

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – April 7, 2008

Pursuant to due call and notice, a regular meeting of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, April 7, 2008 at 7:00 p.m. in the Council Chambers of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Johnson, Erickson, Downs, Meuers, Markeson, Hellquist.

Staff Present: City Manager John Chattin, City Attorney Alan Felix, City Engineer Craig Gray, Finance Director Ron Eischens, City Clerk Kay Murphy.

AMENDMENTS TO AGENDA

Lehmann called for any amendments to the agenda. Motion by Meuers, seconded by Johnson, to approve the agenda as presented. Motion carried by unanimous vote.

MINUTES

Minutes of the March 17 regular meeting, March 10 work session, March 24 work session and March 31 special work session were presented for approval. Motion by Downs, seconded by Meuers, to approve the minutes as presented. Motion carried by unanimous vote.

CONSENT AGENDA

The following Consent Agenda items were presented for approval. Motion by Downs, seconded by Johnson, to approve the Consent Agenda items as follows:

1. Approved Claims submitted by the Finance Officer in the total amount of \$715,658.78.
2. Approved 1-4 Day Temporary Liquor Licenses: NW Technical College on April 29, 2008 and June 6, 2008
3. Approved renewal of Consumption & Display Permit at Holiday Inn Express
4. Authorized Engineering Services for Comprehensive Water Plan
5. Award Bids to Low Bidders for Buildings to be Moved for Structures Located at 528 Clausen Avenue SW, 703 Clausen Avenue NW and 520 Rako Street SW (50' x 120' Steel and 44' x 44' Steel Buildings)
6. Approved Budget Change Request Form #1
7. Accepted Low Quote from Veit & Company for Sanitary Sewer Cleaning & Television Inspection (\$42,329.25)
8. Authorized Purchase of Street Department Multi-Purpose Truck, including hook lift/sander, from Truck Utilities and chassis from Peterbelt (\$140,927)
9. Awarded Bid for Carpet at City Hall to Larry's Carpet (\$17,980.81)
10. Awarded Bid for Painting at City Hall to Jerry's Painting (\$7,450.00)
11. Authorized the Purchase of New Phone System for City Hall and Fire Hall from Paul Bunyan Telephone (\$13,830.16)

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Matt Wilcox, BYA representative, reported that the Commission recently held a successful listening lunch which was attended by 90 students. At this lunch they discussed the skate park in Bemidji. He stated that the Youth Advisory Commission continues to plan for their annual June 7 Youth Day.

PRESENTATIONS

Senior Center

Ann Daly, Senior Citizen Board Member, stated that if the City of Bemidji could not assist by giving a donation, that Councilmembers consider showing their support by joining the senior center. She provided a number of statistics regarding our "aging population". She stated that with the help of the United Way, townships, and fundraising, the Senior Center is

independent. Recently, they have had a couple of big ticket items, i.e., furnace and upgrade to the kitchen. She stated that currently there are approximately 450 members.

Mayor Lehmann commented that the City no longer has discretionary money available for non-profit groups; however, the Council will be discussing this at an upcoming work session.

Kraus-Anderson Walleye Classic

Bob Fitzgerald, Kraus-Anderson, stated the Kraus-Anderson Walleye Classic presents an opportunity to showcase our community. The one-day event will be held on June 14. He has been involved with this event for seven years and it is a charity event at its heart. Over the life of the Classic they have contributed a quarter of a million dollars back to our community, i.e., Fishing Has No Boundaries, Take a Kid Fishing, Boys & Girls Club, etc. Annually, there are 200 participants in the Classic.

RESOLUTION NO. 5480: Approving the Site for the Kraus-Anderson Walleye Classic and allowing temporary parking on the southeast Lake Bemidji development site was offered by Councilmember Erickson, and upon due second by Councilmember Hellquist, was passed by unanimous vote.

NEW BUSINESS

Birchmont Drive Project No. 06-02

Gray stated that on January 7 the Council approved the engineering plans and authorized receipt of bids for the Birchmont Drive Utility project. The City received eleven bids and the low bid was \$4,464,559 from Arcon Construction. He stated that the funding for the project is proposed to come from the following sources:

Sewer Only Assessments	77 units @\$14,470/unit	\$1,134,400.00
Sewer & Water Assessments	140 units @\$21,040/unit	\$2,945,600.00
Beltrami County		<u>\$1,400,000.00</u>
		\$5,480,000.00

He stated that the original public hearing for this project was held by the Township over a year ago. The 429 assessment statutes require that a project be undertaken within a year of the public hearing. Because this timeline was not met, the township held another public hearing on March 10, 2008. There were a number of people at the township meeting that were opposed to the project and the Township directed the City mail a survey to the affected residents to determine interest in the proposed project. The results of the survey were as follows: 78 in favor, 86 opposed and 52 did not return the survey. He noted that a failure to return the survey was considered a yes vote per Northern Township's direction. The Township Board met on March 24 and voted 4-1 to adopt the resolution which ordered the project and recommended the City award the project. Special assessments for both water and sewer are estimated at \$21,040 and \$14,470 for those with sewer improvements only. With the amount of the assessment, it is possible there may be assessment appeals/challenges at the assessment hearing this fall. If the assessments are successfully challenged it would result in a project funding shortfall which would have to be covered from other sources. He stated that staff is recommending award of the project.

Erickson noted the \$1.4 million of the road construction and asked if the County has been approached about contributing additional funds.

Gray stated that he has re-evaluated the bid tab and based on his calculations it is probably \$300,000 to \$400,000 higher than the agreement with Beltrami County. He noted that if the County was not involved, there would still be road construction. Gray stated that the City Manager and he met with the County regarding the costs and they are willing to discuss contributing more toward the cost.

Felix stated that individuals challenge their assessment not as a group. They can appeal their assessment but will carry the burden or showing that this benefit is not imparted on their property. The risk to the City is a monetary amount if a challenge or challenges are successful. The City needs to look at its methodology for determining the special assessment so it can be defended.

Erickson commented that the City residents should not have to carry the risk of this project.

Mayor Lehmann stated that this is a first step in the annexation of the township and the township is encouraging the Council to move forward on this project.

RESOLUTION NO. 5481: Ordering Birchmont Drive Utility Extensions and Associated Roadway Improvements, and Accepting Bid and Awarding Contract (City Project No. 06-02) was offered by Councilmember Johnson, and upon due second by Councilmember Markeson and was carried unanimously.

Community Video Showcase Program

Chattin stated that he has received a proposal from CGI Communications, Inc. to produce a video at no cost to the city to be placed on the City’s website. The video link will be a minute to a minute and a half which will promote the Bemidji community, i.e., promoting tourism. This service is free and paid for by selling advertising to area businesses. Chattin stated that those communities that he has discussed this with noted no downside.

Motion by Johnson, seconded by Meuers, authorizing staff to continue pursuing a project with CGI Communications, Inc. Motion carried unanimously.

ORDINANCE

AN ORDINANCE Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property to Habitat for Humanity) was given a first reading.

EVENT CENTER UPDATE

Mayor Lehmann noted that the Governor Pawlenty approved the \$20 million bonding request for the Bemidji Regional Event Center. The next meeting for design of the Event Center will be on April 15 and 16.

Erickson read a statement regarding the Event Center project. In summary, she stated that the event center project has become a financial nightmare, the process is tainted and the project cost has skyrocketed. The Council action setting a monetary cap has been disregarded and those who have no public obligation, nor legislative authority, are now driving the project. She stated that until now she has, with no small reservation, voted in favor of the event center hoping to see it succeed. Erickson stated that based on the unauthorized total project costs among, other points, she is withdrawing any future support for the project on behalf of her ward, the majority of whom voted against it from the start.

Johnson commented that the \$91 million event center project is now development of the south shore (130 acres). It is a bigger project than an event center. He stated that the approval of the bonding bill is exciting news for our community, the college and the region.

Meuers stated that from this point on there are a lot of hard questions that still need to be answered, i.e., operations and maintenance and where the additional funding will be coming from.

Chattin stated that staff has the same questions as the City Council. He noted that there is a lot of work ahead of us. Staff believes that they can find resources to make this whole project happen. If staff cannot, Council will not vote for it. He noted that the first draft copy of CSL’s operation and maintenance report will be reviewed this week. As soon as staff has reviewed the report, he will forward it to the Council. He further stated that Council, staff and the community have done an incredible job in getting this issue through the bonding process.

Johnson commented that this project accomplishes several goals that the Council has set as a priority, i.e., building a regional event center, developing the south shore of Lake Bemidji, completing trail connections and developing parks.

LIBRARIAN REPORT

Paul Ericsson, Bemidji Librarian, updated the Council on the Library’s programming events. He stated that the building renovation continues with the painting almost completed. The carpeting project will begin officially on April 8. He stated that it will be disruptive at the Library for approximately 4 weeks during the carpet replacement.

UPCOMING MEETINGS

- Wednesday, April 9 6:00 p.m. Joint Planning Board
- Monday, April 14 5:30 p.m. Work Session – Non-Profit Donation Policy
- Monday, April 21 7:00 p.m. City Council Meeting
- Monday, April 28 5:30 p.m. Work Session – Massage Ordinance

COUNCIL/STAFF REPORT

- Mayor Lehmann stated that the Vietnam Wall that Heals was well attended by the community which was at the waterfront park.
- Erickson reported that Bemidji Green Up purchased 1,000 trees which will be given away to City residents on April 24 and April 25 at City Hall. The State of Minnesota is celebrating 150 years and Bemidji Green Up will be planting 150 trees in the South Lincoln Neighborhood formerly the “Horse pasture”. Need 300 volunteers to assist in planting tree on May 17 at 11 a.m. \$13,000 project.
- Downs noted that the bonding was approved for paving of the Paul Bunyan Trail from Bemidji to Walker.
- Markeson reported that the Design Review Committee was a great process and there have been several changes made to the design. He stated that the end result should please the community and citizens.

ADJOURN

There being no further business, motion by Downs, seconded by Meuers, to adjourn the meeting. Motion carried. Meeting adjourned at 8:15 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk