

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Special Meeting/Work Session – June 18, 2012

Pursuant to due call and notice, a special meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, June 18, 2012, at 6:15 p.m. in the Conference Room of City Hall, Mayor Larson presiding.

Upon roll call, the following Councilmembers were declared present: Larson, Waldhausen, Johnson, Hellquist, Albrecht, Negard, Thompson

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

Other Present: VenuWorks Representatives - Andy Long, Roger Swanson

2013 Budget

Finance Director Eischens provided a budget overview based on the Council's direction from their April 9, 2012 work session. He asked that the Council review the handout prior to their special work session on June 25 and to contact Chattin or himself with questions.

Chattin commented that the funding options are examples and the Council may have their own suggestions for funding.

Johnson inquired about a hospitality tax which requires State approval to enact. Chattin commented that it was certainly a funding option that the Council could pursue.

VenuWorks/Sanford Center

Chattin stated that it was recently brought to his attention that the City was billed for Executive Director Roger Swanson's salary for the fourth quarter of 2011. At a meeting of the City Council in October of 2011, Steve Peters, President of VenuWorks, stated that they (VenuWorks) would be paying Swanson's salary for that quarter. Chattin stated that he reviewed the recording of the meeting and confirmed that Peters had indeed stated that Swanson's salary would be paid by VenuWorks. Chattin stated he has met with Andy Long and Roger Swanson and via telephone with Peters in this regard. Chattin stated that Peters stated that it was his intent to cover those costs only if needed for the facility to make budget. As it turned out, VenuWorks came in well under budget and thus believed that they could recover those costs. Chattin stated that VenuWorks has agreed to reimburse the City for Swanson's fourth quarter salary in the amount of \$21,000.

Andy Long read an e-mail addressed to the Council from Steve Peters. In that e-mail, Peters stated that VenuWorks presented an invoice for Swanson's time as they had made good on their promise to bring the Sanford Center in under budget. Peters e-mail further stated that VenuWorks values the City's trust and confidence as being essential to the development of a strong long-term working relationship and they have agreed to repay the funds. Long stated that they had no reason to "sneak" an invoice for Swanson's time as the invoice clearly states that it was for Swanson.

Negard stated that as a member of the Sanford Advisory Board they have not looked at every invoice because of trust. But now he has lost trust and understands the response from Long. However, he now wants to look at every invoice.

Hellquist commented that there is a difference between looking at this from a position of doing it and then asking for forgiveness later and no one likes that kind of situation. He stated that if VenuWorks had asked for permission up front, they would have gotten it. Hellquist stated it makes the Council feel it has to scrutinize everything that comes in.

Waldhausen stated that it was obviously a miscommunication and clearly not sneaky. He commented that the responsibility falls both ways.

Discussion continued regarding this year's budget and programming.

ADJOURN

There being no further business, motion by Hellquist, seconded by Waldhausen, to adjourn the meeting. Motion carried. Meeting adjourned at 6:55 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kay M. Murphy". The signature is written in a cursive style and is contained within a thin blue rectangular border.

Kay M. Murphy
City Clerk