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: Johnson, Stunek, Yeager, Erickson, Bevans, Czeczok, 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 CZECZOK AND STUNEK, DULY CARRIED, TO APPROVE THE AGENDA.

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

A. **Approval of Bills**
B. **Approval of Minutes**
C. **Department Activity Reports**
D. **Ratify the 2025-2027 Teamsters Local 346 Union Contract Terms for the Police Lieutenant and Sergeants as detailed in the Arbitration Award, Tentative Agreement Summary, and Wage Resolution**
E. **Event/Alley Closure Application- Zion Trunk or Treat**

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

Public Forum

The Chair opened the public forum at 7:31 p.m.

No one came forward.

The chair closed the public forum at 7:32 p.m.

Council Committee Reports

Personnel and Finance Committee

Approve Additional Door Replacement - PD Exterior Repairs Project

Committee Chair Johnson stated that the City budgeted $500,000 for exterior repairs which was considerably under budget. This is an additional door replacement at a low cost that needed repair.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO AUTHORIZE ADDITIONAL DOOR REPLACEMENT WITH THE PD EXTERIOR REPAIRS PROJECT FOR $5,000.

Adopt Resolution Authorizing The Execution Of Traffic Safety Enforcement Grant

Committee Chair Johnson stated that this is the former Towards Zero Deaths grant that the City operates as the fiscal agent for.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS TO AUTHORIZE THE POLICE CHIEF TO EXECUTE THE 2025 TRAFFIC SAFETY ENFORCEMENT GRANT.

RESOLUTION 62:25

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

Adopt Resolution Authorizing The Execution Of Traffic Safety Officer Grant

Committee Chair Johnson stated that the grant is for up to $150,000 and can be utilized for traffic safety enforcement that the department can utilize for work they are already conducting.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO AUTHORIZE THE POLICE CHIEF TO EXECUTE THE 2025 TRAFFIC SAFETY OFFICER GRANT.

RESOLUTION 63:25

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

Discussion of Misdemeanor Prosecutor Agreement

Committee Chair Johnson stated that the City and other City partners are content with the services by Severson Porter. Staff will negotiate a contract with Severson Porter and return to Council to ratify the agreement.

Member Czeczok asked what the City budgets for prosecution services.

Committee Chair Johnson stated that in 2025 the total cost for prosecution services was $233,171 of which the City paid about $130,000. The 2026 budget does include an estimate for 2026 services.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO AUTHORIZE STAFF TO ENTER INTO NEGOTIATIONS WITH SEVERSON PORTER FOR A 3-YEAR CONTRACT FOR PROSECUTION SERVICES AND WITH THE CITIES OF BAXTER AND NISSWA FOR A 3-YEAR JOINT PROSECUTION SERVICES AGREEMENTS.

Discussion of Rate/Plan Design Study for Sanitary and Storm Sewer

Committee Chair Johnson stated that the sanitary and storm sewer funds are enterprise funds and should be profitable. However, they haven't been in recent years. A study may help to get them back on track.

Member Czeczok stated that in 2023 the City had a presentation and set the rates. He wonders if the rate increase in 2023 should have been higher.

Committee Chair Johnson stated that generally a higher rate makes it more sustainable. The sanitary had a couple of unforeseen projects that may have contributed to a negative balance. With a new rate, the City may be able to build in a rate to accommodate for emergent projects.

Finance Director Hillman stated that she believes the sanitary sewer will have a negative cash balance in 2027 due to the planning of a $2 million dollar lining project. That project may require bonding. It was the storm sewer that had emergency repairs that caused that fund to go negative. The study may not indicate that rates need to increase but should be completed to ensure healthy rates.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO AUTHORIZE STAFF TO GET A QUOTE FROM UFS FOR A RATE/PLAN STUDY AND BRING BACK TO COUNCIL FOR AUTHORIZATION TO ENTER INTO THE SERVICE AGREEMENT.

Direction on PILOT Contribution from BPU

Committee Chair Johnson stated that this is directing staff as to what the Council would like to see. The Council may not have the authority to set the PILOT as the Charter refers to a Public Utility Commission resolution to set the PILOT. This is a suggestion that the Council would like to see for as the payment from the utility.

Member Czeczok questioned how the Council is directing staff with this motion.

Committee Chair Johnson stated that the motion would direct Administrator Broyles to work with Attorney Langel to find out the legal process and to work with the Public Utilities Commission if there is action to be taken by the committee. This is the Council taking a formal stance on what it would like to see.

Member Czeczok asked if the Council recommends the rate structure to the Public Utility Commission as suggested and the Commission approves if it would just return to the Council for approval.

Committee Chair Johnson stated that based on his understanding of the Charter his answer would be yes.

Member Czeczok stated that he would prefer the Commission make the recommendation and Council approve it.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO REQUEST THAT THE PUBLIC UTILITIES COMMISSION SET THE PAYMENT IN LIEU OF TAXES (PILOT) FOR TOTAL ELECTRIC REVENUES TO 3% FOR 2026, 4% FOR 2027, 5% FOR 2028 TO THE CITY.

Safety and Public Works Committee

Approve Change Order #1 - Imp 23-13 - TH 371B/Willow Street Roundabout Project

Committee Chair Erickson gave an overview of the change order. The change order is mostly on MnDOT's portion of the project, resulting in an increase in their cost. The City's portion will be roughly half of the amount of the requested change order which includes a decrease.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO APPROVE CHANGE ORDER #1 FOR THE TH 371B/ WILLOW STREET ROUNDABOUT PROJECT.

Snow Removal for 2025-2026 season

Committee Chair Erickson stated that this a yearly topic. This RFP is difficult to fulfill. There was discussion at the Park Board about utilizing Park staff to manage downtown snow removal. The Park Board did not recommend utilizing Park staff for downtown snow removal as the parks should be a priority.

Member Czeczok stated that if there are no proposals received, staff may need to be utilized regardless.

Mayor Badeaux stated that the Park Board was asked whether they were interested in having the Park staff provide snow removal. The Park Board's position is that the City should go through the RFP process as typically done.

Chair O'Day clarified that the Park Board does not employ the park employees. He likened it to the Public Utilities employees. When it comes down to it, the Council will make the right decision.

Mayor Badeaux stated that the correct course of action is to ask the Park Board first and then the City Council to make the decision. That's what has been done here.

Member Czeczok stated that he would have preferred this topic to have been on an earlier Council meeting.

Chair O'Day stated that it would be preferable to make this decision before end of summer next year.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO ISSUE A REQUEST FOR PROPOSALS FOR DOWNTOWN SNOW REMOVAL.

Direction on Active Code Enforcement

Committee Chair Erickson gave an overview of the violations.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK TO ABATE PROPERTY AT 907 FIRST STREET FOR JUNK AND DEBRIS, SEND 10-DAY WARNING LETTER TO 1419 MARY STREET AND TOW THE VEHICLE, SEND A $300 CITATION EVERY 10 DAYS TO 320 4TH ST N UNTIL THE FENCE IS CORRECTED.

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

Committee Chair Erickson stated that currently staff has the ability to administratively abate a property for public health reasons. Amending the ordinance would allow for a quicker response for repeat properties.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO DIRECT STAFF TO DRAFT AN ORDINANCE TO ALLOW STAFF TO ADMINISTRATIVELY HANDLE ABATEMENT OF JUNK AND DEBRIS FOR REPEAT PROPERTIES.

Unfinished Business

Council President- Committee Recommendation

Chair O'Day recommended Mike Duval to the Planning Commission.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND JOHNSON, DULY CARRIED, TO APPOINT MIKE DUVAL TO THE PLANNING COMMISSION TO A TERM EXPIRING DECEMBER 31, 2027.

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)
Library Board-- **1 term** (Expire 2027)
Public Utilities Commission—**1 term** (Expire 2028)
Transportation Advisory Committee- **2 terms** (Expire 2025) **1 term** (Expire 2026)
Council President Recommended: (terms expire on 12/31 of said year)
Water Tower Committee—**2 terms**

Discussion of HRA 2026 Levy Request

Finance Director Hillman gave an overview of the HRA levy request. As of July 31, 2025, the HRA's unassigned cash fund balance is $498,306. The 2025 levy was held at the same amount as 2024 and was not at the maximum amount allowed by statute.

Member Czeczok asked how the payroll is allocated.

HRA Finance Director Karen Young stated that the City Council is presented with the general fund budget for the HRA. The payroll is spread across all funds due to receiving funding from State and Federal programs. The administrative employees are allocated in the general fund, other employees are allocated to other funds.

Member Yeager stated that the HRA levy is separate from the City's levy that has a maximum amount per State statute. If there were to be a shortfall year, the HRA cannot by law levy more than the maximum amount to make up for the shortfall. If the HRA continually is limited to their request, he believes that the board may have less appetite to take on projects if the levy amount requested is not approved. He stated that the shocking 31% increase is due to the fact that the HRA levy was held flat for the last 2 years.

Member Johnson stated that as the liaison for the previous 10 years, he was concerned about the amount of time spent on initiatives for the Crow Wing County HRA at the cost to the Brainerd citizens. He is hopeful that if Member Yeager is suggesting the full amount be levied by the citizens of Brainerd that priority is being given to projects within the City and agreements have been resolved.

Chair O'Day asked for clarification on the levy being based on the market value of the City.

Finance Director Hillman stated that the max levy for the HRA is a percentage of the cities previous estimated market value. She also clarified again that the levy is separate from the City's levy. It is listed under "other levies" when you look at your tax statement. The HRA is a separate taxing authority, but the City Council sets the amount.

MOVED AND SECONDED BY COUNCIL MEMBERS YEAGER AND BEVANS, DULY CARRIED, TO SET THE 2026 PRELIMINARY LEVY FOR THE BRAINERD HRA AT $227,866.

2026 Preliminary Levy for City of Brainerd and the Brainerd HRA; Set Date and Time for Budget Public Hearing

Finance Director Hillman gave an overview of the options for the preliminary levy. She stated that there are still a number of unknowns that will be resolved in the coming weeks that the Council was hoping were determined prior to setting the preliminary levy.

Chair O'Day stated that he is more comfortable setting the preliminary levy at a special meeting in order to give more time to resolve some of the open items.

Member Czeczok asked for clarification on open items and making assumptions. He asked about the amount of the PILOT for 2026 if the Public Utilities Commission approves the 3% that the Council has structured.

Finance Director clarified that assumptions were made for certain expenditures. She stated that the PILOT would be an estimated $53,000 increase over 2025.

Member Johnson stated that he agrees that waiting could be beneficial.

Member Czeczok stated that he recognizes the impact of the significant increase to the contribution to the Airport as we knew would happen. However, he also asked about employee salary increases over the last year.

Finance Director Hillman stated that the increase in the working funds for personnel services has increased 6.44% over 2025. Similar to the HRA, the working funds are levied. That is not the total payroll for the City as other funds are also utilized for personnel. A majority of the increase to working is coming from the Airport and personnel services.

Member Johnson stated that the personnel services figure is assuming that the City will be 100% staffed, without resignations or retirements. He believes it is an inflated number.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND BEVANS, DULY CARRIED, TO SET A SPECIAL MEETING FOR SEPTEMBER 29, 2025 AT 6:00 P.M.

New Business

Adopt Resolution Providing for the Issuance and Sale of General Obligation Bonds, Series 2025A in the Proposed Amount of $3,480,000

Finance Director Hillman stated that the City is planning to bond for 2025 construction projects. The debt structure has changed since the debt levy calculation in August. The 2026 bond structure is a little unique in that the bond is paying for a project done in 2025 that will not be assessed until 2027. This creates a situation where the City needs to decide whether to capitalize interest. Staff recommends not capitalizing the interest and using more of the projected cash balance to keep the debt levy flat.

Member Johnson stated that he agrees with staff's recommendation to use cash balance and not capitalize the interest.

Chair O'Day stated that he agrees with Member Johnson, and he is in favor of anything the Council can do to soften the blow on the levy.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO ADOPT RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL

OBLIGATION BONDS, SERIES 2025A, IN THE PROPOSED AGGREGATE PRINCIPAL AMOUNT OF $3,480,000.

RESOLUTION 64:25

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

Adopt Resolution - Call for Public Hearing on Improvement - Imp 23-14 - Hawkins/Ronald/Joseph Resurfacing Project

City Engineer Dehn stated that staff reviewed documentation for this project, and the notice of hearing was improperly noticed. This resolution will reschedule the public hearing to hear public testimony on the project. Staff is recommending no work to be completed until after the public hearing.

Member Johnson asked if it is standard practice that an engineering firm send the notice of hearings to the newspaper. He commented that it must make the project more expensive.

City Engineer Dehn stated that when a firm administers a project, it also conducts the administrative tasks.

Administrator Broyles confirmed that it is an industry standard for a firm to administer all aspects of a project.

Member Erickson stated that this is a frustrating oversight. He commended staff for finding the mistake and correcting it with minimal delay.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND ERICKSON TO ADOPT RESOLUTION CALLING FOR A PUBLIC HEARING FOR IMPROVEMENT 23-14 ON OCTOBER 6TH, 2025 AT 7:30 P.M.

RESOLUTION 65:25

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

Adopt Resolution - Order Feasibility Report - Imp 25-05 - Southeast Brainerd Reconstruction Project

City Engineer Dehn gave an overview of the proposed project.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND JOHNSON TO ADOPT RESOLUTION ORDERING THE FEASIBILITY REPORT FOR IMPROVEMENT 25-05-SOUTHEAST BRAINERD RECONSTRUCTION PROJECT.

RESOLUTION 66:25

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

Adopt Resolution Declaring Costs to be Assessed for Nuisance, Downtown Snow Removal, and Downtown Special Services Assessments and Call for Public Hearing

City Engineer Dehn stated that the City needs to declare all of the costs to be assessed and schedule the public hearing. Staff recommends October 6th at 7:30 p.m. for the public hearing.

Member Johnson asked about the difference between 2023-2024 and 2024-2025 downtown snow removal. He asked to have staff send the information.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO ADOPT RESOLUTION DECLARING COSTS TO BE ASSESSED FOR NUISANCE, DOWNTOWN SNOW REMOVAL, AND DOWNTOWN SPECIAL SERVICES ASSESSMENTS, ORDER THE PREPARATION OF THE PROPOSED ASSESSMENT, AND SET A PUBLIC HEARING ON THE PROPOSED ASSESSMENT ON OCTOBER 6, 2025 AT 7:30 P.M.

RESOLUTION 67:25

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

Adopt Resolution Declaring Costs to be Assessed for Improvement 23-16- South Brainerd Resurfacing Assessments and Call for Public Hearing

City Engineer Dehn stated that the City needs to declare all of the costs to be assessed and schedule the public hearing. Staff recommend October 6th at 7:30 p.m. for the public hearing.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK TO ADOPT RESOLUTION DECLARING COSTS TO BE ASSESSED FOR IMPROVEMENT 23-16- SOUTH BRAINERD RESURFACING, ORDER THE PREPARATION OF THE PROPOSED ASSESSMENT, AND SET A PUBLIC HEARING ON THE PROPOSED ASSESSMENT OF OCTOBER 6, 2025 AT 7:30 P.M.

RESOLUTION 68:25

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

Consider Extension of Kamp Realty Brokerage Agreement

Community Development Director Kramvik gave an overview of the addendum.

Member Czeczok questioned why the Council needed to approve this agreement.

Community Development Director Kramvik stated that the City owns the properties.

Member Bevans stated that he would vote against the extension, as he doesn't believe they have marketed anything.

Chair O'Day stated that Kamp is in the process of selling 3 lots in the Industrial Park.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND YEAGER TO APPROVE THE EDA TO ENTER INTO AN AGREEMENT WITH KAMP REALTY ON ADDENDUM NO. 2 TO THE EXCLUSIVE LISTING AGREEMENT.

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

Consider Childcare Incentive Policy

Community Development Director Kramvik gave an overview of the policy for commercial and home daycare facilities.

MOVED AND SECONDED BY COUNCIL MEMBERS STUNEK AND YEAGER, DULY CARRIED, TO APPROVE THE CHILDCARE INCENTIVE POLICY FOR A PERIOD OF TEN YEARS.

Staff Reports

Community Development Director Kramvik gave an overview of the Planning Commission agenda. He also reminded citizens that Touch a Truck is from 10 a.m. to 12 p.m. on Saturday, September 20th.

City Engineer Dehn gave an update on the downtown snow removal costs for 2024-2025 is $73,000 and the cost for 2023-2024 was $54,000. Construction continues to progress. Some of the projects will be completed too late to assess for the projects this year. He will also be presenting changes for the Wright Street project.

Administrator Broyles stated that the LCCMR committee will be meeting at Lyman P. White Park on Tuesday, September 16th around lunchtime to talk about trail connectivity.

Mayor's Report

Mayor Badeaux gave a shoutout to Hubbard Radio, who were awarded the Twins Affiliate of the Year Award. The award is a huge win for Brainerd Area Baseball. Homecoming week is this week, he gave a big shout out to all the athletes and the football team. He stated that the Flapjack Festival will be held in conjunction with the Touch-A-Truck event.

Council Member Reports

Member Czeczok stated that if anyone had even a little celebration over the assassination of Charlie Kirk is as evil as the shooter. He also stated that every Council packet has staff recommendations included. Sometimes the Council takes staff's recommendations, other times not. Sometimes Council is asked to make a recommendation to staff. The onus is on the Council for any final decision.

Member Stunek stated that on September 11th he participated in the Fire Department's annual stair climb in honor of the anniversary of the 2001 attacks. The Firefighter hiring test was held on September 13th, there were some promising candidates.

Member Yeager stated that the Airport is interviewing for the ARFF position, there were 22 applications. The Airport decided to self-advertise for the permanent Airport Director position. Applications will posted in October. He stated that "heavy iron" has two different meanings. For pilots it means great big aircraft, the Airport had a Boeing 737 take off for Vegas recently. For ARFF employees "Heavy iron" also means a big cupping plow and tractor, that has been delivered. The fencing projects was completed a week early.

Member Bevans stated that he will attend the Charter Commission meeting. The Pride event happened at Gregory Park on September 9th. It looked like a great time.

Member Erickson stated that he will be attending Planning Commission, he is excited to be back at full strength for that committee.

Member Johnson stated that he received correspondence from a constituent in the Brainerd Oaks development requesting that the City consider establishing a park or gathering space in the development.

Chair O'Day reiterated comments about the assassination and school shootings that have taken place as of late. He stated that growing up, events like these would happen in far off countries. He feels people not having open conversations and disagreements without flying off the handle and it shouldn't be happening. He reminded Council Members that they represent the City of Brainerd. He hopes at some point, that the Country can get back to people feeling they can have opinions.

Adjourn

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

The Chair adjourned the meeting at 8:42 p.m.

Nicholas W. Broyles
City Administrator