

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – October 2, 2006

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, October 2, 2006 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 additions were requested:

- Added Travel – Johnson & Erickson
- Move Consent Agenda item regarding Ratification of the New City Manager Agreement to New Business

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

MINUTES

Minutes of the September 18 regular meeting and September 14, 2006 Canvassing Board minutes were presented for approval. Motion by Erickson, second by Meuers, to approve the minutes as presented. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$537,544.95.
2. Approved a miscellaneous business license (Minnesota Nice).
3. Authorized RFP for Computer and Technology Services.
4. Approved Consultant Services Agreement with Leo A Daly and Widseth Smith Nolting (Event Center).
5. Approved Agreement with Freeberg & Grund, Inc. for surveys, engineering and inspection.
6. Authorized HRDC to complete a pre-application to the Small Cities Development Grant Application for Downtown Redevelopment.
7. Approved renewal of Wal-Mart Currency Exchange.
8. Approved Council travel to attend Best Practices for Parks and Outdoor Recreation in Northern Minnesota Workshop, Itasca State Park – October 11 & 12 – Markeson.
9. Approved Council travel to attend the 2006 CGMC Fall Conference – November 8, 9 & 10 – Erickson & Johnson.

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Drew Weaver, BYAC representative, reported that BYAC are working on Listening Lunches and planning a fall event for the teenagers in the community. In addition, BYAC is continuing to work on the planning of a youth center in Bemidji.

PUBLIC HEARING

Pursuant to published notice a public hearing was held regarding input on 2006 Street Improvements (Cross Street – City Project #06-08). Mayor Lehmann opened the Public Hearing at 7:15 p.m.

Jeff Janiksela stated that he owns two properties affected by the project and needed clarification on the proposed assessments. The property addresses are 1223 Minnesota Avenue and 601 3rd Street. He stated he was charged for an apron at 601 3rd Street and did not need one and did not get an apron at 1223 Minnesota where he needed one. Also, he indicated that he is being assessed for a sewer service at 601 3rd Street and did not need one. City staff will review the assessments with Mr. Janiksela and make any necessary adjustments.

With no further comment, the Public Hearing closed at 7:19 p.m.

RESOLUTION NO. 5363: Adopting Assessment Rolls for City Project #06-08 (Cross Streets) was offered by Councilmember Downs, who moved its adoption, and upon due second by Councilmember Hellquist was passed by unanimous vote.

NEW BUSINESS

Joint City/County Committee

Motion by Meuers, second by Hellquist, to appoint Erickson and Markeson to a Joint County/City Committee to consider on-going special issues of joint concern such as disposition/use of the County's "Old Fairgrounds" land remnant at Middle School Drive and 23rd Street NW. Motion carried.

Ratification of New City Manager Agreement

Mayor Lehmann summarized that on September 25 the City Council met to interview the finalists for City Manager and at the conclusion of that meeting the Council selected John Chattin and directed the search consultant, Jim Brimeyer, to negotiate a contract with Chattin. Lehmann noted that shortly thereafter the Council received an e-mail from Brimeyer detailing the proposed terms of an agreement. In that the majority felt the terms were acceptable, Brimeyer was solicited to finalize the agreement. However, a final letter of acceptance of the agreement terms had not been signed and returned by Chattin until the morning of October 2. Lehmann then requested the Council's wishes and direction regarding the proposed employment contract.

Erickson stated that she is concerned about the beginning salary; in particular, the significant increase to a \$95,000 salary within a year of employment. She also questioned the \$300 monthly vehicle reimbursement allowance, especially the perceived need for limited travel within Beltrami County. Prior City Manager (Phil Shealy) received \$125 for reimbursement per month and David Minke did not receive any travel stipend. She noted that the total salary will be higher than what Tony Murphy (County Administrator) is earning currently.

Johnson also commented that the car allowances were previously discontinued by the Council in lieu of a paid mileage policy. He stated that salary compensation should be not hidden as an automobile expense. Johnson next commented about the process that was used for hiring. He stated that e-mails are a nice tool; however, not all Councilmembers have the time and ability with work to be on the internet to discuss negotiations. He stated that he had suggested that the Council get together and meet. He stated that discussing the negotiation discussions via e-mail might be an open meeting violation. Further, if the Council was attempting to get a consensus on-line, he did not feel it was appropriate to "hammer out" details of the agreement on-line. He likened it to not showing up for a meeting; in effect the constituents in Ward 3 were not able to participate at this meeting.

Downs commented that the reason he suggested a car allowance was to offset the cost of the new manager's health insurance costs.

Mayor Lehmann stated that the Council has an agreement in principle and asked if the Council wanted to meet to discuss the agreement further as part of the special work session scheduled on October 3, 2006. Discussion continued on notification requirements of such a meeting and the requirements for an open versus closed meeting.

Johnson commented that this is all the more reason why the discussion should not have been done on-line.

Mayor Lehmann stated that the Council has an agreement that Mr. Chattin is agreeable to and if the Council is not agreeable to it then they need to make a counterproposal.

Erickson reiterated that she did not support the automobile expense at all. She believed that it was exorbitant and not fair to the citizens. If the City is going to pay the individual \$3,600 more a year, pay him \$3,600 a year and not hide it as an automobile expense that in her opinion is outrageous.

Markeson commented that the City has a basic agreement that the Consultant has worked out with Mr. Chattin and it sounded like it was the bare minimum that Mr. Chattin would accept. He stated he was afraid that by withdrawing an offer the City may create problems in getting a new City Manager. He further stated that he did not feel that the automobile allowance was unreasonable.

Johnson stated he had not seen any letter of agreement until 3:00 p.m. today. He stated he was expecting it sooner as it was approved by the Councilmembers that met on-line. He stated he did not feel that the Council agreed to the mileage allowance.

Felix advised that a copy of the unsigned letter was e-mailed to each Councilmember early Monday morning (October 2) followed by a signed letter by 10:30 a.m. However, he noted that nothing had been returned in time to be forwarded to the Council in the Friday packet.

Markeson stated that contrary to what Councilors Erickson and Johnson are saying, his recollection was that the \$300 a month allowance was recommended for approval by the Council at their meeting on September 26.

Downs stated that the City is looking at an individual with a lot of experience and background running two counties. Bemidji is a growing city and he feels that Mr. Chattin is the individual that the City should hire. He stated that the City could pick someone else for less money but he did not feel that this would be doing the City a favor as our City grows. The City needs the expertise, the level of knowledge and background that Mr. Chattin brings.

Johnson commented that his recollection was that the car allowance was introduced when the Council was talking about \$86,000 a year not when \$95,000. Johnson commented that perhaps this discussion was held on-line.

Motion by Meuers, second by Markeson, to ratify the City Manager's contract. Motion carried with the following vote: Ayes: Downs, Meuers, Lehmann, Hellquist, Markeson. Nays: Erickson, Johnson. Absent: None.

ORDINANCE

AN ORDINANCE Amending Section 26.73 of the Bemidji City Code relating to Commercial Refuse Collection was given a first reading.

Mayor Lehmann stated he has been contacted by commercial haulers and recommended that the Council meet to discuss the refuse collection. A special work session on refuse will be held on October 9 at 5:30 p.m.

CITIZEN NOT ON AGENDA

Adam Steele, 189 Gemmel Avenue, stated that he totally agreed with Ron Johnson that the City should not shortcut the process for hiring the City Manager. Mr. Steele then stated that the appointment of Jerry Johnson as Police Chief did not give any opportunity for others to apply for the position. There were no applications taken or notice of the position to be filled. Mr. Steele stated that there is a need for more transparency when hiring department heads in order to make sure that the City has the best people hired as department heads.

Helma Cloud Erle asked the Council what they had done with her request to educate the public on the "establishment of the European Immigrant government in America and that the state also may not be a legal government". She stated that she will be at the next Council meeting in this regard.

UPCOMING MEETINGS

- October 3 5:30 p.m. Special Work Session – CGMC & Candidates
- October 5 5:30 p.m. Special Work Session – Report on Events Center from Bill Kruger, CSL
- October 9 5:30 p.m. Work Session – Refuse
- October 10 5:30 p.m. Special Work Session – Diamond Point Park

- October 16 7:00 p.m. Regular Council Meeting
- October 23 5:30 p.m. Special Work Session - Labor Negotiation

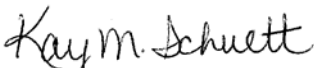
COUNCIL/STAFF REPORT

- Eischens reported that \$144,000 was received from DDA which represents 2006 parking permit revenue and the accumulation of previous years' revenue. The City owes the DDA a fee for their services.
- Lehmann stated that the Fire Hall will have an open house on October 14.
- Lehmann stated that the event center town meeting was lively and the task force will meet on Tuesday, October 3 to discuss it further.
- Markeson attended a DDA meeting and they are in favor of the Small Cities Development Grant for revitalization of the downtown. He reported that the Chamber of Commerce met recently and declared the Dragon Boat Festival a success and working on 2007 event.
- Hellquist stated that the Public Works Committee met and discussed the refuse issue with staff. They agreed that staff should move forward with the ordinance change and the MIS update with issues that Eischens brought forward. SAC/WAC fees – the City could hire a consultant, however, staff will continue to work on this further.
- Johnson stated that the Public Affairs Committee met regarding better handling rental fees which will result in ordinance amendments. Johnson and staff met with ISD#31 regarding collaboration with the school district on public access. Johnson commented that the events center town meeting was positive and good information was provided to the community.
- Johnson expressed concerns regarding the internet discussion related to the City Manager hiring and asked for further review of whether an Open Meeting Law violation had occurred.
- Erickson received a call from a citizen regarding the deer hunt which began on September 30 and will continue until December 31 and there are 21 sites. She provided a recap of the deer hunt. The City Clerk will post site map on the City's website. Erickson commended the WWTF employees for their good work and MPCA's recognition of the plant.
- Downs reported that he was appointed to the Beltrami Trails & Parks Advisory Board which is working on a trail from Middle School to Grant Lake using the abandoned railroad. VisitBemidji Committee recently met and discussed the operation and maintenance costs for the Events Center with a local group that may be interested in helping with those costs for the first five years. Downs reported that several signs have been destroyed on the Paul Bunyan Trail.
- Meuers stated that the Park & Recreation Commission met recently and discussed a skateboard park. The representative from the BYAC brought information and shared it with the Commission. The Public Affairs Committee discussed a retreat and felt that one would be good about 6 months after the new City Manager starts.
- Felix reviewed the budget for the \$3 million for the Bemidji Regional Event Center which will be presented to the Department of Administration.

ADJOURN

There being no further business, motion by Johnson, second by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:20 p.m.

Respectfully submitted,


Kay Murphy-Schuett
City Clerk