Brainerd, MN
July 17, 2017

Pursuant to due call and notice thereof, the regular meeting of the Brainerd City Council was called to order at 7:32 P.M. by Council President Pritschet.

Upon roll call, the following members were noted as present: Hilgart, Bevans, Badeaux, Johnson and Pritschet. Mayor Menk was also noted as present. Council members Lambert and Stunek were noted as absent.

Council President Pritschet opened the meeting with the Pledge of Allegiance to the Flag.

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART, DULY CARRIED, TO APPROVE THE AGENDA.

MOVED AND SECONDED BY ALDERMEN BEVANS AND JOHNSON TO ADOPT THE CONSENT CALENDAR.

A. Approval of the Minutes of the Regular Meeting held on July 3, 2017 – Approved

B. Approval of Licenses – Approved

Contractor's Licenses –1- New and -1- Renewals

C. Department Activity Reports- Approved

1. Police Chief
2. Finance Director

D. Resolution No. 38:17 – Resolution Accepting Donations & Contributions for the 2nd Quarter 2017 – Approved

E. Minnesota Lawful Gambling Premises Permit Application – Resolution No. 37:17 – Resolution to Allow Lawful Gambling by Ducks Unlimited Frozen North MN 271 at Barrett's NE Liquors, 105 Washington St., Brainerd, MN – Approved

F. Minnesota Lawful Gambling Application to Conduct Excluded Bingo – Submitted by Lower South Long Lake Improvement Association. Bingo Events to be held September 3, 2017 at Jack's House, 300 State Highway 25, Brainerd, MN – Approved

G. Brainerd Area Sertoma (Noon Club) – Conducting a Raffle Below the $5,000 Prize Value (Maximum Allowed without a Permit) on August 23, 2017 at Connie's Kitchen, 221 Ridge Drive, Brainerd - Informational

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

Presentation:

2016 Audit Presentation

The Chair recognized Ms. Mary Reedy of the City's accounting firm, CliftonLarsonAllen, who reviewed the City of Brainerd 2016 Audit Results along with Finance Director Hillman.

Items discussed:

- BPU Audit Results
- BPU Financial Results
- Required Communication to Governance
- City's Audit Results
- City's Financial Results
- Insights, Observations

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

Wellness Program Presentation – Summary of the 2016/2017 Program

Human Resource Coordinator Schubert presented an update of the 2016/2017 Wellness Program. The new online program, "Benovate" launched in May 2016 with 136 employees eligible to participate. Benovate is the company that provides the technology and program management that supports our group's health and wellness initiatives. Points are earned by participating in outlined activities on the Benovate platform. Financial incentives are earned for employees covered by National Joint Powers Alliance (NJPA), however all participants can be entered into a drawing for one vacation day based on the number of points earned. NJPA funds this program through our health insurance pool. By the end of June 2017, there were 142 eligible in which 112 had submitted email addresses to Benovate. The program is designed to be customized to the participant and details about the program were discussed. As part of the program, the award for 2016-2017 Fitness Champion was announced as Katie Kaufman, Recreation Specialist and the drawing for the free vacation day was held with the winner being Sharon Jensen from Brainerd Public Utilities.

2017/2018 Employee Wellness Program:

Human Resource Coordinator Schubert explained the incentives remain the same as last year. Some of the goals for the upcoming program year are as follows:

- Reduce the number of sick leave hours used by 5% in 2017 and an additional 5% in 2018.
- Increase participation in all employee wellness activities.
- Have a participation rate of 50% on the Benovate platform.

Employee events will continue this year with an Employee Picnic, Employee Chili Cook-Off and Lunch & Learn sessions. Another idea discussed was to offer employees the option to participate in an onsite biometric screening, with the cost being covered by NJPA. This would earn the employee a $75 contribution to their HSA Plan. A projected timeframe for this screening to take place would be in the fall.

Approve 2017/2018 Wellness Program and Authorize Staff to Submit Application for $6,000 Wellness Program to NJPA per City Policy – Approved

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART, DULY CARRIED, TO APPROVE THE 2017/2018 "BENOVATE" WELLNESS PROGRAM AS PRESENTED AND RECOMMENDED BY THE WELLNESS COMMITTEE AND TO AUTHORIZE STAFF TO SUBMIT AN APPLICATION FOR A $6,000 WELLNESS PROGRAM TO NJPA FOR THE CITY'S 2017-2018 WELLNESS PROGRAM AS REQUIRED BY THE COUNCIL NOTIFICATION OF INTENT TO SUBMIT GRANT APPLICATION POLICY.

HR Coordinator Schubert answered questions from the council and spoke about the Wellness Committee meeting dates.

Community Survey Panel – Surveys #3 and #4 - Informational

City Planner Ostgarden reviewed the results from the Community Surveys #3 and #4. The contract with our current survey company, Qualtrics, will expire in September 2017 so there is time to complete another survey or two. NJPA will be submitting a contract for the Comprehensive Plan update to be reviewed by council at a later meeting.

Council Committee Reports

Safety and Public Works Committee Report

Event/Street Closure Application – Canoe Days – Approved

MOVED AND SECONDED BY ALDERMEN BEVANS AND BADEAUX, DULY CARRIED, TO APPROVE THE EVENT/STREET CLOSURE APPLICATION FOR CANOE DAYS TO BE HELD IN KIWANIS PARK ON AUGUST 5, 2017.

Event/Street Closure Application – Lil Rubber Ducky Race – Approved

MOVED AND SECONDED BY ALDERMEN BEVANS AND BADEAUX, DULY CARRIED, TO APPROVE THE EVENT/STREET CLOSURE APPLICATION FOR THE LIL RUBBER DUCKY RACE TO BE HELD ON EAST RIVER ROAD ON AUGUST 5, 2017 SUBJECT TO THE APPLICANT COORDINATING WITH THE STREET DEPARTMENT FOR TRAFFIC CONTROL.

Committee Chair Bevans indicated both of the Event/Street Closure Applications are on the same day in the same area. Staff has been directed to contact the applicants to make them aware of both events to avoid any potential conflict.

Resolution Accepting Bids for Improvements 15-12 and 16-10 – Adopted by Resolution No. 40:17

MOVED AND SECONDED BY ALDERMEN BEVANS AND BADEAUX TO ADOPT THE RESOLUTION ACCEPTING THE LOW BID BY ANDERSON BROTHERS CONSTRUCTION OF BRAINERD IN THE TOTAL AMOUNT OF $773,103 FOR IMPROVEMENTS 15-12 AND 16-10 AS FOLLOWS:

IMPROVEMENT 15-12

Street Reconstruction
S. 6th Street East Frontage Road – CR 117 to Wright Street

IMPROVEMENT 16-10

Street Resurfacing
Williams Street – NW 5th Street to NW 4th Street
NW 5th Street – Washington Street to Williams Street
NW 3rd Street – James Street to Washington Street
James Street – NW 4th Street to NW 2nd Street and NW 6th Street to NW 8th Street
NW 8th Street – Charles Street to Washington Street
NW 7th Street – Charles Street to Washington Street

RESOLUTION NO. 40:17

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

Update of No Parking Request – N 1st Street and Kingwood Street - Informational

Committee Chair Bevans stated the curbs have been painted in this area along with a no parking sign placed at the north-south stretch of North 1st Street where Kingwood Street meanders. Staff will continue to monitor the situation with traffic, along with working with the CSO officers to make sure the parking in this area is enforced within the yellow painted curb areas.

Oak Lawn Township Cross-Jurisdictional Maintenance Agreement - Approved

MOVED AND SECONDED BY ALDERMEN BEVANS AND BADEAUX, DULY CARRIED, TO ADOPT THE CROSS-JURISDICTIONAL MAINTENANCE AGREEMENT AS PROPOSED AND AUTHORIZE THE PROPER SIGNATURES ON THE AGREEMENT.

Improvement 17-03 – 2017 Crack Sealing Final Pay Application – Informational

Committee Chair Bevans indicated the Safety and Public Works Committee approves the final payment as this project has been completed. The final payment details are included in the Personnel and Finance Committee agenda.

S 6th Street Reconstruction Public Informational Meeting – Informational

Committee Chair Bevans stated that MNDOT will be holding a Public Informational Meeting regarding the Highway 371B/South Sixth Street construction project on Tuesday, July 25, 2017 at City Hall. An open house takes place from 6:30 p.m. to 8:30 p.m. with a short presentation at 7 p.m.

Personnel and Finance Committee Report

Approval of Bills & Payments to Contractors – Approved

Contractor	IMP#	Project	Amount Paid	Amount Retained
Anderson Brothers Constr	17-03	Final 2017 Crack Seal	$16,040	$0
Tom's Backhoe	14-15	Airport Util Ext thru 7/7	$ 8,076	$250

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART TO APPROVE THE PAYMENT OF BILLS AND PAYMENTS TO CONTRACTORS AS RECOMMENDED BY PERSONNEL AND FINANCE COMMITTEE.

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

Fire Department – Paid On-Call Firefighters Erik Flowers and Nick Haglin – Completed One Year Probation – Change Employment Status from "Probationary" to "Regular" Effective July 1, 2017 – Approved

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART, DULY CARRIED, TO AUTHORIZE THE CHANGE IN EMPLOYMENT STATUS FROM "PROBATIONARY" TO "REGULAR" FOR PAID ON-CALL FIREFIGHTERS ERIK FLOWERS AND NICK HAGLIN FOLLOWING THE SUCCESSFUL COMPLETION OF THE ONE-YEAR PROBATION PERIOD, EFFECTIVE JULY 1, 2017.

Subordination of Loan – Approve Agreement Retaining the City as Second Position and Authorize Appropriate Signatures on Agreement – Approved

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART, DULY CARRIED, TO APPROVE THE SUBORDINATION AGREEMENT RETAINING THE CITY AS SECOND POSITION FOR THE 1614 LAUREL STREET SCDG LOAN AND TO AUTHORIZE APPROPRIATE SIGNATURES ON THE SUBORDINATION AGREEMENT.

Heartland Animal Rescue Team (HART) Rate Increase – Held Over

Committee Chair Johnson stated this topic will be held over and discussed at a future council meeting.

(Added Item) **To Approve Proposal From David Drown Associates Company (DDA Human Resources, Inc.) For the City of Brainerd City Administrator Search Contingent Upon the City Council Accepting the Resignation of City Administrator Thoreen – Approved**

MOVED AND SECONDED BY ALDERMEN JOHNSON AND HILGART, DULY CARRIED, TO APPROVE THE PROPOSAL FROM DAVID DROWN ASSOCIATES COMPANY (DDA HUMAN RESOURCES, INC.) FOR THE SEARCH OF CITY OF BRAINERD ADMINISTRATOR CONTINGENT UPON THE CITY COUNCIL ACCEPTING THE RESIGNATION OF CITY ADMINISTRATOR THOREEN.

Committee Chair Johnson stated the proposal was reviewed and the timeline was adequate. The fees will be partially reimbursed by National Joint Powers Alliance (NJPA).

Unfinished Business

Public Hearing – Final Reading of Proposed Ordinance No. 1470 – An Ordinance Amending Brainerd City Code Section 1205 – Non-Intoxicating Malt Liquor - Approved

City Administrator Thoreen stated this is simply to bring the ordinance into compliance with Minnesota State Law of amending the age from 19 years to 21 years.

The Chair opened the Public Hearing at 8:36 p.m.

No one came forward.

The Chair closed the Public Hearing at 8:36 p.m.

MOVED AND SECONDED BY ALDERMEN BEVANS AND JOHNSON, DULY CARRIED, TO HOLD THE FINAL READING OF PROPOSED ORDINANCE NO. 1470 – AN ORDINANCE AMENDING SECTION 1205 OF THE BRAINERD CITY CODE – NON-INTOXICATING LIQUOR TO CORRECT THE LEGAL AGE FROM 19 YEARS TO 21 YEARS AS PER MINNESOTA STATE LAW.

MOVED AND SECONDED BY ALDERMEN BEVANS AND JOHNSON TO ADOPT ORDINANCE NO. 1470 – AN ORDINANCE AMENDING: SECTION 1470 OF THE BRAINERD CITY CODE – NON-INTOXICATING MALT LIQUOR TO CORRECT THE LEGAL AGE FROM 19 YEARS TO 21 YEARS AS PER MINNESOTA STATE LAW.

ORDINANCE NO. 1470

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

Public Hearing – Petition to Vacate O Street Right-of-Way – Doran's Addition - Denied

Assistant City Engineer Fladung indicated staff recommends denial after the DNR opposes vacating roads that lead to public waters. It is in the City's best interest to preserve this portion of the O Street right-of-way, as it may serve a public purpose in the future, along with ease of access to maintain its current utilities. The City also has a storm sewer outfall that may need to be replaced in the coming years on this property.

The Chair opened the Public Hearing at 8:44 p.m.

No one came forward.

The Chair closed the Public Hearing at 8:44 p.m.

MOVED AND SECONDED BY ALDERMEN JOHNSON AND BEVANS, DULY CARRIED, TO DENY THE PETITION TO VACATE THE O STREET RIGHT-OF-WAY DORAN'S ADDITION.

Council discussion took place and directed the engineering staff to follow up with the petitioner on his concerns.

Public Hearing – Petition to Vacate 12' x 5' Section on Terrace Avenue – Approved

Assistant City Engineer Fladung stated the property owner is currently working through a sale of the property and the buyer's underwriters will not accept the temporary easement already granted to the property. Staff has reviewed with City Attorney and it was concluded the only way to assist the seller in the sale was to vacate the portion that encompasses the encroachment into the City right-of-way.

The Chair opened the Public Hearing at 8:46 p.m.

