

**REGULAR ROSEAU CITY COUNCIL MEETING**  
**MONDAY – May 6th, 2019 at 5:00 P.M.**  
**ROSEAU CITY CENTER COUNCIL CHAMBERS**  
**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 Jeff Pelowski, Councilmembers: Pat Novacek, Amy Bassingthwaite, Brady Johnson and Jane Evans. Others present were, Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, City Attorney Michelle Moren, Liquor Store Manager Linda Roseborough, Park & Recreation Director Katy Spoden, Jack Swanson – Wild 102 radio, Ben Johnston – Roseau Star Newspaper, and Bruce Stone.

Mayor Jeff Pelowski 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 April 1st, 2019 regular meeting minutes as written.

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

1. Presentation of Accounts Payable claims April 1st, 2019 through April 30th, 2019  
Batch AP04302019.  
Ck#66193-66254 = \$161,249.81
2. Presentation of daily checks April 1, 2019 through April 30, 2019  
CK# 66114-66192 = \$240,584.05  
E# 1405-1441 = \$399,731.92  
PR 04/15/19 = \$35,426.92  
PR 04/30/19 = \$40,028.98
3. Presentation of Receipt entries March 1, 2019 through March 31, 2019.
4. Presentation of Journal entries JE022819.
5. Audit Committee review of February 2019 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:
  - a. June 3<sup>rd</sup>, 2019 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 04/30/2019 is \$141,150.92
9. Cash in bank-Regular checking as of 04/30/2019 is \$2,450,059.14.
10. Investment-Regular Hi Fi as of 04/30/2019 is \$1,556,484.89.
11. Investment Certificate of Deposit as of 04/30/2019 is \$804,832.79.
12. Investment Certificate of Deposit as of 04/30/2019 is \$795,430.80.
13. Investment Certificate of Deposit as of 04/30/2019 is \$795,119.03.
14. Investment Certificate of Deposit as of 04/30/2019 is \$790,786.32.
15. Investment-Roseau EDA Money Market as of 04/30/2019 is \$319,685.77.
16. Cash in bank-Roseau EDA as of 04/30/2019 is \$849.80.
17. LG240B Excluded Bingo – Eagles Aerie 3882 7/23 – 7/26 Fairgrounds

18. KLJ Airport Status Report
19. April 2019 Liquor Store Revenue & Expenditures
20. April 2019 City Revenues & Expenditures

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

Parks and Recreation Director Katy Spoden appeared before the Roseau City Council regarding a Park Board effort to bring in a food vendor for the South Riverview Park for the summer of 2019. The Parks Department has solicited bids from vendors and the only vendor that has expressed interest is Chuck's Wagon. However, the City's original contract includes a requirement for the vendor to provide property insurance, which Chuck's Wagon does not maintain and is unwilling to obtain. Director Spoden was seeking guidance from the City Council on whether the Council would be willing to waive the requirement for property insurance as Chuck's Wagon has not needed such insurance to operate at the Fairgrounds and doesn't have any issues with taking the risk that his property could be damaged on site. City Attorney Michelle Moren recommended maintaining the requirement, but ultimately it is up to the City Council to determine what risk may be involved. There was discussion about seeking a waiver from Chuck's Wagon on the property insurance requirement. After discussion Jane Evans motioned, seconded by Amy Bassingthwaite to approve a waiver of the property insurance requirement as long as Chuck's Wagon provides property liability insurance. The motion passed by unanimous vote.

### **Committee Reports**

#### **Planning Commission –**

CDC Todd Peterson reviewed the Planning Commission minutes from April 25<sup>th</sup>, 2019.

- The Planning Commission reviewed future development options for residential growth within the City Limits including 3 areas on the south and southwest sides of Roseau and an area on the northeast side of Roseau. After review of the information it was the consensus of the City Council to inquire with the current landowners in these four areas, plus another parcel of land currently zoned Commercial just to the south of the northeast parcel to determine what, if any, interest these landowners might have in selling their property for future city development.
- On April 25, 2019 the Planning Commission held a public hearing on variance application #1-19 from Rob Sando for the purpose of constructing a new garage 32' x 42' (1,344 SF) to replace an existing pole building (28' x 32') that collapsed from snow load over the winter. The new garage would be excess of the total square footage allowed for all accessory buildings (1,244.5 SF). With the three existing accessory buildings on the site the total accessory square footage would be 1,790 SF, for a variance of 545.5 SF. The Planning Commission received no comments on the proposed variance prior to, or during, the public hearing. After discussion, the Planning Commission recommendation to the City Council, on a 5 to 1 vote (with one absent) was to approve variance application #1-19. The Planning Commission determined that the action was reasonable in that Mr. Sando is attempting to replace an existing non-conforming structure with a structure more suitable for the neighborhood. Further, the Planning Commission also

determined that the situation was created through no fault of the property owner, as the original building was destroyed by extreme weather conditions leaving the property without a garage suitable for storing vehicles. Finally, the Planning Commission determined that the new garage would have a residential character that would improve the neighborhood over the existing structure. Thus it was determined that the variance meets the practical difficulties test. After discussion the Councilmember Jane Evans motioned, seconded by Brady Johnson to approve variance application #1-19 for Rob Sando for the purpose of constructing a new residential garage 32' x 42' (1,344 SF) to replace an existing pole building (28' x 32') that collapsed from snow load over the winter. With the three existing accessory buildings on the site the total accessory square footage would be 1,790 SF, for a variance of 545.5 SF. The motion passed by unanimous vote.

- The Planning Commission's Tour of the City and regular meeting will be held the Monday prior to Memorial Day (May 20<sup>th</sup>, 2019). The tour will take place from 10am to 12 pm prior to the May regular meeting.

### **Roseau County Commissioner**

County Commissioner Jack Swanson informed council the county is going through the required process to transfer two tax forfeited properties to the City for future development. The County has set a mandatory public hearing for June after which the County then can proceed to transfer the lots to the City. It is anticipated that lots will be available to the City in either July or August for use in the City-School cooperative housing build project.

**Operations Committee** – did not meet.

**Oakcrest Golf Course** – did not meet.

The Oak Crest Golf Club provided its Board of Directors for 2019. After review Councilmember Bassingthwaite motioned, seconded by Council member Johnson and approved by unanimous vote to approve the 2019 Oak Crest Board of Directors and staff appointments as follows:

#### Board of Directors

- Mark Wilson, President
- Scott Vatnsdal, VP
- Jess Herling, Secretary
- Richard Anderson
- Michelle Hagen
- Chris Hass
- Jason Tangen

#### Course Managers

- Shelly LaPlante
- Laura Strand

#### Grounds Manager

- Alex Halstensgard

## **Airport Committee**

The airport committee did not meet.

CDC Peterson presented an airport land lease agreement with Eugene Fichter for the hangar he owns on the Roseau Airport. CDC Peterson recommended renewing the lease with Eugene Fichter as well as authorizing a sublease to Guardian Flight who operates the air ambulance service in Roseau. After discussion Councilmember Novacek motioned, seconded by Councilmember Bassingthwaite and approved by unanimous vote to renew the airport land lease with Eugene Fichter at the current lease rate and authorize a sublease with Guardian Flight.

CDC Peterson presented an airport land farm lease agreement with Gary Slater for airport land that the City owns adjacent to the active airport that can be farmed. The farming of these lands reduces costs for maintenance to the airport and is advantageous in the overall maintenance of airport land. In 2020, the Roseau Airport will be expanding onto a portion of the lands currently farmed for its MALSF approach lighting system so the existing land lease contracts would be reduced by the amount of lands taken by the MALSF project. After discussion, Councilmember Bassingthwaite motioned, seconded by Councilmember Evans and approved by unanimous vote to renew the farm lease with Gary Slater for the same terms as previous, less the amount of land consumed by the MALSF lighting project (approximately 17 acres).

CDC Peterson informed the City Council that the plans and specifications for airport project SP6801-39 (Rehabilitate Airport Pavements, Relocate Apron Area, and Rehabilitate Airfield Electrical/Nav aids) are complete and ready to be solicited and KLJ Engineering is seeking approval to advertise for bids. After discussion, Councilmember Evans motioned, seconded by Councilmember Bassingthwaite and approved by unanimous vote to authorize KLJ Engineering to advertise and solicit bids for Airport Project SP6801-39 for the reconstruction of airfield pavements, apron and lighting/electrical/nav aids.

CDC Peterson presented a MnDOT Operations and Maintenance grant agreement for the annual operations and maintenance costs at the Roseau Airport. The State of Minnesota funds up to 75% of eligible costs of operating the airport up to \$35,758. After discussion, Councilmember Novacek moved the following resolution for adoption, seconded by Councilmember Evans and approved by unanimous vote:

**RESOLUTION 23-19**  
**AUTHORIZATION TO EXECUTE**  
**MINNESOTA DEPARTMENT OF TRANSPORTATION**  
**AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

It is resolved by the **City of Roseau** as follows:

1. That the state of Minnesota Contract Number **1033544**, "Airport Maintenance and Operation Grant Contract," at the **Roseau Municipal Airport** is accepted.
2. That the Mayor and Community Development Coordinator are authorized to execute this Contract and any amendments on behalf of the **City of Roseau**.

Adopted by the City Council of the City of Roseau, Minnesota this 6th day of May 2019.

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

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

### **EDA**

CDC Peterson informed council the EDA met on April 24<sup>th</sup> to discuss the following items:

- Approved a loan to Mandy Trangsrud for a new clothing business to open in the former Quilt S'more building.
- Workforce Development – CDC Peterson informed council that there have been two meetings with Karen White and Nate Door of the Northwest Minnesota Foundation to see if the surrounding communities can work cooperatively as a region and pool resources to attract additional workforce into the region. The committee is poised to move forward to obtain a proposal from the marketing firm Golden Shovel Agency, but is seeking local support (moral and financial) for the initiative prior to inviting Golden Shovel representatives to meet with the regional representatives in person to for a written marketing proposal. It was consensus of the City Council that they were supportive of the effort, but would need to see more specifics on any financial contribution.
- The cooperative housing project with the school as previously discussed under County Commissioner.
- Alternatives for new residential growth in the city as previously discussed under the Planning Commission.

### **Department Reports**

#### **Liquor Store**

Liquor Store Manager Linda Roseborough had no new business.

#### **Fire Department**

Fire Chief Craig McMillin was absent

#### **Police Department**

Police Chief Ward Anderson had no new business.

#### **Superintendent**

Superintendent David Drown provided the City Council with a proposal for new summer hours for the utility department. The proposed summer hours would provide for four nine hour days Monday through Friday (6:00 am – 3:30 pm) with a half day on Friday (6:00 am – 10:00 am) from April 15<sup>th</sup> to October 31<sup>st</sup>. There was considerable discussion from the Council on whether services and public accessibility could be maintained with these revised hours. Superintendent Drown reported that all staff would be required to respond to emergency calls similar to what is required on Saturday and Sunday now. Additionally, billing would not be affected by the new hours and those services would continue to be Monday through Friday from 7:30 am to 4:00 pm

for customers with billing and utility service needs. It was Council consensus that many workplaces are instituting more flexible schedules to attract and retain employees and after discussion Councilmember Novacek motioned, seconded by Councilmember Evans to institute a trial summer hours schedule for 2019 from May 13, 2019 to August 31, 2019 in the Utility Department with four nine hour days Monday through Friday (6:00 am – 3:30 pm) with a half day on Friday (6:00 am – 10:00 am) after which the City Council will make a determination on whether such schedule changes will be continued into the future. The motion passed by unanimous vote.

Mayor Pelowski presented City Superintendent Drown with a Wastewater Treatment Award from MPCA and congratulated him on the good work.

Superintendent Drown presented the 2019 School Electric rate for approval. After discussion Councilmember Novacek moved Resolution #24-19 for consideration, seconded by Councilmember Bassingthwaite and approved by unanimous vote

**RESOLUTION NO. 24-19**  
**RESOLUTION SCHOOL ELECTRIC RATE CHANGE**

**WHEREAS**, the Roseau Municipal Electric Department and Roseau School District 682 have a negotiated electric rate for the operation of the school that is beneficial for both parties; and

**WHEREAS**, the City Council annually reviews and makes applicable rate adjustments in accordance with the agreement with Roseau School District 682,

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

That the following electric rates are adopted for Roseau School District 682 for the period of April 1, 2019 – March 31, 2020

**BASE CHARGES**

Winter Demand	$287.28 \times 8.867 = \$2,547.31$
Summer Demand	$464.88 \times 8.867 = \$4,122.09$
Trans. Charge	$287.28 \times 4.7895 = \$1,375.93$
Substation Demand	$708.39 \times .4122 = \$291.99$
Kva Charge Monthly	$1000 \times .50 = \$500$
<b>TOTAL MONTHLY BASE CHARGE</b>	<b>= \$8,837.32</b>

**ENERGY CHARGES**

Energy	$.049173 \times \text{KW's} =$
Energy Transmission	$.005937 \times \text{KW's} =$
Energy Substation	$.000602 \times \text{KW's} =$
Energy Mill Levy	$.0003 \times \text{KW's} =$
<b>TOTAL MONTHLY ENERGY CHARGE</b>	<b>= <math>.056020 \times \text{KW's}</math></b>
<b>ENERGY WIND SURCHARGE</b>	<b>= <math>.0043 \times \text{KW's}</math></b>

Adopted by the City Council of the City of Roseau, Minnesota this 6th day of May 2019.

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

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

There was question about the completion of the 2018 Street project paving. Superintendent Drown reported that the paver will be having a pre-construction meeting on May 21<sup>st</sup> and that he anticipates that paving should begin sometime in June, but they will know more after the pre-construction meeting on the 21<sup>st</sup>.

Superintendent Drown also noted that the 2019 watermain project is complete. Councilmember Novacek asked if the contractor would be repairing any damages they might have done to the pedestrian trail when they were doing the watermain project in front of Polaris. Superintendent Drown responded that they will take a look at the trail and determine if any damages were done.

#### **City Attorney**

City Attorney Moren reported that she has been in contact with Shopko about their outstanding utility billings. Representatives from Shopko have stated that we will be receiving payments soon and there greatest concern was that the City not shut off power in the meantime. No Council action was taken

City Attorney Moren also reported on one of the township fire contracts with Malung Township. Malung Township has indicated that they do not plan to sign their contract with the Roseau Fire Department; however, they have made their payment for 2019. Councilmember Novacek stated that if they do not sign the contract the Roseau Fire Department cannot respond to any emergency action in that township and that the Attorney General's opinion on that is very clear. City Attorney Moren was going to contact the township officers to explain the need for the signed contract to maintain services. No Council action was taken.

#### **Community Development Coordinator**

CDC Peterson presented the City Council with the final draft report for the Trunk Highway 89 Corridor Study developed by Houston Engineering. The report identifies a number of proposed improvements for the corridor from TH 11 to 7<sup>th</sup> Street SW including the conversion of the corridor from a rural section highway to an urban section highway. CDC Peterson requested any comments on the report to be forwarded to him for consideration by Houston Engineering. The report will be turned over to MnDOT District 2 officials for consideration and in an effort to seek funding for a potential improvement project.

CDC Peterson reported that the City's application to the Northwest Minnesota Arts Council for a grant to construct a public art piece at Gilbertson Field was approved for \$10,000. The funds would be used to hire RavenWorks Forge (Joel Miller and Sue Suess) to design and construct a new steel archway entrance for Gilbertson Field. After discussion, Council member Amy

Bassingthwaite motioned, Council member Brady Johnson seconded and it was approved by unanimous vote to pass to following resolution.

**RESOLUTION NO. 25-19**  
**RESOLUTION ACCEPTING GRANT**

**WHEREAS**, the Northwest Minnesota Arts Council, has presented to the City of Roseau, a grant of \$10,000.00 and has designated that this grant be deposited with the City of Roseau for the “Gilbertson Field Arch project”.

**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 “Gilbertson Field Arch project”.

Adopted by the City Council of the City of Roseau, Minnesota this 6th day of May 2019.

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

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

CDC Peterson presented a statement from the Roseau River Watershed District stating that they have reviewed the soil conditions and stability of the riverbank site adjacent to the City Center for development into a kayak launch and fishing pier as outlined in the MN DNR Outdoor Recreation Grant Application submitted in March. The report was required as a condition of the City Council submitting the grant application and accepting any future grant award.

**Mayor and Council**

Councilmember Evans inquired as to the status of the proposed leaf burning ordinance changes. It was noted that this issue has not been resolved and it should be placed on the June City Council agenda under Mayor and Council.

**Unfinished Business-**

There being no further business Councilmember Evans motioned to adjourn the City Council meeting, seconded by Councilmember Novacek and carried by unanimous vote.

ATTEST:

\_\_\_\_\_  
Todd Peterson, Community Dev. Coord.

\_\_\_\_\_  
Mayor Jeff Pelowski