

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – January 16, 2018

Pursuant to due call and notice, a regular meeting of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Tuesday, January 16, 2018 at 6:00 p.m. in the Council Chambers of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Hellquist, Johnson, Larson Absent: Erickson

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director/City Engineer Craig Gray, Fire Chief Hofer, Police Chief Mike Mastin, Parks & Rec Director Marcia Larson, City Clerk Kay Murphy

AMENDMENTS TO AGENDA

Mayor Albrecht called for any amendments to the agenda. **Motion by Johnson, seconded by Meehlhause, to approve the agenda as prepared. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:

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|-----------------|-----------------|
| Council Meeting | January 2, 2018 |
| BEDA Meeting | January 2, 2018 |

Motion by Johnson, seconded by Larson, to approve the minutes as prepared. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$3,410,251.06
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$86,894.72
3. General Business Licenses Renewals for 2018
4. Annual Appointments and Reappointments for City Boards/Commissions
5. **RESOLUTION NO. 6133:** Approving a Minnesota Premises Permit for Lawful Gambling for North Country Snowmobile Club at 801 Washington Avenue SE
6. **RESOLUTION NO. 6134:** Approving an Application to Conduct Off-Site Gambling for the American Legion Post #14 (Bemidji Curling Club-February 2018)
7. **RESOLUTION NO. 6135:** Approving an Application to Conduct Off-Site Gambling for the American Legion Post #14 (Bemidji Curling Club – March 2018)
8. Approved Purchase of GMC Sierra 4WD Truck and Plow from Nelson Auto Center in the amount of \$31,831.68 (includes taxes and license fees) – Parks Department

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

- Linda Lemmer, 155 Gemmel Avenue, reported that the Beltrami Historical Society is celebrating 105 years at the Depot on Thursday, January 18. Public is welcome to the event.

PUBLIC HEARING

Westwood Acres Mobile Home Park Closure

Felix stated that the owner of Westwood Acres Mobile Park has notified the City of its intention to close the remainder of the Park (east half) in 2018. He stated that closures of a mobile home park is governed by Minnesota Statutes §327C.095. In accordance with that section, closure of a mobile home park requires a City Council public hearing. In addition, the Council must also appoint a Neutral Third Party to resolve any disputes regarding contributions to and distributions from the Relocation Trust Fund. The NTP is compensated for their services through the Trust Fund at an hourly rate of \$65.

Pursuant to published Notice, a public hearing was held regarding input on Westwood Acres Mobile Home Park Closure. Mayor Albrecht opened the Public Hearing at 6:08 p.m.

Mary Thompson stated that on behalf of the HRDC their responsibility as the Neutral Third Party will include facilitating those owners who either are moving or their homes are not eligible for moving. Eligible manufactured homeowners in the park have the option to apply for relocation assistance from the Relocation Trust Fund (RTF).

City Attorney Felix noted that Tim Father who was the NTP on the first half closure has documents and is willing to share them with the HRDC.

The following individuals spoke to the issue:

- John Witner, 1600 23rd Street NW, stated he completed a lot of work on his old (70 or 71) mobile home. He had concerns that the City may not allow his mobile home to be moved to another lot within city limits. Felix responded that the City staff will work with the owners administratively so the City's ordinance does not become a "block" to moving his mobile home.
- Melissa Schwarzlander, 1600 23rd Street NW #413, stated concerns about the length of time it took for some individuals in the first half closure. She also stated that cost of making two lot payments and paying her mobile payment is a concern. Felix responded that the City's goal is to quickly get assistance through the NTP.
- Lois Statnauer stated that her mobile home would not be allowed to move. She stated that the frame is rotting.

Hearing no further comments, Mayor Albrecht closed the Public Hearing at 6:23 p.m.

Motion by Meehlhause, seconded Johnson, appointing Headwaters Regional Development Commission as Neutral Third Party to facilitate any applications received requesting funds under the Minnesota Manufactured Home Relocation Trust Fund during the park closure process, and the NTP rate of compensation. Motion carried unanimously.

NEW BUSINESS

Classification and Compensation Study Contract and Comparable Entities

Mathews stated that the City contracted with Springsted in 2010 for a classification and compensation study, with an external market update conducted in 2015. The City's union contract expire December 31, 2018 and to prepare for this, the City budgeted \$25,000 for a study as a basis for contract discussions. He noted that the study will address the City's organizational structure, including consolidation/reduction of administrative support positions and proposed Community Development Director to assist the City Manager carry out his responsibilities. The City's Labor Management Committee is recommending the following list of comparable entities:

- Cities: Hibbing, Red Wing, Albert Lea, Willmar, Northfield, Hastings, Farmington, Faribault, Mankato
- Local Entities: Beltrami County, Beltrami Electric, MnDOT, School District, Bemidji State University

Johnson suggested that the job classification include Sanford Center staff. Mathews responded he believed that it would be possible to include them in the study.

Hellquist suggested that the Sanford Hospital be included in the list of comparable entities. Eischens will look into whether the Sanford Hospital will provide wages as they are a private entity.

Chief Mastin stated he has looked at the comparable cities and believes they compare with Bemidji based on their number of calls for service. Chief Hofer concurred with Mastin.

Motion by Meehlhause, seconded by Johnson, approving the contract with Springsted, Inc., in the amount of \$19,100, plus out of pocket costs not to exceed \$2,000, to conduct a classification and compensation study utilizing the comparable entities as outlined. Motion carried unanimously.

Minnesota Energy Resources Corporation (MERC) Gas Easement

Felix stated that MERC is requesting the City and County to convey a twenty (20) foot wide easement corridor along the south side of Balsam Road NW through what is the northerly border of Bemidji Regional Airport lands. The easement is for a new underground gas

pipeline and associated utility infrastructure. Felix recommended that the proposed monetary consideration of \$4,550 for the Airport lands portion be deposited with the Airport Authority since this involves Airport Lands. Felix further stated that the easement may be increased to thirty (30) feet but recommended approval of the easement in substantially the format presented.

Mathews inquired if FAA would need to review/approve the easement. Felix responded that he will follow up with the Airport Manager.

Motion by Hellquist, seconded by Johnson, authorizing the conveyance of an easement to Minnesota Energy Resources Corporation for installation of an underground gas pipeline along the northerly border of Regional Airport lands south of Balsam Road NW, and for the Mayor and City Manager to execute an easement in substantially the format presented. City staff is further directed to undertake such additional steps as are necessary to effectuate this process. Motion carried unanimously.

Otter Tail Power Line Easement Upgrade

Felix stated that Otter Tail and City staff have met to consider a proposed power line upgrade utilizing an existing easement corridor that crosses the City’s east-west recreational trail (old Soo Line corridor west of the Public Works Building on 5th Street), and already serves several existing overhead power lines. Otter Tail will be upgrading with a new 115kv high voltage line which will have “H” pole structures. No structures are to be placed on the trail corridor. Felix stated that because the easement addresses an existing OTP line corridor, it is staff’s recommendation that no additional monetary consideration be required with the granting of this easement.

Motion by Hellquist, seconded by Larson, authorizing the Mayor and City Manager to execute the Otter Tail Power Electric Line Easement in substantially the form presented. City staff is further directed to undertake such additional steps as are necessary to effectuate the process.

UPCOMING COUNCIL MEETINGS

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|------------------------|-----------|---|
| • Thursday, January 18 | 5:30 p.m. | Ward 4 Candidate Interviews (Dinner for Council at 5 p.m.) |
| • Monday, January 22 | 5:30 p.m. | Work Session – Housing Review |
| • Monday, January 29 | 5:30 p.m. | Work Session – Event Review |

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.
- Mayor Albrecht recognized former councilperson Barbara Meuers who served on the Council from 2003 to 2012. Ms. Meuers passed away the early hours of January 16, 2018.

Grant Valley & ISD #31 Annexation Discussion

Felix stated that the city received a petition from ISD #31 for annexation of the Gene Dillon school property on Division Street. He further stated that on Friday, January 12, the City received a letter from Grant Valley Township stating that they made a motion at their January 11 meeting regarding the orderly annexation of four parcels/residents next to the new school on Division Street. The Town Board proposed an orderly annexation agreement contingent on the following:

1. Allowing the school district property go into annexation right away.
2. Reducing the \$12,000 service fees for all four residents.
3. Allowing the residents to be annexed in the year 2020 and at that time a 5-year phase-in of the city tax.
4. One-time revenue sharing lump sum payment.

Felix stated that the Council has three options to consider:

1. Proceed with OAA with School district and four parcels with the four conditions proposed by Grant Valley Township.
2. Proceed with OAA with School District only and include the County road.
3. Accept ISD #31’s petition annexing the property and County road.

Johnson stated that by only annexing the school it would create a “flag lot”, which he would not be in favor of. Johnson further stated he would like the City to include the four parcels as proposed by Grant Valley. Council then discussed whether the service fee could be

reduced. Felix stated that if the fee is changed for these parcels, the fee would have to be changed for all properties that were part of the Division Street Project.

Larson stated that he does not see the value of annexing property into City limits when the residents are opposed to it. He suggested the City bring in the school now.

Gray stated when City services are needed, the property owner would be required to petition to be annexed prior to hooking up. Gray further stated that by changing the fee would affect the “cap” set by the Council on the project.

Mathews suggested that the phasing in could begin in 2023. However, staff argued against an extension of the proposed phase in time as property changes ownership.

Motion by Meehlhause, seconded by Larson, to execute an Orderly Annexation Agreement with Grant Valley Township to annex Division Street and the Gene Dillon School property. Motion carried with the following vote: Ayes: Meehlhause, Larson, Albrecht. Nays: Johnson, Hellquist.

ADJOURN

There being no further business, motion by Hellquist, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 7:55 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk