

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – December 3, 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, December 3, 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, Johnson, Erickson, Downs, Meuers, Markeson, Hellquist.

AMENDMENTS TO AGENDA

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

MINUTES

Minutes of the November 19, 2007, regular meeting were presented for approval. Motion by Erickson, second by Markeson, 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, second by Hellquist, to approve the Consent Agenda items as follows:

1. Approved Claims submitted by the Finance Officer in the total amount of \$1,108,405.00.
2. Approved miscellaneous business licenses.
3. Held First Reading of Beer license renewals – 2008
4. Approved Liquor, Wine and Club license renewals – 2008
5. Approved Liquor Licenses for Eagles Aerie #351 and American Legion – 2008
6. Approved Liquor License Transfer for Hard Times Saloon to New Owner
7. **RESOLUTION NO. 5449** Authorizing Execution of Agreement (Grant No. 2009-DECA-00384/6300-2560 – Defibrillator)
8. Approved Sergeants Union Contract for years 2007 and 2008
9. Approved Firefighters Union Contract for years 2007 through 2009
10. **RESOLUTION NO. 5450** Establishing Non-Union Salaries and City Pay Scale for 2008
11. **RESOLUTION NO. 5451** Establishing Non-Union Benefits for 2008
12. Approved Budget Change No. 16
13. Approved Public Works Facility Change Order No. 4

Motion carried by unanimous vote.

COMMITTEE REPORT

Bemidji Youth Advisory Commission – Michelle Frees, BYA member, reported that on Thursday the Commission held an event at Dunn Bros. She noted that the turnout was low, however, they hope for better turnout with more advertising. This Thursday the Commission will be holding a Listening Lunch where volunteer opportunities will be discussed.

NEW BUSINESS

Nymore Water Tower Refurbishment

Mayor Lehmann asked about the signage on the water tower. City Engineer Gray stated that the current plan is for two logos on the water tower and the Council could change to one logo or no logo. Downs would like to see no logo facing the lake at the least. Gray stated that this location will be an integral part of the SE Lake Bemidji development and can be a part of the City's identity.

Motion by Erickson, second by Meuers, to approve the plans and specifications for the Nymore Water Tower Refurbishment (City Project #06-07). Motion carried unanimously.

2008 Nymore Street Paving Project

City Engineer Gray presented a feasibility report for the paving of various gravel streets within the Nymore area. He noted there are other streets in Nymore that are gravel but staff could not recommend paving without curb and gutter. Gray stated that there will be a public information meeting prior to the public hearing on January 7. The City received a petition from McKinley Avenue residents requesting full curb and gutter which would be approximately \$13,000 and staff has notified the residents that this street could be paved without curb and gutter. Discussion continued regarding Grant Avenue being paved, however, staff believes that this will be a collector street and would require curb and paving.

RESOLUTION NO. 5452: Approving Feasibility Report and Setting Public Hearing (City Project #08-03 – 2008 Nymore Street Paving) was offered by Councilor Downs who moved it adoption, and upon due second by Councilor Erickson was passed by unanimous vote.

Coalition of Greater Minnesota Cities

Mayor Lehmann reviewed the request from the Coalition of Greater Minnesota Cities' request for a contribution for a lawsuit the Coalition is bringing against the MPCA regarding phosphorous discharge. Mayor Lehmann stated that the City's discharge is lower than most cities along the Mississippi River.

Markeson stated that he does not feel the City needs to contribute more dollars as it will not affect the City as we are in compliance.

Erickson stated that the MPCA rule will affect about 35 cities and it will cost those cities \$135 million to comply. She noted that most pollution is from rural sources. She stated that the City of Bemidji is a member of the Coalition and she felt that we need to take a stand now and support the other cities in the Coalition as there may be a day when we need to have other cities support Bemidji.

Johnson stated that the Coalition is not against clean water but they want the MPCA to prove how the water quality is being improved. He commented that the Coalition is an important organization for the City.

Motion by Erickson, second by Johnson, to authorize a \$1,000 contribution to the Coalition of Greater Minnesota Cities for a lawsuit against the MPCA regarding an amended phosphorus rule. Motion carried with the following vote: Ayes: Johnson, Meuers, Hellquist, Lehmann, Downs, Erickson. Nays: Markeson.

Joint Economic Development Commission

Larry Young, Director of JEDC, stated that the Board of Directors of the JEDC would like to request that the Council renew the Sub-recipient grant agreement it has with the JEDC for administering the City Development Fund. This is a state approved revolving loan fund that has provided \$540,000 to manufacturing and service companies in the City. The dollars from that fund have been loaned out and paid back a number of times since it was established. In most cases, local banks provided the lion's share of the loan dollars and the JEDC provided the "gap" financing needed to make a project happen. Discussion continued regarding loans made by the JEDC. It was noted that loans awarded using the fund over the years, require Council approval and have been paid off in a timely fashion with no loss of principle. Funds have been loaned to: Nortech Systems, Synergy Solutions, Core Craft, Itasca Bemidji and North Central Door.

Hellquist stated that he is not in favor of renewing the sub-recipient grant agreement. He stated that with the changes in the planning office he felt that this might be a good time to use these funds for a community developer position.

Mayor Lehmann stated that if the city were to have its own economic developer it would cost much more than what it costs with the JEDC.

Motion by Hellquist, second by Erickson, to deny the request by JEDC to extend the revised sub-recipient grant agreement between the City and JEDC. Motion failed with the following vote: Ayes: Hellquist. Nays: Meuers, Erickson, Markeson, Lehmann, Downs, Johnson.

Erickson asked the City Attorney if there is a provision to allow the City to access these funds. Felix responded that there is a provision to terminate with notice. In addition, there is an ability to access some of the funds if there were a project, i.e., community development

position. There is some flexibility to access the money as the Council sees fit. Felix commented that the Council approves all “gap” financing.

RESOLUTION NO. 5453: Renewing and Extending the Revised Sub Recipient Grant Agreement between the City and Joint Economic Development Commission for an additional two-year period ending December 31, 2008 was offered by Councilmember Markeson who moved it adoption and upon due second by Councilor Downs was unanimously approved.

ORDINANCES

Amending Chapter 10 of City Code Pertaining to Building Code

ORDINANCE NO. 21, 3RD SERIES, AN ORDINANCE Amending Chapter 10, Article I of the Bemidji City Code Relating to Building Code was given a final reading and passed by unanimous vote.

Amending Chapter 2 of City Code Pertaining to Parks and Trails Commission

Motion by Johnson, second by Meuers, to approve the amendment to the proposed draft ordinance changing the name of the Parks and Trails Commission to Parks and Recreation Commission. Motion failed by the following vote: Ayes: Meuers, Johnson, Lehmann, Erickson, Hellquist, Markeson. Nays: Downs. (Note: must be unanimous on amendments at the final reading.)

ORDINANCE NO. 21, 3RD SERIES, AN ORDINANCE Amending Chapter 2, Article V, Division 6, of the Bemidji City Code Relating to Parks and Trails Commission was given a final reading and passed by the following vote: Ayes: Downs, Erickson, Hellquist, Meuers, Markeson, Johnson. Nays: Lehmann.

Amending Chapter 14 of the City Code Pertaining to Article VII relating to Erosion and Sedimentation Control

Mayor Lehmann asked that staff incorporate language into the Ordinance that requires the developers to remove the barriers, etc.

Felix stated that there is some similar language in other codes and pointed out that there are more regulatory controls that may apply.

Erickson asked what the impact the escrow would have on the developer. Gray stated that a larger development like a Pinnacle or Menards escrow would be based upon their grading activities. If these stormwater systems fail, the City would be on the hook from the State. The escrow money protects the City. The full escrow would be returned if the erosion and sedimentation control is taken care of.

