

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – August 17, 2009

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, August 17, 2009 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, Waldhausen, Johnson, Hellquist, Downs, Negard, Meuers

Staff Present: City Manager John Chatten, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director Craig Gray, Deputy City Clerk Michelle Miller

AMENDMENTS TO AGENDA

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

MINUTES

Minutes of the August 3, 2009 regular meeting were presented for approval. Johnson asked for clarification and correction on page 4 of the minutes to reflect the following: "...testimony he heard was from Joanne Henningsgard, who lives in a neighborhood full of rentals, and at one point in the past was in support of rental density or a rental moratorium that she is now "on the fence" and if she does have to sell her home believes she will have to sell it to a landlord because of the high rental occupancy in her neighborhood."

Motion by Johnson, seconded by Meuers, to approve the minutes as amended. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Claims Submitted by Finance Officer
2. Miscellaneous 2009 Business Licenses
3. Joint Planning Commission Acceptance of Resignation – Corey Quick
4. Joint Planning Commission Appointment – Warren Meissner
5. Approve Small Cities Development Program Application

Motion carried by unanimous vote.

COMMITTEE REPORT(S)

Alle Bowman of the Bemidji Youth Advisory Commission advised the Council that they will be having their Annual Retreat to set goals for the new year on Wednesday, August 19 and that Council Members are invited to dinner at 5:00 p.m. to be held at the Diamond Point main building.

NEW BUSINESS

Resolution Authorizing Joint Powers Agreement with the MN Department of Natural Resources for the Shevlin/Clausen Avenue Crossing

Felix stated that there is nothing in the packet; he was hoping to have it ready but when it wasn't ready it was decided to leave this on the agenda to give the Council a quick update. This is regarding the trail crossing over the Shevlin/Clausen Avenue railroad crossing. It will require two things to be done to further the state trail over this area. First is obtaining an easement from the Burlington Northern railroad company to cross. Second, once we have the easement, is the Joint Powers Agreement regarding reimbursement of the costs, which include the cost to acquire the easement as well as construction in the easement. We are hoping to bring the Joint Powers Agreement to the Council at the next City Council Meeting.

Facility Management Recommendation

Chattin began by stating that on June 16 the Facility Management Group met with representatives from Global Spectrum and VenuWorks. After lengthy deliberations they were still unsure which firm was the best fit for Bemidji. On August 3 and 4 the Facility Management Group interviewed three General Manager candidates from each company. Early in the group's deliberations, it became clear that VenuWorks would provide services more in line with Bemidji's culture while ensuring maximum revenues from operations. The unanimous recommendation of the group is that the council authorize contract negotiations with VenuWorks. Those negotiations will likely take a month. During that time, VenuWorks' process would also include a national search for general manager candidates.

Council discussed the following:

- What were the reasons that put VenuWorks ahead of Global Spectrum. Chattin responded that Global Spectrum was pushy and their general manager candidates were more aggressive. Chattin felt that VenuWorks was a better fit for Bemidji. Another difference between the two was the fact that the managers for VenuWorks had been with the company between 6-11 years, whereas, managers with Global Spectrum had been with the company a much shorter period of time. Hellquist indicated that there was no real noticeable difference in the ability to fulfill the job, that he felt that the personalities of the VenuWorks' managers had a Bemidji like feel to them.
- Global Spectrum seemed more national and VenuWorks seemed more regional – opinion that a more national entertainment company would be better. Chattin responded that Global Spectrum does have the experience to fill a 15,000 seat venue, but that our venue only holds 4,000-6,000 which is the size of venue that VenuWorks has more experience with.
- Contract term and cost. Term is expected to be three years with all costs to be paid by the City, with the anticipation to break even by the third year.
- This is just a request to begin contract negotiations at this time and the City can change its mind.

Motion by Johnson, seconded by Hellquist, to direct staff to begin contract negotiations with VenuWorks. Motion carried by the following vote: Ayes: Waldhausen, Negard, Hellquist, Lehmann, Johnson, Downs. Nays: Meuers.

EVENT CENTER UPDATEChange Order (Update #4) in the amount of \$168,035

Lehmann began by stating that the information that was provided to Council was not at all what they asked for; there was just too much information. All Council wants to know is, what is the change order, why is it being requested and what is the amount. A brief summary would be acceptable.

Chad Rettke, Kraus-Anderson, presented a shorter summary of the change order requests. Council stated that this was more in line of the information they are looking for and directed Kraus-Anderson on future change order requests to provide this explanation of the change orders and not the information provided in the binders.

Clinton Gronhvd, Kraus-Anderson, provided an update for the Council on current Event Center activities. The utility work is done and they are still working on the storm sewer and First Street curb and gutter. First Street is expected to re-open the first week of September. The super trusses will be put together over the next couple of weeks and will be set in place the 2nd week of September. Waldhausen suggested that the public be notified of the trusses being put in place so that people could watch on the Event Center webcam. Gronhvd stated that he would see how that notification could be made, perhaps an announcement by the radio stations.

Jerry Domino, Kraus-Anderson provided additional clarification on the change orders. He indicated that 95% of the change orders were related to codes.

Motion by Waldhausen, seconded by Johnson, to approve Change Order(s) submitted by Kraus Anderson totaling \$168,035 for the BREC site project. Motion carried Motion carried by the following vote: Ayes: Johnson, Downs, Hellquist, Waldhausen, Negard, Lehmann. Nays: Meuers.

CITIZENS NOT ON AGENDA

Mike Beard, Chairman, Bemidji Area Chamber of Commerce, read a letter submitted to the Council on behalf of the Bemidji Area Chamber of Commerce, in response to the Council's

decision to eliminate the position of Community Development Director. In that letter it listed several points of support for the importance and necessity of the Community Development Director. The Bemidji Area Chamber of Commerce requested of the Council that they revisit and reinstate the position of Community Development Director. In conclusion he asked two questions to the Council that were not outlined in the letter. (1) Why was this particular position singled out? (2) Why were not all positions evaluated before budget decisions were made?

Ken Cobb, representing Downtown Development Authority, read a letter submitted to the Council on behalf of the Downtown Development Authority, in response to the Council's decision to eliminate the position of Community Development Director. In that letter it listed several points of support for the importance and necessity of the Community Development Director. The Downtown Development Authority requested of the Council that they revisit and reinstate the position of Community Development Director.

Lori Forshee-Donnay, Executive Director the Bemidji Community Art Center, read a letter submitted to the Council on behalf of the Bemidji Community Art Center and its board members, in response to the Council's decision to eliminate the position of Community Development Director. In that letter it listed several points of support for the importance and necessity of the Community Development Director. The Bemidji Community Art Center requested of the Council that they revisit and reinstate the position of Bemidji Community Art Center.

Mike Bredon, 223 29th Street NW, addressed his concerns about not being able to get before the public affairs committee. He indicated that they have applied for non-profit status and have started fundraising efforts. He would like to either meet with the public affairs committee or he would like an opportunity to speak before the Council regarding the public access issue. It was determined that Barb would work with Kay to set up a public affairs committee meeting.

Brian Freeberg, 2211 S. Lake Irving Drive, expressed his concern regarding the Council's decision to eliminate the position of Community Development Director and requested of the Council to reinstate that position.

Laddie Elwell, representing Headwaters Science Center, expressed her concern regarding the Council's decision to eliminate the position of Community Development Director. She indicated that there are difficult years ahead for the Science Center and it is important that they have a contact within the City to deal with political meetings with the state, City and Science Center. She requested of the Council to reinstate that position.

UPCOMING MEETINGS

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| • Monday, August 24 | 5:30 p.m. | Work Session – Annexation |
| • <u>Tuesday, Sept. 8</u> | 7:00 p.m. | Council Meeting |
| • Monday, Sept. 14 | 5:30 p.m. | Work Session – TBD |
| • Monday, Sept. 21 | 7:00 p.m. | Council Meeting |

COUNCIL/STAFF REPORT

- Hellquist highlighted the meetings with VenuWorks.
- Johnson commented on the upcoming Airport Commission meeting.
- Waldhausen indicated that the Heritage Preservation Commission is reviewing and fine-tuning the ordinance and are preparing to move forward with the City historic designations. The HPC is preparing a presentation which will be given at a future work session. The Parks and Rec. is working on the first phase of construction of the City Park. The softball diamonds will be closed on August 31. He is excited to begin a new school year with the Bemidji Youth Advisory Commission. He also welcomed back students from BSU and NTC.
- Downs advised that he and Councilmember Johnson participated in the Lumberjack Scramble. He also commented on the Paul Bunyan Trail Ride which drew over 50 riders. He will be attending an Active Living seminar at the HRDC where they will be working on bicycle awareness signs with the City's Parks and Trails Commission.
- Lehmann wished to commend Councilmember Downs and City staff with putting the Paul Bunyan Trail Ride together. He advised that Congressman Collin Peterson had visited Bemidji on Monday, August 17 to attend the Healthcare Forum in the afternoon. Lehmann indicated that he took Congressman Peterson on a whirlwind tour of Bemidji from 10:30 to 1:00 including stops to various locations which Congressman Peterson was instrumental in helping to develop.

- Chattin advised that he participated in the Paul Bunyan Trail Ride. He also commented on his presentation to the Joint Powers Board regarding the request for the 80 foot height limit for the south shore, which was granted by the JPB. Chattin attended a labor conference in Duluth which included topics regarding negotiating, updates on data practices and legislative updates. He advised that the House Capital Investment Committee will be in Bemidji on October 7 for a presentation on our request for funds for the Paul Bunyan Trail Bridge.
- Gray provided several construction updates.
- Felix advised Council that a BEDA meeting would be necessary after the August 24 work session regarding the progression of the PUD.

ADJOURN

There being no further business, motion by Downs, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:05 p.m.

Respectfully submitted,



Michelle R. Miller
Deputy City Clerk