The Chair recognized Mr. Richard Jensen, 1028 Terrace Avenue, Brainerd, who is the owner of the property. Mr. Jensen explained his situation of entering into a sale agreement of the property with a first time home buyer. The underwriters will not accept the temporary easement on the property. The only solution is to vacate the 12' x 5' section of Terrace Avenue to allow the sale to proceed.

The Chair closed the Public Hearing at 8:47 p.m.

MOVED AND SECONDED BY ALDERMEN BEVANS AND JOHNSON TO ADOPT RESOLUTION 39:17 TO APPROVE THE VACATION OF THE 12' X 5' AREA ON TERRACE AVENUE, BRAINERD THAT ENCOMPASSES THE ENCROACHMENT INTO THE CITY RIGHT-OF-WAY.

RESOLUTION 39:17

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

Joint Meeting with Baxter City Council - Informational

City Administrator Thoreen stated we will be meeting with the City of Baxter on Monday, August 14, 2017 at 6:00 p.m. to share an informal discuss on the mutual concerns, needs and challenges of the respective cities. The State Demographer will be presenting information on population trends, work force challenges, aging population and the effect of all factors as related to the school district(s).

Status of Legal Action – 6th Street Motel – Informational

City Administrator Thoreen updated council on the projected timetable for the legal portion of our efforts to be completed. City Attorney explained that there is a statutory process that is used for hazardous structures. The case has been filed in Crow Wing County Court.

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

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

Charter Commission – 1 term (Expire 2020)
Transportation Advisory Committee – 1 term (Expire 2018)

New Business

City Administrator's Report

City Administrator Thoreen presented a brief update on current projects for council.

Accept with Regret the Resignation of City Administrator James Thoreen, Effective October 27, 2017 – Approved

MOVED AND SECONDED BY ALDERMEN BEVANS AND JOHNSON, DULY CARRIED, TO ACCEPT WITH REGRET THE RESIGNATION OF CITY ADMINISTRATOR JAMES THOREEN, EFFECTIVE OCTOBER 27, 2017.

City Administrator Thoreen thanked the council and the citizens of Brainerd for the opportunity to serve them and Mr. Thoreen was thanked for his service as well.

Planning Commission

Public Hearing – Final Reading of Proposed Ordinance No. 1469 – An Ordinance Amending Zoning Ordinance Section 2 Definitions and Section 76 Floodplain District, Section 77 FW Floodway District, Section 78 FF Flood Fringe District - Approved

The Chair opened the Public Hearing at 8:58 p.m.

No one came forward.

The Chair closed the Public Hearing at 8:58 p.m.

MOVED AND SECONDED BY ALDERMEN BEVANS AND HILGART, DULY CARRIED, TO HOLD THE FINAL READING OF PROPOSED ORDINANCE NO. 1469 – AN ORDINANCE AMENDING ZONING ORDINANCE SECTION 2 DEFINITIONS AND SECTION 76 FLOODPLAIN DISTRICT, 77 FW FLOODWAY DISTRICT, SECTION 78 FF FLOOD FRINGE DISTRICT.

MOVED AND SECONDED BY ALDERMEN BEVANS AND HILGART TO ADOPT PROPOSED ORDINANCE NO. 1469 – AN ORDINANCE AMENDING ZONING ORDINANCE SECTION 2 DEFINITIONS AND SECTION 76 FLOODPLAIN DISTRICT, 77 FW FLOODWAY DISTRICT, SECTION 78 FF FLOOD FRINGE DISTRICT.

ORDINANCE NO. 1469

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

Public Forum

The Chair Opened the public forum at 8:59 P.M.

No one came forward.

The Chair Closed the public forum at 8:59 P.M.

Staff Reports

City Planner Ostgarden commented to date in 2017, there have been 19 new single family building permits issued in the City of Brainerd. This is the highest number since 2009.

Council Member Reports

Council Member Hilgart stated she is looking forward to the next scheduled PTO Study Committee meeting.

Council Member Bevans reminded council August 1, 2017 is National Night Out in area neighborhoods.

Council Member Badeaux extended thanks to Brainerd Community Action for the great 4th of July events that took place in our city. Holly Holm, Executive Director, did a fantastic job her first year coordinating the events.

Adjourn - To Closed Session Pursuant to the Attorney-Client Privilege Under MN Statute 13D.05, Subd. 3(B) – 9:00 p.m.

The Council reconvened into open session at 9:30 P.M.

Adjourn to the MNDOT Meeting on July 25, 2017 at 6:30 p.m. at City Hall

The Chair adjourned the meeting at 9:31 P.M.

James M. Thoreen
City Administrator