

**CITY COUNCIL PROCEEDINGS**  
**BEMIDJI, MINNESOTA**  
**Regular Meeting – June 3, 2013**

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, June 3, 2013 at 7:00 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, Thompson

Staff Present: City Manager John Chattin, 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. The following items were requested to be added:

- Consider approval of the Mediated Settlement Agreement with Bemidji Township
- Update on Tree Giveaway – Councilor Erickson

**Motion by Meehlhause, seconded by Thompson, to approve the agenda as amended. Motion carried by unanimous vote.**

**MINUTES**

The following minutes were presented for approval:

Council Meeting	May 20, 2013
Sp BEDA Meeting	May 20, 2013
Work Session	May 13, 2013

Thompson noted a correction to the Special BEDA minutes on page 2.

**Motion by Erickson, seconded by Olson, to approve the minutes with correction as noted. Motion carried by unanimous vote.**

**CONSENT AGENDA**

The following Consent Agenda items were presented for approval. Albrecht requested travel authorization for herself to attend the Mississippi River Cities & Towns Initiative in St. Cloud, June 26-28. **Motion by Meehlhause, seconded by Thompson, to approve the Consent Agenda items as follows:**

1. Claims submitted by the Finance Officer in the total amount of \$539,639.19
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$13,127.52
3. Miscellaneous Business Licenses for 2013
4. Wine and Beer Licenses for Café Novo (1602 Bemidji Avenue N.) and 2013 Small Brewer and Taproom Licenses – Bemidji Brewing Company (401 Beltrami Ave, Suite A)

5. **RESOLUTION NO. 5838:** Approving Temporary Off-Premises Liquor Permit and Street Closure for a Fundraiser for the Bemidji Fire Department on June 21, 2013 – Classic Hardtimes
6. **RESOLUTION NO. 5839:** Authorizing “Seasonal” Calendar Parking on 15<sup>th</sup> Street between Bemidji Avenue N to Birchmont Drive NE
7. Travel Authorization: Mississippi River Cities & Towns Initiative 2013 Annual Meeting in St. Cloud, June 26-28 - Albrecht

**Motion carried by unanimous vote.**

**CITIZENS NOT ON AGENDA**

No one appeared.

**LEGISLATIVE WRAP-UP**

Senator Tom Saxhaug and Representative John Persell highlighted the following items from the State Legislature 2013 Session:

- Explore Minnesota Tourism – direct increase of marketing dollars which is good for northern Minnesota
- LGA increased which will help Bemidji
- Airport – Sales tax on aircraft was reduced substantially.
- Moving forward with jobs creation funding at DEED
- Legacy funds in the amount of \$750,000 to be utilized at Library Park and the Waterfront

Thompson inquired about the potential to lobby for funds to assist with getting the sewer around Lake Bemidji.

Erickson inquired if there was any possible way that hospitality tax could be revisited next session.

Saxhaug responded that the Chair of the Tax Committee Rod Skoe stated at a public hearing that hospitality tax made “more sense” for a city like Bemidji. However, it was more important this year to do something about property taxes. He stated that perhaps hospitality tax could be visited in the future.

**COMMITTEE REPORTS**

Bemidji Youth Advisory Commission – Annikka Roy, BYA representative, reviewed the final plans for the June 7 event.

Librarian’s Report - Paul Ericsson, Branch Manager, reported on the annual Book Festival and June events at the Library.

**NEW BUSINESS**

WWTF Paving Project

Gray stated that the 2013 Capital Improvement Plan (CIP) includes \$100,000 for the reconstruction of a portion of the existing blacktop area at the plant facility. The following bids were received for the project:

Bemidji Bituminous	\$100,701.61
Knife River Materials	\$104,782.70

**Motion by Thompson, seconded by Meehlhause, to award the bid for City Project #13-06 to Bemidji Bituminous, Inc., in the amount of \$100,701.61. Motion carried unanimously.**

Art Project - WWTF

Mike Forbes, Co-Superintendent WWTF, stated that an ad-hoc committee has been exploring the possibility of permanent public art installation and/or murals at the Wastewater Treatment Facility (WWTF). He provided pictures of other WWTF art projects. This installation would be a pilot project in what the committee envisions as a larger community based arts project connecting the downtown area with the Sanford Center area with an “Arts-Way Corridor”. Forbes stated that he has met with the Public Arts Commission which has recommended that the City Council consider and support the art project.

**Motion by Thompson, seconded by Erickson, to support the concept of art at the WWTF. Motion carried unanimously.**

Sandy Kaul, Chair of the Public Arts Commission, stated that the process used for this art project would be similar to that of the Chief Bemidji Statue. When the requests for proposals go out it should include that funds are being raised and with a cap in the amount of \$25,000.

Erickson encouraged Forbes to explore grants for the project.

**Motion by Hellquist, seconded by Meehlhause, to allocate \$2,000 from the contingency fund for artist request for qualifications and set a cap of \$25,000 for the entire project. Motion carried unanimously.**

**OLD BUSINESS**

Bemidji Township Mediation

Chattin stated that the Judge’s order required a majority of the Council attend a mediation settlement. On Thursday, May 30, six councilors met with the City’s attorney regarding mediation. The result of that mediation was a mediated settlement agreement with Bemidji Township which would allow Bemidji Township to leave the annexation and joint powers agreement.

Thompson stated that he felt pressured to sign the mediated agreement and would not be voting in favor. He further commented that 1,000s of hours had gone into creation of the Joint Planning Board which serves the two townships and the City of Bemidji.

Johnson questioned the process and the way it happened. He stated that the entire council should have been at the table to discuss mediation, in particular, the senior members of the Council. He blamed the City Manager and the Mayor. Johnson requested that he would like the minutes produced or an explanation of how the process was determined for the initial mediation.

Olson stated that although he had signed the agreement he has changed his mind after discussion with constituents and would not be voting in favor of the settlement. He commented that the Joint Planning Board is good for the townships and good for the City and wants to keep it together.

Erickson stated she attended the mediation and opposed the settlement which she did not sign. She stated that the Joint Powers Agreement is valid. On the other hand, she does not

want to be a partner with an unwilling partner. She commented that the City is sacrificing everything and Bemidji Township is walking away while tying the City's hands.

Meehlhause commented that it is a "sad day in the northland" and believed that "we" had something unique but at the end of the day was willing to sign and let Bemidji Township go. He stated that Bemidji Township residents are not at fault but there are a few people that are acting "childish". He stated that following are his reasons for signing the agreement: 1) peace in the northland, neighbors should get along; 2) hard to risk tax dollars on a lawsuit; and 3) cannot govern with an unwilling partner as it is "toxic".

Mayor Albrecht stated that it was special when the townships and the city came together. The City gave up the most as it has the largest budget and infrastructure. She stated that it is frustrating that the city is being blamed as it is entirely the result of a lawsuit filed by Bemidji Township. She stated that the big loser will be the residents of Bemidji Township. Albrecht commented that the Joint Planning Office is top notch. She stated that it was not her intention that anyone be excluded from the mediation process and apologized if some felt it was a "flawed" process. She further stated that avoiding going to court with Bemidji Township was important, not only in terms of potential costs but as well as allowing elected officials decide the outcome of the mediation.

Hellquist stated that staff knew that he has prior commitments which make it difficult for him to attend meetings on Thursdays. He has talked to several people who were "integral" in the formation of the annexation and joint powers agreement who asked him to do what he could to keep the agreement intact. Hellquist further stated that the agreement was a well done agreement between the townships and the City.

Discussion continued regarding the fallout if the mediated settlement is not approved. Chatten responded that he has been advised by the City's LMC counsel that the township could file a "motion to compel" requiring the City to follow the mediated agreement and the courts would agree that it was a binding agreement.

**Motion by Meehlhause, seconded by Albrecht, to ratify the "mediated" settlement agreement with Bemidji Township. Motion failed with the following vote: Ayes: Albrecht, Meehlhause. Nays: Hellquist, Johnson, Olson, Erickson, Thompson.**

#### Tree Giveaway Update

Erickson stated that 475 "pine" trees have been purchased to giveaway to City residents on June 13 and June 14; 10 a.m. to 4 p.m. in front of City Hall. Residents need to present their City utility bill or a property tax statement.

#### **ORDINANCES**

Pursuant to published notice, a Public Hearing was held to receive input regarding Vacating a Paper Alley (Located in Block 4 of Henderson's Addition). Mayor Albrecht opened the Public Hearing at 9:10 p.m., hearing no comments the public hearing was closed at 9:11 p.m.

**AN ORDINANCE** Vacating a Paper Alley (Located in Block 4 of Henderson's Addition) was given a second reading.

Pursuant to published notice, a Public Hearing was held to receive input regarding Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real

Property) (Emily Holmer). Mayor Albrecht opened the Public Hearing at 9:12 p.m., hearing no comments the public hearing was closed the hearing at 9:13 p.m.

**AN ORDINANCE** Amending an Uncoded Section of the Bemidji City Code (Authorizing the Sale of Real Property) was given a second reading.

**UPCOMING COUNCIL MEETINGS**

- Monday, June 10 5:30 p.m. Work Session – 2014 Budget
- Monday, June 17 6:00 p.m. Special BEDA Meeting
- Monday, June 17 7:00 p.m. Council Meeting

**COUNCIL/STAFF REPORT**

- Council members provided updates on current events and meetings.

**ADJOURN**

There being no further business, motion by Hellquist, seconded by Thompson, to adjourn the meeting. Motion carried. Meeting adjourned at 9:26 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk