

COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – July 3, 2023

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 3, 2023 at 6:00 p.m. in the Council Chambers of City Hall, Mayor Prince presiding.

Upon roll call, the following Councilmembers were declared present: Prince, Peterson, Johnson, Rivera, Eaton, Thayer. Absent: Fiskevold Gould.

Staff Present: Finance Director Ron Eischens, City Attorney Katie Nolting, City Engineer Sam Anderson, Building Official Todd Beito, Rental Inspector Ben Hein, Sanford Center General Manager Sheila Murphy, City Clerk/acting City Manager Michelle Miller

AMENDMENTS TO AGENDA

Mayor Prince called for any amendments to the agenda. **Motion by Johnson, seconded by Rivera, to approve the agenda as presented. Motion carried by unanimous voice vote.**

MINUTES

The following minutes were presented for approval:

Council Meeting: April 17, 2023
Sp Work Session: April 18, 2023

Motion by Eaton, seconded by Thayer, approving minutes as presented. Motion carried by unanimous voice vote.

CONSENT AGENDA #1

Mayor Prince called for any amendments to be made to Consent Agenda. The following Consent Agenda items were presented for approval. **Motion by Peterson, seconded by Thayer, to approve Consent Agenda items as follows:**

1. Claims Submitted by Finance Officer in the Amount of \$1,036,933.12
2. Claims Submitted by ASM Global for the Sanford Center in the Amount of \$76,676.10
3. Approve May 2023 Financial Statements for the Sanford Center
4. **RESOLUTION NO. 6492:** Approving Request for Conveyance of Tax-Forfeited Lands (Parcel No. 80.01987.00)
5. Approve Grant Amendment Extension for Small Cities Development Program
6. Authorize Purchase of Upgraded Concessions Equipment from TSBL Distributing in the Amount of \$123,641.00 for the Sanford Center

Motion carried by the following roll call vote: Yeas: Johnson, Prince, Eaton, Peterson, Thayer, Rivera. Absent: Fiskevold Gould.

CONSENT AGENDA #2

Mayor Prince called for any items to be pulled from consent agenda #2. The following Consent Agenda item was presented for approval. **Motion by Peterson, seconded by Eaton, approving Consent Agenda #2 as follows:**

1. Claims Submitted by Finance Officer for LVI Supply in the Amount of \$181.32

Motion carried by the following roll call vote: Yeas: Thayer, Johnson, Eaton, Peterson. Nays: Rivera. Absent: Fiskevold Gould. Abstain: Prince due to owning membership shares in LaValley Industries which owns LVI Supply.

CITIZENS WITH BUSINESS NOT ON AGENDA

The following individuals provided comments regarding the evacuation of the Red Pine apartment building and its tenants:

- Misty Bray, 516 Beltrami Ave NW
- Mary Schoenfeld, 1125 Thomas Rd SW
- Rita Sandwick, Red Pine Estates
- Cynthia Tesar, 4509 Birchmont Dr NE
- Kristie O'Leary, 2710 Country Ln NE
- Reed Olson, 711 14th St NW
- Rebecca Reynolds, 4509 Birchmont Dr NE
- Margaret Batchelder, PO Box 931, Bemidji
- Diane Anderson, Red Pine Estates
- Karma Carter, no address

REPORT

Amy Boyles and Anne Lindseth from Beltrami County Public Health and Community Health and Human Services provided an update to council regarding the National Opioid Settlement.

Mayor Prince called for a recess at 7:25 p.m. The meeting reconvened at 7:32 with all members present as called at the beginning of the meeting.

NEW BUSINESS

Consider Action Related to Letter from Northern Township Regarding JPB Dissolution

From a memo prepared by City Attorney Nolting, it stated that on June 15, 2023 the City received a letter from Northern Township Chairman, Jess Frenzel, indicating Northern Township’s (Township) willingness to dissolve and end the Bemidji Area Joint Planning Board Agreement (JPB) on December 31, 2023. The letter also requested the following:

1. The City and Township continue to work with the appointed committee members, starting in July and meet a minimum of one time per month to prepare the entities for conducting planning and zoning independently.
2. The JPB agrees to hire Freeberg & Grund to split the current JPB Comprehensive Plan into two (2) separate documents and it be paid for with JPB funds and split equally.

MONTHLY COMMITTEE MEETING

Staff contacted Chairman Frenzel to discuss what the Township was anticipating for the monthly meetings to better understand the request. It is Staff’s understanding the Township’s intention for the monthly meetings would be on how to split the remaining dollars left at the time of dissolution of the JPB.

Section XIII of the Joint Powers Agreement between the City and Township specifically addresses the distribution of assets at the time of termination of the agreement. It states:

“Upon termination, no property shall be disposed of until payment or performance of all obligations arising out this Agreement is complete. All property, real and personal, held by the JPB at the time of termination shall be distributed in proportion to the total contributions by the City and Township over the entire duration of this Agreement, or as the parties may otherwise agree.”

If the Council desires to meet with the Township on a monthly basis to negotiate a different distribution than agreed to in the Joint Powers Agreement, Nolting recommends having the JPB Attorney, Troy Gilchrist from Kennedy and Graven Law Firm, attend those meetings remotely. Nolting stated it may be beneficial to use those meetings to discuss the drafting of the separation agreement, specifically in regards to the JPB’s assets. Council consensus was to continuing using the committee previously appointed of Eaton, Thayer and Prince to meet monthly with Northern Township representatives regarding the terms of the dissolution of the Joint Planning Board.

JPB HIRING OF FREEBERG & GRUND REGARDING COMPREHENSIVE PLAN

In regards to the JPB hire Freeberg & Grund, the City has no legal authority to require the JPB to hire a specific entity, nor to pay for it, therefore no action was taken in regards to this request.

Motion by Peterson, seconded by Eaton, agreeing to dissolve the Joint Planning Board by December 31, 2023 pursuant to the joint powers agreement. Motion carried by the following roll call vote: Yeas: Peterson, Johnson, Thayer, Prince, Eaton. Nays: Rivera. Absent: Fiskevold Gould

Consider Authorizing Write Offs of Accounts Receivable from VenuWorks Management of the Sanford Center

Prince stated that Security Bank submitted payment of \$5,500. Sheila Murphy, General Manager of the Sanford Center, stated that in the transition from Venuworks to ASM Global, Venuworks left approximately \$100,000 in Accounts Receivables on the books. Many of these accounts/amounts were not invoiced and some were entered on the last date of Venuworks time in management.

Over the past year, ASM staff worked hard to research and collect these receivables. The majority were collected but there are issues on the accounts listed below:

- **BSU Men’s Hockey CCHA Quarterfinals: \$ 441.60**
- **2021 Bemidji Coca-Cola Sponsorship: \$10,000.00**
- **2021 Bemidji Coca-Cola Sponsorship: \$17,500.00**
- **Affinity Plus Post – Game Club Level Social: \$ 250.00**
- **BSU Men’s Hockey CCHA Quarterfinals: \$ 157.77**

Motion by Rivera, seconded by Eaton, authorizing writing off \$28,349.37 as bad debt expense for 2023 from VenuWorks Management for the Sanford Center. Motion carried by the following roll call vote: Yeas: Peterson, Thayer, Prince, Rivera, Eaton, Johnson. Absent: Fiskevold Gould

Consider Request from 4-Directions Development, Inc. (Anishinaabe Art Festival)

Miller stated that the city received a letter request on June 28, 2023, from Sharon James, Executive Director of 4-Directions Development, Inc. The letter requested additional discounts above the 30% non-profit discount provided by the Sanford Center for the Anishinaabe Art Festival. Sheila Murphy stated that the discount requested is approximately \$2,000. Councilmember Thayer supports granting the discount for this group. Rivera inquired of the process of vetting these types of requests through the Sanford Center Advisory Board. Prince provided information from the Advisory Board, stating that the Advisory Board did not want to set a precedent and thought that the decision should ultimately be with the Council. Upon discussion, majority of the council supports the existing 30% discount.

Motion by Eaton, seconded by Rivera, to not approve additional discounts for the Anishinaabe Art Festival as requested from 4-Directions Development, Inc. Motion carried by the following roll call vote: Yeas: Eaton, Prince, Peterson, Johnson, Rivera. Nays: Thayer. Absent: Fiskevold Gould.

Consider Designating Council Representatives to Assist Baker Tilly and Staff Regarding City Manager Search

Patty Heminover with Baker Tilly provided information to Council regarding the designation of council representatives to assist Baker Tilly and staff regarding the city manager search. The memo stated that in order to facilitate a smooth and transparent process, she recommends that the City Council designate certain council representatives to work with Baker Tilly and staff who will serve as their point of contact. These representatives will review the timeline, brochure and questionnaire, and provide updates to the entire City Council. Additionally, if any adjustments need to be made to the search, they can arrange brief Teams meetings to address them promptly. Establishing designated council representatives will greatly enhance communication between Baker Tilly and the City Council.

Prince had suggested using the two previous representatives of Eaton and himself. Fiskevold Gould, Rivera and Thayer expressed an interest in serving. Peterson, Eaton and Johnson suggested using the previous representatives.

Motion by Johnson, seconded by Peterson, designating Prince and Eaton to Assist Baker Tilly and Staff Regarding the City Manager Search. Motion carried by the following roll call vote: Yeas: Prince, Johnson, Eaton, Peterson. Nays: Rivera, Thayer. Absent: Fiskevold Gould.

Consider Allocation of City Manager Compensation

Miller provided a memo stating that at the April 3, 2023 council meeting, she was designated to perform the duties and responsibilities of the City Manager, during his absence or the office is vacant. Additionally, she would be paid additional compensation equivalent to the difference between the City Clerk’s and the City Manager’s actual salary. During the last three months it became very clear that in order to perform those duties, the City Attorney and City Engineer were being brought into conversations for assistance. Of course, other departments have also assisted but those are the two most consulted with.

Historically, the City Attorney, Finance Director and City Engineer were designated to carry out the duties and responsibilities of the city manager and were compensated accordingly. Ron Eischens indicated he does not want any additional compensation but, of course, would help any way he can.

Motion by Rivera, seconded by Eaton, approving the allocation of the difference in pay between the city clerk’s actual salary and city manager’s actual salary be allocated effective pay period beginning July 2, 2023 as follows: Michelle Miller \$1,675 per pay period; Katie Nolting \$950 per pay period; Sam Anderson \$900 per pay period. Motion carried by the following roll call vote: Yeas: Eaton, Rivera, Peterson, Prince, Johnson, Thayer. Absent: Fiskevold Gould.

COUNCIL REPORTS

Councilmembers provided reports on various boards, committees and commissions.

UPCOMING COUNCIL MEETINGS

- Monday, July 10 5:30 p.m. Work Session (Code of Conduct)
- Monday, July 17 6:00 p.m. Council Meeting
- Monday, July 24 5:30 p.m. Work Session (2023 FMP)

ADJOURN

There being no further business, motion by Peterson, seconded by Thayer, to adjourn the meeting. Motion carried. Meeting adjourned at 8:44 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Michelle R. Miller". The signature is written in a cursive style with a large initial "M".

Michelle R. Miller
City Clerk