

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – April 21, 2025

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, April 21, 2025, 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, Fiskevold Gould, Peterson, Dickinson, Rivera, Eaton, Thayer.

Staff Present: City Manager Rich Spiczka, Finance Director Donna Coe, City Engineer Sam Anderson, Parks & Recreation Director Marcia Larson, City Attorney Katie Nolting, Planning Director Jamin Carlson, City Clerk Michelle Miller

AMENDMENTS TO AGENDA

Mayor Prince called for any amendments to the agenda. **Motion by Peterson, seconded by Thayer, approving the agenda as presented. Motion carried by unanimous voice vote.**

MINUTES

The following minutes were presented for approval:

- March 10, 2025 Work Session
- March 17, 2025 Council Meeting
- March 17, 2025 BEDA Meeting

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

CONSENT AGENDA

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

1. Claims Submitted by Finance Officer in the Amount of \$1,313,370.00
2. Claims Submitted by ASM Global for the Sanford Center in the Amount of \$51,589.21
3. Approve February Financials from ASM Global for the Sanford Center
4. Approve Special Event Permit for 2025 Mississippi Music Summer Concert Series
5. Approve Temporary 1 Day Consumption and Display Permit (Bemidji Girls Basketball)
6. Approve Appointment of Sandra Henson to the Public Arts Commission
7. Approve 2023 Edward Byrne Memorial Justice Assistance Grant Program (JAG) MOU
8. Approve Services to Seal Coat Trails to Ness Seal Coat (\$25,000)
9. Approve Change Order #1 for the Cameron Park Restroom Project for \$6,396.53
10. **RESOLUTION NO. 6612:** Restricting Parking (Hannah Ave NW, Norton Ave NW, 14th ST NW)
11. **RESOLUTION NO. 6613:** Accepting the Responsibility as the Sponsoring Agency (5th St Trail)

Motion carried by unanimous voice vote.

CITIZENS WITH BUSINESS NOT ON AGENDA

- No appearance.

PUBLIC HEARING

Public Hearing for Three Less One, Inc (dba Bar 209) for the Seasonal Expansion of Liquor License Regarding Outdoor Dining – Consider Permit for Street Café

Pursuant to published notice, a Public Hearing was held to receive input regarding a Permit for Three Less One Inc. (Bar 209) for the Seasonable Expansion of Licenses Regulating Outdoor Dining. Mayor Prince opened the Public Hearing at 6:07 p.m., with a letter from the Senior Center objecting to the permit for outdoor dining being read into the record. Rivera suggested that the string lights be included in the site plan for next year. Hearing no further comments, Prince closed the public hearing at 6:10 p.m.

Motion by Thayer, seconded by Eaton, approving the permit to Three Less One, Inc. (Bar 209) for the Seasonable Expansion of Liquor License and Outdoor Street and Sidewalk Cafe. Motion carried 6-1 by voice vote with a no vote from Rivera.

ORDINANCES

AN ORDINANCE Amending the Zoning Map Adopted in Chapter 28 of the Bemidji City Code Entitled “Development Code” (Planning Case ZOA-2025-0002, HBS Properties, LLC was given a first reading.

NEW BUSINESS

Consider Request for Reduction of Fees and Issuance of 1-4 Day Temporary Liquor Permits for 2025 Mississippi Music Summer Concert Series and Consider Resolution Approving the Site and Alcohol for the 2025 Mississippi Music Summer Concert Series

Miller stated that Board President for Mississippi Music, Kristi Miller, has submitted seven (7) 1-4 Day Temporary Liquor License Applications for the Mississippi Music Summer Concert Series to be held on Wednesday evenings in June, July, and August at the Waterfront. The temporary licenses allow for the sale of strong beer at and during these waterfront concert series events.

The Board is again requesting that the City Council consider a reduction of a portion of the total cost of the seven (7) license fees. In previous years the Council reduced the fees by three-quarters (total of 7 x \$120/each = \$840). Previous comments from councilmembers for justifying a reduction of the cost includes the limited length of the event (two hours per event vs. 1-4 full day use). Therefore, if the Council follows the previous actions, a three-quarter reduction would result in a total fee payment of \$210 for the eight temporary on-sale liquor license permit fees.

Thayer expressed opposition to the waiver of fees, recalling a conversation from the previous year of adopting a policy for handling such requests. Prince expressed similar concerns regarding inconsistency of fee reductions and suggested a policy that could be applied fairly to all groups. Rivera suggested that the council could address a fee reduction policy through the Public Affairs Committee.

Motion by Fiskevold Gould, seconded by Rivera, to approve the seven (7) Temporary On-Sale Liquor Permits and waiver of three-quarters of the \$840.00 fees. Motion carried with the following roll call vote: Yeas: Peterson, Fiskevold Gould, Rivera, Eaton, Dickinson. Nays: Thayer, Prince.

RESOLUTION NO. 6614: Approving the Site and Alcohol for the 2025 Mississippi Music Summer Concert Series was offered by Councilmember Fiskevold Gould, who moved its adoption, and upon due second by Councilmember Rivera was passed by the following roll call vote: Yeas: Peterson, Fiskevold Gould, Rivera, Eaton, Dickinson. Nays: Thayer, Prince.

Consider First Amendment to Sanford Center Naming Rights Agreement
The City of Bemidji and Sanford are parties to a Sanford/Bemidji Naming Rights Agreement originally dated December 6, 2010, which provided for Sanford’s financial contributions and support of the now known as Sanford Event Center owned by the City. By letter dated September 24, 2019, Sanford elected to continue its financial contributions, with final contribution to be made on November 1, 2024. In recognition of these continued contributions, the City agreed to extend the exclusive naming and other recognition through October 31, 2025. Sanford now wishes to extend its financial support of the Event Center for an additional three years (2026, 2027 and 2028). The City wishes to continue extending the same recognition addressed in the agreement and letter in appreciation for these gifts. This Amendment memorializes these commitments.

Motion by Peterson, seconded by Thayer approving the First Amendment to Sanford/Bemidi Naming Rights Agreement through 2028 and authorize execution by the Mayor and City Manager. Motion carried by unanimous voice vote.

Consider Resolution Awarding Bid - 2025 Park Avenue NW Reconstruction - City Project 25-02
Anderson state that on January 6, 2025 the City Council approved the feasibility report for the proposed 2025 Park Avenue NW Reconstruction project. A public hearing was held on February 3, 2025 and at the conclusion of the hearing the city council passed a resolution ordering the project and authorizing the preparation of engineering plans and the receipt of bids.

The streets that are proposed to be included are:

Park Avenue NW 15th Street NW – 23rd Street NW

A bid opening for the project was held on Tuesday April 15, 2025 and the following two (2) bids were received:

<u>Bidder</u>	<u>Total Bid</u>
Reierson Construction	\$ 1,532,647.75
Sparky’s Construction, Inc.	\$ 1,640,889.19
Moore Engineering Estimate:	\$ 1,917,079.00

Park Avenue NW from 15th Street to 23rd Street would be assessed per the city’s current assessment policy of \$45/front foot and \$1,070 for each utility service that may be required. Corner lots are assessed for half of the property frontage abutting the project.

The total bid amount of \$1,532,647.75 will result in a total project cost of approximately \$1,840,000.00 after design engineering, material testing, and construction administration costs are added in. This is roughly \$375,000 less than what was assumed as part of the feasibility report. The overall project budget assumes consulting with Moore Engineering to assist City staff with construction observation and administration. The consultant agreement is in review and will be presented to Council for approval at a future council meeting.

Funding sources are proposed to come from the following sources:

	<u>Project total</u>
Street Assessments	\$ 131,422
State Aid Construction Account	\$ 780,699
Storm Sewer Fund	\$ 126,691
Sanitary Sewer Assessments	\$ 5,350
Sanitary Sewer Utility Fund	\$ 354,452
Water Assessments	\$ 3,210
Water Utility Fund	\$ 438,176
Total:	\$1,840,000

Project Schedule

Construction of the project is set to begin in mid-May, weather permitting, and is anticipated to be completed in October this year.

RESOLUTION NO. 6615: Awarding Bid to Reierson Construction in the Amount of \$1,532,647.75 for the 2025 Park Avenue NW Reconstruction Project, City Project 25-02 was offered by Councilmember Thayer, who moved its adoption, and upon due second by Councilmember Peterson. Motion passed by unanimous voice vote.

COUNCIL COMMITTEE UPDATES

- Councilmember Eaton reported on the Airport Authority: continuing two daily flights; working on strategic plan and runway design; and Library Board: noting increased use by unhoused individuals; concerns about library patrons feeling safe
- Councilmember Fiskevold Gould reported on Parks and Recreation: plans for Algoma Park and intersection safety; and the Beltrami County Historical Society: grants and events
- Councilmember Peterson reported on Heritage Preservation: first 100-year-old building recognition, with three more building applications pending; and continuing work on 1909 pumping station
- Councilmember Thayer reported on Sustainability Commission: discussing local foods, GreenSteps and comprehensive plan; and HRDC Commission: transportation program updates
- Councilmembers Dickinson and Rivera had no reports
- Mayor Prince reported on attending an HRDC comprehensive plan interview and upcoming Minnesota Housing Rural Mayors panel.

CLOSED MEETING

Prince stated that council will need to discuss in closed session pending or threatened litigation concerning the incorporation of Northern Township and/or possible responsive City boundary adjustment petitions Pursuant to Minnesota Statutes Section 13D.05, Subd. 3(b). Prince read into the record that the need for confidentiality outweighs the purposes served by the open-meeting law in this case based on the following:

- On April 16, 2025, the City received a Notice of Northern Township's Intent to Incorporate, informing the City that the Township intends to file an incorporation petition with the state seeking to incorporate as a City.
- While Northern Township has not yet filed an incorporation petition, it has now taken formal action as required by the incorporation statute prior to initiating an incorporation proceeding in the Office of Administrative Hearings.
- The City of Bemidji, as an adjacent jurisdiction, is entitled to become a party to Northern Township's incorporation proceeding, which could become a litigated contested matter before the Office of Administrative Hearings.
- The City of Bemidji, in response to a petition for incorporation filed by Northern Township or on the City's own initiative, may choose to file a petition of its own with the Office of Administrative Hearings seeking a different boundary adjustment.
- Therefore, the City Council and legal counsel need to have a candid and open discussion to determine whether and how to respond to such a petition and related strategic considerations in order to allow sufficient time to prepare for a potential contested case.
- The purpose of the closed meeting is not to make a decision behind closed-doors, but instead to determine the legal options and strategy for handling the threatened litigation as well as possible responsive petitions or pleadings and possible areas of reconciliation or settlement.
- The only business to be discussed in the closed session is the threatened litigation and/or possible responsive City boundary adjustment petitions.
- An open session would be detrimental because it may take place in the presence of individuals or parties involved in the threatened litigation and thereby divulge legal strategy that may be detrimental to the interests of the City and taxpayers.

- A closed session would benefit the public because the ultimate outcome of the threatened litigation may impact the finances, operations, future growth, services, economic development, and rights of the City.

Motion by Eaton, seconded by Thayer to close the meeting. Motion carried by the following roll call vote: Yeas: Prince, Rivera, Thayer, Dickinson, Eaton, Fiskevold Gould, Peterson. Meeting closed at 6:44 p.m.

Those in attendance: Rich Spiczka, Sam Anderson, Donna Coe, Katie Nolting, Jamin Carlson, Robert Scott, Robert Kringler and Michelle Miller.

REOPEN MEETING

Having completed their business in closed meeting, Prince reopened the City Council meeting at 8:37 p.m.

Consider Retaining Flaherty and Hood to Represent the City in the Potential Boundary Adjustment and Permitting Proceedings

Motion by Fiskevold Gould, seconded by Eaton to retain Flaherty & Hood, P.A. to represent the City and take all actions necessary or convenient to protect the city's interests in boundary adjustment and wastewater permitting proceedings concerning Northern Township at the Office of Administrative Hearings and/or Minnesota Pollution Control Agency. Motion carried by the following roll call vote: Yeas: Eaton, Prince, Peterson, Thayer, Dickinson, Rivera, Fiskevold Gould.

Consider Resolution Calling for Negotiations with Northern Township, Establishing Principles and Policies Regarding Future Growth, and Authorizing Preparations for Annexation Proceedings

RESOLUTION NO. 6616: Calling for Negotiations with Northern Township for the Extension of Utility Services and Orderly Annexation, Stating Principles and Policy Positions Regarding Future Growth, Development and Boundary Adjustment Issues, and Authorizing the Preparation for Annexation Proceedings was offered by Councilmember Thayer, who moved its adoption, and upon due second by Councilmember Fiskevold Gould. Motion carried by unanimous roll call vote: Yeas: Dickinson, Fiskevold Gould, Prince, Eaton, Peterson, Thayer, Rivera.

UPCOMING MEETINGS

- Tuesday, April 22 - 5:00 p.m. - Board of Review
- Monday, April 28 - 5:30 p.m. - Work Session (Lead & Copper Update/Open Forum Policy)
- Monday, May 5 - 6:00 p.m. - Council Meeting
- Monday, May 12 - 5:30 p.m. - Planning Board
- Monday, May 19 - 6:00 p.m. - Council Meeting

ADJOURN

There being no further business, motion by Peterson, seconded by Thayer, to adjourn the meeting. Motion carried by unanimous voice vote. Meeting adjourned at 8:40 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk