

# CITY COUNCIL PROCEEDINGS

## BEMIDJI, MINNESOTA

### Regular Meeting – December 16, 2019

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 16, 2019 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, Beard, Johnson, Rivera, Erickson, Thompson.

Staff Present: City Manager Nate Mathews, Finance Director Ron Eischens, City Attorney Alan Felix, Public Works Director/City Engineer Craig Gray, Assistant City Engineer Sam Anderson, Community Development Director Steven Jones, City Clerk Michelle Miller

#### **AMENDMENTS TO AGENDA**

Mayor Albrecht called for any amendments to the agenda. Upon staff request Item 19 (Site Host Agreement with ZEF Energy) was moved to be heard first under New Business. **Motion by Meehlhause, seconded by Thompson to approve the agenda as amended. Motion carried by unanimous vote.**

#### **MINUTES**

The following minutes were presented for approval:

- Work Session: November 25, 2019
- Council Meeting: December 2, 2019
- Work Session: December 9, 2019

**Motion by Meehlhause, seconded by Johnson, to approve the minutes as presented. Motion carried by unanimous vote.**

#### **CONSENT AGENDA**

Albrecht called for any items to be pulled from the consent agenda. Upon staff request the Health and Safety Services Contract with LCSC was removed from the consent agenda for a later meeting. The following Consent Agenda items were presented for approval. **Motion by Meehlhause, seconded by Beard, to approve the Consent Agenda items as follows:**

1. Claims Submitted by Finance Officer in the amount of \$866,958.91
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$72,314.64
3. Business License Renewals for 2020
4. **RESOLUTION NO. 6266:** Approving Gambling Premises Permit to BYHA at Bemidji Community Arena
5. **RESOLUTION NO. 6267:** Accepting Donations for 2019 for the Parks & Recreation Department
6. **RESOLUTION NO. 6268:** Accepting Donations for 2019 for the Fire Department
7. **RESOLUTION NO. 6269:** Approving 2020 City Pay Scale and Change to City Benefit Contribution
8. **RESOLUTION NO. 6270:** Accepting Responsibility as the Sponsoring Agency – 5<sup>th</sup> Street NW Trail (TAP Application)
9. **RESOLUTION NO. 6271:** Agreeing to Maintain Facility – 5<sup>th</sup> Street NW Trail (TAP Application)
10. **RESOLUTION NO. 6272:** Authorizing Release of Sanitary Sewer Utility Easement in Private Property (Dollar General)
11. Approve Budget Modification #3

#### **CITIZENS NOT ON AGENDA**

No appearance.

#### **PUBLIC HEARING**

##### Capital Improvement Plan

Eischens stated that the five year CIP includes equipment and construction projects totaling \$46 million with \$24.7 million relating to water/sewer improvements including \$9.5 million in wastewater treatment and \$15.2 million for water treatment. Alternative funding sources may partially fund these projects, including the issuance of bonds, with principal and interest payments funded with utility fees. Additionally, a rate study will be recommended for water/sewer rates since the last study was done 12 years ago.

Pursuant to published notice, a public hearing was held regarding input on the 2020 to 2024 Capital Improvement Plan. Mayor Albrecht opened the Public Hearing at 6:08 p.m. and hearing no comments, closed the hearing at 6:09 p.m. Staff addressed several questions from council regarding capital improvement items.

**RESOLUTION NO. 6273: Adopting the 2020-2024 Capital Improvement Plan was offered by Councilmember Johnson, who moved its adoption, and upon due second by Councilmember Rivera was passed by the following vote: Yeas: Albrecht, Meehlhause, Beard, Johnson, Rivera, Erickson, Thompson. Nays: None.**

2020 Birchmont Drive Reconstruction Project

Assistant City Engineer, Sam Anderson, stated that the 2020 Birchmont Drive Reconstruction Project will consist of removal and replacement of the existing bituminous surface, concrete curb and gutter and sidewalks, as well as the replacement of nearly 100 year old clay sanitary sewer main and 110 year old cast iron water main. Anderson reported there was a neighborhood meeting held on December 11, 2019 for affected residents.

Pursuant to published notice, a public hearing was held regarding input on the 2020 Birchmont Drive Reconstruction Project 20-02. Mayor Albrecht opened the Public Hearing at 6:20 p.m. with the following comments:

- Sara Baker, 1006 Birchmont Drive NE, expressed concern of the cost of the assessment due to income restrictions. Staff advised Ms. Baker of the senior deferral option.

Hearing no further comments, Albrecht closed the public hearing at 6:27 p.m.

**RESOLUTION NO. 6274: Ordering the 2020 Street Renewal Project - City Project 20-02 and Authorizing Preparation of Plans and Specifications and Authorizing Advertisement for Bids on Improvement was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Meehlhause was passed by the following vote: Yeas: Albrecht, Meehlhause, Beard, Johnson, Rivera, Erickson, Thompson. Nays: None.**

**NEW BUSINESS**

Consider Site Host Agreement with ZEF Energy, Inc.

Roger Garton, Otter Tail Power, stated that the MPCA has established a project using Volkswagen settlement dollars to install electric vehicle charging stations through the State of Minnesota in an effort to reduce emissions. The MPCA has partnered with ZEP Energy and Otter Tail Power to construct a level 3 charging station in a downtown parking lot, more specifically Lot 4. The City would need to enter into a Site Host Agreement to dedicate four parking spaces for a period of 10 years. ZEF Energy would construct and maintain the new charging station.

**Motion by Meehlhause, seconded by Johnson authorizing the City to enter into a Site Host Agreement with ZEF Energy, Inc. to construct a level 3 EV charge station in Lot 4. Motion carried by unanimous vote.**

Sanford Center 2020 Business and Marketing Plan and 2020 Annual Budget

Tiffany Vickaryous-Hubbard, Executive Director, initially reported to council on December 2 regarding the 2020 Business and Marketing Plan. At that time, council was not prepared to vote on the plan or the budget. Since the last meeting, council received additional information regarding the budget. Beard and Johnson expressed concerns with the stagnant growth in revenue within the budget and plan. Hubbard addressed several questions from council. It was suggested that council and Sanford Center staff meet at a work session to help address questions and concerns regarding future budget and marketing plans.

**Motion by Meehlhause, seconded by Rivera approving the Sanford Center 2020 Business and Marketing Plan and 2020 Annual Budget. Motion carried with the following vote: Yeas: Meehlhause, Rivera, Erickson, Thompson, Albrecht. Nays: Beard, Johnson**

2019 Tax Levy Collectible in 2020

Eischens stated that the total levy is \$6,120,321 for an increase of 4.3% from 2019. An increase in local government aid of \$161,000 kept the tax levy lower than what it could have been. Due to the value of new construction and other property value changes, the effective city tax rate decreased 1.8%.

**RESOLUTION NO. 6275: Approving Final 2019 Tax Levy Collectible in 2020 in the amount of \$6,120,321 was offered by Councilmember Rivera, who moved its adoption, and upon due second by Councilmember Meehlhause was passed by the following vote: Yeas: Erickson, Beard, Johnson, Rivera, Albrecht, Thompson, Meehlhause. Nays: None.**

Final 2020 Budget

Eischens stated that the general fund includes a surplus of \$206,000 due to fluctuations in capital purchases from year to year. Revenue diversification continues to be important due to large projects coming before the council in the near future. A broader funding source, such as a hospitality tax, is more equitable than utilizing local property taxes.

**RESOLUTION NO. 6276: Approving Final 2020 Budget was offered by Councilmember Rivera, who moved its adoption, and upon due second by Councilmember Meehlhause, was passed by the following vote: Yeas: Beard, Johnson, Albrecht, Thompson, Meehlhause, Rivera. Nays: Erickson.**

Consider Proposal for Lobbying Services

Mathews reported that three proposals were received for lobbying services for the following:

- Lobbying assistance for the City’s 2020 Bonding Bill request (PFAS project).
- Lobbying assistance for 2020 or legislation submission for a food and beverage tax to pay capital replacement costs at the Sanford Center.
- Professional legal consultation in 2020 to develop a food and beverage tax proposal for submission in either 2020 or 2021.

He stated that all three firms (Flaherty & Hood, Libby Law Office & The Jacobson Law Group) are excellent and capable in helping the City maneuver through the legislative process. Direction is needed to proceed with the food and beverage tax regarding the specific work to be done from the proposals. Currently, there is \$30,000 budgeted from contingency funds for this work.

**Motion by Meehlhause, seconded by Erickson to enter into an agreement with Flaherty and Hood for the City’s 2020 Bonding Bill request (PFAS project) and lobbying assistance to develop a food and beverage tax proposal in the amount of \$25,000 to be paid by contingency funds. Motion carried by unanimous vote.**

**ORDINANCES**

Felix stated that since the first reading of the ordinance, changes have been made from input received during a public forum held by the Public Affairs Committee, as well as concerns from council.

Pursuant to published notice, a Public Hearing was held to receive input regarding an Ordinance Amending Chapter 24 of the Bemidji City Code, Article III, Entitled “Parking, Stopping and Standing”, Section 24-123, Recreational Camping Vehicle Parking. Mayor Albrecht opened the Public Hearing at 7:47 p.m., hearing no comments the Public Hearing was closed at 7:47 p.m.

**Motion by Erickson, seconded by Meehlhause, accepting the revised Ordinance, including the change to 72 hours in paragraph (a) regarding the Ordinance Amending Chapter 24 of the Bemidji City Code, Article III, Entitled “Parking, Stopping and Standing”, Section 24-123, Recreational Camping Vehicle Parking. Motion carried unanimously.**

**AN ORDINANCE** Amending Chapter 24 of the Bemidji City Code, Article III, Entitled “Parking, Stopping and Standing”, Section 24-123, Recreational Camping Vehicle Parking was given a second reading.

**ORDINANCE NO. 165, 3<sup>RD</sup> SERIES**, AN ORDINANCE Amending an Uncoded Section of Bemidji City Code Pertaining to Street Vacation (Portion of Second Street SW – Second Mill Park Addition) was given a final reading and passed by unanimous vote.

**Motion by Johnson seconded by Meehlhause, approving publication of a summary of Ordinance No. 165, 3<sup>rd</sup> Series. Motion carried unanimously.**

**UPCOMING COUNCIL MEETINGS**

- Monday, January 6 6:00 p.m. Council Meeting/Annual BEDA Meeting
- Monday, January 13 5:30 p.m. Work Session – Phase 3 Annexation (Northern Township)
- Tuesday, January 21 6:00 p.m. Council Meeting

**COUNCIL/STAFF REPORT**

- Council members provided updates on current events and meetings.

**ADJOURN**

There being no further business, motion by Thompson, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 8:08 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Michelle R. Miller". The signature is written in a cursive style.

Michelle R. Miller  
City Clerk