

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – Monday, May 11, 2015

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, May 11, 2015, at 5:30 p.m. in the Conference Room of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhouse Erickson, Hellquist, Johnson, Larson (5:40) Absent: Olson

Staff Present: City Manager, Nate Mathews; Finance Director Ron Eischens; City Attorney Alan Felix; Public Works Director/CE Craig Gray; Parks & Recreation Director, Marcia Larson; GIS Coordinator, Brett Case; Fire Chief David Hoefer; Police Chief Mike Mastin; Deputy City Clerk Michelle Miller

2016 Financial Management Plan

Finance Director Ron Eischens stated that on January 12 the Council discussed with staff the advantages of approaching the budget process on a long term basis rather than a year to year approach. At that time more than 20 projects were identified and it became clear that not all of the items would be included in the 2016 budget but will need to be considered in future budgets. Eischens first highlighted six operational items for 2016 budget consideration. Those included: (1) Police LETG Software; (2) Personnel Costs; (3) Operating Budgets; (4) Joint Planning Board Position; (5) Fire Marshal, and (6) Police Department Overtime.

Council discussed the following:

- Hellquist stated items 1-4 are definite items; with items 5 and 6 needing further discussion. He further stated that there shouldn't be any police overtime; you need to get to the root of the problem.
- Police Chief Mastin stated that more than half of the overtime is for training; which cannot be done during regular shifts.
- Hellquist stated that he has received phone calls from three members of the Rural Fire Association stating that they do not believe a fire marshal is justified. Hellquist asked about alternative positions and not a high paying fire marshal position.
- Fire Chief Hoefer stated that fire prevention is optional in any community. Hoefer expressed a need for help in code enforcement, new commercial development plan review and fire prevention education. Current fire staff is set up for emergency response. Current staffing levels is not sustainable in order to do both fire prevention and emergency response.

Felix stated that the fire marshal and fire prevention issue should be reviewed by the City Manager and the Fire Chief and evaluated further before making a decision on this issue.

Erickson desired further discussion on the Joint Planning position. She stated that the Planning Administrator, Mayana Rice, is ready to start the process of hiring an additional staff member; but has delayed that process due to the lack of commitment from the City for its half of the funding; and since the City has set aside that funding Erickson would like to move forward with this position. This position will also assist in enforcing restrictions and conditions placed on planning projects. It was further discussed that \$20,000 has been set aside and could be used to fund the city's share of this position.

Motion by Erickson, seconded by Hellquist to authorize the funding from the City to the Joint Planning Board for a joint planning board and GIS position. Motion passed unanimously.

Eischens continued his presentation highlighting three capital projects, including increased street replacement funding, capital replacement funding for city buildings, and police department radios. He explained the increased funding for the Sanford Center capital improvements from \$84,000 a year to \$180,000. Eischens stated that he used BSU as an example where they use the measurement of \$1 per square foot.

Albrecht stated that the current street replacement funding doesn't include alley work and stated that alley work is sorely needed and asked how the city could improve on alley work. Gray stated that the street department is trying to do one alley a year using stormwater utility funds. Gray stated that with the proposed street replacement funding the city is doing a

good job keeping up with the replacement of streets; however, if additional annexation takes place Gray feels the city will fall behind in that street replacement schedule.

Albrecht stated that the Chamber of Commerce is no longer able to facilitate the fundraising campaign and the Northwest Minnesota Foundation does not want to be the holder of the funds for the annual downtown Christmas lights. Albrecht stated that if the downtown Christmas lights are a priority for the council that some kind of action should be taken to keep this initiative going. Albrecht continued to say that the City should not be responsible for 100% of the costs of this campaign but that she feels it is a positive cause for the community.

Eischens commented on some of the deferred or resolved issues, including: (1) Police Body Worn Cameras; (2) GIS Website Update; (3) South Shore Marina/Day Docks; and (4) Fire Station 2, and also on the issues with unknown impacts, including: (1) Birchmont Drive Assessments; (2) South Shore Land Bond Payments; (3) Library Expansion; (4) Railroad Corridor Development; (5) South Shore Park; (6) Parks/Bike Trail Improvements; (7) Neilson Reise Arena; (8) Sanford Center Water Leak; and (9) Bemidji Youth Advisory Council. These issues are all important issues and deserve consideration but at this time there is not enough information for specific dollars to be allocated at this time.

Felix commented on the work being done on the Sanford Center leak issue that should generate council consideration in the coming weeks.

Larson commented that with the cleanup of the south shore beach coming up in the fall that the council should start addressing what should be done with South Shore Park. Further efforts are being made to obtain legacy funding to help fund this project.

Albrecht stated that she received information about the Bemidji Youth Advisory request and would forward that information to the council for consideration at a later date.

Eischens continued his presentation on revenue alternative options including a hospitality tax, local sales tax and street improvement districts. Obtaining community support for the hospitality tax has been challenging. It was suggested at the Sanford Center open house that perhaps more money could be raised with the adoption of a local sales tax rather than a hospitality tax. Some projects that could be the focus of sales tax dollars could include the Sanford Center, South Shore Park and perhaps Neilson Reise Arena.

Council discussed the following:

- Adoption of this sales tax would be in addition to the current sales tax already in place.
- Requirements for a sales tax would be a specified dollar amount, the time frame and the projects that the money will be used for.
- It would be a good idea to meet with our local legislators to get their thoughts on a local sales tax request.

Comment was made that a sales tax request could be presented to the voters in a special election this fall and that could be the focus in the upcoming months to gather community input and support for a vote and presentation to next year's legislative session. Eischens stated that this could be on a future work session agenda to discuss the details of this process. Albrecht stated that she would like to see community members come together to support this. Meehlhause also suggested formulating a communications plan to help market this plan to the community.

Consensus of the council was to move forward with the 2016 Budget Recommendations as presented by Eischens. Those recommendations include: (1) Police LETG Software; (2) Personnel Costs; (3) Operational Budget Increases; (4) GIS Website; (5) Police Department Overtime; (6) Police Department Radios; and (7) Sanford Center Capital Funding. Final approval of the 2016 budget will be later in the summer.

ADJOURN

There being no further business, motion by Hellquist, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 7:20 p.m.

Respectfully submitted,



Michelle R. Miller
Deputy City Clerk