

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Regular Meeting – September 19, 2011

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, September 19, 2011 at 7:00 p.m. in the Council Chambers of City Hall, Mayor Larson presiding.

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

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 Larson called for any amendments to the agenda. City Clerk Murphy requested the addition of an on sale beer license for Dunn Bros under the Consent Agenda. **Motion by Hellquist, seconded by Johnson, to approve the agenda as amended. Motion carried by unanimous vote.**

MINUTES

Minutes of the September 6, 2011 regular meeting and September 12, 2011 work session were presented for approval. **Motion by Albrecht, seconded by Thompson, to approve the minutes as prepared. Motion carried by unanimous vote.**

CONSENT AGENDA

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

1. Claims submitted by the Finance Officer in the total amount of \$1,276,086.54
2. Claims submitted by the Sanford Center in the total amount of \$62,812.69
3. Miscellaneous Business License – New and or Renewals for 2011
4. **RESOLUTION NO. 5713:** Accepting Donation from Enbridge Energy Company to the Bemidji Fire Department in the amount of \$1,250 for the purchase of a fire hose
5. **RESOLUTION NO. 5714:** Accepting Donation from Bemidji Medical Equipment to the Bemidji Fire Department in the amount of \$1,000 for the purchase of medical equipment
6. Change Order for Industrial Park Street Light Repairs – City Project #11-07
7. Change Order for WWTP Digester Project – City Project #10-04
8. Transfer of Liquor License from Backyard BBQ to Classic Hard Times Saloon, LLC (119 3rd Street NW)
9. On Sale Beer License – Dunn Bros.

Motion carried by unanimous vote.

CITIZENS NOT ON AGENDA

Allan Erickson, 1489 Becida Road SW, stated that non-city residents should be able to vote on city matters that affect them.

COMMITTEE REPORTS

Bemidji Youth Advisory Commission – Waldhausen reported that the BYAC is in the process of recruiting members for this school year.

GREATER BEMIDJI JOINT PLANNING BOARD

Mayana Rice, JPB Administrator, invited the City Council to the October 26 Joint Local Government Unit Meeting at 7 p.m. In addition, there will be a tour of the area on October 27 at 5:00 p.m., followed by dinner and the regularly scheduled Joint Planning Commission meeting at 7:00 p.m. Rice stated that there will be training available on October 26 at 4:30 p.m. for those interested in becoming involved in planning.

NEW BUSINESS

City-owned Parcel on Gemmel Avenue

Chattin stated that the City had two parties, Habitat and a Gemmel Avenue resident, inquire about purchasing a city-owned parcel located on Gemmel Avenue. City staff has no concerns with selling the parcel.

Motion by Thompson, seconded by Hellquist, directing staff to advertise and take bids on the City-owned parcel located on Gemmel Avenue. Motion carried unanimously.

Project #11-01

RESOLUTION NO. 5715: Declaring Costs to be Assessed, Ordering Preparation of Proposed Assessment Rolls, and Establishing a Date for Public Hearing – City Project #11-01 was offered by Councilmember Hellquist, who moved its adoption, and upon due second by Councilmember Johnson was passed by unanimous vote.

ORDINANCES

AN ORDINANCE Amending the City of Bemidji Council-Manager Charter Adding Section 5.07 Recall was given a first reading.

AN ORDINANCE Amending Chapter 12, Article XXV of the Bemidji City Code Relating to Lodging Tax was given a first reading.

Rental Ordinance

Motion by Hellquist, seconded by Waldhausen, to approve the proposed amendments to the Rental Ordinance draft including Waldhausen’s proposed verbal amendment to Section 10-48, converting required notice from “72 hours” to “five (5) business days” with respect to transfer of ownership. Motion carried unanimously.

Pursuant to published notice, the continued Public Hearing was reopened to receive input regarding Amending Chapter 10, Article II of the Bemidji City Code Relating to Rental Housing Registration Code. Mayor Larson opened the Public Hearing at 7:16 p.m.

The following comments were made regarding the proposed rental ordinance amendment:

- John Wilder, 1227 Norton, stated he liked Section 10-52 as it was less threatening.
- Nellie Withoff, 5150 Sherman Drive, was opposed the rental fee proposed for homeowner-occupied rentals as it was not fair to all landlords.
- Duane Sea, resides at 4557 Island View Drive and the President of the Landlord Realtors Association, stated that many of the concerns expressed by their group have been addressed in the proposed rental ordinance. He further suggested that the ordinance may need additional tweaking in the future. He stated that the group had a concern regarding the fee and pro-rating individuals who had paid the rental inspection fee in 2011 and it was felt that the \$500 new rental registration fee proposed is too high. He suggested that the City provide a template addendum for rentals.
- Darla Desautel, 1001 Irvine Avenue NW, stated that the rental ordinance is not ready and the Council should not move ahead with it at this time. She stated that requiring inspections every two years seemed excessive and believed every three years was adequate. She stated that the first time registration fee was too high and questioned the justification for such a high fee and that the fee should be commensurate to the number of units.
- Lorrie Richardson, 516 14th Street NW, suggested a flat rate of \$50 per unit and questioned the City’s ability to provide notification.
- Adam Steele, 189 Gemmel Avenue SW, stated he liked the proposed rental ordinance but would like reference to the noise ordinance in Section 10-46 (5).
- Andrew Erholtz, 9862 S. Gull Lake Road NE, Tenstrike, stated that there are good rentals which are good neighbors and he is in favor of more enforcement.
- Mark Dickinson, 2310 Birchmont Drive NE, stated that he has concerns about the proposed rental ordinance and asked the Council to vote against it.
- William Hartwell, 1722 Lakeview SE, stated that the voices of low income tenants have not been heard and that the increased fees will be passed onto tenants.
- Allan Erickson, 1489 Becida Road SW, stated that the words “significant other” should be removed as they are not family.

Public hearing closed at 7:51 p.m.

AN ORDINANCE Amending Chapter 10, Article II of the Bemidji City Code Relating to Rental Housing Registration Code was given a second reading.

Fee Schedule Ordinance

Motion by Hellquist, seconded by Waldhausen, to approve the proposed amendments to the 2011 Fee Schedule Ordinance draft. Motion carried unanimously.

Pursuant to published notice, the continued Public Hearing was reopened to receive input regarding Amending the 2011 Fee Schedule. Mayor Larson opened the Public Hearing at 7:16 p.m.

- John Wilder, 1227 Norton Avenue NW, commented on the proposed miscellaneous administrative fine stating that he believed it had too much “teeth”.

AN ORDINANCE Amending the 2011 Fee Schedule was given a second reading.

Sales & Use Tax Ordinance

Pursuant to public notice, a Public Hearing was held to receive input regarding the Ordinance Amending Chapter 23 of the Bemidji City Code entitled “Sales and Use Tax” to Address Collection of Extended Sales and Use Tax to Pay Eligible Costs for Regional Event Center Project. Mayor Larson opened the meeting at 7:59 p.m., hearing no comments the public hearing was closed.

AN ORDINANCE Amending Chapter 23 of the Bemidji City Code entitled “Sales and Use Tax” to Address Collection of Extended Sales and Use Tax to Pay Eligible Costs for Regional Event Center Project was given a second reading.

Franchise Fee – Beltrami Electric

Motion by Hellquist, seconded by Waldhausen, to approve the proposed amendments to the Beltrami Electric Franchise Fee Ordinance draft. Motion carried unanimously.

Pursuant to public notice, a Public Hearing was held to receive input regarding an Ordinance Amending Ordinance No. 418, 2nd Series, Modifying the Rate Design and Corresponding Electric Utility Franchise Fee in Franchise Fee Agreement with Beltrami Electric Cooperative, Inc., Based on the Provision of Electric Service within the City of Bemidji. Mayor Larson opened the meeting at 8:01 p.m.

- Lynette Nieuwsma, Beltrami Electric, stated that this is a significant increase that their consumers will be paying.

Mayor Larson closed the public hearing at 8:05 p.m.

AN ORDINANCE Amending Ordinance 418, 2nd Series, Modifying the Rate Design and Corresponding Electric Utility Franchise Fee in Franchise Fee Agreement with Beltrami Electric Cooperative, Inc., Based on the Provision of Electric Service within the City of Bemidji was given a second reading.

Franchise Fee – Otter Tail Power

Motion by Waldhausen, seconded by Thompson, to approve the proposed amendments to the to the Otter Tail Power Franchise Fee Ordinance draft. Motion carried unanimously.

Pursuant to public notice, a Public Hearing was held to receive input regarding an Ordinance Amending Ordinance No. 420, 2nd Series, Modifying the Rate Design and Corresponding Electric Utility Franchise Fee in Franchise Agreement with Otter Tail Power Company Based on the Provision of Electric Service within the City of Bemidji. Mayor Larson opened the meeting at 8:06 p.m., hearing no comments the public hearing was closed.

AN ORDINANCE Amending Ordinance No. 420, 2nd Series, Modifying the Rate Design and Corresponding Electric Utility Franchise Fee in Franchise Agreement with Otter Tail Power Company Based on the Provision of Electric Service within the City of Bemidji was given a second reading.

Franchise Fee – Minnesota Energy

Pursuant to public notice, a Public Hearing of an Ordinance Amending Ordinance No. 422, 2nd Series, Modifying the Rate Design and Corresponding Natural Gas Utility Franchise Fee in Franchise Agreement with Minnesota Energy Resources Corporation, Based on the Provision of Gas Service within the City of Bemidji. Mayor Larson opened the meeting at 8:09 p.m., hearing no comments the public hearing was closed.

AN ORDINANCE Amending Ordinance No. 422, 2nd Series, Modifying the Rate Design and Corresponding Natural Gas Utility Franchise Fee in Franchise Agreement with Minnesota Energy Resources Corporation, Based on the Provision of Gas Service within the City of Bemidji was given a second reading.

UPCOMING COUNCIL MEETINGS

- Thursday, Sept. 22 6:00 p.m. Joint Meeting with Rural Fire Service Committee @ Sanford Center
- Monday, Sept. 26 6:30 p.m. Special Work Session – D. Murphy
- Monday, October 3 7:00 p.m. Regular City Council Meeting
- Monday, October 10 5:30 p.m. Work Session – Final Draft Parks Master Plan

COUNCIL/STAFF REPORT

- Council members provided updates on current events and meetings.
- Albrecht expressed concerns regarding the fee schedule for the rental inspections. She asked if the proposed rental ordinance met the goals or intent of the council? Felix responded that the ordinance addresses two of the three goals, i.e., bad conduct and increased inspections. Chatten further stated that this is a first step in a series of steps that the Council will take to respond to the QNI study. Albrecht wondered if there was a “tipping point” and stated she was concerned that the rental ordinance could discourage homes being sold and thereby becoming vacant or unattended.
- Waldhausen reported that his neighborhood recently held a “block party”. He thanked City staff for their assistance.
- Hellquist reported that the Downtown Development Authority continues to work on increasing their membership and on fundraising for the Night We Light.

ADJOURN

There being no further business, motion by Waldhausen, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 8:53 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk