

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – November 5, 2007

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, November 5, 2007 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, Markeson, Hellquist, Johnson, Erickson, Downs, Meuers.

AMENDMENTS TO AGENDA

Lehmann called for any amendments to the agenda. The following addition was requested:

- Consideration of a Purchase Agreement (Waslaski/Klasen)

Motion by Downs, second by Johnson, to approve the agenda as amended. Motion carried by unanimous vote.

MINUTES

Minutes of the October 15 regular meeting, October 15 BEDA meeting, October 22 BEDA meeting and October 22, 2007 work session were presented for approval. Motion by Erickson, second by Meuers, to approve the minutes as corrected. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$1,939,738.88.
2. Approved miscellaneous business licenses.
3. **RESOLUTION NO. 5440** Approving Authorized Signer for Minnesota Lawful Gambling Applications.
4. **RESOLUTION NO. 5441** Approving an Application for Gambling Permit for Bemidji Eagles Club.
5. **RESOLUTION NO. 5442** Entering into a Master Partnership Agreement with the Minnesota Department of Transportation.
6. Approved a request from HRDC for approval of Downtown Building Rehabilitation Projects (Project #417-103, #417-503, #417-504).
7. **RESOLUTION NO. 5443** Adopting Assessment Roll for Water/Sewer Deferred Assessment Fees (Connections Completed in 2007).
8. Approved purchase of header valves for WWTF from APS in the amount of \$15,136.
9. Approved purchase of a used bobcat for WWTF from Bobcat of Bemidji in the amount of \$19,702.50.
10. Approved lighting improvements at Bemidji Public Library from Naylor Electric in the amount of \$6,200.
11. Approved purchase of a 2008 pickup for the Fire Department from Thane Hawkins Polar, White Bear Lake (state bid) in the amount of \$28,687 (not including tax or plates).
12. Approved Change Order #3 for Public Works Facility (City Project #07-11) in the amount of \$49,398.

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission - Cody Graham, BYA member, reported that the Commission recently held a listening lunch with 75 students in attendance. The Commission is planning a game night at Dunn Bros which will give youth a place to hang out. In addition, they will be meeting with Parks & Recreation Commission regarding a skate plaza.

Bemidji State University Senate – Cody Nelson, President, reported that the Senate continues to work on the following three items: 1) 4% tuition increase; 2) liberal education task force every four years are reorganized and putting the finishing pieces on that; and 3) college reorganization/restructure. Discussion continued on the timeline for college reorganization. Mr. Nelson stated that a committee met this summer and presented two models for consideration. This Thursday a model will be chosen and then the next step will be department realignment which will happen in spring of 2008.

PRESENTATION

Vietnam Veterans Memorial Traveling Wall at Waterfront Park

Mike Liapis, representing the American Legion, stated that the “Wall that Heals” exhibit will be in Bemidji April 2-7, 2008. They are requesting that the Wall be placed at the Waterfront. The cost to bring the Wall to Bemidji is \$9,000 and the Neilson Foundation helped with some of the cost. He noted that there will be 24 hour security while the Wall is at the Park.

Mayor Lehmann stated that he has seen the Wall and it is an impressive display.

Motion by Downs, second by Markeson, to approve the placement of the Vietnam Veterans Memorial Traveling Wall at Waterfront Park on April 2-7, 2008. Motion carried unanimously.

PUBLIC HEARINGS

Nymore Street Improvement (City Project #07-07)

Erickson noted that the Council received a letter from Ms. Susan Burns, 1609 4th Street SE, Ms. Burns asked what happens to the assessment collected. Erickson stated that citizens do not pay the entire cost of the improvement as it is too expensive and other funds, i.e., liquor funds, are used to help with the cost of the project.

Pursuant to published notice, Mayor Lehmann opened the meeting at 7:21 p.m. and hearing no comments closed the hearing.

RESOLUTION NO. 5444: Adopting Assessment Rolls for City Project #07-07 (Nymore Street Improvements) was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Markeson was passed by unanimous vote.

NEW BUSINESS

Proposal from CSL (Events Center)

Mayor Lehmann reviewed the proposal received from Conventions Sports & Leisure (CSL) to provide two study components as follows: Alternate Program Scenario Analysis - \$30,000 and Lease Negotiation/Evaluation Assistance - \$15,000.

Johnson stated that CSL would be good for the lease and asked why a further study is needed as the original study was not site specific. He felt that the lease was more important and perhaps fine tune the program scenario analysis at a future date.

Mayor Lehmann stated that the issue is in order to develop the lease it needs to be focused on the facility the City is leasing. The City needs to identify what it will be leasing to BSU.

Hellquist stated that he provided two other packets regarding other companies that negotiate lease agreements and would like to separate the lease negotiation from the alternate program scenario analysis.

Erickson commented that the two items go hand in hand and there is a time constraint and she was concerned about splitting the two.

Motion by Erickson, second by Meuers, to hire CSL to perform the alternate program scenario analysis for \$30,000 and provide the lease negotiation/evaluation assistance for \$15,000 after the City Manager compares the cost to two other firms and contingent on BSU paying half the cost of the lease negotiation. Motion carried unanimously.

Johnson commented that perhaps there is no need to have three Council members working on the lease agreement. Mayor Lehmann agreed and stated that once the negotiator is on board there would be no need for the council to be involved with the negotiations.

Tower Site Lease Agreement

City Attorney Alan Felix stated that the City has received a site lease agreement with Enterpoint LLC to place a tower on the 15th Street Water Tower; however, he has not had time to review it.

Motion by Hellquist, second by Downs, to postpone the Tower Site Lease Agreement until the next regular City Council meeting. Motion carried unanimously.

Sewer and Water Access Connection Fee Policy

Mayor Lehmann reviewed the proposed policy for implementation of the Sewer and Water Access Connection Fee prepared by Staff.

Erickson stated that the SAC and WAC fee is an added burden that should not be placed on existing residential property but understood the need to charge a connection fee to new commercial or new residential property.

Markeson commented that the intent for having the access connection fee is for the infrastructure that is in place.

Freeberg stated that there are components in the study that recognize the infrastructure in place to serve new customers and as the City continues to expand the system there is larger infrastructure components that have to be paid somehow. If the infrastructure is paid from water and sewer fees, the utility charge would be cost prohibitive. He stated that this is one more tool to attempt to focus the part of the costs of large infrastructure on customers that have not contributed toward it.

Erickson commented that the ward that will be “sacked and wacked” is Ward 5. She commented that it is unfair to charge those that currently are not served by water or sewer.

Motion by Downs, second by Markeson, to accept the Sewer and Water Access Connection Fee Policy as presented by Staff. Motion carried by the following vote: Ayes: Downs, Meuers, Johnson, Lehmann, Hellquist, Markeson. Nays: Erickson.

Purchase of Waslaski Property

Motion by Johnson, second by Hellquist, to purchase property (Parcel #80.00281.00) from Joseph Waslaski and Kris Klasen in the amount of \$125,000. Motion carried unanimously.

ORDINANCESOrdinance Amending Fee Schedule

Councilor Markeson stated that it is unfair to increase the electric and gas franchise fees for city streets as it places a burden on lower income homes and would not vote in favor of this increase. He further stated he was in favor in an increase in taxes.

Downs stated that an increase in electric and gas franchise fees is equitable.

Erickson noted the refuse residential fee is increase of \$1.50 and asked for clarification. Eischens stated that the increase generates \$35,000 in revenue. He noted that the \$2 million reserves in the utility fund were used for the new Public Works Facility and with the increase in the refuse rate the fund will break even.

Pursuant to published notice, a Public Hearing was held to receive input regarding an Ordinance Amending the Bemidji City Code, Adopting an Amended Fee Schedule for 2008. Mayor Lehmann opened the Public Hearing at 8:06 p.m.,

LuAnn Lissick, BTL Construction, stated that she was at tonight’s meeting on behalf of BTL Construction and Deep Rock Townhomes located on Jefferson Avenue. She stated that in 2005 they presented the project to the City which is a six year project. She did her homework and SAC and WAC fees were not in the plans when they started the project. She stated that BTL Construction has provided an increase in the City’s tax base and brought jobs into the community and those working on the project are spending their money in the community. Ms. Lissick stated that BTL Construction is asking for a compromise to the SAC and WAC fees and requesting that the Council consider grandfathering their development.

Mayor Lehmann stated that this is a policy question that the Council will have to discuss.

Mark Dickinson, 2310 Birchmont Drive NE, stated he is against the water and sewer access charge as it discourages future development in the city. He further stated that it seemed unreasonable to charge another fee. It is very difficult when the rules are changed in the middle of the game for developers. He asked why people would build a home within the City when they can build outside especially from a residential aspect. He requested that the Council consider grandfathering plats that already recorded and charge the SAC and WAC fees for new plats and commercial property.

With no further comment Mayor Lehmann closed the Public Hearing at 8:21 p.m.

AN ORDINANCE Amending the Bemidji City Code, Adopting an Amended Fee Schedule for 2008 was given a second reading.

AN ORDINANCE Amending Chapter 10, Article I of the Bemidji City Code Relating to Building Code was given a first reading.

AN ORDINANCE Amending Chapter 2, Article V, Division 6, of the Bemidji City Code Relating to the Parks and Trails Commission was given a first reading.

EVENTS CENTER UPDATE

Mayor Lehmann stated that last week the City announced its intention to move the Events Center location to SE Lake Bemidji.

LIBRARIAN REPORT

Paul Ericsson, Librarian, announced that the Library has a new collection called the “Best Sellers Collection” and extra copies will be available for browsing on a first-come-first-served basis and can be checked out for 7 days. These books are funded by the Friends of the Library, Library Foundation, Red Door Bookstore and Donations. Several improvements are being done to the Library, i.e., lighting, renovations to service desks, layout, carpeting, etc. KRLS is developing the strategic plan for library services for the region. Prioritized service areas include: more new print materials, as well as CDs, DVDs, audio books and other materials, more hours of service, improved marketing and services to seniors.

UPCOMING MEETINGS

- Tuesday, November 13 5:30 p.m. Work Session – TBD
- Wednesday, November 14 6:00 p.m. Greater Bemidji Area Joint Planning Board
@ Bemidji Township
- Monday, November 19 7:00 p.m. City Council Meeting

COUNCIL/STAFF REPORT

- Chatten reported that the last couple of weeks have been busy with Events Center activities. He will be meeting every Wednesday with BSU regarding the lease until it is established. Staff has spoken with bond counsel regarding the purchase of SE Lake Bemidji properties and it will take time to structure the bond. He commented that he will be attending a meeting in Baxter regarding “value engineering” of facilities on Tuesday. The Labor Management Committee has been meeting regarding a 40% health insurance increase.
- Mayor Lehmann encouraged people to get out and vote on November 6 regarding the School Board referendum.
- Markeson reported that the Parks & Recreation meeting is on Tuesday, November 13 at 4:45 p.m. with the Youth Advisory Commission regarding a skateboard park.
- Johnson commended the High School students for the recent performance of “Grease”.
- Meuers stated that the week of November 11-17 is Hunger & Homeless Awareness Week.
- Erickson reported that the annual deer count was completed this year. She noted that the count is down from the first count. She stated that the feeding band ordinance is working. The hunt has yielded 12 deer so far. Bemidji Green Up has planted 20 Maple trees in Nymore Park at a cost of \$2,400 paid for by Bemidji Green Up. She thanked BSU students for their clean up.
- Felix stated that the gas and electric companies have agreed to the increase but the City has not received signed consents as of today.
- Discussion continued on the topic for the Work Session on November 13.

ADJOURN

There being no further business, motion by Downs, second by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:49 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk