

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

May 5, 2003

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, May 5, 2003, at 7:00 p.m. in the City Hall Council Chambers, Mayor Lehmann presiding.

Upon roll call, the following Council members were declared present: Hellquist, Meuers, Lehmann, Johnson, Downs, Zachman. Absent: Erickson.

APPROVAL OF MINUTES

Minutes of the April 21, 2003 Regular Council meeting were presented. Councilmember Johnson requested that the minutes reflect that he was also recommended for appointment to the City/Township Joint Planning Group. Council agreed. Motion by Downs, second by Hellquist, to approve the minutes as amended. All voted aye. Motion carried.

AMEND AGENDA

Mayor Lehmann requested an amendment to the agenda – to add a Proclamation as item 2A. Motion by Zachman, second by Johnson, to approve the amendment. All voted aye. Motion carried.

PROCLAMATION

Mayor Lehmann read and signed a Proclamation setting aside the month of May 2003 as Law Enforcement Officer's Memorial Month in the City of Bemidji and urged all citizens to recognize the importance of local Law Enforcement in our community.

CONSENT AGENDA

The following consent agenda was presented for approval. Motion by Zachman, second by Meuers, to approve the Consent Agenda as presented. Motion carried by the following vote: Ayes: Downs, Zachman, Lehmann, Meuers, Hellquist, Johnson. Nays: None. Absent: Erickson.

- (A) Approved a Fair Permit for the Jaycees 2003 Water Carnival
- (B) Authorized Renewal of a Consumption & Display Permit for Holiday Inn Express
- (C) Approved an application for Temporary Liquor License for Bemidji Jaycees Water Carnival - July 2,3,4,5, 2003
- (D) Approved application for Temporary Liquor License for BSU Foundation Meeting September 26, 2003
- (E) Approved an application for Exempt Permit for BSU Team Green to have a raffle on November 15, 2003
- (F) Approved seven (7) pages of Claims in the amount of \$245,598.95
- (G) Approved Resolution No. 5053 Amending the Stanton Group Plan to Comply with Provisions of HIPPA
- (H) Approved Resolution No. 5054 Declaring the Intent to Reimburse Certain Expenditures from Bond Proceeds

BEMIDJI YOUTH ADVISORY COMMISSION REPORT

Jake Bauer reported on the progress of the June 7th Youth Rally. He noted that they would be making a formal request to use a portion of 3rd Street for the Street Dance. The group is also working out the details to assist with the Fishing Has No Boundaries event at the end of June.

BSU STUDENT SENATE REPORT

Jason Swanson noted that there are two class days at BSU left for this year. Commencement will be Friday, April 25 at 2 PM.

PUBLIC HEARING – CEDAR LANE SEWER EXTENSION PROJECT

Pursuant to mailed and published notice, copies of which were placed on file in the City Clerk's Office, a public hearing was held to consider extension of sanitary sewer to the Cedar Lane neighborhood. Brian Freeberg provided an overview of the project. Mayor Lehmann opened the public hearing.

Rod Schwarzrock, 3604 Cedar Lane expressed concerns about maintaining the access from Irvine Avenue to the rear of his property. He specifically wanted to be assured that there would be a curb cut on Irvine Avenue to access his back yard. Engineer Freeberg explained that the City is proposing to install sewer pipe at the time the Irvine Avenue reconstruction takes place, but the road reconstruction is a County project, and curb and gutter are proposed as a part of the reconstruction to address drainage problems in the area. Freeberg suggested that the concern should be addressed at the County level. He further explained that Irvine Avenue is an MSA street and certain regulations apply regarding number and location of curb cuts, etc.

George Salner, 3514 Cedar Lane also expressed concerns regarding access to the back yard from Irvine Avenue and also suggested adjustments to the posted speeds on Irvine Avenue. Again, it was noted that Irvine Avenue is under County jurisdiction.

There being no further comments, the public hearing was closed.

RESOLUTION NO. 5055: A RESOLUTION ORDERING IMPROVEMENT, DESIGNATING PROJECT ENGINEER, CALLING FOR PREPARATION OF PLANS AND SPECIFICATIONS, AND AUTHORIZING ADVERTISEMENT FOR BIDS ON CITY PROJECT 03-02 (extension of sewer to Cedar Lane neighborhood/portions of Irvine Avenue) was offered by Councilmember Downs, who moved its adoption, and upon due second by Councilmember Zachman, was passed by the following vote: Ayes: Hellquist, Meuers, Lehmann, Johnson, Downs, Zachman. Nays: None. Absent: Erickson.

PUBLIC HEARING - WATER & SEWER IMPROVEMENTS (26TH Street to 29TH Street and Irvine Avenue to Park Avenue)

Pursuant to mailed and published notice, copies of which were placed on file in the City Clerk's Office, a public hearing was held to consider water and sewer improvements to the area of 26th Street to 29th Street, between Irvine and Park Avenue (City Project No. 030-02). Engineer Freeberg provided an overview of the project. Mayor Lehmann opened the public hearing.

Carolyn May, 521 W. 27th Street expressed support for the sewer project but suggested that the water lines be done at a later date, perhaps as part of a neighborhood improvement project.

David Vick, 612 27th Street, and John Colford, 523 27th Street also expressed support for the sewer portion of the project.

Councilmembers questioned whether it would be practical to do the project without water lines. City Engineer Freeberg noted that this project is unique in that the water lines would run in the street and the sewer lines would run down the alley. He noted, however that the Council had identified this as one of the pockets within the city as a potential for extension of utilities.

There being no further comments, the public hearing was closed.

RESOLUTION NO. 5056: A RESOLUTION ORDERING IMPROVEMENT, DESIGNATING PROJECT ENGINEER, CALLING FOR PREPARATION OF PLANS AND SPECIFICATIONS, AND AUTHORIZING ADVERTISEMENT FOR BIDS ON CITY PROJECT 03-02 (water/sewer improvements, 26th-29th Street between Irvine and Park) was offered by Councilmember Johnson, who moved its adoption, and upon due second by Councilmember Hellquist, was passed by the following 5-1 vote: Ayes: Zachman, Lehmann, Meuers, Hellquist, Johnson. Nays: Downs. Absent: Erickson.

PUBLIC HEARING - WATER & SEWER IMPROVEMENTS TO PROPERTIES SOUTH OF RAKO STREET, EAST OF LAKEVIEW DRIVE

Pursuant to mailed and published notice, copies of which were placed on file in the City Clerk's Office, a public hearing was held to consider water and sewer improvements to

properties south of Rako Street, East of Lakeview Drive (City Project #30-05 – Part I). Engineer Freeberg provided an overview of the project. Mayor Lehmann opened the public hearing.

There being no comments, the public hearing was closed.

RESOLUTION 5057: A RESOLUTION ORDERING IMPROVEMENT, DESIGNATING PROJECT ENGINEER, CALLING FOR PREPARATION OF PLANS AND SPECIFICATIONS, AND AUTHORIZING ADVERTISEMENT FOR BIDS ON WATER & SEWER IMPROVEMENT PROJECT (City Project #03-05 Part II - Properties South Of Rako Street, East Of Lakeview Drive) was offered by Councilmember Hellquist who moved its adoption, and upon due second by Councilmember Meuers, was passed by the following vote: Ayes: Lehmann, Meuers, Zachman, Hellquist, Johnson, Downs. Nays: None. Absent: Erickson.

PUBLIC HEARING - CLAUSEN AVENUE SW STREET AND WATERMAIN IMPROVEMENTS

Pursuant to mailed and published notice, copies of which were placed on file in the City Clerk’s Office, a public hearing was held to consider street and watermain improvements on Clausen Avenue SW, South of Rako Street SW. Engineer Freeberg provided an overview of the project. Mayor Lehmann opened the public hearing.

Heidi Johnson, 222 Rako Street expressed opposition to the project based on a hardship due to the fact that they are currently paying for Rako Street improvements.

Mark & Leila Froehle, 306 Rako Street expressed opposition to the project noting they are currently paying for improvements on Rako Street a few years ago, which amounted to approximately \$17,000. In their opinion, the proposed assessment for this project of \$5,100 would create a financial burden for them.

The Assembly of God Church, 1016 Clausen Avenue SE expressed support for the project.

Petitioner Mike Ettesvold also supported the project.

Based on need and the fact that at least 50% of the affected property owners favor the project, the majority of the Council supported the project but suggested that the project should be done with the stipulation that the assessments be deferred until the earlier assessments for Rako Street improvements are paid.

RESOLUTION NO. 5058: A RESOLUTION ORDERING IMPROVEMENT, DESIGNATING PROJECT ENGINEER, CALLING FOR PREPARATION OF PLANS AND SPECIFICATIONS, AND AUTHORIZING ADVERTISEMENT FOR BIDS ON CITY PROJECT #03-04 (Street and Watermain improvements on Clausen Avenue SW, south of Rako Street) was offered by Councilmember Zachman, who moved its adoption, and upon due second by Councilmember Hellquist, was passed by the following vote: Ayes: Hellquist, Johnson, Downs, Zachman, Lehmann. Nays: Meuers. Absent: Erickson

CONSIDERATION OF QUOTES: Water/Sewer Improvements to Properties South of Rako Street, East of Lakeview Drive

Three quotes were received as follows for City Project #03-05, Water and sewer improvements to properties south of Rako Street, East of Lakeview Drive.

Christiansen Industrial Developers, Inc.	\$46,472.80
J D Hansen & Sons, Inc.	\$48,581.80
Reiersen Construction, Inc.	\$49,789.12

Staff recommended award of the contract to the low bidder, Christiansen Industrial Developers.

Motion by Hellquist, second by Downs, to award the construction contract to Christiansen Industrial Developers in the amount of \$46,472.00. Motion carried by the following vote: Ayes: Hellquist, Meuers, Lehmann, Johnson, Downs, Zachman. Nays: None. Absent: Erickson.

CONSIDERATION OF QUOTES: Ash Avenue Watermain Extension

Three quotes were received as follows for City Project #03-02, extension of watermain to Ash Avenue:

Christiansen Industrial Developers, Inc.	\$45,486.25
Reiersen Construction Inc.	\$49,385.00
J D Hansen & Sons, Inc.	\$49,995.00

Staff recommended acceptance of the low quote from Christiansen Industrial Developers. Motion by Zachman, second by Meuers, to award the construction contract to Christiansen Industrial Developers in the amount of \$45,486.25. Motion carried by the following vote: Ayes: Lehmann, Hellquist, Downs, Johnson, Zachman, Meuers. Nays: None. Absent: Erickson.

LAND ACQUISITION – (30th Street) (Tabled at the April 21, 2003 meeting)

A proposed purchase agreement was presented for consideration by the City Council for acquisition of property in the vicinity of Park Avenue between 29th and 30th Street. City Engineer Freeberg noted that the subject property is part of a lowland complex. The wetlands that remain in this area are owned by the City and serve as stormwater receiving ponds. Freeberg explained that plans are underway for additional stormwater management projects in the subject area, and suggested that the City purchase it while it is on the real estate market. He noted that if the land is developed, it could experience flooding issues.

Some discussion followed regarding the possibility of additional property acquisitions in the area to square off the boundaries. It was also suggested that the lowland be developed into a winter park with a skating rink. Motion by Zachman, second by Downs, authorizing the purchase agreement as proposed. Motion carried by the following vote: Ayes: Hellquist, Downs, Johnson, Meuers, Zachman, Lehmann. Nays: None. Absent: Erickson.

DISCUSSION – SPECIAL ASSESSMENT INTEREST RATE FOR HRDC HOUSING PROJECT

City Manager Minke presented a request by the Headwaters Housing Development Corporation to waive the building permit fee and reduce the special assessment interest rate from the typical eight percent for their housing development Northwest of the intersection of 1st Street and Gould Avenue. He noted that the actual interest rate must be set in conjunction with the special assessment hearing process. He suggested the Council weigh the relative merits of the project including

- Construction of affordable housing
- Residential development on land zoned residential & adjacent to existing infrastructure
- Stimulation of the local economy (construction, mortgages, etc) verses project cost

Anne Sand appeared before the Council to provide more detail of the request and discuss the merits of the project.

The Council denied the request to waive the building fees as the City is currently considering a proposal to increase fees in an effort to make the Building Office self-supporting. While there was some discussion regarding the special assessment interest rate, the Council reached no conclusion but agreed to leave the door open for some future discussion.

DISCUSSION OF THE FORMER MnDOT BUILDING USE

City Manager Minke requested Council discussion regarding use of the former MnDOT building. He noted that the city acquired the building in a trade with MnDOT where the city provided water and sewer lines to serve the new MnDOT building in exchange for ownership of the old building. Since that time the building has been used for a variety of purposes including storage of public works equipment, storage of records and voting equipment, and a fire department substation. Additionally, we allow District #31 School District, the County Sheriff’s Office, and the Red Cross to store equipment in the building. The Red Cross recently requested that the City consider a 3-year lease for some office space in the building. It was suggested that the proceeds of the lease could be used to offset utility costs for the building.

Minke requested Council authorization to develop a 3-year lease with Red Cross and proceed with studying the public works facility and fire sub-station with the intent that we will have the issues resolved within three years.

Motion by Zachman, second by Downs, authorizing the City Manager to develop a three-year lease agreement with Red Cross for use of a portion of the former MnDOT building. Motion carried by the following: Ayes: Lehmann, Meuers, Zachman, Hellquist, Johnson, Downs. Nays: None. Absent: Erickson.

Council will review the status of the former MnDOT building during a tour of City facilities on Tuesday, May 27, 2003.

APPOINTMENT OF MEMBERS TO CITY/TOWNSHIP PLANNING GROUP

Motion by Zachman, second by Hellquist to appoint Mayor Lehmann and Ron Johnson to the City/Township Joint Planning Group. Motion carried by the following vote: Ayes: Zachman, Meuers, Lehmann, Downs, Johnson, Hellquist. Nays: None. Absent: Erickson. The planning group will hold its first meeting on Thursday, June 12, 2003.

ORDINANCE NO. 339, 2ND SERIES: AN ORDINANCE AMENDING THE CITY OF BEMIDJI ZONING CODE (Pertaining to special Uses in Business Districts in the City of Bemidji – Planning Case #2003-08) was given a final reading and passed by the following vote: Ayes: Meuers, Hellquist, Johnson, Downs, Zachman, Lehmann. Nays: None. Absent: Erickson.

ORDINANCE NO. 340, 2ND SERIES: AN ORDINANCE AMENDING THE ZONING MAP ADOPTED IN CHAPTER 13, SECTION 13.08 OF THE BEMIDJI CITY CODE (Pertaining to Planning Case #2003-11) was given a final reading and passed by the following vote: Ayes: Hellquist, Meuers, Lehmann, Johnson, Downs, Zachman. Nays: None. Absent: Erickson.

AN ORDINANCE AMENDING THE BEMIDJI CITY CODE, ADOPTING AN AMENDED FEE SCHEDULE was given a first reading.

COUNCIL SELF EVALUATION

Given the fact that the council was unable to schedule a retreat to discuss the council's group process this past winter, City Manager Minke presented a proposed self-evaluation survey to be completed by the council and to be used as the basis for a quick "performance check". He noted that the Headwaters Regional Development Commission agreed to score the surveys and provide the summarized data to the council for review.

LEGISLATIVE UPDATE

City Manager Minke provided an update on the proposed cuts to Local Government Aids noting that the cuts may not be as severe as originally proposed.

Joe Vene provided an update on the proposed Local Sales Tax Initiative.

WORK SESSION TOPIC FOR MAY 12, 2003

Review of proposed cuts from 2003 budget.

CITIZENS WITH BUSINESS BEFORE THIS COUNCIL – NOT ON AGENDA

Mike Ettesvold requested Council authorization to proceed with his construction project prior to finalization of Ordinance No. 340, 2nd Series, which rezones his parcel from I-2 (Light Industrial) to R-5 (Multiple-Family). City Manager Minke denied the request based on application of the City Charter which requires 30 days time lapse after publication of an ordinance for it to become effective. Ettesvold agreed to provide written communication assuming all risk if the zoning does not pass, and suggested that the ordinance could be approved on an emergency basis. City Attorney Felix explained that the situation was not an emergency as defined in the City Charter.

Council upheld the City Manager's decision.

REPORTS – STAFF/COUNCIL

Motion by Zachman, second by Downs, authorizing Councilmember Johnson to attend a Coalition meeting in St. Paul on Wednesday, May 7th. All voted aye. Motion carried.

The increase in rates for rental of ice time at the arena was questioned. It was noted that the Council approved the rate increase by resolution effective April 7, 2003.

ADJOURN

There being no further business presented for discussion, motion by Downs, second by Meuers, to adjourn the meeting. All voted aye. Motion carried. Meeting adjourned 10:25 p.m.

Respectfully submitted

Shirley Sherman, City Clerk