

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – August 8, 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, August 8, 2016, at 5:35 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, Olson, Erickson, Larson

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Public Works Director/Engineer Craig Gray, Parks & Recreation Director Marcia Larson, Fire Chief Dave Hoefler, City Clerk Kay Murphy

Mayor Albrecht requested the Council consider adding to the agenda discussion regarding extension of the water and sewer to the proposed 4-5 grade school on Division Street.

Motion by Meehlhause, seconded by Olson, to amend the agenda. Motion carried.

2017 Budget/Financial Management Plan (FMP)

Finance Director stated that the Council met in June to discuss the 2017 FMP. He noted that a special Legislative session is possible, but the budget does not include any increase in LGA. He reviewed the following additional budget items:

- Street Reconstruction Funding – With the recent annexation of Phase II in Northern Township, additional funding for street maintenance is necessary. Staff recommends an additional \$50,000, or \$425,000 annually, be allocated to keep the cycle of street replacement on a 105-year rotation.
- Parks Operations and Reforestation – Staff recommended an additional \$25,000 be allocated to assist in maintaining the parks as well as tree replacement.
- Joint Planning Board Position – The current contract with the Joint Planning Board code enforcement position that is shared with the City expires in August. In order to retain this employee and provide expanded responsibilities in storm water management, staff is recommending that the position become a City position.
- Council Pay – It was noted that the Council's pay was last increased in January 2007. Inflation since that time amounts to 19%, or the equivalent of \$2,000 per position for a total impact of \$14,000.
- POC Firefighters – Staff recommended budgeting a \$2 per hour increase at this time. Current paid on call pay ranges from \$11 to \$15 per hour, well below many of our park and public works staff. The Council will approve any pay increase at a later date.
- Turnout Gear – The Long Range Planning Committee recommended turnout gear for the firefighters be treated as an operational expense. This will add \$11,000 to the Fire Department's operational budget which is offset by the Rural Fire Association's \$4,620 portion.
- City Hall – It is recommended that City Hall operational (utilities, maintenance, insurance, etc.) costs be increased by \$7,000 annually.
- Bemidji Youth Advisory Commission – Increase the City's contribution by \$3,500 for a total of \$5,000 annually. Councilor Meehlhause noted that the BYAC will continue to fundraise, however, the increase will allow the group to focus on opportunities.
- City Dues - \$2,000 increase to cover higher dues for membership in the Coalition of Greater MN Cities and League of MN Cities.

City Manager Mathews stated that he has heard from several people about the weeds and lack of maintenance of the planters in the downtown area. He asked the Council to consider hiring a seasonal employee to address the situation.

Councilor Erickson stated that other areas in town take care of their own sidewalks, etc., and felt that the Bemidji Development Authority should contribute. After discussion, the consensus of the Council was to allocate \$6,000 to downtown maintenance in 2017.

Eischens stated that the total proposed 2017 levy increase would be \$552,832, representing an 11.5% increase from last year, but equivalent to 3.2% increase when new construction and annexation values are factored in. The impact on a \$115,000 home would be approximately \$1 per month.

Council consensus was to proceed with the proposed 2017 levy as proposed. The Council will consider adopting the preliminary tax levy a September meeting.

Extension of Water & Sewer

Mathews stated that he had a recent conversation with School Superintendent Jim Hess regarding the potential of extending water and sewer to proposed new school which is in Grant Valley. There has been concerns about the proposed size of the septic system to service the new school which would be located in a “sensitive” area. Mathews asked the Council what their interest was in this regard.

Public Works Director Gray stated that the County have a proposed project in 2017 on Division Street. To take advantage of the project, Gray will be making adjustment to the CIP to “fast track” the extension from 2019 to 2017. Gray commented that the high school is served with a 16" main off of Division (10" service feed to the High School) and 6" sewer main. He stated that the cost of the water/sewer main extension project to Adams Avenue is estimated at \$400,000, which is in the CIP.

Consensus of the Council was that they would allow the school district to connect at Adams with the condition that it be annexed. Annexation would include Division Street as well creating a “flag” to reach the parcel.

Discussion followed regarding the cost if the City extended to Becida Road. Gray stated that he is running numbers/estimates to extend mains to Becida from Adams. If the School District knows the costs of service extensions from Gene Dillon to Adams, they may wish to participate in a main extension project with the City, rather than place longer service lines from the site to Adams. This may change the annexation discussion and poses different financial considerations, but would allow the school to avoid the future maintenance as well as ownership of a long service connection.

Council recommended that City staff and three Councilors (Johnson, Olson, Erickson) meet with school representatives at a mutually agreed time and date to discuss the matter further.

ADJOURN

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

Respectfully submitted,


Kay M. Murphy
City Clerk