Pursuant to published notice, a Public Hearing was held to receive input regarding a proposed Ordinance Amending Chapter 14 of the Bemidji City Code Adding Article VII Relating to Erosion and Sedimentation Control. Mayor Lehmann opened the Public Hearing at 8:10 p.m., hearing no comments the public hearing was closed.

Motion by Downs, second by Markeson, to accept amend language of the proposed Ordinance Amending Chapter 14 of the Bemidji City Code was passed by unanimous vote.

An Ordinance Amending Chapter 14 of the Bemidji City Code adding Article VII Relating to Erosion and Sedimentation Control was given a second reading.

Pertaining to Bonds Issued by BEDA

An Ordinance Consenting to the Pledge of the City’s Full Faith, Credit and Resources to Bonds to be Issued by the Bemidji Economic Development Authority in a Principal Amount Not to Exceed \$14 million was given a first reading.

EVENTS CENTER UPDATE

Rita Albrecht, from the HRDC, reviewed last week’s Events Center meetings. Most of the discussion surrounded the change of location. She stated that team members and city staff will visit with the Council individually regarding the full development costs associated with the entire project as soon as they are available. She stated that they are making good progress in discussions with the City and BSU regarding the lease. On December 13, Bill Maki will meet with staff and BSU regarding the lease negotiations. In addition, Conventions Sports & Leisure is working on estimates for the operations and maintenance for the new facility at its new site. Finally, the HRDC’s goal, by mid-December, is to provide a full packet

of information regarding the Events Center to the Council. Meuers suggested that future public meetings be held in the evening.

LIBRARIAN REPORT

Paul Ericsson, Librarian, reported that the first phase of the upgrade to the lighting improvements in the main reading room has been completed. He stated that the programming schedule continues to grow and there will be additional programs to highlight the holidays. On Saturday, December 22 from 2-4 p.m. there will be a tea in the main reading room for the public. Volunteers make great contributions assisting with the stacks, story times, and other programs at the Library. He stated that the Friends of the Library do a tremendous amount of work, contribute through book sales, and do a variety of volunteer work in the community. The best seller's collection has been well received and he encouraged everyone in the community to take advantage of this service.

UPCOMING MEETINGS

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| • Monday, December 10 | 5:30 p.m. | Work Session – PFM Cashflow and Public Works Dept. Reorganization |
| • Wed., December 12 | 6:00 p.m. | GJPB @ Bemidji Township |
| • Monday, December 17 | 7:00 p.m. | Council Meeting |
| • Monday, December 24 | Noon | Special Council Meeting |

COUNCIL/STAFF REPORT

- Chattin expressed the City employees' thanks to Teresa Vincent and Shawn Swenson for arranging the City employee party. The LMC Board adopted their policies for 2008. Joint Powers Board met last week and soon there will be no planning department in the City. Met with the DDA to discuss market study needs and the decision was to solicit presentations from a couple of consultants. Staff will be meeting with Northwest Technical College to further discuss a fire substation and training center at the NWTC. Chattin stated that there are timing issues with the final reading of the Ordinance regarding bonding and suggested that the Council hold a special Council meeting on December 24 at noon. Council concurred.
- Mayor Lehmann thanked Boy Scout Troop #23 for presenting the Colors and leading the Council with the Pledge of Allegiance at tonight's meeting.
- Markeson reported that he attended a meeting of the Board of Directors for the Chamber of Commerce and the Chamber will be hiring an additional person to help with special projects, i.e., Dragon Boat Festival.
- Johnson commented about the great turnout for the Night We Light parade. He commented that the JPB makeup should remain the same since the city contributes 50% and the two townships 25%.
- Hellquist stated that the personnel committee met for the JPB and a number of items came out of this meeting. The sub-committee reviewed the handbook, standard procedures, reviewed the relations between the township and the city and resumes for an administrative assistant position. Consensus from the sub-committee group is 50% City, 30% from Northern Township and 20% from Bemidji Township.

ADJOURN

There being no further business, motion by Hellquist, second by Markeson, to adjourn the meeting. Motion carried. Meeting adjourned at 8:40 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk