

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – December 15, 2014

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 15, 2014 at 7:00 p.m. in the Council Chambers of City Hall, Mayor Albrecht presiding.

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

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Public Works Director/City Engineer Craig Gray, Finance Director Ron Eischens, 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 presented. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:

Council Meeting	December 1, 2014
Work Session	December 8, 2014

Motion by Erickson, seconded by Thompson, to approve the minutes as prepared. Motion carried by unanimous vote.

CONSENT AGENDA

The Consent Agenda items as amended presented for consideration. Erickson requested to be added to the travel authorization to the LMC Leadership Conference. **Motion by Johnson, seconded by Thompson, to approve the Consent Agenda items as amended:**

1. Claims Submitted by Finance Officer in the amount of **\$661,631.35**
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of **\$70,677.15**
3. Miscellaneous Business License Renewals for 2015
4. Liquor License Renewals for 2015
5. 2014 Budget Amendment No. 3
6. **RESOLUTION NO. 5923:** Establishing Non-Union Salaries and City Pay Scale for 2015
7. **RESOLUTION NO. 5924:** Accepting Donations for Special Recreation Events
8. Travel Authorization – LMC Leadership Conference, Jan. 30-31 (Brooklyn Center) – Albrecht, Meehlhause, Larson, Johnson, Olson, Erickson

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Kalli Wilson, BYA representative, reported that the Commission is working on booking vendors for a Healthy Living Expo. Their next Listening Lunch topic is Bemidji Day at the Capitol.

PUBLIC HEARING

2015-2019 Capital Improvement Plan

Eischens stated that the Capital Improvement Plan is a long-term guide for planning major capital outlays including improvements and equipment.

Pursuant to published notice a public hearing was held regarding input on the 2015-2019 Capital Improvement Plan. Mayor Albrecht opened the Public Hearing at 7:06 p.m. and with no comments the hearing was closed at 7:07 p.m.

Erickson pointed out that there has been discussion amongst the Council regarding the future of the Neilson Reise Arena and hopes that the Council clarifies its position regarding the Arena before any bids for any purchases are considered by the Council.

RESOLUTION NO. 5925: Adopting the 2015 to 2019 Capital Improvement Plan was offered by Councilmember Meehlhause, who moved its adoption, and upon due second by Councilmember Johnson, was passed by unanimous vote.

2015 Street Renewal Project

Gray noted that a neighborhood meeting was held on December 9 and attended by twenty-six residents. There was significant discussion on the need for the project and questions on why White Birch Avenue is being paved at this time.

City Attorney Felix stated that Chapter 429 requires that a 4/5ths vote of the Council is required to pass the resolution ordering the project. Therefore, the Council will need consider the resolution at their January 5, 2015 meeting.

Pursuant to published notice a public hearing was held regarding input on the 2015 Street Renewal Project (#15-01). Mayor Albrecht opened the Public Hearing at 7:11 p.m.

- Keith Winger, 447 Sherman Drive NE, listed concerns about the traffic on Sherman even though it is not a through street. The traffic comes over off of Elliott Drive. He noted that it is irritating to some residents that the Council is spending money on non-essential services.
- Nellie Withoff, 5150 Sherman Drive NE, spoke in favor of the project.
- John Naegeli, 3500 Piper Drive NE, stated that he was okay with Piper being paved, but would rather wait until Elliot is paved.
- Ann Campbell, 3420 Lake Avenue NE, stated that she has spoken to the City Engineer about the assessment and he is willing to cut it in half. However, she would like the assessment to be lower as her property does not front Sherman.
- Greg Swanson, 4801 Sherman Drive NE, spoke in favor of the project as the street is degraded.
- Don Brunder, 5109 Juniper Circle, spoke in favor of the project. He stated that Chapter 429 requires that the property value of the land go up accordingly and does not believe that the improvement will do that.
- Richard Bahr, 3545 White Birch Avenue NE, stated he is not in favor of White Birch being paved as it does not benefit him and he has concerns about water runoff. Gray responded that stormwater runoff from Class V roads is similar to runoff from a paved street.
- Cynthia Olson, 4900 Sherman Drive NE, spoke in favor of the project. She expressed concerns about the construction schedule. Gray responded that the plan is that construction will begin the middle of May and be completed sometime in August. If the contractor does not meet that completion date, they get charged a penalty.
- Scott Grover, 5125 Sherman Drive NE, spoke in favor of the project.
- Stephen Vencel, 4240 Sherman Drive NE, asked if there was state aid money being used on Sherman Drive. Gray responded that Sherman Drive is not a state aid street and that 80% of the project costs will be paid using property taxes and stormwater fees. Mr. Vencel stated that Elliot Road has been going to be paved for the last 30 years and asked what the problem is.

Mayor Albrecht closed the public hearing at 7:41 p.m.

Gray stated that paving of Piper Drive and White Birch is up to the Council. He stated that for sure these two roads will need to be paved when Elliott Road is paved. Discussion continued regarding the maintenance agreement with Northern Township on Elliott Road.

Councilor Erickson commented that she is dedicated to getting streets paved and assessments will never be this low again. Discussion continued regarding the ability to have a street funding mechanism.

Gray asked the Council for direction on White Birch and Piper Drive. Mayor Albrecht noted that consensus of the Council was to move forward with the project as presented.

Motion by Erickson, seconded by Meehlhause, to table the Resolution ordering the 2015 Street Renewal Project until the January 5, 2015 Council meeting. Motion carried unanimously.

OLD BUSINESS

Nameless Coalition for the Homeless

Mayor Albrecht stated that at the December 1, 2014 Council meeting the decision for a donation to the Nameless Coalition for the Homeless was tabled pending a legal opinion from the City Attorney as to whether a donation would be a valid public expenditure.

Chattin stated that there many things in the City that we could find were a public purpose but the other side is the moratorium on donations and/or the creation of a Council policy regarding donations.

City Attorney stated that in his opinion that the Council has the ability to consider this request.

Thompson stated that the request is clearly a matter of trying to save lives and it seemed to him to be an appropriate use of funds.

Johnson asked if there was more to the request than \$5,000, perhaps waiving fees.

Mayor Albrecht commented that if they came back for another request, she believed that it would stand on its own merits. She stated the moratorium should be revisited.

City Attorney Felix indicated that the moratorium on donations is written to the extent that it is memorialized in the minutes.

Mayor Albrecht stated that the City Attorney has indicated that the request is valid. She noted that there is a \$3,000 balance in the Small Cities Neighborhood Revitalization-type Grants.

Erickson stated that the moratorium should be considered before making a decision on this request. She expressed concerns about opening the door without guidelines.

Meehlhause stated that the Council did not get into their position to make easy decisions and he would like the Council to review the moratorium on donations.

Kalli Wilson stated that the BYAC reviewed the topic and expressed their support for the Nameless Coalition and breaking the moratorium is a different issue. She stated that the Commission has concerns about fellow students that deal with this.

Erickson stated that City residents should not feel guilty because they pay property taxes and are participating at the County level. She commented that cities do not levy dollars for social programs and feels that this is an inappropriate expenditure at this level.

Motion by Thompson, seconded by Meehlhause, to donate \$5,000 to the Nameless Coalition utilizing \$3,000 funds from the Small Cities program and \$2,000 from enterprise funds with the following condition: the Nameless Coalition gain non-profit organizational status; 2) provide a business plan describing how it would operate and deliver the service; 3) insurance; and 4) a signed lease in place. Motion carried with the following vote: Ayes: Meehlhause, Johnson, Thompson, Albrecht. Nays: Erickson.

NEW BUSINESS

Carnegie Library Project

Cathy Marchand, Save the Carnegie Committee Treasurer, stated that the City received proposals from five (5) firms. The Committee reviewed the bids using the following selection criteria: fee, historical preservation experience, experience working with State Historical office and location. She stated that the Committee was very impressed by the strength of the Widseth Smith Nolting (WSN) team. In particular, one of the individuals has substantial historical preservation experience and will be a benefit to the project. The bids were received:

	MJ Burns	Widseth Smith Nolting	HSR Associates	LJA	Karvako
Location	Fargo/Moorhead	Bemidji	LaCrosse, WI	Fargo	Bemidji
Fixed Fee	\$90,000	\$97,500	\$104,000	\$112,500	\$195,000
Est. Reimb.	\$6,300	\$2,100	\$7,500	\$7,500	\$7,000
TOTAL	\$96,300	\$99,600	\$111,500	\$120,000	\$202,000

Marchand stated the Committee unanimously recommended the Council award the contract to WSN in the amount of 97,500 plus reimbursable fees. The fees for these services will be

paid by a combination of funds: \$50,000 from the Minnesota Historical & Cultural Heritage (Legacy) Grant and funds raised by the Committee.

Motion by Johnson, seconded by Thompson, to award the Architectural Planning & Design Services contract to Widseth Smith Nolting of Bemidji in the fixed amount of \$97,500 plus reimbursable fees paid for from the Carnegie fund. Motion carried unanimously.

VenuWorks Business Plan and 2015 Annual Budget

Curtis Webb, Executive Director with VenuWorks, highlighted the 2015 Business Plan and budget for the Sanford Center. He stated that the goal of VenuWorks Bemidji, LLC is to increase revenues while maintaining expenses resulting in decreased City subsidy. He stated that the budget is \$325,631 for 2015 fiscal year or \$23,657 less in subsidy than 2014. Some key highlights for the new fiscal year are:

- Continued partnership with BSU athletics
- Axemen entered into second year of play
- Entered into agreements with Ticketmaster and Live Nations Concerts which may result in better quality shows/national touring shows

Webb stated he will be focusing on advertising the convention center in the coming year to potential delegates. Webb stated that one of his goals is to get the Innkeepers group, VisitBemidji, Chamber and VenuWorks on the same page.

Motion by Erickson, seconded by Thompson, approving the 2015 Sanford Center Business Plan and Budget. Motion carried unanimously.

Purchase Agreement (Old MnDOT Site)

Chattin stated that Gould Development, LLC has made an offer to purchase the former MnDOT Headquarters site for construction of a hotel development, with emphasis on serving “extended stay” travelers. The tentative purchase price offered is \$500,000.

Motion by Thompson, seconded by Erickson, to accept the draft purchase agreement with Gould Development, LLC and authorized staff to complete final negotiations of the terms of said agreement, including authorization for appropriate City officials to execute the final agreement. Motion carried unanimously.

Final 2014 Tax Levy Collectible in 2015

RESOLUTION NO. 5926: Adopting the Final 2014 Tax Levy Collectible in 2015 in the amount of \$4,530,636 was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Johnson, was passed by unanimous vote.

Final 2015 Budget

RESOLUTION NO. 5927: Adopting the 2015 final budget was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Meehlhause, was passed by unanimous vote.

ORDINANCES

ORDINANCE NO. 109, 3RD SERIES, AN ORDINANCE Repealing Ordinance No. 100, 3rd Series, and Amending an Uncoded Section of Bemidji City Code Pertaining to Street Vacation was given a final reading and passed by unanimous vote.

Motion by Meehlhause, seconded by Thompson, approving publication of a summary of Ordinance No. 109, 3rd Series. Motion carried unanimously.

ORDINANCE NO. 110, 3RD SERIES, AN ORDINANCE Repealing Ordinance No. 101, 3rd Series, and Amending an Uncoded Section of Bemidji City Code (Authorizing the Sale of Real Property) was given a final reading and passed by unanimous vote.

Motion by Johnson, seconded by Meehlhause, approving publication of a summary of Ordinance No. 110, 3rd Series. Motion carried unanimously.

ORDINANCE NO. 111, 3RD SERIES, AN ORDINANCE Repealing Ordinance No. 102, 3rd Series, and Amending an Uncoded Section of Bemidji City Code (Authorizing the Sale of Real Property) was given a final reading and passed by unanimous vote.

Motion by Thompson, seconded by Meehlhause, approving publication of a summary of Ordinance No. 111, 3rd Series. Motion carried unanimously.

UPCOMING COUNCIL MEETINGS

- Monday, January 5 7:00 p.m. Council Meeting
- Monday, January 12 5:30 p.m. Work Session

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 9:00 p.m.

Respectfully submitted,


Kay M. Murphy
City Clerk