

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Special Work Session – December 3, 2010

Pursuant to due call and notice, a special work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Friday, December 3, 2010, at 5:00 p.m. in the Conference Room of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Waldhausen, Hellquist, Johnson, Meuers, Downs, Negard

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Deputy City Clerk Michelle Miller

Mayor Lehmann stated that the purpose of the special work session was to approve and authorize execution of an Amendment to the State Grant Agreement (BREC) and to approve and authorize execution of the naming rights agreement with Sanford.

Council discussed the following:

- The receipt of the two million dollars will not reduce the amount of sales tax that can be collected.
- In order to not jeopardize the tax exempt status of either or both of the State GO Bonds or the City Sales Tax Bond the State proposed that the parties adopt and “undivided portion allocation method” based on the total facility expenditures. In this case the determinative percentage threshold cannot exceed 10% of \$44 million, or \$4.4 million. It is uncertain whether any future “use agreements” will be cumulative or if each request cannot exceed the 10% threshold.

Motion by Waldhausen, seconded by Johnson, to authorize execution of Amendment to State Grant Agreement. Motion carried unanimously.

Motion by Johnson, seconded by Hellquist, to authorize execution of Naming Rights Agreement with Sanford. Motion carried unanimously.

ADJOURN

There being no further business, motion by Hellquist, seconded by Negard, to adjourn the meeting. Motion carried. Meeting adjourned at 5:10 p.m.

Respectfully submitted,



Michelle R. Miller
Deputy City Clerk