Brainerd, MN
July 20, 2015

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 Scheeler.

Upon roll call, the following members were noted present: Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler. Mayor Wallin was also noted as present.

The Chair opened the meeting with the Pledge of Allegiance to the Flag.

Council Member Bevans asked that the pinning ceremony for Fire Chief Holmes take place directly after the Consent Calendar.

Council Member Koep requested the addition of an item 6C – Discussion of NP Center.

MOVED AND SECONDED BY ALDERMEN BEVANS AND PRITSCHET, DULY CARRIED, TO APPROVE THE AGENDA AS AMENDED.

MOVED AND SECONDED BY ALDERMEN BEVANS AND PRITSCHET TO ADOPT THE CONSENT CALENDAR AS PRESENTED.

Alderman Koep noted that the City is grateful for item D on the Consent Calendar, Donations and Contributions accepted for the 2nd quarter of 2015.

A. Approval of the Minutes of the Regular Meeting held on July 6, 2015, as distributed – Approved

B. Approval of Licenses – Approved

1. Contractor's Licenses – 3 – New
2. Contractor's Licenses – 2 – Renewals

C. Department Activity Reports – Approved

1. Police Chief
2. Finance Director

D. Resolution No. 32:15 Adopted – Accepting 2nd Quarter Donations and Contributions for 2015

E. Minnesota Lawful Gambling – Application to Conduct Excluded Bingo – Submitted by the Lower South Long Lake Improvement Association – Approved

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, "aye." No member voted "nay." The Chair declared the motion carried.

Pinning Ceremony – Fire Chief Tim Holmes

Mayor Wallin administered the Oath of Office to the City's new Fire Chief, Mr. Tim Holmes. He presented him with a Fire Chief pin which Mr. Holmes' wife, Jenny, placed on his shirt. Pictures were taken and all Council members welcomed Fire Chief Tim Holmes to the City of Brainerd.

GO Improvement, Capital Improvement and Utility Revenue Refunding Bonds – Paul Steinman, Springsted - Northland

The Chair recognized Mr. Paul Steinman of the City's bond counsel, Springsted, Inc., who introduced the 2015B and 2015C Bond issues. He presented the bids received at 11:30 this morning to the Council.

Resolution No. 33:15 Adopted – Awarding the Sale of General Obligation Improvement and Capital Improvement Plan Bonds, Series 2015B, in the Original Aggregate Principal Amount of $880,000; Fixing their Form and Specifications; Directing their Execution and Delivery; and Providing for their Payment

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO ADOPT RESOLUTION NO. 33:15 – A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION IMPROVEMENT AND CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2015B, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $880,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT.

RESOLUTION NO. 33:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, "aye." No member voted "nay." The Chair declared the motion carried and the resolution adopted.

Resolution No. 34:15 Adopted – Awarding the Sale of General Obligation Bonds and Utility Revenue Refunding Bonds, Series 2015C, in the Original Aggregate Principal Amount of $1,855,000; Fixing their Form and Specifications; Directing their Execution and Delivery; Providing for their Payment; Providing for the Escrowing and Investment of the Proceeds thereof; and Providing for the Redemption of Bonds Refunded thereby

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET TO ADOPT RESOLUTION NO. 34:15 – A RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE REFUNDING BONDS, SERIES 2015C, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,855,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; PROVIDING FOR THEIR PAYMENT; PROVIDING FOR THE ESCROWING AND INVESTMENT OF THE PROCEEDS THEREOF; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY.

RESOLUTION NO. 34:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” No member voted “nay.” The Chair declared the motion carried and the resolution adopted.

<u>Northern Pacific Center – Direct Staff to Meet with the Owners of the NP Center to Discuss their Needs and Concerns Relating to Further Development of the Center – Approved</u>

Alderman Koep reported that an email had been received last week from the City Planner with a request for Council’s direction on the City Code parking space requirements for the NP Center.

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO GIVE NORTHERN PACIFIC CENTER A “YEAR OF GRACE” DURING WHICH TIME THEY CAN WORK WITH RESPECTIVE AND DEFINITIVE ENTITIES THAT ARE INTERESTED IN COMING IN TO THE CENTER TO WORK OUT ISSUES THAT DEAL WITH PARKING, PLACEMENT AND ALL OF THOSE GOOD THINGS; THEREFORE GIVING THEM A YEAR FROM NOW TO RETURN TO THE CITY WITH THEIR PLANS.

Aldermen Koep stated that during this time she requests the NP Center not be “harassed” or “bedeviled” in any way and will be allowed to work this out and come in with a plan. She feels there is a need for this and that there is nothing to lose by trying.

Extensive discussion was held between Council Members, staff and the City Attorney on concerns with the motion including legalities and setting precedence .

Upon Roll Call, members Hilgart Koep and Johnson voted “aye.” Members Borkenhagen, Pritschet, Bevans and Scheeler voted “nay.” The Chair declared the motion failed.

MOVED AND SECONDED BY ALDERMEN PRITSCHET AND BEVANS, DULY CARRIED, TO DIRECT STAFF TO MEET WITH THE OWNERS OF THE NP CENTER TO DISCUSS THEIR NEEDS AND CONCERNS RELATING TO FURTHER DEVELOPMENT OF THE CENTER.

Members Borkenhagen, Hilgart, Pritschet, Bevans, Johnson and Scheeler voted “aye.” Member Koep voted “nay.” The Chair declared the motion carried.

<u>Presentations</u>:

<u>2014 Audit – CliftonLarsonAllen – Informational</u>

The Chair recognized Ms. Mary Reedy of the City’s accounting firm, CliftonLarsenAllen, who, along with Finance Director Hillman, reviewed the City of Brainerd 2014 Audit Results, including:

- BPU Audit Results
- BPU Financial Results
- Required Communications to Governance
- City’s Audit Results

- City’s Financial Results

Ms. Reedy and Finance Director Hillman answered questions of the Council. The Chair thanked them for their presentation.

Council Committee Reports

Safety and Public Works Committee Report

Zellmer Reimbursement Request – Denied

MOVED AND SECONDED BY ALDERMEN BEVANS AND HILGART, TO FOLLOW STAFF RECOMMENDATION AND DENY THE REQUEST FOR REIMBURSEMENT RELATING TO A SEWER SERVICE CLEANING AT 1102 7^{TH} AVENUE NE, BRAINERD.

City Engineer Hulsether reported that SCR contacted the City to report that they informed the property owner that they could not do work inside the house and the property owner took it from there.

Members Borkenhagen, Hilgart, Pritschet, Bevans, Johnson and Scheeler voted “aye.” Member Koep voted “nay.” The Chair declared the motion carried.

MOVED AND SECONDED BY ALDERMEN HILGART AND BEVANS, DULY CARRIED, TO DIRECT STAFF TO INITIATE A PUBLIC SERVICE INFORMATIONAL CAMPAIGN TO AREA PLUMBERS TO BE IN CONTACT WITH THE CITY WHEN DEALING WITH ANY SEWER SERVICE ISSUES.

Code Enforcement Update – Informational

City Engineer Hulsether reported that the number of notices delivered is up this year with a slight increase in unlicensed vehicles. He stated that there is a decrease in citations issued based on citizens correcting nuisance complaints before a citation is necessary.

Historical Marker Replacement – HWY 210 and N 4^{th} Street Historical Jail Site – Approved

MOVED AND SECONDED BY ALDERMAN BEVANS AND HILGART, DULY CARRIED, TO AUTHORIZE THE PURCHASE OF A REPLACEMENT HISTORICAL MARKER AT HWY 210 AND N 4^{TH} STREET.

Committee Chair Bevans reported that the $1,550 collected from the insurance company of the individual who hit and destroyed the original marker will be used to purchase the replacement marker and that the only City cost will be ‘in kind’ for the installation.

Right-of-Way Ordinance Revisions – Informational

Committee Chair Bevans reported that the City Planner Ostgarden had provided a revised draft of City Code Chapter 800 relating to the use of the public right-of-way for signs; he asked for suggestions and comments of the Council.

Discussion was held by Council. No action was taken at this time.

Brush Clean Up from 7/12/15 Storm – Informational

This item was added to the Safety and Public Works agenda.

Committee Chair Bevans reported that in light of the storm in the Brainerd Lakes Area on July 12, 2015, the City would like to remind the public that City staff does not clean storm debris that is on a citizen's property or on the boulevard. He stated that only trees that land in the street will be cleaned up for traffic safety. He also reported that there is a 2-week grace period in effect for cleaning up brush on private property.

Personnel and Finance Committee Report

Council Member Bevans requested that Personnel and Finance Committee Agenda No. 3 be moved forward based on firefighters waiting in the audience. Council concurred.

Fire Relief Association – Certify/Approve Annual Benefit Level & Authorize Signatures on Annual Reports – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON, DULY CARRIED, TO CERTIFY AND APPROVE THE ANNUAL BENEFIT LEVEL AS PRESENTED FOR THE FIRE RELIEF ASSOCIATION AND TO AUTHORIZE SIGNATURES ON THE ANNUAL REPORTS.

Council Member Scheeler asked the firefighters in the audience to introduce themselves:

Those present included Matt Holmstrom, Relief Association Secretary; Joe Enge, Paid On Call Firefighter and Relief Association Treasurer; LeWayne Mann, Volunteer Firefighter and Finance Committee member and Jonathon LeMieur, Volunteer Firefighter, Finance Committee member and Relief Association Trustee.

Approval of Bills, Transfer of Funds & Payments to Contractors – Approved

General Fund to Public Safety Fun	$ 310,000
General Fund to Park Fund	$ 50,000
General Fund to Street & Sewer Fund	$ 10,000
General Fund to Airport Fund	$ 12,960
	$ 382,960

Contractor	IMP #	Project	Amount	Retained
Borden Excavating	13-06	28th Street Reconstruction	$45,487.70	$2,394.09
Pratt's Affordable	14-10	Sanitary Sewer	$40,249.60	$2,118.40

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO APPROVE THE PAYMENT OF BILLS, TRANSFER OF FUNDS AND PAYMENTS TO CONTRACTORS AS RECOMMENDED BY THE PERSONNEL & FINANCE COMMITTEE.

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” No member voted “nay.” The Chair declared the motion carried.

Assistant City Engineer Hiring Update – Authorize Conditional Job Offer to Mr. Paul Sande – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON, DULY CARRIED, TO AUTHORIZE A CONDITIONAL JOB OFFER TO MR. PAUL SANDE FOR THE POSITION OF ASSISTANT CITY ENGINEER WITH STARTING PAY TO BE ESTABLISHED AT STEP “A” OF THE SALARY ADMINISTRATION PLAN (85% OF BASE WAGE, $5,193.85 PER MONTH) WITH A TENTATIVE STARTING DATE OF AUGUST 17, 2015; CONTINGENT ON SUCCESSFUL COMPLETION OF PRE-EMPLOYMENT BACKGROUND, PHYSICAL AND DRUG EXAMS.

Loan Subordination – Steven and Bernell Shepherd (Shep’s) – City to Retain Second Lien Position – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET, DULY CARRIED, TO AUTHORIZE STAFF TO SIGN AS THE SECOND LIEN POSITION ON THE SUBORDINATION AGREEMENT BETWEEN THE CITY AND STEVEN AND BERNELL SHEPHERD.

Outside Employment Conflict of Interest – Squad Pros – Authorize Staff to Continue City’s Relationship with Squad Pros for Preparation of Brainerd Police Department Squad Cars through at least 2015 – Approved

MOVED AND SECONDED BY ALDERMEN PRITSCHET AND JOHNSON TO AUTHORIZE STAFF TO CONTINUE THE CITY’S RELATIONSHIP WITH SQUAD PROS FOR PREPARATION OF BRAINERD POLICE DEPARTMENT SQUAD CARS THROUGH AT LEAST 2015.

Alderman Koep spoke in opposition, stating that she feels this is an absolute conflict-of-interest and that there are other vendors available.

City Attorney Quiring reported that he reviewed the law and does not see a statutory conflict of interest. He stated that he has recommended that the City does seek quotes in the future to ensure fair business practice.

Members Borkenhagen, Hilgart, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” Member Koep voted “nay.” The Chair declared the motion carried.

7/12/15 Storm Damage Update – Prepare Letter to All City Staff to Thank them for their Excellent Response to Issues Caused by Storm – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET, DULY CARRIED, TO PREPARE AND SEND A LETTER TO ALL CITY STAFF AS A THANK YOU FOR AN EXCELLENT RESPONSE TO ISSUES RESULTING FROM THE JULY 12, 2015 STORM.

Police Department:

Authorization to Sell Decommissioned Squad Car #412 through Public Surplus Website – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET, DULY CARRIED, TO AUTHORIZE THE SALE OF POLICE DEPARTMENT DECOMMISSIONED 2011 FORD CROWN VICTORIA SQUAD CAR #412 THROUGH THE PUBLIC SURPLUS WEBSITE.

Resolution No. 35:15 Adopted – Authorizing Execution of TZD Enforcement Grant Contract

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO ADOPT RESOLUTION NO. 35:15 – AUTHORIZING STAFF SIGNATURES ON THE TZD ENFORCEMENT GRANT CONTRACT.

RESOLUTION NO. 35:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, "aye." No member voted "nay." The Chair declared the motion carried and the resolution adopted.

Authorization of Continued Employment – Mr. Chip Lohmiller – Authorize Continued Employment at $25/hr for Approximately 5-10 Hours a Week for Three to Five Months with Hours to be Tracked and Contract Possibility to be Reviewed by City Attorney – Approved

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET, DULY CARRIED, TO RETAIN FIRE CHIEF CHIP LOHMILLER AS A PART TIME EMPLOYEE WITH THE FIRE DEPARTMENT AT THE RATE OF $25.00 PER HOUR FOR APPROXIMATELY 5-10 HOURS PER WEEK FOR THREE TO FIVE MONTHS WITH HOURS TO BE TRACKED AND CONTRACT POSSIBILITY TO BE REVIEWED BY CITY ATTORNEY.

Decertification of TIF Districts – Resolutions 36:15, 37:15 and 38:15 Adopted – Relating to the Termination and Decertification of TIF Districts 4-8, 4-9 and 4-12:

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO ADOPT RESOLUTION NO. 36:15 – RELATING TO THE TERMINATION OF TAX INCREMENT DISTRICT NO. 4-8 AND DIRECTING DECERTIFICATION THEREOF BY THE COUNTY AUDITOR.

RESOLUTION NO. 36:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” No member voted “nay.” The Chair declared the motion carried and the resolution adopted.

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET TO ADOPT RESOLUTION NO. 37:15 – RELATING TO THE TERMINATION OF TAX INCREMENT DISTRICT NO. 4-9 AND DIRECTING DECERTIFICATION THEREOF BY THE COUNTY AUDITOR.

RESOLUTION NO. 37:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” No member voted “nay.” The Chair declared the motion carried and the resolution adopted.

MOVED AND SECONDED BY ALDERMEN KOEP AND JOHNSON TO ADOPT RESOLUTION NO. 38:15 – RELATING TO THE TERMINATION OF TAX INCREMENT DISTRICT NO. 4-12 AND DIRECTING DECERTIFICATION THEREOF BY THE COUNTY AUDITOR.

RESOLUTION NO. 38:15

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Bevans, Johnson and Scheeler voted, “aye.” No member voted “nay.” The Chair declared the motion carried and the resolution adopted.

2016 Budget Workshops – Monday, August 24, 2015 at 6:00 P.M. following Council/Department Head Workshops to be held August 18-20th at 6:00 P.M.

MOVED AND SECONDED BY ALDERMEN KOEP AND PRITSCHET, DULY CARRIED, TO RESCHEDULE THE AUGUST 10, 2015 COUNCIL BUDGET WORKSHOP TO AUGUST 24, 2015 AT 6:00 P.M. IN THE COUNCIL CHAMBERS AND TO HOLD DEPARTMENT/DEPARTMENT HEAD COUNCIL WORKSHOPS ON AUGUST 18TH, 19TH AND 20TH AT 6:00 P.M. IN THE COUNCIL CHAMBERS.

Upon roll call, members Borkenhagen, Hilgart, Koep, Pritschet, Johnson and Scheeler voted, “aye.” Member Bevans voted “nay.” The Chair declared the motion carried.

Unfinished Business

Mike Higgins – Request to Appear – Informational

The Chair recognized Mr. Mike Higgins who read a letter he had presented to Council. He stated that words he’s heard to describe the Council include, “un-unified, conflicting, self-centered and self-seeking.” He stated that his reality is that although he’s had some conflicts or confrontations, he has found City Staff to be helpful as well as the Council. He also addressed items from tonight’s meeting which he had questions on and asked Council how they feel they can change the perception of the City and City Council. He suggested a strategic narrative and more positivity.

Discussion was held between Council.

Call for Applicants – Informational:
(Application Information at www.ci.brainerd.mn.us/boards/)

Cable TV Advisory Committee – 2 Terms to Expire on 12/31/2016 & 12/31/2017
Charter Commission – 2 Terms to Expire on 12/31/2018
HRA – 1 Term to Expire on 6/6/2020
Rental Dwelling Board of Appeals:
1 Tenant & 1 General Public Representative – Terms to Expire 12/31/2016

Public Forum: No one came forward to speak.

Staff Reports – Written

Council Member Pritschet discussed the removal of discontinued signs on buildings; discussion was held by Council. City Attorney Quiring stated that the code is content neutral which raises issues when trying to require removal. This item will continue to be reviewed.

City Attorney Quiring reported that a request had been received from the attorney for the seller of Royal Tire property for the city to execute a certificate releasing restrictions on a 1987 deed on the Royal Tire property. The item is being reviewed by the City Attorney; however, it is a time-sensitive matter so a motion to move forward was requested by City Administrator Wussow.

MOVED AND SECONDED BY ALDERMEN PRITSCHET AND JOHNSON, DULY CARRIED, TO AUTHORIZE EXECUTION OF THE APPROPRIATE DOCUMENTATION RELEASING ANY CITY INTEREST IN THE CONDITIONS AND RESTRICTIONS CONTAINED IN A 1987 DEED RELATING TO A REDEVELOPMENT AGREEMENT WITH THE CITY, SUBJECT TO APPROVAL OF THE DOCUMENT BY THE CITY ATTORNEY.

Council President, Mayor and Council Other Committee Reports – Informational

Fire Advisory Board Liaison Hilgart reported on the Fire Service District meeting that occurred last week, stating that a good summary was presented on the makeup of the fire service and that ideas were presented on a future reorganization of fire service in CWC. She suggested the creation of an Ad Hoc group to address all of the possibilities.

City Administrator Wussow stated that he will email the Council a copy of the report from the Fire Service meeting.

Council Member Borkenhagen read from a prepared statement about his concerns over alderwoman Koep action being detrimental to the action of the City Council.

Adjourn

The Chair adjourned the meeting at 9:55 P.M.

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Jim Thoreen
City Administrator