

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – November 4, 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, Jane Evans and Brady Johnson Absent: none. Others present were, Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, Fire Chief Craig McMillin, Parks and Rec Director Sara Hammann, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, and Jack Swanson – Wild 102 radio.

Mayor Jeff Pelowski called the meeting to order and the Pledge of Allegiance was said.

Council member Pat Novacek motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve the October 7, 2019 regular meeting minutes with the insertion of Resolution 47-19 on page 7 and the correction of “ALS” to “EMS” on page 13.

Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded and it was carried by unanimous vote to approve the October 28 continued to October 29, 2019 special meeting minutes as written.

Council member Jane Evans 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 October 1, 2019 through October 31, 2019 Batch AP10312019.
CK# 67211-67283 = \$307,472.54
2. Presentation of daily checks October 1, 2019 through October 31, 2019
CK# 67080-67210 = \$863,844.30
E# 1646-1684 = \$354,222.37
PR 10/15/19 = \$37,707.23
PR 10/15/19 = \$39,331.66
3. Presentation of Receipt entries September 1, 2019 through September 30, 2019.
4. Presentation of Journal entries JE083119.
5. Audit Committee review of August 2019 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. December 2nd, 2019 Regular council meeting at 5:00 p.m./Truth and Taxation Public Hearing at 6:00 p.m.
7. Approve the use of alcohol in the Community Center – none
8. Investment–Roseau EDA Hi Fi as of 10/30/2019 is \$133,055.71
9. Cash in bank-Regular checking as of 10/30/2019 is \$2,524,054.90.
10. Investment-Regular Hi Fi as of 10/30/2019 is \$1,559,643.17.

11. Investment Certificate of Deposit as of 10/30/2019 is \$809,422.54
12. Investment Certificate of Deposit as of 10/30/2019 is \$800,361.38.
13. Investment Certificate of Deposit as of 10/30/2019 is \$801,033.41.
14. Investment Certificate of Deposit as of 10/30/2019 is \$795,099.90.
15. Investment-Roseau EDA Money Market as of 10/30/2019 is \$211,613.13.
16. Cash in bank-Roseau EDA as of 10/30/2019 is \$387.29.
17. BradyMartz Audit – February 24, 25 & 26, 2020
18. Department of Human Services – Foster Care
19. Hangar Lease #3 – Josh Broten
20. “2019 Christmas Lighting Contest” (The same categories as 2018 with prizes awarded in Roseau Dough)
21. Approve 2020 (December 1, 2019 – November 30, 2020) Liquor Licenses contingent upon all paperwork is obtained by the Clerk’s Office.
 - American Legion Club + Sunday
 - Brickhouse Bar & Grill + Sunday
 - Gene’s Bar & Grill
 - North Country Inn & Suites
 - Oakcrest Golf Club + Sunday
 - Roseau Motel & Diner
 - Sparetime Bowl (Legends) + Sunday
 - The Pour House Bar & Grill + Sunday
 - VFW Club
22. Approve 2020 (January 1, 2020 – December 31, 2020) 3.2 Beer licenses contingent upon all paperwork is obtained by the Clerk’s Office.
 - Holiday Stationstore – Off sale
 - Super One Foods (Miner’s) – Off sale
23. LG220 – ALS Raffle – Legends Sports Pub & Grill -01/07/2020 6 pm
24. October 2019 Roseau Liquor Store monthly sales report
25. October 2019 City Revenues & Expenditures report

Delegations

Britt Dahl – Roseau County Historical Director – Museum lighting plan, was removed from the agenda as it was discussed as part of the budget meetings.

Committee Reports

Planning Commission –

CDC Todd Peterson reviewed the Planning Commission minutes from October 28th, 2019.

CDC Peterson informed council that:

- Officer Manka provided an update on the cleanup report. Officer Manka may be sending out additional citations but no further letters at this time due to it being so late in the fall.

- The citation that had been issued to Bill Lund was waived as Mr. Lund presented a plan to have his property brought into compliance. It was the consensus of the Planning Commission that Officer Manka continues to monitor the progress by Mr. Lund in completing the repairs to bring his home into compliance with City Code. Officer Manka stated that a date for the completion of the work would be established.
- Karl Nelson has until June 30, 2020 to bring the building at Main Ave N and TH 11 into compliance. Building Official Brad Bail will outline the repairs that are needed.
- At 12:30 pm a public meeting was held for Variance Application #19-3 (Peace Grenades, Kevin Broten) for a sign variance for his screen printing and apparel business that he recently opened in a building leased from Northern Resources. The City's sign codes for C-2 (Outlying Commercial) restricts any single sign to no larger than 150 SF, and the total of all signage to 275 SF. The sign installed by Mr. Broten is one single sign 217 SF which exceeds the 150 SF maximum for a single sign, the sign does fit under the 275 SF total signage. However, due to the design of the sign as a single wrap sign the sign cannot be split up into separate signs, therefore a variance is being sought to keep the existing sign of 217 SF, for a 67 SF variance. There were no oral or written comments received prior to the public hearing and no one appeared at the public hearing. After discussion, the Planning Commission recommends to the City Council to allow the variance request #19-3 (Peace Grenades, Kevin Broten) as the signage is professional, utilizes the existing sign wall, and is in character with the zoning district. The total square footage of the city does not exceed the amount allowed and but for the style of sign used (billboard wrap) could have met the sign code by dividing the sign up. It was also noted that the design of the sign as a wrap will have a limited longevity (approximately 5 years) and that any replacement sign can be required to comply with code.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded and it was carried by unanimous vote to allow the variance request #19-3 (Peace Grenades, Kevin Broten) as the signage is professional, utilizes the existing sign wall, and is in character with the zoning district. The total square footage of the city does not exceed the amount allowed and but for the style of sign used (billboard wrap) could have met the sign code by dividing the sign up. It was also noted that the design of the sign as a wrap will have a limited longevity (approximately 5 years) and that any replacement sign can be required to comply with code.

- Planning Commission member Jill Helgeson resigned, as she has taken a full time job that does not allow time to serve on the board. Sara Klint has agreed to serve to on the Planning Commission Board in her place.

Council member Jane Evans motioned, Council member Pat Novacek seconded and it carried by unanimous vote to approve the appointment of Sara Klint to the Planning Commission Board.

Roseau County Commissioner

County Commissioner Jack Swanson informed council of the following:

- The County is holding the tax forfeit land sale tomorrow.
- Commissioner Swanson is one of three Minnesotans meeting with United States Secretary of Housing and Urban Development, Ben Carson, in Washington D.C. to discuss HUD and affordable housing and the regulations that challenge affordable housing.

Operations Committee –

The Operations Committee did not meet.

Oakcrest Golf Course –

The Oakcrest Golf Course did not meet.

Airport Committee

The airport committee did not meet.

- CDC Peterson presented to council Resolution 48-19 “Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Improvement Excluding Land Acquisition” No 1034662, and asked for approval and authorization sign the grant application for the Design Approach Lighting System (MALSF). The project will cost \$98,000. \$73,500 will be the state share and \$24,500 will be the City share.

After discussion, Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve Resolution 48-19 “Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Improvement Excluding Land Acquisition” No 1034662, for the Design Approach Lighting System (MALSF), and authorize its signing. The project will cost \$98,000. \$73,500 will be the state share and \$24,500 will be the City share.

- CDC Peterson presented to council KLJ change order #1 to the current contract KLJ Project # 1805-02220 (to relocate apron area, construct taxi lane, demolish hangar and rehabilitate airfield electrical). The AWOS weather reporting system was housed in the old arrival/departure building. When contractor, Agassiz Asphalt, LLC, tore down the building, the AWOS weather reporting system became inoperable. This change order will run a sand encased duct bank beneath the new apron carrying the new AWOS data line to the new terminal building. This will not be done until spring. A temporary fix is expected to be done by the end of November. This is a function of the State not the City. The \$29,020.50 change order will be 100% covered by MNDOT.

Council member Pat Novacek motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve change order #1 to the current contract (KLJ # 1805-02220) to run a sand encased duct bank beneath the new apron carrying the new AWOS data line to the new terminal building.

- CDC Peterson informed council that the runways are open. The PAPI (precision approach path indicator) lights have to be checked by the FAA so they may be off but the other lights are on. The connecting taxi way A1 is not open. Millings will be placed so

that planes can access the fuel system within the next two weeks. There is a small apron and no tie downs.

EDA

CDC Peterson informed council the EDA will meet next Wednesday, November 13th.

Department Reports

Liquor Store

Liquor Store Manager Roseborough was absent

Fire Department

Fire Chief Craig McMillin reminded council that with the time change to replace the batteries, not only in clocks but also in their smoke and carbon monoxide detectors. Members of the fire department have met with preschoolers and instructed them on fire safety and the importance of smoke detectors and instructed them to tell their parents to change the batteries in their smoke and carbon monoxide detectors.

Police Department

Police Chief Ward Anderson presented to council the resignation of part time police officer Travis Olafson. Officer Olafson has accepted a full time position with the City of Warroad. Police Chief Anderson informed council that law enforcement numbers are down and after three weeks of advertising there was only one applicant as there are so many job openings elsewhere.

Superintendent

City Superintendent David Drown informed council that there were five applicants for the sanitation position and that the position would be offered to an applicant this week. Superintendent Drown informed council that all of the blacktopping was done on the street projects but some shoulder work still needs to be completed.

Parks and Rec Director

Parks and Rec Director Sara Hammann informed council that: the parks are closed for the season; the city dock and kayak launch that washed away during flooding were recovered; the Gilbertson arch will be completed this week; and the arena contractors that the Youth Hockey Association hired are done with the renovations at the Memorial Area.

Director Hammann informed council that the two water fountains in the observation area on either side of the concessions are in bad shape and would like to replace them but they are outside of this year's budget. They would cost about \$1,000 each.

After discussion, Council member Jane Evans motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve \$2,000 for two new water fountains at the Memorial Arena.

City Attorney

City Attorney Michelle Moren informed council that the law office is waiting for a letter from Building Official Brad Bail to attach to the abatement letter that will be sent to Mr. Karl Nelson and the other owners of record for the building located at 107 3rd Street Northwest.

City Attorney Moren also inquired of council as to what should be done about the Federal Opioid Litigation Notice the City of Roseau has received. Every City and County in the Nation received the notice. "If the city does not opt out, it automatically stays in the settlement negotiating class and, for the most part, loses the right to sue the specific defendants involved in this federal multi-district litigation." LMC, the City has until November 22, 2019 to opt out.

After discussion, Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded, and it was carried by unanimous vote not to opt out of the Federal Opioid Litigation, but if more information becomes available, to follow what the League of Minnesota Cities is recommending.

Community Development Coordinator

- CDC Peterson provided to council the Roseau Court Townhomes 2020 budget and asked for council approval of the 2020 budget and authorization to sign. The 2020 Annual budget shows a \$15.00 per unit rent increase. CDC Peterson informed council that the Townhomes have been increasing the rent the last 4 to 5 years to bring it up to market rates.

After discussion, Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote to approve the Roseau Court Townhomes 2020 budget.

- CDC Peterson presented to council a map and Resolution #49-19 Declaring Slum and Blighted Area City of Roseau, MN. This map shows all of the parcels within the target area, 52 of them are occupied by buildings, Of the 52 buildings in the target area, 22 of them are structurally standard, 30 of them are structurally substandard, and none are dilapidated.

After discussion, Council member Amy Bassingthwaite motioned to approve Resolution #49-19 Declaring Slum and Blighted Area City of Roseau, MN. As Council member Bassingthwaite owns a business in the target area, Council member Bassingthwaite withdrew the motion and asked to abstain.

After discussion, Mayor Jeff Pelowski motioned, Council member Pat Novacek seconded, and it was carried by majority vote to approve Resolution #49-19 Declaring Slum and Blighted Area City of Roseau, MN.

Council member Amy Bassingthwaite abstained.

- CDC Peterson presented to council Resolution #50-19 Authorizing Submission of Preliminary Application to DEED for Small Cities funding to address existing housing

and commercial rehabilitation needs in the City, and authorization for the Mayor to sign the Preliminary Application. The targeted area would be the buildings that are substandard and in need of work in the downtown area. CDC Peterson stated this funding will be on a first come first serve basis and for whoever wants to apply in the target area. It will be for 7 businesses and 12 home owners.

After discussion, Council member Jane Evans motioned, Council member Pat Novacek seconded and it was carried by majority vote to approve Resolution #50-19 authorizing submission of the Preliminary application to DEED for Small Cities funding to address existing housing and commercial rehabilitation needs in the City, and authorization for the Mayor to sign the Preliminary Application.

Council member Amy Bassingthwaite abstained.

- CDC Peterson informed council that Houston Engineering has sent a revision of the 89 urban section study to MNDOT. These revisions addressed most of MNDOT's concerns. When asked what the next step was MNDOT said that this project is programmed for 2027. CDC Peterson was led to believe that this project would be moved up once the study was complete as additional funding options would be sought. CDC Peterson talked with Jeff Langen who said that he would work with Lu Tasa to find other outside money to move the project up.
- CDC Peterson informed council that the group health insurance with Medica will increase 6.7 % over 2019. There is also a slight change in the deductible and out of pocket. The 6.7% is figured into the 2020 budget. CDC Peterson stated that there is one less employee under coverage or the increase would have been 11%.
- CDC Peterson informed council that Congressman Collin Peterson's and Congressman Bennie Thompson's offices are contacted every 3 to 4 weeks concerning the Roseau Port of Entry's reduced hours in an effort to restore staffing and hours at the Port. There was also an article in the Star Tribune pleading our case.
- CDC Peterson presented to council a memorandum and maps of Residential Subdivision Development Alternatives. There are five parcels suitable for future residential development. Of the five land owners only four responded back. It was noted that the land owner that did not respond has the land easiest and least expensive to develop so the city may want to revisit this possibility. Houston Engineering evaluated the remaining four parcels and gave the city some very preliminary numbers. Each of the parcels had positives and negatives for both ease of extending infrastructure, accessibility, subdivision design and location within the city. The estimates to develop these lots ranged from just under \$30,000 per lot to over \$40,000 per lot. Each of the four land owners expressed interested in selling their land, but either were vague on the price or had prices that exceeded historic raw land prices for the Roseau area. Houston Engineering recommended smaller subdivisions of 20 lots at a time and larger lot sizes as 1/3 acre tends to be less desirable. Narrowed streets were also discussed as a way to cut

costs and also slow down traffic. CDC Peterson asked council to think about the proposed subdivisions, and email him with any questions they may have.

Mayor and Council

CDC Peterson provided to council the City of Roseau 2020 Preliminary Budget.

Council discussed several items including: the purchase price of a new squad car in the budget; the option of leasing versus purchasing a new garbage truck, (a lease has consistent payments and gives more flexibility in budgeting); scheduling major equipment purchases so that they do not occur in the same year; year-end revenue projections; outstanding issues at the airport; the school house build project; and reserves that are in excess of what is needed.

After discussion, it was consensus to move forward with the budget with the exception of the possibility of leasing versus purchasing a new garbage truck. Council will look at this again at the December 2nd regular city council meeting.

Mayor Pelowski stated labor negotiations are underway and that he and Council member Bassingthwaite (Negotiations committee) have met with the Employees Association but have not met with the Police Officers.

Unfinished Business-

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

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Jeff Pelowski