

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – May 19, 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, May 19, 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, Peterson, Dickinson, Rivera, Eaton, Thayer. Absent: Fiskevold Gould

Staff Present: City Manager Rich Spiczka, Finance Director Donna Coe, City Engineer Sam Anderson, Police Chief Mike Mastin, City Clerk Michelle Miller

AMENDMENTS TO AGENDA

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

MINUTES

The following minutes were presented for approval:

- April 21, 2025 Council Meeting
- April 22, 2025 Board of Review
- April 28, 2025 Work Session

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

CONSENT AGENDA

Mayor Prince called for any amendments to be made to Consent Agenda. Rivera requested that the claims submitted by Finance Director by pulled for discussion. 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 ASM Global for the Sanford Center in the Amount of \$66,916.66
2. 2025 Business License Approvals
3. Approve Special Event Permit for Ride for the Troops (June 1)
4. Approve Special Event Permit for Downtown Dash 5k (July 5)
5. Approve Special Event Permit for Watermark Art Festival (July 19-20)
6. Approve Claim Release Agreement for WWTP Final Clarifier Project
7. Approve Change Order No. 4 - Wastewater Treatment Facility - Final Clarifier Project - City Project 23-03
8. Approve MOU with Beltrami County Regarding Fern Street Recycling Site
9. **RESOLUTION NO. 6619:** Approving Petition to Transfer Beltrami County Judicial Ditch #2 to City of Bemidji

Motion carried by unanimous voice vote.

CITIZENS WITH BUSINESS NOT ON AGENDA

- Emily Thabes, Executive Director of the Beltrami County Historical Society, thanked the City Council for their attention to the HVAC system in the city-owned History Center building; and invited the council and community to two upcoming events: (1) Menstruation Health Week, a free, community-wide series focusing on period equity, and (2) 10th Anniversary of the Shaynowishkung Statue, a public event beginning with a statue ceremony in Library Park, followed by a walk, and concluding with a program at the History Center.

- Charles Biberg, representing the Sustainability Commission, requests the appointment of a green steps coordinator and a liaison to the Sustainability Commission to help progress in the Green Steps Cities program.

ORDINANCES

ORDINANCE NO. 221, 3RD SERIES, 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 final reading and passed by the following roll call vote: Yeas: Peterson, Thayer, Prince, Rivera, Eaton, Dickinson. Absent: Fiskevold Gould.

Motion by Peterson, seconded by Eaton, approving publication of a summary of Ordinance No. 221, 3rd Series. Motion carried by unanimous voice vote.

NEW BUSINESS

Middle School Drive & Hannah Avenue NW Reconstruction Project - Consider Award of Bid - City Project 23-05

Anderson reported that in April 2022, MnDOT and the City submitted a joint application for a USDOT RAISE Grant, which we were awarded funding in August 2022. The grant covered a significant portion of both the MnDOT TH 197 corridor from Gillett Drive NW to Hannah Avenue NW along with the city streets of Middle School Drive NW and Hannah Avenue NW from Paul Bunyan Drive (TH 197) to 23rd Street NW.

In December 2023, Council approved the addition of a roundabout at the intersection of 23rd Street NW & Middle School Drive with information presented on current traffic delays during the AM/PM peak hours of operation, current crash data, and an opportunity to spend more of the projected leftover grant funding acquired with the RAISE grant. Final roadway design, including an enhanced landscaping plan, was completed throughout 2024 with final agency review, right of way acquisition, and bid advertisement into the first part of 2025. The streets that are proposed to be included:

Middle School Drive NW	23rd Street NW – TH 197
Hannah Avenue NW	23rd Street NW – TH 197

A bid opening for the project was held on Thursday, May 1, 2025 and the following four (4) bids were received:

<u>Bidder</u>	<u>Base Bid</u>
Reierson Construction, Inc.	\$4,351,818.40
Knife River Materials	\$4,649,610.05
Casper Construction	\$5,247,000.00
JR Ferche, Inc.	<u>\$5,842,918.35</u>
City Engineer's Estimate:	\$4,565,313.15

The Reierson Construction, Inc. bid amount of \$4,351,818.40 will result in a total project cost of approximately \$5,730,490.68 after design engineering, right of way acquisition, material testing, and construction inspection costs are added in.

Middle School Dr and Hannah Avenue Project Costs:

Reierson Construction Contract	\$4,351,818.40
Design Engineering – Kimley Horn	\$ 699,179.00
ROW Acquisition	\$ 429,493.28
Construction Inspection, Testing, Admin.	<u>\$ 250,000.00</u>

Total Project Cost: \$5,730,490.68

Funding sources are proposed to come from the following sources:

RAISE Grant	\$3,600,000.00
IIJA Discretionary Match Funds	\$ 646,318.32
State Aid Construction Account	\$1,378,672.36
Sanitary Sewer Utility Fund	<u>\$ 105,500.00</u>
Project Total:	\$5,730,490.68

Project Lighting

As we have partnered on previous city street projects, Ottertail Power is going to be installing metal light poles as part of the Hannah Avenue & Middle School Drive project as well as Conifer Avenue NW and a section of Hannah Avenue north of TH 197 up to Anne Street over the 2025-2026 construction seasons.

In the past, metal light poles are installed as a City project cost along with being owned & maintained during their lifetime by our Streets Department with city funds. In coordination with Ottertail Power, staff were made aware of a program that allows the City to have Ottertail Power install metal light poles, which match our standard 30 foot light pole design, and the City agrees to pay a monthly rate for power and the metal pole itself. Ottertail will install, own, and maintain the light poles, including knockdowns.

Motion by Thayer, seconded by Peterson awarding the bid to Reiersen Construction, Inc. in the amount of \$4,351,818.40 for the Middle School Drive & Hannah Avenue NW Reconstruction Project – City Project 23-05 and authorize the City Manager to sign the municipal application for streetlights with Ottertail Power Company. Motion carried by unanimous voice vote.

Consider Special Event for All School Reunion

Spiczka stated that the purpose of the item being a New Business item are concerns with additional conditions added to the event that were not required previously. There are questions and concerns from event organizers and the general public. The goal of the conversation is to address these concerns, explain the rationale behind the conditions and find a consensus as to how we can handle these variables at the City level in the future.

The council discussed recommendations from staff:

- Traffic Control Signs - Staff recommended signs on Highway 197 to alert drivers about street closures. Estimated cost: \$800 per sign; organizers viewed this as an unexpected and significant expense.
- Police Officer Presence - Staff recommended contracting two police officers from 9:00 p.m. to 1:00 a.m. Estimated cost: \$100 per officer per hour (\$1,400 total). Chief of Police emphasized the importance of dedicated officers for public safety. Organizers agreed to contract two police officers.

RESOLUTION NO. 6620: Approving Special Event Permit removing TH197 Street Signage and requiring two police officers from 9:00 p.m. to 1:00 a.m., and approving Temporary Off-Premises Liquor Permits and Street Closures was offered by Councilmember Peterson, who moved its adoption, and upon due second by Councilmember Dickinson passed by the following roll call vote: Yeas: Prince, Rivera, Thayer, Dickinson, Eaton, Peterson. Absent: Fiskevold Gould

Summary of Conclusions of Evaluation of Performance of City Manager

Prince reported that on May 12, 2025, the City Council held a closed meeting to evaluate the performance of City Manager Rich Spiczka. In accordance with governing law, at this Council meeting, which is the next possible open Council meeting following the previously mentioned closed meeting, the City Council is required to summarize the conclusions of the evaluation reached by the Council at the May 12, 2025 closed meeting. City Manager Spiczka did not request that such meeting be open to the public. As a result, the evaluation of City Manager Spiczka's performance took place in a closed meeting as provided under the Minnesota Open Meeting Law. Below is a summary of the conclusions reached by the Council from the May 12, 2025 evaluation:

- The City Council chose to conduct a nonannual performance evaluation of City Manager Richard Spiczka.
- City Manager Spiczka is doing an effective job and is a good fit for the city. He is doing well with communities he is supposed to, his temperament and composure facilitate strong leadership, he is improving the culture and stabilization and proficiently handles overall management of the city.
- He can improve on and be better and more timely and consistent on communications and responses, follow-through on City Council priorities, and updates to the City Council.
- Goals include being dedicated to service to the community, finding efficiencies in services and the budget, and connectivity within all areas of the city and community
- The Mayor & City Council are grateful to have Rich in this position and thank Rich for his hard work on behalf of the city
- A salary increase and increase to severance pay is warranted based on City Manager Spiczka's performance evaluation

Actions with City Manager Related to Evaluation Performance

Motion by Eaton, seconded by Peterson, that, as a result of City Manager Richard Spiczka's nonannual performance evaluation of May 12, 2025; the salary for the City Manager will be increased to:

- Step F on the 2025 Wage Scale, effective June 2, 2025
- Step G on the 2025 Wage Scale, effective July 1, 2025
- Step H on the 2026 Wage Scale, effective July 1, 2026

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

Motion by Eaton, seconded by Dickinson, that Mayor Prince, Councilmember Eaton, and Councilmember Rivera work with Flaherty and Hood, P.A. to negotiate an amendment to City Manager Richard Spiczka's Employment Agreement increasing the Termination Benefits under the agreement to six months. Motion carried by the following roll call vote: Yeas: Dickinson, Prince, Eaton, Peterson. Nays: Thayer, Rivera. Absent: Fiskevold Gould.

Claims Submitted by Finance Officer in the Amount of \$1,367,162.16

Rivera requested that more detailed billing information be provided on the billing statements from Flaherty and Hood in order to see detailed time spent on different subjects, to see clearer allocation of hours to specific projects and easier tracking of costs across different departments.

Motion by Peterson, seconded by Thayer, approving the claims submitted by the finance office in the amount of \$1,367,162.16. Motion carried by unanimous voice vote.

COUNCIL COMMITTEE UPDATES

- Councilmember Eaton:

- The Animal Ordinance Committee met on May 5, providing council with written notes and stating the next meeting is scheduled for June 4 at 1 PM
- Public Library received a \$300,000 donation
- Upcoming Bemidji Regional Airport meeting
- KRLS board meeting
- Councilmember Rivera commented on the annual report from the Public Arts Commission.
- Councilmember Thayer:
 - Sustainability Commission: Discussed Green Steps program and city coordinator
 - Headwaters Regional Development Commission: Reviewed FY 26 budget
 - Minnesota Long Range Planning Group: Interactive session on regional planning
 - Headwaters Regional Finance Corporation
- Councilmember Peterson:
 - Fire Department Relief Association: Unable to meet due to firefighters fighting wildfires
 - Participated in placing flags in area cemeteries recognizing firefighters
- Councilmember Dickinson
 - No Report.
- Mayor Prince:
 - League of Minnesota Cities board meeting – evaluation of the executive director
 - Greater Minnesota Housing Fund quarterly meeting
 - National League of Cities risk annual convention as an Insurance Trust Trustee

CLOSED MEETING

Prince stated that council will need to discuss in closed session for 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.
- 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 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 Thayer, seconded by Peterson to close the meeting pursuant to Minnesota Statutes Section 13D.05, Subd. 3(b) regarding pending or threatened litigation concerning the incorporation of Northern Township and/or possible responsive City boundary adjustment petitions. Motion carried by unanimous voice vote. Meeting closed at 8:06 p.m.

Those in attendance: Rich Spiczka, Sam Anderson, Robert Kringler and Michelle Miller.

REOPEN MEETING

Having completed their business in closed meeting, Prince reopened the City Council meeting at 9:19 p.m.

Consider Resolution Petitioning the Minnesota Office of Administrative Hearings for Annexation of Certain Portions of Northern Township to City of Bemidji Under Minnesota Statutes, Section 414.031
RESOLUTION NO. 6621: Petitioning the Minnesota Office of Administrative Hearings for Annexation of Certain Portions of Northern Township to City of Bemidji Under Minnesota Statutes, Section 414.031 and direct city staff and legal counsel to file the same and serve it on all parties entitled to notice only upon receipt of the incorporation petition from Northern Township was offered by Councilmember Thayer, who moved its adoption, and upon due second by Councilmember Dickinson, passed by the following unanimous roll call vote: Yeas: Rivera, Peterson, Dickinson, Thayer, Prince, Eaton. Absent: Fiskevold Gould.

Committee Liaisons for Discussions with Northern Township

Motion by Peterson, seconded by Dickinson to appoint Councilmembers Rivera, Thayer and Mayor Prince with Councilmember Dickinson as an alternate to serve as liaisons with any further discussions with Northern Township, should they reach out and wish to do so. Motion carried by the following roll call vote: Yeas: Thayer, Dickinson, Eaton, Rivera, Peterson, Prince. Absent: Fiskevold Gould.

UPCOMING MEETINGS

- Monday, May 26 – HOLIDAY
- Monday, June 2 – Council Meeting
- Monday, June 9 – Planning Board Meeting
- Monday, June 16 – 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 9:23 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk