

**REGULAR ROSEAU CITY COUNCIL MEETING      **AMENDED****  
**MONDAY – May 1, 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, and Mary Hayes. Absent: Brady Johnson. Others present were Community Development Coordinator Todd Peterson, Police Chief Marc Hodge, City Superintendent David Drown, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Promotions Director Sinnamon Krings, Community members Ben Gordon, Ashley Elliott, Andrew Worthley, Keith Severson, Levi Marland, Caroline Allard, Keeton McIntyre, and Sean Trihey.

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

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the April 3, 2023, regular meeting minutes with the removal of Liquor Store Manager Niki Johnson as attending.

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

1. Presentation of Accounts Payable claims April 1, 2023, through April 30, 2023, Batch AP04302023  
CK# 74047-74090=\$138,853.59
2. Presentation of daily checks April 1, 2023, through April 30, 2023  
CK# 73948-74046=\$277,146.79  
E# 3344-3386=\$399,806.61  
PR 4/15/23=\$41,543.00  
PR 4/30/23=\$44,355.16  
Void Checks #73417, 73476, 74034, 72861, 72915
3. Presentation of Receipt entries March 1, 2023, through March 31, 2023.
4. Presentation of Journal entries JE022823.
5. Audit Committee review of February 2023 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. June 5, 2023, Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center- Miller Wedding Oct. 21, 2023.
8. Investment–Roseau EDA Hi Fi as of 04/24/2023 is \$75,799.44.
9. Cash in bank-Regular checking as of 04/24/2023 is \$2,351,788.02.
10. Investment-Regular Hi Fi as of 04/24/2023 is \$1,568,103.52.
11. Investment Certificate of Deposit as of 04/24/2023 is \$834,914.89
12. Investment Certificate of Deposit as of 04/24/2023 is \$824,124.54.
13. Investment Certificate of Deposit as of 04/24/2023 is \$825,849.50.
14. Investment Certificate of Deposit as of 04/24/2023 is \$818,283.33.
15. Investment-Roseau EDA Money Market as of 04/24/2023 is \$202,856.62.
16. Cash in bank-Roseau EDA as of 04/24/2023 is \$25.29.

- 17. LG220 Eagles Aerie 3882-Bingo – Roseau County Fair 07/18-07/21/2023.
- 18. LG240B–American Legion–Excluded Bingo–Roseau County Fair 07/18-07/21/2023.
- 19. LG220–ALS Fundraiser–Raffle–January 4, 2024.
- 20.

RESOLUTION NO. 26-23

RESOLUTION ACCEPTING GRANT

**WHEREAS**, the Roseau CVB, has presented to the City of Roseau, a grant of \$1,300 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 1st day of May 2023.

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

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

- 21.

RESOLUTION NO. 27-23

RESOLUTION ACCEPTING DONATION

**WHEREAS**, the Northern Resources Cooperative, has presented to the City of Roseau, a donation of \$250.00 and has designated that this donation be deposited in the City of Roseau Gazebo Concert Series Fund.

**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;

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

Adopted by the City Council of the City of Roseau, Minnesota this 1st day of May 2023.

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

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

- 22. April 2023 City Revenues & Expenditures
- 23. Masonic fundraiser changed to Saturday May 13<sup>th</sup> instead of Mother’s Day the 14<sup>th</sup>.
- 24. Roseau Recreation/Wellness Center Stakeholder Meeting information

### **Delegations/Petitions/Complaints**

Ben Gordon provided council with his background as well as handouts of some of the products Mr. Gordon would like to offer at a store, he may be opening next to the Silver Dragon in Roseau. Some of the proposed products are herbal supplements, CBD oils, edibles, etc., essential oils and diffusers, disposable vapes and edibles with various nicotine amounts (including Delta-8 which contains THC), clothing, non-toxic candles, lotions, and possibly local art. Mr. Gordon stated that the proposed store would focus on health and wellness not on tobacco or related products. Mr. Gordon stated that the products offered in his store would comply will all local, state, and federal laws.

City Attorney Moren informed Mr. Gordon the city has a moratorium that put a hold on allowing products containing THC in the City of Roseau. This moratorium expires at the end of August at which time council will need to make decisions concerning THC products.

Council discussed the new state law that may be coming into effect concerning THC and how that may affect the moratorium the City of Roseau has in place.

Mr. Gordon asked if council would consider taking a vote on it sooner. Council stated that it will wait to see how the marijuana bill comes through from the state. Mayor Fabian stated the state legislative session ends the end of May and laws usually take effect in August. City Attorney informed council that even if marijuana products are made legal it will take time to figure out the licensing and regulations.

Mayor Fabian inquired if Mr. Gordon would be able to run his business minus the THC products. Mr. Gordon stated that he may and asked about other products that may be part of the City of Roseau moratorium. Mayor Fabian asked that Mr. Gordon work with City Attorney Moren and Police Chief Hodge to see what would be legal in the City of Roseau.

Levi Marland presented to council a handout and informed council that several community members are forming a Roseau Powersports Club that would like to volunteer to help develop a four season public powersport park at the existing Roseau ATV park. Mr. Marland stated that the volunteers are a diverse group of powersports enthusiasts and vehicle experts. Mr. Marland pointed out that despite being home to two of the largest power sports vehicle manufacturers in the United States, Northern Minnesota is a void for riding opportunities.

The Roseau Powersports Club volunteers would like to take over care of the ATV park and maintenance from April to August.

Mr. Marland informed council of the ATV park improvements that should be made for the June 3<sup>rd</sup> Mud Mayhem and Trash Your Dress Mud Run event and asked for council approval of the following:

- Liability for Volunteers. CDC Peterson and City Attorney Moren stated that a list of volunteers who will be working on the park project needs to be handed into the City Office prior to the volunteers working. If a new volunteer comes to work, make sure their name is added to the list at the City Office. Sinnamon Krings informed council that Polaris will cover club member wages for one 8 hour shift for those that work at Polaris.
- Safety signage at the City Park. Signage of park rules and ride at your own risk signs should be posted.
- Close off the ATV park until June 3 as renovation and work can create safety risks.
- Initial work
  - Mowing
  - Trail renovations
  - Marking of Trails using signage, tape, and paint.
- Post Event Cleanup
  - Trail cleanup/maintenance
  - Conduct an event after action review.
- Summer projects
  - Improve ORV trails from the event learnings.
  - Create motocross trails.
  - Develop a maintenance schedule.

The resources needed for the ATV park improvements are:

- heavy equipment usage and dirt (Alive Outdoors and North Country Inn have offered heavy equipment but fuel would need to be covered)
- 40 yards of dirt is needed, possibly from an excess pile.
- Material Purchases -20 yards of gravel are needed to maintain parking areas.
- Tools and resources – fuel, culverts, hand tools, ground paint, caution tape, signage, barricades, etc.
- Permanent equipment – box blade and picnic table

Estimated cost is \$5,000.

Mr. Marland also noted Fly By – Memories From Above was a sponsor and Roseau Building Supply was donating wooden marking stakes.

City Superintendent Drown informed council the City has the culverts, dirt, and equipment. CDC Peterson informed council that the Park budget has \$15,000 for maintenance expenses and supplies for the Parks. Superintendent Drown stated that if it looked like the park expenses were going over budget Superintendent Drown would bring it to the City Council.

Mr. Marland informed council that expanding intermediate and youth motocross would be a long term plan as well as a dirt bike course proposal. Restrooms and a storage shed would also be in the long term plan.

Mayor Fabian inquired about the clubs proposed structure. Mr. Marland and Mr. Severson informed council that they are looking to form a 501 (c) (3) as this would open other funding such as grants. City Attorney Moren stated that forming a 501 (c) (3) is not difficult and she could give them direction to get started.

Council member Pat Novacek, though supportive, had concerns about the liability and inquired about the cost of insurance for the liability. CDC Peterson informed council that different levels of liability and risk features higher premiums. Sinnamon Krings informed council that there is a rider for the June 3<sup>rd</sup> event in the works.

Councilmember Novacek stated that he would like to see the whole plan put together including the trails to and from the park to hopefully alleviate complaints from landowners.

After discussion, it was council consensus to move forward with the proposal for the June 3<sup>rd</sup> event at the ATV park, including closing the park to the public until the June 3<sup>rd</sup> event, and authorizing volunteers to work at the park doing the proposed modifications with the requirement that the volunteers sign up with the City.

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it carried by unanimous vote to close the ATV park all of May 2023.

## **Committee Reports**

### **Planning Commission**

CDC Todd Peterson informed council that the Planning Commission met April 24, 2023, at 12:00 pm. The following items were discussed.

- At 12:05 pm a public hearing was held for Variance Application #1-23 from 4 Brothers Commercial LLC seeking a variance from the R-4 (Mobile Home Court) setback requirements of 15' between units and 20' setback requirements from property lines. CDC Peterson informed council that Bryan Hulst was originally opposed as he was not able to put a trailer on his own property. CDC Peterson talked with Mr. Hulst and explained the land with the trailer park is zoned differently and the layout is "grandfathered" and protected by state statute.

The Planning Commission, by unanimous vote, recommends the City Council approve the variance request subject to all existing setbacks and the overall footprint of the mobile home court. It was determined by the Planning Commission that this was a reasonable use of existing property, it is a unique situation created by the original design of the mobile home court and that the variance does not change the character of the neighborhood.

City Attorney stated that state statute protects trailer parks that were created prior to 1995 and City's cannot change rules on them. Councilmember Novacek questioned the need for approving the variance as state law won't allow any changes by the City.

City Attorney Moren advised approving the variance, though technically a variance may not be needed.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by majority vote to approve Variance #1-23 (Keel Team LLC) East Side Mobile Home Court Setback requirements as determined by the Planning Commission that this was a reasonable use of existing property, it is a unique situation created by the original design of the mobile home court and that the variance does not change the character of the neighborhood.

Councilmember Pat Novacek opposed.

- CDC Presented to council a preliminary plat of a development in the NE Roseau being proposed by Tri Crown. The preliminary plat is not in the form required by City Code and CDC Peterson informed the developer of the need to provide such a plat for official action. CDC Peterson noted that the proposal is to develop both commercial and residential parcels on the property with the west 1/3 of the property being zoned C-2 Outlying Commercial and the remainder being zoned F-R farm residential. Overall, 17 lots are planning in this preliminary plat with six commercial lots and eleven residential lots. CDC Peterson noted that with such large lots the infrastructure costs per lot are likely over \$100,000 per lot, and these costs are unrealistic for Roseau and discouraged the developer from pursuing such a plan. No Planning Commission action was taken.
- The Planning Commission Tour of the City is May 22.

### **Roseau County Commissioner**

Mayor Fabian informed council that Commissioner Swanson was at a MAGIC Fund Board of Trustees meeting and could not attend the City Council meeting. Commissioner Swanson's email stated, "The only thing I might have mentioned is the valuation statements from the County Assessor's office. Residential properties in the City of Roseau increased between 20% and 30%, as was the case across the entire county. Agricultural properties also increased by similar percentages. Valuations are based on sales, meaning the past several years have seen a very strong seller's market."

### **Operations Committee**

CDC Peterson provided to council the City of Roseau Pay Program and the City of Roseau Pay Plan Design.

Councilmember Pat Novacek informed council that the Operations Committee met to discuss employee retention and hiring. The Department Heads are reviewing job descriptions. The Operations Committee will meet again in two weeks.

### **Oakcrest Golf Course**

Councilmember Amy Bassingthwaite informed council that the Oakcrest Golf Club had their annual meeting last Friday. Course Superintendent Alex Halstengard had reported at that meeting the golf course had wintered well and should be open by the end of the week.

### **Airport Committee**

- The Airport Committee did not meet.  
CDC Peterson presented to council a Federal Airport Funding Repayment Agreement. The City of Hector agrees to transfer \$85,000 in Federal Fiscal Year 2023 to the City of Roseau from available 2023 FAA non-primary entitlement funds through the Airport Improvement Program. The City of Roseau agrees to transfer back to the City of Hector a portion of their FAA funding allocation in Federal Fiscal Year 2027 in re-payment of the total amount of \$85,000.

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the Federal Airport Funding Repayment Agreement. The City of Hector agrees to transfer \$85,000 in Federal Fiscal Year 2023 to the City of Roseau from available 2023 FAA non-primary entitlement funds through the Airport Improvement Program. The City of Roseau agrees to transfer back to the City of Hector a portion of their FAA funding allocation in Federal Fiscal Year 2027 in repayment of the total amount of \$85,000.

- CDC Peterson provided to council a proposal from TKDA for design phase engineering services for runway 16-34 reconstruction and parallel taxiway reconstruction. The total project cost estimate is \$266,900.00. The funding plan is Federal share \$260,902.15, State share-AIP \$13045.11, State share 4498.39, Local share 14,544.57. CDC Peterson also presented to council a short form agreement with HDR Engineering. HDR will complete an Independent Fee Estimate (IFE) for the Runway and Parallel Taxiway Reconstruction Design at the Roseau Municipal Airport. The cost of this review is \$4,000.

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the TKDA scope and fee for design engineering for the runway reconstruction project, contingent on the IFE review, and approve the short form agreement with HDR Engineering. HDR will complete an Independent Fee Estimate (IFE) for the Runway and Parallel Taxiway Reconstruction Design at the Roseau Municipal Airport.

- CDC Peterson asked for council approval of the Federal 2023 Grant Submission for the design phase of the runway and taxiway reconstruction.

Council member Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve the Federal 2023 Grant Submission for the design phase of the runway and taxiway reconstruction.

## **EDA**

CDC Peterson informed council that the EDA met April 26, 2023, at 12:00pm.

CDC Peterson reviewed the EDA meeting minutes and noted the following item:

- Mr. Roger Geroy, acting on behalf of Blackrock Property LLC accepted the EDA counteroffer of \$100,000 for Lots 4 & 5, Block 1 Oak Crest West. It was the recommendation of the EDA Board to Roseau City Council to enter into a purchase agreement on the lots for a new apartment project, pending ownership verification. CDC Peterson informed council that funding for this purchase would come from an owner distribution from the Eleven01 apartment project.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve entering into a purchase agreement with Blackrock Property LLC to purchase Lots 4 & 5, Block 1 Oak Crest West for \$100,000. Contingent on City Attorney Moren's verification of the documentation of who has the authority of the Blackrock Property LLC.

**RESOLUTION NO. 37-23**  
**OF THE CITY OF ROSEAU AUTHORIZING THE PURCHASE OF REAL  
PROPERTY FROM BLACKROCK PROPERTY GROUP, LLC**

At the regular meeting of the City Council of the City of Roseau, Minnesota, held on Monday, May 1, 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 of Roseau appointed a Land Use Committee consisting of Councilmembers Mary Hayes, Amy Bassingthwaite, City Superintendent David Drown, Community Development Coordinator Todd Peterson and City Attorney Michelle E. Moren, to enter into negotiations to purchase real property for real estate development;

**WHEREAS**, the committee has approached Kyle Geroy and Roger Geroy, Members of Blackrock Property Group, LLC regarding the purchase of two (2) lots located in OAKCREST WEST owned by Blackrock Property Group, which property abuts real estate owned by the City of Roseau;

**WHEREAS**, the total purchase price of the proposed real property is \$100,000.00;

**WHEREAS**, said real property consists of two (2) lots, approximately 1.7 acres, more or less, with a legal descriptions as follows:

Lots Four (4) and Five (5), Block One (1), OAKCREST WEST,  
according to the recorded plat thereof, Roseau County, Minnesota.  
Subject to easements, reservations and restrictions of record.

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

**WHEREAS**, the City of Roseau agrees to purchase from Blackrock Property Group, LLC, a/k/a BlackRock Property Group, LLC, the above described real property for the sum of \$100,000.00;

This Motion for Resolution was seconded by Councilperson Mary Hayes, and



upon a roll call vote being taken, the following voted in favor: Mayor Dan Fabian, Councilmember Mary Hayes, Councilmember Amy Bassingthwaite, and Councilmember Pat Novacek.

The following voted against the same: NONE

The following abstained: NONE

The following were absent: Councilmember Brady Johnson

Adopted by the Council this 1<sup>st</sup> day of May, 2023.

EFFECTIVE DATE: May 1, 2023.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk-Treasurer

I hereby certify that the foregoing resolution is a true and correct copy of the original resolution adopted by the City Council of the City of Roseau on May 1, 2023.

\_\_\_\_\_  
Elizabeth Carlson, City Clerk-Treasurer,  
City of Roseau, Minnesota

**Department Reports**

## **Liquor Store**

Liquor Store Manager Niki Johnson was absent as Manager Johnson was attending the MMBA conference. Manager Johnson had provided to council a report highlighting the following:

- The liquor store financial reports through 04/27/23.
- Ice Policy concerns
- Shelving project in back storage room.
- Sales floor shelving
- New flooring throughout the sales floor.
- Staffing
- Beverage Alcohol Training

Council reviewed the information and tabled discussion for more information.

Councilmember Mary Hayes informed council that Manager Johnson was looking at three different advertising packages offered by Kicken Up Country. Council stated that advertising is at the discretion of the Liquor Store Manager and the Liquor Store's advertising budget.

## **Fire Department**

Fire Chief Leon Huot was absent.

## **Police Department**

Police Chief Marc Hodge informed council on the following items:

- Police Chief Hodge asked council permission to sign the WorkSTEPS agreement for the police officer's wellness program. City Attorney Moren stated that she had reviewed the revised agreement and has no objections.

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to authorize the signing of the WorkSTEPS agreement for the police officer wellness program.

- LifeCare is holding a Walk/Run this Saturday. LifeCare has the Gazebo and would like to close Third Avenue. Chief Hodge requested six barricades from Superintendent Drown. Chief Hodge also noted that the Warroad Ambulance would be notified to take an alternate route as they sometimes use Third Avenue. LifeCare has also requested police presence at the beginning of the event, which Chief Hodge stated they will do.

It was council consensus to close Third Avenue for the LifeCare Walk/Run on Saturday.

- Chief Hodge informed council that a \$1,200 two year body camera audit has been signed. The audit will be done with Roseau County and Warroad Police Department to split the cost.
- Chief Hodge informed council that the Police Department is running short on part time officer availability as three of the part time officers also have full time jobs. This makes it hard for full time officers to use vacation and they are running into the issue of maxing out their vacation time and will be losing it. Chief Hodge asked about potentially rolling

over the maxed vacation time into comp as this is not the officer's fault when there is no one available to cover their shifts.

It was council consensus to table the discussion and refer it to the Operations Committee.

### **Superintendent**

City Superintendent David Drown informed council on the following:

- Superintendent Drown informed council that Gaylan Erickson, a part time employee, works an average of 20 hours/week or more and has been with the City over a year so is eligible to receive a one-time pay increase on an hourly basis in lieu of benefits offered to full-time employees.  
“An “in lieu of benefits” pay increase to long-term part-time employees will be at the recommendation of the Department Head with the approval of the City Council.”

Councilmember Pat Novacek motioned, Councilmember Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve a \$2.50 pay increase in lieu of benefits for Gaylan Erickson.

- City Superintendent Drown gave an update on the Oak Crest Coulee project and has concerns that signing the following resolution would put the City of Roseau under Wetland rules.  
Mayor Fabian stated that the City falls under the Wetlands Act whether we sign it or not. By not signing it the City could be denied financing for projects as proper wetland delineations and reviews are required to obtain project approvals. CDC Peterson stated that the City has not had a project big enough to require a wetlands review, so it never came up in the past.

After discussion, Council member Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was approved by majority vote to approved resolution #29-23. Councilmember Pat Novack apposed.

Oak Crest Area Coulee Improvements

### **A RESOLUTION REGARDING THE ADMINISTRATION OF THE MINNESOTA WETLAND CONSERVATION ACT**

City of Roseau  
Resolution #29-23

**WHEREAS**, the Minnesota Wetland Conservation Act of 1991 (WCA) requires local government units (LGUs) to implement the rules and regulations promulgated by the Board of Water and Soil Resources (BWSR) pertaining to wetland draining, filling and excavation; and

**WHEREAS**, Minnesota Rules, chapter 8420 have been adopted by BWSR in accordance with the rulemaking provisions of Minnesota Statutes, chapter 14, for the purpose of implementing WCA; and

**WHEREAS**, Minnesota Rule 8420.0200, Subpart 2, Item A requires that each LGU of the State send a written acknowledgement, including a copy of the adopting resolution, to BWSR that it is assuming its responsibilities under chapter 8420 and the act.

**THEREFORE, BE IT RESOLVED** that the City of Roseau hereby delegates the Roseau County Soil and Water Conservation District as the WCA LGU to manage and administer the rules under WCA and assigns the authority and administrative responsibility to implement WCA as the LGU within the legal boundaries of the City of Roseau as of May 2, 2023 in accordance with Minnesota Rules, Chapter 8420.

Adopted this 1st day of May, 2023.

By: \_\_\_\_\_  
Mayor of the City of Roseau

Offered by Councilmember Amy Bassingthwaite, seconded by Councilmember Mary Hayes, adopted by a vote of 3-1 at the regular meeting of the City Council of Roseau on May 1, 2023.

Attest: \_\_\_\_\_  
Elizabeth Carlson  
City Clerk – Treasurer

- Council reviewed the construction plans for Oak Crest Area Coulee Improvements Roseau River Watershed District developed by Houston Engineering.

The Roseau River Watershed District will do the two phase project of water quality and stormwater runoff in the Oak Crest Coulee sub-watershed located within the southern limits of the City of Roseau on behalf of the City of Roseau.

City Attorney Moren drafted an Agreement for the Oak Crest Area Pond and Coulee project between the City of Roseau and the Roseau and revised the agreement on the recommendations of the City Council.

Superintendent Drown and Council were concerned as to who would be responsible for the cost if Phase I of the project went over budget.

City Attorney Moren has the following as part of the agreement. “The City understands that it will cost share the sum of \$60,000.00 for Phase I of the Coulee Project. The parties understand and agree that if Phase I exceeds the estimated cost, the parties shall act in good faith to determine if any additional sums should be paid by the City.”

“The District will be responsible for all costs of the Project (except for the sum of \$60,000 which is the determined cost share amount of the City.) The parties agree that if changes to the scope of Phase I are requested by the City and said changes increase the cost of Phase I and would exceed the City’s \$60,000.00 cost share, then the parties will act in good faith to determine if any additional sums should be paid by the City.”

Superintendent Drown was also concerned about changing the scope of the project. The City agreed to help with this project as it would help with drainage in the Oak Crest area. If the City cannot get drainage the City would not be involved.

CDC Peterson also informed council that there has been nothing budgeted for Phase II of the project.

The Watershed cannot move forward with bidding until they have an agreement.

After further discussion, Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve the Agreement for Oak Crest Area and Coulee Project with the Roseau River Watershed District contingent on Council recommended changes being made.

- Superintendent Drown informed council that the washout at the Kayak landing will be temporarily fixed to make it safe but there will need to be a permanent fix and the dock and kayak launch can go in anytime.
- Superintendent Drown gave an update on the Highway 11 storm sewer, sidewalk and street light project. This project will be overseen by Roseau County and funded by MnDOT.
- Discussion of Diversion Maintenance  
Superintendent Drown informed council that the Army Corp of Engineers gives the City a maintenance punch list every 5 years to maintain the Diversion Ditch. Superintendent Drown stated that one of the biggest problems are ATV’s crossing randomly and rutting up the diversion levees. This issue is maybe something the Powersports Club could help with by informing their members, as well as maps with designated ATV trails, and signage.

### **City Attorney**

City Attorney Michelle Moren presented to council the Collateral Assignment of Niemi Aviation LLC’s interests under airport hangar land lease agreement. City Attorney Moren informed council that Border Bank is financing Niemi Aviation LLC’s hangar at the airport and needs to be added to the agreement. This is standard procedure as this is not a conventional mortgage.

Councilmember Amy Bassingthwaite motioned, Councilmember Pat Novacek seconded, and it was carried by unanimous vote to approve the Collateral Assignment of Niemi Aviation LLC's Interests Under Airport Hangar Land Lease Agreement.

### **Community Development Coordinator**

CDC Peterson presented the following.

- A proposed taxable reimbursement due to HRA clerical error. Hunter O'leary had eligible claims in the amount of \$3,644.73 that were not reimbursed under the HRA in 2021 due to a clerical error. The (') was left out of O'Leary and Medica did not see it as the names did not match. The rule says you have 6 months to dispute a denied claim and Mr. O'Leary did not dispute it within the 6 months, but the error was through no fault of his own. Should council decide to reimburse Mr. O'Leary the reimbursement would have to be made through payroll. Paying Mr. O'Leary through the HRA would put the HRA out of IRS regulations. The City's auditors, BradyMartz, recommended that it be paid through payroll. It would need to be grossed up to \$6,120.99 to cover state and federal taxes to net out the \$3,644.73 in reimbursable claims that were due. .

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to pay the net amount of \$3,644.73 to Mr. O'Leary through payroll as recommended by BradyMartz.

- CDC Peterson provided to council an ATP-2 Carbon Reduction Program application for funding on the Roseau River Trail, Phase IV project. "This project involves the construction of a new pedestrian bridge across the Roseau River on the city's northwest corner." Completion of this bridge would promote walking and biking thus a reduction carbon emission. The total amount of CRP funds requested is \$270,400 from this program. CDC Peterson requested council approval to submit the MnDOT – Carbon Reduction Program Funding Solicitation Application.

Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve the MnDOT – Carbon Reduction Program Funding Solicitation Application.

- Authorize submission of the US EDA grant application for Storm Sewer Project. CDC Peterson informed council that Roseau County is eligible for disaster assistance through the U.S. Department of Commerce – EDA from the three most recent Federal Disaster declarations. The City could receive money through a US EDA grant to upgrade infrastructure that could alleviate future flooding impacting our local industry and jobs. The city would like to pursue a grant to upgrade the TH89 storm sewer as it has directed impacts on job creation and/or retention at Polaris and may also be used to facilitate the Highway 89 project. CDC Peterson asked for council authorization to submit the US EDA grant application for the West Side storm sewer project.

Councilmember Pat Novacek motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to authorize the submission of the US EDA grant application for West Side storm sewer project.

- State capital grant for the Roseau Wellness Center  
CDC Peterson presented to council Resolution #28-23 State capital grant for the Roseau Wellness Center. CDC Peterson approval of Resolution #28-23 and authorization to submit a State Capital Grant application to the 2024 Minnesota Legislature for partial funding of the construction of a Roseau wellness center.

Council member Amy Bassingthwaite motioned, Council member Mary Hayes seconded, and it was carried by unanimous vote to approve Resolution #28-23 and authorize submission of a State Capital Grant application to the 2024 Minnesota Legislature for partial funding of the construction of a Roseau Wellness Center.

### **RESOLUTION #28-23**

#### **STATE CAPITAL GRANT APPLICATION – ROSEAU WELLNESS CENTER**

**WHEREAS:** the Roseau City Council has identified a public need for a community wellness center to improve the social, physical, and mental well-being of area residents; and

**WHEREAS:** the Roseau City Council was provided a \$40,000 grant from the Blandin Foundation to investigate the feasibility of constructing and operating a community wellness center in the City of Roseau; and

**WHEREAS:** the Roseau City Council has assembled a stakeholder group from the community to develop a project feasibility plan; and

**WHEREAS:** the Roseau Wellness Center Stakeholder group has identified a project site, preliminary design, and probable cost of a wellness center for the City of Roseau; and

**WHEREAS:** the Roseau Wellness Center Stakeholder group has identified three capital sources to fund the proposed project including soliciting key capital contributors, the pursuit of a local option sales tax, and securing a State Capital Grant;

**NOW, THEREFORE BE IT RESOLVED** that the Roseau City Council authorizes the submission of a State Capital Grant application to the 2024 Minnesota Legislature for partial funding of the construction of a Roseau wellness center.

Adopted by the City Council of the City of Roseau, Minnesota this 1<sup>st</sup> day of May 2023.

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

Mayor

Attest: \_\_\_\_\_

Clerk/Treasurer

- CDC Peterson presented to council a Statewide Health Improvement Partnership Award Application. This is a grant request to Quin County Community Health Services for some bike trail support facilities for the city's trails. CDC Peterson was contacted by Quin County a couple of weeks ago asking if the city would be interested in applying for money as they have funds that must be spent before the end of June, or they will lose them. There is a very quick timeline on using these funds, so we do not have a lot of time to put an application together. The Park Board has reviewed the request and is supportive. The project would involve purchasing and placing two water fountain/bottle filling stations (one in City Park and one in Gazebo Park); purchasing and placing two bike repair stations (one in City Park and one in Riverview or South Riverview Park); purchasing and placing three benches on sections of trail with no existing benches and purchasing and placing trail signage throughout the city to help patrons navigate the various city trails. The total grant request is just under \$14,000 and it requires a minimum 10% match which would come in the form of in-kind labor to install the features and \$1,000 cash from the Park maintenance budget.

Councilmember Amy Bassingthwaite motioned, Councilmember Pat Novacek seconded, and it was carried by unanimous vote to authorize submission of the SHIP Grant to install bike trail amenities (water fountains, bike repair stations, signage and benches - \$12,000.) The required minimum 10% match which would come in the form of in-kind labor to install the features and \$1,000 cash from the Park maintenance budget.

- CDC Peterson presented to council the description for the position of Deputy Clerk-Treasurer/Utility Billing and asked that Angie Vonasek be moved to that position and requested a step increase from Step 6 to Step 8 and move 5% of Angie Vonasek salary to Financial Administration. This will put the Financial Administration overbudget by \$2,618.74 for remainder of the year.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to move Angie Vonasek to the Deputy Clerk-Treasurer/Utility Billing Manager and give the step increase from Step 6 to Step 8. Move 5% of Angie Vonasek's salary to Financial Administration and approve the Financial Administration being overbudget by \$2,618.74 for remainder of the year.

**Mayor Council**



During review of the City of Roseau's financial statement. It was brought to the City's attention that the City should have a financial audit policy in place. CDC Peterson provided to council the following City Financial Audit Policy.

**City Financial Audit Policy.**

**Annual Audit/Financial Report:**

The Community Development Coordinator (CDC) is the main contact for the annual Roseau City audit. The CDC, with the assistance of the City Clerk-Treasurer gather and prepare all requested information from the City's contracted audit firm and are available for questions throughout the audit. If additional assistance is needed, other Department Heads are made available to assist and answer questions related to their departments. When the audit is complete the CDC will review in detail the draft audited financial statements received from the auditors. The CDC will provide a draft of the audit along with any suggested changes to City Clerk-Treasurer for additional review. After all questions and issues have been addressed from the review the auditors will finalize the audit. The audit firm will present the audit to the City Council at their March or April board meeting. After the audit has been completed the CDC will ensure that copies of the audit are submitted to the State Library and State Auditor.

Councilmember Amy Bassingthwaite motioned, Councilmember Mary Hayes seconded, and it was carried by unanimous vote to approve the City Financial Audit Policy.

Mayor Fabian

- Read a thank you card from former Police Chief Ward Anderson.
- Reported on efforts to obtain recycled fencing from Enbridge Energy for use at a new dog park in Roseau
- Informed council members that there is a CGMC conference coming up in July in TRF.
- Provided information on a conversation with a LifeCare MC representative explaining why an officer and their fee was necessary at the Gala when alcohol is served.
- Reported on a meeting with the Red River Watershed Board regarding the city's request for assistance with the West Side Storm Water Project. After meeting with the RRWD it was determined that the project does not fit with their mission.

Council member Pat Novacek inquired if the Promotions Director would again be doing scheduling of the community center now that they are maintaining an office in the City Clerk's Office. CDC Peterson stated that when the current Promotions Director was hired by the C&C they requested a certain salary and did not want the City Center rooms to be part of the job description. The Promotions Director is not an employee of the City, they work for the C&C.

**Unfinished Business-**

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

ATTEST:

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

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