

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – July 16, 2018

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, July 16, 2018 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, Hellquist, Johnson, Lehmann, Erickson, Larson.

Staff Present: Finance Director Ron Eischens, City Attorney Alan Felix, Public Works Director/City Engineer Craig Gray, City Clerk Michelle Miller

AMENDMENTS TO AGENDA

Mayor Albrecht advised that the following item would like added under new business by staff: Consider Liquor Store Commissioning Proposal with Engineering Design Initiative – City Project 17-13. **Motion by Meehlhause, seconded by Johnson, to approve the agenda as amended. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:
Regular Council: July 2, 2018

Motion by Johnson, seconded by Meehlhause, to approve the minutes as presented. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Claims Submitted by Finance Officer in the amount of \$1,480,905.85
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$38,686.74
3. Miscellaneous Business Licenses for 2018
4. Miscellaneous Liquor Licenses for 2018
5. **RESOLUTION NO. 6166:** Approving a Temporary Off-Premises Liquor Permit and Street Closure for Bar 209 for the 1998 Class Reunion Event on August 11, 2018
6. **RESOLUTION NO. 6167:** Appointing Election Judges for the August 14, 2018 Primary and November 6, 2018 General Election
7. **RESOLUTION NO. 6168:** Opposing the Sale of Strong Beer, Spirits and Wine in Grocery and Convenience Stores
8. Reappointment of Casey McCarthy to the Charter Commission
9. Appointment of Lauree Bahr to the City Library Board
10. Travel Authorization – LMC Board Orientation, July 18-19 – Albrecht
11. Travel Authorization – LMC Monthly Board Meetings, August 16, September 20, October 18, November 15, December 15 - Albrecht

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

REPORTS

Sustainability Committee Report – Anna Carlson and Joel Anastasia reported on recent Committee activities, which included the 7th Annual Sustainable Places Tour. Work on the following initiatives were also summarized: Birds, Bees, Butterflies, Clean Energy & Resilience and Bemidji Community Waste and Recycling Task Force.

Greater Bemidji – Dave Hengel, Executive Director, provided an update for Greater Bemidji. The focus areas of Greater Bemidji are to continue to promote talent, encourage entrepreneurship and support economic development in the region. He noted that a major transformation occurred about eight years ago. Before that time the former JEDC was funded entirely by the City and the County. At this time, roughly 70 companies and organizations invest in Greater Bemidji in addition to the amounts contributed by the City and County. Greater Bemidji is not a typical economic authority - they will be adding support to entrepreneurs, push for skilled workers and work on quality of life amenities that brings development to the city.

2017 Audit Presentation

Eischens reviewed the 2018 Summary Financial Report, which highlights the City’s financial activity in a simple, easy-to-read format. The summary report and the audit report are available on the City’s website. Eischens stated that the audit is a necessary process and provides compliance and assurances by testing processes, policies and procedures. The city’s finances are healthy and strong with 50% of reserves for cash flow and \$648 million of undesignated general fund reserves. Eischens stated that concerns he has include lack of revenue to pay for regional amenities, the airport well field issue, Sanford Center CIP and the WWTP capacity and future city growth.

Jon Roscoe Miller McDonald, Inc., stated that in their opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2017. Mr. Roscoe noted two deficiencies in internal control, one being the Preparation of Financial Statements by the Auditor, which is a typical finding; and the claims and disbursements control related to the Sanford Center.

NEW BUSINESS

Consider Hockey Day Minnesota Bemidji 2019 Municipal Agreement

Felix stated that he and Nate Mathews have been working with committee chair Tom Kuesel on an agreement regarding the expectations related to the Hockey Day Minnesota Bemidji 2019 event.

Motion by Hellquist, seconded by Lehmann to Authorize the Mayor and City Manager to Execute the Hockey Day Bemidji 2019 Municipal Agreement in substantially the form presented. Motion carried by unanimous vote.

Consider Awards of Bids for Carnegie Library Renovation Project – City Project #18-07

Gray stated that on July 10, bids were opened for the Carnegie Library Renovation Project. The project includes the historical renovation of the building and an addition. It does not include moving the structure. The following four bids were received:

Bidder	Base Bid	Alt. #1	Total
Bradbury Stamm Construction	\$1,749,897	\$5,400	\$1,755,297
Terra General Construction	\$1,810,900	\$5,300	\$1,816,200
Construction Engineers, Inc.	\$1,854,000	\$5,500	\$1,859,500
Gopher State Contractors	\$1,911,000	\$5,800	\$1,916,800

Gray stated that the alternate is to remove old paint from some brick work. The architect is recommending that bid alternate be awarded if the base bid is awarded. The low bid from Bradbury Stamm Construction of \$1,755,297 will result in a total estimated project cost of \$2,229,357. Based on the project cost, the projected funding shortfall is \$216,804. The finance director is recommending project funding from general fund undesignated reserves. Gray also stated that the City Manager has identified that no city department would occupy the space. The estimated annual maintenance of the building would be \$15,000.

Council discussed the following:

- Whether rent of the facility would cover the estimated annual maintenance cost of \$15,000;
- The \$100,000 donation for the children’s reading program could cover some costs inside of the library that benefits the reading program; as well as possible personnel and operating costs of the program. The donor might donate additional money up to five years for the program;
- Friends of the Carnegie are committed to continue raising funds to close the funding shortfall gap;
- There is a potential non-profit tenant but the terms of a lease and rent will need to be negotiated at a later date.

Motion by Meehlhause, seconded by Erickson to Award the Bid and Bid Alternate to Bradbury Stamm Construction in the amount of \$1,755,297 with the estimated project shortfall of \$211,804 being funded by general fund undesignated reserves. Motion carried by the following vote: Ayes: Meehlhause, Johnson, Erickson, Albrecht. Naves: Hellquist, Lehmann, Larson

Consider Professional Services Contract for Wastewater Treatment Plant Activated Sludge Aeration Upgrades – City Project #19-03

Gray stated that the Capital Improvement Plan includes \$1 million for the upgrade and refurbishment of the wastewater treatment plant’s activated sludge aeration system in 2019. At this time request for proposals were received for the design and bidding phase as well as the construction services estimate. The following proposals were received

	Design & Bidding Phase	Construction Services Estimate
Bolton & Menk	\$36,700	\$34,140
AE2S	\$69,154	\$55,200
SEH	\$86,100	\$99,600

Although this does not increase the capacity of the plant, this work will benefit any future capacity studies.

Motion by Lehmann, seconded by Larson to Enter into a Professional Services Contract with Bolton & Menk in the amount of \$70,840.00 for the Design and Construction Services - City Project #19-03. Motion carried by unanimous vote.

Consider Liquor Store Commissioning Proposal – City Project #17-13

Gray stated that a commissioning study is needed for the new liquor store project to make sure that the geothermal system is installed and working properly. Only one proposal was requested; which is not unusual in this case as the work is very specific and the timing of the project. This cost is already included in the budget for the total project.

Motion by Meehlhause, seconded by Johnson to Enter into a Professional Services Contract with Engineering Design Initiative (EDI) in the amount of \$18,800.00 for Commissioning Services for the Bemidji Municipal Liquor Store – City Project #17-13. Motion carried with the following vote: Ayes: Albrecht, Meehlhause, Johnson, Lehmann, Erickson, Larson. Nays: Hellquist

ORDINANCE

Pursuant to published notice, a Public Hearing was held to receive input regarding an Ordinance Annexing Property Contiguous to Jefferson Ave SW, Mikrantip Rd SW and Mag Seven Ct SW to the Corporate Limits of the City of Bemidji (Headwaters Unitarian Universalist Fellowship, Inc.). Mayor Albrecht opened the Public Hearing at 7:41 p.m.; hearing no comments, closed the Public Hearing at 7:42 p.m.

AN ORDINANCE, Annexing Property Contiguous to Jefferson Ave SW, Mikrantip Rd SW and Mag Seven Ct SW to the Corporate Limits of the City of Bemidji (Headwaters Unitarian Universalist Fellowship, Inc.) was given a second reading.

Pursuant to published notice, a Public Hearing was held to receive input regarding an Ordinance Annexing Property Contiguous to Division St W or CSAH 7 to the Corporate Limits of the City of Bemidji (Loonesota, Inc.) Mayor Albrecht opened the Public Hearing at 7:43 p.m.; hearing no comments, closed the Public Hearing at 7:43 p.m.

AN ORDINANCE, Annexing Property Contiguous to Division St W or CSAH 7 to the Corporate Limits of the City of Bemidji (Loonesota, Inc.) was given a second reading.

UPCOMING COUNCIL MEETINGS

- Monday, July 23 5:30 p.m. Work Session (Cooperative Development)
- Monday, August 6 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 Meehlhause, seconded by Lehmann, to adjourn the meeting. Motion carried. Meeting adjourned at 7:55 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk