violation of the ordinance by licensed or non-licensed individuals or entities.

This Ordinance, once it takes effect, will repeal the Temporary Ordinance adopted by the Roseau City Council on August 1, 2022 to temporarily regulate sales of THC Products in the City.

This Motion for Resolution was seconded by Councilperson Brady Johnson, and upon a vote being taken, the following voted in favor: Mayor Fabian, Councilmembers Basingthwaite, Johnson, and Hayes. Councilmember Novacek was absent.

WHEREAS, the Council has by at least 4/5 vote approved this public notice on the 10th day of July, 2023.

Mayor

ATTEST:

City Clerk-Treasurer

- City Attorney asked that council email her with questions and cautioned council to not talk amongst themselves as it violates public meeting laws. Council direction is to require a \$2,000 licensing fee to sell consumable tetrahydrocannabinol products.
- City Attorney Moren informed council that as of today the City of Roseau officially owns the Geroy/Blackrock LLC property.

Community Development Coordinator

CDC Peterson presented the following:

- The School house build is for sale for \$240,700, the cost of building it. CDC Peterson informed council that he has shown the house 6 or 7 times and it is in the City newsletter, but people seem a bit put off as it is not finished (there are no counters, flooring, etc.) The finishing will be done to the buyers' preference and budget. The prospective buyers are informed they can contact Keith Markstrom or another contractor to get a finished price.
- School Superintendent Tom Jerome and the Industrial Tech instructor, Shane Larson, are interested in having the industrial tech class do another school house build if the City of Roseau is interested. A more simple design was recommended much like the first house that the industrial tech class built. CDC Peterson is not certain that the foundation can be poured yet this fall. A city lot will also need to be agreed upon. There are lots on Center Street and lots at Oak Crest. CDC Peterson will see which lot is preferred. Keith Markstrom would work with Shane Larson and the class again.

Councilmember Amy Bassingthwaite motioned, Councilmember Brady Johnson seconded, and it was approved by unanimous vote to engage Keith Markstrom to see if a school house project can be put together for this fall.

- CDC Peterson presented to council the following resolution.

**RESOLUTION # 35-23
RESOLUTION FOR STATE APPROPRIATIONS FOR CITY OF ROSEAU
WEST SIDE STORM SEWER SYSTEM MODIFICATION**

WHEREAS, the State of Minnesota appropriated \$1,915,000 to the Department of Natural Resources for a pass-through grant to the City of Roseau – West Side Storm Sewer System Modification

WHEREAS, the State of Minnesota requires that the City of Roseau provide an official request for appropriations, and that the City of Roseau will act as the lead agency for the flood mitigation project.

BE IT RESOLVED that the City of Roseau, hereinafter referred to as the “Requestor” act as legal sponsor for West Side Storm Sewer System Modification and that the Community Development Coordinator (CDC) is hereby authorized to apply to the Department of Natural Resources for funding of this project on behalf of the Requestor.

BE IT FURTHER RESOLVED that the Requestor has the legal authority to apply for financial assistance, and the institutional, administrative, and managerial capability to ensure adequate acquisition, maintenance, and protection of the proposed project.

BE IT FURTHER RESOLVED that the Requestor hereby pledges to complete the project if it exceeds the total funding provided by the Department of Natural Resources and any required local match.

BE IT FURTHER RESOLVED that the Requestor has not violated any Federal, State, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its request by the state, the Requestor may enter into an agreement with the State of Minnesota for the above- references project, and that the Requestor certifies that it will comply with all applicable laws and regulations as stated in the contract agreement.

NOW, THEREFORE BE IT RESOLVED that the Community Development Coordinator (CDC) is hereby authorized to execute agreements as are necessary to implement the project on behalf of the Requestor.

I CERTIFY THAT the above resolution was adopted by the City Council of the City of Roseau on July 10, 2023.

SIGNED:

(Signature)

(Title)

(Date)

WITNESSED:

(Signature)

(Title)

(Date)

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was approved by unanimous vote to approve Resolution #35-23 accepting State appropriations for City of Roseau West Side Storm Sewer System modification.

- CDC Peterson informed council that the application to the 2023 Local Trail Connections Program has been selected for funding. This is a reimbursement grant in the amount of \$250,000. CDC Peterson informed council that along with this DNR Trails grant (\$250,000), the City of Roseau is set to receive Federal funds (\$1.3 mil) and may receive MnDOT funds (\$275,000). If the City receives all of these funds, there should be no City funds needed as the project is estimated to cost \$1.7 mil. CDC Peterson asked for council authorization to accept and sign the Trails Grant Award.

Council member Brady Johnson motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to authorize the accepting and signing of the Trails Grant Award.

- CDC Peterson informed council that though the date was set for the August 7 TIF public hearings, the public hearing times was not.

Council reviewed the proposed Intercept Industries Economic Development TIF. Councilmember Brady Johnson motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to set the public hearing time for 5:15 p.m. for the Intercept Industries Economic Development TIF at the August 7, 2023, regular council meeting.

Council reviewed the proposed EDA – 9 year Economic Development TIF (Workforce Housing) & 15 Year Tax Abatement.

CDC Peterson informed council that notification has been sent out that this TIF and Tax abatement needs to be approved by the City, County and School. Each entity will hold their own meeting.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to set the public hearing time for 5:20 p.m. for the EDA – 9 year Economic Development TIF (Workforce Housing) & 15 Year Tax Abatement at the August 7, 2023, regular council meeting.

Mayor Council

Councilmember Johnson informed council that the baseball tournament is all set.

Unfinished Business-

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

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Dan Fabian