

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

December 1, 2003

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 1, 2003, at 7:00 p.m. in the City Hall Council Chambers, Mayor Pro-tem Downs presiding.

Upon roll call, the following Council members were declared present: Erickson, Hellquist, Zachman, Meuers, Downs, Johnson. Absent: Lehmann.

President Pro-tem Downs called for any amendments to the agenda. There being none, motion by Zachman, second by Meuers, to approve the agenda. All voted aye. Motion carried.

APPROVAL OF MINUTES

Minutes of the November 17, 2003 Regular Meeting and November 24, 2003 Work Session were presented. Motion by Zachman, second by Meuers, to approve the minutes as presented. All voted aye. Motion carried.

CONSENT AGENDA

Downs called for approval of the items on the Consent Agenda. Motion by Meuers, second by Hellquist, to approve the Consent Agenda. All voted aye. Motion carried.

1. *Approved three pages of renewal General Business Licenses & Annual Permits*
2. *Approved a temporary on-sale liquor license for BSU for January 31, 2004*
3. *Approved renewal liquor licenses for American Legion and the Eagles and a renewal wine license for Dave's Pizza*
4. *Held the first reading of eight off-sale and two on-sale renewal beer licenses*
5. *Approved eight (8) pages of claims submitted by the Finance Officer in the total amount of \$363,083.64*

BEMIDJI YOUTH ADVISORY COMMISSION

Councilmember Meuers provided an update on BYAC activities, noting that their float entered in the "Night We Light Parade" won for "Most Creative Lighting" in their category. She also reminded Councilmembers of the joint meeting with the BYAC on Sunday, December 14, 2003 at 6:00 p.m. at City Hall.

BSU STUDENT SENATE REPORT

Jason Swanson reported on the upcoming Minnesota State University Student Association (MSUSA) conference scheduled in St. Cloud on December 4th. He also expressed appreciation to the City Parking Committee for working with the university to find a temporary solution to a parking problem due to current construction on the university campus.

PUBLIC WORKS COMMITTEE

Hellquist reported that on November 26th, the Public Works Committee considered a request by city staff to replace 36 street-lights along Lake Avenue. The existing lights are 18,000 lumens, which cost \$12.40 per month. The replacement lights are 9,000 lumens, which would reduce the cost to \$6.90 per month. The consensus of the committee was to recommend the replacement lighting as a cost savings measure.

Motion by Zachman, second by Hellquist, to accept the recommendation of the Public Works Committee for replacement lighting. Motion carried by the following vote: Ayes: Meuers, Zachman, Hellquist, Erickson, Johnson, Downs. Nays: None. Absent: Lehmann.

PARKING COMMITTEE

Hellquist reported on the November 26th Parking Committee meeting noting that Bemidji State University presented a request for help from the city to deal with a temporary

parking problem caused by having to close a 120-space lot due to new construction on campus. Following exploration of a number of options, the consensus of the committee was to recommend Council approval to allow temporary parking at Diamond Point Park for 2003-2004 winter until May 15, or at the discretion of the city, with Bemidji State University responsible for fencing, barricades, lighting, maintenance, snow removal and restoration of any damage.

The committee also reviewed a request for seasonal parking on Minnesota Avenue between 25th and 26th Streets to assist with snow removal. The consensus was to recommend approval.

Motion by Erickson, second by Johnson, to accept the recommendations of the Parking Committee as noted above. Motion carried by the following vote: Ayes: Johnson, Hellquist, Meuers, Zachman, Erickson, Downs. Nays: None. Absent: Lehmann.

PUBLIC HEARING – Delinquent Miscellaneous Accounts

Pursuant to mailed and published notice, a copy of which was placed on file in the office of the City Clerk, a public hearing was held to consider assessments of miscellaneous fees charged for work done by the City on private property in 2003.

Downs opened the public hearing and read a letter from Gary Gangelhoff objecting to Lodging Tax Penalties assessed by the City of Bemidji to the Northern & Comfort Inn. He commented that both hotels are heavily oriented toward the government sector and generally require direct billing which is not paid for 30 days or more. He felt the lodging tax fees could only be paid when the hotels are paid by the customers and felt the city should not assess blanket penalties.

There being no other comments, the public hearing was closed.

RESOLUTION NO. 5104: A RESOLUTION ADOPTING ASSESSMENT ROLLS FOR COSTS ASSOCIATED WITH LOT MAINTENANCE AND OTHER MISCELLANEOUS WORK DONE BY THE CITY ON PRIVATE PROPERTY IN 2003 was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Hellquist, was passed by the following vote: Ayes: Zachman, Meuers, Downs, Johnson, Erickson, Hellquist. Nays: None. Absent: Lehmann.

RESOLUTION NO. 5105: A RESOLUTION CONDEMNING STRUCTURES LOCATED AT 203 STONER AVENUE SE was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Meuers, was passed by the following vote: Ayes: Meuers, Hellquist, Johnson, Downs, Erickson, Zachman. Nays: None. Absent: Lehmann.

JEDC SUB-RECIPIENT GRANT AGREEMENT

A resolution requesting a three-year extension of the sub-recipient grant agreement between the City and the Joint Economic Development Commission (JEDC) was presented for Council consideration. JEDC Executive Director Larry Young provided some background noting that in approximately 1990 the JEDC began administering a revolving loan fund for the city, using funds from grant repayments. Those repayments are now complete and the funds have been loaned out and paid back several times over the past several years to help non-retail businesses expand. The funds are restricted for use within the corporate limits of the city and none of the loan funds have been lost over the years. The JEDC lending practices meets all state mandates and the funds are audited annually. He noted that the JEDC Board of Directors reviews all requests for funds, but final approval comes from the City Council. He further noted that the formal Agreement with the City is now up for renewal for three years.

Young also noted that two years ago the City Council authorized the JEDC to take \$20,000 of interest earnings per year from the revolving loan fund to support the JEDC operation. He was uncertain whether that was a separate agreement running through 2004, or an amendment to the existing agreement.

Hellquist expressed concerns about a lack of focus on economic development in Beltrami County and questioned the viability of the JEDC relating to job procurement and made a motion to extend the Sub-recipient Grant Agreement for a period of one-year to be reviewed in one year in conjunction with the JEDC funding Agreement.

Felix indicated that a renewal for less than three years might require that the Agreement be rewritten, but suggested if the Council does not want to commit to three years at this time, the resolution could be tabled to the next meeting to allow some time for staff to explore the arrangements of the Agreements. Hellquist withdrew his motion.

During further discussion, support was expressed for coordinating the agreements, as one is dependent on the other. Motion by Meuers, second by Johnson, to extend the Sub-recipient Grant Agreement with JEDC for another three-year period ending December 31, 2006. Motion carried by the following vote: Ayes: Hellquist, Downs, Johnson, Meuers, Zachman, Erickson. Nays: None. Absent: Lehmann.

RESOLUTION NO. 5106: A RESOLUTION RENEWING AND EXTENDING THE REVISED SUB-RECIPIENT GRANT AGREEMENT BETWEEN THE CITY OF BEMIDJI AND JOINT ECONOMIC DEVELOPMENT COMMISSION, INC., FOR AN ADDITIONAL THREE-YEAR PERIOD THROUGH DECEMBER 31, 2006, was offered by Councilmember Meuers, who moved its adoption, and upon due second by Councilmember Johnson, was passed by the following vote: Ayes: Hellquist, Downs, Johnson, Meuers, Zachman, Erickson. Nays: None. Absent: Lehmann.

CHARTER COMMISSION – Request for Work Session in January, 2004

At their meeting on November 18, 2003, the Charter Commission recommended a joint meeting with the City Council on January 12, 2004, at 5:30 p.m. at City Hall to review some proposed amendments to the Charter. Motion by Hellquist, second by Johnson, agreeing to the joint meeting as proposed. Motion carried by unanimous vote.

ORDINANCE NO. 354, 2ND SERIES: AN ORDINANCE AMENDING SECTION 14.17 OF THE BEMIDJI CITY CODE (Pertaining to Lodging Tax) was given a final reading and passed by the following vote: Ayes: Meuers, Zachman, Hellquist, Erickson, Johnson, Downs. Nays: None. Absent: Lehmann.

AN ORDINANCE ANNEXING PROPERTY ALONG JEFFERSON AVENUE SE TO THE CORPORATE LIMITS OF THE CITY OF BEMIDJI (LeisureTime Land Co) was given a second reading.

AN ORDINANCE AMENDING THE ZONING MAP ADOPTED IN CHAPTER 13, SECTION 13.08 OF THE BEMIDJI CITY CODE (Pertaining to Planning Case #2003-26, 2404 Bemidji Avenue N) was given a second reading.

AN ORDINANCE AMENDING THE ZONING MAP ADOPTED IN CHAPTER 13, SECTION 13.08 OF THE BEMIDJI CITY CODE (Pertaining to Planning Case #2003-27, 1808 Division Street N) was given a second reading.

AN ORDINANCE AMENDING AN UNCODED SECTION OF THE BEMIDJI CITY CODE (Authorizing Conveyance and Exchange of Real Property - Bruns) was given a second reading.

AN ORDINANCE AMENDING THE BEMIDJI CITY CODE FEE SCHEDULE PERTAINING TO SEWER RATES – Effective January 1, 2004, was given a second reading.

AN ORDINANCE AMENDING ORDINANCE NO. 345, 2ND SERIES, ADOPTING A POLICY FOR REFUNDING BUILDING PERMIT FEES was given a first reading.

AN ORDINANCE AMENDING THE BEMIDJI CITY CODE FEE SCHEDULE ESTABLISHING A SEASONAL WATER DISCONNECT/RECONNECT FEE – Effective January 1, 2004 was given a first reading.

NOTICE OF UPCOMING MEETINGS

Minke recommended that the Council meet in a closed labor strategy session on Monday, December 8, 2003 at 5:30 p.m. in the City Hall Conference Room. Zachman moved in accordance with Minnesota Statute 13D.03 that the City Council hold a closed meeting for the purpose of considering the city's labor negotiation strategies, developments and review of labor proposals on December 8, 2003, at 5:30 p.m. Meuers seconded the motion. All voted aye. Motion carried.

Public affairs committee meeting – Tuesday, December 2 7:00 a.m.

Joint meeting with the Youth Advisory commission – Sunday – 14th 6:00 PM at City Hall.

Joint City/Townships meeting on Tuesday, December 9 – 6:00 p.m. Beltrami Electric Meeting Room, with a Guest Speaker from Alexandria to talk about annexation

REPORTS

Ron Johnson reported on the Coalition of Greater MN Cities Fall Conference held on November 20-21. He noted that the conference was a planning/agenda setting session for the 2004 legislative session with a focus on bridge building and mending of differences between the Coalition and the legislators. He commented on the turnout of representatives and senators from nearly every major city except Bemidji. Erickson reported that the keynote address emphasized the need for all legislators to band together to battle what is happening to rural Minnesota cities with the loss of LGA, transportation, etc.

Erickson noted the Coalition also identified five issues, which will be coming up in the next legislative session – Annexation, LGA, Economic Development, Environment and Transportation. The list was narrowed to three – Annexation, LGA, and Economic Development – to be concentrated on in 2004. The Coalition asked that mayors and council members become lobbyists as well and to form teams for each one of these issues to discuss the City's position with legislators. Erickson also noted that two districts have been chosen thus far for JOBZ participation – North Branch, MN for Anderson Windows, and Wyoming, MN for Polaris – neither of which are rural areas.

Minke stressed the importance of Council attendance at the Joint City/Townships meeting on Tuesday, December 9 – 6:00 p.m. Beltrami Electric Meeting Room – which will focus on how other communities have faced issues such as annexation.

Hellquist noted there will be a transit meeting next week regarding an increase. More information will follow for Council approval. Hellquist noted that the \$20,000, which goes to the JEDC can be used by the city for other economic development issues. He also expressed some concerns regarding conflict of interest with regard to loans made by the JEDC and suggested a work session for further discussion. The Council expressed consensus for a work session in 2004. Hellquist also suggested a meeting of the Public Works Committee to meet with the Curling Club to discuss what are "just and recognizable" expenses and to review the agreement with regard to reimbursement for maintenance.

ADJOURN

There being no further business presented for discussion, motion by Meuers, second by Hellquist to adjourn the meeting. All voted aye. Motion carried. Meeting adjourned 8:45 p.m.

Respectfully submitted

Shirley Sherman, City Clerk