

# CITY COUNCIL PROCEEDINGS

## BEMIDJI, MINNESOTA

### Regular Meeting – April 6, 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, April 6, 2009 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, Waldhausen, Hellquist, Downs, Negard, Meuers Absent: Johnson

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

#### **AMENDMENTS TO AGENDA**

Mayor Lehmann called for any amendments to the agenda.

- Councilmember Negard asked that Tyler Estates be added to the agenda.

**Motion by Meuers, seconded by Downs, to approve the agenda as amended. Motion carried by unanimous vote.**

#### **MINUTES**

Minutes of the March 16, 2009 regular meeting and March 23, 2009 work session were presented for approval. Downs noted his last name was misspelled in the March 16, 2009 minutes. **Motion by Downs, seconded by Negard, to approve the minutes as corrected. Motion carried by unanimous vote.**

#### **CONSENT AGENDA**

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$1,074,879.00
2. Approved miscellaneous business licenses for 2009
3. Approved Budget Changes No. 1
4. Awarded Quote for Lift Station and Storm Sewer Cleaning & Sanitary Sewer Television Inspection to Veit & Companies (\$39,459)
5. Declared Equipment Surplus – 1999 Dodge – Park Department

**Motion carried by unanimous vote.**

#### **COMMITTEE REPORTS**

Bemidji Youth Advisory Commission – Kaija Roy, BYA representative, reported on Commission activities. She stated that the Commission continues to work on a closer partnership with BSU Senate. They have finalized the T-shirt, sponsors list and bands for June 7 Youth Day. A Listening Lunch is planned for April 16 regarding tips for interviewing and resumes. The Commission is exploring the idea of the City Council conducting a meeting at the school. She reported that the Commission needs to raise another \$130,000 to reach their goal for the skate park.

Bemidji State University Student Senate - Ryan Schwingler, Senate Co-President, reported that the first on-line election was held with 530 students voting. He stated that the number voting was five times more than last year. He thanked everyone that attended the BSU Hockey team rally. There will be a listening session on April 15 regarding BSU budget and a survey of students will be taken.

**PRESENTATION****Jaycees Water Carnival**

April Bohlman, Co-Chair for the Jaycees Water Carnival, requested use of the waterfront and Library Park for the 65<sup>th</sup> Annual Water Carnival. She stated that the tent used for the entertainment will be erected the week prior to the water carnival and be used by Fishing Has No Boundaries.

Waldhausen requested that the band speakers be faced away from Lake Boulevard residences.

Char Blashill, Bemidji Jaycees, stated that a wall has been erected on the north end of the entertainment tent which has helped reduce complaints. Discussion continued regarding the location of bands.

Hellquist stated that last year the overtime cost for police was over \$3,000 and he suggested that the Jaycees help with those costs. He suggested that the beer tent consider closing earlier. He commented that there are three councilmembers on the Water Carnival Committee and that they have not been included in the planning.

Ms. Blashill pointed out that the Jaycees pay for the 4<sup>th</sup> of July fireworks at a cost of over \$13,500 and they have never asked the City for any contribution. Discussion continued regarding the cost of police officers.

Lehmann noted that Jaycees donations are given to community, i.e., defibrillators for the Fire Department. Ms. Bohlman commented that donation requests are reviewed by the Jaycee's Board.

**RESOLUTION NO. 5548a: Approving the Site for the 2009 Jaycees July 4<sup>th</sup> Celebration including the requirement that the Jaycees pay \$2,000 toward police officer overtime, was offered by Councilmember Meuers, who moved its adoption, and upon due second by Councilmember Downs was passed by unanimous vote.**

**Motion by Hellquist, second by Negard, to approve a 1-4 day Temporary On-Sale Liquor License – July 1-4, 2009 – Jaycees. Motion carried unanimously.**

**NEW BUSINESS****2009 Street Renewal Project**

Gray stated that a bid opening for the 2009 Street Renewal Project (#09-02) was held on March 25, 2009, and eight bids were received. A bid alternate for the milling of the existing bituminous parking lots at the old MnDOT building and at the Rako Yard was included in the bid. He stated that the bid price is good and staff recommends that the bid award to Northdale Construction of Albertville, Minnesota in the amount of \$760,979.87.

Discussion continued regarding the possibility of selecting a local bidder. Felix stated that the City should choose the lowest responsible bidder.

**RESOLUTION NO. 5549a: Awarding Bids to Northdale Construction for \$760,979.87 for the 2009 Street Renewal Project (Project #09-02) was offered by Councilmember Hellquist, who moved its adoption, and upon due second by Councilmember Negard was passed by unanimous vote. Ayes: Waldhausen, Hellquist, Meuers, Lehmann, Negard. Nays: Downs.**

**Bond Sales**

Eischens stated that the bond sale includes two components: 1) refinancing of current bond issues and 2) street improvement. In order to minimize bond sale and issue costs, the two components were combined into one bond sale.

Myron Knutson, PFM Funds, stated that the City received five bids on each bond. The rates on the short end are very low and both bids received are excellent. The City will realize a net savings of \$99,224 on the 2009B bonds and \$92,111 on the 2009C bonds.

**RESOLUTION NO. 5550a: Awarding the Sale of General Obligation Water and Sewer Revenue Refunding Bonds, Series 2009B; Fixing Their Form and Specifications; Directing their Execution and Delivery; Providing for Their Payment; and Providing for the Redemption of Bonds Refunded Thereby was offered by Councilmember**

**Hellquist, who moved its adoption, and upon due second by Councilmember Meuers was passed by unanimous vote.**

**RESOLUTION NO. 5551: Awarding the Sale of General Obligation Street Reconstruction and Refunding Bonds, Series 2009C; Fixing Their Form and Specifications; Directing their Execution and Delivery; Providing for Their Payment; and Providing for the Redemption of Bonds Refunded Thereby was offered by Councilmember Downs, who moved its adoption, and upon due second by Councilmember Waldhausen was passed by unanimous vote.**

City Hall HVAC – Project 08-22

Gray stated that the bid opening for the HVAC project was held on April 2 and five bids were received. The City requested a bid alternate that would require that the contractor complete all the work during non-business hours at City Hall. Staff recommends that the bid award be based on the base bid and the bid alternate to Frenzel Construction.

**Motion by Hellquist, seconded by Waldhausen, to award the bid for City Hall HVAC Replacement (Project #08-22) to Frenzel Construction in the amount of \$381,000. Motion carried unanimously.**

Additional Construction Bids - BREC

Clinton Gronhovd reviewed the bids received. Kraus-Anderson recommended award of contracts to the following bidders and permission to reject and rebid the work scopes noted.

Work Scope	Contractor	Bid Amount
6.1 General Construction	Donlar Construction Co.	\$440,680.00
7.1 Waterproofing	Kremer and Davis, Inc.	\$40,500.00
9.5 Resinous Flooring	Reject All Bids	
12.2 Arena Seating	Reject All Bids	
12.2 Telescoping Stands	Reject All Bids	

**Motion by Hellquist, seconded by Waldhausen, to award contracts to the bidders as recommended by Kraus-Anderson Construction for the Bemidji Regional Event Center. In addition, reject the bids received for resinous flooring, arena seating and telescoping stands and rebid. Motion carried with the following vote: Ayes: Waldhausen, Negard, Hellquist, Lehmann, Downs. Nays: Meuers.**

Paul Bunyan Transit Property

Chattin stated that Paul Bunyan Transit has recently been awarded a Federal Stimulus Grant of \$1 million for facilities and land. Their preference would be to expand their current facility to the south but additional property is needed to accommodate that expansion. The City has negotiated a price of \$70,000 to purchase the adjacent 1.53 acre parcel for the Paul Bunyan Transit expansion. Although PBT has been notified of their grant award they do not have the funds to purchase the property before their grant contract is executed. PBT has requested that the City purchase the property and hold it until PBT can make the purchase, hopefully with their grant funds.

**Motion by Waldhausen, seconded by Hellquist, to purchase the 1.53 acres south of the current bus garage using UDAG funds as temporary funding with the expectation that PBT will purchase/reimburse the City for its costs as soon as they have grant funds available. Furthermore, sell the existing facility to PBT for \$23,440. Motion carried with the following vote: Waldhausen, Hellquist, Meuers, Downs, Lehmann. Abstain: Negard.**

Services of David Turch & Associates

Chattin stated that at the joint meeting with Beltrami County, the Council directed him to work with the County to determine how the City could partner with them, through their lobbying contract with David Turch and Associates (DTA), to promote city projects at the federal level.

Hellquist noted that the Bemidji Regional Airport uses DTA and they have seen results.

**Motion by Hellquist, seconded by Downs, to partner with Beltrami County in their agreement with David Turch and Associates in the amount of 25% plus travel expenses to participate in efforts to promote the City’s agenda in Washington D.C. Motion carried unanimously.**

Tyler Estates Flooding

Lehmann noted that residents from the Tyler Estates were present and asked for the designated spokesperson to come to the podium.

Pete Hartman, 3908 Valley View Drive NE, thanked the many volunteers that assisted with the sandbagging and the moving of personal belongings. He stated that the flooding issue is still a problem in the Tyler Estates. The lower level of his home is a total loss. He stated that the residents are very concerned that the flooding will continue in this area. He is unable to purchase flood insurance within the City limits and questioned why the City did not apply for flood insurance in the past. He further asked why the homes were allowed to be constructed in the area. He stated that he would like the City to consider purchasing the three homes that are in this problem area.

Lehmann stated that the pond that was constructed last summer was thought to provide a solution.

City Engineer Gray stated that additional work was done in 2007 to make the ponds larger, but a portable pump is still required to pump from one pond to another, and that this is not a permanent solution. He then went on to describe the two ponds that were built. Gray stated that flooding could happen again and there is probably no option that could ever guarantee that it would not flood again. However, Gray recommended that the Council have a work session to discuss the issue further. To date, the City has spent approximately \$30,000 of City staff and equipment at Tyler Estates. He stated he believed there are three options: 1) install a gravity pipe to the Mississippi River; 2) build up Tyler Avenue and someone would have to purchase a drainage easement from the farmer to the east; or, 3) remove the three homes that are closest to the pond and build another pond.

Lehmann asked that Gray review the three options further for the Council's consideration at a work session.

Hellquist stated a possible fourth plan be available which is contacting the developer and holding him responsible for his role in the creation of the housing development.

Felix stated that this is between the homeowners and the developer. Felix stated that the 40 acres of Tyler Estates collects and stores its own stormwater. However, the watershed is from a greater 500 acre area which collects between the two developments. The City has tried to address the stormwater issue.

Negard stated that the water comes from the township and the county and he would like the entities to get together to solve the problem.

Chattin stated that staff has spent dozens of hours on this issue and have been at the site working since the flooding began. He commented that the County is looking for a disaster declaration which should provide some FEMA funds. The most expedient way to get funds is through a FEMA buyout. Hopefully, staff can find a resolution through FEMA. The worst case scenario would be civil suits. He stated that time is of the essence.

Meuers asked that staff move quickly and keep the residents informed.

Felix stated that to participate in the National Flood Insurance Program (NFIP) requires an application from the governing body. The application requires a resolution of the governing body that makes the application as well as a land use ordinance to give some guarantee, if you will, to the NFIP that the entity will take precautions to prevent flooding in flood prone areas. It has not been done at this time and it is unfortunate that the City had not applied for the NFIP. It has been brought to the attention of the Joint Planning Board which oversees the City, Bemidji Township and Northern Township. There are other issues in the surrounding townships and it seems to be appropriate that the Planning Board do what needs to be done on behalf of the three entities.

Gray added that time is of the essence and he will do more background work. He may need to hire an outside consulting firm to look at this with the City and to come up with some permanent solutions. Staff will provide an update, at a minimum, at the April 27 work session.

Brodie Karger, 3913 Prairie Street NE, noted that there is a problem with the water handling that comes from Power Dam Road and Tyler. The culvert spreads water across Mr. Brodie's lawn and the ground cannot keep up with the water coming through the culvert. He

mentioned the need to waive demolition permits and it was noted that the Building Official is already doing this.

### **ORDINANCES**

Chattin commented that staff will bring the Street Light Utility Fee up for discussion on April 13 at the work session.

City Attorney Felix stated at the March 16 Council meeting, the Council discussed delaying or postponing adoption of the two ordinances regarding Street Light Utility fees, to permit further evaluation of City budgetary options, including reaction to any legislative action respecting Local Government Aid (LGA). Therefore, staff recommends that the Council continue the final reading to the next regular Council meeting on April 20, 2009.

**Motion by Hellquist, seconded by Meuers, to continue the Final Readings of the Ordinances Amending Chapter 26 Pertaining to the Operation and Maintenance of the Street Lighting System and Amending the 2009 Fee Schedule until the April 20, 2009 City Council meeting. Motion carried unanimously.**

Held the First Reading of an Ordinance Amending an Uncoded Section of the Bemidji City Code (Authorizing the Transfer of Real Property – Paul Bunyan Transit).

### **EVENT CENTER UPDATE**

Clinton Gronhovd, Kraus-Anderson BREC Project Manager, noted that the groundbreaking ceremony was held on April 3. Compaction is going on at the site and Reiersen Construction will begin earthwork the week of April 13.

### **CITIZEN NOT ON AGENDA**

Shad Swanson, 3807 Valley View Drive NE, was at the previous meeting where discussion was held regarding the Tyler Estates developer. He commented that ultimately the project should not have been allowed. He stated that there needs to be some type of pump to move the water to the Mississippi River. He expressed concerns that flood insurance will affect the value of his home.

Andrew Spath, 1305 Birchmont Drive NE, urged the Council to have a long-term vision for the community. The BREC is needed; however, he is concerned about the operating budget. He suggested that the Council use more renewal energy, i.e., wind farm, solar panels, etc.

Erica Bailey Johnson, 9008 Colt Drive NE, stated that she is the sustainability coordinator at BSU. She suggested that the City should be planning and thinking long-term. She commented that the BREC is a wonderful opportunity for our community but she is a big proponent that the BREC be sustainable – socially and economically. She has heard concerns about the cost of operating the BREC. She stated that with the bids coming in lower, perhaps this provides an opportunity for the City to explore making the building more sustainable. She recommended that the next step is to invite community members to a future work session with the Council to discuss sustainability. She stated that she is willing to meet with individuals regarding renewal energy.

### **UPCOMING MEETINGS**

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|--------------------|-----------|---|
| • Monday, April 13 | 5:30 p.m. | Work Session – Year 2008 Financial Review |
| • Monday, April 20 | 7:00 p.m. | Council Meeting                           |
| • Monday, April 27 | 5:30 p.m. | Work Session – Tyler Estates Flooding     |
| • Monday, May 4    | 7:00 p.m. | Council Meeting                           |

### **COUNCIL/STAFF REPORT**

- Mayor Lehmann congratulated the City Clerk on her recent election to the position of MCFOA Region I Vice President.
- Waldhausen reported that the Home Sport and Travel show was well attended. He invited everyone to attend the Bemidji District Cub Scouts annual pinewood derby at the mall on Saturday, April 18.
- Negard stated he met with the Tyler Estates residents last week and hoped that the City can come to some type of solution for them.
- Hellquist stated that the DDA meets on April 8 and are looking at a number of issues regarding dues and costs and getting more input on Lot 3. He asked why the Council was not informed about the Seasonal Special Events Coordinator in the Parks Department. Chattin stated that it is merely a better description of duties and the position is in the budget. Felix commented that the City has always hired three to four

positions during the summer for parks department. Hellquist noted that there is a parking problem on the corner of Norton and 21<sup>st</sup> Street and would like to see a regular patrol go through this intersection. Chattin will follow up with Chief Johnson. Hellquist inquired about the status of administrative fines. Felix responded that the County Attorney's goal is to establish the diversion program. However, the County Attorney has been busy hiring the additional staff to handle the City's additional workload. Hellquist expressed dissatisfaction with the enforcement of the city's noise ordinance by the court.

- Eischens stated that the auditors have completed their review and no significant problems have been noted.
- Chattin stated that the BREC Design Review Committee met on Thursday and looked at brick and stone work. He commented that the sustainability of the BREC will meet a B-3 standard and that the building will be extremely sustainable. The commissioning agent hired by the City is looking at additional insulation and solar panels for the BREC and a recommendation will be coming to the City.
- Felix suggested that Erica Bailey Johnson could meet with the Community Development Director regarding sustainability in the City of Bemidji.

**ADJOURN**

There being no further business, motion by Downs, seconded by Waldhausen, to adjourn the meeting. Motion carried. Meeting adjourned at 8:50 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk