

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – September 12th, 2016 @ 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, Council members, Pat Novacek, Don Ross, Amy Bassingthwaite, and Jane Evans. Absent: none. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, City Attorney Pat Moren, City Attorney Michelle Moren, Police Chief Ward Anderson, Liquor Store Manager Linda Roseborough, Fire Chief Jeff Ballard, Jack Swanson – WILD 102 Radio, Lyle Grindy-Promotions Director, Shana Lanctot – Oak Crest Senior Housing.

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

It was noted than on the August 1, 2016 Council Meeting Minutes on Page 8 that the second member of the Labor Negotiations Committee should have been Amy Bassingthwaite and not Jane Evans. Council member Amy Bassingthwaite motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve the August 1st, 2016 Regular meeting minutes as amended.

Council member Pat Novacek motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the following Consent Agenda:

1. Presentation of Accounts Payable claims August 1st, 2016 through August 31st, 2016 Batch AP083116. CK#61182-61232 = \$203,393.29
2. Presentation of daily checks August 1, 2016 through August 31, 2016  
E#180-206 CK#60995-61181=\$861,461.78  
08/15/16 PR DD500542E=\$33,025.30  
08/31/16 PR DD500580E=\$38,640.52
3. Presentation of Receipt entries July 1, 2016 through July 31, 2016.
4. Presentation of Journal entries JE6312016.
5. Audit Committee review of June 2016 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:  
October 3rd, 2016 Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center-
  - a. Jaenicke Wedding Reception – 10/22/2016
  - b. 13 Sisters – 11/26/2016
8. Investment–Roseau EDA Hi Fi as of 08/06/2016 is \$77,165.50.
9. Cash in bank-DNR Escrow as of 08/06/2016 is \$2,000.00.
10. Cash in bank-Regular checking as of 08/06/2016 is \$3,237,880.62.
11. Investment-Regular Hi Fi as of 08/06/2016 is \$1,546,766.01.
12. Investment Certificate of Deposit as of 08/06/2016 is \$777,446.20.
13. Investment Certificate of Deposit as of 08/06/2016 is \$781,527.29.
14. Investment Certificate of Deposit as of 08/06/2016 is \$784,174.54.
15. Investment Certificate of Deposit as of 08/06/2016 is \$791,057.41
16. Investment-Roseau EDA Money Market as of 08/06/2016 is \$206,471.96.
17. Cash in bank-Pine to Prairie Birding Trail as of 08/06/2016 is \$15,321.30.
18. Cash in bank-Roseau EDA as of 08/06/2016 is \$1,691.20.

19. League of Minnesota Cities – August Newsletter
20. Heatshare Program Agreement
21. LG220 Application for Exempt Permit - Roseau Fire Department Relief Association
22. LG220 Application for Exempt Permit – Roseau Youth Hockey
23. Letter from Roseau County Auditor – Martie Monsrud
24. Letter from Roseau County Fair Board – Richard Magnusson
25. KLJ – Airport Project Status Report
- 26.

**RESOLUTION NO. 34-16**

**RESOLUTION ACCEPTING DONATION**

**WHEREAS**, Michael and Paula Bodell have presented to the City of Roseau a donation of \$100.00 and April Zeiher has presented to the City of Roseau a donation of \$20.00 and have designated that these donations be deposited in the City of Roseau South Riverview Park

**WHEREAS**, the City Council is appreciative of the donations 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 South Riverview Park.

Adopted by the City Council of the City of Roseau, Minnesota this 12th day of September, 2016.

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

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

27.

**RESOLUTION NO. 35-16**

**RESOLUTION ACCEPTING DONATION**

**WHEREAS**, Minnesota Energy Resources and Wisconsin Public Service Foundation has presented to the City of Roseau a donation of \$7,500.00 and has designated that these donations be deposited in the City of Roseau South Riverview Park

**WHEREAS**, the City Council is appreciative of the donations 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 South Riverview Park.

Adopted by the City Council of the City of Roseau, Minnesota this 12th day of September, 2016.

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

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

28. August City Revenue & Expenditures Report
29. August Liquor Store Revenue & Expenditures Report
30. Thank You Letter – Roseau Youth Hockey

## **Delegations**

None

## **Committee Reports**

### **Roseau Promotions Director**

Promotions Director Lyle Grindy presented the following items:

- The C&C Farmer’s Market is growing every week. It’s generated over \$1,600 in revenue for the C&C. The markets will continue on Thursdays and Saturdays
- There will not be a pumpkin contest this year due to poor crop .
- The C&C will not be holding a Customer Appreciation dinner this year. Instead the advertising and manpower will be directed to the 2016 Holiday Fantasy promotion. The C&C will be giving away more and larger Roseau Dough prizes.
- Polaris stock closed at \$76.99. Polaris’ new Vice President & General Manager is John Olson. Mr. Olson has strong affiliation with the Department of Defense.

### **Planning Commission-**

CDC Todd Peterson reported the Planning Commission met on August 22nd, 2016 and at 12:30 the Planning Commission held a public hearing for a variance request from LifeCare Medical Center (#2016-1) for the placement of a new wall sign on the north addition to the LifeCare Medical Center campus. The maximum total signage allowance in a P-1 zone is 275 SF. LifeCare Medical Center currently maintains 324 SF of total signage on the campus and is proposing an additional 36 SF with the new sign for a variance request of 85 SF. The new signage will be located over a new entrance to the LifeCare Medical Center campus and is necessary for users of the facility to be able to identify the entrance on this addition. After discussion Larry Guggisberg motioned, seconded by Dave Anderson to open the public hearing. Notice was placed in the Roseau Times-Region and mailed to all residents within 350’ of the property. No oral or written comments on the variance were received by the city prior to the meeting and no comments were offered at the hearing. Dave Anderson motioned, seconded by Bruce Stone to close the public hearing. After which, Larry Guggisberg motioned, seconded by Dave Anderson to recommend to the Roseau City Council to approve the variance request from LifeCare MC for the purposes of adding a new backlit sign (36 SF) in addition to 324 SF of existing signage for an 85 SF variance. The motion passed by unanimous vote. Justification for the approval included:

- The signage is needed for the new entrance on the new wing of the hospital
- The hospital is a community necessity and appropriate signage is necessary to direct the public to appropriate locations
- The signage is appropriate for the location and matches existing signage on the facility.

After discussion, Council member Pat Novacek motioned, Council member Jane Evans seconded and it was carried by unanimous vote to approve variance #2016-1 LifeCare Medical Center for the purposes of placing a new 36 SF sign at a new entrance of the LifeCare Medical Center which will bring the total amount of signage to 360 SF, in lieu of the 275 SF maximum allowed in a P-1 District.

CDC Todd Peterson reported that the Planning Commission then held a public hearing for a variance request from Oak Crest Senior Housing (Variance 2016-2) for the placement of a new monument sign along Main Avenue South to replace an existing monument sign. The Oak Crest Senior Housing Board proposed to replace its aging non-illuminated building identification monument sign on the property with a new illuminated sign 4' x 5' with a total of 40 SF in lieu of the maximum allowed (16 SF) in an R-1 District. Larry Guggisberg motioned, seconded by Bruce Stone to open the public hearing. No oral or written comments on the variance request were received by the City prior to the meeting. Audrey Stone, an area resident, spoke against the variance request citing her opposition to the proposed variance request particularly the illumination component of the new sign. Mrs. Stone stated that she did not believe an illuminated sign was appropriate for the residential neighborhood it was located in, and Mrs. Stone also presented a petition to the Planning Commission signed by 7 residents from the area stating: "We oppose a double sided sign with lights for Oak Crest Senior Living facility at Main Avenue & 10<sup>th</sup> Street SW. It is a residential area and will set a bad precedence for other residential area in Roseau." The following signed the petition:

- Audrey Stone (718 Main Ave)
- Robert Mekash (802 Main Ave)
- Judy Nelson (900 Main Ave)
- Visld Sharma (1004 Main Ave)
- Clara Johnson (904 Main Ave)
- Thora Halvorson (103 8<sup>th</sup> Street SW)
- Stuart Halvorson (103 8<sup>th</sup> Street SW)

Mrs. Stone offered that additional neighbors agreed that the illuminated sign was not appropriate for the residential location but would not sign the petition for various reasons. Mary Ross, representing the Oak Crest Senior Housing Board, stated that the new sign was necessary for identification of the Oak Crest complex and that the new sign would be smaller than the existing sign and that lighting would be directed at the sign and not adjacent properties. There was general discussion amongst the Planning Commission about appropriate lighting alternatives that could be contemplated that would help make the sign visible while not being a nuisance to the neighbors. Police Officer Marc Hodge offered that the Police Department has experienced the need for the signage at Oak Crest as emergency personnel have in the past had difficulty finding the complex at night. After considerable discussion Dave Anderson motioned, seconded by Larry Guggisberg to close the public hearing.

Larry Guggisberg motioned, seconded by Dave Anderson to recommend to the Roseau City Council to approve the signage variance request from Oak Crest Senior Housing for a double sided sign 4' x 5' with side pillars and lighting with the following two conditions:

- That the sign illumination be accomplished with appropriately designed directional lighting that can be adjusted to only illuminate the sign panel and that no stray lighting go beyond the sign panel into neighboring properties.
- The sign be moved as far as possible from the current north property line location to a location as near as possible to the complex driveway.

Those voting in favor of the motion: Dennis Sabourin, Larry Guggisberg and Dave Anderson

Those voting against the motion: Bruce Stone

The motion passed.

Justification for the approval:

- The sign is needed for identification of the building by the general public
- The existing sign will be replaced with a newer sign that will be more appropriately located
- Public safety will be improved with the new sign

After discussion, Council member Don Ross motioned, Council member Amy Bassingthwaite seconded and it was carried by unanimous vote to approve the Oak Crest Senior Housing variance #2016-2 for the purposes of placing a new illuminated monument sign 4' x5' (40 SF) on lieu of the maximum allowed 16 SF in a R-1 District with the same conditions set by the Roseau Planning Commission.

CDC Peterson reported that there is some progress in removing abandoned trailers in the West Side Trailer Court, but that there are still up to 15 more units that need to be addressed. CDC Peterson also reported that there are other structures in the community including two homes that should be considered for condemnation as they are most likely beyond repair. Those two homes include the Ann Butler home on East Center Street and the Melvin Foldo home on East 2<sup>nd</sup> Street SE.

### **Roseau County Commissioner –**

Roseau County Commissioner Jack Swanson informed council on the following items:

- The County will be setting their Tax Levy and Budget most likely at their next meeting. Commissioner Swanson believes that the County will adopt a budget that is about \$750,000 in the red as they have done in the past, each time ultimately ending the year in the black. Commissioner Swanson expects the county's tax levy to remain at its current level.

**Operation Committee** – The operations committee did not meet

### **Oak Crest Golf Course –**

Council member Don Ross reported that Golf Superintendent Carson Hedlund is working towards retirement, but is in the process of grooming a new person to take over when he is ready to be done.

### **Airport Committee –**

CDC Todd Peterson informed council the Airport Committee did not meet, but that there will be a number of public input meetings coming up in the next two months to discuss considerable changes at the airport including the potential closure of the turf crosswind runway. Meetings are set for September 27, 2016, November 2, 2016 and another meeting in October that has not been set yet.

### **EDA**

CDC Todd Peterson reported the EDA met August 24, 2016 and the following items were discussed:

- The EDA is working on finalizing a lease of the Farmers Union Building on Main Avenue with the State of Minnesota.
- The EDA approved providing a rehabilitation loan to the Roseau Theater
- The EDA continues to work on the new community website
- The house building project between Polaris, NWCA and the School will not proceed this year due to NWCA losing a key employee that has been working on all of their past housing projects.

### **Department Reports**

#### **Liquor Store-**

Liquor Store Manager Linda Roseborough reported that sales are still down over last year through August. There is some indication that the higher sales in 2015 could have been due to the high number of Polaris' temporary employees that were in the community in 2015. September is about when most of the temporary employees left the community and sales may trend closer between 2015 and 2016.

#### **Fire Department-**

Fire Chief Jeff Ballard informed council on the following items;

- The Fireman’s BBQ and Ball is coming up
- The Fire Department has moved all of items that cannot be housed in the Fire Hall into the Farmer’s Union Building on Main Avenue
- The Fire Department is researching options for the purchase of a replacement fire truck as part of the department’s regular fleet upgrade. The department has been working with Custom Fire Equipment to design an appropriate vehicle that has all of the necessary items and is affordable. The current estimate for the truck the FD would like to purchase is \$419,000, but they are looking at options to reduce the cost. The FD Relief Association is planning on using its funds to purchase the chassis of the truck, serving as the down payment, which is estimated at approximately \$60,000. The remainder of the purchase cost would be financed over 5-7 years, as has been done in the past, and paid through the City’s budgeting process. The Fire Department is considering working with a cooperative purchasing vendor to reduce the bidding effort. HGAC cooperative purchasing is an option for working with Custom Fire Equipment.

**Police Department –**

**RESOLUTION NO. 36-16  
OF THE CITY OF ROSEAU REGARDING PART TIME POLICE OFFICER PERA  
COVERAGE**

WHEREAS, Minnesota Statutes 353.64, Subdivision 2, permits the governing body of a governmental subdivision to declare that a position is that of a police officer and that the person who holds said position on a part-time basis is to be covered by the Police and Fire retirement plan if the following employment duties and qualification requirements are met.

1. The position requires a license by the Minnesota peace officers standards and training board and the employee is so licensed;
2. The primary (over 50%) duty of the position is to enforce the general criminal laws of the state;
3. The position charges the employee with the prevention and detection of crime;
4. The position gives the employee the full power to arrest; and
5. The position is assigned to a designated police or sheriff’s department.

THEREFORE, BE IT RESOLVED that the Roseau City Council hereby declares that the position of part-time police officer in the Roseau Police Department satisfies all of the requirements listed above and declares its desire to provide all future employees holding said part-time law enforcement position with coverage under the Police and Fire plan; AND

BE IT FURTHER RESOLVED that this governmental unit will provide a copy of this resolution to PERA each time it provides Police and Fire membership to a person who is hired to said part-time position and will indicate the name of the employee eligible for such coverage.

This Motion for Resolution was made by Council person Pat Novacek and seconded by Council person Amy Bassingthwaite, and upon vote being taken, the following voted in favor: Pelowski, Ross, Novacek, Evans and Bassingthwaite.

The following voted against the same: None  
 The following abstained: None  
 The following were absent: None

Approved by the Council this 12<sup>th</sup> day of Septmeber, 2016.

EFFECTIVE DATE: September 12<sup>th</sup>, 2016

S/S \_\_\_\_\_  
Mayor

ATTEST:

S/S \_\_\_\_\_  
City Clerk-Treasurer

**Superintendent-**

The City Council received a letter from Leslie Hagen regarding an issue he had with his water billing. The letter from Mr. Hagen raised an issue around a high bill related to a water leak that he believes went undetected for a number of months because the city had not actually read his meter and was only estimating his usage. Superintendent Drown responded to the Council that he had pulled Mr. Hagen's billing information and he found that Mr. Hagen had a "normal" reading each month up until the month in which a leak must have taken place. After receiving the large billing for the month of the leak, it appears that Mr. Hagen repaired the leak early the next month. There was no "prolonged" period where the leak was occurring and it was fixed as soon as it was detected in the month of leak. The City has many occasions where a leak occurs and the City has not reduced the billings because the water was used. Superintendent Drown stated that the sewer charge in this case was capped because the leak occurred during the period of reduced summer sewer rates for lawn watering, even though, in this case, the water did end up in the sewer. It was the consensus of the Council to not take any action on this request and they asked Superintendent Drown to contact Mr. Hagen and inform him that the City was following established policy in billing out the full amount of water used.

City Superintendent Drown informed council the road project is going well and that the pavers should be completing the remaining work at the end of the week or early next week.

Councilmember Evan inquired about the Arena concession stand and whether it would be ready for the upcoming hockey season. Superintendent Drown reported that they were waiting for two new appliances to be delivered, but otherwise everything was ready for the upcoming season. It was noted that the appliances were ready for delivery to the arena.

**City Attorney-**

No new business

**Community Development Coordinator-**

CDC Peterson presented a proposal from Watersplash, Champlain, NY for the supply and installation of a 2,500 SF splashpad in South Riverview Park. The proposal includes the supply of 24 water features, piping & controls, concrete and installation for a completed splashpad. The proposal cost is \$170,000. This proposal is approximately \$30,000 less than the original engineers estimate. The City is dealing directly with Watersplash on this proposal through its membership with the Texas Buyboard cooperative purchasing site. Watersplash is an approved vendor through the Texas Buyboard. The Park Board has currently raised sufficient funds to complete this portion of the project. After discussion, Jane Evans motioned, seconded by Pat Novacek to accept the Watersplash proposal for the construction of the South Riverview Park Splashpad in the amount of \$170,000 contingent upon receiving all of the documentation

on Watersplash being in good standing with Texas Buyboard and the proposal meeting the Texas Buyboard requirements. The motion passed by unanimous vote.

CDC Peterson reported on the following items:

- The Army Corps of Engineers received bids to remove the “plug” in the diversion project and repair a slough area between the bridge and river. Spruce Valley was the contractor awarded the project.
- CDC Peterson and Mayor Pelowski have been corresponding with State and Federal officials about the length of time it is taking to receive approval on the City’s LOMR request. FEMA is moving very slowly on this request and the Corps of Engineers is getting frustrated with the number of requests for more information that are being requested by FEMA. We are all looking for ways to hasten the process.

CDC Peterson presented the council three proposals for auditing services from BradyMartz, HoffmanPhillipKnutson, and CliftonLarsonAllen. Each firm provided very similar qualifications for auditing services. The lowest bid for services was from BradyMartz at \$18,000, \$18,000 and \$18,500 for three years. HoffmanPhillipsKnutson proposed \$19,000 per year for three years and CliftonLarsonAllen proposed \$21,000 for two years and \$22,000 for the third year. All three firms provided a fee of \$2,500 per year for auditing the Fireman’s Relief Association. CDC Peterson made the recommendation to continue with our current auditor BradyMartz as they are the lowest cost and it would be much simpler to stay with an auditing firm that is familiar with our operations. After discussion, Jane Evans motioned, seconded by Don Ross and approved by unanimous vote that the city continue our relationship with BradyMartz for an additional 3 years for auditing services.

**Mayor Council-**

Mayor Pelowski opened discussion on the 2017 budget process, highlighting that the City must adopt a preliminary budget and tax levy by September 30, 2016 despite the fact that the information available today is still very preliminary and there will be considerable discussion about the budget over the next four months. However, the preliminary levy that is set in September cannot be raised and can only be lowered. After discussion about how to proceed with developing the final 2017 budget and concerns about raising the 2017 tax levy, Pat Novacek motioned, seconded by Jane Evans and carried by unanimous vote, to set the overall 2017 preliminary levy at the same level as 2016 at \$1,049,242

2017	
PRELIMINARY LEVY	
General Levy	\$ 1,001,478
Library	47,764
Total 2017 General Levy	\$ 1,049,242

CDC Todd Peterson presented council with the 2017 Preliminary Budget. After discussion Council member Amy Bassingthwaite motioned, Council member Don Ross seconded and it was carried by unanimous vote to accept the 2017 Preliminary Budget as presented.

2017 PRELIMINARY BUDGET			
	REVENUE	EXPENSES	BALANCE



101 General Fund		\$2,713,909	\$3,799,906	(\$1,085,997)
228 Lodging Tax		\$ 58,000	\$ 70,775	(\$ 12,775)
233 2001 TIF	\$	75,284	\$ 68,098	\$ 7,186
Water Fund		\$ 404,833	\$ 393,327	\$ 11,506
Sewer Fund		\$ 372,286	\$ 343,815	\$ 28,471
Garbage Fund		\$ 416,000	\$ 386,430	\$ 29,570
Electric Fund		\$4,247,626	\$3,853,844	\$ 393,782
Liquor Fund		\$1,841,250	\$1,538,343	\$ 302,907
Liquor Store Construction Fund	\$	0	\$ 694,300	(\$ 694,300)
South Riverview Park Construction Fund	\$	250,000	\$ 500,000	(\$ 250,000)
		=====	=====	=====
Total All Funds		\$10,379,188	\$11,648,838	(\$1,269,650)

It was consensus of the Council to begin budget discussions with the city committees and department heads in two special budget meetings in October as has been done in the past. CDC Peterson will line up two dates in October for these budget meetings.

It was noted that the Council must set a 2017 Truth and Taxation Public Hearing date. Council member Amy Bassingthwaite motioned, Council member Pat Novacek seconded and it was carried by unanimous vote to approve the date of December 5<sup>th</sup>, 2016 for the Truth and Taxation Public Hearing at 6:00 pm during the regular City Council meeting.

Council member Don Ross brought up an issue about signage for the north side of the City Center. It has been noted in the past that there is no signage indicating what the City Center building is from Highway 11. It was discussed that the City should look into some type of signage on the north side of the City Center to indicate what is in the building. No action was taken.

**Community Master Plan Review – Transportation**

CDC Peterson opened discussion on Section 9: Transportation

This section deals with all modes of transportation within Roseau as well as connections between Roseau and the rest of the world. It was noted that Roseau’s transportation connections are vital for continued success of our business and industry as well as for convenience of local residents. Roseau does not have any public commuter links to outside communities, which is a major limitation to persons without private vehicles and business travel. Additionally, Roseau’s air, rail and highway links are all fair to poor. It should continue to be a high priority of the community to actively work with our legislators and State and Federal agencies to improve access to Roseau via these three transportation modes.

Local transportation networks including streets, trails and public transit are all good to very good. The City should continue to maintain our local transportation infrastructure for long-term use.

The next section the City Council will be discussing will be Economic Development.

**Unfinished Business-**

None

Council member Amy Bassingthwaite motioned, Council Member Jane Evans seconded, and it was carried by unanimous vote that there was no further business, therefore the meeting be adjourned.

ATTEST:

\_\_\_\_\_  
Community Development Coordinator

\_\_\_\_\_  
Mayor