

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – December 7, 2020

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 7, 2020 at 6:00 p.m. in the Council Chambers of City Hall, Mayor Albrecht presiding via video and telephone conference.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Peterson, Johnson, Rivera, Erickson (left meeting at 10:08 p.m.).

Staff Present: City Manager, Nate Mathews, Finance Director Ron Eischens, City Attorney Alan Felix, Assistant City Attorney Katie Nolting, City Engineer Craig Gray, Assistant City Engineer Sam Anderson, Parks & Recreation Director Marcia Larson, Assistant Planner Jamin Carlson, City Clerk Michelle Miller

AMENDMENTS TO AGENDA

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

MINUTES

The following minutes were presented for approval:

Canvassing Board:	November 13, 2020
Council Meeting:	November 16, 2020
Work Session:	November 30, 2020

Motion by Rivera, seconded by Peterson, to approve the minutes as presented. Motion carried by unanimous voice vote.

CONSENT AGENDA

Albrecht called for any items to be pulled from the consent agenda. The following Consent Agenda items were presented for approval. **Motion by Meehlhause, seconded by Johnson, to approve the Consent Agenda items as follows:**

1. Claims Submitted by Finance Officer in the amount of \$856,723.26
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$46,057.43
3. Business License Renewals for 2021
4. Liquor, Sunday Liquor and Wine License Renewals for 2021
5. Final Reading of On and Off Sale Beer License Renewals for 2021
6. Approve Purchase of Computer Software to Automate City and JPB Services
7. Approve COVID-19 Preparedness Plan for the Neilson Reise Arena
8. Approve Change Order No. 2 – Water Treatment Plant – City Project 20-03
9. **RESOLUTION NO. 6327:** Accepting and Authorizing Execution of Grant Agreement with the Minnesota Public Facilities Authority – Near Term Water Treatment Plant (\$10,194,000)

Motion carried with the following roll call vote: Yeas: Johnson, Albrecht, Erickson, Peterson, Meehlhause, Rivera

CITIZENS NOT ON AGENDA

The following individuals provided comments regarding a police advisory committee:

- Janel Johnson, Project for Change
- Jacob Wiley, Project for Change
- Joey Peltier, Our Revolution Bemidji
- Kimberly Jansson, Our Revolution Bemidji

Ted Carson, 814 5th Street SE, expressed a question of how property values are reached. Staff provided the name and phone number of our city assessor to obtain more information.

Reed Olson, 711 14th Street NW, expressed concern of the process related to the #Bemidji sign in Paul Bunyan Park.

CT Marhula, expressed concern of the potential conflict of interest regarding Councilmember Peterson.

REPORTS

Sanford Center – 2021 Budget

Tiffany Vickaryous-Hubbard, Sanford Center Executive Director, and Jackie Meixner, Sanford Center Director of Finance, presented the 2021 Budget and provided information related to impacts on the 2021 Budget due to the pandemic. Meixner stated that the budget had been reviewed and approved by the Finance Committee and the Sanford Center Board. Council addressed questions and concerns with staff related to the operations, conventions and events affected by the pandemic and the Budget.

Greater Bemidji

Dave Hengel, Executive Director of Greater Bemidji, together with Greater Bemidji Staff, Tiffany Fetting, Justin "Bud" Kaney, Paul Muller and Erin Echternach provided an update on Covid Relief and business initiatives with regards to Business Finance, Launch Pad, Talent Initiatives and Teleworking Recruitment. Mary Eaton, with The Ideal Circle, provided information on the Minnesota Innovation Initiative (MI2) which provides skilled training. Additionally, Susan Jarvis of Sanford Health, provided information regarding an interest of Sanford Health to re-engage conversations regarding a sports/wellness complex. She stated that there is currently \$10 million of Community Dividend available to invest in this type of facility. Hengel stated that the Railroad Corridor could be a potential location. It was stated that the City should be involved with Railroad Corridor discussions and the possible sports/wellness complex, including a work session with council.

PUBLIC HEARING - TRUTH-IN-TAXATION

Finance Director Eischens reviewed the 2021 City budget and tax levy. The increase in new construction value is projected to be 1%. The total budget is \$45 million, which is an increase of \$5 million, or 4.9%, over last year which reflect Phase III annexation effective February 2020. Eischens presented detailed information on the budget and levy which is available on the City's website. This budget reflects a surplus. The general fund revenue reflects an increase of \$805,000 as well as an increase of \$901,000 in expenses. The goal was to maintain a net zero levy increase which was done due to new construction and Phase III annexation. The projected 2021 levy is \$6,517,521 with the total City budget of \$38 million. The final budget and levy will be adopted by council at the December 21 council meeting. Eischens noted that in 2011 the City received \$2.9 million in LGA Funding and in 2021 the City will receive \$3.6 million. In 2002 the City received LGA Funding of \$3.8 million.

Pursuant to published notice a public hearing was held regarding input on the 2021 Truth-in-Taxation. Mayor Albrecht opened the Public Hearing at 8:47 p.m. and hearing no comments, the Mayor closed the Public Hearing at 8:48 p.m. A written response from Dan Kramer, 4524 Birchmont DR NE #3, Bemidji, MN 56601 was submitted to the clerk prior to the meeting.

NEW BUSINESSConsider Resolution Awarding the Sale of \$3,885,000 General Obligation Water Revenue Bonds

Eischens stated a utility rate study was completed recently to determine if the City can issue bonds to pay for a portion of the \$7.4 million cost of the near-term water treatment plant. Bond proceeds of \$4 million were determined necessary for this project, with the remaining costs paid for with water reserve funds. Public Financial Advisors, the city's consultants together with City staff prepared the official statement describing the city's financial and economic status as well as purpose for the bond sale. The bond sale occurred on Monday, December 7 with the sale closing at noon. Eischens stated that the City received six bids with the low interest bidder of .7% from BOK Financial Securities, Inc. Arcelia Detert, the City bond counsel, stated that the bond rating came in at AAA.

RESOLUTION NO. 6328: Awarding the Sale of \$3,885,000 General Obligation Water Revenue Bonds, Series 2020; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment was offered by Councilmember Meehlhause, who moved its adoption, and upon due second by Councilmember Johnson was passed by the following roll call vote: Yeas: Erickson, Rivera, Peterson, Albrecht, Johnson, Meehlhause

Consider Refund of On-Sale Liquor License Fees

Albrecht stated that she requested that this item to be added to the agenda and is requesting that the council approve a refund of an amount equivalent to six months of the paid 2021 on-sale liquor license fees to be paid before year end 2020.

Motion by Johnson, seconded by Meehlhause to refund half of the 2021 on-sale liquor license fees. Motion carried by the following roll call vote: Yeas: Peterson, Meehlhause, Albrecht, Johnson. Nays: Rivera, Erickson

Consider Joint Planning Commission Compensation

Jamin Carlson, Assistant Planner, stated that this topic was brought up at a Joint Planning Commission meeting that since the inception of the JPC, the rate of pay of \$50 per meeting for city appointed members has never increased. This topic was also discussed at the Joint LGU meeting held on November 24. Meehlhause stated that commission members put in a significant amount of time for the monthly meetings. He stated that in order to keep qualified candidates involved he believes the rate of pay should reflect that level of commitment. Council noted that Northern Township is also reviewing the rate of pay for the commission members appointed by them.

Motion by Meehlhause, seconded by Rivera to increase the city appointed JPC members rate of pay per meeting up to \$100 or for an amount equal to the rate of pay for Northern Township JPC members. Motion carried by the following roll call vote: Yeas: Rivera, Johnson, Meehlhause, Albrecht, Erickson. Nays: Peterson

Consider Joint Powers Agreement for Enforcement Services

Felix presented the draft Joint Powers Agreement for Enforcement Services as it relates to issuing citations and prosecuting planning and zoning violations within the city and township boundaries

through administrative fines and criminal penalties rather than through civil action, which is time-consuming and costly.

Motion by Rivera, seconded by Johnson to approve the Joint Powers Agreement for Enforcement Services as presented. Motion carried by the following roll call vote: Yeas: Albrecht, Meehlhause, Johnson, Rivera. Nays: Erickson, Peterson

Compliance Inspector and Site Analyst Position

Mathews stated that this position was previously filled, but that employee has since moved on and this position has not been filled due to questions surrounding the joint powers agreement with Northern Township for enforcement services. The job description was revised and the city and township are ready to post the job and hire a compliance inspector. Peterson expressed concern of the funding source for this position. Staff clarified that the fees/fines charged would be used to reimburse the cost of prosecution. Erickson reiterated her concern of the funding disparity between the City and the Township.

Motion by Meehlhause, seconded by Rivera to proceed with hiring the position of Compliance Inspector & Site Analyst Position. Motion carried by the following roll call vote: Yeas: Meehlhause, Johnson, Rivera, Albrecht. Nays: Erickson, Peterson

Consider MN/DNR Trail Design for the Clausen Avenue SW Trail Project

Sam Anderson stated that over the past decade or so, the MN DNR and the City have been working to make a formal connection as part of the larger Paul Bunyan State Trail. The current trail terminates just south of Rako Street and begins again just north of the active railroad tracks and just south of Shevlin Avenue. There is no formal connection between those two points. The proposed route is a new 10 foot wide paved trail within the city right of way along Clausen Avenue SW; which would require narrowing of some segments of the city street to allow the trail to be placed behind the curb & gutter while still allowing a greenspace boulevard without encroaching on private property. Anderson provided information of the current trail segments. A short stretch of trail will be constructed on Shortcut Lane SW but will not require changes to the current street. A neighborhood open house was held on October 7 with roughly 10-15 in attendance with the overall feedback being positive for the project.

The DNR has procured funding from various pots and is not currently requesting any formal monetary contributions from the city for the project. Engineering plans and specifications will be prepared by the DNR and plans to bid this winter with construction in 2021. Staff is seeking approval of the design of the Clausen Avenue Trail Project as presented in the materials.

Motion by Erickson, seconded by Peterson to approve the design of the Clausen Avenue Trail Project as presented. Motion carried by the following roll call vote: Yeas: Albrecht, Meehlhause, Peterson, Johnson, Rivera, Erickson.

Consider Resolution Approving Feasibility Report and Calling for Public Hearing for 2021 Street Renewal Project – City Project 21-01

Anderson stated that the feasibility study outlines the proposed improvements, estimated costs and recommended property assessments for the reconstruction of the following:

<u>Street</u>	<u>From/To</u>
Fern Street NW	Power Drive NW – HWY 71
Ash Avenue NW	Paul Bunyan Drive – 23 rd Street NW
26 th Street NW	Dead end west of Delton Ave – Bemidji Ave N

The estimated cost of the project is \$1,765,865 with the proposed funding sources as follows:

Street Assessments	\$ 298,680
Sanitary Sewer Service Assessments	\$ 7,490
Water Service Assessments	\$ 14,980
Sanitary Sewer Utility Fund	\$ 197,431
Water Utility Fund	\$ 356,885
Storm Water Utility Fund	\$ 358,126
City Tax Levy	\$ 425,000
Construction Fund Reserves	\$ 107,273
	<u>\$1,765,865</u>

Anderson provided a summary of the feasibility report for the proposed project and stated that a neighborhood meeting notice for December 16 has been scheduled for the affected residents allowing an opportunity for them to ask questions and hear about the project prior to the public hearing on January 19, 2021.

RESOLUTION NO. 6329: Approving Feasibility Report and Call Public Hearing on January 19, 2021 at City Hall, Council Chambers, 317 4th Street NW, at 6:00 p.m. for 2021 Street Renewal Project - City Project 21-01 was offered by Councilmember Meehlhause, who

moved its adoption, and upon due second by Councilmember Johnson was by the following roll call vote: Yeas: Johnson, Albrecht, Peterson, Meehlhause, Rivera. Absent: Erickson

Consider Approval of Professional Services Agreement with AE2S for SCADA Programming

Craig Gray stated that with the construction of the new water treatment plant, it will be necessary to complete a significant upgrade to the city's Supervisory Control and Data Acquisition (SCADA) system. This is a system of software and hardware elements that allows the city to control and monitor the water plant processes and systems remotely and allows remote monitoring of the city's wells, towers, alarms and treatment systems.

The City has used the consulting firm of AE2S to program and configure the city's SCADA system for the last 10 years and has received a proposal from them for the work for a price not to exceed \$89,000. This is not a lump sum fee and the city will only be charged for the services that are needed. The final scope of services cannot be determined until the plant is up and running and the type of software interfaces that will be needed. These services will be funded from the water utility fund as part of the water treatment plant project.

Motion by Rivera, seconded by Meehlhause, approving the agreement with AE2S in an amount not to exceed \$89,000. Motion carried by the following roll call vote: Yeas: Rivera, Peterson, Albrecht, Johnson, Meehlhause. Absent: Erickson

ORDINANCES

AN ORDINANCE Amending the Bemidji City Code, Adopting an Amended Fee Schedule Relating to Utility Rates was given a first reading.

AN ORDINANCE Amending the Bemidji City Code, Amending Chapter 26 of the Bemidji City Code, Article IV, Entitled "Water", Adding Sections 26-123 through 26-125, Prohibiting Private Wells for Irrigation Purposes and for Other Domestic Use on Properties within the City Served by the City Water System was given a first reading.

AN ORDINANCE Amending the Bemidji City Code, Amending an Uncoded Section of Bemidji City Code Pertaining to Alley Vacation (Unimproved Alley – Finseth Addition to Nymore) was given a first reading.

Unimproved Birch Street (Vacation)

ORDINANCE NO. 172, 3RD SERIES, AN ORDINANCE Amending an Uncoded Section of Bemidji City Code Pertaining to Street Vacation (Unimproved Birch Street) was given a final reading and passed by the following roll call vote: Yeas: Peterson, Meehlhause, Albrecht, Rivera, Johnson. Absent: Erickson

Motion by Meehlhause, seconded by Rivera, approving publication of a summary of Ordinance No. 172 3rd Series. Motion carried by unanimous voice vote.

UPCOMING COUNCIL MEETINGS

- Monday, December 21 6:00 p.m. Council Meeting

ADJOURN

There being no further business, motion by Peterson, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 10:23 p.m.

Respectfully submitted,


Michelle R. Miller
City Clerk