

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – March 7, 2011

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, March 7, 2011 at 7:00 p.m. in the Council Chambers of City Hall, Mayor Larson presiding.

Upon roll call, the following Councilmembers were declared present: Larson, Johnson, Hellquist, Albrecht, Thompson Absent: Negard, Waldhausen

Staff Present: City Manager John Chattin, Parks & Recreation Director Marcia Larson, City Clerk Kay Murphy

AMENDMENTS TO AGENDA

Mayor Larson called for any amendments to the agenda. The following items were requested to be added to the Consent Agenda:

- Travel Authorization – Johnson to St. Paul on March 10 – CGMC
- Travel Authorization – Larson to St. Paul on March 9 – Meet with CGMC and Governor Dayton regarding LGA

Motion by Albrecht, seconded by Thompson, to approve the agenda as amended. Motion carried by unanimous vote.

MINUTES

Minutes of the February 22, 2011 regular meeting were presented for approval. **Motion by Johnson, seconded by Hellquist, to approve the minutes as prepared. Motion carried by unanimous vote.**

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$454,506.52
2. Claims submitted by the Sanford Center in the total amount of \$100,104.83
3. Miscellaneous 2011 Business License Renewals
4. 1 Day Temporary Consumption & Display Permit for BCAC on 4/07/11
5. **RESOLUTION NO. 5676:** Declaring the Official Intent of City of Bemidji to Reimburse Certain Expenditures from the Proceeds of Bonds to be Issued by the City (Wastewater Treatment Project)
6. **RESOLUTION NO. 5677:** Approving State of Minnesota (BCA) Joint Powers Agreement
7. **RESOLUTION NO. 5678:** Approving a Grant Application to the DNR Trails Legacy Grant Program for the Midway Drive Trail Bridge Project
8. Travel Authorization:
 - Larson to St. Paul on March 9 – Meet with CGMC and Governor Dayton regarding LGA
 - Johnson to St. Paul on March 10 – CGMC

Motion carried by unanimous vote.

CITIZEN NOT ON AGENDA

No one appeared.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Andrew Sherf, BYA representative, updated Council on planning for June 7 Youth Day. He stated that they are still looking for t-shirt sponsors. Sherf reported that students are being challenged to volunteer in our community.

BSU Student Senate – No report.

NEW BUSINESS**Chief Bemidji Statue Project**

Carolyn Jacobs, Chief Bemidji Subcommittee Representative, outlined the Chief Bemidji Statue Project stating that the desire of the subcommittee is to commission a high quality, life-size or larger statue of Chief Bemidji that is realistic in nature, made of stone, bronze or other permanent materials, and located on an overlook in Library Park. In addition, an educational brochure will be developed and a dedication ceremony planned at completion.

Johnson asked about the location for the statue in relation to any waterfront park improvements. Jacobs stated that it is the family's wishes that it remain overlooking the Lake and toward the Mississippi River. Ideally, the statue would be back from Bemidji Avenue away from snowplowing/sand/salt.

Marcia Larson, Parks & Recreation Director, stated that the Parks & Trails Commission will recommend a location. She further stated that City staff will oversee the project.

Motion by Albrecht, seconded by Thompson, to approve the Chief Bemidji Statue project, grant applications and to set up a project fund at Northwest Minnesota Foundation for donations from individuals, organizations and businesses. Motion carried unanimously.

Revolving Loan Request – Harmony Foods

Tiffany Fettig, JEDC, reviewed a request from Harmony Cooperative Grocery, Inc. (Harmony Foods) for gap financing for their move and expansion to 302 Irvine Avenue. This move will triple their retail space and allow Harmony to expand their products and services in light of the growing demand for natural, healthful foods and other staples. This expansion will create approximately 10-14 jobs. Ms. Fettig stated that the JEDC Investment Committee met to review the application noting the applicant meets qualifications based on policy guidelines and recommended approval of the request with the following terms:

- Loan Amount: \$125,200
- Rate: 5.50% fixed
- Terms: 15 years amortization (5 year balloon)
- Payments: \$1,041.85/month (interest only for 5 months, P& I payments to begin October 2011)
- Collateral: Shared second lien with HRFC on new and old RE and business assets
- Fee: 1% of origination fee and out-of-pocket expenses
- Monitoring: Monthly financial statements, including cash flow statements. Annual CPA financial statement.
- Covenant: Bank and gap lender debt service shall supersede any member loan repayment based on schedule repayments.
- Funding: Check at closing to title company for disbursement

Motion by Hellquist, seconded by Johnson, approving \$125,200 gap funding utilizing the City's UDAG funds to Harmony Cooperative Grocery, Inc. (Harmony Foods) according to the terms outlined by the JEDC Investment Committee. Motion carried unanimously.

Update of Parks Master Plan

Parks & Recreation Director Marcia Larson stated that in 2001 the City completed a comprehensive analysis and plan for parks, open space and trail system. Since that time, the City has implemented much of the plan through redevelopment of parks, construction of trails and general improvements to the park system. She stated that due to growth and changes in both economics and demographics in Bemidji it is time for an updated plan. In January 2011 a Request for Proposal (RFP) was sent out for consultant services to lead the City through the Master Park planning process. The Selection Committee reviewed the five proposals that were received and recommended the City hire Brauer and Associates. She stated that Active Living Partnership (funding through BC/BS) has dedicated \$20,000 to the planning process to update the Park Plan. The City has also been awarded a grant of \$20,000 from the Northwest Minnesota Foundation to assist with costs. The City's CIP will fund the remainder.

Councilors Johnson and Hellquist expressed concerns about hiring Brauer and Associates after the City's experience with using them for the Diamond Point Park project. M. Larson responded that a number of factors were considered by the Selection Committee in recommending Brauer & Associates; namely, they are the premier park planners in the State of Minnesota. She stated that the Master Plan is a good tool for staff and the Parks & Trails

Commission makes recommendations regarding future development and/or the maintenance of parks and trails.

Johnson commented that perhaps the City should explore a park district. M. Larson responded that she would look into that further.

Motion by Albrecht, seconded by Thompson, to approve hiring Brauer & Associate for a cost of \$55,700 to provide consultant services for the update of the Master Parks Trails and Open Spaces Plan and accept the Grant Award/Agreement from Northwest Minnesota Foundation in the amount of \$20,000. Motion carried with the following vote: Ayes: Thompson, Larson, Albrecht, Johnson. Nays: Hellquist.

Personnel Policy Update

Chattin stated that the Labor Management Committee has recommended several minor changes to the City’s Personnel Policy.

Hellquist stated that he is not in favor of the Phased Retirement Option (PRO). Chattin commented that this option could serve the City well. The PRO has reduced the building office from 2 ½ FTE’s to 2 FTE’s. He stated that this PRO is a yearly contract and he would bring future requests before the Council for their approval.

LIBRARIAN’S REPORT

Paul Ericsson, Branch Manager, stated that the Library has been experiencing problems with disruptive behavior at the Library which is primarily due to “homeless” individuals. The Library Board has developed a policy to assist with disruptive patrons. However, a place is needed in our community for the homeless to go during the daytime. He stated that the police department making random stops could help. Ericsson then reviewed March events/programs provided at the Library.

UPCOMING COUNCIL MEETINGS

- Monday, March 14 4:45 p.m. Council Pictures
 5:30 p.m. Work Session – North Country Park & LEC
 Software Upgrades
 Special BEDA Meeting
- Monday, March 21 7:00 p.m. Council Meeting

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.

ADJOURN

There being no further business, motion by Thompson, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:25 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk