

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – June 15, 2009

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, June 15, 2009 at 7:00 p.m. in the Council Chambers of City Hall, Mayor Pro tem Downs presiding.

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

Staff Present: City Manager John Chattin, City Attorney Alan Felix, City Engineer Craig Gray, Finance Director Ron Eischens, Police Chief Gerald Johnson, City Clerk Kay Murphy

AMENDMENTS TO AGENDA

Mayor Pro tem Downs called for any amendments to the agenda. The following items were requested:

- Discussion regarding rental property in Bemidji - requested by Johnson
- Resolution establishing taxicab rates for First City Taxi - Consent Agenda
- Resolution for a State Capital Appropriation in 2010 Legislative Session for Development for Development and Construction - Consent Agenda

Motion by Johnson, seconded by Waldhausen, to approve the agenda as amended. Motion carried by unanimous vote.

MINUTES

Minutes of the June 1, 2009 regular meeting, June 1, 2009 Special BEDA meeting and June 8, 2009 work session were presented for approval. **Motion by Johnson, seconded by Negard, to approve the minutes as presented. Motion carried by unanimous vote.**

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$2,077,705.62
2. Miscellaneous 2009 Business License Renewals
3. One Day Temporary Consumption & Display Permit – Bemidji Chamber on 7/14/09
4. Charter Commission Reappointment of Members Bieberdorf and Stombaugh
5. Joint Planning Commission Appointment – Corey Quick
6. **RESOLUTION NO. 5563:** To Not Waive the Monetary Limits on Tort Liability Established by MS466.04
7. Council Travel – CGMC Summer Conference, July 29-31 – Johnson
8. **RESOLUTION NO. 5564:** Establishing Taxi Rates for First City Taxi
9. **RESOLUTION NO. 5565:** Supporting the City's Application for a State Capital Appropriation in 2010 Legislative Session for Development and Construction of a Paul Bunyan Trail Bridge Over Highway 197

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Kali Sandmeyer, BYA representative, reported that approximately 700 youth attended the June 7 Youth Day event and several trees were given out as part of their “green” theme.

PUBLIC HEARING

Proposed Layout for Municipal Consent – State Project #0409-12; TH197 & US TH71

City Engineer Gray stated that in 2010 the proposed layout for Washington Avenue South will be five lanes wide with two lanes each direction and a center left turn lane and start in the area of Luekens and end at Mahnomen Drive within City limits. He stated that the public hearing

only concerns the area within City limits. He stated that the City has looked at extending city utilities to future annexation areas and the feasibility report indicates that it would cost approximately \$900,000 and there are no funding sources available. Staff is recommending not extending any city utilities to the area without the ability to assess the properties. He met with Bemidji Township regarding extending utilities and they responded that they did not have the funds available. He noted that there may be some costs to City residents as part of the project to fine tune the current services.

Downs asked about Pinnacle Outlet Mall status. Gray responded that their utilities will come from another area.

William Pirkl, Mn/DOT District Design Engineer, reviewed the project stating that the concept is a five-lane highway similar to other areas in the town but the difference is there will be 8 foot shoulders. The project may begin later in the spring of 2010 as utilities will need to relocate and MnDOT will not have all the easements in hand until late 2009. He noted that approximately 10,000 cars drive on this stretch of highway each day.

Council discussed the following:

- Business access during road construction. Mr. Pirkl responded that there will always be access available for local traffic.
- Existing trail bridge - MnDOT is working with the DNR on the width.

Pursuant to published notice a public hearing was held regarding input on the proposed layout of TH197 and US TH71. Mayor Pro Tem Downs opened the Public Hearing at 7:26 p.m.

Frank Hickerson, 800 Washington Avenue South, stated concerns about the affect of the project to the property owners along Washington Avenue. He further stated that he had problems with his businesses' waterline freezing last winter and hoped that this would be resolved as part of the project. City Engineer Gray will follow-up.

John Henningsgaard, 1520 Bixby Avenue NE, encouraged the Council to consider the walk-ability of the City. He questioned the need for widening the highway and the decisions that are being made that foster sprawl. He would like to see Bemidji be a live-able, walk-able and bike-able community.

Ken Stone, 1002 Washington Avenue S, stated that he does not see the need for widening the highway. He commented that his 82 year old mother's home will be bought out and they have received no information from MnDOT in this regard. He further stated concerns about access to his business and the affect that it will have on it.

Don Pearson, 1004 and 1006 Washington Avenue S, was concerned about accessibility during the construction as there is no other way to enter his business.

Doug Underthun, 107 Washington Avenue S, stated that this is not a good time for the project to happen and would like the Council to reconsider. He stated that he has concerns about utilities, money and traffic flow. He stated that the majority of the traffic problems are further south and believes there are ways around it. He concluded by saying that the businesses that are located on Washington Avenue have a lot to lose.

Roger Loyson, 119 Washington Avenue S, stated that he owns two properties on Washington Avenue and is opposed to the redesign of Washington Avenue as it will hurt these businesses.

With no further public input, the Public Hearing closed at 7:42 p.m.

Negard stated that this plan has been in the works for many years. However, he is concerned about the businesses having access for their customers. There is no funding in the utility fund and he is questioning the traffic count. He doesn't want people driving into the south part of Bemidji and seeing the Brainerd/Baxter area.

Johnson commented that Mn/DOT has been looking at this for a long time. They are building it because the traffic is here and it is not going to get any better. Johnson stated that MnDOT has to address the access for the business owners.

Felix advised the Council about the guidelines for the Municipal Consent process.

Mr. Pirkl stated that the layout is for approval of the grade and number of lanes. However, it will take longer to complete the construction keeping the road open.

Craig Collison, MnDOT, stated that MnDOT has been working with the City for 10 years on developing a layout for this street. He stated that MnDOT will do whatever they can to keep access open for businesses. He noted that there is a state law that requires that MnDOT provide access to properties and signage during street reconstruction. However, there will be disruption during the construction.

RESOLUTION NO. 5566: Approving the Proposed Layout of State Project #0409-12; TH197 & US TH71 was offered by Councilmember Johnson, who moved its adoption, and upon due second by Councilmember Waldhausen. Motion carried with the following vote: Ayes: Johnson, Waldhausen, Downs. Nays: Negard. Absent: Lehmann, Meuers, Hellquist.

PRESENTATION

Police Chief Gerald Johnson provided an overview to the Council about the current grants that the City Police Department has received. He stated they have recently received four grants and, in particular, a grant in the amount of \$41,000 to install in-car computers in the police squads. He stated that he is working with Sheriff Hodapp on a grant application for training and equipment for the SWAT team. Due to the reduction in overtime, training has been cut in half. This grant would provide additional training that would reduce liability.

Downs stated that the Council appreciated that staff continue to seek grants to assist with the city's budget.

NEW BUSINESS

Pay Equity/Compensation Study

City Manager Chattin stated that in 2005, a pay equity/compensation study was completed by Riley, Dettman & Kelsey (RDK). The City has been informed that Rod Kelsey, the public sector partner, is retiring and RDK will no longer be providing any services to the public sector. This presents two problems: 1) the City does not have a consultant to review and rate job descriptions, and 2) retaining a new firm will involve a new pay equity/compensation study and likely higher costs. Staff had wanted to conduct a new pay equity/compensation study this year but had put it off because of budget concerns. Recently, staff discussed the need to reinstate the study and with these latest developments, it makes sense to solicit proposals (RFPs) for these services and begin the study this year. In addition, the City will work with Beltrami County to retain the same consultant that they would be using, as they also had been working with RDK. The County has expressed a desire to participate in the consultant interviews toward that end.

Johnson asked if the information that was previously used could be used by another company. Chattin stated that a new consultant would have their own factors/processes.

Motion by Negard, seconded by Johnson, authorizing the City Manager to solicit requests for proposals (RFPs) for a pay/equity compensation study. Motion carried unanimously.

Lake Bemidji West Shore Trail

Gray stated that the City opened bids for the construction of the Lake Bemidji West Shore Trail project. The project will construct a trail from Library Park to 29th Street and will include a combination of off-road and on-road trails and sidewalks. The bid alternate is for the mill and overlay of the existing bituminous on Birchmont Drive from 23rd Street to 29th Street. The section is where the trail will be on-road. Milling of the existing pavement will result in a new road surface with new trail striping that will be more user friendly than grinding off the existing striping and just repainting the roadway. The Parks & Trails Commission reviewed the proposed bids and recommended that the Council not award the bid alternate if sales tax funds would be used. He recommended that the Council award the contract to Gladen Construction in the amount of \$555,555 which includes the bid alternate. He stated that MnDOT has approved the project.

Eischens stated that the Council could use the City reserves but recommended the Council use sales use dollars. To not award the alternate would be a mistake as it will leverage \$67,274 of federal funds.

Motion by Waldhausen, seconded by Negard, awarding a contract to Gladen Construction, Inc. in the amount of \$555,555 which includes the alternate funded from City reserves. Motion carried unanimously.

Irvine Avenue Reconstruction Project

Gray reviewed the Irvine Avenue Project stating that the project will provide a full-depth mill and overlay of Irvine Avenue from 3rd Street to Paul Bunyan Drive. The City held a bid opening on June 9 and received nine bids for the project. The lowest bid from Northdale Construction was \$1,963,349.99 and is approximately \$600,000 under the engineer's estimate.

Motion by Johnson, seconded by Waldhausen, awarding a contract to Northdale Construction, Inc., contingent upon MnDOT approval, in the amount of \$1,963,349.99 for the Irvine Avenue Reconstruction Project. Motion carried unanimously.

Headwaters Science Center

John Hawthorne, Headwaters Science Center, stated that the HSC is asking for the City's support for submittal of an application to the 2010 legislative session.

Paul Swenson, Chair of the Headwaters Science Center, commented that if bonding dollars are used it has to remain owned by a public entity.

Discussion continued regarding City ownership and it was noted that a Joint Powers Agreement or lease would be required to address building maintenance, etc.

Johnson asked about the \$13 million amount stating that the amount may or may not meet the needs in the future.

Mr. Hawthorne stated that they are confident that the basic concept of the building, the size, etc., can be accomplished for that amount of money with inflation factored in.

RESOLUTION NO. 5567: Supporting the Headwaters Science Center and Official Application for State Capital Appropriation in 2010 Legislative Session for Development and Construction of the Headwaters Science Center in Bemidji was offered by Councilmember Johnson, and upon due second by Councilmember Waldhausen. Motion carried unanimously.

OLD BUSINESSTyler Estates Phase II Drainage Study

Chattin stated that the Council approved a Tyler Estates Phase II Drainage Study provided Bemidji Township and Steve Hill both agreed to participate in the cost. Bemidji Township has since decided not to participate. Steve Hill has stated that he would contribute a "proportional share". However, without Bemidji Township's participation, we do not anticipate any contribution from Mr. Hill. Chattin stated that any significant solution could cost in excess of \$1 million. Unless the Council would commit to such a solution, he recommended that they not do Phase II and further study is not necessary.

Negard stated that the City needs to address some flooding issues and was disappointed that Bemidji Township was not participating in the Study.

Chattin stated that there may be other things that can be done incrementally to assist without doing the Phase II Study. He stated that until other parties agree to participate, the City should not commit to any additional expense.

Johnson stated that the City is well aware of the problem and not turning its back on the residents. The Township is aware of it also. He stated that the City needs to keep working with the Township and County in this regard.

Waldhausen stated he would like to see the partnership with the other entities continue. He recommended that the study could be completed by any developer that may want to build in that area. Discussion continued regarding flood insurance and Chattin noted that the Joint Planning Board will accommodate flood insurance through their ordinance process.

Gray stated that his recommendation is to complete the Phase II study because there are benefits to completing the study.

Waldhausen asked if the developer has committed.

Chattin stated that Mr. Hill has not been contact but he would be willing to speak to him regarding his commitment. Chattin commented that the more the City does without partners, the more that will be expected for the City to do. As long as the City continues to pay for 100% of the project, why would the other parties commit.

Motion by Waldhausen, seconded by Johnson, to not complete the Phase II study. Motion carried unanimously.

Rental Policy

Johnson stated that he asked to have the rental policy discussion on the agenda as many single family homes in Bemidji are being bought and turned into rental property. He expressed concerns about parking and number of renters allowed in the rental homes. Johnson stated he would like a moratorium in place for rental property within the City like what other college towns have done to study the problem and come up with a solution. He commented that he would like the inner city blocks restored to nice neighborhoods.

Waldhausen stated that Bemidji is losing its neighborhoods to rentals and would like to see a balance between the number of rentals and homeowner occupied houses in a neighborhood.

Felix stated that we must determine what we are going to study and the recommendation from that study. He noted that staff have received copies of the studies from St. Cloud and other college-town cities for comparison.

Chattin stated that staff will bring an ordinance for a moratorium on single family rental property for a first reading at the July 6 meeting.

EVENT CENTER UPDATE

Gronhovd provided an overview of the project. He stated that there will be monthly site tours for the public on the first Wednesday of each month starting at 5:30 p.m. and neighborhood meetings on the first Thursday of the month. He noted that the wetland permit has been received. Discussion continued regarding the closing of First Street.

Motion by Waldhausen, seconded by Johnson, to approve Change Order(s) submitted by Kraus Anderson totaling \$48,123.43 for the BREC site project. Motion carried unanimously.

Chattin stated that two management firms will be interviewed for the Event Center on Tuesday, June 16.

CITIZEN NOT ON AGENDA

No one appeared.

UPCOMING MEETINGS

- Monday, June 22 5:30 p.m. Work Session – 2010 Budget/CIP Cashflow
- Monday, July 6 6:30 p.m. CGMC – Tim Flaherty
- Monday, July 6 7:00 p.m. Council Meeting
- Monday, July 13 5:30 p.m. Work Session - Audit Presentation
- Monday, July 13 6:00 p.m. Presentation – RDG Marketing

COUNCIL/STAFF REPORT

- Gray stated that the Irvine Avenue Neighborhood meeting was held last week and went fairly well.
- Felix stated that the City and DNR closed on property in the southshore.
- Waldhausen stated that the HPC have a number of ambitious goals which includes placing the original Nymore Beach House on the National Registry. Parks & Trails Commission met with Kimley & Horn and will be enhancing the design of City Park and reducing the cost.

ADJOURN

There being no further business, motion by Waldhausen, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 9:35 p.m.

Respectfully submitted,


 Kay M. Murphy
 City Clerk