

Pursuant to due call and notice thereof, the regular meeting of the Brainerd City Council was called to order at 7:30 P.M. by Council President Bevans.

Upon roll call, the following members were noted as present: O'Day, Stunek, Terry, Johnson, Czeczok, and Bevans. Member Stenglein and Mayor Badeaux were noted as absent.

Council President Bevans opened the meeting with the Pledge of Allegiance to the flag.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE AGENDA.

MOVED AND SECONDED BY COUNCIL MEMBERS TERRY AND JOHNSON TO APPROVE THE CONSENT CALENDAR.

- A. Approval of Bills**
- B. Approval of Minutes**
 - a. Regular City Council Minutes September 5th, 2023**
 - b. Workshop Minutes September 11, 2023**
- C. Approval of Licenses**
- D. Department Activity Report**
- E. Ratify the Hiring of Officer Jason Boller Effective September 11, 2023, at Step 1 of Police Officer Wage Grid (\$31.35 per hour)**
- F. Ratify the Hiring of Police Intern Tyler Heinlen Effective September 13, 2023, at \$16 per hour**
- G. Second Hand Good License Application- Bridge of Harmony, 216 S 7th St- Contingent upon approvals**

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czeczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

Council Committee Reports

Personnel and Finance Committee

Approval of 2024 Health Insurance Renewal from The Better Health Collective

Committee Chair Johnson stated that the rates went up 9.43%, with an 8% cap for 2025. It's not enjoyable, but we offer health insurance to our employees, so we are accepting the rate for now.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE 2024 HEALTH INSURANCE RENEWAL AS RECEIVED FROM THE BETTER HEALTH COLLECTIVE WITH AN AVERAGE 9.43% ANNUAL INCREASE ACROSS ALL FOUR OF OUR HEALTH PLANS AND WITH AN 8% RATE CAP FOR OUR 2025 RENEWAL.

Authorization to Sign Updated Heartland Animal Rescue Team (HART) Impound Contract

Committee Chair Johnson stated that this contract is essentially the same, just changes the contract terms to HART's fiscal year instead of a calendar year.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND TERRY, DULY CARRIED, TO AUTHORIZE SIGNATURE ON THE UPDATED HART IMPOUND CONTRACT.

Safety and Public Works Committee

Approve Event/Street Closure Application – BHS Homecoming Parade

Committee Chair O'Day stated that the parade will take place on Friday, September 29th from 5:00 p.m., it will follow the same route as the 4th of July parade.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK, DULY CARRIED, TO APPROVE THE APPLICATION UNDER THE CONDITIONS LISTED IN THE EVENT APPLICATION.

Approve Event/Street Closure Application – St. Francis Marathon

Committee Chair O'Day stated that the event is on October 28th at 8:30 a.m. It is the same route as previous years.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK, DULY CARRIED, TO APPROVE THE APPLICATION UNDER THE CONDITIONS LISTED IN THE EVENT APPLICATION.

Approve Event/Alley Closure Application - Zion Lutheran Trunk-or-Treat

Committee Chair O'Day stated that the event is on October 31st at 3:30 p.m. to 6:30 p.m. the closure is of the north to south alley.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK, DULY CARRIED, TO APPROVE THE APPLICATION UNDER THE CONDITIONS LISTED IN THE EVENT APPLICATION.

Approve Event/Street Closure Application - Spooktacular

Committee Chair O'Day stated that the event is on October 28th at 10:00 a.m. to 4:00 p.m. they will have a street closure on South 8th Street and police assistance for trick or treating.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK, DULY CARRIED, TO APPROVE THE APPLICATION UNDER THE CONDITIONS LISTED IN THE EVENT APPLICATION.

Discuss Stop Sign Removal Request – N. 3rd Street and Juniper Street

Committee Chair O'Day stated that the committee discussed the request, the intersection has been safe, and the complaint surrounds the noise at the intersection. The committee is choosing not to act on the request. If there are more complaints in the future, they can revisit the request.

Discussion on Draft 2024-2033 Capital Improvement Plan

Committee Chair O'Day stated that staff made the changes to the plan as requested by the City Council. The final draft will come forward at the next meeting with further comments by Personnel and Finance committee.

Member Johnson stated that he is more agreeable with this version of the plan. It looks like the plan can be cash flowed with the changes.

Member O'Day stated that there is a chance that the plan could be totally revamped next year if the street scan goes through with the budget and if the information from BPU regarding utility replacement is completed.

Member Czczok stated that he is still not onboard with the street scan considering the tight budget for 2024.

Direction on Active Code Enforcement Cases

Committee Chair O'Day gave an overview of the code enforcement cases.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK, DULY CARRIED, TO FOLLOW STAFF DIRECTION FOR PROPERTIES 1424 S 8TH ST AND 15284 BEAVER DAM RD.

Unfinished Business

Call for Applicants – Informational:

Mayor Recommended: (terms to expire on 12/31 of said year)

Charter Commission – 2 terms (Expire 2026) 2 terms (Expire 2025)

Library Board- 1 term (Expire 2025)

Rental Dwelling License Board of Appeals – 5 terms (Expire 2025)

TAC—1 term (Expires 2023)

Council President Recommended: (terms to expire 12/31 of said year)

Parking Commission—1 term (Expire 2026)

Member Czczok asked about whether we will face a violation if the Charter Commission does not meet in a calendar year. He also asked whether there is a quorum of membership on the Charter Commission.

Attorney Langel stated that the statute does not include a penalty clause.

Administrator Bergman stated that there is not a quorum on the commission.

Adopt Resolution Setting the 2024 Preliminary Levy for the City of Brainerd and the Brainerd HRA, and Motion to Set Date and Time for Budget Public Hearing

HRA Executive Director Charpentier stated that the HRA is looking to levy the max amount by statute that the City can levy for an HRA which is .0185% of the previous years estimated market value (\$190,625). He stated that the HRA does levy the County for Crow Wing County HRA activity, this year's amount is \$185,160. The HRA does not levy separately for Crosby, the administration of the program comes directly from the properties managed by the HRA in Crosby. Those within the city limits of Brainerd are not taxed for both the Brainerd HRA and the County HRA.

Member Czczok asked how the amount was determined for the county's levy. He also asked about the Housing Trust fund and whether it is levied across the City and County.

Executive Director Charpentier stated that the maximum levy for the County HRA levy through the county would equate to about \$2.8 million. The HRA does not have any reason to levy that amount from the County. The Housing Trust fund is only levied at the county level.

Member Johnson commented that Serene Pines, Del-Mar Estates, and Brainerd Oaks is not managed by the City of Brainerd HRA. Proposing to tax the citizens of Brainerd to manage those properties would mean that yes, the Brainerd residents are taxed for county projects. He would request that the Brainerd HRA should focus on doing something in the City.

Member Terry asked about the State allocated housing funds being taxed throughout the county which would include Brainerd residents being taxed.

Executive Director Charpentier stated that if the funds from the Local Housing Aid program (\$157,000) are allocated would go to the Crow Wing County Housing Trust Fund.

Member Czczok asked to clarify where the funds from the administration of Brainerd Oaks, Serene Pines, and Dal-Mar Estates come from.

Executive Director Charpentier stated that the county residents are levied for the administration of those projects.

Finance Director Hillman stated that at the September 13th workshop recommended a 12% increase to the 2023 levy since the current budget shows 10.81-12.67% increase for a balanced budget. If the Council chooses to use 50% of the one-time public safety aid funds to cover the cost of the Police Department expenditures the levy could be reduced to a 7-8% increase. There may be funds available to transfer from the capital fund to the general funds as Member Johnson mentioned at the workshop. However, the amount is not known at this time due to the Capital Plan not being updated to include the Park Board's master planning completed recently. Staff recommends the preliminary levy be set at 12%.

Member Johnson stated that staff recommends a 12% levy, he believes that 6% as a final levy is possible. He stated that he motioned to set the preliminary levy at 12% less the \$95,000 from the SRO contract planning on using the one-time public safety funding. The HRA levy would be less than they asked for, but if you look at their general fund budget it reduced their ask by their net profit for the year for a balanced budget.

Member O'Day stated that he will reluctantly vote yes, knowing that we have the tools to get to 6%. He will not vote yes again on anything more than 6% for the final levy.

Member Czczok asked for clarification on the difference between staff recommendation and the Council's request.

Member Johnson stated the difference is \$95,000 on the City levy and \$17,076 for the HRA levy.

Member Terry stated that she agrees with Member O'Day and hopes that it could be less than 6%. However, she knows that the Council has a lot of work to do to come to a resolution with staff in terms of salary. This may be an outlying budget year due to these changes.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND TERRY TO ADOPT RESOLUTION SETTING THE PRELIMINARY LEVY FOR THE CITY OF BRAINERD AT \$7,121,720 AND THE BRAINERD HRA LEVY AT \$173,960.

RESOLUTION 35:23

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

MOVED AND SECONDED BY COUNCIL MEMBERS STUNEK AND JOHNSON, DULY CARRIED, TO SET THE BUDGET PUBLIC HEARING FOR DECEMBER 11TH, 2023 AT 6:00 PM IN THE BRAINERD CITY COUNCIL CHAMBERS.

New Business

Adopt Resolution Providing for the Issuance and Sale of General Obligation Bonds, Series 2023A, in the Proposed Amount of \$5,435,000

Chris Hogan, Baker Tilly, gave an overview of the information relevant to the City's issuance of bonds for the City's portion of the North Brainerd Reconstruction Project (\$2,320,00) will be paid with tax levies and special assessments and Brainerd Public Utilities utility bonds for the River Crossing and utilities for the North Brainerd Reconstruction Project (\$3,015,000) to be paid for with water and sewer utility funds. The City will go through a rating application process, the City's current rating is AA-. Current projections for the interest rate is 3.8%.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND JOHNSON TO ADOPT RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, SERIES 2023A, IN THE PROPOSED AGGREGATE PRINCIPAL AMOUNT OF \$5,435,000.

RESOLUTION 35:23

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

Adopt Resolution Declaring Costs to be Assessed and Call for Public Hearing - 2022-2023 Nuisances and Downtown Special Services District

City Engineer/Public Works Director Dehn stated that the total for the 2022-2023 Nuisances has been updated and a copy was provided to the Council and the public.

Community Development Director Kramvik stated that staff requests an updated amount for the nuisances for 2022-2023 from \$37,775 to \$40,500 due to not applying the administrative fee when the rolls were prepared.

Member O'Day asked for the difference between the Downtown Special Services District for 2021-2022 and 2022-2023.

City Engineer/Public Works Director Dehn stated that the amount went down in comparison to the previous year's assessment. This is due the way the snow fell, smaller snowfalls as opposed to more significant snowfall at once.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND O'DAY TO ADOPT RESOLUTION DECLARING THE COST TO BE ASSESSED, ORDERS THE

September 18th, 2023

PREPARATION OF THE PROPOSED ASSESSMENT, AND SETS A PUBLIC HEARING ON THE PROPOSED ASSESSMENT ON OCTOBER 16, 2023, AT 7:30 PM.

RESOLUTION 36:23

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czeczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

Adopt Resolution Declaring Costs to be Assessed and Call for Public Hearing - Imp 21-12 North Brainerd Reconstruction Project

City Engineer/Public Works Director stated that the project is mainly complete, with turf establishment still to be accomplished. Due to this being included in the bid price, staff felt comfortable determining an assessment cost for the project. This doesn't close the contract with DeChantal Excavating, the contractor is required to complete any punch list items and finish out the contract.

Member O'Day asked about the establishment of turf grass.

Chair Bevans stated that it was done today.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND CZECZOK TO ADOPT RESOLUTION DECLARING THE COST TO BE ASSESSED, ORDERS THE PREPARATION OF THE PROPOSED ASSESSMENT, AND SETS A PUBLIC HEARING ON THE PROPOSED ASSESSMENT ON OCTOBER 16, 2023, AT 7:30 PM.

RESOLUTION 37:23

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czeczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

Adopt Resolution Declaring Costs to be Assessed and Call for Public Hearing - Imp 21-10 Greenwood Street Reconstruction Project

City Engineer/Public Works Director Dehn stated that the Greenwood Street project was completed late in 2022. Staff were unable to assess the cost at the completion of the project. The project was proposed to be assessed differently than the policy, the recommendation was to assess per square foot of buildable area rather than the current policy. Staff confirmed this spring that the recommendation was appropriate for the assessment cost. The resolution in the packet was updated to correct the interest rate to 4.91% due to the project being completed last year and the number of years of the assessment should be 10 years and not 1. He has provided a copy of the City Council and public.

MOVED AND SECONDED BY COUNCIL MEMBERS STUNEK AND O'DAY TO ADOPT RESOLUTION DECLARING THE COST TO BE ASSESSED, ORDERS THE PREPARATION OF THE PROPOSED ASSESSMENT, AND SETS A PUBLIC HEARING ON THE PROPOSED ASSESSMENT ON OCTOBER 16, 2023, AT 7:30 PM.

RESOLUTION 38:23

Upon roll call, Council Members O'Day, Stunek, Terry, Johnson, Czeczok, and Bevans. voted "aye". No member voted "nay". The Chair declared the motion carried.

First Reading - Proposed Ordinance 1558 - Rental Dwelling License Board of Appeals

Community Development Director Kramvik gave an overview of the ordinance.

MOVED AND SECONDED BY COUNCIL MEMBERS TERRY AND O'DAY, DULY CARRIED, TO CONDUCT THE FIRST READING OF PROPOSED ORDINANCE 1558 AMENDING SECTION 425.3014 OF THE CITY CODE AND DISPENSE WITH THE ACTUAL READING.

Public Forum

The Chair opened the public forum at 8:10 p.m.

Becky LaPlante, 616 ½ Front St, asked about the hearing for Ordinance 1558.

Chair Bevans stated that the public hearing is on October 2nd. It is the time for citizens to give their opinion. No questions will be answered at that time.

Jose Maltos, 8194 Fairview Dr, Baxter, is the co-owner of a new business coming into town. He is happy to move back to Minnesota with the legalization of cannabis, it is a way of life. He is proud to bring a small business to the area now that the State has legalized cannabis.

The Chair closed the public forum at 8:11 p.m.

Staff Reports

HRA Executive Director Charpentier stated that the Brainerd HRA was granted on behalf of the City the Small Cities grant for Southeast Brainerd. The HRA was funded the maximum amount requested. They will be able to work with 8 units of owner-occupied rehab and 12 units of single-family rehab.

Attorney Langel stated that there is a statute that allows the Attorney General's office to investigate unlawful practices under the Nonprofit Organization Act. He stated that due to the City not having had a contract with Lakes Media, it may be difficult to pursue this action.

Chair Bevans asked if there is personal liability for the board members of Lakes Media.

Attorney Langel stated that if there is a violation of law, it goes back to the individuals conducting business.

Chair Bevans stated that he believes that the contractual violation comes between the State of Minnesota and Lakes Media. He would like to see it on Personnel and Finance.

Member Johnson stated that the City should pursue it, he would also like to see it on Personnel and Finance. He does believe that they are organized as a 501(c)3 to provide a public access channel, which they are not doing, this contract is a violation of the nonprofit organizations act.

Community Development Director Kramvik stated that at the next Planning Commission meeting there will be a public hearing for the parking ordinance, and they will be discussing short-term rentals. The Touch a Truck and Flapjack festival is Saturday, September 23rd downtown.

City Engineer/Public Works Director Dehn stated that staff presented to the Minnesota House Capital Investment Committee, he felt the presentation was well received. The SW 4th St washout temporary fix has stayed in place. The pipe has been ordered and hopefully there will be a contractor in place by the time the pipe arrives. The City and SEH will be holding a public input session for the South 6th Street roundabout discussion with stakeholders. Finally, Crow Wing County Soil and Water District is holding a tour for the Buffalo Hills Gully project with County and State representatives invited to attend.

City Administrator Bergman reminded the Council that the bonding projects presented to the House Capital Investment Committee were the Wastewater Treatment Facility, Hwy 210 Pedestrian Bridge, and Cuyuna Lakes State Trail Extension. She thought the presentations were outstanding. Bolton and Menk shared a video of the treatment facility which she will share with the Council. As promised at the BPU and City Council Joint Workshop, there will be facility tours for BPU for officials on September 28th and 29th. Look for an e-mail to sign-up for those tours.

Council Member Reports

Chair Bevans thanked the Parks Department for their hard work on Gregory Park this summer. Almost every weekend there is an event going on at Gregory and the park always looks great for the next users.

Member O'Day stated that in the future, there should be a contract with organizations for any services rendered.

Member Czczok stated that the lady from his building was going on the bus to HART to pet the animals. She is in a wheelchair; this is one of the reasons she also uses the bus. The ability to have public transit is important for those who are trying to help someone but cannot transport them in their own vehicle.

Member Johnson stated that the EDA met to decide on a logo and branding for the EDA. There may be a website within the next two months.

Member Terry invited everyone to the Recovery Walk on Thursday, September 21st, from 3p.m. to 7p.m.

Adjourn

MOVED AND SECONDED BY COUNCIL MEMBERS STUNEK AND O'DAY, DULY CARRIED, TO ADJOURN THE MEETING.

The Chair adjourned the meeting at 8:25 p.m.



Jennifer Bergman
City Administrator