

**CITY COUNCIL PROCEEDINGS**  
**BEMIDJI, MINNESOTA**  
**Regular Meeting – September 5, 2017**

Pursuant to due call and notice, a regular meeting of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Tuesday, September 5, 2017 at 6:00 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, Plemel, Erickson, Larson.

Staff Present: City Manager Nate Mathews, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director/City Engineer Craig Gray, City Clerk Kay Murphy

**AMENDMENTS TO AGENDA**

Mayor Albrecht called for any amendments to the agenda. New business item regarding the tentative easement with Paul Bunyan Communications was requested to be removed by staff. **Motion by Johnson, seconded by Hellquist, to approve the agenda as amended. Motion carried by unanimous vote.**

**MINUTES**

The following minutes were presented for approval:

Council Meeting	August 21, 2017
Work Session	August 28, 2017
Special Meeting	August 28, 2017

**Motion by Johnson, seconded by Larson, to approve the minutes as prepared. Motion carried by unanimous vote.**

**CONSENT AGENDA**

The following Consent Agenda items were presented for approval. **Motion by Hellquist, seconded by Meehlhause, to approve the Consent Agenda items as follows:**

1. Claims submitted by the Finance Officer in the total amount of \$675,627.56
2. Claims Submitted by VenuWorks for the Sanford Center in the amount of \$52,492.35
3. Miscellaneous Business License Renewal(s)
4. **RESOLUTION NO. 6095:** Restricting Parking on the South Side of Stu Wright Drive NW
5. **RESOLUTION NO. 6096:** Designating 2-hour Parking on America Avenue NW between 2nd Street NW and 3rd Street NW
6. Appointment to the Library Board - Debra Rossman (term ending 1/31/2017)
7. Travel Authorization – 6th Annual Mississippi River Cities & Towns Initiative – September 12-14 in St. Louis, MO – Mayor Albrecht

**Motion carried by unanimous vote.**

**CITIZENS NOT ON AGENDA**

No one appeared.

**NEW BUSINESS**

**Audit Services Contract**

Eischens stated that audit contract with Miller McDonald expired with the completion of the 2016 audit. He stated that the City issued RFPs for audit services several times in the past with the result being the selection of Miller McDonald. No other local CPA firms have submitted proposals. He reviewed the criteria for selection of auditor services; which include price, staffing, auditing kills and estimated audit hours. He stated that staff does not believe an RFP is necessary considering past RFP results. He noted that the 2017 audit fees are less than 2016, with a 2.9% annual increase for 2018 and 2019. Staff recommended the city authorize the audit contract with Miller McDonald.

**Motion by Hellquist, seconded by Plemel, authorizing audit contract with Miller McDonald for 2017 to 2019 with an optional 2-year extension. Motion carried unanimously.**

Cashflow Infusion for Sanford Center

Eischens stated that Venuworks has often operated the Sanford Center with cash levels below the amount required by Article 6.2 of the management contract which states that the City maintain operating account balances sufficient to meet monthly operating expenses. The Sanford Center's cash is project to be negative \$35,000 if invoices approved are paid and mailed for August 2017. Monthly expenses for 2017 are averaging \$221,000. Therefore, additional cash of \$256,000 (\$221,000 plus \$35,000) is necessary.

Hellquist asked why it takes so long to collect receivables. Eischens stated that Venuworks have been working hard to collect receivables.

Erickson asked if this is a one-time payment. Eischens responded that this request tonight is a one-time request but he cannot guarantee that it may never happen again.

Jackie Meixner, Venuworks Accountant, stated that she has been accelerating collection of receivables. She stated that the largest receivable is related to the State auditor's report. She noted that this year approximately \$1,000 has been written off in uncollected receivables.

Johnson commented that the City has already paid out \$400,000 and now they need another \$256,000. Eischens stated that the City has never abided by the contractual agreement but they cannot do this any longer.

**Motion by Hellquist, seconded by Meehlhause, authorizing a payment of \$256,000 to Sanford Center operating account utilizing liquor reserves. Motion carried unanimously.**

**ORDINANCE**

**ORDINANCE NO. 141, 3<sup>RD</sup> SERIES**, AN ORDINANCE Amending Chapter 16 of the Bemidji City Code entitled, "Fire Prevention and Protection" by Amending Articles I and II was given a final reading and passed by unanimous vote.

**Motion by Erickson, seconded by Meehlhause, approving publication of a summary of Ordinance No. 141, 3<sup>rd</sup> Series. Motion carried unanimously.**

**UPCOMING COUNCIL MEETINGS**

- Monday, Sept. 11 5:30 p.m. Work Session – 2018 Budget
- Monday, Sept. 18 6:00 p.m. Council Meeting

**COUNCIL/STAFF REPORT**

- Council members and staff provided updates on current events and meetings.

**ADJOURN**

There being no further business, motion by Meehlhause, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 7:00 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk