

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – May 5, 2014

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, May 5, 2014 at 7:00 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, Thompson

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Public Works Director/City Engineer Craig Gray, Chief of Police Mike Mastin, 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 Meehlhause, to approve the agenda as presented. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:

Council Meeting	April 21, 2014
Work Session	April 14, 2014
Sp Work Session	April 21, 2014
Special Meeting	April 22, 2014
Sp Work Session	April 28, 2014

Motion by Hellquist, seconded by Meehlhause, to approve the minutes as prepared and the revised April 28, 2014 minutes. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Claims Submitted by Finance Officer in the amount of **\$420,927.50**
2. Claims Submitted by Venuworks for the Sanford Center in the amount of **\$64,731.17**
3. General Business Licenses Renewals for 2014
4. 1-Day Temporary Consumption & Display Permit – Headwaters Science Center – May 16
5. 1-4 Day Temporary On-Sale Liquor License – Dragon Boat Festival –July 30-August 2, 2014
6. Approve Appointment to Public Arts Commission – Katie Carter
7. **RESOLUTION NO. 5889:** Authorizing Calendar Parking (28th Street NW; between Pine Ridge Avenue and Hannah Avenue NW)
8. **RESOLUTION NO. 5890:** To Not Waive the Monetary Limits on Tort Liability Established by M.S. 466.04 and Appointing Insurance Agent of Record

9. Awarded Quote for a “cold” storage shed to be located at City Park to Northwoods Lumber Co. (\$10,403.98)

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

Curt Wayne, 1301 Minnesota Avenue NW, announced that there will be a statewide bike planning work shop on Wednesday, May 7 at Hampton Inn hosted by MnDOT.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Hope Hickman, BYA representative, updated the Council on their current activities and upcoming Listening Lunches. She stated that applications for the Commission are coming out this week to recruit new members for the 2014-2015 school year.

BSU Student Senate – Carrie Cooper, Co-President, stated that the Senate met for the last time and reviewed their year. There will be a senior send-off party at the waterfront on Wednesday, May 7.

Librarian's Report - Paul Ericsson, Branch Manager, stated that the Library helps sponsor PechaKucha using legacy funds and he will be a presenter at the next event. His presentation will be on the reading literacy program, “Every Child Ready to Read”. He highlighted upcoming programs at the library for the summer. He noted that there is a vacancy on the Library Board and they are taking applications until next week.

PUBLIC HEARING

NPDES Permit - Storm Water Pollution Prevention Program (SWPPP)

Pursuant to published notice a public hearing was held regarding input regarding the NPDES Permit - Storm Water Pollution Prevention Program (SWPPP). Mayor Albrecht opened the Public Hearing at 7:25 p.m.

City Engineer Gray stated that one of the requirements of the City's National Pollutant Discharge Elimination System (NPDES) permit is that an annual meeting must be held to update the council and allow the public to make oral and/or written comments. The permit requires that over the 5-year life of the permit, the city address the following control measures: 1) public education and outreach; 2) public involvement and participation; 3) illicit discharge detection and elimination; 4) construction site storm water controls; 5) post construction storm water management for new development and redevelopment; and 6) pollution prevention/good housekeeping for municipal operations.

Gray commented that street department used considerably less sand in 2013 by focusing on just intersections, curves and hills. He noted that one serious violation occurred in 2013, of dumping cooking oil into the storm sewer, was reported and addressed. The oil was cleaned out of the storm structures and the party responsible for the violation was required to pay for the cleanup. The City will continue to expand the required work and provisions needed for the MS4 Permit. He noted that in the coming year staff will continue to use the Erosion Control Residential & Commercial Site Application, review new site development areas, review and update storm water resolutions and include storm water information on the city's website as well as at City Hall and at the Public Works Facility.

A short educational film about stormwater prevention methods was shown.

- Doug Smart, S. Lake Irving Drive, stated that he felt the stormwater fee was unfair between residential and commercial properties. Gray responded that the fee was based on a study conducted approximately 10 years ago and the rate developed is based upon the properties impact on the stormwater along with other factors.

Hearing no further comments Mayor Albrecht closed the hearing at 7:51 p.m.

NEW BUSINESS

2014 Community Oriented Policing Services (COPS) Grant

Chief Mastin stated that the Police Department has shown a need for additional officers through the 2012-2014 Strategic Plan. The need is based on crime rates, calls for service and the number of part 1 and part 2 crimes committed within the City. The Office of Community Oriented Policing Services (COPS) has announced that they will be accepting grants for the FY 2014 COPS Hiring Program (CHP) in middle to late May for the hiring and rehiring of entry level career law enforcement officers in an effort to create and preserve jobs and increase community policing capacity and crime prevention efforts.

Hellquist asked if the grant gave special consideration to school resource officers. Mastin responded that he is seeking to create a combined position that would be a community service officer and a school resource officer to the elementary schools. Discussion continued regarding the need to add another officer and future budgeting if the COPS grant is awarded.

Motion by Hellquist, seconded by Thompson, approving the submission of a 2014 COPS Grant application. Motion carried unanimously.

Bond Sale

Eischens stated that the City has the opportunity to refinance two bond issues at lower interest rates. The two bonds are: 1) the 2007 Capital Improvement GO (interest rates of 3.7% to 4.2%) and 2) the 2005 Water & Sewer Revenue (interest rates of 3.0% to 3.9%). He stated that the projected net savings on this refinancing is in the \$300,000 range over the remaining life of the bonds, depending on the interest rates. This transaction is an "advance" refunding, meaning the bond sale occurs now even though the bonds cannot be paid off until February 1, 2015. The reason for the timing is interest rates are currently at an all-time low and locking in savings at this time makes financial sense. The bond sale occurred with Bosc, Inc., Stern, Agee & Leach, Inc., the low bidder with an interest rate of 2.0049%.

RESOLUTION NO. 5891: Awarding the Sale of \$5,180,000 General Obligation Refunding Bonds, Series 2014; Fixing their form and Specifications; Directing their Execution and Delivery; Providing for their Payment; Providing for the Escrowing and Investment of the Proceeds Thereof; and Providing for the Redemption for the Redemption of Bonds Refunded Thereby was offered by Councilmember Thompson, who moved its adoption, and upon due second by Councilmember Erickson was passed by unanimous vote.

Discussion - CGMC Conference Application

Chattin stated that when the City hosted the 2013 CGMC Conference, the City budgeted \$5,000 to cover costs associated with that conference. The final cost was \$3,111. The City has again been asked to submit a proposal to host the conference in here in 2015. The

Sanford Center is putting together that proposal and would like to know if the Council will designate a budget for the conference.

Motion by Erickson, seconded by Olson, to provide \$2,500 as an incentive for the bid process for the 2015 CGMC Conference at the Sanford Center. Motion carried unanimously.

UPCOMING COUNCIL MEETINGS

- | | | |
|------------------|-----------|---|
| • Tuesday, May 6 | 5:00 p.m. | Board of Review |
| • Monday, May 12 | 5:30 p.m. | Work Session – Review Emergency Operations Plan & Meet with D. Hengel |
| • Monday, May 19 | 7:00 p.m. | Council Meeting |

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.
- Erickson noted that there will be a tree giveaway from City residents on Wednesday, May 14 at City Hall.
- Olson noted that the needs assessment regarding homeless persons in the Bemidji area has been completed by Center City Housing Organization of Duluth. He will make copies available to the Council in the near future.

ADJOURN

There being no further business, motion by Olson, seconded by Thompson, to adjourn the meeting. Motion carried. Meeting adjourned at 8:40 p.m.

Respectfully submitted,

Kay M. Murphy
City Clerk

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Special Meeting/Work Session – May 5, 2014

Pursuant to due call and notice, a special meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, May 5, 2014, at 6:00 p.m. in the Conference Room 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, City Clerk Kay Murphy
Other: Corey Klinefelter, owner McDonald's

Mayor Albrecht stated that the purpose of the special work session was to discuss a proposal from Mr. Klinefelter regarding a parcel adjacent to his south restaurant.

Chattin stated that Mr. Klinefelter contact staff regarding purchasing the parcel. Chattin informed him that the Council had decided to leave it as is; however, if he wished to purchase the 50' parcel or more land that he would need to visit with the Council directly.

Mr. Klinefelter stated that he is willing to purchase the parcel and make improvements on it that will enhance his business. Klinefelter further stated that he is not in favor of Link Street being closed as he would like it to remain open for access to this business. Discussion continued regarding ownership of the underlying property, McDonald's restaurant, etc. Klinefelter noted that McDonald's lease of the property from Cuperus ends in 2016. At that point, McDonald's corporate will consider if they will continue at that location.

Erickson commented that she has spoken to the Public Works Director and was informed that he was alright with the sale of the 50 feet.

Felix stated that if the Council approved the sale of 50' to Klinefelter, it would be a substandard lot or unbuildable. At which point the Joint Planning Commission and Board would weigh-in. The JPB would most likely put restrictions on the parcel, i.e., not buildable and must be added to the McDonald's parcel at some future date.

Discussion continued regarding a fair market value of the property in question. Council and Mr. Klinefelter came to a tentative agreement of \$50,000 for the lot.

Motion by Hellquist, seconded by Olson, authorizing staff to prepare a Purchase Agreement to sell the easterly 50' of the Link Street turnback property adjacent to McDonald's to Corey Klinefelter's business entity in the amount \$50,000. Motion carried unanimously.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 6:50 p.m.

**BEMIDJI CITY COUNCIL
BOARD OF REVIEW
May 6, 2014**

Pursuant to due call and published notice, the Board of Review of the City of Bemidji met at City Hall at 5:00 p.m. on Tuesday, May 6, 2014, for the purpose of reviewing and correcting the assessment of properties within city limits of the City of Bemidji for the year of 2014. Chair Rita Albrecht called the meeting to order at 5:00 p.m.

Upon roll call, the following Board Members were declared present: Albrecht, Meehlhause, Hellquist, Erickson, Thompson, Johnson (arrived at 5:05 p.m.) Absent: Olson

Others present: Joe Skerik, Debbie Tuck – Beltrami County Assessor's Office
City Clerk Kay Murphy

PRESENTATION BY ASSESSOR

County Assessor Joe Skerik provided a brief overview of the system used to establish the Estimated Market Value throughout the City. Skerik stated that residential values in the City were mostly the same with slight reductions due to another year of depreciation. There were 143 residential sales resulting in a median ratio of 94.8%. Commercial values remained steady. There were 11 commercial sales which had a median ratio of 98.7%. He noted that downtown commercial property may require review and reassessment in the upcoming year.

Skerik stated that new construction of taxable property in the City was \$9,673,800 up from \$4,169,700 the previous year. County-wide new construction was up 25% to \$33,346,100.

THE FOLLOWING PROPERTY OWNER APPEARED:

No one appeared.

OTHER ADJUSTMENTS

Skerik recommended the Council approve the following adjustments for property owners who have contacted the Assessor office for parcels: 80.06482.00, 80.05522.00, 80.05521.00, 80.01638.00, 80.03891.00.

Motion by Hellquist, seconded by Erickson, accepting the 2014 assessments as corrected. Motion carried unanimously.

ADJOURN

Motion by Thompson, seconded by Meehlhause, to adjourn the meeting. Motion carried. Meeting adjourned at 5:30 p.m.

Respectfully submitted,

Kay M. Murphy
City Clerk

Bill List Summary

May 19, 2014

<u>Check /Wire</u>	<u>Vendor</u>	<u>Amount</u>
13889	Johnson Bros.,Inc.	<u>4,548.85</u>
		\$ 4,548.85
13893-13995	See Attached List	<u>511,318.91</u>
		\$ 511,318.91
	TOTAL	\$ 515,867.76

Accounts Payable

Blanket Voucher Approval Document

User: monicae
Printed: 05/13/2014 - 11:44AM
Warrant Request Date: 05/20/2014
DAC Fund:



COUNCIL BILL LIST

Line	Claimant	Voucher No.	Amount
1	Ace On The Lake	000013893	755.48
2	Acme Tools-Bemidji	000013894	449.38
3	Albrecht, Rita	000000000	377.90
4	Ameripride	000000000	683.68
5	Anderson, Rick	000000000	174.28
6	Artisan Beer Company	000013895	30.80
7	Auto Value Bemidji	000013896	92.99
8	Baker & Taylor	000000000	500.55
9	Baumgartner, Don	000000000	33.60
10	Beltrami County Auditor/Treasurer	000013897	94,926.07
11	Beltrami County Dare Advisory	000013898	206.86
12	Beltrami County Highway Dept.	000013899	38.66
13	Beltrami County Recorder	000013900	92.00
14	Beltrami County Solid Waste	000013901	82.15
15	Beltrami Industrial Service, Inc.	000013902	304.00
16	Bemidji Area Chamber Of Commerce	000013903	6,000.00
17	Bemidji Coca-Cola Bottling Co, Inc	000013904	497.35
18	Bemidji Oil & Propane Inc	000000000	1,940.10
19	Bemidji Paper Sales, Inc.	000000000	1,251.86
20	Bemidji Radio, Inc.	000013905	200.00
21	Bemidji Steel Company	000000000	74.33
22	Bemidji Welders Supply, Inc.	000013906	34.16
23	Bernick's	000000000	25,076.44
24	Beyer, Louane	000013907	50.00
25	Big North Distr. Co, Inc.	000013908	35,122.74
26	Bluefin Payment Systems	000000000	873.30
27	Bonded Lock & Key of Bemidji	000013909	37.50
28	Books 'N More	000013910	34.00
29	Bray Sales Minneapolis	000013911	100.10
30	Bruins, William	000000000	55.00
31	Buchanan, Jerome	000013912	50.00
32	Buy Line	000013913	188.00
33	California Contractors, Inc	000013914	95.84
34	Carquest Auto Parts-Bemidji	000013915	219.37
35	Carquest Service Center	000013916	15.40
36	City of Bemidji	000000000	6,955.22
37	Clarity Glass	000013917	92.50
38	CNA Surety	000013918	100.00
39	Dakota Supply Group, Inc.	000000000	86.91
40	DEMCO	000000000	257.82
41	Dondelinger Chev-Buick, Inc	000013919	164.73
42	DPC Industries, Inc.	000013920	4,090.57
43	Electric Pump, Inc	000000000	6,334.85
44	Element Payment Services, Inc.	000000000	110.42
45	ESC Systems	000013921	294.00

Page Total: \$189,150.91

Line	Claimant	Voucher No.	Amount
46	Fenner, Kevin	00000000	49.84
47	Fisher, William	000013922	120.00
48	FleetPride, Inc.	000013923	616.07
49	Frenzel Overhead Door	000013924	815.00
50	G & K Services Inc	000013925	98.17
51	Graphic FX	000013926	120.80
52	Gray, Craig	000000000	132.56
53	Guardian Pest Control, Inc	000013927	138.70
54	Hawkins, Inc.	000000000	3,595.25
55	HD Waterworks Supply	000013928	17,945.39
56	Headwaters Regional Development Commission	000013929	27,000.00
57	Headwaters School of Music & Arts	000013930	250.00
58	Henry's Waterworks, Inc.	000013931	1,348.58
59	Herr, Scott	000000000	22.00
60	Hesch Construction, LLC	000013932	899.20
61	Hulett, Mike	000000000	333.76
62	Ink Spot Press	000013933	402.00
63	Int'l Chemtex Corp	000013934	1,829.11
64	Jack's Stop, Inc	000013935	175.00
65	Jim Hirt Trucking, Inc	000013936	1,631.58
66	JOBSHQ	000013937	572.00
67	Johnson Bros., Inc.	000013938	33,122.75
68	Karvakko Engineering	000000000	28,429.89
69	Kitchigami Regional Library	000013939	66,908.00
70	L & M Supply, Inc.	000013940	518.39
71	Larson Electric	000013941	242.93
72	Lawson Products, Inc.	000013942	510.22
73	League of MN Cities	000013943	345.00
74	League of MN Insurance Trust	000013944	2,835.38
75	Leffelman, Michelle	000000000	22.00
76	Lieffort, Donald Al	000000000	1,250.98
77	Luckens Village Foods North	000013945	48.86
78	Macqueen Equipment, Inc.	000000000	390.29
79	Magnuson, John	000013946	651.82
80	Mattice, Marc	000013947	6.34
81	MCFOA	000013948	105.00
82	McKinnon Co., Inc.	000013949	6,937.70
83	Menards-Bemidji	000000000	105.42
84	Meyers Sign Source	000013950	210.00
85	MN Board of Peace Officer Standards & Training	000013951	90.00
86	MN Municipal Beverage Assn	000013952	1,892.00
87	MN Pollution Control Agency	000013953	45.00
88	MoeCo Fire & Safety	000013954	186.40
89	Mykleseth, Daniel	000000000	60.00
90	Naylor Heating & Refrigeration, LLC	000000000	156.00
91	Nei Bottling, Inc.	000013955	283.21
92	Norfarm Seeds, Inc.	000013956	46.25
93	North Country Business Product	000000000	1,392.15
94	North Country Electrical Services, Inc.	000013957	88.00
95	Northwoods Ice, Inc.	000013958	301.50
96	Northwoods Landscape & Rec. Inc.	000013959	2,400.00
97	Occupational Development, Inc	000013960	102.00
98	Otness, Karson	000013961	22.00
99	Otter Tail Power Company	000013962	135.75
100	Paskvan Real Estate LLLP	000013963	140.00
101	Paul Bunyan Communications	000013964	1,674.69
102	Paustis & Sons	000013965	582.00

Page Total: \$210,332.93

Line	Claimant	Voucher No.	Amount
103	Pete's Place South	000013966	114.27
104	Phillips Wine & Spirits	000013967	21,402.48
105	Pike, Bryan	000000000	142.40
106	Port-O-Wild Security, Inc.	000000000	660.00
107	Postmaster	000013968	1,760.42
108	PowerPlan OIB	000013969	940.10
109	Praxair Distribution Inc	000013970	28.41
110	Pro-build	000013971	19.17
111	Quality Flow Systems, Inc.	000000000	256.07
112	Red Power Diesel Service, Inc.	000013972	94.50
113	RMB Environmental Laboratories, Inc.	000013973	576.00
114	Roger's Two Way Radio, Inc.	000013974	764.00
115	Rohlfing of Brainerd, Inc.	000000000	704.65
116	Sadeks Repair & Welding, Inc.	000013975	458.41
117	Sanford Center	000013976	465.26
118	Sanford Health Occupational Med.	000013977	195.00
119	Schmitz, Tom	000000000	11.00
120	Schoenbauer Consulting, LLC	000013978	9,359.60
121	Skumavc, Kori	000000000	12.55
122	Southern Wine & Spirits of Minnesota	000013979	10,555.89
123	Southside Tow & Rec, Inc	000013980	936.49
124	Springbrook Software, Inc.	000000000	2,312.00
125	Staples Advantage	000013981	680.38
126	TDS Metrocom-MN	000000000	857.75
127	Team Laboratory Chemical Corp.	000013982	494.50
128	The Bemidji Pioneer	000013983	117.39
129	The Tessman Company	000013984	598.17
130	Thunderbird Graphics	000013985	421.72
131	Tires Plus of Bemidji	000013986	116.91
132	Tomark Sports	000013987	1,811.16
133	UPS	000000000	19.81
134	UPS Store	000013988	11.58
135	US Bank Merchant Billing	000000000	4,864.19
136	USA Bluebook	000013989	839.48
137	Verizon Wireless	000013990	2,823.39
138	Vinocopia, Inc.	000000000	1,567.50
139	Waste Management of WI-MN	000013991	1,445.93
140	Wells Fargo-ACH	000000000	8,646.88
141	Wendorf, Barry	000000000	53.19
142	Wes Plumbing & Heating	000013992	8,624.04
143	Wilcox, LuAnn	000000000	977.33
144	Wilson, Paul	000013993	19.59
145	Wine Merchants	000013994	300.89
146	Wirtz Beverage Minnesota Wine & Spirits, Inc	000013995	12,492.17
147	WSB & Associates, Inc.	000000000	11,761.25
148	Zee	000000000	521.20

Page Total: \$111,835.07

Grand Total: \$511,318.91

8:05 AM
05/13/14

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of May 13, 2014
Open Balance

ACE on the Lake	
	192.47
Total ACE on the Lake	192.47
AmeriPride Services	
	352.19
	603.76
Total AmeriPride Services	955.95
Arrowhead Radio & Security	
	93.84
Total Arrowhead Radio & Security	93.84
Bemidji Coca-Cola Company	
	11.10
Total Bemidji Coca-Cola Company	11.10
Bemidji Cooperative Association	
	30.79
Total Bemidji Cooperative Association	30.79
Bemidji School District	
	2,350.00
Total Bemidji School District	2,350.00
Buy Line	
	220.00
	225.00
	108.00
	108.00
Total Buy Line	661.00
Charter Media	
	300.00
	231.20
	57.80
	144.50
Total Charter Media	733.50
City of Bemidji MN	
	1,175.62

VenuWorks of Bemidji, LLC
Unpaid Bills Detail

As of May 13, 2014
Open Balance

	<u>1,141.25</u>
Total City of Bemidji MN	2,316.87
ColePapers	
	<u>430.03</u>
Total ColePapers	430.03
Culinex	
	<u>948.68</u>
Total Culinex	948.68
Cyrus Pansch	
	<u>100.00</u>
Total Cyrus Pansch	100.00
Double Tree	
	<u>176.30</u>
Total Double Tree	176.30
Dunn Bros Coffee	
	<u>908.65</u>
Total Dunn Bros Coffee	908.65
Fastenal Company	
	<u>132.34</u>
Total Fastenal Company	132.34
Forward Foundation	
	<u>383.37</u>
Total Forward Foundation	383.37
G&K Services	
	<u>783.96</u>
	<u>565.08</u>
Total G&K Services	1,349.04
Garret Kollin	
	<u>344.51</u>
Total Garret Kollin	344.51
Gladden Construction, Inc.	
	<u>6,720.00</u>
Total Gladden Construction, Inc.	6,720.00

8:05 AM
05/13/14

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of May 13, 2014
Open Balance

Heartland Paper Company	
	20.54
	<hr/>
Total Heartland Paper Company	20.54
Holiday Inn Express Bemidji	
	126.87
	<hr/>
Total Holiday Inn Express Bemidji	126.87
Holmes Murphy	
	114.00
	21.00
	114.00
	21.00
	<hr/>
Total Holmes Murphy	270.00
Johnson Brothers Liquor Co.	
	36.35
	34.79
	530.01
	<hr/>
Total Johnson Brothers Liquor Co.	601.15
Joseph Phelps	
	85.00
	35.21
	<hr/>
Total Joseph Phelps	120.21
KKEQ	
	160.00
	48.00
	<hr/>
Total KKEQ	208.00
KMFY-FM	
	200.00
	<hr/>
Total KMFY-FM	200.00
KQKK - FM	
	31.00
	162.00
	180.00
	<hr/>
Total KQKK - FM	373.00

8:05 AM
05/13/14

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of May 13, 2014
Open Balance

Lueken's - North

130.95

Total Lueken's - North

130.95

Luekens - South

392.18

388.90

Total Luekens - South

781.08

Marco

67.50

257.39

Total Marco

324.89

Meyers SignSource

69.79

70.12

Total Meyers SignSource

139.91

Minnesota Public Radio

46.00

Total Minnesota Public Radio

46.00

NLFX Professional

200.00

200.00

102.60

150.33

236.23

313.14

Total NLFX Professional

1,202.30

Otter Tail Power Company

17,996.05

Total Otter Tail Power Company

17,996.05

Paul Bunyan Broadcasting Co

800.00

28.00

56.00

8:05 AM
05/13/14

VenuWorks of Bemidji, LLC Unpaid Bills Detail

As of May 13, 2014

	<u>Open Balance</u>
	68.00
	34.00
	68.00
	34.00
	102.00
	25.00
	75.00
	84.00
	56.00
	84.00
	28.00
	102.00
	204.00
	168.00
	<u>1,000.00</u>
Total Paul Bunyan Broadcasting Co	3,016.00
Paul Bunyan Communications	
	<u>1,351.41</u>
Total Paul Bunyan Communications	1,351.41
Paul Bunyan Television	
	250.00
	<u>250.00</u>
Total Paul Bunyan Television	500.00
Phillips Wine & Spirits	
	1,660.49
	<u>1,609.19</u>
Total Phillips Wine & Spirits	3,269.68
R.P Broadcasting, Inc.	
	125.80
	78.20
	188.70
	298.04
	97.75
	303.02
	68.42
	224.82
	<u>204.42</u>
Total R.P Broadcasting, Inc.	1,589.17

8:05 AM
05/13/14

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of May 13, 2014
Open Balance

Red Rock Radio Corporation	210.00
	<u>216.00</u>
Total Red Rock Radio Corporation	426.00
Roger's Two Way Radio Inc	338.79
	<u>338.79</u>
Total Roger's Two Way Radio Inc	338.79
Sysco North Dakota, Inc.	-101.66
	128.80
	1,782.27
	2,629.76
	6,501.79
	1,240.45
	158.24
	1,808.71
	92.94
	2,200.01
	793.84
	334.96
	<u>628.47</u>
Total Sysco North Dakota, Inc.	18,198.58
VenuWorks, Inc.	9,864.91
	<u>9,653.13</u>
Total VenuWorks, Inc.	<u>19,518.04</u>
TOTAL	<u><u>89,587.06</u></u>

GENERAL BUSINESS LICENSES - 2014

Type of License	Business Name	Business Location	Fee Paid
Hotel/Motel			
	HOLIDAY INN EXPRESS	2422 RIDGEWAY AVE NW	\$65.00
Restaurant/Food Service			
	CABIN COFFEEHOUSE UPTOWN (2)	1204 PAUL BUNYAN DR NW	\$35.00

Liquor, Wine and Club License Renewals - 2014

BUSINESS NAME	BUSINESS OWNER	LICENSE	FEE
KEITH'S PIZZA (NORTH)	WILLIAM ANDERSEN	Wine	\$585.00



Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
444 Cedar Street, Suite 222, St. Paul, MN 55101
651-201-7500 Fax 651-297-5259 TTY 651-282-6555

**APPLICATION AND PERMIT FOR A 1 DAY
TEMPORARY CONSUMPTION AND DISPLAY PERMIT**

(City or county may not issue more than 10 permits in any one year)

Name of organization		Date organized	Tax exempt number	
Northwest Minnesota Foundation		7-1-86	3613487	
Address	City	State	Zip Code	
201 3 rd Street NW	Bemidji	Minnesota	56601	
Name of person making application		Business phone	Home phone	
Dawn Richardson		218-759-2057		
Date set ups will be sold	Type of organization			
6-3-14	<input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit			
Organization officer's name		City	State	Zip
<input checked="" type="checkbox"/> Nancy Vyskocil	Bemidji	Minnesota	56601	
<input type="checkbox"/> Add New Officer				

Location where permit will be used. If an outdoor area, describe.

Northwest Minnesota Foundation Conference Rooms

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

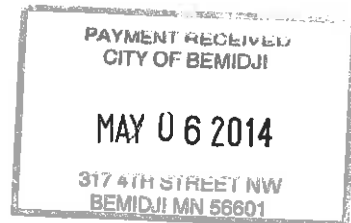
15 ⁰⁰	City/County
	City Fee Amount
	Date Fee Paid

	Date Approved
	Permit Date

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the permit for the event.



COUNCIL AGENDA ITEM



Meeting Date: May 19, 2014

Action Requested: Approve written procedures for maintaining tax exemption status of City bonds

Prepared By: Ron Eischens, Finance Director

A handwritten signature in black ink, appearing to read "Ron", written over the printed name "Ron Eischens".

Reviewed By: John Chattin, City Manager

The City's bond counsel recommends we adopt written procedures for maintaining tax-exemption status of City bonds. The reason for the policy, as explained in the attached letter, is closer IRS scrutiny of tax-exempt bonds.

The IRS has strongly expressed an expectation that issuers of tax-exempt bonds have written procedures in place to ensure compliance. The legal paperwork required to sell bonds requires the issuer (the City) to verify they have established written procedures regarding these matters.

Attached is a policy drafted by our legal counsel that she recommends adopting as part of City policy. The City is currently complying with the requirements but the policy should be approved in written format.

Recommendation:

Approve the attached "City of Bemidji Procedures for Maintaining Tax Exemption of Bonds" as part of official City policies and procedures.

Stefanie N. Galey
stefanie.galey@FaegreBD.com
Direct +1 612 766 7661

Faegre Baker Daniels LLP
2200 Wells Fargo Center ▾ 90 South Seventh Street
Minneapolis ▾ Minnesota 55402-3901
Phone +1 612 766 7000
Fax +1 612 766 1600

May 12, 2014

Ron Eischens
Finance Director
City of Bemidji
317 Fourth Street Northwest
Bemidji, MN 56601

Re: City of Bemidji
\$5,165,000 General Obligation Refunding Bonds, Series 2014

Dear Ron:

Following issuance by City of Bemidji of tax-exempt governmental bonds, the City must continue to take certain actions with respect to the bonds in order that they retain their tax-exempt status. In particular, the City must be sure that the project financed with the bonds continues to be used for public purposes and that the proceeds of the bonds are applied in a manner that complies with the arbitrage rules on the Internal Revenue Code of 1986, as amended (the "Code"), and its related regulations.

Over the last couple of years, the IRS has increased its scrutiny of tax-exempt bonds and has strongly expressed an expectation that issuers of tax-exempt bonds have written procedures in place to ensure compliance with these rules. Most recently, in September 2011, the IRS released a new Form 8038-G, which is the form that issuers file upon the issuance of each tax-exempt bond issue. The new version of the form specifically asks the issuer to check a box that it has established written procedures "to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations." There is a second box asking if the issuer has written procedures "to monitor the requirements of Section 148," which is the Code section governing arbitrage.

There is no statutory or rule requirement that the City have such written procedures. By including these questions on Form 8038-G (the same questions also appear on Form 8038), however, the IRS is strongly emphasizing its view of the importance of having such procedures in place. Informally, the IRS has also indicated that having such procedures in place may result in a lower penalty in the event of any audit or voluntary compliance agreement related to an issuer's bonds. Therefore, we strongly recommend that the City adopt the proposed Procedures for Maintaining Tax Exemption of Bonds.

The attached Procedures have been drafted to cover the concerns and expectations that have been expressed by the IRS. We recognize that the City, along with its bond counsel and financial advisor, are already doing what is set forth in the document. It simply demonstrates that the City is, in fact, taking

the appropriate actions to ensure that its bonds remain tax-exempt. We suggest that you present the attached procedures to the City Council for adoption (which can be by action in the minutes, and does not require a specific resolution). We'll include the procedures in the transcript of bond proceedings so that they will be easily accessible as part of your books and records.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stefanie N. Galey". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Stefanie N. Galey

SNG/bjm

Enclosures

US.54177801.01

CITY OF BEMIDJI
PROCEDURES FOR MAINTAINING
TAX EXEMPTION OF BONDS

The following policies and procedures apply to ensure that the City is able to maintain the tax-exempt status of its outstanding bonds and demonstrate compliance with applicable rules.

1. Responsibility. The City Manager, with assistance as needed from the Finance Director, is responsible for carrying out these procedures.

2. At or Before Closing. Review and understand (and discuss with bond counsel as necessary) the tax related representations and undertakings in the bond documents and tax certificates.

3. After Closing. After issuing the bonds the Manager shall do the following:

- Transcript. Obtain a transcript of relevant documents from bond counsel or financial advisor and maintain the transcript at an accessible location.
- Application of Proceeds. Working with the Finance Director and Trustee, if any, monitor the application of bond proceeds to ensure that proceeds are timely spent (a) on the authorized project or projects, (b) on assets that will not result in private business use, beyond a permitted de minimis amount and (c) on assets having a sufficiently long economic life such that the weighted average maturity of the bonds does not exceed 120% of the average economic life of the facilities financed.
- Accounting. Establish accounting mechanisms that allow the City to separately identify the funds which are bond proceeds and track the investment of bond proceeds, the expenditure of bond proceeds on the project to be financed and the collection of taxes or other revenues expected to pay debt service.
- Investments. Determine whether and when any bond proceeds or funds to be used to pay bonds may be subject to yield restriction and monitor compliance.
- At Project Completion. When the project is completed and costs are paid, review records to determine that (a) bond proceeds were spent only on the authorized project and (b) all of the bond proceeds have been spent. If either cannot be documented, consult with bond counsel to determine whether it is appropriate to make a special allocation of proceeds and other funds devoted to the project or for advice on what must be done with excess proceeds (and earnings on the proceeds).
- Rebate. No later than five years after the bonds were issued (and each five-year period thereafter) and at final maturity, determine in consultation with bond counsel or financial advisor whether a calculation of "arbitrage rebate" must be performed or whether an exemption applies. Then arrange for the timely payment of any rebate due.
- Monitor Use. Except for arrangements specifically allowed by the bond documents, consult with bond counsel before the completion of any sale, lease, management agreement or similar arrangement which results in use by a private party of any portion of the financed project. Such use may result in the need to take remedial action to maintain the tax-exempt status of the

bonds, and reviewing with bond counsel will identify if any such action needs to be taken.

- Record Retention. Retain the bond transcript and all records relating to the investment of bond proceeds and funds pledged or expected to be used for the payment of the bonds, expenditures of bond proceeds and the uses of the financed property for the life of the bonds and three years thereafter. Documents to be retained include, but are not limited to, loan documents, construction contracts, draw requests, invoices, payment of bond issuance costs, and records of "allocations" of bond proceeds to make reimbursement for project expenditures made before the bonds were actually issued.
- Other. Follow any other procedures for post-issuance compliance that are contained in the bond documents or tax certificates.

US.54165791.01

COUNCIL AGENDA ITEM



Meeting Date: May 19, 2014

Action Requested: Consider Award of Quote for 2014 Sanitary Sewer Slip Lining Project

**Prepared By: Craig J. Gray, P.E.
Director of Public Works/City Engineer** 

Reviewed By: John Chattin, City Manager

Background:

The Sanitary Sewer Capital Improvement Plan (CIP) includes an allotment of \$100,000 for slip lining various sections of old clay tile sanitary sewer. These existing city sewer mains run in between the back yards and narrow alleyways of houses and businesses and thus they cannot be dug up and replaced. Many of these mains also have no recorded utility easements in place for them. Because of these conditions they cannot be dug up and repaired or replaced and thus they must be "slip lined" in place. This process installs a flexible PVC liner in the old pipe which is then inflated and hardened to become a new in-place PVC pipe.

The two attached maps show the proposed work for 2014. Approximately 1,700 lineal feet of sanitary sewer will be lined. We obtained two quotes from specialized vendors that perform this work. The quotes are:

Visu-Sewer	\$ 74,232.80
Veit Contracting	\$ 81,336.00

Financing

Financing for the project will come from the approved 2014 Sanitary Sewer Utility budget.

Recommendation:

It is recommended that the city council pass a motion awarding the quote for the 2014 Sanitary Sewer Slip Lining Project to Visu-Sewer in the amount of \$74,232.80.

Sanitary Sewer Slip Lining



This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. The user of this map acknowledges that the City/County shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City/County from any and all claims brought by the User, its employees or agents, or third parties which arise out of the User's access or use of data provided. Sources: Beltrami County, City of Bemidji, USGS, USDA, MNDNR. Map Created: 5/14/2014

Sanitary Sewer Slip Lining



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COUNCIL AGENDA ITEM



Meeting Date: May 19, 2014

Action Requested: Consider Award of Quote for 2014 Storm Sewer Slip Lining Project

Prepared By: Craig J. Gray, P.E.
Director of Public Works/City Engineer 

Reviewed By: John Chattin, City Manager

Background:

The city owns a 12" concrete storm sewer that runs east from Birchmont Drive and then outlets to Lake Bemidji. The pipe is about 270 feet in length. This storm sewer provides drainage for 23rd Street NE, a portion of Calihan Avenue and parts of Birchmont Drive. The storm sewer was installed in the 1950's and is experiencing severe deterioration. There is no known recorded easement for the pipe.

The attached map shows the location of the pipe. Because of its location the pipe needs to be slip lined in place.

We obtained two quotes from specialized vendors that perform this work. The quotes are:

Visu-Sewer	\$ 22,875.00
Veit Contracting	\$ 26,600.00

Financing

Financing for the project will come from the approved 2014 Storm Water Utility budget.

Recommendation:

It is recommended that the city council pass a motion awarding the quote for the 2014 Storm Sewer Slip Lining Project to Visu-Sewer in the amount of \$22,875.00.



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