

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – December 4, 2017

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 4, 2017 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, Plemel, Erickson, Larson.

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director/City Engineer Craig Gray, Assistant City Engineer Sam Anderson, City Clerk Kay Murphy

AMENDMENTS TO AGENDA

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

MINUTES

The following minutes were presented for approval:

Council Meeting	November 20, 2017
Work Session	November 27, 2017

Motion by Meehlhause, 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. The following two items were requested to be added:

- Chief Mastin requested that the Council consider a Resolution approving State of Minnesota Joint Powers Agreements with the City of Bemidji on Behalf of its Police Department Regarding the Minnesota Human Trafficking Investigators Task Force (MNHITF)
- Councilor Johnson requested travel authorization to attend a CGMC meeting on December 6 in St. Paul.

Motion by Meehlhause, seconded by Plemel, to approve the Consent Agenda items as amended:

1. Claims Submitted by Finance Officer in the amount of \$1,923,668.73
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$51,233.96
3. Business License Renewals for 2018
4. Final Reading of 2017 Beer License Renewals (On and Off Sale)
5. 1-4 Day Temporary On-Sale Permit at BSU on 3/3/18
6. 2017 & 2018 Sunday On-Sale Liquor Licenses – Tutto Bene
7. Nominated Joint Planning Commission Member for Reappointment – Kristi Miller
8. 2017 Budget Amendment #3
9. Banking Service Recommendation
10. Purchase of Total Station Surveying Equipment & Construction Staking from Frontier Precision, Inc. (\$24,853.80)
11. **RESOLUTION NO. 6117:** Approving State of Minnesota Joint Powers Agreements with the City of Bemidji on Behalf of its Police Department Regarding the Minnesota Human Trafficking Investigators Task Force (MNHITF)
12. Travel Authorization – CGMC meeting in St. Paul on Dec. 6 - Johnson

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

- David Vargas, 26201 White Spruce Dr., expressed concerns regarding the Council's decision about Bemidji Paper Sales at their last meeting.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission

The Commission members were interviewed regarding park usage and teenage engagement as part of the strategic planning process. Commission members are volunteering at the upcoming Carnegie Library Winter Tea fundraiser, the Ugly Sweater

Party and at various business downtown on December 30 for the New Year’s Eve Family events. In lieu of the Winterfest cancellation, they plan to contact the Bemidji Jaycees to see if they can partner with them on the Bemidji Polar Plunge. To date, the Commission has raised \$225 in cash donations thus far, and have received \$50 in gift card donations as well.

TRUTH-IN-TAXATION HEARING

Finance Director Eischens reviewed the 2018 City budget and tax levy. He noted that the City’s proposal for a 1.5% hospitality tax to eliminate \$903,000 property tax cost of Sanford Center was put on hold. The total budget is \$34 million, which is a decrease of \$4.2 million, or 11%, over last year. The proposed 2018 tax levy amounts to \$5,752,739, an increase of \$373,000 or 6.9 percent from last year. He stated that despite the 6.9% levy increase, the City tax rate will decrease 2.1%. The City’s final budget and tax levy will be adopted by the Council at its December 18 meeting. Eischens reviewed why property taxes vary from year to year, how city taxes are spent and other charts comparing Bemidji with like cities.

Pursuant to published notice a public hearing was held regarding input on the 2017 Truth-in-Taxation. Mayor Albrecht opened the Public Hearing at 6:37 p.m. and closed the Public Hearing at 6:38 p.m.

NEW BUSINESS

2017 Delton Avenue Reconstruction Project

Sam Anderson, Assistant City Engineer, stated that the feasibility study outlines the proposed improvements, estimated costs and recommended property assessments for the reconstruction of the following street segments:

<u>Street</u>	<u>From/To</u>
Bardwell Drive NW	Anne Street Loop
Richards Avenue SE	1st Street to 4th Street
24th Street NE	Irvine Avenue to Bemidji Avenue
23rd Street NW	Park Avenue to Irvine Avenue
14th Street NW	Delton Avenue to Park Avenue
Minnesota Avenue	26th Street to 29th Street

The estimated cost of the project is \$1,942,369 with the proposed funding sources as follows:

Assessments	\$ 338,476
Sanitary Sewer Utility Fund	\$ 204,000
Water Utility Fund	\$ 311,000
Storm Water Utility Fund	\$ 400,000
City Tax Levy	\$ 425,000
Construction Fund Reserves	\$ 263,893

He stated that a neighborhood meeting notice for Thursday, December 14 has been sent to the affected residents allowing an opportunity for them to ask questions and hear about the project prior to the public hearing on December 18.

RESOLUTION NO. 6118: Approving Feasibility Report and Call Public Hearing for 2018 Street Renewal – City Project 18-01 was offered by Councilmember Erickson, who moved its adoption, and upon due second by Councilmember Plemel was passed by unanimous vote.

Five-Year Street Renewal Plan (2019 – 2023)

Gray stated that City staff has prepared a new 5-year plan for the city’s street renewal program. This program started in 2008 with the goal of having a dedicated funding source for an annual street reconstruction program. Since its inception, the City has reconstructed, renewed or paved approximately 13 miles of city streets. The 2019-2023 plan will add another 9.5 miles to this which means that by the end of 2023 the City would have reconstructed nearly 25% of the city’s 92 mile street system within a 16 year period. Anderson reviewed the maps with the Council. No action required.

Purchase Agreement

Mathews reviewed the purchase agreement with Overbeek’s. Total purchase price is \$290,000, \$5,000 earnest money and \$30,000 escrow. Escrow money will be held by the closing agent until the building is demolished in April. The closing date will be in March.

Motion by Meehlhause, seconded by Johnson, to approve the Purchase Agreement, Access Agreement and Environmental Escrow Agreement with the owners of

Overbeek's. Motion carried with the following vote: Ayes: Meehlhause, Larson, Plemel, Johnson, Albrecht. Nays: Hellquist, Erickson.

Sanford Center Approvals

Mathews stated that in September the Council discussed the results of the work group that evaluated a range of topics including: 2016 staffing concerns, City facility comparisons, finance/use of special use tax comparisons, BSU use dynamic, board governance, management contract issues/review, and defining success for the community. He stated that the current Sanford Center Advisory Board was established in 2010. The work group recommended a Board of Directors which is smaller, focused on high-level issues and executive in scope with three (3) subcommittees. The Board of Directors would include:

- BSU Athletic Director
- Naming Rights Sponsor
- VisitBemidji Executive Director
- Mayor
- City Manager
- Finance expert (community at large)
- Economic development (community at large)

He stated that they recommended the creation of the following subcommittees:

- Finance
- Building Operations/Facilities
- Marketing

Erickson suggested that the subcommittees include council representatives on them and the City Finance Director on the Finance subcommittee. Johnson stated that he has been on the Advisory Board since day one and they were more aware of what was going on in the Sanford Center. He noted that attendance has not been good and they no longer receive "flash reports" from VenuWorks.

Jeff Kossow, VenuWorks, stated that the Council has full authority over budget and oversight if there are issues that need to be addressed.

Mathews stated that the Work Group also recommended that the City extend the management contract with VenuWorks, which expires December 31, 2019. It was noted that by extending the management contract would provide continuity in the community, stabilize the facility and, in particular, to commence our immediate planning needs.

Discussion followed regarding negotiating with VenuWorks with the recent incident of theft that is unresolved. Mathews stated that the City is waiting on the State Auditor's report. Kossow stated that the owner of VenuWorks has stated that the "city taxpayers will be out zero dollars" and criminal charges are being pursued against their former employee.

Motion by Erickson, seconded by Meehlhause, to approve the establishment of the Sanford Center Board of Directors, including the establishment of three (3) subcommittees (Finance, Operations, Marketing) and authorize city staff to negotiate a new management contract with VenuWorks. Motion carried with the following vote: Ayes: Larson, Erickson, Meehlhause, Albrecht. Nays: Hellquist, Johnson, Plemel.

ORDINANCES

Felix stated that since the first reading staff is recommending the Council include the Public Works Director and Parks and Recreation Director and their designees to those that can issue an administrative fine.

Councilor Hellquist commented that he was concerned about the safety of "untrained" employees issuing an administration fine. Felix responded there will be training and staff will use discretion on when and who should issue the fine/citation.

Motion by Plemel, seconded by Meehlhause, to accept the Ordinance as revised. Motion carried unanimously.

Pursuant to published notice, a Public Hearing was held to receive input regarding Amending Chapter 1 of the Bemidji City Code Entitled, "Administrative Citation & Civil Penalties" by Amending Provisions Relating to Section 1-14(c). Mayor Albrecht opened the Public Hearing at 8:02 p.m., hearing no comments the public hearing was closed.

AN ORDINANCE Amending Chapter 1 of the Bemidji City Code Entitled, “Administrative Citation & Civil Penalties” by Amending Provisions Relating to Section 1-14(c) was given a second reading.

ORDINANCE NO. 143, 3RD SERIES, AN ORDINANCE Amending Chapter 12, Article XXV, of the Bemidji City Code Relating to Lodging Tax was given a final reading and passed by unanimous vote.

Motion by Meehlhause, seconded by Johnson, approving publication of a summary of Ordinance No. 143, 3rd Series. Motion carried unanimously.

ORDINANCE NO. 144, 3RD SERIES, AN ORDINANCE Amending an Uncoded Section of Bemidji City Code Pertaining to an Street Vacation (Wagner’s Third Addition to Bemidji) was given a final reading and passed by unanimous vote.

Motion by Meehlhause, seconded by Larson, approving publication of a summary of Ordinance No. 144, 3rd Series. Motion carried unanimously.

Felix stated that since the second reading, he has had time to review the Ordinance and is recommending the following language be added in Sec. 10-82: ...City, or of state law or regulation, existing on or after the effective date...

Motion by Hellquist, seconded by Johnson, to accept the Ordinance as revised. Motion carried unanimously.

ORDINANCE NO. 145, 3RD SERIES, AN ORDINANCE Amending Chapter 10 entitled Buildings and Building Regulations of the Bemidji City Code by Adding a Section Relating to Manufactured Homes and Manufactured Home Parks was given a final reading and passed by unanimous vote.

Motion by Johnson, seconded by Meehlhause, approving publication of a summary of Ordinance No. 145, 3rd Series. Motion carried unanimously.

UPCOMING COUNCIL MEETINGS

- Monday, Dec. 11 5:30 p.m. Work Session – Joint Planning Board & Planning Updates
- Monday, Dec. 18 6:00 p.m. Council Meeting

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.
- Meehlhause reported that the City received the 2017 Best Minnesota Town award.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 8:36 p.m.

Respectfully submitted,


Kay M. Murphy
City Clerk