

REGULAR ROSEAU CITY COUNCIL MEETING

MONDAY – October 4, 2021

Regular meeting 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, City Superintendent David Drown, Police Chief Ward Anderson, Parks and Rec Director Keith Severson, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, County Commissioner Jack Swanson, Dave and Pam Shaw and a tenant of Chad Fulton’s Main Avenue South Apartments.

Tracy Halstensgard of the Roseau River Watershed District attended via WebEx.

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

Council member Jane Evans motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve the September 13, 2021, regular 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 September 1, 2021 through September 30, 2021 Batch AP093021.
CK# 70942-70967 = \$52,568.63
2. Presentation of daily checks September 1, 2021, through September 30, 2021
CK# 70809-70941 = \$442,843.83
E# 2565-2608 = \$385,723.89
PR 09/15/21 = \$42,719.91
PR 09/13/21 = \$1,865.98
PR 09/30/21 = \$46,962.67
Void check #70880
3. Presentation of Receipt entries August 1, 2021, through August 31, 2021.
4. Presentation of Journal entries JE073121.
5. Audit Committee review of July 2021 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –
Upcoming scheduled meetings:
 - a. November 1, 2021, Regular council meeting at 5:00 p.m.
 - b. 2021 Truth & Taxation Public Hearing Date (December 6, 2021, at 6:00 pm at the Regular Council meeting)
7. Approve the use of alcohol in the Community Center- none
8. Investment–Roseau EDA Hi Fi as of 09/27/2021 is \$91,193.82.
9. Cash in bank-Regular checking as of 09/27/2021 is \$2,190,576.58.
10. Investment-Regular Hi Fi as of 09/27/2021 is \$1,564,365.07.
11. Investment Certificate of Deposit as of 09/27/2021 is \$825,756.27

12. Investment Certificate of Deposit as of 09/27/2021 is \$819,388.88.
13. Investment Certificate of Deposit as of 09/27/2021 is \$821,103.93.
14. Investment Certificate of Deposit as of 09/27/2021 is \$812,763.65.
15. Investment-Roseau EDA Money Market as of 09/27/2021 is \$62,284.18.
16. Cash in bank-Roseau EDA as of 09/27/2021 is \$25.29.
17. MPCA final permit
18. LG220 Raffle Permit – Rams Hockey- Memorial Arena
19. Resolution to designate Polling Place for 2022.

RESOLUTION NO. #47-21

A RESOLUTION TO DESIGNATE THE POLLING PLACE FOR 2022

WHEREAS, THE CITY COUNCIL OF ROSEAU, MINNESOTA, pursuant to Minnesota Statute §204B.16 POLLING PLACES; DESIGNATION, is required by December 31st of each year to designate by ordinance or resolution a polling place for each election precinct. The polling places designated in the ordinance or resolution are the polling places for the following calendar year, unless a change is made.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROSEAU, MINNESOTA AS FOLLOWS:

The City of Roseau designates the Roseau City Center at 121 Center Street East, Roseau as the polling place for the 2022 Elections.

Passed by the City Council of Roseau, Minnesota this 4th day of October, 2021

Mayor

Attested:

Clerk-Treasurer

20. September 2021 City Revenues & Expenditures
21. Liquor Store Monthly Sales Report 2021

Delegations/Petitions/Complaints

Tracy Halstengard of the Roseau River Watershed was present via WebEx to discuss the Oak Crest Coulee proposal. Houston Engineering has provided a proposed scope and fee (\$28,600) to perform engineering services associated with the Oak Crest Area ponds and coulee.

Ms. Halstensgard stated that the goals are to: Create a system that is designed to handle up to a 5-year rain event; Reduce the amount of impairments being introduced to the Roseau River from the coulee, such as phosphorus and nitrogen; and Create functional infrastructure that adds to the useability of the golf course, improve management capabilities, reduce long-term maintenance costs, and improve the aesthetics for homeowners thereby improving property values. The current weir structures and culverts are failing.

Ms. Halstensgard proposed a partnership between the City of Roseau, the RRWD, Roseau County SWCD and the Oak Crest Golf Course to create a long-term solution to the above issues.

Ms. Halstensgard stated that about 70% of the \$28,600 Houston Engineering fee will be funded by the Red River Board. The 30% cost share remaining would be \$8,580. If this were split three ways, it would be \$2,860. If split four ways \$2,145.

CDC Peterson informed council that there is enough in miscellaneous engineering in the City budget to cover the City portion of the cost.

Council member Johnson stated that the Oak Crest Golf Club is meeting to discuss partnering on this.

Council member Novacek inquired as to why this was not a watershed expense, what the estimated cost of the project would be after the study is complete, and where those funds would come from.

Ms. Halstensgard stated that when there is a partnership it makes the case stronger for getting construction dollars. Once the study is done it opens up funding for construction from outside resources. If approved, Houston Engineering would begin surveying next week. There would be brainstorming sessions and public meetings so that everyone would have a chance to have their concerns addressed.

City Superintendent Drown stated that Houston Engineering has already surveyed the Oak Crest Subdivision so that portion should not be done again.

Mayor Fabian requested City Superintendent Drown be actively involved so that there is not a double up on engineering and fees.

After discussion, Council member Jane Evans motioned, Council member Brady Johnson seconded, and it was carried by majority vote to approve cost share up to \$4,300 for the study and authorize CDC Peterson to sign the agreement.

Council member Pat Novack opposed.

Committee Reports

Planning Commission –

CDC Peterson informed council that the Planning Commission met Monday, September 27, 2021, at 12pm.

- CDC Peterson informed council that at 12:10pm a Public Hearing was held for the Conditional Use Request from Lew & Danielle Wibbles for Conditional Use #7-21 seeking to convert building located at 301 3rd Street NW into an apartment building with apartments on the first floor in a C-1 zone. There were no written or oral comments before or during the meeting.

CDC Peterson stated that the plan is not clear yet and developer Ryan Jaenicke will continue to work with the building official to determine what can be done with the building to accommodate apartment units. There may be some items such as sprinklers and ADA codes that could make the conversion prohibitively expensive to undertake. The Planning Commission recommends to the City Council to approve Conditional Use #7-21 seeking to convert building located at 301 3rd Street NW into an apartment building with apartments on the first floor in a C-1 zone, with the condition that adequate off-street parking is provided to the facility based on the ultimate occupancy.

There was discussion on extending the decision on Conditional Use Permit #7-21 beyond the 60-day time limit to request additional information, but it was determined there should be enough time.

After discussion, Council member Pat Novacek motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve Conditional Use #7-21 seeking to convert building located at 301 3rd Street NW into an apartment building with apartments on the first floor in a C-1 zone, with the condition that adequate off-street parking is provided to the facility based on the ultimate occupancy and conditional on the building officials' approval.

- CDC Peterson informed council that the Planning Commission discussed the severe housing shortage in the community. The current code does not allow short term rentals and multiple tenant housing in R-1 zoning districts; however, this practice is going on all over the city as a result of the severe housing shortage. City Attorney Moren and CDC Peterson are researching codes to possibly create a conditional use permit that would allow short term rentals and multiple tenant housing in R-1 zoning districts, so if someone is creating a problem, that problem could be addressed.
- CDC Peterson informed council that Chad Fulton is working with the Building Official to correct the deficiencies with the building code for the two apartments Mr. Fulton created on Main Avenue S. City Attorney Michelle Moren has asked Officer Manka to get the PD involved as the situation could pose some liability to the City. CDC Peterson stated that as of today Mr. Fulton does not have the permits for that building.

A tenant that lives in one of Mr. Fulton's apartments was present at the council meeting. The tenant stated that they had just moved into the apartment, and they have nowhere else to go if they were forced to move. The tenant stated that her income is too high for low-income housing which further limits housing options.

City Attorney Moren stated that according to the Building Official, not enough was done on the apartments for Mr. Fulton to allow tenants to move in, it is not safe. City Attorney

Moren advised council of the different options that the City can take to get Mr. Fulton to bring the apartments up to code; such as revoking the Conditional Use Permit and/or citing Mr. Fulton. City Attorney Moren stated the Police Chief Anderson could cite Mr. Fulton tonight, October 4, 2021. This would be a misdemeanor and would have a financial penalty. This would then go to court. City Attorney Moren stated that as far as having the tenants move out; that is subject to landlord tenant law and the City's options at this time are starting the process to revoke the CUP and/or issue citation(s) to Fulton.

Roseau County Commissioner

County Commissioner Jack Swanson informed council on the following items:

- Last week the County Board approved a 7% increase to the preliminary 2022 levy after a 15% increase last year.
- The old county garage will be put up for auction once the County Highway Department moves into new building early next summer.

Operations Committee

The Operation Committee did not meet.

Oakcrest Golf Course

No new business to report.

Airport Committee

CDC Peterson informed council that the Airport Committee did not meet but presented to council the Professional Services Agreement between the City of Roseau and TKDA and Association, Inc. This agreement would be in place for the next 5 years. City Attorney Moren has reviewed the Professional Services Agreement and found no issues.

After discussion, Council member Jane Evans motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the Professional Services Agreement between the City of Roseau and TKDA and Association, Inc. and authorize its signing.

EDA

CDC Peterson informed council the EDA met on September 29, 2021.

CDC Peterson presented to council a Request for TIF Financial Assistance from Dave and Pam Shaw. The Shaw's are seeking assistance in constructing a new 10,000 sq ft production welding and powder coat painting operation on 5 acres in the Roseau Industrial Park. The Shaw's are looking to employ 8 to 12 employees, they currently have 5. The building project is estimated to cost around \$750,000 for the facility, excluding equipment.

CDC Peterson stated that this would be a pay-as-you go TIF would allow the Shaw's to capture the newly created building tax capacity and use those revenues to pay for some of the costs of construction of the facility for a period of 9 years. Roughly \$150,000 might be available to be used for project costs. The City will gain employment, additional tax base, and a significant electric load from the operation.

The EDA recommends that Council approve the TIF financial assistance for Dave and Pam Shaw.

After discussion, Council member Pat Novacek motioned, Council member Jane Evans seconded, and it carried by unanimous vote to Authorize proceeding with creation of the TIF Plan and TIF District and set a Public Hearing for Monday, November 1 with the hearing notice published October 16 and requesting waivers from the County and School Board for 30 days prior notice of hearing. Necessary paperwork and signatures.

Mayor Dan Fabian informed Council that the Northwest Regional Development Commission is asking for more representatives. This Commission works to promote growth in Northwest Minnesota. Committees work on programs for Transportation, the Aging, Arts, and Economic Development. Most Counties have five representatives on the board. Roseau County has two. Mayor Fabian will fill out an application to be a municipal representative.

Department Reports

Liquor Store

Liquor Store Manager Niki Johnson was absent

Fire Department

Fire Chief Craig McMillin informed council the Fire Departments BBQ & Ball was held on September 18 and there was a record turnout.

The 2020 Investment Report Card for the Roseau Fire Relief Association was provided to council. The 2020 Investment Report Card is provided for informational purposes to help assess the relief association's short-term and long-term investment performance. Chief McMillin had not had a chance to go over them with Mark Wilson so did not comment on them.

Police Department

Police Chief Ward Anderson informed council that Police Department may have to change its LETG records management system as the 911 mapping system is switching to a new version. This new version is an unfunded mandate. Chief Anderson does not know what the projected cost will be, so it is hard to budget for it, and the change will happen next year.

Fire Chief McMillin is also concerned how it will affect the Fire Department.

Council member Pat Novacek stated that the new system is wireless, and statewide, so it should be more accurate. The maps will all tie together in the new system.

Superintendent

City Superintendent David Drown informed council that they are still working on utility rates for the budget.

Parks and Rec Director

Parks and Rec Director Keith Severson informed council on the following:

- For the past three months, Roseau High School and the Park Board have been engaged in an informal conversation on a new multi-purpose facility project. A community survey was conducted with 243 people responding. Of those surveyed the response was generally very positive. The School and Park Board would like to form an official Ad Hoc committee with more members of the community to work on the project to see if it is feasible.

After discussion, Council member Jane Evans motioned, Council member Amy Bassingthwaite seconded, and it was approved by unanimous vote for the formation of an Ad Hoc committee with more members of the community to work on the multi-purpose facility project to see if it is feasible.

- The Nights of Lights project is coming together. This will be a drive through light show in the Roseau City Park Thursdays through Saturdays, 5:00 pm to 7:00pm, in December. This is a partnership between LifeCare, Polaris, Border Bank, Citizens State Bank and the City of Roseau. Community groups will have an opportunity to sign up to decorate one of 15 campsites at the city park. The partnership contributions include LifeCare - \$20,000, Polaris - \$5,000, Border Bank - \$2,500, Citizens Bank - \$2,500 and the City of Roseau supplying the city park, electricity, plowing, etc. Local business will remain open during those times for customer shopping. Director Severson stated that a couple of groups are investigating lighting up the gazebo and there is talk of a winter music event.
- There will be a meeting October 19, at 7 pm here at the City Council chambers to discuss the I500 snowmobile race coming through town.
- The arena roof leak is not complete yet. City Superintendent Drown will check into it.

City Attorney

City Attorney Michelle Moren informed council that two more lots have sold in the Oak Crest Estates First Addition and presented the following resolutions for approval:

**RESOLUTION 48-21
EXTRACT OF CITY COUNCIL MINUTES OF THE REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF ROSEAU HELD ON MONDAY,
OCTOBER 4, 2021 AT 5:00PM**

Councilperson Amy Bassingthwaite made a motion to adopt the following resolution:

WHEREAS, the City of Roseau, is the owner of the following described real estate; and

WHEREAS, the following described real estate consists of a bare lot only, and;

WHEREAS, Timothy J. Bjerk and Kristi I. Bjerk, husband and wife, have indicated their desire to purchase the following described real estate; and

WHEREAS, it is deemed to be in the best interest of the City of Roseau that said real estate be sold to Timothy J. Bjerk and Kristi I. Bjerk, husband and wife, for the sum of Ten Thousand and no/100 (\$10,000.00) Dollars. Said real estate is described as follows:

Legal Description:

Lot One (1), Block Four (4) of Oak Crest Estates First Addition, according to the recorded Plat thereof on file and of record in the office of the County Recorder in and for Roseau County, Minnesota. Subject to easements, reservations and restrictions of record.

NOW THEREFORE BE IT RESOLVED, that the City of Roseau, accepts the offer of Timothy J. Bjerk and Kristi I. Bjerk, husband and wife, to purchase the above described real estate for said sum of Ten Thousand and no/100 (\$10,000.00) Dollars, and that the Mayor and the City Clerk/Treasurer of the City of Roseau, are hereby authorized and directed to execute a deed of conveyance running from the City of Roseau, a municipal corporation, under the laws of the State of Minnesota, as Grantor, to Timothy J. Bjerk and Kristi I. Bjerk, husband and wife, Grantees, as joint tenants, conveying the above described real estate, and;

The motion for adoption of the foregoing Resolution was duly seconded by Member Brady Johnson and upon roll call vote being taken thereon, the following voted in favor thereof: Mayor Dan Fabian, Council members Pat Novacek, Amy Bassingthwaite, Jane Evans and Brady Johnson.

And the following voted against the same: NONE

And the following abstained: NONE

And the following were absent: NONE

Whereupon said motion was declared duly passed and adopted.

Dan Fabian, Mayor

ATTEST:

Elizabeth Carlson, 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 October 4, 2021.

Elizabeth Carlson, City Clerk/Treasurer, City of
Roseau Minnesota

RESOLUTION 49-21
EXTRACT OF CITY COUNCIL MINUTES OF THE REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF ROSEAU HELD ON MONDAY,
OCTOBER 4, 2021 AT 5:00PM

Councilperson Jane Evans made a motion to adopt the following resolution:

WHEREAS, the City of Roseau, is the owner of the following described real estate; and

WHEREAS, the following described real estate consists of a bare lot only, and;
WHEREAS, Dale Smedsmo, Trustee of the Dale Smedsmo Revocable Trust dated January 2, 2014, has indicated his desire to purchase the following described real estate; and

WHEREAS, it is deemed to be in the best interest of the City of Roseau that said real estate be sold to Dale Smedsmo, Trustee of the Dale Smedsmo Revocable Trust dated January 2, 2014, for the sum of Twelve Thousand and no/100 (\$12,000.00) Dollars. Said real estate is described as follows:

Legal Description:

Lot Five (5), Block One (1) of Oak Crest Estates First Addition, according to the recorded Plat thereof on file and of record in the office of the County Recorder in and for Roseau County, Minnesota. Subject to easements, reservations and restrictions of record.

NOW THEREFORE BE IT RESOLVED, that the City of Roseau, accepts the offer of Dale Smedsmo, Trustee of the Dale Smedsmo Revocable Trust dated January 2, 2014, to purchase the above described real estate for said sum of Twelve

Thousand and no/100 (\$12,000.00) Dollars, and that the Mayor and the City Clerk/Treasurer of the City of Roseau, are hereby authorized and directed to execute a deed of conveyance running from the City of Roseau, a municipal corporation, under the laws of the State of Minnesota, as Grantor, to Dale Smedsmo, Trustee of the Dale Smedsmo Revocable Trust dated January 2, 2014, Grantee, conveying the above described real estate, and;

The motion for adoption of the foregoing Resolution was duly seconded by Member Amy Bassingthwaite and upon roll call vote being taken thereon, the following voted in favor thereof: Mayor Dan Fabian, Council members Pat Novacek, Amy Bassingthwaite, Jane Evans, and Brady Johnson .

And the following voted against the same: NONE

And the following abstained: NONE

And the following were absent: NONE

Whereupon said motion was declared duly passed and adopted.

Dan Fabian, Mayor

ATTEST:

Elizabeth Carlson, 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 October 4th, 2021.

Elizabeth Carlson, City Clerk/Treasurer, City of Roseau Minnesota

City Attorney Moren informed council that Richard Larsen approached Moren Law Office to create the documents needed for the sale of the Richard Larsen property to the City of Roseau. As Attorney Moren is the attorney for the City she can only work on the behalf of the City Council. Attorney Moren can produce the documents to facilitate the land sale on behalf of the City of Roseau, and should have them ready for the next council meeting.

Community Development Coordinator

CDC Todd Peterson had no new business.

Mayor Council

City of Roseau 2022 Preliminary Budget

CDC Peterson presented to council an updated 2022 budget. Property/Casualty insurance, Workers Comp and Health Insurance will all be increasing. Health Insurance may increase 9% but that figure is not firm yet.

Set Budget Meeting Dates

Mayor and Council set October 13 and 14, 2021 from 5 pm to 7 pm as budget meeting dates.

Minnesota Energy-Natural gas franchise renewal

City Attorney Moren informed council that Minnesota Energy has proposed a new franchise agreement that is different than the ones from the past. City Attorney Moren has redrafted it based on what was done in the past. City Attorney Moren will meet with City Superintendent Drown and CDC Peterson to go over the agreement.

Mayor Dan Fabian informed council that Polaris is looking into what can be done about the housing shortage.

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

ATTEST:

Elizabeth Carlson Clerk-Treasurer

Mayor Dan Fabian