

BEMIDJI CITY COUNCIL AGENDA

Monday, August 1, 2016

Council Chambers
City Hall – 317 4th Street NW
6:00 P.M.



➤ ROLL CALL

➤ PLEDGE OF ALLEGIANCE TO THE FLAG

➤ AMENDMENTS TO AGENDA

I. MINUTES

- 1) Regular Council: July 18, 2016
- Work Session: July 25, 2016

II. CONSENT AGENDA

Items in the Consent Agenda are approved with one motion without discussion/debate. The Mayor will ask if any Council member wishes to remove an item. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.

- 2) Claims Submitted by Finance Officer in the amount of \$1,311,603.45
- 3) Claims Submitted by VenuWorks for the Sanford Center in the amount of \$23,740.49
- 4) Approve 3.2 On Sale Beer, Wine & Restaurant/Food Licenses for Tara Bemidji LLC
- 5) Boiler Replacement at the City's Depot building – Dick's Plumbing & Heating (\$63,750)
- 6) Health Insurance Refund Be Utilized to Offset the 2017 Health Insurance Premium
- 7) Change Order #1 for Paul Bunyan Library Park – Play Area Site Work – J.D. Hansen & Sons (\$1,693)
- 8) Travel Authorization – August 11 Minnesota Mayors Association Meeting in St. Paul – Mayor Albrecht

III. CITIZENS WITH BUSINESS BEFORE THIS COUNCIL – NOT ON AGENDA

Public Comment – Please give your name, address and state your concern/comment. Visitors may share their concerns with City Council on any issue, which is not already on the agenda. Each person will have **4 minutes** to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant, repetitive, irrelevant, or overly argumentative. The Mayor may also limit the number of individual presentations on any issue to accommodate the scheduled agenda items. All comments will be taken under advisement by the Council. **PLEASE BE ADVISED THAT THE COUNCIL WILL TAKE NO ACTION AT THIS TIME.**

IV. COMMITTEE REPORT(S)

V. NEW BUSINESS

- 9) Consider Consider Approval of Center City Housing's Private Sidewalk Connections to City's East-West Trail

Bemidji—Regional Center Amenities with Small Town Character

VI. UPCOMING MEETINGS

- Monday, August 8 5:30 p.m. Work Session - TBD
- Monday, August 15 6:00 p.m. Council Meeting

VII. MAYOR AND COUNCIL REPORTS

- Please limit your committee reports to 4-5 minutes

VIII. ADJOURN

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Regular Meeting – July 18, 2016

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 18, 2016 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, Johnson, Hellquist, Olson, Erickson Absent: Larson

Staff Present: City Manager Nate Mathews, 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 and requested that a report from the Sustainability Committee be added. **Motion by Erickson, seconded by Johnson, to approve the agenda as amended. Motion carried by unanimous vote.**

MINUTES

The following minutes were presented for approval:

Council Meeting	July 5, 2016
Work Session	July 11, 2016

Motion by Johnson, seconded by Olson, to approve the minutes as prepared. Motion carried by unanimous vote.

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$1,333,075.93
2. Claims submitted by Venuworks for the Sanford Center in the total amount of \$40,148.40
3. Miscellaneous Business License for 2016
4. Off Sale Beer License – Robert Kiewatt, Jr., dba Beaver Mart
5. 1-day Temporary Consumption & Display Permits:
 - Watermark Art Center – 7/21/16
 - Chamber After Hours – 8/9/16
 - Headwaters Science Center – 11/18/16

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

No one appeared.

COMMITTEE REPORT

Sustainability Committee

Sustainability members Anna Carlson and Hunter Edberg reported on the Committee's activities which included:

- 5th Annual Sustainable Tour will be held on Saturday, July 30.
- Committee representatives continue to write bi-monthly sustainable articles in the Pioneer.
- The Sustainability Committee submitted our application for the Sustainable City Award this year but were not selected.
- Progress continues on the Minnesota GreenStep Cities program.
- The City has partnered with OTP and BSU to install three electric vehicle charging stations in Bemidji.

OLD BUSINESS

Paul Bunyan/Library Park Project

Parks & Recreation Director Larson reported on the progress at Paul Bunyan Park. She stated that Change Order #4 is in relation to the bituminous pavement corrections as well as other changes during the project. The overall change order is \$13,261.10 deduct from the Reierson's contract. The Parks & Trails Commission reviewed the change order and recommended Council approval.

Larson further noted that the total budget for the Paul Bunyan/Library Park improvements is \$1,702,417 which includes ½ cent sales tax in the amount of \$887,215 and Legacy Funds in the amount of \$750,000 and City Council allocation of \$65,202 for design changes. The total budget included the 105 Group Archeological, Chief Bemidji platform, consultant fees and construction costs as well as the funds allocated for the Inclusive Playground project. She noted that there is approximately \$50,000 remaining in contingency. A portion of these funds could be used for additional trees behind Paul & Babe and construction of the Girl Scout planter to be located by the playground.

Motion by Meehlhause, seconded by Olson, to approve Change Order #4 deducting \$13,261.10 from Reierson Construction's contract. Motion carried unanimously.

Mayor Albrecht asked if a ribbon cutting was scheduled as there are many community partners that have made this project successful. Larson stated that a ribbon cutting/grand opening ceremony is "tentatively" planned for the park on September 17.

NEW BUSINESS

South Shore Park Project

Director Larson reviewed the progress to date of the renovation of the existing beach house. She noted that some changes were made to the plans, i.e., changes in plumbing and wiring in order to reduce the visibility of both electrical lines and water lines. Beams were added to the ceiling/roof to complete the look as well as hide electrical lines. Additional costs totaling approximately \$7,649 include: asbestos removal (\$3,300), lead paint removal (\$1,640) and change from removable bollards (\$2,709) to allow maintenance and fire vehicles access to the park. The Parks & Trails Commission have reviewed and recommend approval of the change order and additional costs for the asbestos and lead removal.

Larson stated that the total budget for the South Shore Park project is \$610,000. The additional \$7,649 will increase the project cost to \$620,888. Additional funding will be needed

to accommodate the asbestos and lead removal and removable bollards. Potential sources for funding for the additional costs include Sales Tax/ Park Project funds.

Motion by Hellquist, seconded by Olson, approving Change Order #1 for South Shore Park project increasing Christiansen Construction's contract amount by \$2,709 for removable bollards. Motion carried unanimously.

SCADA – WWTF (City Project #16-06)

City Engineer Gray reviewed the Supervisory Control and Data Acquisition (SCADA) system for the City's water system which is a system of computer programs, alarms, notifications, panels and controls that allow the water treatment plant, the wells and towers to communicate with each other and with the City's utility operators and managers. Most communities the size of Bemidji have had SCADA systems for the last decade or so. The City contracted with AE2S to assist the City with this project on March 7, 2016. AE2S has completed the needs assessment report that details the improvements needed. The next step is to prepare the plans and specifications and get the project ready for bidding.

Gray stated that he has received a Scope of Services from AE2S for the plans and specifications with a proposed negotiated fee of \$35,000. The project is included within the approved Capital Improvement Plan and will be funded with water utility funds.

Motion by Olson, seconded by Meehlhause, authorizing the City Engineer to enter into a professional services contract with AE2S for the SCADA System Plans and Specifications (City Project #16-06). Motion carried unanimously.

UPCOMING COUNCIL MEETINGS

- Monday, July 25 5:15 p.m. Special Work Session – Audit Presentation & Update from CGMC
- Monday, August 1 6:00 p.m. Council Meeting

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.
- Johnson stated that meetings continue with VisitBemidji and they are moving forward in agreement.
- It was reported that the Greater Bemidji Joint Planning Board passed a moratorium on rezoning of property until the Comprehensive Plan is complete.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Olson, to adjourn the meeting. Motion carried. Meeting adjourned at 7:00 p.m.

Respectfully submitted,

Kay M. Murphy
City Clerk

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Work Session – July 25, 2016

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, July 25, 2016, at 5:15 p.m. in the Conference Room of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Hellquist, Olson, Erickson, Larson Absent: Johnson

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director Craig Gray, City Clerk Kay Murphy

Mayor Albrecht stated that the Council will first have a short closed session regarding issues at the Sanford Center and then continue with the 2015 Audit and CGMC Updates.

Motion by Hellquist, seconded by Olson, to close this meeting in accordance with Minnesota Statute Section 13D.05, Subd. 3(b) for the purpose of discussing with the City's Attorney threatened litigation by the City with regards to issues at the Sanford Center. Public hearing closed at 5:16 p.m.

Legal Counsel: Jim Strommen, Kennedy & Graven (via phone)

Motion by Olson, seconded by Hellquist, to reopen the meeting at 5:31 p.m. Motion carried unanimously.

2015 Audit

Eischens has prepared a 2015 Summary Financial Report which highlights the City's financial activity in a simple, easy-to-read format. The report will be available on the City's website as well as sent to some of the local agencies. Eischens stated that Bemidji is a regional center with many public assets, i.e., parks, arena, used by residents and non-residents. However, the difficulty is finding ways to fund the maintenance of those assets.

Sandy Nelson, 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, 2015.

Ms. Nelson noted two deficiencies in internal control, described in the audit, which are being addressed by the Finance Director. Likewise, the Finance Director will be drafting a written policy in compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal programs.

Councilor Olson left the meeting at 5:55 p.m.

CGMC Legislative Update

Elizabeth Wefel, Flaherty & Hood, provided an overview of the 2016 Legislative session. The session had a big agenda and ended with unfinished business. She stated that some of the CGMC goals are:

- Return LGA to 2002 funding level
- Pass Greater MN economic development programs
 - Workforce housing
 - Greater MN Business Development Public Infrastructure Grant Program (“BDPI”)
 - Broadband
- Comprehensive transportation package
- Funding for water and wastewater infrastructure

Ms. Wefel stated that there may be a special session but not until after the Primary elections. At the recent CGMC conference a resolution was passed urging Governor Dayton and the Legislators to call a special session.

ADJOURN

There being no further business, motion by Meehlhause, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 6:26 p.m.

Respectfully submitted,

Kay M. Murphy
City Clerk

Bill List Summary

August 1st, 2016

<u>Check /Wire</u>	<u>Vendor</u>	<u>Amount</u>
19946 - 20041	See Attached List	<u>1,311,603.45</u> \$ 1,311,603.45
	TOTAL	\$ 1,311,603.45

Accounts Payable

Blanket Voucher Approval Document

User: denisea
Printed: 07/28/2016 - 10:06AM
Warrant Request Date: 08/02/2016
DAC Fund:



COUNCIL BILL LIST

Line	Claimant	Voucher No.	Amount
1	Ace On The Lake	000019946	1,084.65
2	Acme Tools-Bemidji	000019947	315.53
3	Advanced Eng.& Environ.Serv., Inc.	000019948	4,700.04
4	Alliance Benefit Group	000019949	45.00
5	American Test Center	000019950	1,572.00
6	American Water Works Assn	000019951	191.00
7	Ameripride	000000000	674.54
8	Artisan Beer Company	000019952	1,023.00
9	Athletica/Sport Systems Unlimited Corp.	000019953	438.00
10	Auto Value Bemidji	000019954	7.49
11	Baker & Taylor	000000000	368.95
12	Bellboy Corporation	000000000	909.00
13	Bemidji Coca-Cola Bottling Co, Inc	000019955	674.00
14	Bemidji Downtown Alliance Board	000019956	116.00
15	Bemidji Paper Sales, Inc.	000000000	1,251.73
16	Bernick's	000000000	22,810.68
17	Bessler Brother's Electric, LLC	000000000	3,085.00
18	BNSF Railway Company	000019957	4,277.28
19	Bob Lowth Ford, Inc.	000019958	643.89
20	Braun Intertec Corporation	000000000	2,480.50
21	Breakthru Beverage Minnesota Wine & Spirits, LLC	000019959	13,308.68
22	Capital One Bank	000000000	120,033.52
23	Carlos Creek Winery	000019960	1,464.00
24	Carquest Auto Parts-Bemidji	000019961	126.88
25	Cenex Fleetcard	000019962	14,250.73
26	Christiansen Construction Co, Inc.	000019963	127,109.05
27	City of Bemidji	000000000	232.00
28	City of Bemidji -Federal	000000000	9.38
29	City of Minneapolis	000019964	1,002.60
30	Comm of MMB, Treas. Division	000019965	380.00
31	Crysteel Truck Equip., Inc	000019966	292.73
32	D & D Beverage, LLC	000000000	1,429.95
33	D-S Beverages	000019967	30,540.47
34	Dakota Supply Group, Inc.	000000000	672.42
35	Design Angler Inc.	000019968	2,200.00
36	Dionne's OM Yoga Studio	000019969	367.50
37	Dregni, Eric	000019970	100.00
38	Electric Pump, Inc	000000000	735.95
39	Emergency Apparatus Maint.,Inc.	000000000	195.76
40	Erickson, Nancy	000000000	71.28
41	Evangelical Free Church	000019971	500.00
42	Fenner, Kevin	000000000	50.76
43	FleetPride, Inc.	000019972	95.95
44	Flint Trading ,Inc.	000019973	797.51
45	Forestedge Winery	000019974	819.00

Page Total: \$363,454.40

Line	Claimant	Voucher No.	Amount
46	Forum Communications Company	000000000	3,997.75
47	Gaslin Garage Door	000019975	75.00
48	Graphic FX	000019976	383.52
49	Guardian Pest Control, Inc	000019977	58.60
50	Hach Company	000019978	67.79
51	Hawkins, Inc.	000000000	12,955.78
52	HD Waterworks Supply	000019979	2,654.08
53	Head, Greg	000019980	1,857.00
54	Headwaters Science Center	000019981	1,050.00
55	Heimkes, Paul R.	000019982	4,837.00
56	Hill's Country Greenhouse	000019983	53.90
57	Hokuf, Sharon	000019984	50.00
58	Ink Spot Press	000019985	93.49
59	Irish, Wendy	000000000	17.82
60	Jim Hirt Trucking, Inc	000019986	1,338.86
61	Johnson Bros., Inc.	000019987	24,578.15
62	Karvako, P.A.	000000000	8,628.96
63	Katzenmaier, Matt	000019988	200.00
64	KD Floral and Gardens LLC	000019989	109.99
65	Kedzie, Susan	000019990	115.00
66	Kennedy & Graven Charter	000019991	4,357.12
67	Kilde's Auto Center	000019992	58.57
68	KLM Engineering, Inc	000019993	1,500.00
69	Landmark Environmental, LLC	000019994	18,953.79
70	Lawson Products, Inc.	000019995	21.92
71	League of MN Insurance Trust	000019996	379,168.00
72	Ley's Painting, Inc.	000019997	1,285.00
73	Locators & Supplies, Inc.	000000000	44.47
74	Maid In Bemidji, Inc.	000000000	309.00
75	Maney Int'l of Alexandria, Inc.	000019998	235.78
76	Marco, Inc.	000000000	388.17
77	McKinnon Co., Inc.	000019999	8,356.55
78	Meehlhause, Michael	000000000	619.12
79	Menards-Bemidji	000000000	640.65
80	Metering & Technology Solutions	000020000	1,800.00
81	Mid-American Research Chemical	000020001	251.79
82	MN DARE Officer's Association	000020002	200.00
83	MN Dept of Health	000020003	100.00
84	MN Dept of Transportation	000020004	356.40
85	MN Energy Resources	000000000	2,203.53
86	MN Municipal Beverage Assn	000020005	3,700.00
87	MN Valley Testing Lab, Inc.	000000000	164.00
88	MoeCo Fire & Safety	000020006	111.45
89	MOTTA, JOHN & DENNA	000020007	14.34
90	MTI Distributing Co.	000020008	551.28
91	Murray Surveying, Inc.	000020009	285.00
92	NAPA Auto Parts	000000000	466.48
93	Nei Bottling, Inc.	000020010	80.50
94	North Country Business Product	000000000	262.17
95	Northern Technologies, LLC	000020011	2,240.50
96	Northland Painting & Drywall, LLC	000020012	1,640.00
97	Northwoods Ice, Inc.	000020013	1,110.00
98	Occupational Development, Inc	000020014	31.98
99	Otter Tail Power Company	000020015	53.90
100	Phillips Wine & Spirits	000020016	21,071.29
101	Police Petty Cash	000020017	285.74
102	Postmaster	000020018	407.25

Page Total: \$516,448.43

Line	Claimant	Voucher No.	Amount
103	Prairie Restorations, Inc.	000020019	11,960.00
104	Praxair Distribution Inc	000020020	132.71
105	ProPet Distributors, Inc.	000020021	750.35
106	Reierson Construction, Inc.	000020022	296,518.60
107	RMB Environmental Laboratories, Inc.	000020023	584.00
108	Roger's Two Way Radio, Inc.	000020024	57.49
109	Ross Lewis Sign Co.	000020025	170.00
110	Sadeks Repair & Welding, Inc.	000020026	423.87
111	Safe Sitter, Inc.	000020027	210.00
112	Scholastic, Inc.	000020028	238.42
113	Skumavc, Kori	000000000	59.67
114	Southern Glazer's Of MN	000020029	14,229.10
115	Southside Tow & Rec, Inc	000020030	444.69
116	Spartz, Ron	000020031	15.00
117	Strategic Insights, Inc	000020032	675.00
118	Tires Plus of Bemidji	000020033	1,154.54
119	Tom Avant Painting, Inc.	000020034	65,000.00
120	UPS Store	000020035	12.14
121	USA Bluebook	000020036	957.69
122	Verizon Wireless	000020037	140.04
123	VisitBemidji	000000000	36,623.83
124	Waste Management of WI-MN	000020038	70.49
125	Wells Fargo-ACH	000000000	47.55
126	Wes Plumbing & Heating	000020039	539.29
127	Widseth, Smith & Nolting	000020040	53.50
128	Wine Merchants	000020041	552.00
129	Zee	000000000	80.65

Page Total: **\$431,700.62**

Grand Total: **\$1,311,603.45**

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of July 28, 2016
Open Balance

Arrowhead Radio & Security	
	70.51
	<u>70.51</u>
Total Arrowhead Radio & Security	141.02
Bemidji Coca-Cola Company	
	310.80
	122.00
	<u>368.26</u>
Total Bemidji Coca-Cola Company	801.06
D. L. LINDER, INC.	
	660.54
	<u>660.54</u>
Total D. L. LINDER, INC.	660.54
G & R Controls, Inc.	
	-189.05
	7,231.00
	<u>7,041.95</u>
Total G & R Controls, Inc.	7,041.95
Interstate Power Systems, Inc.	
	857.00
	<u>857.00</u>
Total Interstate Power Systems, Inc.	857.00
Johnson Brothers Liquor Co.	
	-123.32
	-97.79
	371.34
	<u>689.01</u>
Total Johnson Brothers Liquor Co.	839.24
Marco	
	27.00
	<u>27.00</u>
Total Marco	27.00
Midwest Meetings	
	500.00
	<u>500.00</u>
Total Midwest Meetings	500.00
NLFX Professional	
	500.00
	<u>500.00</u>
Total NLFX Professional	500.00
North Country Business Products	
	187.50
	<u>187.50</u>
Total North Country Business Products	187.50

VenuWorks of Bemidji, LLC
Unpaid Bills Detail
As of July 28, 2016
Open Balance

Office Depot	
	103.00
	75.79
	8.62
	11.91
	15.08
	6.34
	<hr/>
Total Office Depot	220.74
OLD DUTCH FOODS	
	77.76
	<hr/>
Total OLD DUTCH FOODS	77.76
Phillips Wine & Spirits	
	746.10
	<hr/>
Total Phillips Wine & Spirits	746.10
Sherwin-Williams	
	-251.70
	315.33
	<hr/>
Total Sherwin-Williams	63.63
Sysco North Dakota, Inc.	
	2,857.68
	2,904.55
	2,109.88
	451.59
	<hr/>
Total Sysco North Dakota, Inc.	8,323.70
VisitBemidji	
	2,560.00
	<hr/>
Total VisitBemidji	2,560.00
Waste Management	
	193.25
	<hr/>
Total Waste Management	193.25
TOTAL	<hr/> <hr/>
	23,740.49

COUNCIL AGENDA ITEM



Meeting Date: August 1, 2016

Action Requested: Approve Licenses for Tara Bemidji LLC

Prepared By: Kay Murphy, City Clerk *Kay*

Tara Bemidji LLC, dba Tara Bemidji, has applied for a 3.2 On Sale Beer, Wine and Restaurant/Food Licenses at 401 Beltrami Avenue NW, Suite A. It is anticipated that the new restaurant will open approximately August 15 after renovations are completed.

A background has been conducted by Police Captain Marcotte and based thereon he is recommending approval of the liquor license.

Recommendation:

Based upon the application requirements being in order, including the positive background investigation results, staff recommends approval of the 3.2 On Sale Beer, Wine and Food Licenses for Tara Bemidji, LLC.

COUNCIL AGENDA ITEM



Meeting Date: August 1, 2016

Action Requested: Approve boiler replacement for Depot Building

Prepared By: Jesse Robertson, Building Inspector

Reviewed By: Nate Mathews, City Manager

Last winter the heating system at the Historical Depot building had operational problems. After extensive time spent and repairs made, it was determined the system needed replacement. The City hired EAPC to design the specifications for the new heating system based on the needs of this historic structure. To avoid future repair costs and potential building and content damage, the project should be completed before the 2016 heating season begins.

Plan specifications were sent to local heating contractors and bids were received as follows:

Dick's Plumbing and Heating	\$63,750
Hill's Plumbing and Heating	\$69,500
Peterson Sheet Metal	\$89,000

The costs for this project were not budgeted in 2016. However, the Honeywell energy savings project is projected to come in under budget by an amount sufficient to cover this project. The City is in the process of modifying the lease agreement for this building so the City receives the energy savings from the new heating system. The lease amendment will be brought before the Council in the near future.

If the Honeywell project does not have adequate savings to cover this project, other reserves will be utilized.

Recommendation:

Approve heating system replacement for the Historical Depot building be awarded to the low bidder, Dick's Plumbing and Heating, in the amount of \$63,750, with funding from the Honeywell Energy Saving project, and if necessary, other City reserves.

COUNCIL AGENDA ITEM



Meeting Date: August 1, 2016

Action Requested: Approve health insurance refund be utilized to offset 2017 health insurance premiums

Prepared By: Ron Eischens, Finance Director *Ron*

Reviewed By: Nate Mathews, City Manager *Nate*

Background

The City of Bemidji participates in the Northwest MN Service Cooperative (Co-op) pool to provide health insurance to City employees. There are over 100 members in the pool, consisting of school districts, cities, counties and other non-profit entities in northwest Minnesota. Each member is self-insured, meaning insurance premiums paid by their employees must be sufficient to meet medical claims and administrative costs. Blue Cross Blue Shield administers the pool including calculation of premiums based on claims experience and medical trends.

For 2013 and 2014, Bemidji premiums exceeded the amount necessary to pay claims, due in part to employee efforts to make good decisions regarding their health, lifestyle and medical choices. As a result, the City received a refund of \$73,340 from the Co-op earlier this year. During 2013/2014, premiums increased 4.5% with no corresponding increase in City contribution towards this benefit, meaning employees bore the increased cost.

This is only the second time the City has received a refund, the last time being 2012. Normally, surpluses or deficits are retained by the Co-op and used to determine future premium levels. In 2012, the Labor Management Committee recommended, and Council approved, the refund be paid to employee health reimbursement accounts, which are used by employees to pay medical expenses. The rationale was employees utilize the refund to pay for future health care costs.

In 2016, due to requirements of health care reform through the Affordable Care Act, the City hired attorney expertise for guidance. The first attorney, recommended by the League of MN Cities, provided no "clear cut" legal requirement to handle this scenario and provided limited options. As a result, the City sought the opinion of a second attorney, recommended by the Co-op, who supported the following options:

- Return refund to Co-op to be used in determining future premium increases
- City keeps the refund and creates "premium holiday" for current participants, essentially reducing 2016 premiums
- City distributes refund to current participant's health reimbursement account as was done in 2012
- Combination of above

The Labor Management Committee, consisting of representatives from union and non-union groups, discussed this issue on July 26th and recommends the refund be returned to the Co-op to be utilized in the calculation of 2017 health insurance premiums. The reason being premium increases during this time were paid by employees and therefore the refund benefit should be utilized to reduce future premium increases. It also is a simple resolution to administer that accomplishes what is normally done with surplus and deficit balances each year.

Recommendation

Approve the Labor Management Committee's recommendation of returning \$69,248 (refund of \$73,340 less legal fees of \$4,092) to the Co-op to be utilized in the calculation of 2017 health insurance premiums.

Council Agenda Item



Meeting Date: August 1, 2016

Action Requested: Approve Change Order #1 for Play Area Site Work

Prepared By: Marcia Larson, Parks and Recreation Director

Reviewed By: Nate Mathews

A handwritten signature in black ink, appearing to be "ML", written over the name Marcia Larson.

A handwritten signature in blue ink, appearing to be "Nate", written over the name Nate Mathews.

Background

On May 16, 2016 the City Council awarded the quote for the Paul Bunyan Inclusive Playground Site Work to JD Hansen & Sons. The site work included preparing the site for the volunteer install of the playground, concrete work and landscaping.

Change Order #1 in the amount of \$1,693 includes costs associated with the labor and equipment necessary to remove excess topsoil from the site and the modification to the amount of 5" concrete pavement placed on site. The excess top soil was removed and replaced with higher quality top soil to ensure the turf/sod would grow. The Parks Department provided the replacement topsoil and JD Hansen placed the soil.

Financial Considerations/Budget

The Engineer's Cost Estimate for the Inclusive Playground Project is \$443,400. This includes all aspects of the project including Site Work, Play Equipment, the Play Surfacing, as well as a contingency. The project is currently under budget so can accommodate Change Order #1. Staff continues to work with the Bemidji Rotary Club to close-out the project and finalize all costs.

Recommendation

It is recommended the City Council approve Change Order #1 for Paul Bunyan Library Park - Play Area Site Work increasing JD Hansen & Son's contract amount by \$1,693.



BUILDING A BETTER WORLD

701 Xenia Avenue South
Suite 300
Minneapolis, MN 55416
Tel: 763-541-4800
Fax: 763-541-1700

July 20, 2016

J.D. Hansen & Son's
Attn: Jim Hansen
1907 Adams Ave. NW
Bemidji, MN 56601

Re: Paul Bunyan Library Park – Play Area Quote Package II
WSB Proj. 02125-030

Mr. Hansen,

Attached you will find documentation for Change Order #1 which I have prepared and signed for formal execution. Please review and, if acceptable to you, please sign / print name / date in appropriate Contractor locations, and forward three sets to Marcia Larson for processing. I have included Marcia's address below for your reference.

City of Bemidji
Attn: Marcia Larson, Parks and Recreation Director
1351 5th Street NW
Bemidji, MN 56601

After Marcia has fully executed, signed/print name/dated the change orders, the City will send one set to you, and one set to me.

Let me know if you have any questions or wish to discuss further.

Sincerely,

WSB & Associates, Inc.

A handwritten signature in black ink, appearing to read "Jeffrey W. Deitner". The signature is written in a cursive, flowing style.

Jeffrey W. Deitner
Landscape Architect

cc: Marcia Larson (via email)

Equal Opportunity Employer
wsbeng.com

AIA[®] Document G701[™] – 2001

Change Order

PROJECT <i>(Name and address):</i> Paul Bunyan Library Park Play Area 300 Bemidji Avenue North	CHANGE ORDER NUMBER: 01 DATE: 07/20/2016	OWNER: <input type="checkbox"/> ARCHITECT: <input type="checkbox"/> CONTRACTOR: <input type="checkbox"/> FIELD: <input type="checkbox"/> OTHER: <input type="checkbox"/>
TO CONTRACTOR <i>(Name and address):</i> J.D. Hansen & Sons, Inc. 1907 Adams Ave. NW Bemidji, MN 56601	ARCHITECT'S PROJECT NUMBER: 02125-030 CONTRACT DATE: May 16, 2016 CONTRACT FOR: Play Area General Construction	

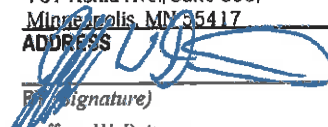
THE CONTRACT IS CHANGED AS FOLLOWS:

Removal of additional top soil

The original Contract Sum was	\$	67,282.50
The net change by previously authorized Change Orders	\$	0.00
The Contract Sum prior to this Change Order was	\$	67,282.50
The Contract Sum will be increased by this Change Order in the amount of	\$	1,693.00
The new Contract Sum including this Change Order will be	\$	68,975.50
The Contract Time will be increased by <u>zero</u> days.		
The date of Substantial Completion as of the date of this Change Order therefore is unchanged		

NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

WSB & Associates, Inc. ARCHITECT <i>(Firm name)</i> 701 Xenia Ave., Suite 300, Minneapolis, MN 55417 ADDRESS	J.D. Hansen & Sons, Inc. CONTRACTOR <i>(Firm name)</i> ADDRESS	City of Bemidji OWNER <i>(Firm name)</i> ADDRESS
 BY <i>(Signature)</i> Jeffrey W. Deitner (Typed name) 07/20/2016 DATE	 BY <i>(Signature)</i> (Typed name) DATE	 BY <i>(Signature)</i> (Typed name) DATE

Contract Summary Sheet

Contract Change Order #1 for:

Paul Bunyan Library Park - Play Area Quote Package II
 City of Bemidji
 1351 5th St. NW
 Bemidji, MN 56601

Distribution To:

- Owner Field
 Consultant Other
 Contractor

To (Contractor):

J.D. Hansen & Sons, Inc.
 1907 Adams Ave. NW
 Bemidji, MN 56601

Date: 20-Jul-16

Consultants Project: 2125-030

CHANGES TO THE CONTRACT

(The contractor shall make the following changes to the contract)

#	DESCRIPTION	ADD	DEDUCT
CO1.1	Delete quantities as follows: - 5" Concrete Pavement (90SF @ 7.25/SF)		\$ 652.00
CO1.2	Removal of excess topsoil (100 CY)	\$2,345.00	
TOTAL CHANGE ORDER ADDS AND DEDUCTS:		\$ 2,345.00	\$ 652.00
NET CHANGE ORDER TOTAL:		\$1,693.00	

Contract Summary to Date	
Original Base Bid Contract Sum:	67,282.50
Previously Authorized Change Orders:	-
Net Change of this Change Order:	1,693.00
Total Contract Sum (Including all Change Orders to Date):	\$68,975.50

J.D. Hansen & Sons, Inc.
 1907 Adams Ave. NW
 Bemidji, MN 56601

Date	Invoice #
7/14/16	1566

Bill To
CITY OF BEMIDJI PARKS & RECREATION 1351 5TH STREET NW BEMIDJI, MN 56601

PAUL BUNYAN LIBRARY PARK PLAYGROUND
 CHANGE ORDER

Terms	Due Date

Date	Quantity	Description	Rate	Project	Amount
6/30/16	6.0 HR	950F CAT LOADER	@ 130.00/HR		\$ 780.00
	7.0 HR	6500 TOOLCAT LOADER	@ 95.00/HR		665.00
	100 CY	REMOVE EXCESS SOIL	@ 9.00/CY		900.00
				Balance Due	\$ 2,345.00

Phone # Office 218.444.3139 Cell 218.766.5346

COUNCIL AGENDA ITEM



Meeting Date: August 1, 2016

Action Requested: Consider Approval of Center City Housing Private Sidewalk Connections to City's East/West Trail

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

A handwritten signature in black ink, appearing to read "CJG".

Reviewed By: Nate Mathews, City Manager

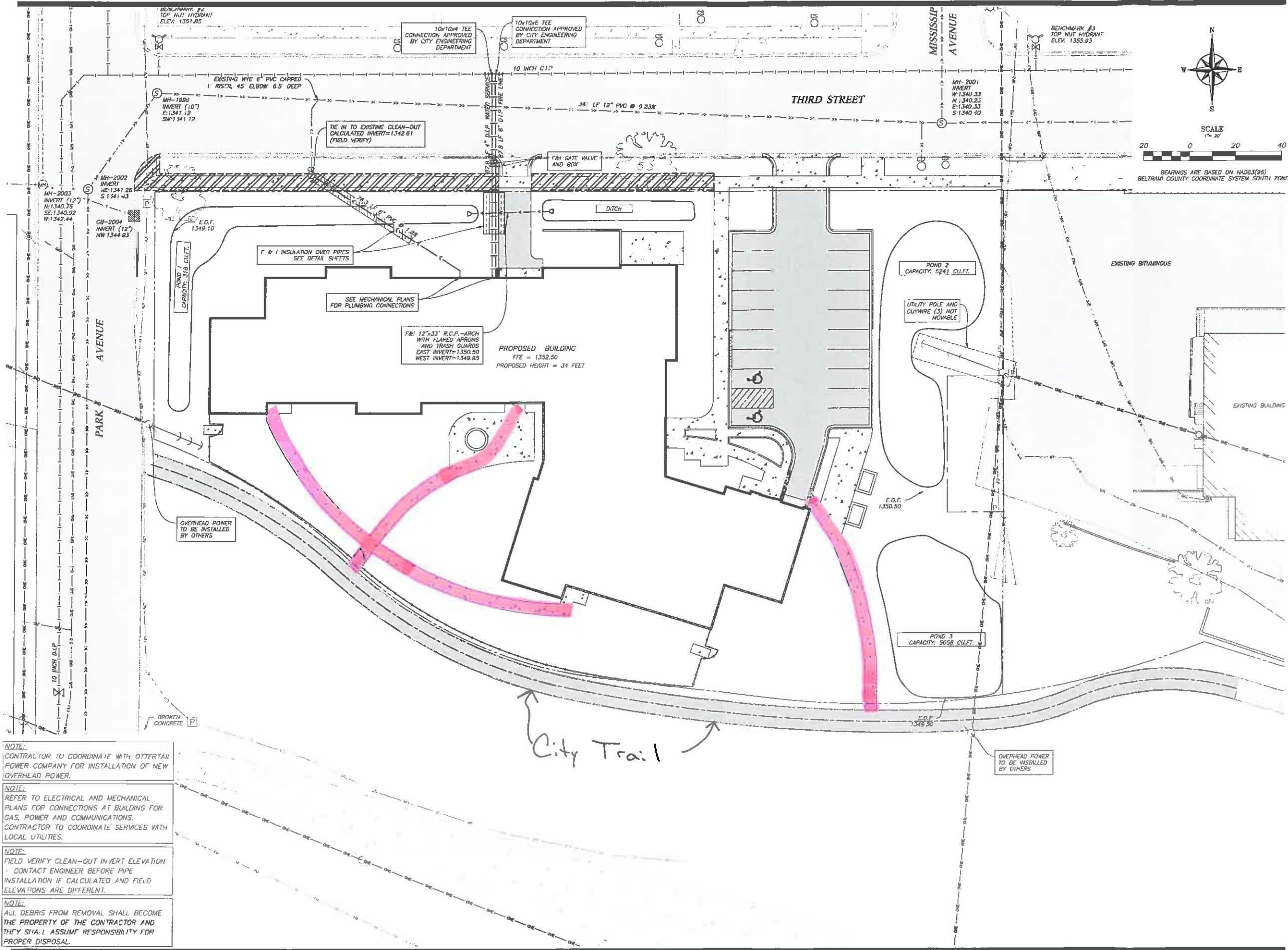
A handwritten signature in blue ink, appearing to read "Nate".

Background:

In June, 2015 the city council approved a purchase agreement with Center City Housing Corporation for the construction of a building at the corner of Third Street and Park Avenue. The construction of the building will require the relocation of the city's east-west bicycle/pedestrian trail. The developer is paying for the trail relocation which was a condition of the purchase agreement.

The developer has submitted engineering and utility plans for staff approval in anticipation of beginning work on the project. It was noted by staff that the plans include two private sidewalk connections to the relocated city bituminous trail. These connections were not dealt with in the purchase agreement and as such the city council should consider these connections and grant formal approval for them if they desire.

The attached drawing shows the proposed sidewalk connections in pink.



CLIENT
PARK PLACE OF BEMIDJI, LLLP

105 1/2 WEST 1ST STREET
 DULUTH, MN 55802
 218.722.7161

THIS SQUARE APPEARS 12"x12" ON FULL SIZE SHEETS

NO	DATE	BID/PERMIT	ISSUED FOR
1	04-29-16	BID/PERMIT	
NO	DATE	REVISION	

I HEREBY CERTIFY that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Signature: *Amy I. Stansberg*
 Typed or Printed Name: Amy I. Stansberg
 Date: 04-29-16 Reg. No.: 53149

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PROJECT NAME
PARK PLACE OF BEMIDJI

3RD ST. NW & PARK AVE. NW
 BEMIDJI, MN

DRAWING TITLE
SITE UTILITY PLAN

FILE: 15102 CITY CENTER
 DRAWN BY: KA
 CHECKED BY: AS
 PROJ. NO: 15102
 DRAWING NO:

C5.1

V:\Proj\15102 City Center (Houma Remidj)\Design\15102 CITY CENTER SHEET SFP.dwg 4/21/2016 12:18:30 PM

- NOTE:**
 CONTRACTOR TO COORDINATE WITH OTTERTAL POWER COMPANY FOR INSTALLATION OF NEW OVERHEAD POWER.
- NOTE:**
 REFER TO ELECTRICAL AND MECHANICAL PLANS FOR CONNECTIONS AT BUILDING FOR GAS, POWER AND COMMUNICATIONS. CONTRACTOR TO COORDINATE SERVICES WITH LOCAL UTILITIES.
- NOTE:**
 FIELD VERIFY CLEAN-OUT INVERT ELEVATION - CONTACT ENGINEER BEFORE PIPE INSTALLATION IF CALCULATED AND FIELD ELEVATIONS ARE DIFFERENT.
- NOTE:**
 ALL DEBRIS FROM REMOVAL SHALL BECOME THE PROPERTY OF THE CONTRACTOR AND THEY SHALL ASSUME RESPONSIBILITY FOR PROPER DISPOSAL.