

**REGULAR ROSEAU CITY COUNCIL MEETING  
MONDAY – APRIL 1ST, 2013 @ 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 Curt Ireland, Pat Novacek, Linda Vatnsdal, absent Don Ross. Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, Chief of Police Ward Anderson, Liquor Store Manager Brad Wiberg, City Attorney Pat Moren, City Clerk Janet Lundbohm, Lyle Grindy, Wild 102 – Jack Swanson, Richard Rude, RRA, Inc., and Maria Pahlen.

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

Council member Linda Vatnsdal motioned, Council member Curt Ireland seconded and it was carried by unanimous vote to approve the March 4th, 2013 minutes as presented.

Council member Curt Ireland motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve the following Consent Agenda items:

- a. Accounts payable claims from March 1st, 2013 through March 31st, 2013 as presented, with a batch number of AP033113 and is filed in edit books in the City Clerk’s Office.
- b. Daily Batch checks written from March 1st, 2013 through March 31st, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- c. Receipt entries February 1st, 2013 through February 28th, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- d. Journal entries January 1<sup>st</sup>, 2013 through January 31st, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- e. A review of January 2013 General Ledger checks written compared with check images on the bank statements found no irregularities.
- f. Upcoming meetings –
  - a. May 6th, 2013 Regular meeting at 5:00 p.m.
- g. Approve the use of alcohol in the Community Center – none.
- h. Thank you – United Blood Services.
- i.

**SUBORDINATION AGREEMENT**

**WHEREAS**, the City of Roseau possesses a valid and enforceable lien against the following described real property located in the County of Roseau, State of Minnesota, to wit:

Lot half of lot Seven (7), and all of Lot 8, of Block Two (2) of Sanders and Jacklin’s Addition to the City of Roseau, according to the Recorded Plat thereof on file and of record in the office of the county recorder in and for Roseau County, Minnesota.

as evidenced by a Repayment Agreement dated August 18, 2006, and filed of record in the Office of the Roseau County Recorder on August 21, 2006, as Document Number 255036, and

**WHEREAS**, Renee Slater, a single person and fee owner of the above-described real property, has applied for a mortgage loan from Border State Bank; and

**WHEREAS**, Border State Bank has indicated that it is unwilling to accept a mortgage upon the above-described real property in security for said loan unless the City of Roseau shall subordinate its mortgage to the lien to be created by said Border State Bank on said property;

**NOW THEREFORE**, in consideration of the premises and as an inducement to Border State Bank to accept said mortgage, the City of Roseau hereby agrees to subordinate, and hereby does subordinate, its lien against the above described real property to the mortgage lien of Border State Bank against said property, said mortgage to have the same validity, force and effect as if executed, delivered, and recorded prior to the date of execution of said City of Roseau Mortgage.

**IN TESTIMONY WHEREOF**, the City of Roseau has caused these present-to be executed by Jeffrey Pelowski, Mayor

This 1<sup>st</sup> day of April, 2013.

STATE OF MINNESOTA ) ss  
COUNTY OF ROSEAU )

By:

ss: Jeff Pelowski  
Mayor of Roseau

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of April, 2013, by Jeffrey Pelowski, Mayor of Roseau, a body corporate and politic of the State of Minnesota.

ss: Janet E Lundbohm  
Notary Public

Roseau County, Minnesota  
My Commission expires: January 31, 2014

DOCUMENT DRAFTED BY WYNNE CONSULTING, INC. P.O. BOX 33 WANNASKA, MN 56761  
EXEMPT FROM REGISTRATION TAX UNDER MINNESOTA STATUTE 287.04

j.

**SUBORDINATION AGREEMENT**

DATE: March 27<sup>th</sup>, 2013

FOR VALUABLE CONSIDERATION, the undersigned hereby subordinates the lien on real property in Roseau County, Minnesota legally described as follows:

LOTS SIX (6), SEVEN (7), EIGHT (8), NINE (9) AND TEN (10), BLOCK SIX (6), IN THE ORIGINAL TOWNSITE OF ROSEAU, ACCORDING TO THE RECORDED PLAT THEREOF, ROSEAU COUNTY, MINNESOTA.

*Check here if all or part of the described real property is Registered (Torrens)*

which is evidenced by a Mortgage dated May 2, 2008, and recorded on May 7, 2008, as Document Number 260880 (or in Book \_\_\_\_\_ of \_\_\_\_\_ Page \_\_\_\_\_), in the Office of the County Recorder Registrar of Titles of Roseau County, Minnesota, to a subsequent lien evidenced by a Mortgage from Aaron J. Butler and Wendy S. Butler, husband and wife to Citizens State Bank of Roseau, in an amount not to exceed Thirty-Six thousand One hundred Dollars (\$36,100.00) and recorded on November 14, 2012, as Document Number 276007 (or in Book \_\_\_\_\_ of \_\_\_\_\_ Page \_\_\_\_\_), in the Office of the County Recorder Registrar of Titles of Roseau County, Minnesota.

City of Roseau

STATE OF MINNESOTA )  
COUNTY OF \_\_\_\_\_ )

By: ss: Jeff Pelowski  
Its Mayor

This foregoing instrument was acknowledged before me on this 1st day of April, 2013 by, Jeff Pelowski as Mayor of City of Roseau.

ss: Janet E Lundbohm  
Notary Public

My Commission Expires: January 31, 2014

This Document Drafted by:  
Citizens State Bank of Roseau  
118 Main Ave. S. P.O. Box 160  
Roseau, MN 56751

- k. Letter from Thune Insurance Network notifying of additional services – THINKHR Live Services.
- l. Email from Holly Kostrzewski (DOT) regarding 4<sup>th</sup> annual Northwestern Minnesota toward Zero Deaths Regional Workshop.
- m. League of Minnesota Cities Annual Conference and MarketPlace in St. Paul, MN June 19-21, 2013.
- n. Approve following Resolution #16-13- and renewal and extension of Limited Use Permit (on file at the Roseau City Office).

### **RESOLUTION #16-13**

#### **RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A LIMITED USE PERMIT WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION**

**WHEREAS**, the Roseau City Council is the duly elected governing body of the City of Roseau; and

**WHEREAS**, the City of Roseau has developed a paved multi-use recreational trail network for the betterment of the community, including segments along Minnesota Trunk Highway No. 89; and

**WHEREAS**, the Minnesota Department of Transportation maintains jurisdiction over Trunk Highway right of ways; and

**WHEREAS**, the Roseau City Council wishes to enter into a limited use permit with the Minnesota Department of Transportation providing for limited use of certain right of way of Trunk Highway No. 89, and

**WHEREAS**, the Roseau City Council does hereby authorize the City of Roseau to enter into a limited use permit with the Minnesota Department of Transportation providing limited use, under the terms and conditions set forth therein of certain right of way Trunk Highway No. 89

**NOW, THEREFORE, BE IT RESOLVED**, that the Roseau City Council does hereby authorize Jeff Pelowski, Mayor and Todd Peterson, Roseau Community Development Coordinator to sign any and all documents with the limited use permit.

ss: Jeff Pelowski  
Mayor, City of Roseau

CERTIFIED/ATTEST: ss: Janet Lundbohm DATE: April 1<sup>st</sup>, 2013

- o. Investment-Roseau EDA Hi Fi as of 03/26/2013 is \$188,127.11.
- p. Cash in bank-DNR Escrow as of 03/26/2013 is \$832,000.00.
- q. Cash in bank-Regular checking as of 03/26/2013 is \$2,439,048.26.
- r. Investment-Regular Hi Fi as of 03/26/2013 is \$1,422,113.00.
- s. Investment of Certificate of Deposit as of 03/26/2013 is \$762,084.05.
- t. Investment of Certificate of Deposit as of 03/26/2013 is \$765,888.81.
- u. Investment of Certificate of Deposit as of 03/26/2013 is \$768,483.10.

- v. Investment of Certificate of Deposit as of 03/26/2013 is \$775,426.41.
- w. Cash in bank - Airport Fuel Sales Credit Card as of 03/26/2013 is \$234.58.
- x. Investment - Roseau EDA Money Market as of 03/26/2013 is \$217,079.72.
- y. Cash in bank - Pine to Prairie Birding Trail as of 03/26/2013 is \$8,992.75.
- z. Cash in bank - Scandinavian Festival as of 03/26/2013 is \$3,375.63.
- aa. Cash in bank – Welcome to Roseau as of 03/26/2013 is \$1,287.17.
- bb. Cash in bank - Roseau EDA as of 03/26/2013 is \$105.97.
- cc. Letter from Minnesota Power in regards to Upcoming Open House Meetings to gather input on route alternatives for Great Northern Transmission Line Project.
- dd. Approve 2013 (April 1, 2013 – November 30, 2013) Liquor License contingent upon all paperwork is obtained by the Clerk’s office.
  - a. Guest House Eatery & Pub + Sunday
- ee.

**RESOLUTION NO. 18-13  
CITY OF ROSEAU, MINNESOTA**

WHEREAS, the governments of the United States and Canada entered into a *Treaty Between the United States and Great Britain Relating to Boundary Waters, and Questions Arising Between the United States and Canada* in 1909 (the “1909 Treaty”) pertaining to among other matters the water quality of Lake Winnipeg in Manitoba, Canada; and

WHEREAS, it is recognized that Lake Winnipeg receives excess loadings of nutrients, including phosphorus and nitrogen, that interfere with Canadians’ desired uses of the lake; and

WHEREAS, the International Joint Commission, the Province of Manitoba, and non-governmental organizations have studied water quality in Lake Winnipeg for decades, but neither the government of the United States or nor that of Canada, as parties to the 1909 Treaty, have prescribed effluent limits for phosphorus or nitrogen for point sources in Minnesota; and

WHEREAS, the City of Roseau owns and operates a wastewater treatment facility that discharges treated wastewater to the Red River of the North, which in turn empties into Lake Winnipeg; and

WHEREAS, this wastewater treatment facility operates under a permit issued by the Minnesota Pollution Control Agency (MPCA), pursuant to authority delegated to it by the U.S. Environmental Protection Agency (USEPA) under the Clean Water Act; and

WHEREAS, the MPCA has proposed phosphorus effluents of one part per million (1.0 mg/L) in the draft permits for the Cities of Moorhead and Breckenridge, who also discharge to the Red River of the North, based on the 1909 Treaty and not on the Clean Water Act or any other federal or state statute or regulation; and

WHEREAS, the City of Roseau, as a point source discharger to the Red River Basin, stands at risk of being assigned a similar phosphorus effluent limit despite the lack of data to quantify how much of the phosphorus load reaching Lake Winnipeg, if any, is attributable to the City’s discharge of treated wastewater.

NOW THEREFORE BE IT RESOLVED THAT:

The City of Roseau stands in support of the proposition that phosphorus effluent limits in wastewater treatment permits should be based on accurate data and a solid legal foundation.

FURTHERMORE, the City of Roseau calls upon the MPCA to request that the governments of the United States and Canada, and the International Joint Commission, develop a nutrient budget for Lake Winnipeg that honors the terms and spirit of the 1909 Treaty and will enable Canadians to use Lake Winnipeg for its desired purposes.

FURTHERMORE, the City of Roseau calls upon the MPCA to request that the USEPA translate the results of said nutrient budget into effluent limits for phosphorus and nitrogen for point sources located in the United States that accurately reflect the point sources' relative contributions to the aforementioned nutrient budget.

FURTHERMORE, the City of Roseau calls upon the MPCA to defer the imposition of effluent limits for phosphorus and nitrogen in the permits of point sources in Minnesota, based solely on nutrient impairment in Lake Winnipeg and/or the 1909 Treaty, unless and until the aforementioned nutrient budget and effluent limits have been developed.

City staff are hereby directed to send a copy of this executed Resolution to the Commissioner of the Minnesota Pollution Control Agency.

Passed and adopted this 1<sup>st</sup> day of April, 2013.

ss: Jeff Pelowski  
Jeff Pelowski, Mayor

ATTEST:

ss: Janet Lundbohm  
Janet Lundbohm, City Clerk

- ff. Liquor Store Monthly Sales Recap March 2013.
- gg. Liquor Store Quarterly Sales Recap 1<sup>st</sup> Quarter 2013.
- hh. Liquor Store Sales 2013.
- ii. March 2013 City Revenues & Expenditures.

Richard Rude, RRA, Inc. gave a presentation on the proposed City of Roseau Liquor Store addition. Liquor Store Manager Brad Wiberg presented the City Council with a 2012 Liquor Store Sales report and Two Year First Quarter Growth report. After discussion Council consensus was to have the Liquor Store committee meet to determine cost estimates for the proposed addition to the Liquor Store.

Maria Pahlen – DWI Court Coordinator presented the City Council an overview of the Roseau County DWI Court since its beginning in April 2009 and an invitation to the Roseau County DWI Court Along with the 9<sup>th</sup> Judicial District 5<sup>th</sup> Anniversary of Operational Services to be held on April 16<sup>th</sup>, 2013 at 1:00 pm.

Roseau Promotions Director Lyle Grindy reported on the following:

- The Roseau Civic and Commerce will be sponsoring a Circus this summer, the date will be either June 21 or June 22<sup>nd</sup>, 2013 and there will be an afternoon and evening performance. School Superintendent Larry Guggisberg has generously offered a location by the sports field. They will have their own generators for power and the fire department has offered the use of a water truck.
- Artist's on Main have moved to a new location which is "Three on Main".
- ABS Auto Sales and Rentals have moved out of the Bryan Erickson building and are moving into the former Maytag/Sears store. Remodeling plans of the building will house other businesses at some time.
- The Guest House will reopen Thursday April 4<sup>th</sup>, 2013. Their starting hours will be: Sunday and Monday open from 6:30 AM until 3:00 PM and Tuesday thru Saturday opening at 6:30 AM until 10:00 PM.

After review and discussion Council member Pat Novacek motioned, Council member Linda Vatnsdal seconded to set a Public Hearing for Mike Pelowski's Variance request (#2-13) to replace an existing garage with a new 26' x 30' garage with a side setback of 1' 9" (which is the same side setback as the existing garage) in lieu of the 10' side setback required, an 8' 3" side setback Variance as recommended

by the Planning Commission and upon vote being taken the following voted in favor thereof: Novacek, Vatnsdal, Ireland

and the following voted against the same: None

and the following abstained: Pelowski

and the following were absent: Ross

whereupon, said motion was declared duly passed and adopted.

After review and discussion Council member Pat Novacek motioned, Council member Curt Ireland seconded to set a Public Hearing for Nathan & Brenda Acker's Variance request (#4-13) to replace an existing free standing sign with a 6' x 4' sign and to put a 5' x 20' wall sign on the north side of the building and a 4' x 8' wall sign on the northwest side of the building with a total square footage of 156 square feet for business signs in lieu of the 120 square feet maximum allowed for business signs, a 36 square foot Variance for business signs as recommended by the Planning Commission and upon vote being taken the following voted in favor thereof: Pelowski, Novacek, Ireland and Vatnsdal

and the following voted against the same: None

and the following abstained: None

and the following were absent: Ross

whereupon, said motion was declared duly passed and adopted.

Roseau County Commissioner Jack Swanson reported on the following:

- Jack was included in a Webinar presented by Roseau County Emergency Coordinator Gracia Nelson in regards to preparation for the potential of spring flooding.

Community Development Coordinator Todd Peterson reported that the Operations Committee met on March 26<sup>th</sup>, 2013 and discussed the following:

- Encouraged additional training for department heads.
- Each department head would do employee job evaluations by the end of the year.
- City Council members that are the liaison to a department would evaluate the department heads by the end of the year.
- Discussed preparations in the event of a flood.

Community Development Coordinator Todd Peterson reported that the bid opening for the taxiway and runway crack-seal project will be held in Fargo in conjunction with similar improvements at the Moorhead, Fosston and Thief River Falls airports.

Council member Linda Vatnsdal reported that the Beautification committee held an organizational meeting March 19<sup>th</sup>, 2013 and Dawn Johnson has agreed to be Chairman. They will be advertising for a gardener/supervisor and one or two people to water the flowers.

Community Development Coordinator Todd Peterson reported that the EDA met on March 27<sup>th</sup>, 2013 and discussed the following:

- North Country Media requested delaying purchase of the Downtown Retail Building for another year and the EDA recommended that the City of Roseau extend the North Country Media Lease for the Downtown Retail Building for 1 year with an increased rental rate of \$2,400.00 per month which would cover current expenditures.
- Progress on the Multi-family housing and Single Family Housing. CDC Peterson presented the City Council with the "Roseau County Workforce Housing 2013 Single Family Home Building

Demonstration Projects” (on file at the Roseau city office) that includes a letter to Polaris Industries in regards to the “Workforce Housing Revolving Loan Pool and Value Gap fund for 2013”.

- 2012 Roseau EDA Annual Report (on file at the Roseau City office).

After discussion Council member Curt Ireland motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to extend the Downtown Retail Building lease for 1 year with North Country Media with an increase of rent to \$2,400.00 per month which would cover current expenditures.

After discussion Council member Curt Ireland motioned, council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve to provide up to \$350,000.00 + \$25,000 for a Roseau County Revolving Loan Fund (2013 Spec Home Construction Program) as presented by the Greater Minnesota Housing Fund contingent on all other matching contributions being provided by other participating entities.

After review and discussion Council member Linda Vatnsdal motioned, Council Curt Ireland seconded and it was carried by unanimous vote to approve the Liquor Store part time Assistant manager Grade 5 pay scale (on file at the Roseau City Office) as recommended by Liquor Store Manager Brad Wiberg.

City Superintendent David Drown reported that the bid opening for the City of Roseau 2013 Street Improvements Project will be April 3, 2013 at 11:00 a.m.

City Attorney Pat Moren reported on the following

- Advised the City Council that the Zubin , LLC Guest House loan has been paid in full and his office has prepared a satisfaction of the mortgage and will get it signed.
- Proposed Resolution #17-13.

**RESOLUTION 17-13 OF THE CITY COUNCIL OF THE CITY OF ROSEAU, MINNESOTA  
PASSED AT ITS REGULAR MEETING HELD ON APRIL 1, 2013**

Councilperson Novacek made a motion to adopt the following resolution:

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

WHEREAS, the City of Roseau, Minnesota, wishes to sell said real estate; and

WHEREAS, Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, have expressed their desire to purchase the following described real estate; and

WHEREAS, Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, as joint tenants, have agreed to assume special assessments in the amount of Eighteen Thousand and no/100 (\$18,000.00) Dollars, being \$9,000.00 for each of the Lots hereinafter described, and in addition, to pay to the City of Roseau One Hundred and no/100 (\$100.00) Dollars for each of said Lots; and

WHEREAS, it is deemed to be in the best interest of the City of Roseau that said real estate be sold to Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, for the sum of Two Hundred and no/100 (\$200.00) Dollars, and the assumption of said special assessments in the amount of Eighteen Thousand and no/100 (\$18,000.00) Dollars.

**Legal Description:**

Lots Four (4) and Five (5), Block Two (2) in Larsen’s Third Addition to the City of Roseau, according to the plat on file and of record in the Office of the County Recorder of Roseau County, Minnesota.

NOW THEREFORE BE IT RESOLVED, that the City of Roseau, Minnesota, accepts the offer of, Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, to purchase the above described real estate for said sum of Two Hundred and no/100 (\$200.00) Dollars, and the assumption of special assessments in

the amount of Eighteen Thousand and no/100 (\$18,000.00) Dollars, and that the Mayor and the City Clerk of the City of Roseau are hereby authorized and directed to execute a Limited Warranty Deed running from the City of Roseau, a municipal corporation, as Grantor, to Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, Grantees, as joint tenants, conveying the above described real estate, and;

BE IT FURTHER RESOLVED that as of the date of the purchase, Thor W. Didrikson and Kelsey L. Didrikson, husband and wife, shall be responsible for all real estate taxes due and payable in the year 2014, in addition to the assumed special assessments in the amount of \$18,000.00, and thereafter;

The motion for adoption of the foregoing Resolution was duly seconded by Councilperson Ireland and upon a vote being taken thereon, the following voted in favor thereof: Mayor Jeff Pelowski, Councilperson Pat Novacek, Councilperson Linda Vatnsdal, and Councilperson Curt Ireland.

Voting against said Resolution: NONE

ABSENT: Councilperson Ross

ss: Jeff Pelowski  
Mayor

ATTEST:  
ss: Janet Lundbohm  
City Clerk

Community Development Coordinator Todd Peterson updated the City Council on the progress of the East Diversion. CDC Peterson presented the City Council with a copy of a letter (on file at the Roseau City Office) from Amy Klobuchar-United States Senator, Al Franken-United States Senator, and Collin Peterson-Member of Congress, written to Mr. Matt S. Erskine – Deputy Assistant Secretary for Economic Development, in regards to Roseau, Minnesota Flood Protection Project Application.

Council member Pat Novacek motioned, Council member Linda Vatnsdal seconded and it was carried by unanimous vote to approve the Jim & Nancy Ludwig's (#3-13) Short Form Conditional Use application to construct a garage addition. Stephanie Klamm, DNR Area Hydrologist has been notified.

Council member Linda Vatnsdal motioned, Council member Pat Novacek seconded, and it was carried by unanimous vote that there was no further business, therefore the meeting be adjourned.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor