

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting/Work Session – March 9, 2009

Pursuant to due call and notice, a regular meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, March 9, 2009, at 5:30 p.m. in the Conference Room of City Hall, Mayor Pro-tem Downs presiding.

Upon roll call, the following Councilmembers were declared present: Negard, Downs, Hellquist, Johnson, Meuers, Waldhausen. Absent: Lehmann.

Staff Present: City Manager John Chattin, Parks & Recreation Director Marcia Larson, City Engineer Craig Gray, Community Development Director Rita Albrecht, City Clerk Kay Murphy

Others Present: Jeff Iisakka, Dave Smith, Don Heinonen, Jerry Spangler

City Park Plan

Parks & Recreation Director Larson reviewed the final concept plan for City Park. The plan represents the culmination of over six months of user group, committee and commission meetings to determine the best use of the park space and impact on the entire park system. She stated that the focus of this park is different as it is an "active" recreation park. Bemidji has no other facilities like City Park which is approximately 80 acres and includes natural areas. Plans include a four-field softball complex, a skate park, 18-hole disc golf course, a new outdoor hockey rink, trail improvements and expanded cross-country ski trails. Also proposed are volleyball courts, playground and picnic areas. The Commission recommended that the baseball field be relocated and recommended that the City consider spending \$350,000 toward that effort. The Commission recommended that the City Council continue with the proposed concept plan for City Park and the cost is estimated to be \$4.1 million.

Discussion continued regarding the budget and inflation.

Waldhausen asked about the construction process and if there would be any loss of use of the facilities at the park during construction.

Larson responded that the City will go out for RFP and bid specs by the end of the year with construction to begin in 2010. There would be no impact in 2009.

Waldhausen expressed concerns about the potential loss of a baseball field as it impacts a number of families in our community. He further stated he would like reassurance that there will be a baseball field in the community.

Downs responded that the intention is not to eliminate Carrington field but to relocate the baseball field.

Johnson asked how the dollar amount was arrived at and suggested upgrading an existing baseball field or building a new field. Or is there a plan for another field?

Larson stated that the Baseball Association has submitted a proposal to the Parks & Trails Commission to upgrade a field at \$672,000. The Parks & Trails Commission looked at it as a partnership and not fully funding. The Commission made a motion to split the cost with the school to share the cost of upgrades to the high school's field or form other partnerships. Larson stated that she has checked around the state regarding the cost but there is not a lot of comparables but it appeared that the cost is in line.

Negard asked who would be responsible for the operations and maintenance if there is a partnership with the school. Larson responded that she believed the school district would be responsible for the operations and maintenance.

Discussion continued on the legality of using sales tax for a field not on City property. The City Attorney stated in a memorandum to the Council that the park and trail sales tax is eligible for use to pay for: 1) improvement of existing facilities in existing City parks; 2) construction of a new facility in another City park, space permitting; or 3) acquisition of land for a new park and to construct a new facility therein

Larson noted that there is approximately \$5 million of sales tax remaining for improvement to the City's parks and trails and after spending \$4.1 on the City Plan would leave approximately \$1 million.

Hellquist asked how the improvements to City Park will be funded as it is a "pay as you go" process.

Chattin responded that it will be cashed flowed from the general fund.

Hellquist stated that he does not have a problem with the park plan but the cost is too much. He stated that there has to be some fiscal responsibility on the part of the City and believed that there are a number of items that can be removed to reduce the cost.

Larson agreed that there are ways to reduce the budget and grants may be found.

Meuers commented that this park does bring in revenue.

Larson stated the Parks & Trails Commission would have to reprioritize. Larson stated that the City's parks are in disarray as money has not been put into the parks.

Downs commented that he felt this was a good plan for this park and reflects a lot of things that this park is an activities park and represents the City concept of being a "fit city".

Don Heinonen, Parks & Trails Commission member, stated that the park plan was put together over 10 years ago and is not what can be built today.

Dave Smith, Parks & Trails Commission Chair, stated that the Commission needs to look at some of the other parks that were listed in the initial park plan. He commented that some of the improvements recommended in the original plan are questionable. He stated that the Commission is looking at a lot of things and wants to be sure that they are planning for the future.

Meuers commented that the Commission has worked very hard and liked the plan. She stated that the original park plan was a fluid document and agreed with building the key parks for the future.

Johnson commented perhaps the City could sell off "paper" parks which are currently mowed by the City. He stated that hopefully the City will continue to create parks and maintain them into the future after the sales tax money runs out.

Dave Smith commented that is the Parks & Trails Commission intention

Motion by Negard, seconded by Hellquist, to approve the plan proposed for City Park but reduce it to \$3.5 million including contingency and include an additional \$300,000 for relocation of the Carrington baseball field. Motion failed with the following vote: Ayes: Hellquist, Negard. Nays: Downs, Waldhausen, Meuers, Johnson.

A motion was offered by Meuers to approve the plan as presented which died for lack of a second.

Motion by Johnson, seconded by Meuers, to approve the plan as presented and requested the Parks & Trails Commission provide options for reductions. Johnson withdrew his motion.

Gray suggested that the Council could approve the plan but direct staff to bid it out with alternates.

Hellquist stated that it is important to have a finite amount because the Council will have to decide the alternates and he did not feel this respects the Commission's efforts.

Motion by Hellquist, seconded by Negard, to approve the plan for City Park at \$3.8 million which includes the relocation of Carrington Field. Motion carried unanimously.

West Shore Trail

City Engineer Gray provided an update on the status of the Lake Bemidji West Shore Trail. The trail needs to get from Lake Boulevard down to the lake shore. This will occur in the BSU hill area. This area is extremely steep and is heavily vegetated. In order to meet

Federal Aid and OSHA slope requirements the City will need to remove all of this vegetation and re-slope the area. He stated that when construction begins this summer there may be some public concern regarding the removal of vegetation. The project memorandum has been approved by the DNR and no permits are required. Gray stated that no action was required by the Council at this time.

BREC Painting Objection

Chattin commented that at the last regular Council meeting the painting bid Jarl Pederson & Sons, Inc. was challenged. The City asked Mr. Spangler to provide the City with evidence to support that challenge. The City has received a letter from Andrew & Bransky, P.A., who represents the International Union of Painters and Allied Trades, District Council 82 and Painters Local Union No. 884. In the letter the attorneys state that Jarl Pederson and Sons, Inc., has a record of flagrant violations of the Minnesota Prevailing Wage Act and further explained that the City has the discretion to reject the bid. Chattin stated that the City Attorney recommended that the judgment should be from a relative recent past and there is no indication of a violation in the last 10 years.

Jeff Iisakka, Vice President, Director of Operations for Kraus-Anderson Construction, stated that he has made inquiries in his office regarding Jarl Pederson's performance and has found nothing in recent years. He stated that the biggest concern is the low bid amount which is \$122,000 lower than the other bidders. In his opinion, the bid is too low and the company may have made a mistake. He has questioned Jarl Pederson on their bid and they responded that they will be able to do the work for the bid amount.

Hellquist commented he has dealt with estimates and prevailing wages which should provide a level playing field. He stated that he is surprised at the \$122,000 separation which could be due to several reasons.

Mr. Iisakka stated that the key will be for Kraus-Anderson to monitor the certified payroll and that Jarl Pederson is billing for work completed. In addition, the quality of their work will be monitored by the construction manager. He stated that there is a Performance and Payment Bond which can be used if needed.

Jerry Spangler commented that Jarl Pederson was not on the plan holder's list and, he believed, reviewed the plans at Dodge and that explained why the bid was low as they did not take the time needed to review the plans.

Gray stated that the purpose of having the bids at Dodge was for subcontractors to look at the job without purchasing the bid plans.

Negard commented that the violations were over 10 years ago and things may have changed at the company, i.e., employees.

Hellquist asked if there was a process that is used to determine the cost of painting.

Mr. Iisakka responded that there is no overtime required for the job and that there is a way to calculate the cost of painting. In Kraus-Anderson's professional opinion there is a mistake in the painting bid.

Hellquist asked if there was a way to check with the Dept. of Labor regarding recent violations. Gray stated that perhaps the City can check if there were any formal complaints.

Chattin stated there has been no evidence presented that Jarl Pederson cannot perform and there is no pattern of non-performance that has been presented.

Waldhausen asked Spangler if he had any vested interest in the second bidder.

Spangler responded that his son, Trevor, might be working for the next lowest bidder.

Motion by Hellquist, seconded by Meuers, requiring Jarl Pederson have their representatives explain at next Monday's meeting their ability to perform and Mr. Spangler contact State to verify if there was a pattern of not paying prevailing wage. In addition, have Kraus-Anderson check to see if Jarl Pederson has satisfactorily completed recent projects. Motion failed with the following vote: Ayes: Hellquist, Meuers, Downs. Nays: Waldhausen, Negard, Johnson.

Mr. Iisakka stated it is Kraus-Andersons recommendation to award the painting bid to Jarl Pederson as they do not know of any problems in recent years and they are the low bidder.

Kraus-Anderson has questioned Jarl Pederson about their bid and they have been given the opportunity to withdraw their bid. Jarl Pederson has stated that they will honor their bid. Kraus-Anderson will monitor them closely.

Negard commented that he feels Mr. Spangler has a conflict of interest.

Motion by Negard, seconded by Waldhausen, accepting the bid from Jarl Pederson for painting. Motion failed with the following vote: Ayes: Johnson, Negard, Waldhausen. Nays: Hellquist, Downs, Meuers.

Staff will bring the discussion to the next regular Council meeting. Kraus-Anderson will contact Jarl Pederson and ask that a representative may want to be available at the meeting. Council asked Mr. Spangler to check with the State to see if there are any recent violations.

ADJOURN

There being no further business, motion by Johnson, seconded by Meuers, to adjourn the meeting. Motion carried. Meeting adjourned at 7:21 p.m.

Respectfully submitted,


Kay M. Murphy
City Clerk