

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – March 1, 2021 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 Jane Evans. Absent: None. Others present were Community Development Coordinator Todd Peterson, Police Chief Ward Anderson, Liquor Store Manager Linda Roseborough, Fire Chief Craig McMillin, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Jack Swanson-Wild 102 Radio.

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

Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve the February 1, 2021 regular meeting minutes as written.

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

1. Presentation of Accounts Payable claims February 1, 2021 through February 28, 2021 Batch AP022821.  
CK# 69759-69808 = \$231,675.18
2. Presentation of daily checks February 1, 2021 through February 28, 2021  
CK# 69665-69758 = \$177,569.93  
VOID Ck #69676  
E# 2272-2315 = \$401,110.52  
PR 02/15/21 = \$41,946.39  
PR 02/28/21= \$45,928.46
3. Presentation of Receipt entries January 1, 2021 through January 31, 2021.
4. Presentation of Journal entries JE123120.
5. Audit Committee review of December 2020 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. April 5th, 2021 Regular council meeting at 5:00 p.m.
  - b. Public Hearing March 15 at 4:00 pm on the Eleven01 TIF and Tax abatement proposals.
7. Approve the use of alcohol in the Community Center- none
8. Investment–Roseau EDA Hi Fi as of 02/24/2021 is \$196,779.06.
9. Cash in bank-Regular checking as of 02/24/2021 is \$2,388,406.39.
10. Investment-Regular Hi Fi as of 02/24/2021 is \$1,563,705.63.
11. Investment Certificate of Deposit as of 02/24/2021 is \$823,713.91
12. Investment Certificate of Deposit as of 02/24/2021 is \$817,564.48.
13. Investment Certificate of Deposit as of 02/24/2021 is \$813,127.13.
14. Investment Certificate of Deposit as of 02/24/2021 is \$809,952.12.
15. Investment-Roseau EDA Money Market as of 02/24/2021 is \$206,099.63.

16. Cash in bank-Roseau EDA as of 02/24/2021 is \$546.65.

17. RESOLUTION NO. 16-21  
RESOLUTION ACCEPTING GRANT

**WHEREAS**, Northwest Minnesota Foundation has presented to the City of Roseau a grant of \$20,000.00 and has designated that this grant be deposited in the City of Roseau Park & Recreation Department to be used for new covered bleacher seating at Gilbertson Field.

**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 Park & Recreation Department to be used for new covered bleacher seating at Gilbertson Field.

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

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

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

18. NMPA
19. February 2021 City Revenues & Expenditures
20. February 2021 Liquor Store Monthly Sales

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

**Committee Reports**

**Planning Commission** –

CDC Peterson informed council that the Planning Commission met Monday February 22, 2021 at 12pm. The following items were discussed.

- CDC Peterson presented a Conditional Use Application from Chad Fulton (#2-21) seeking to have 1<sup>st</sup> floor apartments in a C-1 zoning district at 101 Main Ave. S. Chad Fulton has tried to lease the building for commercial uses with no success in finding any potential tenants, but has been approached by representative from Polaris that are in need of rental housing for employees. The downstairs would be modified to accommodate two new apartment units. The Planning Commission recommends that the City Council consider setting a Public Hearing on March 29, 2021 at 12:05 pm for Conditional Use Application #2-21 Chad Fulton.

After discussion, Council member Jane Evans motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve setting a

Public Hearing on March 29, 2021 at 12:05 pm for Conditional Use Application #2-21 Chad Fulton.

- CDC Peterson presented a Conditional Use Application from Kate Hammer (#1-21) seeking a home occupation for a pottery studio located at 202 Center St E. CDC Peterson presented information from Ms. Hammer on her current studio located at the Malung Community Center and her desire to move that back into Roseau into a portion of the basement of her home. The studio would be used for workshops and occasional retail sales. The studio would have a separate entrance (currently existing) off of 2<sup>nd</sup> Ave. SW and there is adequate street parking adjacent to the residence. Additionally, the residence is surrounded by commercial uses on three sides, so it is not in conflict with the existing neighborhood. The Planning Commission recommends that the City Council consider setting a Public Hearing on March 29, 2021 at 12:10 pm for Conditional Use Application #1-21 for the operation of a home occupation for the purposes of maintaining a pottery studio.

After discussion, Council member Pat Novacek motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve setting a Public Hearing on March 29, 2021 at 12:10 pm for Conditional Use Application #1-21 for the operation of a home occupation for the purposes of maintaining a pottery studio.

### **Roseau County Commissioner**

County Commissioner Jack Swanson expressed his condolences to City Attorney Michelle Moren on the passing of her father Pat Moren. Pat will be greatly missed.

Commissioner Swanson informed council that \$300,000 IN State COVID relief money was distributed to the 87 businesses and non-profits the County felt needed it the most. There was over \$2.1 million in requests.

Commissioner Swanson stated that the County Board will hold the public hearing to consider the resolution approving the tax abatement and tax abatement agreement on March 23 at 9:00am.

Commissioner Swanson informed council that the courthouse will tentatively be opening on March 15<sup>th</sup> as that is when the courts are scheduled to reopen.

Mayor Dan Fabian stated that the County had received information from Minnesota Rural Counties (MRC) regarding MPCA rulemaking efforts that would result in Minnesota adopting California Emission Standards. MRC is submitting a Resolution, in opposition to this effort, to the legislative leadership and the Governor's office. The County Board supports this resolution. If Minnesota were to adopt the California Emissions Standards Minnesota would be surrendering its autonomy to the State of California.

Commissioner Swanson stated that the County Board is generally not opposed to rule-making policies especially from the MPCA as there have been occasions where this has been helpful to the County.

Council member Pat Novacek asked how the County was tracking the vaccination process and how does the County know the percentage of those vaccinated. Commissioner Swanson stated

that Minnesota Department of Health has that information though it is not always readily available to the County. Commissioner Swanson stated that Public Health has done an awesome job getting vaccinations out but, the holdup is lack of vaccines.

Mayor Fabian stated that there were only 19 new cases in Roseau County last week.

### **Operations Committee**

The Operation Committee did not meet.

### **Oakcrest Golf Course**

The Oakcrest Golf Club did not meet.

### **Airport Committee**

The Airport Committee did not meet.

CDC Peterson informed council that the Minnesota Department of Transportation Aeronautics has selected the Septic System Repair project to receive a state grant offer, for an estimated total cost of \$15,000. CDC Peterson stated this project was estimated at less than \$20,000. This project should be a 75% state funds/25% local share funds. CDC Peterson stated that Council will probably need to approve \$5,000 when the quote is received.

After discussion, Council member Jane Evans motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to accept the Septic System Repair project grant offer from Minnesota Department of Aeronautics for an estimated total cost of \$15,000.

### **EDA**

CDC Peterson informed council that the EDA met February 24, 2021 and the following items were discussed. (Taken from the EDA minutes.) Eleven 01 project.

- “Todd Peterson provided an update on the workforce housing apartment project being developed as a partnership between the EDA and DW Jones. Administrator Peterson reported on the trip to RiseModular and their efforts to streamline the apartment construction process through modular innovation in construction. It was noted that RiseModular is a new company and that they are still working out bugs in the construction process, particularly in the realm of finish work. Also, the construction process seemed to be a bit wasteful in materials and limited in design. After a thorough walkthrough of the assembly plant and a model in Minneapolis it was the recommendation from Administrator Peterson and the D.W. Jones team to move forward using traditional stick-built construction for the Eleven01 project. There were some questions from EDA members on whether an option from Homark or other modular builder might be better. It was explained to Administrator Peterson that Homark and the other modular builders in the state were geared towards residential construction and not commercial construction projects. Homark’s capacity and capability to take on a larger apartment project is limited. There was a lengthy discussion on the timelines for developing the plans for the project and whether those could include the option of both stick-built or modular. Ultimately it was the consensus of the EDA that to keep the project on track it would proceed as originally planned with a stick- built project.”

CDC Peterson stated that Skip Duchesneau has contacted Homark a number of times on other projects and Homark has come back more expensive than stick built. CDC Peterson stated that a Geotech firm has been signed and architects are working on plans and specifications. These are preliminary as they are waiting on soil borings.

- CDC Peterson informed council that the TIF and tax abatement hearings are set. As the EDA is a public entity a developer agreement should not be necessary. Resolutions will need to be adopted at the meetings. Using resolutions versus a developer agreement will save time, money, and effort.

CDC Peterson stated the MN Housing is reviewing all of the project applications. CDC Peterson feels that after talking to MN Housing the City of Roseau may receive more than ½ million, though may not receive the full 1.5 million. The board meets on March 25<sup>th</sup>.

Representative Burkel and Senator Johnson have been contacted and are willing to write sales tax exemption into a tax bill. Sales tax exemption would save approximately \$144,000 on the Eleven01 project.

- “There was additional discussion about the need for immediate housing options. Kellie Roth with Polaris has been in contact with a modular housing provider that may have units coming available that could be moved to Roseau. Polaris does not want to take on management of any additional housing and is looking to see if there are other managers out there that might take this on.”  
Administrator Peterson stated that he contacted Skip Duchesneau and D.W.Jones is not interested in managing these small housing projects but the mobile home courts may be interested.

Council member Evans inquired as to what was being done to get people up north, as every business is in need of people but there is limited housing for them. CDC Peterson stated that two years ago Mark Karl was trying to get all the major manufacturers together to work on recruiting. Chet Bodine from DEED was to spearhead the effort. Then COVID hit.

- February Promotions Report from Mary Hoffer was also provided at the EDA meeting.

## **Department Reports**

### **Liquor Store**

Liquor Store Manager Roseborough informed council that the liquor store and its employees are doing well.

### **Fire Department**

Fire Chief Craig McMillin provided to council the 2021 Fire Department Appointments.

Chief: Craig McMillin

Assistant Chief: Leon Huot  
(Mark Bernat is stepping back from that position after 9 years but will stay with the department)  
Captain: Jeremy Grindeland  
1<sup>st</sup> Lieutenant: Neil Vatnsdal  
2<sup>nd</sup> Lieutenant: Seth Novotny  
President: Rick Bjorkquist  
Vice President: Ryan Murray  
Secretary: Ben Edwards  
Supply Officer: Jon Hellerup  
Trustee 1: Sean Trihey  
Trustee 2: Justin Peterson

After discussion, Council member Jane Evans motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve the 2021 Fire Department appointments.

Fire Chief McMillin then provided to council the Roseau Fire Department 2020 Annual Report. Chief McMillin stated that the term false alarms may not be the correct term to use as there are still investigations conducted in these instances.

Chief McMillin informed council that even with COVID the fire department was able to complete most of their planned 2020 training, but more training is needed on hybrid car extractions and airbag placements. There are more hazards when cutting away hybrid cars such as voltage, magnesium, and the batteries themselves. As these vehicles are smaller, when they are in accidents, these cars are more likely to require cutting. Auto Extractions are part of the 2021 Planned training and events.

### **Police Department**

Police Chief Ward Anderson informed council that this is the year to replace his duty weapon. The police officers rotate replacing their service weapons every 10 years. Chief Anderson would like to purchase his current weapon and asked council if he could purchase it through Tim Erickson at Coast for \$240.00 versus Kessler where it would be considerably more. City Attorney Moren informed council that they could approve Chief Anderson purchasing his current service weapon contingent on City Attorney Moren's legal findings.

After discussion, Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded, and it was carried by unanimous vote to approve Chief Anderson purchasing his current service weapon for \$240.00 contingent on City Attorney Moren's legal findings.

Chief Anderson asked about meals for the officers when they are transporting. The City Clerk stated that the City Auditor's are looking to see if there is an exemption, as the officers are actively working, but as it stands currently, unless there is a lodging receipt with the meal, the meal is the officers expense.

### **Superintendent**

City Superintendent David Drown was absent.

- CDC Peterson had sent out an additional item for Monday’s Council meeting. February 25, 2021 bids were opened on the 5<sup>th</sup> Avenue NE/Oak Crest Estates Infrastructure/Street project. We received good bids for the project. The 5<sup>th</sup> Ave. NE project is very close to budget \$103,000 vs \$100,000. The Oak Crest Estates portion of the project is under the original estimate coming in at \$525,003. However, the City Council approved the Oak Crest Estates project as a financed project (\$79,200 for 2021) so we will need to have discussion about whether we still want to proceed with financing the project (approximately \$66,825 over 10 years @ 5%), or if we want to approach it differently. The engineers provided an abstract of 5<sup>th</sup> Avenue items and Oak Crest items so council can see how much of the Contract is targeted at each area.

CDC Peterson recommended the 2021 Street & Utility Improvement be discussed in two segments the first approving the bid and the second as to how the City wants to pay for it.

After discussion, Council member Jane Evans motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to award the bid to Davidson Construction who had to low bid of \$628,083.25.

**RESOLUTION 17-21**

BE IT RESOLVED, that pursuant to advertisement for bids and for the City of Roseau 2021 Street & Utility Improvements the following bid amounts were received:

Spruce Valley Corp.....	\$782,232.40
Utility Systems of America.....	\$756,384.75
Sellin Brother’s.....	\$727,559.90
Davidson Construction.....	\$628,083.25
Engineer’s Estimate.....	\$678,000.00

NOW THEREFORE BE IT RESOLVED that the bid amounts from Davidson Construction in the amount of \$628,083.25 be accepted.

Adopted by the City Council, of the City of Roseau, Minnesota, this 1<sup>st</sup> day of March 2021.

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

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

Council discussed whether paying for the Roseau 2021 Street & Utility Improvement project should be from reserves or financed or a combination of the two. It was consensus to table this issue until the next meeting. CDC Peterson will check with both banks and

get a quote form each. There are also lease/purchase options like the City used on the new fire truck.

Council member Jane Evans asked about the status of the reserves over the last 10 years. CDC Peterson informed her they had increased from 5 million to approximately 7.5 million. Council member Pat Novacek stated that council needs to be aware that assessments are getting paid off as well.

CDC Peterson informed council that though the City of Roseau's finances are in really good shape there needs to be a change in the trajectory as expenses have gone up, but the City has not raised its levy in years and the utility rates only slightly. The City needs to build back the ability pay for capital improvements from profits.

### **Parks and Rec Director**

CDC Peterson informed council that they are still in the process of interviews for the Park & Rec Director. A candidate has a second interview tomorrow with a broader panel from the School and the Youth Hockey Association. There is also an additional candidate the interview panel is considering as well if this candidate does not work out. This is not a department head position but depending on the abilities of the candidate it may eventually become one. Should the position be offered to this candidate the council still has to have final approval. Council would like this put on the agenda for the special meeting if an offered is made and accepted.

There was a lengthy discussion as to the job description and scope of this position, as everyone involved wants them to be successful. The boards and department heads will make a concerted effort to communicate with each other and the Park & Rec Director to make sure everyone is on the same page and to work towards common goals.

Council member Jane Evans informed council that the park board started a day camp program for school age children last summer and would like to continue it this summer. The Camp Director, Maranda Peterson would like to run it again this summer and would track the programs income as well. Ms. Peterson has contacted area day cares and they say there is a real need for this as the day cares are full and cannot take on summer school age children. The Day Camp would host 27 school age children. The Day Camp would like the use of one of the Community rooms for 2 weeks a month as it is centrally located and close to activities. They would use the park shelter the other 2 weeks a month. It was council consensus to run the summer camp again this summer and instructs Ms. Peterson to set up the 2 weeks per month in the community rooms with Mary Hoffer.

### **City Attorney**

City Attorney Michelle Moren informed council that she instructed Alex Halstansgard to fill out a City Center rental application and add Memorial arena to the areas that say City Center. The same protocol will need to be followed for the Memorial Arena as in the City Center with the renter providing a certificate of liability insurance naming the City of Roseau as additional insured. CDC Peterson asked if the City Center forms could be changed to include the Memorial arena. City Attorney Moren believed they could, as the same rules apply. If alcohol is to be served a police officer has to be hired just like at the City Center.



CDC Peterson asked council if the Memorial Arena should be included as a rental space for certain times of the year on the City Website. And if the City Center fees would apply the same to the arena. There was also discussion as to allowing alcohol at the park shelter if a police officer was hired.

Council is setting up a work session to discuss these issues.

City Attorney Moren informed council that Moren Law Office is waiting for the abstract for the Larsen property to get updated so they can proceed with the sale.

### **Community Development Coordinator**

CDC Todd Peterson had no new business but had heard that the City of Roseau is receiving funding for the bridge across the dam. The funding will be available in 2025 so the City has 4 years to plan. The grant funding should cover approximately 80% of the project. CDC Peterson will be looking to the DNR and other to match.

Commissioner Swanson stated that the City of Warroad was seeking the same funding for the old rail trail, but its project was not eligible for this grant.

The City of Warroad is still intending to do some work on the 20-mile old rail bed. It will cost \$400,000 to re-gravel it. In order to receive funding from the state it has to be a dual-purpose trail, separated and paved for motorized and non-motorized use. This would cost approximately \$4 million.

Roseau County Trailblazers would like to improve a trail from the rail trail to a forest trail along the Marvin Spur road.

### **Mayor Council**

Council member Brady Johnson informed council that the arena board will be meeting soon and asked if they should hold off on the meeting until the new Park and Rec Director is hired and can attend. CDC Peterson stated that the Park and Rec Director is not a voting member on the arena board, just a liaison for the council. The arena should proceed with their meeting.

Council members asked for clarification as to what boards were voting member positions and what were non-voting liaisons for the council. Resolution 1-21 will be updated to reflect the voting and non-voting positions of the council members and city staff representing the City on those boards.

Council member Amy Bassingthwaite informed council that she will not be at the April 5<sup>th</sup> meeting.

Council member Jane Evans will be gone for the next 3 weeks but can be reached by phone if needed. Council member Evans stated that she has received so many thank you's for sweeping off the walking trails and wanted to pass that along to the City.

Council again expressed condolences to City Attorney Moren on the passing of her father and asked her to pass them along to the family.

Mayor Fabian asked CDC Peterson to submit comments to MPCA in support of a rulemaking change on wastewater effluent standards. CDC Peterson stated that the comment period closed on February 24<sup>th</sup>, but that a comment was provided from the City of Roseau.

**Unfinished Business-**

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

ATTEST:

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

\_\_\_\_\_  
Mayor Dan Fabian