

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – April 18, 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, April 18, 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, Waldhausen, Johnson, Hellquist, Albrecht, Negard, Thompson

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

AMENDMENTS TO AGENDA

Mayor Larson called for any amendments to the agenda. The following addition was requested by the City Clerk: Travel Authorization for Albrecht to attend the LMC Conference. **Motion by Johnson, seconded by Hellquist, to approve the agenda as amended. Motion carried by unanimous vote.**

MINUTES

Minutes of the April 4, 2011 regular meeting, April 7 special BEDA meeting, April 11 and April 12 work sessions were presented for approval. **Motion by Waldhausen, seconded by Negard, to approve the minutes as prepared. Motion carried by unanimous vote.**

CONSENT AGENDA

The following Consent Agenda items were presented for approval. Councilmember Waldhausen requested that the Resolution for Battle of the Bands be removed to discuss further. Mayor Larson placed it under New Business. **Motion by Thompson, seconded by Johnson, to approve the Consent Agenda items as follows:**

1. Claims submitted by the Finance Officer in the total amount of \$405,587.12
2. Claims submitted by the Sanford Center in the total amount of \$128,368.80
3. Miscellaneous Business License Renewals for 2011
4. Budget Change Request #2
5. **RESOLUTION NO. 5687:** Approving the Site for the 2011 Kraus Anderson Walleye Classic
6. **RESOLUTION NO. 5688:** Approving the Site for the 2011 Dragon Boat Festival
7. 1-4 Day Temporary On-Sale Liquor License – Dragon Boat Festival (Aug. 4-6)
8. 1 Day Temporary Consumption & Display Permit – Chamber Event (May 10)
9. Consider Award of Quote for Repair of City Well No. 4
10. Travel Authorization – 2011 LMC Annual Conference 6/15-17 in Rochester – Johnson, Albrecht

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Hannah Lash, BYA representative, reported on the June 7 preparations.

BSU Student Senate – Michael Meehlhause, Senate Co-Chair, updated the Council on recent Student Senate activities. He reported that the BSU Campus is now tobacco free.

OLD BUSINESS

Solar Panels

Erika Bailey-Johnson, Sustainability Committee, again presented the request to the City Council to consider installation of Solar Panels at the Sanford Center. She stated that the granting agency has generously allowed the City extra time to get the details figured out. The newly proposed funding plan would involve the acceptance of the grant and commitment of \$20,000 in energy rebates from Otter Tail Power Company, which has also agreed to contribute \$5,000 toward the project. She stated that Electrical Consulting Solutions, a Minneapolis-based company, would lease the system from the City for five years to obtain taxable title, then being able to take advantage of state and federal tax

credits available for private entities. Bailey-Johnson stated that the project is expected to accrue \$54,000 in energy savings in 20 years, as a conservative estimate. The project cost will be between \$234,000 and \$250,000 including the installation and equipment cost for a 20 kw photovoltaic system. She stated that this is a wise investment for our community.

Waldhausen inquired as to the cost of replacement of inverters. Bailey-Johnson stated the cost is approximately \$2,500 each to replace and there are four to five inverters with a life span of 10 to 15 years.

Gwen Oster, Northwest Technical College, stated that the solar panel project could provide an opportunity for training and envisioned a partnership with the City. The NW College Student Senate approved \$2,000 in support of this project.

Crystal Rayamajhi, BSU Student, stated she was in support of the solar panel project. She stated that solar panels are cleaner and more sustainable than coal-fire electricity.

Michael Meehlhause, BSU Student Senate, stated that the Student Senate has committed \$13,000 from excess student green fees for this project. He stated that this is a good opportunity for the City of Bemidji.

Laurie Desiderato, BSU Environmental Advisory Committee, stated that the Environmental Committee supports the solar panel project and is willing to commit \$400/a year for five years toward the project from the Sustainability Campus Endowment Fund.

Chattin stated that he has requested an updated Proforma with a verified grant amount from Ms. Bailey-Johnson. Bailey-Johnson responded that the grant is a minor detail but the range was \$80,000 to \$100,000.

Chattin stated that \$20,000 for this project is a “no-brainer” in terms of the return on investment. However, if the grant is less than the full six figures, he questioned where the extra funds would come from.

Motion by Thompson, seconded by Albrecht, to fund \$20,000 toward Solar Panels and see the project through to its completion. Thompson withdrew this motion.

City Attorney Felix voiced several concerns about the project, including that it must meet the state uniform contract law, which would require the City to advertise for bids for the project or to note an exception. He further noted that there could be difficulties in working with the state to approve the leasing of the system to a private company as the land is bond encumbered. Felix suggested that a similar state review will be required to that of the review of the naming rights agreement for the Sanford Center. These reviews could take up to 8 weeks. Felix further noted there could be a requirement for a Section 106 assessment regarding historical artifacts prior to excavation. Albrecht believed that the AURA previously completed by the City covered this requirement.

Discussion continued regarding the Proforma including the exit cost of \$15,000 in five years and the timeline for the grant. Bailey-Johnson was uncertain what the deadline was for utilizing the grant.

Councilmember Albrecht expressed concerns on the project as there are too many unknowns.

Bailey-Johnson responded that she has been trying to get the details but felt that there has been no support. She indicated that the City Manager or other City staff could contact ESC as well.

Motion by Albrecht, seconded by Thompson, to table the Solar Panel discussion until more information is received regarding the ECS Proforma and the cost to the City. Motion carried with the following vote: Ayes: Waldhausen, Johnson, Negard, Thompson, Albrecht. Nays: Larson, Hellquist.

NEW BUSINESS

Battle of the Bands

Councilmember Waldhausen stated that he requested this item be removed from the Consent Agenda to discuss the event further with the organizers and to hear input from the Bemidji Youth Commission, since it is close to their June 7 Youth Day event.

Andrew Sherf, BYAC President, stated the Commission is in favor of the event but they have concerns about bands performing at their event versus the Battle of the Bands.

Tony Brown, STC Entourage, stated that his group is willing to work with the youth group or meet any requirements that the City would like to impose.

RESOLUTION NO. 5689: Approving the Site for the Battle of the Bands was offered by Councilmember Waldhausen, who moved its adoption, and upon due second by Councilmember Albrecht was passed by unanimous vote.

Bond Sale – Wastewater Facility Project

Eischens reviewed the three bids received for the sale of bonds. He stated that the low bidder is Citigroup Global Markets, Inc., with a rate of 4.0904%.

RESOLUTION NO. 5690: Awarding the Sale of \$4,760,000 General Obligation Public Utility Revenue Bonds, Series 2011B; Fixing their Form and Specifications; Directing their Execution and Delivery; and Providing for their Payment was offered by Councilmember Hellquist, who moved its adoption, and upon due second by Councilmember Johnson was passed by unanimous vote.

Upstream TV

Mike Bredon, Executive Director of Upstream TV, stated that Upstream TV has signed the City's Agreement and secured a location for their studio. Bredon further stated that the group is entirely made up of volunteers and the present board members have incurred costs upwards of \$15,000. He asked that the Council demonstrate its support for this community organization by considering allocation of available PEG fees to assist with start-up of public access television.

Councilmember Johnson stated that Upstream TV has met several times with the Public Affairs Committee and there was never any mention of needing PEG funds. He stated that the City has its own improvements to make to its government access equipment.

Jeremiah Liend, Board Chair, stated that the group is entitled to the PEG funds which are collected for public, education and government programming. He stated that the funds should be split into thirds.

Eischens stated that there is approximately \$115,000 available in the PEG fund.

Motion by Johnson, seconded by Hellquist, to approve the Agreement between the City of Bemidji and Upstream Television and to refer the PEG fee discussion to the Public Affairs Committee. Motion carried unanimously.

Small Cities Development Grant

Chattin stated that there may be additional applications for Small Cities Development funds outside of the current target area. Chattin further stated that we want to ensure that all available funds are used by our businesses and not left "on the table".

Tim Flathers, HRDC, stated that last year the City of Bemidji was awarded Small Cities Development Program funds to provide deferred payment loans to owners of buildings located in downtown Bemidji. The 2010 grant award was a follow up to a 2007 grant award that helped owners of 17 buildings improve their properties. He stated that he has received a few requests for rehabilitation loans from owners of buildings located outside the target area. In order to provide loans outside the target area, staff at the Department of Employment and Economic Development (DEED) would need to approve an expanded boundary. Flathers stated that if City Council approves an expansion of the target area, he would submit the request to DEED.

Motion by Hellquist, seconded by Albrecht, approving the expansion of the City's Small Cities Development Grant target area to the downtown, as defined by the Downtown Development Authority, and authorizing the HRDC to submit that request on the City's behalf. Motion carried unanimously.

Chief Bemidji Statue - RFQ

Sandy Kaul, Co-Chair of the Chief Bemidji Statue Project, presented the Council a Request for Qualifications from artists interested in creating a new, life-sized and realistic statue of Chief Bemidji.

Hellquist asked if the RFQ encumbers the City of Bemidji in anyway. Chattin responded that the City is not encumbered as long as the Chief Bemidji group raises the matching funds for the

grant. Kaul further stated that completion of the project is dependent on meeting the fundraising goals.

Motion by Hellquist, seconded by Albrecht, to authorize the Request for Qualifications for the Chief Bemidji Statue Project. Motion carried unanimously.

Tobacco Free Policy

Chattin stated that, spurred by the Parks & Trail Commission’s adoption of a Tobacco Free Policy and BSU’s, he proposed the City Council adopt a policy prohibiting the use of tobacco products on city-owned property including buildings and grounds, adjacent parking lots, park land, trails, recreational facilities, city-owned vehicles and private vehicles on city grounds. He stated that this is a policy not an ordinance.

Council discussed the following:

- Sanford Center. The Policy does include the Sanford Center footprint but not the parking lot.
- Smoking would still be permitted on public thoroughfares, i.e., sidewalks, streets and public parking lots.

Chattin stated that he will develop guidelines for staff.

Motion by Thompson, seconded by Hellquist, to adopt the Tobacco Free Policy as presented. Motion carried unanimously.

ORDINANCES

Pursuant to published notice, a Public Hearing was held to receive input regarding Amending Chapter 24, Sec. 24-52 regarding Use of skateboards, roller skates and roller blades prohibiting the use on the City of Bemidji’s Sanford Center property. Mayor Larson opened the Public Hearing at 9:22 p.m., hearing no comments the public hearing was closed.

- **AN ORDINANCE** Amending Chapter 24, Sec. 24-52 regarding Use of skateboards, roller skates and roller blades prohibiting the use on the City of Bemidji’s Sanford Center property was given a second reading.

AN ORDINANCE Amending an Uncoded Section of Bemidji City Code Pertaining to Alley Vacation (St. Philip’s Church) was given a first reading.

UPCOMING COUNCIL MEETINGS

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| • Monday, April 25 | 5:30 p.m. | Special Work Session – StrengthsFinder |
| • Wednesday, April 27 | 5:30 p.m. | Special Work Session – QNI |
| • Monday, May 2 | 7:00 p.m. | Council Meeting |
| • Monday, May 2 | 7:00 p.m. | BEDA Meeting |

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.

ADJOURN

There being no further business, motion by Thompson, seconded by Waldhausen, to adjourn the meeting. Motion carried. Meeting adjourned at 9:30 p.m.

Respectfully submitted,


 Kay M. Murphy
 City Clerk