

REGULAR ROSEAU CITY COUNCIL MEETING

MONDAY – March 6, 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, Councilmembers: Pat Novacek, Amy Bassingthwaite, Brady Johnson, and Mary Hayes. Absent: none. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Marc Hodge, Fire Chief Leon Huot, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Roseau County Commissioner Jack Swanson, and Phillip Larson from the arena board.

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

Councilmember Mary Hayes motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the February 6, 2023, regular meeting minutes as written.

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

1. Presentation of Accounts Payable claims February 1, 2023, through February 28, 2023, Batch AP002282023
CK# 73756-73767 = \$29,311.12
2. Presentation of daily checks February 1, 2023, through February 28, 2023
CK# 73636-73755 = \$415,458.82
E# 3260-3300 = \$427,944.90
PR 02/15/23 = \$43,589.88
Comp Payout = \$1,765.32
PR 02/28/23= \$47,838.45
3. Presentation of Receipt entries January 1, 2023, through January 31, 2023.
4. Presentation of Journal entries JE123122.
5. Audit Committee review of December 2022 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. April 3, 2023, 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 02/28/2023 is \$60,229.28.
9. Cash in bank-Regular checking as of 02/28/2023 is \$2,300,635.89.
10. Investment-Regular Hi Fi as of 02/28/2023 is \$1,567,343.38.
11. Investment Certificate of Deposit as of 02/28/2023 is \$834,914.89
12. Investment Certificate of Deposit as of 02/28/2023 is \$824,124.54.
13. Investment Certificate of Deposit as of 02/28/2023 is \$825,849.50.
14. Investment Certificate of Deposit as of 02/28/2023 is \$818,283.33.
15. Investment-Roseau EDA Money Market as of 02/28/2023 is \$138,395.48.
16. Cash in bank-Roseau EDA as of 02/28/2023 is \$25.29.
17. LG220 Sons of the American Legion-Bingo April 4, 2023

- 18. Approve Hangar #2 Lease Agreement with Jason Goulet
- 19.

RESOLUTION NO. 19-23

RESOLUTION ACCEPTING GRANT

WHEREAS, the Northwest Minnesota Arts Council, has presented to the City of Roseau, a grant of \$4,000 and has designated that this grant be deposited in the City of Roseau Gazebo Concert Series Fund.

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

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

- 1. That the grant is accepted and acknowledged with gratitude, and
- 2. That the grant will be allocated to the City of Roseau Gazebo Concert Series Fund.

Adopted by the City Council of the City of Roseau, Minnesota this 6th day of March 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

- 20.

RESOLUTION NO. 20-23

RESOLUTION ACCEPTING DONATIONS

WHEREAS, the Roseau Civic & Commerce presented to the City of Roseau, \$10,699.05 in donations, and have designated that these donations be deposited in the City of Roseau for Holiday Lights.

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 for Holiday Lights.

Adopted by the City Council of the City of Roseau, Minnesota this 6th day of March 2023.

By: _____
Mayor

Attest: _____
Clerk/Treasurer

- 21. LG220 Roseau Ducks Unlimited-Raffle-Gene's Bar & Grill April 14, 2023
- 22. City Revenue & Expense Report February 2023
- 23. Liquor Store Monthly Sales Report & Analysis Report February 2023

Delegations/Petitions/Complaints

Committee Reports

Planning Commission –

CDC Todd Peterson informed council that the Planning Commission did not meet but will be meeting in March.

Roseau County Commissioner

County Commissioner Jack Swanson informed council on the following:

- The County is in the process of hiring a new county engineer. Counties cannot contract engineers like cities can, so this is a very costly position as counties must compete with the private sector.
- There will be a special election for the Roseau County Commissioner seat vacated by Commissioner Walker. The primary election will be in May and the general election in August.

Councilmember Novacek asked Commissioner Swanson if Roseau County had applied for the ARMER grant funding. Commissioner Swanson stated that Roseau County had. The ARMER radio system is Minnesota's primary two-way radio system for emergency service providers. The police and fire departments need to upgrade radios as layers of encryption are added. A lot of the old radios are not able to be encrypted.

Commissioner Swanson asked Police Chief Hodge how many ARMER units the police department has and the approximate cost to replace them. Chief Hodge stated that the police department has 10 radios. 7 that are mobile, costing approximately \$6,000 each (2 were just replaced with the old ones going to the fire department) and 3 are in the squads, costing approximately \$20,000 each.

Operations Committee

The Operations Committee did not meet.

Oakcrest Golf Course

Councilmember Johnson stated that there was no new business for the Oakcrest Golf Club.

Airport Committee

CDC Peterson informed council that the Airport Committee did not meet but presented to council drawings for a private hangar land lease request from Dale Niemi. Mr. Niemi lives in Moorhead and commutes here for work. Mr. Niemi would like to fly versus drive the distance. Mr. Niemi would like to break ground this spring. CDC Peterson stated that, KLJ, the City of Roseau's airport engineers picked the location to fit the proposed structure, well and septic and insure there are no obstructions to the airfield.

CDC Peterson also informed council that funding for the airport is based off aircraft based at the Roseau Airport. The current land leases are 20-year leases at \$150.00 per year. All utilities and upkeep are at the lessee's expense.

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve Moren Law Office drawing up a 20-year lease agreement with Dale Niemi (Niemi Aviation LLC) for the proposed hangar, location and \$150 per year rate.

EDA

CDC Peterson informed council the EDA met February 22, 2023. The meeting minutes were provided in the council packets.

CDC Peterson stated there were no items needing council action.

Department Reports

Liquor Store

Liquor Store Manager Niki Johnson was absent but had provided to council a monthly sales report and analysis report. Councilmembers Hayes and Johnson met with Manager Johnson last Wednesday and discussed the following:

- A new job description for the Liquor Store Assistant Manager position.
- A training class for the liquor store employees that is scheduled for April.
- New shelving Ron Woolever is building for the liquor store.
- The liquor store is fully staffed, and Manager Johnson is happy with the new assistant manager.
- The need for better security camera's

Police Chief Hodge stated that other outside cameras around the city need to be upgraded as well. The current outside cameras pixelate and are very grainy. Cameras with better night vision are needed. There was also discussion about outside cameras at the gazebo and water park areas.

Fire Department

Fire Chief Leon Huot informed council on the following

- Two Roseau fire fighters covered the Skime portion of the I-500 snowmobile race as emergency personal.
- There will be 8-10 Roseau fire fighters attending fire training.
- The Roseau Fire Hall will be hosting the NW Regional Fire Association meeting in April. Chief Huot will submit the request to serve alcohol at the fire hall for that event at the April 3rd meeting.

Police Department

Police Chief Marc Hodge informed council on the following:

- The Roseau Police Departments policy manual has been updated and is currently at City Attorney Moren's office for review. Chief Hodge has been researching policy making products to assist in updating the police department policy manual. They are costly. Chief Hodge informed council that the Bemidji Police Department has a very good policy

manual, and Bemidji Police Chief Mike Mastin offered the Bemidji Police Departments manual to copy and change to fit the Roseau Police Department. Mayor Fabian stated that there are more statute changes coming and Police Chief Hodge informed council that the policy manual should be updated every year to stay current.

- The current records management system LETG has lost compliance with the BCA and has until July to get into compliance. LETG has been sold three times and has become unreliable. Commissioner Swanson informed council that the County is facing the same issue.

Chief Hodge proposed Motorola as a new records management system with digiTicket as an addon for citations. Motorola will be a stable parent company and the police department is planning to integrate other Motorola products such as body cameras. Chief Hodge stated that the Motorola records management system will cost \$45,000 for the first year with digiTicket being an addon. The digiTicket addon had two options one being to buy for a cost of \$10,805 or an annual leasing option. It was noted that the leasing option would cost more by year five. Chief Hodge stated there is \$30,000 in this year's line-item budget for computer and software and is requesting an additional \$40,000 for the purchase of the Motorola records management system and digiTicket add on.

Councilmember Pat Novacek motioned, Councilmember Mary Hayes seconded, and it carried by unanimous vote to add an additional \$40,000 to the Police Departments computer, software line item for the purchase of the Motorola records management system and digiTicket addon.

Superintendent Arena

Phil Larson from the arena board informed council that the board met on January 31, 2023, and discussed the following items on the Memorial Arena.

- Full Time arena employee
 - Co-Op with Roseau Youth Hockey?
- More Resources Allocated to Arena
 - Staffing (pay more) Part time workers.

Mr. Larson asked council if there could be more staffing at the arena when ice is in the facility. The arena is a busy place, and it gets dirty, and things are broken. There needs to be more general upkeep.

Mr. Larson asked about the possibility of consolidating resources with Roseau Youth Hockey and hiring a full-time arena person to handle both rinks. The two arenas are owned by the two different entities. Mr. Larson stated that this arena person should just be focused on the arenas and not pulled off to the City Crew to plow snow, etc. Superintendent Drown stated that the City Crew is already running short handed and though there is a job posting, no one has applied. Mr. Larson asked if arena personnel could be paid more than they are to make the job more appealing.

CDC Peterson stated that the City of Roseau's pay chart must be followed so personnel cannot be paid more than the position ranks on the pay chart. CDC Peterson also stated that part of the problem is, this is not an 8 to 5 job, it requires someone that will work evenings and weekends.

- Consolidated Zamboni maintenance plan
 - City, Roseau Youth Hockey, School (2 breakdowns last week Memorial Zamboni)

Mr. Larson asked council about consolidating Zamboni inspections and upkeep. It costs \$4,300 to have a tech come and go through a Zamboni. The tech could inspect all the Zambonis when they are here.

- Steel/Insulated Roof
 - Timeline/Plan

Mr. Larson asked about the roof situation. There is concern about the roof rotting. On February 8th when Mr. Larson was at the Memorial Arena the roof was leaking through the shingles, it was not coming from the seam. If the Historical site designation does not happen is there a plan in place for repairs?

- Summer Maint./Cleaning (Excuse if some of this is already in place)
 - Pressure wash inside foundation
 - Pressure wash entire interior floor (epoxy quote interior)

Mr. Larson asked if there was a summer maintenance schedule in place for pressure washing the inside foundation, pressure washing the entire interior floor and the possibility of putting epoxy on the concrete. Mr. Larson stated that epoxy is expensive but has seen it at other arenas and it looks nice and lasts a long time.

Superintendent Drown stated that the City Crew does a full cleaning, repair and maintenance in the summer and in their slow time and whenever it is necessary.

- Rubber replacement east end and Rubber/underfloor replacement Players Boxes

Mr. Larson informed council that the rubber mats on the east end and players boxes are wore through and needs to be replaced.

Mr. Larson stated that hockey brings in a lot of revenue to Roseau businesses. Mr. Larson's projections for the 2023-2024 Tournament are \$350,000 - \$450,000 for just the hotels. It would cost millions to build new arenas. Mr. Larson stated the City should have and maintain a top-notch facility.

Council asked for a separate utility cost breakdown of the two facilities. City Superintendent Drown stated he could get a rough breakdown of each facility.

There was discussion of contracting with a cleaning service, hiring Roseau Youth Hockey to manage the Memorial Arena, and recruiting volunteers. There was discussion of Roseau Youth Hockey doing fund raising and peewees and bantams cleaning the rink.

Superintendent Drown and Council discussed the timeline and costs for the roof repair, the need for compressor upgrades and the phase out of R-22 as a viable refrigerant.

Mayor Fabian suggested, and it was council consensus, the Arena Board and Roseau Youth Hockey meet to come up with a long-range plan then come back to the City Council with suggestions and timelines.

City Superintendent

City Superintendent Drown informed council on the following:

- Well 8 pump burned out and had to be replaced costing \$28,000.
- The Memorial Arena is open until the end of the month.
- There have been no applicants for the job opening in the sanitation department.
- Campspot is up and running. Josh Olson, a member of the City Crew, was trained in before Hunter O'Leary left employment.
- Superintendent Drown will meet with Mr. Weckman concerning the fence and gates at Gilbertson Field. A cap on the fence and changing gates may be all that is needed versus replacing the entire fencing.

There was discussion regarding the City Parks & Recreation position which was vacated by Hunter O'Leary. City Superintendent Drown asked council if they want a member of the Street/Utility Department to cover the existing Parks & Recreation needs or are they looking to hire someone completely different? He also inquired of the Council on whether they just want to maintain the existing facilities and programming or are they looking to continue to expand and grow the parks department?

Councilmember Mary Hayes informed council that all the remaining Park and Rec events for this year have been set, except for youth ball.

Councilmember Pat Novacek made a motion to maintain the current Park and Rec position until the end of 2023. Council member Pat Novacek withdrew the motion as none was needed.

CDC Peterson asked who would be directing the Street/Utility employee on the needs of the Park and Recreation Department.

Mayor Fabian stated that CDC Peterson and Superintendent Drown should work together to find a solution on this.

Superintendent Drown stated that the City needs to get creative to attract and keep employees. No one is applying for positions in the city and good employees are leaving. Most City positions require training and experience to manage the day-to-day operations of the City. Something needs to be done to make these positions desirable again.

Councilmember Mary Hayes informed council that Winter Fest and the bike race went well.

City Attorney

City Attorney Michelle Moren informed council the land transactions for the Food Shelf are complete.

City Attorney Moren is reviewing a contract for the Roseau Police Department preemployment physical fitness testing. Chief Hodge informed council that this contract is with a testing facility to test the physical fitness and readiness for duties of police department applicants. The League of MN Cities is recommending this testing as well. It is not a very costly test at about \$110.00 per person. City Attorney Moren stated there may be a few minor changes, but council could approve the contract contingent on Attorney Moren's changes.

Councilmember Brady Johnson motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the physical fitness contract for the Roseau Police Department contingent on the minor changes made by City Attorney Moren.

Community Development Coordinator

CDC presented to council the following items:

- CDC Peterson reviewed the Wellness Center Study. If agreed to by the Roseau School District, the Wellness Center would be built on property purchased or leased from the Roseau School to be able to attach the Wellness Center (as a stand-alone facility) to the west side of the Roseau pool. There is no funding, ownership, management, construction, integration with the existing school in anyway, aside from use of the existing pool space. Though the proposal was well received by the Roseau School Board, the School Board has not decided yet, as they would like feedback from their staff. The next School Board meeting is March 20. If the Roseau School is not receptive, this project likely will not move forward. CDC Peterson along with Baker Tilly are exploring revenue sources should this project proceed as this is an \$8-10 million dollar project.
- One revenue option is Local Option Sales Tax. The Services Agreement between the City of Roseau and the University of Minnesota for Local Option Sales Tax Study. The findings of this study will be presented in a concise report. If the City of Roseau chooses to implement a local sales tax, the local sales tax revenue would help finance the Roseau Recreation Center. For this study the City of Roseau will pay the University of Minnesota \$3,000, plus any sales of use tax if applicable.

Councilmember Mary Hayes motioned, Councilmember Brady Johnson seconded, and it was approved by unanimous vote to approve the Services Agreement between the City of Roseau and the University of Minnesota for Local Option Sales Tax Study. For this study the City of Roseau will pay the University of Minnesota \$3,000, plus any sales of use tax if applicable.

CDC Peterson stated that this study will be the best estimate of what could potentially be raised through the local option sales tax. The sales tax also includes online purchases using this zip code. This is strictly a survey to understand the amount of funding that could potentially be raised. Should the City of Roseau decide to proceed in further consideration of a local option sales tax there would be additional community discussions and information that would need to be gathered. Ultimately a local referendum would be required to pass a local option sales tax..

- CDC Peterson presented to council a bill for an act that was sponsored by Representative Burkel for the west side storm sewer project. The Legislature can prioritize the project which moves it up the list to receive funding. This is a bill for an act relating to capital investment; appropriating money for a flood hazard mitigation project in the City of Roseau; authorizing the sale and issuance of state bonds. \$1,915,000 is appropriated from the bond proceeds fund to the commissioner of natural resources for a grant to the City of Roseau to design, engineer and construct an upgraded storm sewer system in a portion of the City of Roseau.
Mayor Fabian shared with council some of the politics involved in the process. CDC Peterson stated it is easier to get federal money for projects if we receive state money and vice versa.
This was for Council information; no action was needed.
- CDC Peterson received the BBDiversified TIF Developer Agreement and resolution from TAFT for City Council approval. CDC Peterson noted the list of eligible expenses under TIF. BBDiversified must provide paid invoices. CDC Peterson would validate the invoices. Count Assessor Liz Lund would determine the increase property valuation. The rebate would be from the increased difference in valuation. Any question will be directed to Baker Tilly and TAFT.

EXTRACT OF MINUTES OF MEETING
OF THE CITY COUNCIL OF THE
CITY OF ROSEAU, MINNESOTA

HELD: March 6, 2023

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseau, Roseau County, Minnesota, was duly called and held in the City Hall in said City on March 6, 2023, at 5:00 P.M.

The following members were present:

and the following were absent:

Member Brady Johnson introduced the following resolution and moved its adoption:

RESOLUTION NO. 22-23

RESOLUTION AUTHORIZING EXECUTION
OF A DEVELOPMENT AGREEMENT

WHEREAS, ALE, LLC, a Minnesota limited liability company (the “Developer”) owns certain real property (the “Development Property”) in the City of Roseau, Minnesota (the “City”);

WHEREAS, the Developer has requested that the City assist with the financing of certain costs incurred by the Developer in connection with the renovation of a substandard building located on the Development Property to be used primarily for manufacturing purposes (the "Project"); and

WHEREAS, the Developer will enter into a lease of the Project with BB Diversified Services, Ltd., a Minnesota corporation (the “Tenant”); and

WHEREAS, the Developer and the City have determined to enter into a Development Agreement providing for the City's tax increment financing assistance for the Project (the "Development Agreement").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseau, Minnesota, as follows:

The City Council hereby approves the Development Agreement in substantially the form submitted, and the Mayor and City Clerk-Treasurer are hereby authorized and directed to execute the Development Agreement on behalf of the City.

The approval hereby given to the Development Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials authorized by this resolution to execute the Development Agreement. The execution of the Development Agreement by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Development Agreement in accordance with the terms hereof.

The motion for adoption of the foregoing resolution was duly seconded by member Amy Bassingthwaite and, after full discussion thereof, and upon a vote being taken thereof, the following voted in favor thereof: Mayor Fabian, Council members Novacek, Bassingthwaite, Johnson, and Hayes.

and the following voted against same: None

Adopted this 6 day of March, 2023.

Mayor

Attest: _____
City Clerk-Treasurer

- CDC Peterson presented to council Resolution 23-23 supporting MNDNR Regional Trail Program Application as well as a copy of the application.

This grant will support the MNDNR pedestrian bridge. The application is to construct .2 miles of paved trail and pedestrian bridge for the Roseau River Trail System.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it carried by unanimous vote to approve Resolution 23-23. A Resolution Supporting MNDNR Regional Trail Program Application with “five” miles corrected to .2 miles on the resolution.

RESOLUTION #23-23

RESOLUTION SUPPORTING MNDNR REGIONAL TRAIL PROGRAM APPLICATION

WHEREAS the City of Roseau supports the grant application made to the Minnesota Department of Natural Resources for the Regional Trail Program. The application is to construct .2 miles of paved trail and pedestrian bridge for the Roseau River Trail System. The trail system is located within the city of Roseau, and

WHEREAS the City of Roseau recognizes that it has secured \$1,100,000 in non-state cash matching funds for this project.

NOW, THEREFORE, BE IT RESOLVED, if the City of Roseau is awarded a grant by the Minnesota Department of Natural resources, the City of Roseau agrees to accept the grant award and may enter into an agreement with the State of Minnesota for the above referenced project. The City of Roseau will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement, and

BE IT FURTHER RESOLVED that the applicant has read the Conflict of Interest Policy contained in the Regional Trail Grant Manual and certifies it will report any actual, potential, perceived, or organizational conflicts of interest upon discovery to the state related to the application or grant award.

BE IT FURTHER RESOLVED, the City Council of the City of Roseau names the fiscal agent for the City of Roseau for this project as:

Todd Peterson
Community Development Coordinator
City of Roseau

121 Center Street E; Suite 202
Roseau, MN 56751

BE IT FURTHER RESOLVED, the City of Roseau hereby assures the Roseau River Recreational Trail will be maintained for a period of no less than 20 years.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ROSEAU THIS 6TH DAY OF MARCH, 2023.

DAN FABIAN - MAYOR

ATTEST:

ELIZABETH CARLSON - CITY CLERK-TREASURER

Mayor Council

CDC Peterson informed council that the Minnesota Legislature established Juneteenth as a legal State holiday in which no public business shall be transacted. The law does not go into effect until after June 19, 2023, so it will not affect the 2023 holiday calendar. The City of Roseau will need to determine if it will add it as a paid holiday increasing to 12 paid holidays, eliminate another City holiday that is not a state holiday, make Juneteenth an unpaid holiday and allow employees use unused paid leave if they desire to be paid for the holiday, or allow employees to work if they do not transact public business.

Council did not decide at this meeting as it does not affect the city calendar until June of 2024.

Unfinished Business-

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

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Dan Fabian