

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – July 16, 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, July 16, 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, Markeson, Hellquist, Johnson, Erickson, Downs, Meuers.

AMENDMENTS TO AGENDA

Lehmann called for any amendments to the agenda. The following additions were requested:

- Resolution Approving the Closure of Streets/Sidewalks for Crazy Days
- Travel Authorization for the Mayor to attend a meeting in St. Paul (LMC) - Discuss Special Session

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

MINUTES

Minutes of the July 2 regular meeting, July 9 and July 10, 2007 work session were presented for approval. Motion by Hellquist, second by Markeson, to approve the minutes as amended. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$1,159,112.06. (Check #85 – to Lawntech Inc. which represents the work done on Mn/DOT will be held until the City Manager can review.)
2. Approved Gambling Permit: Raffle on September 30, 2007 at St. Philip's Church.
3. **RESOLUTION NO. 5420:** To Repair or Remove Structure(s) at 618 4th Street NW.
4. Approved 2007 Budget Change #10.
5. **RESOLUTION NO. 5418:** Awarded Contract to Northstar Materials in the amount of \$108,095 for the Birchmont Drive Mill & Overlay Project No. 07-09 (10th to 19th Street NE)
6. Approved Reapportionment of Special Assessments for Parcel Nos. 80.04939.00 and 80.00465.00 (Northern Inns - Gary Ganglehoff).
7. Authorized Purchase of a new Street Sweeper (MacQueen Equipment - \$174,954)
8. Authorized Letter of Support for the Freedom Defenders Phase 3 Funding
9. **RESOLUTION NO. 5419:** Approving the Closure of Streets/Sidewalks for Crazy Days.
10. Authorized Travel for the Mayor to attend a meeting to discuss a special session at the LMC in St. Paul (date to be determined).

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission

Leslie Rith-Najarian, BYC representative, reported that the Commission held elections for new president and vice president position and they will start in August. The Commission will be interviewing replacements of four (4) members.

Youth Commission By-Laws

Ms. Rith-Najarian stated that the Commission By-laws have been reviewed by the City Attorney and the Commission recommended approval with one change to the membership qualifications removing the following statement "presently enrolled in Grades 9 through 12 or in post-secondary educational institution". The Commission felt that not all youth may be enrolled but could serve effectively on the Commission.

Markeson stated that not a hundred percent of youth are enrolled and was in favor of the change. Mayor Lehmann stated that we want to encourage people to be in school but felt the Council should give them consideration to be on the Commission. Discussion continued on requirement for members to be enrolled in school. Downs recommended that at a minimum a “criminal” background checks be done on the students on the Commission. City Attorney Felix stated that background checks could be done, however, he did not recommend it as these are not positions of authority or handling money.

Motion by Johnson, second by Meuers, to approve the Bemidji Youth Advisory Commission By-laws with the requested exclusion. Motion carried unanimously.

PUBLIC HEARING

G.O. Bonds

Pursuant to published notice, a Public Hearing was held to receive input regarding the Five Year Capital Improvement Plan – Issue General Obligation Bonds to Finance a Portion of the Public Works Facility. Mayor Lehmann opened the Public Hearing at 7:20 p.m., hearing no comments the public hearing was closed.

OLD BUSINESS

Charter Interpretation and Suggested Hiring Policy Amendments

City Attorney Felix stated that the existing Charter and Personnel Policy provisions adequately address the “check and balance” between the Council and Manager for hiring. He stated that the Council could consider an amendment to the Personnel Policy that could clarify the hiring procedures for the City Manager.

Lehmann stated that the City’s ultimate goal is to train and recruit good employees.

Erickson commented that she felt the information sent by the City Attorney was not applicable. She stated that the core is in the Charter but she did not see a contradiction. She stated that changes cannot be made to the budget without approval by the Council and felt it was “clear as a bell” in the Charter.

Felix stated that he brought the non-union employee schedule as there is not just a pay table but there also text. He commented that how does the city manager deal with relationship for hiring as there is not just salary but benefits, i.e., PTO, moving allowances, etc. What other things does the city allow the person doing the hiring to attract a candidate for a position? What flexibility does the Council want to give the City Manager when hiring?

Erickson stated that the Charter is absolutely clear that the Council sets the budget and when there are alterations throughout the year that change the budget including salary outside the pay grade it is a Council decision. Erickson stated that it bothers her that going outside the pay grade and benefits offered as it affects the budget. Discussion continued on pay range and benefits.

Chattin stated he is looking for clarity as none of this has been followed in past practice and agreed that all hiring should be in the pay range. It is just a matter of how restrictive the Council wants to be. Chattin would like to see some latitude for moving expense or PTO.

Motion by Markeson, second by Johnson, to amend the Personnel Policy by adding the following statement to the end of the “Hiring Procedures” section, “However, any offer made to a prospective employee that is outside the approved salary range and/or benefit range, must first be approved by the Council”. Motion carried unanimously.

Erickson stated that the Pay Adjustments for Other Reasons section of the 2005 Non Union Classifications guidelines does not coincide with the change just made to the Personnel Policy and suggested that it be amended to state that it requires approval by the City Council.

Felix explained that this is within the pay salary range. This is a policy statement that gives the hiring authority flexibility to keep qualified employees. Felix stated that there is still a budget question and that comes under the Charter.

Markeson stated that the Council does not need to micromanaging. Erickson disagreed stating that this is a policy.

Motion by Erickson, second by Hellquist, to amend Section 10, Pay Adjustments for Other Reasons, of the City’s Pay Administration Guidelines Covering Non Union Classifications to state: “...will require approval by the City Manager and the City Council...” Motion failed by the following vote: Ayes: Downs, Erickson, Hellquist. Nays: Johnson, Markeson, Lehmann, Meuers.

NEW BUSINESS

Policy Manual Update

Chattin stated there has never been a policy to do performance evaluations (Policy 203). In addition, the Labor Management Committee recommended this amendment.

Motion by Erickson, second by Johnson, to approve Policy 203 Performance Evaluations). Motion carried unanimously.

Irrigation System at Diamond Point Park

Motion by Hellquist, second by Meuers, to postpone the request for irrigation system for Diamond Point Park. Motion carried unanimously.

Chat-A-Bout Topic

Meuers will be on the August 6 Chat-A-Bout regarding the National Guard Homecoming event.

Parks & Recreation Commission Appointment

Lehmann stated that Councilmember Downs has applied to be a voting member on the Parks & Recreation Commission. He stated that this is a citizen advisory committee which makes recommendations to the Council and then the Council votes on the items. He commented that if Councilmember’s serve as a voting member on the Commission, they would in essence get another vote. He stated he was not in favor of the appointment.

Downs stated that the City Manager suggested that all Councilmembers become voting members on the Commission for better continuity. He stated concerns regarding the responsibility of making decisions regarding the spending of the sales tax money.

Felix stated that there is a danger that the citizens will feel that the Council is taking over and it becomes nothing more than a subcommittee of the council.

Hellquist stated that he serves as an ex-officio member on Jaycees and DDA. However, these committees are not commanding an \$11 million of the City’s money and had a lot of influence on Diamond Point Park. He felt when the Commission made its recommendations that he should follow them and felt that it may be good to have a voting member on it.

Markeson stated that there is nobody on the Council as knowledgeable in the area as Councilor Downs but is concerned about getting the citizen input.

Downs felt that the irrigation system at Diamond Point Park was overlooked by the Commission and felt that if he was involved he would have watched it more closely.

Erickson stated that if Downs is appointed to the Parks & Recreation Commission, what would give him more leverage as a voting member. There are three councilors that are on the Commission and why would his being a voting member give him more leverage.

Felix stated there is nothing in the Charter that prevents the Council from serving as a voting member on the Parks & Recreation Commission.

Downs stated that his interest is only until the sales tax money is spent.

Chattin stated that in his past experience at other cities and counties it helps to have one or two members serve on a committee. He felt that it was good to have council members on there, as it gives buy in to the committee and they have a vested interest. However, on the down side it is no longer citizen advisory committee.

Motion by Hellquist to appoint Jerry Downs as a voting member on the Parks & Recreation Commission. Motion failed due to lack of a second.

ORDINANCE

ORDINANCE NO. 17, 3RD SERIES, AN ORDINANCE Vacating an Alley (Located between Grant and McKinley Avenues SE and 3rd and 4th Street SE) was given a final reading and passed by unanimous vote.

EVENTS CENTER UPDATE**Consider Proposal from HRDC**

Lehmann stated that the Council received a proposal from HRDC to be coordinator for the Event Center project.

Eischens recommended sending this proposal and the scope of work to the grant coordinator before they look to other funding sources. Staff cannot give the Council a definitive answer until the grant manager has reviewed the proposal. The general feeling of the grant coordinator is that if we hire staff to do what city staff does it is reimbursable.

Erickson asked if the grant does not find this as a qualifying expense, where are funds available? Eischens stated that the Council paid for the initial CSL study from UDAG funds and the Council could use those funds if needed.

Hellquist stated that a definitive list from BSU is needed and HRDC should broker the discussion. He stated that \$50,000 is a lot to spend to get to the discussion. He felt that the rest of the HRDC's proposal was "fluff" and felt that it boiled down to BSU.

Mayor Lehmann commented that staff is busy with Joint Planning and do not have time for the Event Center and was in favor in taking this off of the city staff and let them focus on other duties.

Chattin commented that staff will certainly be able to step back a little bit; however, they will still be intimately involved with the project. He stated that there is a laundry list of items to be completed to keep the project moving forward.

Hellquist thought that WSN would take care of appraisals and land purchasing.

Paul Richards, WSN, discussed the terms of the contract between an architect and an owner stating that the owner provides the decision-making and the architect responds with professional experience in support of those decisions.

Erickson stated that the crux of the situation is how much use will the City have of the facility and then we can determine the types of revenue and expenditures and how much use will BSU have. It was her understanding that HRDC would broker the discussion with BSU. She wondered why we are expending energy in appraisals, etc., if the City cannot come to a decision that is viable and cost affective for both partners.

Johnson stated that the HRDC will be doing a lot more besides discussing the partnership with BSU. HRDC can assist in pulling the pieces together for the project and keep it moving forward as time is running out.

Markeson stated that the City and BSU have certain expectations and it is good to have a third party come in to negotiate.

Meuers stated that HRDC should sit down and talk with BSU first.

Hellquist stated that if we cannot provide what BSU wants to be an anchor tenant in the facility the project becomes moot if we cannot build it for \$50 million. He commented that the proposal from the HRDC does not offer specific deliverables.

Chattin commented that if the Council decides to hold up the project until BSU negotiations are finished, it may be too late for the 2008 bonding bill.

Johnson stated that there are a lot of things that need to be happening. If HRDC cannot get an agreement with BSU, they will stop the process.

Motion by Johnson, second by Downs, to hire HRDC as the Event Center Coordinator not exceeding \$48,500 using the grant funds, however, UDAG funds. Motion carried

with the following vote: Ayes: Lehmann, Meuers, Erickson, Downs, Johnson, Markeson. Nays: Hellquist.

UPCOMING MEETINGS

- July 23 5:15 p.m. Special Work Session
- July 24 12:00 noon Coalition of Greater Minnesota Cities w/ Council
- August 6 7:00 p.m. Council Meeting
- August 8 6:00 p.m. Greater Bemidji Joint Planning Board @ Northern Hall
- August 13 5:30 p.m. Work Session – 2008 Budget
- August 20 7:00 p.m. Council Meeting

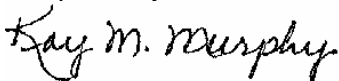
COUNCIL/STAFF REPORT

- Chattin stated that he along with Councilor Downs and Tony Walzer will be meeting with the Walker Bike Club and City of Walker officials to discuss ways to complete the paving of the Walker to Guthrie trail. There is companion legislation that has been initiated by McGaughey.
- Lehmann attended the rededication of Babe the Blue Ox. He visited with Gary Johnson and Lori Paris who will be bringing a proposal for placement of a plaque by Babe for Council's consideration. Journey 3 played music at the Roger Lehman Park on Saturday evening and close to 70 people attended. He spoke with Senator Klobuchar who was impressed with our community. The Senator stated that she will be promoting through the appropriations committee at the Senate money for the airport.
- Downs stated that the Paul Bunyan Playhouse is in its 70th year and encouraged everyone to attend a performance.
- Johnson reported that DreamCatcher Aviation gave a presentation at a special Airport Commission meeting last week. Johnson stated that he recently spoke with Ann Higgins from the League regarding legislation that may be introduced next year which would significantly reduce or eliminate the City's ability to franchise cable companies. He will ask permission at the next meeting if he is appointed.
- Markeson reported that last week he met with an adhoc group as part of the Heritage Preservation Commission and discussed improvements to the Carnegie Library. The group is looking at a number of grants to make improvements without using City funds.
- Meuers stated there will be a Library Board meeting on Tuesday. Hero Hankies on sale for the returning National Guard members.
- Erickson stated that the America In Bloom judges arrive in Bemidji on Wednesday, July 18-19.
- Hellquist provided an update from the DDA who are busy marketing Bemidji and events. There will be a downtown history tour on Friday, July 20 begins at the History Center. Parking lot is posted for "no overnight occupation of vehicles".

ADJOURN

There being no further business, motion by Hellquist, second by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 9:05 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk