

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – December 5, 2016

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 5, 2016 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, Johnson, Hellquist, Olson, Erickson, Larson

Staff Present: City Manager Nate Mathews, 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 Erickson, seconded by Johnson, to approve the agenda as prepared. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:

Council Meeting	November 21, 2016
Special Work Session	November 28, 2016

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

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$582,570.27
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$287,184.99
3. Business License Renewals for 2017
4. Final Reading of 2017 Beer License Renewals (On and Off Sale)
5. Full & Sunday Liquor Licenses for 2016 and 2017 - Bunkhouse Bar & Grill at 1602 Bemidji Avenue N.
6. 2016 Budget Amendment # 2
7. Purchase of a 2018 Freightliner Truck Chasses from I-State Truck Center (\$93,870) and Heil Rapid Rail 22-yard packer from MacQueen Equipment (\$125,243)
8. Professional Services Agreement for Division Street Utilities – City Project 17-07

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

TRUTH-IN-TAXATION HEARING

Finance Director Eischens reviewed the 2017 City budget and tax levy. He highlighted the following items and noted that the presentation is available on the City's website.

Specific Budget Changes:

- Property Tax Levy Increase of 11.5% or \$553,000
- Effective Levy Increase is 5.8% because of increasing tax base
- Average homeowner would pay \$28 more in City taxes
- Average business owner would pay \$205 more in City taxes
- Exception is Phase II Northern Township property
 - Phased in tax increase over 5 years annexed property

General Fund Expense Adjustments:

- Personnel cost increases - \$305,000
- Street reconstruction - \$50,00
- Parks operations and forestry - \$25,000
- Paid on Call Firefighter pay increase - \$20,000 (\$2 per hour)
- Council pay increase - \$14,000
- Equipment purchases down - \$1.2 million

Eischens reviewed why property taxes vary from year to year, how city taxes are spent and other charts comparing Bemidji with like cities. The City’s final budget and tax levy will be adopted by the Council at its December 19 meeting. The total budget is \$38 million consisting of reserves to fund deficit total budget.

Pursuant to published notice a public hearing was held regarding input on the 2016 Truth-in-Taxation. Mayor Albrecht opened the Public Hearing at 6:35 p.m.

The following individuals addressed the Council and expressed concerns about their proposed taxes for 2017:

- Harold Drescher, 226 Algoma Street NW
- Dave Lubke, 5500 Birchmont Drive NE
- Rod Heffernan. 3201 Cedar Lane
- Dave Bangerter, 1300 Event Center Drive
- Rich Siegert, 5930 Birchmont Drive NE
- Julie Dokken, 2420 Birchmont Drive NE

Hearing no further comments, Mayor Albrecht closed the Public Hearing at 7:06 p.m.

NEW BUSINESS

2017 Delton Avenue Reconstruction Project

Gray stated that the feasibility study outlines the proposed improvements, estimated costs and recommended property assessments for the reconstruction of Delton Avenue from 15th Street to Paul Bunyan Drive. The estimated cost of the project is \$864,154 with the proposed funding sources as follows:

Assessments	\$128,989
Sanitary Sewer Utility Fund	\$105,000
Water Utility Fund	\$ 60,000
Storm Water Utility Fund	\$ 25,000
State Aid Construction	\$545,165

He stated that a neighborhood meeting notice for Thursday, December 8 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 19.

RESOLUTION NO. 6043: Approving a Feasibility Report and Call Public Hearing for Delton Avenue Reconstruction – City Project 17-04 was offered by Councilmember Hellquist, who moved its adoption, and upon due second by Councilmember Erickson was passed by unanimous vote.

2017 Street Renewal Project

Gray stated that staff has completed the feasibility report for 0.9 miles of city streets which outlines the proposed improvements, estimated costs and recommended property assessments. The streets proposed are as follows:

Roosevelt Road SW	Washington to Clausen Avenue
Shevlin Avenue SW	Roosevelt Road to 7 th Street
25 th Street NW	Irvine to Minnesota Avenue NW
Minnesota Avenue NW	25 th to 26 th Street NW
29 th Street	Irvine Avenue NW to Birchmont Drive NE

The estimated cost of the project is \$1,376,300 with the proposed funding sources as follows:

Assessments	\$185,334
Sanitary Sewer Utility Fund	\$113,000
Water Utility Fund	\$358,000
Storm Water Utility Fund	\$334,966
City Tax Levy	\$385,000

He noted that an open house to explain the project to all affected residents is scheduled for Thursday, December 15.

RESOLUTION NO. 6044: Approving a Feasibility Report and Call Public Hearing for 2017 Street Renewal Project – City Project 17-01 was offered by Councilmember Meehlhouse, who moved its adoption, and upon due second by Councilmember Johnson was passed by unanimous vote.

Carnegie Library Project Update

Catherine Marchand, Treasurer for the Friends of the Carnegie Library, updated the Council on the status of the Carnegie Library Project. She noted that in 2016 the City received a Legacy grant, one of the largest awarded, in the amount of \$346,000. The current total raised to date is \$1.23 million leaving approximately \$350,000 to reach the fundraising goal of \$1.6 million. The Committee had discussed the idea of phasing the project but ruled against it as it would only increase the project complexity and cost. She stated that one more year of fundraising is planned with project construction commencing in 2018. Ms. Marchand recommended that the Council consider forming a “task force” to include Council members, Downtown Business Authority, Beltrami County History Center, a community member, and two Save the Carnegie Committee members as well as staff. Discussion followed regarding the task force and staff will bring a recommendation to the Council to consider at their first meeting in January. Councilors Erickson and Meehlhause volunteered to serve on the task force.

ORDINANCE(S)

Felix stated that staff has received additional information regarding the 20 feet that is under consideration to sell to abutting property owners.

Motion by Meehlhause, seconded by Olson, to continue the Final Readings on the following Ordinances until the Council meeting on February 6, 2017:

- **Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property-Marci Maple)**
- **Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property-Pamela May)**
- **Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property-Brady & Anita Jones)**
- **Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property-Kevin & Michelle Storey)**

Motion carried by unanimous vote.

UPCOMING COUNCIL MEETINGS

- Monday, Dec. 12 5:30 p.m. Work Session – Will meet if needed
- Monday, Dec. 19 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 Olson, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:05 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk