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 O'Day.

Upon roll call the following Members were noted as present: Erickson, Bevans, Czeczok, Johnson, Stunek, Yeager and O'Day. Mayor Badeaux was also noted as present.

Chair O'Day led the Pledge of Allegiance to the flag.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND CZECZOK, DULY CARRIED, TO APPROVE THE AGENDA WITH THE ADDITION OF AN ITEM TO PERSONNEL AND FINANCE: DIRECTION ON BOND COUNSEL AND ECONOMIC DEVELOPMENT MATTERS.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND BEVANS TO APPROVE THE CONSENT CALENDAR.

A. **Approval of Bills**
B. **Approval of Minutes**
C. **Department Activity Report**
D. **Approve MN Lawful Gambling Application Submitted by St Joseph Catholic Church for an event to be held on May 16, 2025, at Northern Pacific Center, 1511 Northern Pacific Rd**
E. **Approve MN Lawful Gambling Application Submitted by Lakes Area Habitat for Humanity for an Event to be held at 415 8th Ave NE on May 4, 2025**
F. **Approve Temporary On-Sale Liquor License Application for Jackpine Brewery for an Event to be held at Essentia Health Sports Center, 502 Jackson Street, on March 21 & 22, 2025**
G. **Approve Hiring of 2025 Winter Temporary Employees**

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

Public Forum

The Chair opened the public forum at 7:32 p.m.

No one came forward.

The Chair closed the public forum at 7:33 p.m.

Council Committee Reports

Personnel and Finance Committee

Consider Approval of Technology Department Organizational Chart and Job Descriptions

Committee Chair Johnson stated that there are now five positions in the technology department. The positions were graded and placed in pay grades.

Member Czeczok asked where in integration process the City will be with the establishment of these positions.

HR Director Schubert stated that the next step is to approve a memorandum of understanding with the IBEW Local 31 Union. Once wages are established, the jobs would be posted internally and then externally to fill the positions. There are several more steps to complete the integration of the Technology Department.

Committee Chair Johnson stated that he asked in committee why employees need to apply for their own jobs. The union contract has language that states that new positions must be posted internally. All of our technology employees will need to apply for one of the positions to maintain a job with the City.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE TECHNOLOGY DEPARTMENT JOB DESCRIPTIONS AND CLASSIFICATION POINTS AS PRESENTED.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO DIRECT STAFF TO NEGOTIATE THE WAGES FOR THE NEW TECHNOLOGY DEPARTMENT POSITIONS WITH THE IBEW ADMINISTRATIVE SUPPORT UNION.

Approve Distribution of 2024 Statewide Affordable Housing Aid (SAHA) Funds

Committee Chair Johnson stated that at committee they discussed fully funding the Habitat for Humanity request for funds. The money needs to be spent by 2028, which means there is plenty of time to decide what can be done with the rest of the allocation.

Member Czeczok asked about the return on investment by choosing Habitat.

Committee Chair Johnson stated that Habitat has been around for decades, it is a proven model to get families into housing. The My Neighbor To Love Coalition is trying something unique that may be positive, however, the model is unproven. He does not believe that government money should be designated until their model is proven.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO DESIGNATE $70,000 OF STATEWIDE AFFORDABLE HOUSING AID TO HABITAT FOR HUMANITY.

Consider Request to Delay payment of SAC and WAC Charges and Deferred Assessment for Country Manor Development Project

Committee Chair Johnson stated that Country Manor is asking to defer payment of fees until after they are in business. Park Dedication funds were added to this model, as he believes that they were not aware that these fees will also need to be paid.

Member Czeczok asked about the addition of Park Dedication fees.

Committee Chair Johnson stated that he did not believe that Country Manor was aware of the City's Park Dedication Fees, this will save them the time of returning to ask for their deferral as well.

Member Bevans stated that he will speak against the item. He is in favor of delaying payment of SAC/WAC fees and Park Dedication Fees. He is against Country Manor paying zero interest on the deferred assessment. Everyone who has paid the assessment had to pay interest through 2012. To tell one property owner that they don't have to pay the interest, but all the little people do, isn't fair. The seller of the property should have made clear there was a deferred assessment from the get-go. He would be in favor of Country Manor paying the assessment plus the ten years of interest.

Member Czeczok asked when the property was purchased and when the assessment would have been due.

Community Development Director Kramvik stated that the property was purchased five or six years ago.

Chair O'Day asked about the difference in interest amounts.

Finance Director Hillmans stated that Country Manor is asking for $37,347 of interest be waived. They are asking instead for a 1.5% interest rate on the principal amount. She also stated that on the Beaver Dam improvement, the reason the assessment was not due when the property was sold is because on this particular project assessments only became due if the property was replotted or developed.

Member Czeczok stated that TIF, tax abatement, deferred SAC/WAC, and issuing conduit debt are already available for this property. He stated that every other property has had to pay their interest.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO APPROVE COUNTRY MANOR'S REQUEST TO DELAY PAYMENT OF SAC AND WAC, DEFERRED ASSESSMENT, AND PARK DEDICATION FUNDS AS PRESENTED.

Upon roll call Members Erickson, Johnson, Stunek, Yeager, and O'Day voted "aye". Members Bevans and Czeczok voted "nay". The Chair declared the motion carried.

Ratify Hiring of Aaron Forstrom as Transit Operations Specialist

Committee Chair Johnson stated that the position is budgeted for.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO RATIFY THE HIRING OF AARON FORSTROM FOR THE TRANSIT OPERATIONS SPECIALIST POSITION EFFECTIVE FEBRUARY 12, 2025; FURTHER, THAT HE BE PLACED ON STEP 2 OF THE TRANSIT OPERATIONS SPECIALIST WAGE GRID ($25.39 PER HOUR).

Consider Approval of the Revised Employee Policy Manual

Committee Chair Johnson stated that the Council has had plenty of time to review the manual.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE UPDATED EMPLOYEE POLICY MANUAL AS PRESENTED.

Annual Review and Approval of Investment Policy

Committee Chair Johnson stated that the only change is that the interest allocation will be on a quarterly basis instead of a semi-annual basis.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO APPROVE THE INVESTMENT POLICY AS PRESENTED.

Consider Allowing Pueringer to Assume Four Parking Spaces in Alley Parking Lot

Committee Chair Johnson stated that Mr. Pueringer came to him to ask whether he could rent the four parking stalls previously rented by Bob and Fran's since the City is requiring him to provide four parking spaces for his tenants of 722 Laurel Street. Chair Johnson also stated that there is generally a waiting list for parking spaces in this parking lot. Since the City is requiring him to provide parking, and with Bob & Fran's vacating the spaces, it would be an opportune time for Mr. Pueringer to acquire the spaces.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE MR. PUERINGER TO ASSUME THE 4 LEASED PARKING SPOTS PREVIOUSLY LEASED BY BOB & FRAN'S IN THE ALLEY PARKING LOT SO LONG AS BOB & FRAN'S AGREES.

Direction on Bond Counsel and Economic Development Matters (added item)

Committee Chair Johnson stated that the entire Kennedy and Graven municipal bond team has migrated to another company. Due to the City being in the midst of the conduit debt and other issues that Ms. Lykke has been a part of for years, staff recommended to keep with her services.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO CONTINUE TO BE REPRESENTED BY SOFIA LYKKE IN CONNECTION WITH BOND AND ECONOMIC DEVELOPMENT MATTERS.

Safety and Public Works Committee

Direction on Active Code Enforcement Cases

Committee Chair Erickson gave an overview of each property.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO OBTAIN AN ADMINISTRATIVE WARRANT TO TOW THE VEHICLES AT 823 WILLOW ST. ALSO MODIFY THE $300 MONTHLY CITATION FINE FOR AN ILLEGAL RENTAL TO $100 PER DAY.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND YEAGER, DULY CARRIED, TO OBTAIN AN ADMINISTRATIVE WARRANT TO ABATE THE GARBAGE/ JUNK/ DEBRIS AT 430 D ST NE.

Discussion of City Maintained Flagpoles

Committee Chair Erickson stated that it was brought to the City's attention that several of the flags downtown and in parks were not at half-mast during the latest recommendation.

Member Johnson clarified that the flags are maintained by the Parks Department.

Mayor Badeaux stated that the flags maintained by the Parks Department were discussed at the meeting and the Park Board agreed with the recommendation.

Public Works Director Habighorst stated that the flags are maintained by the Park staff. Some of the flags downtown need to have a lift to change the height at which they fly. The City would go out for bid for flag poles that can be changed and lights for those that can't.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO DIRECT STAFF TO REMOVE FLAGS DOWNTOWN, IN PARKS, AND ON THE HISTORIC WATER TOWER DURING THE WINTER MONTHS; FURTHER TO OBTAIN BIDS FOR TURNKEY FLAG POLES AND LIGHTS TO SHINE ON FLAGS WHERE NEEDED.

Unfinished Business

Call for Applicants – Informational:

Mayor Recommended: (terms to expire on 12/31 of said year)
Charter Commission – **2 terms** (Expire 2025) 2 **terms** (Expire 2026)
Housing and Redevelopment Authority - **1 term** (Expire 2029)
Library Board –**1 term** (Expire 2027)
Transportation Advisory Committee- **2 terms** (Expire 2025) **1 term** (Expire 2026)
Council President Recommended: (terms expire on 12/31 of said year)
Planning Commission-- **2 terms** (Expire 2027)
Airport Commission - **1 term** (Expire 2026)

Final Reading Proposed Ordinance 1580 -Amending Section 600 of the City Code

Finance Director Hillman gave an overview of the ordinance.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO CONDUCT THE FINAL READING OF ORDINANCE 1580 AMENDING SECTION 600 OF THE CITY CODE AND DISPENSING WITH THE ACTUAL READING.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS TO ADOPT ORDINANCE 1580.

ORDINANCE 1580

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

New Business

Consider Public Utilities Commission Request to Add Conference Attendance Requirement to the Commission Description

Member Czeczok stated that the position is a volunteer position. He stated that as a Council Member or Commissioner it is the expectation to read your board packet. As such, how can the Council then place expectations on our volunteer commissioners especially when we can't uphold any consequences for not following through.

Member Johnson stated that he agrees with Member Czeczok that there are no teeth if a commissioner doesn't follow through. If there's an expectation to attend three events, who will remove the commissioner as they are recommended by the Mayor.

Public Utilities Director Evans stated that the Commission could look for a mechanism to encourage commissioners to attend events. The request was based on the importance of attending these events because of all of the legislation and regulatory actions that happen. Commissioners could meet with decision makers and the City could have a presence in key decision meetings when requesting funding and shaping regulations.

Member Johnson stated that he doesn't disagree with Public Utilities Director Evans when it comes to having engaged commissioners going to conferences and lobbying.

Member Yeager asked whether there is a way to incentivize commissioners to attend.

Member O'Day stated that personal development and education is important at all levels, including the Council level. There could be encouragement to increase involvement.

Member Czeczok stated that he expects Council Members to attend conferences as well. The City pays for Council Members and Staff to attend these conferences. It is up to the individual to make learning a priority.

Member Stunek stated that staff could come back with a cleaner option.

Mayor Badeaux asked whether there was a lack of involvement.

Public Utilities Director Evans stated that this was again a mechanism as a way to ensure that more in-person events were being attended.

Member Yeager stated that the current Public Utilities Commission voted unanimously for their members to attend these events. He believes that they can police themselves at least in the short term.

Member Bevans asked for clarification about personal development funds for commissioners.

Public Utilities Director Evans stated that there are funds available to staff and commissioners.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND JOHNSON, DULY CARRIED, TO DENY THE PUBLIC UTILITIES COMMISSION REQUEST TO UPDATE THE PUBLIC UTILITIES COMMISSION DESCRIPTION TO INCLUDE THE EXPECTATION FOR COMMISSIONERS TO ATTEND AT LEAST TWO STATE EVENTS AND ONE NATIONAL EVENT DURING A FIVE-YEAR TERM.

Public Hearing and Adopt Resolution Ordering Improvement and Ordering Preparation of Plans - Improvement 23-16 - South Brainerd Resurfacing Project

Bryan Drown, Bolton and Menk, gave an overview of the public improvement process, scope of the project, and the assessment process.

Member Czeczok asked about the cost of mobilization.

Mr. Drown stated that the standard estimate for mobilization is 5% of the contract cost.

Member Erickson asked about the current hydrants on the project and whether they are equipped with gate valves.

City Engineer Dehn stated that the current hydrants are not equipped with gate valves, if work needs to be completed the water main needs to be shut down.

Member Yeager asked about the process for establishing unit pricing. He also asked about the "turf establishment" clause.

Mr. Drown stated that unit pricing is based on 2024 costs with about a 4% increase for inflation. Turf establishment is anything beyond curb and gutter. The specifications will include a 30-day maintenance period for the contractor.

Public Works Director Habighorst clarified that the cost per foot is estimated at $16.57 per foot.

Chair O'Day opened the public hearing at 8:23 p.m.

John Forrest, 159 Pineview Dr, stated that his property is on a cul-de-sac, but his driveway is not accessed in the cul-de-sac. He would like the City to review its cul-de-sac assessment policy.

Chair O'Day closed the public hearing at 8:28 p.m.

Member Johnson stated that he would like to see the Safety and Public Works Committee review the assessment policy. He also stated that this is the public hearing to say whether or not we should do the project, not the assessment hearing.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND JOHNSON TO ADOPT RESOLUTION WHICH ORDERS THE IMPROVEMENT AND PREPARATION OF THE PLANS.

RESOLUTION 12:25

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

Consider Amendment to Planned Unit Development (PUD) for Country Manor Development Project

Community Development Director Kramvik gave an overview of the amendment to the PUD for Country Manor.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND STUNEK, DULY CARRIED, TO APPROVE THE PUD AMENDMENT SUBJECT TO THE FINDINGS OF FACT CONTINGENT UPON APPROVAL OF THE DEVELOPMENT AGREEMENT.

Conduct Public Hearing on Tax Abatement for Country Manor Brainerd Campus LLC; and Adopt Resolution Granting a Property Tax Abatement for Certain Property in the City and Approving a Tax Abatement Agreement with Country Manor Brainerd Campus LLC

Community Development Director Kramvik stated that the EDA considered the request and recommended a blended structure of tax abatement assistance.

Mikaela Huot, Baker Tilly, gave an overview of the tax abatement assistance terms.

Chair O'Day opened the public hearing at 8:37 p.m.

No one came forward.

Chair O'Day closed the public hearing at 8:38 p.m.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND JOHNSON TO ADOPT RESOLUTION GRANTING PROPERTY TAX ABATEMENT ON THE ABATEMENT PROPERTY AND APPROVING A TAX ABATEMENT AGREEMENT WITH COUNTRY MANOR BRAINERD CAMPUS LLC.

RESOLUTION 12:25

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

Staff Reports

Finance Director Hillman stated that the related party questionnaire for the audit was passed out to Council Members.

Public Works Director Habighorst stated that there will be items on the next agenda regarding our Transit Program. The Ice Skating Party at Memorial Park is on Saturday, February 8th at 1:00 p.m.

Community Development Director Kramvik stated that the EDA will hold a special EDA meeting to consider minor changes to the PDA for BlockMetrix. Paradigm Auto has submitted a land use application for pavement, they are within the ninety-day window that they were given by the City Council.

Administrator Broyles stated that he attended the Downtown Business Event at Chick-N-Rice. It was great food and great people.

Mayor's Report

Mayor Badeaux stated that he also attended the Downtown Business Event. The Park Board has already begun the process of looking at their 2026 budget. He thanked them for getting ahead of the curve and encouraged other departments to do so.

Council Member Reports

Member Czeczok stated that a resident in southeast called him to come check her water as she feels it is so chlorinated. The Utilities Department suggested that she put water from her tap out on the counter for two days to save money and time going to the store to purchase water to get rid of the smell and taste.

Member Bevans stated that he attended the Downtown Business Event at Chick-N-Rice the food was delicious. The Northside Residents met to discuss a building project on the Northside. He attended the Library Board meeting. The Library is entering into an agreement to digitize the Brainerd Dispatch that is searchable.

Member Yeager stated that after much discussion, the HRA will be holding their meetings here at City Hall. He is excited to have the Country Manor project coming to reality. He thanked Country Manor for wanting to build a facility like this in Brainerd. Finally, there is a hockey rink in a yard on 4th Street, he encouraged everyone to check it out.

Member Erickson thanked staff for being generous with their time as a new again member.

Member O'Day thanked everyone who attended the Extravaganza. He expressed welcome and gratitude for the Country Manor group.

Adjourn

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND STUNEK, DULY CARRIED, TO ADJOURN THE MEETING.

The Chair adjourned the meeting at 8:47 p.m

Nicholas W. Broyles
City Administrator