

CITY COUNCIL PROCEEDINGS BEMIDJI, MINNESOTA

August 1, 2005

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, August 1, 2005, at 7:00 p.m. in the Council Chambers of City Hall, Mayor Pro-tem Downs presiding.

Upon roll call, the following Councilmembers were declared present: Markeson, Hellquist, Johnson, Erickson, Downs, Meuers. Absent: Lehmann

MINUTES

Minutes of the July 18, 2005 regular meeting and the minutes from the special work sessions on July 18, July 19, July 20 and July 25, 2005 regular work session were presented for approval. Motion by Erickson, second by Johnson, to approve the minutes as amended. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Approved Claims submitted by the Finance Officer in the total amount of \$715,509.40.
2. Approved miscellaneous business license.
3. Approved renewal of consumption and display permit for the Bemidji Curling Club.
4. Approved Gambling Applications for a raffle on September 9, 2005 at the Northern Inn (Ducks Unlimited) and a raffle on September 13, 2005 at Hampton Inn (Chamber of Commerce).
5. Awarded a bid on the 2005 Overlay Project to Northstar Materials, Inc., in the amount of \$96,254.00.
6. Approved **RESOLUTION NO. 5240** authorizing the City to make application to the Greater Minnesota Business Development Public Infrastructure Grant Program.
7. Approved **RESOLUTION NO. 5241** rescheduling the date for public hearing on City Project No. 05-05 (Birchmont Drive Water & Sewer Extension)

Motion carried by unanimous vote.

PRESENTATIONS

B-Team Presentation: Sara Zimmerman made a presentation regarding the findings from a recent public opinion poll. Surveyed 400 registered voters in Beltrami County which indicated overwhelming favor indoor smoke-free policies by residents. Residents go to restaurants and bars as often or more since implementation of smoke-free ordinance. Support for the clean indoor air law is strongest among younger registered voters and well-educated registered voters. Residents stated that going out has become more enjoyable. Three-quarters of Beltrami County's registered voters feel the rights of non-smokers outweigh the smoker's rights.

Minnesota Finlandia: Bruce Slinkman, representing Minnesota Finlandia and President of the Minnesota Nordic Ski Association, made a presentation requesting the Council to support a resolution to send an invitation to the Governor inviting him to establish an annual ski with the Governor. The first one would be in Bemidji in 2006. This would raise the level of promotion of cross country skiing in Minnesota by including the Governor.

RESOLUTION NO. 5242: Supporting the invitation to Governor Pawlenty to declare the 2006 Minnesota Finlandia Ski Marathon to be site for the First Annual “Ski with the Governor” promotion of Minnesota Cross Country Skiing was offered by Councilmember Erickson and upon due second by Councilmember Johnson was passed by unanimous vote. Absent: Lehmann.

PUBLIC HEARING

City Project #05-16 – Extension of Sewer along Minnesota Avenue between Algoma and Anne Street

Freeberg reviewed the extension of sanitary sewer into a portion of Northern Township. The project was initiated by a petition to the City Council which represented 50% of the property owners along the street. However, the project is dependent upon storm sewer being constructed in Irvine Avenue. Freeberg stated that this project was to happen in 2005, however, it has been delayed to 2006 at the earliest. The \$9,900 per connection is an estimate. The final cost will be determined by bid. In addition to the connection charge, homeowners will be responsible to connect from their home to the stub.

Mayor Pro-Tem Downs opened the Public Hearing at 7:29 p.m.

John Faulkner, 3620 Minnesota Avenue NW, signed the petition and did so with the understanding that it was a feasibility study. He expressed concerns regarding the interest rate and asked what the current bond rate is for the City. Mr. Faulkner asked if residents could have more time to assess the cost of the improvement to their current system.

Eischens stated that the current bond rate is about 4.8%.

Dennis Niswander, 405 Algoma Street NW, owns two businesses and would like to know how long the road will be dug up. He expressed concerns about access to his business and the effect on his business. Freeberg responded that the construction of sewer on Minnesota Avenue would take approximately two weeks and the pipe from Algoma to Irvine would be constructed hopefully in one of the ditches. Freeberg stated that during construction, the contractor is required to keep access open to business. However, this does not guarantee that customers would chose to drive the road during construction.

Jennifer Elliot, 3712 Minnesota Avenue NW, asked about the cost of the project and closing the existing sewer systems. Freeberg responded that plumbers are required to crush the sewer.

John Faulkner commented that in light of the additional cost beyond the \$9,900 in terms of crushing the septic tank and the cost to connect to the street (septic systems are on the back of their homes) it would be beneficial for the homeowners to research this cost.

Johnson asked if there was some other way to accommodate the properties with the septic system in the back yard.

Freeberg responded no.

Erickson asked what initiated this petition, was it failing systems or older systems.

Freeberg responded that the petition was initiated by the property owner at 3503 Minnesota Avenue.

Mr. Faulkner stated that the property owner at 3503 Minnesota Avenue circulated the petition and intends to build three 4-plexes on their property. Mr. Faulkner stated he signed out of a sense of curiosity but would like to know the hidden costs.

Geraldine Stace, 3708 Minnesota Avenue NW, asked if any Councilmember had driven this street as there are big trees lining the street. Ms. Stace is concerned about the cost of the project as she is on a fixed income.

Motion by Meuers, second by Hellquist to continue the public hearing to November 7, 2005. Motion passed by unanimous vote.

UNFINISHED BUSINESS

Kitchigami Regional Library:

Minke reviewed a request from Joanne Henningsgard, the City's representative to the Kitchigami Regional Board. Ms. Henningsgard stated that the Library would have to consider cuts to the Bemidji Library because the City did not meet the funding requested by the Kitchigami Regional Library for 2005. The funding difference is \$2,500.

Meuers stated that the Bemidji Library is an asset to our community and it is in the best interest for our community. Erickson asked if this would be a permanent increase. Minke replied that it would increase the maintenance of effort requirement.

Motion by Meuers, second by Markeson, to fund the \$2,500 to Kitchigami Regional Library. Motion passed by a unanimous vote.

Parking Ramp:

Minke stated that there is a great variance in maintenance costs of parking ramps between communities.

Erickson commented that at the work session structural maintenance of the parking ramp was not discussed and it was good that this was added.

Markeson asked why did we not consider \$100/per parking space. He felt that the average did not take into consideration other parking ramp.

Jim Ekstrom, DDA, handed out material from Walker Parking Consultants which indicated that a well maintained parking structure should be in the range of \$30 to \$90 per space per year (\$0.10 to \$0.30 per square foot per year) based on the location, age and structural

system. He discussed snow falls in Bemidji and other cities with parking ramps. He concluded that the \$100 per parking space was in line.

Erickson stated that she has visited with a couple of County Commissioners regarding Lot 9 and the continued purchase of parking permits by the County in that lot. She asked them whether they saw a decrease in purchase of parking permits in Lot 9 because they would be transferring County employees to their new lot and their response was that they would be foolish if they did not. Erickson asked if the DDA has visited with the County Administrator regarding the continued purchase of parking permits in Lot 9.

Ekstrom replied that he had not talked to the County but it was his understanding that the new lot in front of the County Administration building was primarily for county customers.

Erickson commented that if the County did not purchase as many parking permits the cashflow for the ramp would be reduced.

Ekstrom stated that he did not feel it would derail the project.

Mike Smith, Downtown Development Authority, stated that the DDA supports the concept of the event center and believes that it is a good opportunity for Bemidji and a great opportunity if in a downtown location. He expressed concerns that parking placed on 1st Street would not have the same impact as parking in the northern or central corridor. Smith stated that DDA did not only look at a ramp. They explored flat parking and found that the cost was three to three and one-half times what it cost to put the ramp in. He stated that it comes down to the issue of maintenance cost. The DDA believes that the number used for maintenance cost is too high. The DDA has asked a local contractor to give an estimate on snow removal and sweeping, seal coating, patching and stripping. The estimate is \$58,800. The DDA believes that the costs for maintenance can be kept at \$141 per space without taking into account the structural needs. He stated that the DDA has been working on this for two years and have put a lot of volunteer time in this effort. The DDA feels that they have produced a viable and cost effective option and struggling with the fact that the idea is continuously being criticized and is scrutinized by a number of fronts. The DDA has yet to see a better idea on the table. Lastly, the DDA is compassionate regarding the ramp. Mr. Smith summed up by saying the DDA has given their advice and believe they are the closest thing in our community to parking experts for downtown Bemidji.

Markeson commented that there are more important things than the cost of maintenance. The City of Bemidji and the DDA have a long history of working together, what he characterized as a relationship of interdependence. He recently signed a Declaration of Interdependence because he believed that it is an important way of building our community infrastructure. This interdependence has worked well for all involved and believes that the Council should vote to reaffirm and establish successful relationship. He believes that Bemidji is truly fortunate to have a downtown so healthy and vibrant that parking has become a problem. No one could be more concerned about having parking in a downtown area than the merchants and property owners in that area. This dedicated group of merchants and bankers has researched the parking needs for the area and he does not think that it is necessary for the City of Bemidji to develop another study by a group from the Twin Cities to tell merchants what their parking needs are. The DDA has recognized the needs, done the research, developed plans and they have kept the City informed along the way.

Erickson stated that her concern is the commitment by the City in addition to the sale of Lot 9. She stated that it was fair that the \$350,000 be returned to parking but that was originally the only commitment that the City was asked for.

Johnson stated that the City has a committee system in most cases that works fairly well. However, the Public Works Committee had certain things happen that the whole Council was unaware of. He commented that he would like the City to wait and see how the event center unfolds. He mentioned that the ramp in Moorhead sits vacant and was concerned that this ramp would also. He stated that there is flexibility with parking lots but not much flexibility with a parking ramp. Johnson stated that there are a lot of unknowns and the ramp does not replace the parking lost from Lot 9. He did not feel the Council should make a decision without knowing what the County is going to do.

Markeson commented that the Moorhead parking ramp was for customer parking whereas this parking ramp would be for employees. This is a significant difference.

Downs commented that it is more expensive to tear down buildings and the more buildings torn down then there is less of a downtown. It is good to support a healthy downtown. There are issues with the County being one of the biggest users and suggested a letter of intent from the County.

Ekstrom stated that the County will need to park approximately one hundred cars somewhere. If the County does not buy the permit, then perhaps the employees would be purchasing them on their own. If needed, there is always the possibility of raising the rate for parking in Lot 9.

Downs stated that the County should be community minded to support the issue by continuing with their parking permits. After working on this for a couple of years, this might be the best location if the City is going to support the downtown. He commented that whether or not the event center goes downtown or somewhere else there is still a need for additional parking in the core area of the downtown.

Erickson stated that the Council needs to think of this ramp as not a one time cost but in the long-term. The Council should consider what the ongoing operating and structural costs are in the ramp for the life of the ramp. She commented that downtown could shift closer to the event center and if it does, a flat lot is much easier to build on if needed. She expressed concerns about the payment for the ramp over 20 years and the shift of the current dollars of parking permit fees that go to enhance the downtown that will now be shifted to only pay for the ramp. The hundred permits that the County purchases amounts to \$4,800 and is very important. She commented that if the parking permit revenue does not match the payment, the City not only has the maintenance of the ramp but will have to subsidize the payment. She suggested that the Council consider the ramp after the event center location is selected and see what the County does in regards to parking permit purchases.

Mike Smith stated that there are very few of the Federal employees parking in parking lots. The DDA will be making a conscious effort to provide parking for these employees.

Erickson commented that this town will grow but where it will expand and the location is where the event center is located.

Markeson stated that he did not believe that having an event center four blocks south will be a detriment to the businesses downtown. It will only increase the need for parking as businesses can only grow.

Felix stated that if the City Council is contemplating co-signing a note, this would require a resolution and next to be discussed with bond counsel.

Discussion followed on the reason for the City to co-sign and what requirements are needed.

Motion by Johnson, second by Erickson, to postpone the decision on the parking ramp until the September 5 City Council meeting to seek input from bond counsel and find out what the County is doing in regards to parking permit purchases. Motion failed by the following vote: Ayes: Johnson. Nays: Meuers, Downs, Hellquist, Markeson, Erickson. Absent: Lehmann.

Motion by Markeson, second by Hellquist, to build a parking ramp. Motion passed with the following vote: Ayes: Markeson, Meuers, Hellquist and Downs. Nays: Erickson and Johnson. Absent: Lehmann.

ORDINANCES

ORDINANCE NO. 410, 2ND SERIES, An Ordinance Amending the Pawnbroker, Secondhand Goods and Junk Dealers Ordinance, and adding new Section 6.40 relating to licensing and regulation of Pawnbrokers, Secondhand and Precious Metal Dealers and to adopt, establish and implement the Use of the Automated Pawn System (APS) was given a final reading and passed by the following vote: Ayes: Erickson, Downs, Meuers, Hellquist, Johnson. Nays: Markeson. Absent: Lehmann.

A summary of Ordinance No. 410, 2nd Series for publication was passed by unanimous vote.

CITIZENS NOT ON AGENDA

Robert Ryan, 329 Rako Street, stated they have drainage issues on their property due to the development next door to them. He asked why the developer was not required to comply with the storm water conditions required by Planning Commission and Council.

Freeberg stated that majority of runoff from the new development is intercepted by the berm on the Ryan property side which prevents it from running onto his property. In particular, runoff from streets and most of the yards. The house in the northeast corner of the property and the one next to it contribute runoff from their yards to the Ryan property. The document that was developed at the time of the approvals showed that all of the runoff was going to be intercepted and routed away from the Ryan property. Freeberg stated that after looking at the property this summer, he made the recommendation that the amount of water in the yard was not significant. This did not follow the letter of the drainage plan that was submitted with the approval of the Ranches of Rako plat.

Minke stated that this is a judgment call made by the Engineer.

Erickson asked if the original plan would have created less drainage on the Ryan property.

Freeberg stated that it would have been a more fail safe approach to all drainage.

Erickson asked if there was runoff on the Ryan property prior to the development.

Freeberg replied the property sloped towards Ryan's, but as it was undeveloped, the runoff was not significant.

Patricia Ryan stated that the berm was required because the developer was allowed to build with a variance that increased density.

Motion by Meuers, second by Johnson, to require the developer to construct the berm as shown on the approved drainage plan. Motion passed by unanimous vote.

Don Whitman, Pawn USA, asked what happens if the County does not adopt the pawnbroker ordinance. In addition, he stated that it was a huge mistake by the Council and he did not understand why no thought was put into the ordinance.

Felix stated that regardless of what the County does, those businesses in city limits must follow the ordinance.

Geraldine Stace, 3708 Minnesota Avenue NW commented that a developer wants to put in three four-plexes and will have twelve households. The developer will only be paying \$30,000 and each homeowner pay \$10,000. Ms. Stace would like to see the petition. She felt that this was not fair.

Winn Richardson, 516 14th Street, appreciates the City working with DDA, etc. He suggested that in the future a committee be designated.

Felix responded that the Council did not have a committee to the study pawnbroker ordinance. It has been under development for several months and is a law enforcement tool. There was a special public meeting and invited pawnbrokers for their input. Continuous information was exchanged between the Assistant Attorney and the pawnbrokers and secondhand dealers.

UPCOMING MEETINGS

- August 2: Public Relations meeting @ 5:00 p.m.
- August 8: Council Work Session - Preliminary Budget Meeting
- August 15: City Council Business Meeting
- August 22: Council Work Session – Joint Council/Park Commission Meeting on Sales Tax and Park Plan Implement
- August 29: Open – Tentatively - Additional budget meeting

COUNCIL/STAFF REPORT

Erickson met with the HRA at their monthly meeting and they have requested an annual meeting with the Council. Minke will work with Al Kiehne in this regard.

Downs – Paul Bunyan Trail ride on August 11 start at 1:30 p.m. from the Bemidji Pioneer with a short press conference, hopefully, legislators will be present.

Minke stated that Winn Richardson made very good comments about public involvement. The Council has always tried to generate public interest. The Deer Committee is a good example. This resulted in an ordinance that had opposition to it but it gave people an opportunity to participate.

ADJOURN

There being no further business, motion by Meuers, second by Erickson, to adjourn the meeting. Motion carried. Meeting adjourned at 10:00 p.m.

Respectfully submitted,

Kay Murphy-Schuett
City Clerk