

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – December 7, 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, December 7, 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, Johnson, Hellquist, Downs, Negard, Meuers

Staff Present: City Manager John Chatten, 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. The following items were requested to be added to the Consent Agenda:

- Resolution in Opposition of the Governor's Proposed Unallotment of LGA
- Travel Authorization - Councilor Johnson St. Paul on December 10

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

MINUTES

Minutes of the November 16, 2009 regular meeting, the November 16, 2009 BEDA meeting and November 9, 2009 work session were presented for approval. **Motion by Meuers, seconded by Negard, to approve the minutes as prepared. Motion carried by unanimous vote.**

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$1,727,615.39
2. Miscellaneous 2009 and 2010 Business License(s)
3. Held First Reading of Beer License Renewals for 2010
4. Miscellaneous Liquor, Wine and Club License Renewals for 2010
5. One Day Temporary Consumption & Display Permit for the Headwaters Science Center on 2/27/2010
6. Appointment to the Library Board – Rachelle Houle
7. Budget Modification No. 4
8. **RESOLUTION NO. 5597:** Revoking Municipal State Aid Street (Grant Avenue SE from 1st Street to 4th Street SE)
9. **RESOLUTION NO. 5598:** Establishing Municipal State Aid Street (Park Avenue from TH197 to 30th Street NW)
10. **RESOLUTION NO. 5599:** In Opposition of the Governor's Proposed Unallotment of LGA
11. Travel Authorization – LMC Rally on December 10 in St. Paul - Johnson

Motion carried by unanimous vote.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Amber Armstrong, BYA representative, stated that the BYA Commission are working on three major projects. They are: survey of youth, an event at the Boys & Girls Club in February featuring local bands and the June 7 Youth Day.

BSU Student Senate – No one appeared.

TRUTH IN TAXATION PUBLIC HEARING

Pursuant to published notice a public hearing was held regarding input on the 2009 Truth in Taxation.

Finance Director Ron Eischens stated the purpose of the Truth In Taxation Hearing was to review the 2010 City budget and tax levy and required by State law. The percentage increase in the proposed property tax levy is 19.9% or \$613,000, which is an increase in property tax rate of 35.9% to 41.2%. The tax increase is the result of Local Government Aid (LGA) cuts in 2008 and 2009. The budget increase of \$21.5 million is due primarily to bonding and construction activity on the southeast shore of Lake Bemidji. He stated that the Council will approve the final budget at their regular meeting on December 21, 2009.

Mayor Lehmann opened the Public Hearing at 7:18 p.m.

- Gregory Paquin, 1511 Roosevelt Road SE, commented that the pipeline should be contributing to the City's commerce.

With no further comments, Mayor Lehmann closed the Public Hearing at 7:20 p.m.

NEW BUSINESS

BREC Advisory Board Appointments

Mayor Lehmann stated that at the Council's meeting on November 16, the BREC Advisory Board was created consisting of seven members. Those members are: the City Manager, two Council members, Finance Director and one representative each from BSU, Chamber and VisitBemidji. Councilors Johnson and Negard were appointed as the Council representatives.

City Attorney Felix stated that the Council may want to consider Mr. Paquin's letter request regarding his consideration to serve on the advisory task force.

Gregory Paquin, 1511 Roosevelt Road SE, requested that he be considered for the advisory task force regarding the BREC to work with issues of plurality and Affirmative Action in hiring and staffing. He further requested to review the past performance of VenuWorks policies that he hoped would reflect this communities' commitment of offering employment and business opportunities for development of prospects for such a large Native Anishinabe regional workforce and poverty stricken region of Northwestern Minnesota.

Hellquist stated that he has been approached by others in the community inquiring as to why there are no citizen representatives on the advisory board.

Motion by Negard, seconded by Downs, to appoint the following representatives to the BREC Advisory Board: BSU – Bill Maki, VP of Finance and Administration; VisitBemidji – Gayle Quistgard, Executive Director; and Chamber – Ken Howe. Motion carried unanimously.

Phased Retirement Option

Council reviewed a memo prepared by staff regarding the ability to allow a phased retirement option (PRO). The City's Labor/Management Committee reviewed and discussed this opportunity and agreed that this arrangement may benefit the City by allowing cost savings while retaining limited services of a long term employee. In short, the PRO program would allow the city to eliminate a full-time position from a department and replace it with a part-time position. The Committee further recommended that the only benefits that would be paid to an employee under this program would be the required social security and PERA payroll taxes.

Hellquist stated that he did not feel that the PRO has any merit and that the City will not use it. He suggested that retired employees be hired as a contract employee. Discussion continued regarding PRO requirements.

RESOLUTION NO. 5600: Authorizing Phased Retirement Option, Delegating an Official or Staff to Coordinate was offered by Councilmember Johnson, who moved its adoption, with the City Manager as the Staff coordinator, and upon due second by Councilmember Waldhausen was passed by the following vote: Ayes: Lehmann, Meuers, Waldhausen, Johnson, Downs. Nays: Hellquist, Negard.

Grant Application

Gray stated that applications are now being solicited for fiscal year 2014 for Federal Transportation Enhancement Funds. Staff are proposing an application for the construction of a trail along Middle School Drive from 23rd Street to 15th Street NW. This trail would connect to the City Park Interlink Trail that staff hopes to have constructed along the south side of 23rd Street. The estimated construction cost of the project is \$212,000. The total

project cost including design is estimated at \$265,000. Enhancement funds pay up to 80% of eligible construction costs, although the full 80% is not guaranteed. The remaining 20% of the construction costs (\$42,400) is a local share and would need to be paid by the city. Engineering and inspection fees are not eligible for funding and that is an additional \$40,000 local share. The total local share is approximately \$80,000-\$85,000. Therefore, the local match would need to be included in the City's 2014 budget. Discussion continued regarding the local match and the budget. Gray noted that the Council has until the end of 2012 if awarded the grant to turn it down if a match is not found.

RESOLUTION NO. 5601: Transportation Enhancement Grant Application – Middle School Drive Trail was offered by Councilmember Downs, who moved its adoption, and upon due second by Councilmember Waldhausen was passed by unanimous vote.

EVENT CENTER UPDATE

Gerry Domino provided an update on the progress at the event center site noting that the building is 40% to 45% overall complete. Discussion continued regarding the change order requests.

Motion by Hellquist, seconded by Waldhausen, to approve the Change Orders in the amount of \$192,416.47 for the Event Center project. Motion carried with the following vote: Ayes: Lehmann, Waldhausen, Hellquist, Johnson, Negard, Downs. Nays: Meuers.

Mayor Lehmann introduced Bob LeBarron, VenuWorks Executive Director for the BREC.

LIBRARIAN'S REPORT

Paul Ericsson, Branch Manager, reviewed December library programs. He thanked the citizen representatives on the KRL Board and the volunteers that provide over 3,000 hours of their time at the library.

CITIZEN NOT ON AGENDA

- Lonnie Sempel, 1923 Lakeview Drive SW, stated that she is interested in providing food service for a concession stand at the waterfront and will be visiting with the Parks & Trails Commission in this regard.
- Mike Bredon, 223 29th Street NW, inquired as to the status of the Upstream TV request. Felix apologized but his workload has made it difficult for him to get an answer from Paul Bunyan Telephone's attorney.

UPCOMING MEETINGS

- Monday, Dec. 14 5:30 p.m. Work Session – City Manager's Performance Review
- Monday, Dec. 21 7:00 p.m. Council Meeting
- Monday, Jan. 4, 2010 7:00 p.m. Council Meeting

COUNCIL/STAFF REPORT

The following is a summary of council/staff reports:

- Downs reported that the Bemidji Area Beverage Association will be hosting a fundraiser on December 8 at Jammer's to raise money for the Safe and Sober Taxi. He noted that he will be attending the Parks & Trails Commission meeting on December 8 at 4:30 p.m.
- Hellquist thanked Teresa Vincent and Michelle Miller for organizing the employee annual recognition party. He noted that he will be attending the DDA and Joint Planning Board meetings during the week.
- Johnson reported on the Coalition of Greater Minnesota Cities Fall Conference which was held in Alexandria.
- Waldhausen stated that the Sustainability Committee met last week and will be setting a monthly regular meeting. The Committee will be working toward developing community garden locations and exploring grant opportunities.
- Negard commented that the Night We Light event was well attended and thanked the City Parks Department for their work.
- Chatten stated that the City has closed on the first sale of South Shore property and working toward closing with Lakeland TV by the end of the week. He stated that staff will be meeting with Menards on Thursday regarding their project which is planned to start in the spring.
- Eischens stated that he is available to meet with Council members if they have questions regarding the 2010 Final Budget unless they wanted a special work session. The Council set a special work session for Monday, December 21 at 6:00 p.m. (prior to the regular meeting) to review the 2010 Final Budget.

ADJOURN

There being no further business, motion by Hellquist, seconded by Downs, to adjourn the meeting. Motion carried. Meeting adjourned at 8:40 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk