

**REGULAR ROSEAU CITY COUNCIL MEETING
MONDAY – JUNE 3RD, 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, Linda Vatnsdal, Don Ross, and Pat Novacek. 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, Assistant City Attorney Michelle Moren, Fire Chief Jeff Ballard, City Clerk Janet Lundbohm, Wild 102 – Jack Swanson, Lyle Grindy, Kyle Geroy and Larry Vatnsdal.

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

Council member Linda Vatnsdal motioned, Council member Don Ross seconded and it was carried by unanimous vote to approve the May 6th, 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 May 1st, 2013 through May 31st 2013 presented, with a batch number of AP053113 and is filed in edit books in the City Clerk’s Office.
- b. Daily Batch checks written from May 1st, 2013 through May 31st, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- c. Receipt entries April 1st, 2013 through April 30th, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- d. Journal entries March 1st, 2013 through March 31st, 2013 were audited, approved and are filed in edit books in the City Clerk’s Office.
- e. A review of March 2013 General Ledger checks written compared with check images on the bank statements found no irregularities.
- f. Upcoming meetings –
 - a. June 4th, 2013 Notice of Event for Representative Dan Fabian “Town Hall Meeting”.
- g. Emails from Jeanette Behr, J.D. – Research Manager for LMCIT – Free Webinar for “Small Employers” under Health Care Reform (HCR) & Vaccinations and infectious Disease Testing coverage Tuberculosis Screening for Correctional and Medical Workers.
- h. Correspondence from the LMCIT partners with Ochs, Inc. to offer member cities long-term care, life and disability benefits.
- i. ODC 2012 Annual Report.
- j. Northern Municipal Power Agency 2012 Annual Report.
- k. Investment-Roseau EDA Hi Fi as of 05/28/2013 is \$242,392.82.
- l. Cash in bank-DNR Escrow as of 05/28/2013 is \$832,000.00.
- m. Cash in bank-Regular checking as of 05/28/2013 is \$2,057,065.53.
- n. Investment-Regular Hi Fi as of 05/28/2013 is \$1,422,587.65.
- o. Investment of Certificate of Deposit as of 05/28/2013 is \$764,729.42.
- p. Investment of Certificate of Deposit as of 05/28/2013 is \$765,888.81.
- q. Investment of Certificate of Deposit as of 05/28/2013 is \$770,960.14.
- r. Investment of Certificate of Deposit as of 05/28/2013 is \$775,426.31.
- s. Cash in bank - Airport Fuel Sales Credit Card as of 05/28/2013 is \$5,125.11.
- t. Investment - Roseau EDA Money Market as of 05/28/2013 is \$214,605.66.
- u. Cash in bank - Pine to Prairie Birding Trail as of 05/28/2013 is \$7,283.25.
- v. Cash in bank - Scandinavian Festival as of 05/28/2013 is \$9,760.63.
- w. Cash in bank – Welcome to Roseau as of 05/28/2013 is \$1,287.17.
- x. Cash in bank - Roseau EDA as of 05/28/2013 is \$891.41.
- y. May 2013 City Revenues & Expenditures.
- z. 2012 City of Roseau Year End Fund Balances/Cash Balances report as prepared by Brady, Martz.

- aa. Letter from U.S. Department of Commerce, Economic Development Administration (EDA) Chicago Regional Office, Jeannette P. Tamayo, Regional Director, notifying the City of Roseau that the application for investment assistance in the current funding cycle to help construct the City of Roseau's east side flood diversion project has been denied.
- bb. Letter from Luis Rodriguez, P.E., Chief engineering Management Branch Federal Insurance and Mitigation Administration, in regards to the 90 day appeal process for the new flood plan maps that will be in place in 2014.
- cc. Liquor Stores Monthly Sales Recap May 2013.
- dd. Liquor Store Sales 2013.
- ee. Approve Roseau Court Townhomes 12/31/2012 Audit Report as prepared by Brady, Martz.

Fire Chief Jeff Ballard reported on the following:

- The Fire Department conducted a controlled burn of a house for training purposes located at 401 3rd Ave NE on Saturday May 18th, from 8:00 am until 2:00 pm and it went well.
- The building committee will be meeting with the architect the third Tuesday of this month.

Roseau Promotions Director Lyle Grindy reported on the following:

- The 9th Annual Roseau Cruise-In-Car Show is Saturday, June 8th, 2013 at the Roseau Pioneer Farm & Village.
- The Scandinavian Festival will be held Friday June 14th & Saturday June 15th, 2013.
- Polaris has donated 10 off road vehicles to the Salvation Army for their use for the Oklahoma Disaster Relief.
- The C & C discussed the "Welcome Signs" proposal that Gerry Schiltz had presented to the City Council at the May 6th, 2013 City Council meeting (at the City Council's request) and Lyle reported that the consensus of the C & C was that the C & C was not interested in assisting with the proposal for the signs.

Larry Vatnsdal representing Bergland Enterprises appeared before the City Council requesting an extension of an existing developer agreement between the City of Roseau and Bergland Enterprises Inc. that outlined the development of Main Avenue S within the Oak Crest West Subdivision. The extension request would cover any new street and storm water improvements within the entire Oak Crest West Subdivision. The existing developer agreement would be amended to state that in lieu of assessments for any newly completed streets within the Oak Crest West Subdivision (3rd Avenue SW, 10th Street SW & 2nd Avenue SW/11th Street SW) an \$8,000 per lot utility hook-up fee will be charged upon sale of the lots. City Representatives (Mayor Jeff Pelowski, Community Development Coordinator Todd Peterson and City Superintendent David Drown) and Bergland Enterprise Representatives met and discussed this proposal on May 22, 2013 as referenced in the Memorandum (on file at the Roseau City Office) in regards to "Future Development of the Oak Crest West Subdivision".

After review and discussion Council member Curt Ireland made a motion to approve extending the existing Bergland Enterprises developer agreement to include the entire Oakcrest West Subdivision (3rd Avenue SW, 10th Street SW & 2nd Avenue SW/11th Street SW) and to consider the construction of one or more of these streets in the 2014 budget. Council member Don Ross seconded the motion and upon vote being taken the following voted in favor thereof: Pelowski, Ireland, Ross

and the following voted against the same: Novacek

and the following abstained: Vatnsdal

and the following were absent: None

whereupon, said motion was declared duly passed and adopted.

Kyle Geroy appeared before the City Council to present a proposal for a 16 Unit 2-Story (Phase 1) (on file at the Roseau City Office) Apartment building that would be built this year and a possible second unit to be built next year and to request a TIF District for this housing proposal. After review and discussion Council member Pat Novacek made a motion to authorize Community Development Coordinator Todd Peterson to proceed with exploratory talks for a TIF District with Kyle Geroy and to hire Springsted with the understanding if Kyle Geroy does not move

forward with the project Kyle Geroy will pay all of the costs incurred, seconded by Council member Curt Ireland, and upon vote being taken the following voted in favor thereof: Pelowski, Novacek, Ireland, Ross

and the following voted against the same: None

and the following abstained: Vatnsdal

and the following were absent: None

whereupon, said motion was declared duly passed and adopted.

After discussion Council member Curt Ireland motioned, Council member Pat Novacek seconded, and carried by unanimous vote to approve Overland Properties (Dollar General) Variance request (#5-13) to replace an existing building with a new building with a rear setback of 20' in lieu of the 35' rear setback required, a 15' rear setback Variance and a Variance request for the purpose of having 32 parking stalls in lieu of the 61 parking stalls required, a Variance of 29 parking stalls as recommended by the Planning Commission.

The reasons for approving the request include:

- The current City of Roseau parking ordinance needs to be revised to allow for less parking stalls required for businesses as it creates more paved area which creates more water run off going into the city's system.
- Overland Properties indicated they typically do not have that many parking stalls for their other Dollar General stores and that is why they were asking for the Variance.
- Dollar General has agreed to incorporate screening on the rear of the building and will replace trees along the bike path as part of the variance request.

The Planning Commission toured the City of Roseau May 22nd, 2013 from 10:00 am until 11:45 am. The Planning Commission noted that the City of Roseau looks very good with many property owners continuing to improve their properties but also noted that there were quite a few unlicensed vehicles on the tour.

Roseau County Commissioner Jack Swanson reported on the following:

- The County is in labor negotiations with the County employees.
- Jack as a representative of the Association of Minnesota Counties is attending all of the District meetings.

Community Development Coordinator Todd Peterson reported that the Airport Zoning committee will meet on Wednesday to discuss the rezoning of the airport to include the existing turf runway.

Council member Linda Vatnsdal reported that the beautification committee recommended the City of Roseau hire Kim Drown to be the gardener.

After discussion Council member Linda Vatnsdal made a motion to approve that Kim Drown be hired as the gardener, (she was the only qualified applicant) and that city crew will fill in instead of hiring part time workers for the waterer, seconded by Council member Curt Ireland and carried by unanimous vote.

Community Development Coordinator Todd Peterson reported that the EDA met and discussed the following:

- Presentation of an application for a business loan.
- Presentation of a housing proposal.
- Presentation of a housing project that was not related to EDA.

Liquor Store Manager Brad Wiberg presented the City Council the Richard Rude Architectural bill for \$32,888.05 that was \$12,888.05 over budget for the design fee for the proposed addition to the Roseau Liquor Store.

After review and discussion Council member Pat Novacek made a motion to table the proposed Liquor Store Addition until the 2014 Budget year, Mayor Jeff Pelowski seconded the motion and upon vote being taken the following voted in favor thereof: Novacek

and the following voted against the same: Pelowski, Vatnsdal, Ireland, Ross

and the following abstained: None

and the following were absent: None

whereupon, said motion failed.

After discussion Council member Linda Vatnsdal made a motion to pay the Richard Rude Architectural bill of \$32,888.05 that was \$12,888.05 over budget, seconded by Council member Don Ross and carried by unanimous vote.

City Superintendent David Drown requested \$12,000.00 to install floor matting for the north annex at memorial rink that will coincide with the CAIA's new addition project to the north rink that will connect the north rink to the memorial rink. After discussion Council member Pat Novacek motioned, Council member Curt Ireland seconded and it was carried by unanimous vote to approve \$12,000.00 to install matting for the north annex at memorial arena that will be the same as the matting that will be installed in the CAIA new addition that will connect the north rink to the memorial arena as recommended by City Superintendent David Drown.

City Attorney Pat Moren reported on the following:

- Proposed Resolution No. 21-13.

**RESOLUTION NO. 21-13
OF THE CITY OF ROSEAU, MINNESOTA AUTHORIZING EXECUTION OF THE STATE OF
MINNESOTA JOINT POWERS AGREEMENT**

Councilperson Pat Novacek made a motion to adopt the following resolution:

WHEREAS, Chief Ward Anderson appeared before the City Council for the City of Roseau to discuss the mobile data computer contract between the City of Roseau and the State of Minnesota; and

WHEREAS, the purpose of this agreement is for the State to provide the Roseau Police Department with access to the State's I-Mobile System, through software purchased and installed by the City on the City laptop computers mounted in the City patrol vehicles; and

WHEREAS, the term of this agreement shall be through December 31, 2013.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Roseau, Minnesota, hereby adopts the Joint Powers Agreement and directs the Mayor and Clerk to execute the same.

This Motion for Resolution was seconded by Councilperson Curt Ireland, and upon a vote being taken, the following voted in favor: Mayor Jeff Pelowski, Councilperson Pat Novacek, Councilperson Linda Vatnsdal, Councilperson Curt Ireland and Councilperson Don Ross.

the following voted against the same: None

the following abstained: None

the following were absent: None

Adopted by the City Council of the City of Roseau, Minnesota this 3rd day of June, 2013.

Jeff Pelowski
Mayor

ATTEST:

Janet Lundbohm
City Clerk

Assistant City Attorney Michelle Moren reported that the City of Roseau had received notification from the State of Minnesota – Revenue that Under Minnesota law, the city must revoke the Brickhouse Bar And Grill Inc. on Sale including Sunday Liquor License. Once the delinquency has been resolved, the Minnesota – Revenue will send the City of Roseau a clearance certificate. Assistant City Attorney Moren expressed concerns that she had not been able to get clarification on what the delinquency is for and if the city revokes the license it would be for a 5 year period pursuant to Minnesota Statutes § 340A and if the city should proceed with a suspension rather than a revocation.

After review and discussion Council member Pat Novacek motioned, Council member Linda Vatnsdal seconded and carried by unanimous vote to set the date of July 1st, 2013 for the Regular City Council meeting and to set a Public Hearing for July 1st, 2013 at 5:30 pm to consider the request from the Minnesota – Revenue to revoke the Brickhouse Bar & Grill on Sale including Sunday Liquor License contingent upon all information is received from the Minnesota – Revenue.

Community Development Coordinator Todd Peterson gave an overview of the Proposal submitted by MetroPlains, LLC, on behalf of Roseau Highfield Flats Limited Partnership for a 30 unit housing development.

Council member Pat Novacek introduced the following resolution and moved for its adoption and to authorize Mayor to sign a letter of support:

RESOLUTION NO. 22-13

A Resolution of Support of a Proposal by Roseau Highfield Flats Limited Partnership to Construct
Rental Apartments in the City of Roseau

Wherea, the City of Roseau has been informed by MetroPlains, LLC, on behalf of Roseau Highfield Flats Limited Partnership, that an application for Minnesota Housing Challenge Funds, intended to be used for workforce housing development and tax exempt bond authority, is proposing mixed-income rental housing to be located on approximately 2.48 acres of Lot 1, Block 2 in Klema's First Subdivision.

Whereas, this housing development will contain 30 units; and

Whereas, the development meets a locally identified housing need; and

Whereas, it is anticipated that successful completion of redevelopment efforts that include the new construction of 30 units of housing will require assistance in the form of Tax Increment Financing in order to achieve financial feasibility;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ROSEAU, MN,
THAT;

The Governing Body of the City of Roseau, hereby supports and approves the development efforts of MetroPlains, LLC, and Roseau Highfield Flats Limited Partnership.

BE IT RESOLVED, that subject to approval of said tax credit financing and further verification of development financing needed that substantiates that but for the use of the Tax Increment Financing, the 30 unit development would be unable to proceed, the City of Roseau intends to create and administer a Tax Increment Finance District limited in terms sufficient to minimally meet financial requirements of the development in compliance with state statutes.

Adopted this 3rd day of June, 2013.

ATTEST:

s/s: Jeff Pelowski
Jeff Pelowski, Mayor

s/s: Janet Lundbohm
Janet Lundbohm, City Clerk

The motion for the foregoing resolution was duly seconded by Council member Curt Ireland and upon vote being taken thereon the following members voted in favor thereof: Pelowski, Novacek, Ireland, Vatsndal, and Ross

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.

After discussion Council member Pat Novacek made a motion to approve the Roseau River Trail Phase III Project and to authorize to advertise for bids for the Roseau River Phase III Project which will finish all of the trails. Bids will not be opened until notification of funding from the DNR is in place, seconded by Council member Curt Ireland and carried by unanimous vote.

CITY OF ROSEAU
COUNTY OF ROSEAU
STATE OF MINNESOTA

RESOLUTION NO. 23-13

CALLING FOR A PUBLIC HEARING ON PROPOSED PROPERTY
TAX ABATEMENTS FOR THE POLARIS EXPANSION PROJECT

BE IT RESOLVED by the City Council (the "Council") of the City of Roseau, Minnesota (the "City"), as follows:

1. Recitals.
 - (a) Minnesota Statutes, Sections 469.1812 through 469.1816, both inclusive, authorize the City, upon satisfaction of certain conditions, to grant an abatement of all or a part of the taxes levied by the City on real property within its boundaries.
 - (b) It is a legal requirement that the City hold a public hearing prior to adoption of a resolution granting any property tax abatements.
2. Hearing. A public hearing on the consideration of the property tax abatement will be held at the time and place set forth in the Notice of Hearing attached hereto as Exhibit A and hereby made a part hereof.
3. Notice. The City Clerk is hereby authorized and directed to cause notice of said hearing in substantially the form attached hereto as Exhibit A to be given one publication in a newspaper of general circulation in the City at least 10 days but not more than 30 days before the hearing. The newspaper must be one of general interest and readership in the City, and the notice must be published at least once.

Council member Curt Ireland moved for the adoption of the foregoing resolution, and said motion was duly seconded by Council member Don Ross, and upon vote being taken thereon after full discussion thereof, the following voted in favor thereof: Pelowski, Ireland, Ross, Vatsndal

and the following against the same: None

and the following abstained: Novacek

and the following were absent: None

whereupon said resolution was declared duly passed and adopted.

Adopted on June 3, 2013 by the Roseau City Council.

s/s: Jeff Pelowski
Mayor

Attest:

s/s: Janet Lundbohm
City Clerk

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

ATTEST:

City Clerk

Mayor

