

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – October 20, 2008

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, October 20, 2008 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, Johnson, Erickson, Downs, Markeson, Hellquist. Absent: Meuers.

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Finance Director Ron Eischens, Parks & Recreation Director Marcia Larson, Public Works Director Andy Mack, City Clerk Kay Murphy

AMENDMENTS TO AGENDA

Mayor Lehmann called for any amendments to the agenda. Motion by Johnson, seconded by Hellquist, to approve the agenda as presented. Motion carried by unanimous vote.

MINUTES

Minutes of the October 6, 2008 regular meeting and October 13, 2008 work session were presented for approval. Motion by Erickson, seconded by Johnson, to approve the minutes as presented. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$1,088,292.00
2. **RESOLUTION NO. 5519:** Adopting Assessment Rolls for City Project #08-11 (2008 Industrial Park Expansion)
3. **RESOLUTION NO. 5520:** Adopting Assessment Rolls for Water/Sewer Deferred Assessment Fees (Connections Completed in 2008)
4. **RESOLUTION NO. 5521:** Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessment Rolls, and Establishing a Date for Public Hearing for City Project #06-02 (Birchmont Drive Parcel No. 80.00463.00)
5. Accepted Bid and Awarded Contract for 30th Street Storm Sewer Crossing (City Project #08-21)
6. Approved Purchase of a Truck – Parks Dept. (\$17,325.20 from Monticello Ford-Mercury)
7. Approved Purchase of Scheduling Software – Parks Dept. (\$4,839 from Maximum Solutions)

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Chris Bowman, BYA representative, reported that the BYA October newspaper article will be on the school referendum and that there has been a change in BYA chair. Bowman reviewed the Pay It Forward tour stating that they traveled through the Midwest region doing community service and ended in Chicago.

Bemidji State Student Senate - Becky Boe, co-president BSU Student Senate, reported that the Senate supports the Minnesota Clean Water and Legacy Act which will be on the November ballot. Members of the Senate will be attending an upcoming Diversity Conference in St. Paul. She stated that Senate members also participated in the Pay It Forward Tour with the BYA Commission.

NEW BUSINESS**Legal Services regarding the South Shore Development Project**

Councilmember Erickson requested the item be removed from the Consent Agenda to discuss it further, including hourly rates.

Felix stated that pursuant to a Request for Proposals (RPF) for legal services with regards to the City's Southeast Lake Bemidji Development Project, the City received a limited number of responses. He stated that the fees range from \$175/hour (Drahos firm) up to \$414/hour. The basis for requesting proposals is that the City (and its BEDA) has assumed the role of developer in this Project. The service of experienced legal counsel is desired to assist with: 1) preparation of development strategy; 2) application for/procurement of necessary zoning, subdivision, and other regulatory approvals and permits; and 3) preparation of necessary documents, agreement and/or instruments related to zoning, subdivision and the general development process.

Chattin stated that the PUD has been delayed and should have been prepared at the same time as the AUAR. Erickson asked the Finance Director where the funds will come from to pay the legal counsel. Eischens stated that funds will come from a number of sources including sales tax.

Motion by Johnson, seconded by Markeson, authorizing the City Manager to enter into Professional Services Agreement for legal services with the Drahos firm for the South Shore Lake Bemidji Development Project. Motion carried with the following vote: Ayes: Markeson, Hellquist, Lehmann, Johnson, Downs. Nays: Erickson. Absent: Meuers.

Parks and Trail Development Priorities

Larson, Parks & Recreation Director, reviewed the park and trail development priorities proposed by the Parks & Trails Commission. The following improvements were listed for "cornerstone" parks:

- | | |
|------------------------|-------------|
| 1. Bemidji City Park | \$3,250,000 |
| 2. Paul Bunyan/Library | \$852,000 |
| 3. Brinkman Park | \$40,000 |

Larson stated that the total costs for park development are \$6,509,100 and the sales tax will not cover all items proposed. However, these are estimates and partnerships will be explored for additional funding.

Larson noted that staff held listening meetings for City Park user groups which were attended by approximately 40 people. It is the goal of the group to retain the current uses available at the City Park.

Downs asked about signing the town for bike awareness and suggested that the bike signing be moved up as a higher priority and coordinated with the County in Spring of 2009.

Erickson noted that residents need to realize that not all the items on the list may be accomplished due to funding.

Johnson noted that when the money runs out it does not mean that the parks will not be improved but other funding sources will have to be explored.

Motion by Markeson, seconded by Downs, adopting the Park and Trail Development priorities as proposed with the condition that bike trail signage be moved as a higher priority. Motion carried unanimously.

Construction Management Services – Event Center

Hellquist commented that the Council may be changing in the next two weeks and suggested that the Council might want to postpone the approval of a construction manager until later in November.

Chattin stated that discussion regarding the lease with BSU is complicated; however, they are making progress. The numbers and the basics for the lease have been agreed to. He stated that there are areas to be worked out, i.e., game day what does the university provide for staff. He stated that they hope to have the lease worked out before the end of October in time for MnSCU's meeting in mid-November.

Erickson noted that she received calls regarding the dollar spread on the construction and the choice of Kraus Anderson is more than \$261,000 from low bid.

Chattin responded that Kraus-Anderson was the second lowest bid. The low bid was eliminated by the committee as they felt that they were unable to provide the services needed by the City.

Erickson asked what the status is for hotel partners. Chattin responded that the RFP closes on October 21 and that approximately 200-300 proposals were sent out.

Hellquist stated that he has no problem with Kraus-Anderson being awarded the contract.

Chattin stated that we are behind the curve on the project and a project of this size should have had the construction manager involved earlier. The construction documents are half prepared and will be completed by the end of December.

Lehmann asked what would happen if contract is approved to Kraus-Anderson and the project is dropped.

Jeff Iisakka, VP and Director of Operations, Bemidji Office of Kraus Anderson (KA), stated that preconstruction reimburseables for first five months would be \$15,000. KA would be paid after the project started and would charge an hourly rate, if the project was dropped, of approximately \$50,000. He stated that it is important to note three elements: 1) cost, 2) quality and 3) schedule. The goal of the construction manager is to be the owner's advocate and look out for the City's and resident's best interests. The construction manager should have been involved months ago to control costs with the development of the construction documents. It is KA's intent to provide the highest level of quality at the lowest cost. In addition, they would set milestone dates to accomplish the project.

Erickson asked what the immediate need is for a construction manager.

Iisakka responded that they would dig into the plan and determine if the budget is accurate. If the budget cannot be met, they will work with changing the design to meet the budget.

Felix asked if KA would honor their bid if the Council voted to delay awarding the contract. Iisakka responded that KA would honor their bid.

Motion by Hellquist, seconded by Erickson, to table the recommendation for construction management firm until the second meeting in November. Motion failed by the following vote: Ayes: Erickson, Hellquist. Nays: Lehmann, Johnson, Markeson, Downs.

Motion by Markeson, seconded by Johnson, to authorize staff to draft and execute a contract with Kraus-Anderson for Construction Management Services for the Event Center. Motion carried with the following vote: Ayes: Downs, Lehmann, Markeson, Johnson. Nays: Hellquist, Erickson. Absent: Meuers.

ORDINANCES

AN ORDINANCE Amending the City Fee Schedule for 2009 was given a first reading.

AN ORDINANCE Amending Chapter 16, Article II of the Bemidji City Code relating to Fire Code was given a first reading.

External or Outdoor Free-Standing Stoves or Furnaces

Felix recommended the public hearing be continued to another council meeting regarding the ordinance amendment. Smoke that impacts residents has respiratory issues. The stoves are safe.

Council made the following comments:

- Markeson stated he liked the Central Boiler draft ordinance and suggested that a compromise be developed between the two ordinances.
- Hellquist stated that he has received a couple of calls of residents who have ordered stoves and the concern is will they meet the ordinance requirements.
- Erickson commented that it is not so much a safety issue but a health issue. She asked if there was emission controls on the stove.

Pursuant to published notice a public hearing was held regarding input on an Ordinance Amending Chapter 14 of the Bemidji City Code to Regulate the Burning of Solid Fuels in External or Outdoor Free-Standing Stoves or Furnaces. Mayor Lehmann opened the Public Hearing at 8:00 p.m.

Barb Fellman, 1105 America Avenue NW, stated that she has an outdoor stove and they did a lot of research when choosing the stove. She noted that were constrained by the size of their lot.

Erickson asked if we know how many outdoor stoves are in the city. Felix responded that the City does not know.

Michael O'Rourke, Wilkening Fireplace, stated that he is available to answer any questions that the Council may have regarding outdoor stoves. As an association, they have worked with EPA to make their products as clean as possible. There are clean outdoor burning wood units. He stated that the new wood stoves are expensive. He suggested that when something breaks down then the homeowner should upgrade to a newer stove.

Erickson asked if there is something that could be purchased to add to an older stove to reduce its emissions. Mr. O'Rourke responded no.

David Mathisen, 3620 Sherman Drive NE, has been a wood burner for a number of years. He noted that a number of communities have incentives to replace pre-1992 woodstoves and provided information to the Council.

Kelly Skime, 4635 Power Dam Road NE, stated that it is a "knee jerk" reaction to only two complaints and recommended more research with the Fire Department.

Hearing no further comments, Mayor Lehmann closed the public hearing at 8:19 p.m.

Motion by Hellquist, seconded by Markeson, to continue the public hearing until the November 17 meeting. Motion carried unanimously.

EVENT CENTER UPDATE

The Council received an update from Leo A Daly. Chattin stated that Leo A Daly is tentatively planning to come to Bemidji on November 6 and 7 to meet with the Council. Staff continues meeting with BSU regarding the lease agreement.

UPCOMING MEETINGS

- | | | |
|------------------------|-----------|--|
| • Monday, October 27 | 5:30 p.m. | Work Session – Street Impr. Plan/Bonding |
| • Monday, November 3 | 7:00 p.m. | Council Meeting |
| • Tuesday, November 4 | | General Election |
| • Thursday, November 6 | 5:30 p.m. | Canvassing Board |
| • Monday, November 10 | 5:30 p.m. | Work Session - TBD |

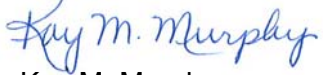
COUNCIL/STAFF REPORT

- Johnson reported that the Airport Commission will meet on Wednesday, October 22.
- Hellquist stated that the Boys & Girls Club will be meeting on October 24. Hellquist thanked the construction management committee for their work on reviewing construction management firms for the event center.
- Lehmann attended a dining out event with the Civil Air Patrol.
- Murphy stated that the City has received its third bloom from America In Bloom. Participation in the program started in 2005. Northwoods Habitat for Humanity will be having it first women's build in September of 2009.
- Chattin stated that staff met with LELS Patrol officer union to continue negotiation on their contract. He attended the Board of LMC and has a draft of the 2009 City policies for those that are interested in reviewing. The City has received a number of offers from the DNR for property in the South Shore area which staff will bring to the next work session.

ADJOURN

There being no further business, motion by Downs, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 8:31 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk