

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – March 25, 2013

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, March 25, 2013 at 7:00 p.m. (rescheduled from March 18, 2013, 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, Thompson

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 Meehlhause, seconded by Thompson, to approve the agenda as presented. Motion carried by unanimous vote.**

MINUTES

Minutes of the March 4, 2013 regular meeting, March 4 Special BEDA meeting and March 11, 2013 work session were presented for approval. **Motion by Hellquist, seconded by Thompson, to approve the minutes as prepared. Motion carried by unanimous vote.**

CONSENT AGENDA

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

1. Claims Submitted by Finance Officer in the amount of \$563,043.16
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$64,525.82
3. 1 Day Temporary Consumption & Display Permit – Chamber Event on 4/9/13
4. Appointment to the Heritage Preservation Commission – David Kostamo
5. **RESOLUTION NO. 5822:** Authorizing an Agreement Between the Mn Dept. of Transportation and the City of Bemidji for Traffic Control Signal (Agreement No. 03258)
6. **RESOLUTION NO. 5823:** Supporting Completion of the Paul Bunyan Expressway (Hwy 371)
7. Authorized Shingling Contract – Ashco Exteriors, Inc. in the amount of \$62,907
8. Travel Authorization – Mayor's Annual Conference – 4/26-4/27 in Moorhead – Albrecht

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Councilor Meehlhause reported on behalf of the Commission that NLFX has committed to be a sponsor for the June 7 Youth Day event.

OLD BUSINESS

Rail Corridor Application

Aaron Chirpich, development director at the HRDC, stated that when they met with the City Council in January to discuss the preliminary budget for the rail corridor planning effort they had anticipated accessing EDA technical assistance funds. Since that time, they have been informed by EDA staff that no funds will be available for this type of project. Therefore, they are requesting that the City increase its contribution from \$5,000 to \$7,500 to ensure adequate funds for all the work identified in the proposed work program. Both the HRDC and Greater Bemidji have committed to increasing their respective contributions by the same amount.

Councilor Hellquist stated that a study that was completed by RDG did a big chunk of the railroad corridor and the deliverables appear to be similar. He asked Mr. Chirpich if they were aware of this study.

Chirpich responded that they have the study; however, there is more to be discovered in the area just in the way of soil contaminates. Discussion continued regarding grant applications.

Motion by Thompson, seconded by Johnson, approving the City's contribution toward the Railroad Corridor project be increased from \$5,000 to \$7,500 utilizing the community development professional services budget, contingent on a successful application to Northwest Minnesota Foundation. Motion carried unanimously.

NEW BUSINESS

Revolving Loan Request from B&B Enterprises, LLC

Tiffany Fettig, business loan consultant for the Headwaters Regional Development Commission, presented a loan request from B&B Enterprises LLC for \$250,000 of the City's revolving loan fund. Fettig stated that the loan was requested to cover a portion of the cost of a street that the developer will build and deed back to the City. She stated that the loan is at a 1.5% fixed rate for the 24 month term and has guarantees from Whelan Properties, Inc. and Freeberg Enterprises, Inc. as well as personal guarantees from Mr. Whelan and Mr. Freeberg. HRDC will monitor payments, insurance coverage and request annual financial statements from borrower and guarantors.

Motion by Johnson, seconded by Thompson, to approve a loan in the amount of \$250,000 to B&B Enterprises, LLC with the terms as outlined by the Revolving Loan Fund Committee. Motion carried unanimously.

Extension of the UDAG Program Income (Lincoln South Development)

Aaron Chirpich stated that the Headwaters Housing Development Corporation is requesting a two (2) year extension on the repayment terms on Lots 1 through 5, Block 1 in the Lincoln South First Addition. He stated that B&B Enterprises has expressed interest in purchasing and incorporating these five lots into their phase two development.

RESOLUTION NO. 5824: Supporting Extension of Repayment Agreement, Promissory Note and Mortgage between City and Headwaters Development Corporation (Lincoln South Project) was offered by Councilmember Hellquist, who moved its adoption, and upon due second by Councilmember Olson was passed by unanimous vote.

Wastewater Treatment Plant Clarifier Refurbishment

Public Works Director Gray stated that bids were opened for the refurbishment of the two secondary clarifiers at the wastewater treatment plant. Six (6) bids were received and the lowest bid is from Magney Construction in the amount of \$461,350. The bid is \$10,000 over the estimate that was provided in the December design report. The project will be funded with sanitary utility funds.

Motion by Erickson, seconded by Meehlhause, awarding the WWTP Clarifier Refurbishment (City Project #13-02) to Magney Construction in the amount of \$461,350. Motion carried unanimously.

ORDINANCES

AN ORDINANCE Amending an Uncoded Section of Bemidji City Code Pertaining to Vacation of a Paper Street (Portion of Lake Blvd) was given a first reading.

ORDINANCE NO. 87, 3RD SERIES, Amending the City Code, Chapter 4 Entitled "Alcoholic Beverages" by adding Authority to Allow Licensed Tap Rooms and Off-Sale Malt Liquor (Growlers) was given a final reading and passed by unanimous vote. (Councilor Thompson was not present for the vote.)

Motion by Meehlhause, seconded by Hellquist, approving publication of a summary of Ordinance No. 87, 3rd Series. Motion carried unanimously.

ORDINANCE NO. 88, 3RD SERIES, Amending the 2013 Fee Schedule adding Tap Room and Growler license fees was given a final reading and passed by unanimous vote.

Motion by Olson, seconded by Meehlhause, approving publication of a summary of Ordinance No. 88, 3rd Series. Motion carried unanimously.

UPCOMING COUNCIL MEETINGS

- **Monday, April 1** **7:00 p.m.** **Special B.E.D.A. Meeting**
- **Monday, April 1** **7:00 p.m.** **Council Meeting**
- **Monday, April 8** **5:30 p.m.** **Work Session –Year 2012 Financial Review and 2014 Budget**

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Thompson, to adjourn the meeting. Motion carried. Meeting adjourned at 8:02 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk