



CITY COUNCIL AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Monday, June 15, 2026 @ 7:30 PM

The public is invited to attend these meetings in person

Dial in by phone

[+1 469-250-2695](tel:+14692502695)

City Council - Meeting Access Code:347 590 712#

Personnel and Finance Committee held: 2nd Floor Conference Room at 7:00 PM

Safety and Public Works Committee held: Council Chambers at 7:00 PM

Per MN Statutes 13D.02 Subd 1 Council Members may participate by interactive technology.

Meetings are broadcast on CTC ch 8, Charter ch 181, YouTube, AppleTV, Roku, and Amazon FireTV

1. **Call To Order**

2. **Roll Call**

___ J. Czezok ___ G. Johnson ___ K. Stunek ___ K. Yeager ___ T. Erickson ___ K. Bevans ___ M.
O'Day ___ Mayor Badeaux

3. **Pledge of Allegiance**

4. **Approval Of Agenda - Voice Vote**

5. **Consent Calendar**

NOTICE TO PUBLIC - all matters listed are considered routine by the Council and will all be enacted by one (1) motion. There will be no separate discussion of these items unless good cause is shown prior to the time the Council votes on the motion to be ADOPTED BY ROLL CALL

A. **Approval of Bills**

(Available upon request in the City Administrator's Office)

B. **Approval of Minutes**

C. **Approval of Licenses**

D. **Department Activity Reports**

E. **Temporary On-Sale Liquor Applications**

F. **Resolution - MN Lawful Gambling Application - American Legion**

G. **Event Application - Relationship Safety Alliance**

- H. **Event Application/Extension of Premise - Shep's on 6th**
- I. **Event Application/Extension of Premise - Elbow Convention**
- J. **Event Application - Run for the Son 5k**
- K. **Start Date - Deputy Public Works Director/City Engineer Jennifer Schumann**
- L. **Hiring - Summer Temporary Employees**
- M. **Hiring - Records Management Technician Madison Lloyd**
- N. **City Building Closures - Employee Wellness Event**
- 6. **Public Forum**
Time allocated for citizens to bring matters not on the agenda to the attention of the Council -
Time limits may be imposed
- 7. **Presentations**
 - A. **Brainerd Public Library**
- 8. **Council Committee Reports**
 - A. **Personnel & Finance Committee**
 - 1. Authorization to attempt to acquire an ARFF apparatus
 - 2. Funding Request - YMCA
 - 3. Donation Request - 4th of July Fireworks
 - B. **Safety & Public Works Committee**
 - 1. Procurement Policy - Transit
 - 2. Amendment No. 2 – BWSR Clean Water Fund: Brainerd Gully Stormwater Project & Potential Soil Stabilization at Outlet
 - 3. Change Order 5 - S 10th Street Reconstruction - Lane Closure on Industrial Park Road (CR 117)
 - 4. Final Pay Voucher No. 9 - Police Department Exterior Improvements Project
- 9. **Unfinished Business**
 - A. **Call for Applicants**
Mayor Recommended: (terms to expire on 12/31 of said year)
Charter Commission – 2 terms (Expire 2029) 2 terms (Expire 2026)
Economic Development Authority-- 1 term (Expire 2028) 1 term (Expire 2031)

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

- B. Preliminary Draft - Orderly Annexation - Riverside Drive
 - C. Resolution - Deny CMHP Wright Street Development
 - D. Final Reading - Ordinance 1603 - Shoreland Overlay District
 - E. First Reading - Ordinance 1604 - Special Events
10. **New Business**
- A. Letter of Intent - Apartment Development City Hall Parking Lot
 - B. First Reading - Ordinance 1605 - Airport Agreement
 - C. Letter of Support - Baxter Tax-Forfeit Lots
11. **Staff Reports**
(Verbal: Any Updates since Packet)
12. **Mayor's Report**
13. **Council Member Reports**
14. **Adjourn**
15. **Council Communications**
- A. Gustafson Park Update

Visit the City's Website at www.ci.brainerd.mn.us

MISSION

"Provide high quality, cost effective public services and leadership in creating a sustainable city"

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: Czeczok, Johnson, Stunek, Erickson, Bevans, and O'Day. Mayor Badeaux was also noted as present. Member Yeager was noted as absent.

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

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND JOHNSON, DULY CARRIED, TO APPROVE THE AGENDA WITH THE ADDITION OF RESIGNATION OF NETWORK ADMINISTRATOR – JACOB WALZ TO THE CONSENT CALENDAR AND SCOPE AND FEE AMENDMENT – PROFESSIONAL SERVICES SEH HIGHWAY 210/WASHINGTON STREET TO SAFETY AND PUBLIC WORKS.

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

Approval of Bills

Approved as on file in the Administrator's Office.

Approval of Minutes

Approved May 18, 2026, Council Minutes.

Department Activity Reports

Approved reports as presented.

MN Lawful Gambling - CLC Foundation

Approved MN Lawful Gambling Application for Exempt Permit Submitted by Central Lakes College Foundation for an Event to be held on October 14, 2026, at 501 W College Drive.

MN Lawful Gambling Application - Lil Rubber Duckie Race

Approved MN Lawful Gambling Application for Exempt Permit Submitted by the Brainerd Jaycees for an Event to be held on June 20, 2026, at 702 S 5th Street.

Event/ Street Closure - Independence Day

Approved application with conditions.

Hiring - Summer Temporary Employees

Approved hiring list as presented.

Reclassify - Water/Wastewater Operators

Approved reclassification to Water/Wastewater Operators effective June 2, 2026: Andrew Moody at Step 5 (\$39.27 per hour), Daniel Doucette at Step 5 (\$39.27 per hour), Jesse Simenson at Step 5 (\$39.27 per hour), Darrin Smith at Step 7 (\$43.83 per hour), Bradley Knapp at Step 7 (\$43.83 per hour), and Jason Gage at Step 4 (\$37.99 per hour).

Sale of Fire Dept. Surplus Equipment

Authorized the sale of items identified by the Fire Department as surplus equipment using the public surplus site.

Sale of Electric Department Surplus Items

Authorize the sale of items identified by the Electric Department as surplus equipment using the public surplus site.

Resignation – Network Administrator Jacob Walz (added item)

Accepted the resignation of Jacob Walz effective Friday, June 12, 2026, and authorized staff to begin the hiring process to backfill the position.

Upon roll call, Council Members Czeczok, Johnson, Stunek, Erickson, Bevans, 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 7:32 p.m.

Council Committee Reports

Personnel and Finance Committee

League of MN Cities Insurance Trust (LMCIT) Premium Renewal March 2026-February 2027

Committee Chair Johnson stated that the insurance premium came back favorably decreasing by \$22,000 from what was originally budgeted. It was recommended decreasing the mobile property deductible to \$1,000 which will increase the premium by about \$1,500 a year.

Member Czczok stated that the agenda request indicated that there was no financial impact. He asked that the financial impact be included.

Finance Director Hillman stated that the financial impact was explained above in the alternatives options and comments.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE RENEWAL FROM LMCIT FOR THE PERIOD OF MARCH 1, 2026- FEBRUARY 28, 2027 AND REDUCING THE MOBILE PROPERTY DEDUCTIBLE FROM \$5,000 TO \$1,000.

Resolution - Appointing Election Judges and Setting Wages

Committee Chair Johnson stated that this is a slight raise for our election judges, but it will match the County's pay to be competitive. The City will also be providing meals which the County does not.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO ADOPT RESOLUTION APPOINTING AND SETTING WAGES FOR ELECTION JUDGES AT \$20 PER HOUR FOR ELECTION AND TRAINEE JUDGES AND \$25 PER HOUR FOR HEAD AND ASSISTANT HEAD JUDGES.

RESOLUTION 35:26

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

Hiring - Deputy Public Works Director/City Engineer Jennifer Schumann

Committee Chair Johnson stated that Ms. Schumann is currently the Assistant City Engineer in Wayzata.

Member Czczok jokingly added that he likes that Mr. Sandy has some direct competition to keep him on his toes.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE HIRING OF JENNIFER SCHUMANN AS THE DEPUTY PUBLIC WORKS DIRECTOR/CITY ENGINEER SUBJECT TO THE FOLLOWING: PLACEMENT AT STEP 3 OF THE DEPUTY PUBLIC WORKS DIRECTOR/CITY ENGINEER WAGE GRID, AT THE RATE OF \$61.46 PER HOUR, TO ACCOMMODATE A PREVIOUSLY SCHEDULED VACATION, MS. SCHUMANN WILL BE CREDITED WITH 40 HOURS OF VACATION LEAVE EFFECTIVE ON HER HIRE DATE. SHE WILL NOT ACCRUE ADDITIONAL VACATION LEAVE UNTIL THE POINT AT WHICH SHE WOULD HAVE NORMALLY EARNED THE INITIAL 40 HOURS, AN INITIAL VACATION ACCRUAL RATE OF 13.33 HOURS PER MONTH (EQUIVALENT TO FOUR WEEKS PER YEAR). THIS ACCRUAL RATE WILL BE FROZEN FOR THE FIRST SIX YEARS OF HER EMPLOYMENT, AFTER WHICH IT WILL INCREASE IN ACCORDANCE WITH THE EMPLOYEE POLICY MANUAL, AND COMPLETION OF THE PRE-EMPLOYMENT PROCESS.

Safety and Public Works Committee

Improvement 26-02 - 2026 Large Patching Project - Award Recommendation

Committee Chair Erickson stated that Knife River was the lone bidder. Council previously discussed potentially exceeding the budgeted amount. The additional work on a portion of Andrew Street would have been about \$11,000, which would have put the project over the budgeted amount. Staff and the committee are recommending awarding the contract without the enhancements to the subgrade on Andrew Street, putting the overall project just under the \$55,000 budgeted amount.

Member Johnson thanked Public Works Sandy for recognizing the budgeted amount.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO APPROVE THE QUOTE FROM KNIFE RIVER - NORTH CENTRAL IN THE REDUCED SCOPE AMOUNT OF \$54,512.90 FOR THE 2026 LARGE PATCHING PROJECT.

Scope and Fee Amendment - SEH for Professional Services - TH 371B/Willow Street Roundabout Project

Committee Chair Erickson stated that SEH staff was tracking hours for additional tasks that staff had directed them to complete. All of these items were outside of the original scope of services. Staff elected to wait to bring an amendment to Council until the project was complete to assess the overall project budget. The additional cost is \$18,785. The cost is state aid eligible.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO APPROVE THE FEE AMENDMENT FOR PROFESSIONAL SERVICES FROM SEH IN THE TOTAL AMENDMENT AMOUNT OF \$18,785.

Change Order 3 - Improvement 23-14 - Hawkins/Ronald/Joseph Resurfacing Project

Committee Chair Erickson stated that the change order is for the cost of reconstruction of the upper section of five sanitary sewer manholes and lowering of a water main.

Chair O'Day stated that it was better to do this project now than to tear up the street in a couple of years and have to patch them.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO APPROVE CHANGE ORDER NO. 3 FOR IMPROVEMENT PROJECT NO. 23-14 IN THE TOTAL AMOUNT OF \$28,477.

Resolution - Authorizing 2027 Transit Operations

Committee Chair Erickson stated the agreement does come with a local match of up to 15% for operating and 20% for capital vehicle costs.

Member Johnson requested that staff include financial impact in the future for this item.

Member Czeczok stated that next year at this time there will be a new contract approved for Transit Services.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK TO ADOPT RESOLUTION ENTERING INTO THE GRANT AGREEMENT WITH MNDOT FOR PROVIDING TRANSIT SERVICES.

RESOLUTION 36:26

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

Direction on Active Code Enforcement

Committee Chair Erickson gave an overview of both properties.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO OBTAIN AN ADMINISTRATIVE SEARCH WARRANT AND ABATE JUNK/ DEBRIS/ BLIGHT AT 2020 PINE STREET AND OBTAIN AN ADMINISTRATIVE SEARCH WARRANT AND ABATE THE JUNK/ DEBRIS/ BLIGHT AT 113 WASHINGTON STREET NE.

Draft Ordinance - Special Events

Committee Chair Erickson stated that the ordinance will require application to hold a special event in the City of Brainerd.

Member Czeczok stated that the City will give notice to anyone who is out of compliance to remove themselves. He asked Chief Runde the estimated amount of time a group or organization will have to remove themselves from the property.

Chief Runde stated that a reasonable amount of time will be given on a case by case basis.

Mayor Badeaux stated that he does like where this ordinance is going. It's really about having staff being aware of events so that they can be prepared. A sound policy will need to follow.

Chair O'Day stated that the ordinance protects the City and event organizers as well.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECZOK, DULY CARRIED, TO CONDUCT THE 1ST READING OF THE ORDINANCE AT THE NEXT MEETING AND HOLD A PUBLIC HEARING AT THE JULY 6TH CITY COUNCIL MEETING.

Scope and Fee Amendment – SEH (added item)

Committee Chair Erickson stated that the amendment is for soil compaction testing on the Highway 210 reconstruction project for water and sewer. Typically, MnDOT charges 1% of local utility costs for testing. In lieu of that charge the City reached out to SEH to amend their services contract for the project.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND CZECHOK, DULY CARRIED, TO APPROVE THE SCOPE AND FEE AMENDMENT FOR PROFESSIONAL SERVICES FROM SEH IN THE TOTAL AMENDMENT AMOUNT OF \$5,725.

Unfinished Business

Call for Applicants – Informational:

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

Charter Commission – 2 terms (Expire 2029) 2 terms (Expire 2026)

Economic Development Authority-- 1 term (Expire 2028) 1 term (Expire 2031)

Library Board-- 1 term (Expire 2027)

Public Utilities Commission – 1 term (Expire 2026)

Transportation Advisory Committee- 1 term (Expire 2026) 2 terms (Expire 2027)

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

Airport Commission -- 1 term (Expire 2028)

Planning Commission-- 1 term (Expire 2028)

Water Tower Committee—2 terms

Transit Fares – City of Baxter

Administrator Broyles stated that Member Czechok requested transit data. Due to the scope of the information he also requested that the City Council approve 20-30 hours staff time for this purpose.

Member Czechok stated that the data is important for a couple of reasons. Our local share for transit comes from fare boxes. The City paid Baxter the excess amount of their local share for Transit in 2023, which far exceeded their local share. Data analysis could determine the future excess if any and help to determine a better fare structure for the City of Baxter to align fares for both cities. The ridership is affected by the current fares. The City Council previously approved our staff to address fares with the City of Baxter and the City of Baxter refused to see our staff.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECHOK AND JOHNSON, DULY CARRIED, DIRECT STAFF TO COMPILE AND PRESENT TO CITY COUNCIL WHEN ABLE: TRANSIT FINANCIAL AND OPERATIONAL DATA RELATED TO FARE STRUCTURE AN LOCAL SHARE FUNDING BETWEEN THE CITY OF BRAINERD AND THE CITY OF BAXTER; ADDITIONALLY, THAT STAFF USE DISCRETION ON OVERLY BURDENSOME DATA COMPILATION REGARDING NO RETURN TRIPS.

New Business

Resolution - Authorization Approving Special Appropriations for the Memorial Park Skatepark

Community Development Director Kramvik stated that a 2025 bonding bill appropriated \$750,000 for a skatepark. He gave an overview of the terms of the grant.

Member Bevans asked about City contribution outside of the land. He stated that he emailed asking about the City's contribution to the previous skate park and who would ensure that this new skatepark doesn't get destroyed.

Community Development Director Kramvik stated that the City does not have anything allocated to contribute outside of the land designated by the Park Board. Staff found information that the City contributed \$20,000 to the previous skatepark. He also stated that the skatepark will be built out of concrete unlike the previous park. The City has also discussed cameras and lighting for this area.

Member Johnson asked about the application process. He is concerned that a random citizen is writing grant requests for hundreds of thousands of dollars in the City's name. He questioned the year-round availability of the skatepark.

Member Bevans stated that the Park Board has approved the grant application. He then assumes that the Park Board takes responsibility of the 365-day skatepark.

Community Development Director Kramvik stated that the Park Board approved the application and are aware of the maintenance that will be needed for the skatepark. He does not believe there will be a fence around it.

Member Erickson asked to have the skatepark representative answer questions about the 365-day skatepark.

Paul Forsling, City Skates, stated that they represent organizations that apply for grants for skateparks. He likened the skatepark to a basketball court. If there is a nice enough day people are welcome to use it but it is not maintained to be free of snow.

Chair O'Day stated he's glad to hear the commonsense approach the skatepark. There have been generations of people who have wanted a skatepark.

Member Johnson restated to staff, the Park Board, and members of the public that no one can apply for a grant in the City of Brainerd's name without the City of Brainerd's permission. It's hard enough to get our Boards and Commissions to do so let alone any random citizen.

Member Bevans stated that he agrees with Member Johnson. He also stated that he is a little hesitant considering "no cost to the City" has been proposed on many previous projects and the City did end up funding. He commended the organization on how much they have raised, and hope for continued success fundraising, so that the cost does not fall on the taxpayers of Brainerd.

MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND BEVANS TO ADOPT RESOLUTION APPROVING SPECIAL APPROPRIATIONS FOR THE MEMORIAL PARK SKATEPARK.

RESOLUTION 37:26

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

Interim Use Permit for Short-Term Rental - 1526 14th Ave NE

Community Development Director Kramvik gave an overview of the interim use permit.

Member Johnson asked about the expiration dates on interim use permits for short-term rentals.

Community Development Director Kramvik stated that typically new short-term rental interim use permits expire after one year and renewals expire after two.

Member Czczok asked when neighbors have concerns about activities at these locations and report the concern, does the City keep a record so that when the renewal comes up these violations can be reviewed. He has gotten calls about neighbors being told to call the owner directly if there are concerns and he feels it should be reported directly to the City.

Member O'Day stated that it is fair for the owner to be called as well, but the incidents do need to be reported to the City.

Member Bevans asked about the financial impact.

Community Development Director Kramvik stated the cost for the rental license is \$50 per year and the interim use permit is \$125.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND STUNEK TO APPROVE THE INTERIM USE PERMIT FOR 1526 14TH AVENUE NE WITH THE FOLLOWING CONDITIONS: THE INTERIM USE PERMIT FOR A SHORT-TERM RENTAL AT 1526 14TH AVE NE, BRAINERD, MN 56401 TERMINATES ONE YEAR AFTER APPROVAL, THE INTERIM USE PERMIT SHALL TERMINATE UPON SALE OR TRANSFER OF THE PROPERTY, OCCUPANCY OF THE SHORT-TERM RENTAL SHALL NOT EXCEED 10, ALL OUTDOOR LIGHTING FIXTURES SHALL MEET THE STANDARDS OF SECTION 515-4-8 OUTDOOR LIGHTING OF THE ZONING CODE, ALL WATERCRAFT DOCKED IN THE LAKE AT THE PROPERTY SHALL BE WITHIN THE BOUNDARIES OF 1526 14TH AVE NE, OVERNIGHT GUEST VEHICLES AND TRAILERS MUST BE PARKED IN THE DRIVEWAY. TWO ADDITIONAL VEHICLES MAY BE PARKED ON THE STREET FOR DAYTIME GUESTS, SUBMISSION OF THE LODGING TAX REPORT ON A MONTHLY BASIS TO THE FINANCE DEPARTMENT, AND APPLICANT MUST UPDATE THE NOISE POLICY IN THE HOUSE RULES TO ALIGN WITH CITY CODE PRIOR TO OCCUPANCY.

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

I Interim Use Permit Renewal for Short-Term Rental - 1123 15th Ave NE

Community Development Director Kramvik gave an overview of the interim use permit.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND STUNEK, DULY CARRIED, TO APPROVE THE INTERIM USE PERMIT FOR A SHORT-TERM RENTAL AT 1123 15TH AVE NE WITH THE FOLLOWING CONDITIONS: THE INTERIM USE PERMIT SHALL TERMINATE TWO YEARS AFTER APPROVAL, THE INTERIM USE PERMIT SHALL TERMINATE UPON SALE OR TRANSFER OF THE PROPERTY, OCCUPANCY OF THE SHORT-TERM RENTAL SHALL NOT EXCEED 9, ALL OUTDOOR LIGHTING FIXTURES SHALL MEET THE STANDARDS OF SECTION 515-4-8 OUTDOOR LIGHTING OF THE ZONING CODE, ALL WATERCRAFT DOCKED IN THE LAKE AT THE PROPERTY SHALL BE WITHIN THE BOUNDARIES OF 1123 15TH AVE NE, OVERNIGHT GUEST VEHICLES AND TRAILERS MUST BE PARKED IN THE DRIVEWAY. TWO ADDITIONAL VEHICLES MAY BE PARKED ON THE STREET FOR DAYTIME GUESTS, AND SUBMISSION OF THE LODGING TAX REPORT ON A MONTHLY BASIS TO THE FINANCE DEPARTMENT.

First Reading - Ordinance 1603 - Shoreland Overlay District

Community Development Director Kramvik gave an overview of the ordinance.

Member Czeczok asked how the City negotiates impervious surfaces.

Community Development Director Kramvik stated that the MnDNR has a process for negotiating uses and based on existing development and other factors.

MOVED AND SECONDED BY COUNCIL MEMBERS BEVANS AND CZECZOK, DULY CARRIED, TO CONDUCT THE FIRST READING OF ORDINANCE 1603 – SHORELAND OVERLAY DISTRICT AND DISPENSE WITH THE ACTUAL READING.

Ordinance 1604 (Rezoning), Future Land Use Map Amendment, Conditional Use Permits Requests, and Variance Request for a 50 - Unit Multifamily Apartment — Wright Street

Community Development Director Kramvik gave an overview of the proposed development in the industrial park for a multifamily apartment complex. The Planning Commission unanimously recommended denial of all applications.

Member Czeczok asked about the HRA Board's approval for a survey and appraisal. He also asked whether allowing CMHP to develop in the industrial park at a reduced cost is more favorability in the grant process and if that was the reason the developer chose this property. He also asked about logistics of a PDA.

HRA Director Charpentier stated that the survey was completed. The appraisal has not come back to staff yet. The grant program does see a reduced cost for land as a positive for receiving the grant. The details of a partnership agreement have not been hammered out. It did not make sense to pursue a PDA with the outcome of the Planning Commission. The HRA has been in contact with counsel for a PDA.

Chair O'Day stated that he believes the Planning Commission got this right. He was a part of the EDA meeting that provided for the possibility of the development. He feels this is spot zoning. Hopefully the City can find another place to put this development.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND BEVANS, DULY CARRIED, TO DENY THE REZONING OF PARCEL 41340501, THE FUTURE LAND USE MAP AMENDMENT, CONDITIONAL USE PERMIT REQUESTS FOR A MULTIFAMILY APARTMENT AND TO EXCEED THE LOT SIZE AND LOT WIDTH IN THE CN-2 DISTRICT, AND THE VARIANCE REQUEST TO NOT MEET THE OFF-STREET PARKING REQUIREMENTS BASED ON THE COMMENTS AND FINDINGS PROVIDED BY THE PLANNING COMMISSION.

Direction Requested - Referendum YMCA

Administrator Broyles stated that The YMCA is requesting the City to partner with them in building a community pool as part of YMCA's remodel project. The request is \$4 million. The City would need to issue debt to fund the request. At the April 6, 2026 council meeting, Baker Tilly provided funding options, and Staff presented annual debt service costs and the potential estimated impact on the 2026 levy based on various debt repayment terms. The motion from that meeting was to take no action on committing or not committing \$4 million to the YMCA for a community pool at this time and continue working with the YMCA. Another option would be to bring a referendum to the voters.

Member Czeczok stated he's not sure what the outcome of the support from the Council on a community pool would be. It looked as if there may be support. There are two members outspoken against the pool. He is not in favor of funding the pool. He would like to see if the Council is interested in putting this matter on the ballot for the people to decide on, for which a question would need to be submitted by August 11th.

Member Bevans stated that he appreciates what Member Czczok is doing to take it to the voters. He has a question for Mr. Riffle on the timeliness. If the Council holds off two-weeks, it still gives the Council time to draft a question. He supports drawing up a question for the June 15th meeting. He wouldn't want to approve the referendum until they know the timeliness.

Mayor Badeaux stated that he sees this as having staff come back with language for a referendum, not approving the matter be put on the ballot. It could encourage the public to come forward for or against.

Member Czczok stated that he is looking for staff to come back with proposed language to start looking at the possibility of a referendum and allow time for Mr. Riffle to come back to Council with a request.

Member Johnson stated that he supports drafting the language as it may take a handful of meetings to hammer out the language. He thinks it's pre-mature to decide whether to go to a referendum. It may be the correct path at the end of the day, but that can be decided at the first meeting in August. He stands by his previous motion that directed staff to continue to work with the YMCA to figure out how the bond proceeds can be paid, the benefit to taxpayers, and other details concurrently with drafting a question.

Member Czczok stated he would appreciate if staff comes back with language that clearly articulates that citizens will likely see a property tax increase with the approval.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND BEVANS, DULY CARRIED, TO DIRECT STAFF TO WORK WITH THE CITY ATTORNEY IN DRAFTING A REFERENDUM QUESTION FOR DISCUSSION.

Staff Reports

Chief Holmes stated that the fire station demolition will continue this week and begin reconstruction shortly. The northeast fire station is where operations are being headed out of which is working well.

Finance Director Hillman stated that filings for City offices close on June 2nd. There are currently no candidates for Ward 4.

Community Development Director Kramvik stated that the revised Riverside annexation item will come before the Council again at the next meeting. The Riverbirch dermatology clinic closed on the property last week and a building permit has been issued. Finally, the EDA will consider a letter of intent for the City Hall parking lot at its meeting on June 4th.

HR Director Kummet stated that the life insurance plan will go out for RFP on June 9th as required by state statute. She will have more information at the July 6th meeting.

Public Works Director Sandy gave an overview of all of the active construction projects. The Commission will be working on the 10-year capital plan with the hiring of Deputy Public Works Director/ City Engineer Schumann.

Administrator Broyles stated that members of staff from the City, County, and Airport Commission have been working on an updated agreement for consideration at the next meeting. The City is still actively recruiting for the Public Services Director, which is open until filled.

Mayor's Report

Mayor Badeaux stated that he had an opportunity to work with the Chamber regarding the public messaging for the Highway 210 reconstruction. He attended the Snodeo's event on S 10th Street. Staff worked to get them water as it was shut off for road construction. Finally, he thanked the people of Pierz for their town ball tournament. He would love to see Brainerd get a town ball team again.

Council Member Reports

Member Czczok stated that he attended his first HRA Board meeting, he is looking forward to working with the group.

Member Erickson welcomed Ms. Schumann to her new position. She will be serving on the Region 5 Development Committee and he will inform the committee of her position.

Member Johnson stated to employees that packets come out on Thursdays. He jokingly requested that they please do not turn in their resignation on Fridays.

Chair O'Day stated that he is looking forward to the EDA meeting on Thursday to hear what the plan is for the City Hall parking lot. He likes the way that streets and construction projects are coming along.

Adjourn

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

The Chair adjourned the meeting at 8:46 p.m.

Nicholas W. Broyles
City Administrator

**2026-2027 LICENSE RENEWALS
JUNE 15, 2026 COUNCIL MEETING**

BULK & FILLING STATION LICENSES: 8 RENEWALS

Mill Ave Holiday
1500 Mill Ave
Brainerd, MN 56401

Mid Town Depot
321 Washington Street
Brainerd, MN 56401

Casey's #4264
3325 Oak Street
Brainerd, MN 56401

Southside Express
701 Industrial Park Road SW
Brainerd, MN 56401

Northdale Oil Inc
421 Washington St NE
Brainerd, MN 56401

Casey's General Store #3654
850 Lum Park Rd
Brainerd, MN 56401

Speedway #4076 Northern Tier
1223 South 6th Street
Brainerd, MN 56401

Best Oil Company, LLC
1202 Madison Street
Brainerd MN 56401

OFF SALE BEER – 3 Renewals

Super One Foods #536
417 8th Ave NE
Brainerd, MN 56401

Casey's General Store #3654
850 Lum Park Rd
Brainerd, MN 56401

Super America #4076 Northern Tier
1223 South 6th Street
Brainerd, MN 56401

ON SALE LIQUOR LICENSES – 8 Renewals

O'Neary's Irish Pub
305 S 7th Street
Brainerd, MN 56401

Shep's on 6th Inc.
315 S 6th Street
Brainerd, MN 56401

The Parlor
714 Laurel Street
Brainerd MN 56401

El Potro Mexican Restaurant
314 S. 7th Street
Brainerd, MN 56401
CLASS 2 RESTAURANT

Blue Oyster
612 Front Street
Brainerd, MN 56401
CLASS 2 RESTAURANT

The Local 218
723 Mill Ave
Brainerd, MN 56401
CLASS 2 RESTAURANT

Pit Stop Bar
723 Laurel Street
Brainerd, MN 56401

CC'S BAR
121 WASHINGTON ST
BRAINERD MN 56401

OFF SALE LIQUOR LICENSES – 3 Renewals

SAVE Liquor
701 Industrial Pk Rd SW
Brainerd, MN 56401

Casey's #4264
3325 Oak Street
Brainerd, MN 56401

Cornerstone Liquor
817 Washington Street
Brainerd, MN 56401

CLUB ON SALE LICENSES – 3 Renewals

American Legion #255
708 Front Street
Brainerd, MN 56401

Brainerd Elks Lodge
215 South 9th Street
Brainerd, MN 56401

VFW Post #1647
309 South 6th Street
Brainerd, MN 56401

BEER/WINE LICENSE – 2 Renewals

Big Jay's Pizza Arcade
217 S 7th St
Brainerd MN 56401

Slice on Oak
625 Oak Street
Brainerd, MN 56401

CONTINGENT UPON INSPECTIONS

BULK & FILLING STATION LICENSES: 1 RENEWAL

Holiday Stationstores, LLC.
424 South 6th Street
Brainerd, MN 56401

OFF SALE BEER – 1 Renewal

Holiday Stationstores, LLC.
424 South 6th Street
Brainerd, MN 56401

ON SALE LIQUOR LICENSES – 7 Renewals

Jack's House
300 Hwy 25 South
Brainerd, MN 56401

CLASS 3 BOWLING/HOTEL

Passport
608 Laurel Street
Brainerd MN 56401

CLASS 2 RESTAURANT

SE'z LLC
707 Laurel Street (Basement)
Brainerd, MN 56401

OFF SALE LIQUOR LICENSES – 1 Renewal

Coborn's - Cash Wise Liquor
513 B Street NE
Brainerd, MN 56401

Northern Pacific Hospitality (Notch 8)
1551 Northern Pacific RD
Brainerd MN 56401

CLASS 2 RESTAURANT

9th Street Social Club
212 S 9th Street
Brainerd, MN 56401

CLUB ON SALE LICENSES – 4 Renewal

Brainerd Eagles #287
124 Front Street
Brainerd, MN 56401

The Last Turn Saloon
214-216 S 8th Street
Brainerd, MN 56401

CLASS 2 RESTAURANT

Yesterday's Gone
219 S 9th Street
Brainerd, MN 56401

COCKTAIL ROOM / DISTILLERY – 2 Renewal

BRAINERD DISTILLING COMPANY – COCKTAIL
ROOM
25 WASHINGTON ST NE
BRAINERD MN 56401

BRAINERD DISTILLING COMPANY -
DISTILLERY
25 Washington St NE
Brainerd MN 56401

BEER/WINE LICENSE – 2 Renewal

Chick N Rice
603 Laurel Street
Brainerd MN 56401

Burritos California
302 Washington Street
Brainerd MN 56401

2026 LOWER-POTENCY HEMP EDIBLE RETAILER REGISTRATIONS

LPHER REGISTRATIONS

Crow Wing Food Co-Op
624 Laurel Street
Brainerd MN 56401

Miner's Foods
Super One Foods #536
417 8th Ave NE
Brainerd, MN 56401

Coborn's - Cash Wise Liquor
513 B Street NE
Brainerd, MN 56401

Northern Pacific Hospitality (Notch 8)
1551 Northern Pacific RD
Brainerd MN 56401

CC'S Bar
121 Washington St
Brainerd MN 56401

The Parlor
714 Laurel St
Brainerd MN 56401

Southside Express
701 Industrial Pk Rd SW
Brainerd, MN 56401

HA Smokey's Tobacco
706 Washington Street
Brainerd, MN 56401

Cornerstone Liquor
817 Washington Street
Brainerd, MN 56401

Tobacco Den
633 Washington Street NE
Brainerd, MN 56401



BRAINERD POLICE DEPARTMENT MONTHLY REPORT



BOOYAH AWARD



This month's Booyah Winner is Records Lead Allyson Beck!

Submitted by Chief Runde

I would like to nominate Ally for stepping up and helping keep things running smoothly while Miranda was out on leave. Miranda's knowledge and experience were definitely missed, but Ally's dedication, positive attitude, and willingness to take on extra responsibilities made operations feel almost uninterrupted. She took on this additional workload without any extra compensation and at times stayed late to make sure things were done correctly. One great example was helping complete my first monthly report as the new Police Chief, which was publicly praised by a City Council member during a council meeting as a "job well done." The truth is, that success was largely due to Ally's hard work, and I truly appreciate everything she did to support me and our department.

STAFFING & ASSIGNMENTS

Police Intern/Community Service Officer John Hagen is back at the Police Department for the Summer

John is a Criminal Justice student at Mankato State University. He is originally from Brainerd and is back again for our summer Police Intern position.



Promotion:

Officer Rachel Reed was promoted to Sergeant in May. Rachel started with the Brainerd Police Department as a Community Service Officer in 2013 and became a Patrol Officer in 2015.

TRAINING & STAFF DEVELOPMENT

Tactical Medical Practitioner

Investigator Personius attended the Tactical Medical Practitioner program. This program provides additional training to increase their skills in mission per-planning, medical threat assessment, and care in high threat environments.

Department Training

This month's department training involved defensive tactics.



COMMUNITY OUTREACH

Memorial Day Wreath Laying

Brainerd Police attended and assisted with directing traffic for the Memorial Day wreath laying on Laurel Street Bridge.

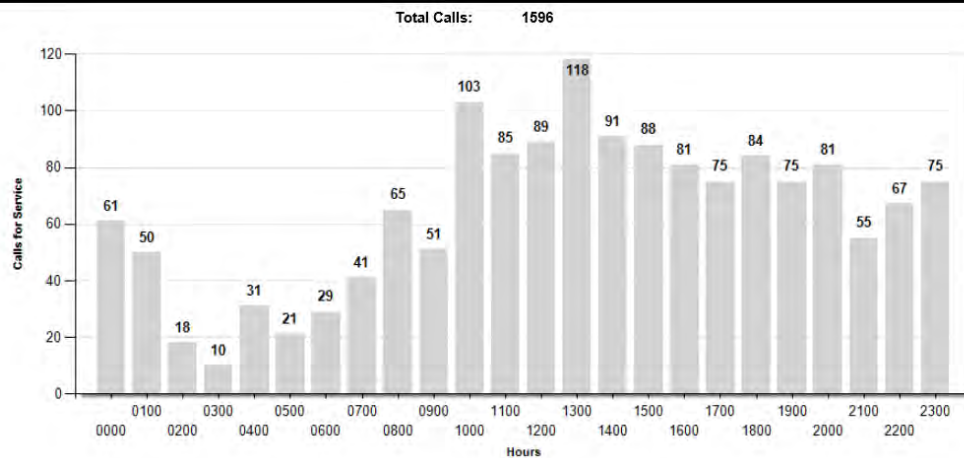
OVERALL CALLS FOR SERVICE

May	2026	2025
Number of Calls for Service	1,544	1,703



Calls for Service Hourly

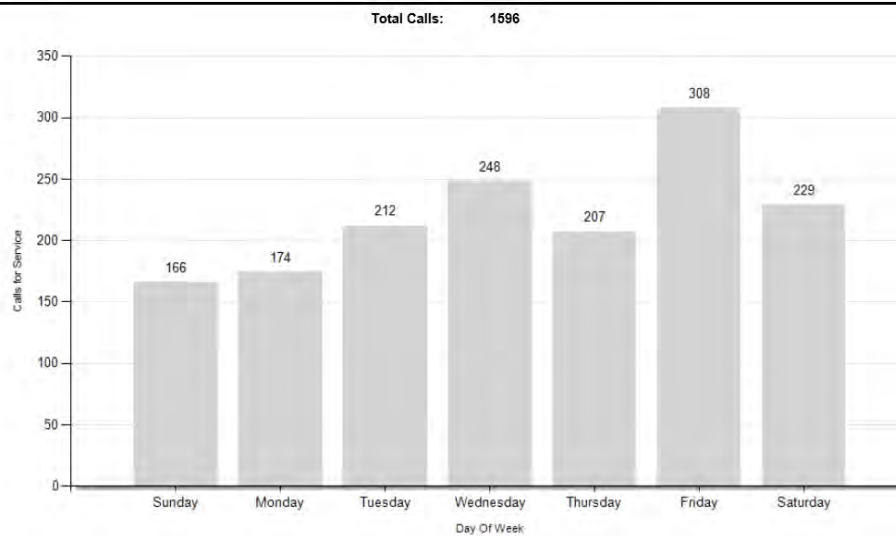
5/1/2026 to 5/31/2026



Calls for Service Day Of Week

Start Date: 5/1/2026

End Date: 5/31/2026



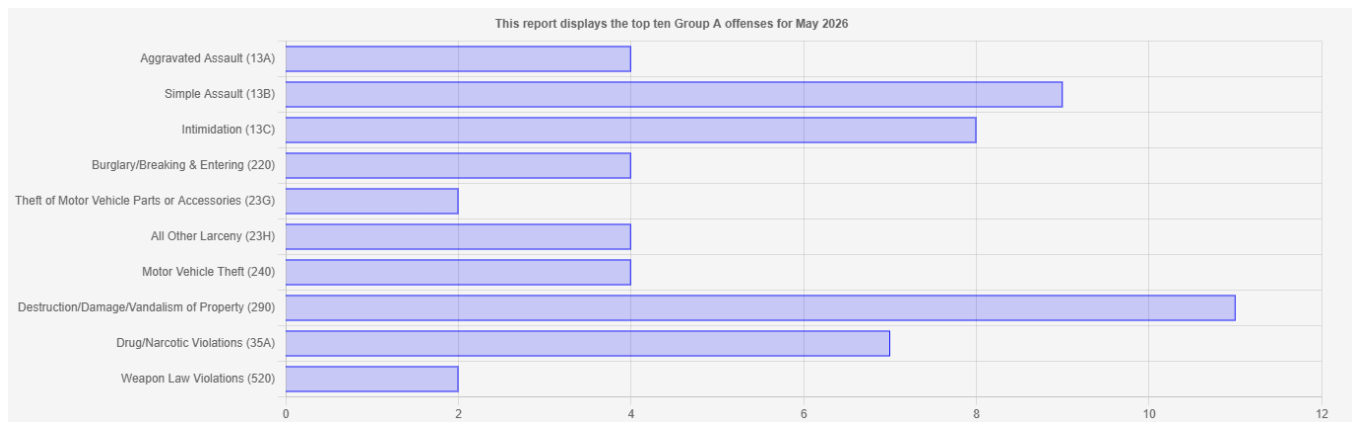
CRIME STATISTICS

Year to Date through Month	2026	2025
Group A Offenses Known or Reported to Police	302	356
Group A and B Arrests	272	324

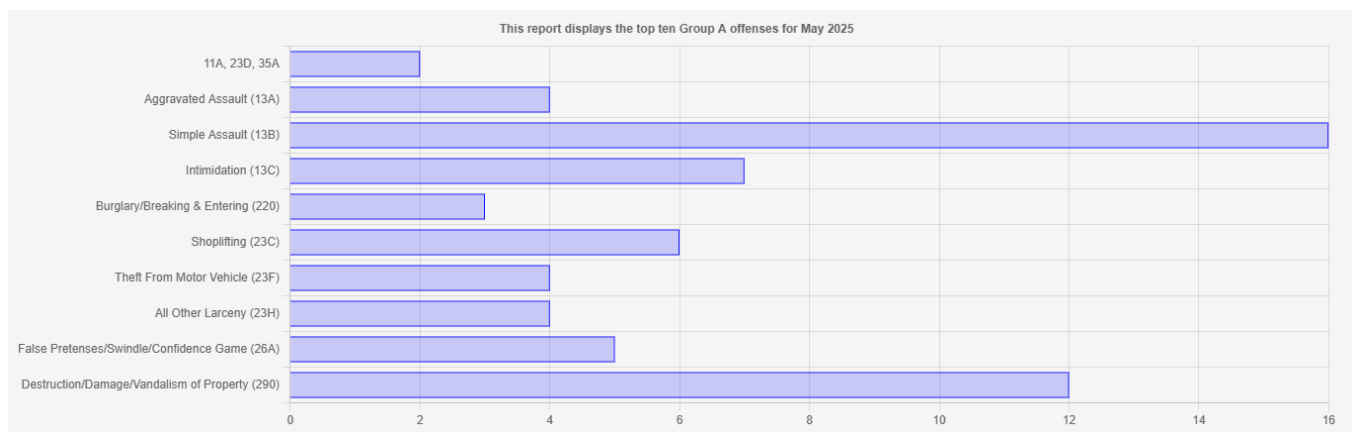
**** Note: 2026 totals do not include case files that have not yet been coded.**

TOP 10 GROUP A OFFENSES

May 2026

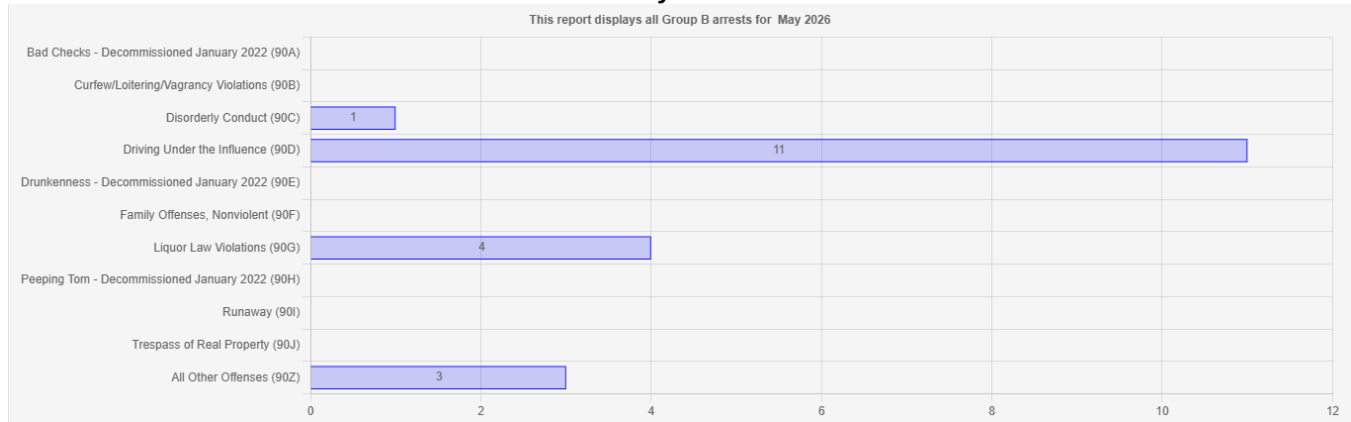


May 2025



GROUP B ARREST DATA

May 2026



May 2025



CITATIONS, PARKING TICKETS, & WRITTEN WARNINGS

May	2026	2025
Citations (Inc. Parking Tickets & Written Warnings)	127	202

31 parking tickets were issued in the month of May, with the following dispositions.

4	Dismissed
16	Paid in Full
0	Partial Payments Received
11	No Payment Received

Revenue Recapture Receipts:

2025 Total:	\$5,714.63
2026 To Date:	\$3,859.00

CONDUCT ON PREMISES ACTIVITY REPORT

ICR	Date Reported	Title	Address
26006357	5/8/26	Conduct on Premises	611 4 th Ave NE
26007111	5/24/26	Conduct on Premises	705 F Street
26007183	5/25/26	Conduct on Premises	410 E River Rd Apt 810
26007399	5/29/26	Conduct on Premises	1506 Laurel Street

BODY WORN CAMERA DATA REPORT

Month	Number of Videos	Hours of Video	GB of Videos	Average MB per Video	Average Time Length of Videos	Average Number of Videos Per Day
May	1,641	390	689	424	14.26 Minutes	53





COMMUNITY DEVELOPMENT DEPARTMENT REPORT

James Kramvik, CDD

May 2026



BUILDING PERMITS

The Community Development Department issued 94 building permits with a total project valuation of \$4,831,054 in the month of May. Within the Central Business District (prev. River to Rail), 9 permits were issued. These improvements resulted in \$4,708.00 being waived in permit fees.

*Note: project valuation does not include all projects as some permits, such as residential mechanical permits, have a flat fee and are not based on valuation. Therefore, the listed total project valuation is solely based on the permits whose fees are determined by valuation.

Issued Permits for May 2026		
Type Of Permit	# Issued	Total Project Valuation
Commercial – Building - Remodel	3	\$3,670,000
Commercial – Building – Roofing	1	\$165,000
Commercial – Building – Windows/Doors	1	\$15,000
Commercial – Plumbing – Remodel	3	\$480,147
Commercial – Plumbing – Water Heater	1	N/A
Engineering – Excavation	10	N/A
Engineering – ROW Obstruction	1	N/A
Fence	10	N/A
Residential – Building – Deck	4	\$42,700
Residential – Building – New/Addition	1	\$335,000
Residential – Building – Remodel	5	\$44,622
Residential – Building - Roofing	15	N/A
Residential – Building – Roofing+Garage	4	N/A
Residential – Building – Windows/Doors	7	N/A
Residential – HUD Home Installation	1	N/A
Residential – Mechanical – Air Conditioner	3	N/A
Residential – Mechanical – Furnace/Boiler	11	N/A

Residential – Mechanical – Furnace+AC	1	N/A
Residential – Plumbing – New/Addition	1	N/A
Residential – Plumbing – Water Heater	9	N/A
Sign	1	\$78,585

There was one single-family home permit issued in the month of May. The Brainerd Fire Department remodel building permit was issued in May.

BUILDING INSPECTIONS

The Community Development Department conducted 107 building inspections and re-inspections in May.

CODE ENFORCEMENT

The Community Development Department conducted 109 code enforcement inspections and re-inspections in May resulting in violations across the following categories:

CODE ENFORCEMENT INSPECTIONS	
Junk/Debris/Blight	11
Grass & Weeds	17
Zoning Code Violation	11
Unlicensed/Inoperable Vehicle	4
Outdoor Storage	4
Premises Identification	1
Exterior Structure	5
Vacant Dwellings & Buildings	1
Damaged Roof	2
Animal Feces	1
Total = 57	

**Note: With the adoption of Ordinance No. 1524 on April 4th, 2022, Community Development staff have moved to complaint driven enforcement only, except for a change with Ordinance No. 1586 on July 7th, 2025 of monitoring properties along major thoroughfares, and near City Parks.*

Direction on Active Code Enforcement Cases

Staff continue to send citations to the following properties as directed by City Council.

- 1) **823 Willow St** – Unlicensed Rental - Issuing \$300 citation monthly for non-licensed rental. Legal action from the City Attorney is taking place. City Council motion 2/3/2025 to \$100 per day citation.
- 2) **319 N 9th St** – Property Maintenance/ Roof – Issuing a \$300 citation each month until roof is corrected. Building Official has issued a report 11/3/25 for City Council action to take place. Hazardous building resolution was issued for publication by the City Attorney 6/4/26 for four consecutive weeks prior to action.

- 3) **PID 41191502** – Exterior Structure – Assessed \$7,000 to taxes 2025 for vacant structure. Administrative warrant requested to tow trailer 5/18/26
- 4) **401 Holly St** – Fence – Issuing a \$300 citation each month until corrected.

VACANT BUILDING REGISTRY

Properties that have completed necessary repairs and improvements

1623 9th Ave NE – Remodel Permit Issued – Work in Progress – Removed from list
1626 Oak Street – Siding completed
1201 L St NE – New owner – applied for remodeling permit
1022 13th Ave NE – New owner – obtained remodeling permits

Properties that have registered/applied for permits

1521 Norwood St – Fire Damage – No action 2025. Added new citation 10/7/25.
1889 Graydon Ave – Open Excavation – Added new citation 10/7/2025. Building Official was at the property when the owner showed up. They had a conversation, and owner obtained a foundation permit. Direction was given on the process going forward.
224 5th St N – Fire Damage. No action 2025. Added new citation 10/7/25. Property was sold 4/15/26. A meeting with the new owner regarding restoration took place on May 13th.

Current Vacant Building Registry Properties

912 6th Ave NE – Returned in Mail – Posted to Door. Added new citation 10/7/2025.
1119 13th St SE – Roof Damage – no response. Added new citation 10/7/2025.
319 9th St N – Fire Damage – No response. Building Official processed case file and legal action is being taken with the City Attorney. Council adopted Res No. 78:25 declaring hazardous structure. See above Active Code.
408 2nd Ave NE – Vacant Building – No Response. No action 2025. Added new citation 10/7/25.

RENTAL LICENSES & INSPECTIONS

The Community Development Department issued 1,339 units for rental renewals in May that are due by June 1st.

The Housing Inspector completed 39 rental property inspections and re-inspections in May.

CONTRACTOR REGISTRATION

The Community Development Department issued 14 contractor registrations in May.

PLANNING AND ZONING

June 17th Planning Commission Agenda:

- 1) Variance requests for 3231 Oak Street (WITHDRAWN)



- 2) Public Hearing - Floodplain Ordinance
- 3) Review Planning Commission Itinerary

Ordinance Itinerary Planning Commission:

- 1) **Section 530 – Shoreland Management Regulations** - The City of Brainerd's existing Shoreland Management Ordinance was last approved by the DNR on 7/25/2003. Current zoning districts do not match/align with the zoning districts identified in the City's Shoreland Management Ordinance. The Planning Commission directed staff to negotiate with the DNR to reduce lot sizes for non-riparian sewered lots to align with our Zoning Code. A representative from the DNR presented code requirements in exchange for reduced lot sizes at the March 18th meeting. The Planning Commission directed staff to continue to negotiate with the DNR. Staff presented a draft revision at the April 15th meeting. The Planning Commission reviewed the changes and were generally in favor of the proposed ordinance and directed staff to hold a public hearing at the May 20th meeting. (In Progress – 75% Complete – City Council to conduct the final reading and consider Ordinance 1603 at the June 15th meeting.)
- 2) **Comprehensive Plan Update** - The City should consider reviewing the comprehensive plan every five years to ensure all of the goals and objectives listed in the plan are still relevant for the City of Brainerd. The Brainerd City Council elected to accept Bolton & Menk's proposal at the March 2nd meeting. Staff met with Bolton and Menk on March 12th to begin the Comprehensive Plan update process. The Planning Commission held a special meeting on April 15th to provide initial comments and direction to Bolton & Menk regarding the Comprehensive Plan update. The Planning Commissions' comments included strengthening the goals to make Brainerd more walkable/ bikeable and strategies for public engagement. The Commission was in general agreement on the direction of the update. Bolton and Menk will be sending out a survey to understand the most important aspects of the comprehensive plan in the community. (In Progress 25% Complete - The Planning Commission will review a draft of the updates at the July 15th meeting, and the City Council will be invited to attend and provide comments.)
- 3) **Flood Plain District** – The Planning Commission will be reviewing the Floodplain Overlay District. The Flood Plain Overlay District regulates improvements located in a Flood Plain and Flood Way. The Flood Plain Overlay District must be included in the City Code and meet all State Statute requirements. (In Progress – 50% Complete - The Planning Commission will hold a public hearing at the June 17th meeting.)



ECONOMIC DEVELOPMENT

Sign Grant and Façade Grant

The EDA directed staff to request the City update its sign ordinance to enhance aesthetics and prohibit banner signs prior to consideration of a matching sign grant. The City has updated its sign regulations and staff presented a sign grant and façade grant at the December 4th EDA meeting. The EDA approved \$25,000 for façade improvements along Washington Street and \$15,000 to improve signage throughout the City. The EDA approved a contract with BLAEDC to administer the grant program at the March 5th meeting. BLAEDC is currently advertising for grant and receiving applications

Apartment Development – City Hall Parking Lot

Lumber One Development Company has been working with staff for the potential redevelopment of the City Hall Parking lot into a multi-family apartment. The EDA received direction from City Council to market the property for redevelopment as recommended by the Parking Commission. Downtown would benefit from additional housing units and the development would meet the goals of the Comprehensive Plan. At their June 4th meeting, the EDA recommended City Council approve the developer's letter of intent.

Airport Tour

City Staff, City Council, and EDA Board members toured the Brainerd Lakes Regional Airport on June 10th. The tour provided a behind the scenes view of the airport and the work that goes into managing and operating the facility. The tour was set up by the EDA as airports help drive regional economic development.

PLANNING AND ZONING PROCESSES – CURRENT PROGRESS UPDATE

Address: 525 Washington St

COMPLETED

PZE Process: Variance

Date Issued: 07/07/2025

Project Description: To allow for a non-screened parking lot and reduced setbacks

Project Progress: Approved – building permit is completed and project is final.

Address: 1123 15th Ave NE

COMPLETED

PZE Process: Interim Use Permit Renewal

Date Issued: 07/21/2025

Project Description: To continue Operating a Short-Term Rental

Project Progress: Approved and completed.

Address: 605 3rd St NW

IN PROGRESS

PZE Process: Conditional Use Permit

Date Issued: 08/04/2025

Project Description: To allow for the construction of a fellowship hall

Project Progress: Approved – building permit has been issued and is in progress.

Address: 14721 Riverside Dr

COMPLETED

PZE Process: Variance

Date Issued: 08/04/2025

Project Description: To allow for the construction of a 6' high wood privacy fence in the front yard

Project Progress: Approved – permit has been issued and fence is final.

Address: 23 Laurel St

IN PROGRESS

PZE Process: Conditional Use Permit & Variance

Date Issued: 08/04/2025

Project Description: To allow for the construction of an addition to the Fire Hall for bluff setbacks and impervious surface requirements

Project Progress: Approved – applicant has applied for the building permits which are ready to be issued.

Address: 722 Mississippi Dr

COMPLETED

PZE Process: Variance

Date Issued: 09/02/2025

Project Description: To allow for the placement of a garden shed in the front yard

Project Progress: Approved – applicant has received the necessary permit.

Address: 703 7th St N

COMPLETED

PZE Process: Variance

Date Issued: 09/02/2025

Project Description: To expand a non-conforming side yard setback to allow for the construction of a vertical addition to the home as proposed.

Project Progress: Approved – the applicant's contractor has applied for the necessary building permits, and the project has been final.

Address: Parcel #4124152

IN PROGRESS

PZE Process: Variance and IUP

Date Issued: 10/20/2025

Project Description: To allow for a cannabis microbusiness to operate as an accessory use in a current greenhouse and a variance from the allowed 8' fence height to 10' as required by the OCM

Project Progress: Approved and in progress

Address: 3424 Oak St

IN PROGRESS

PZE Process: Rezoning from CN-2 to GC

Date Issued: 10/20/2025

Project Description: To rezone from CN-2 to GC to allow for an Office building at 3424 Oak Street and amend the future land use map

Project Progress: Approved – the applicant will work towards a building plan

Address: 1005 S 6th St

COMPLETED

PZE Process: Interim Use Permit Renewal

Date Issued: 12/01/2025

Project Description: To continue Operating a Short-Term Rental

Project Progress: Approved and completed.

Address: 712 6th St N

COMPLETED

PZE Process: Interim Use Permit Renewal

Date Issued: 12/01/2025

Project Description: To continue Operating a Short-Term Rental

Project Progress: Approved and completed.

Address: 9995 Island Dr

COMPLETED

PZE Process: Interim Use Permit Renewal

Date Issued: 12/01/2025

Project Description: To continue Operating a Short-Term Rental

Project Progress: Approved and completed.

Address: PID 41290683

IN PROGRESS

PZE Process: Rezoning from CN-2 to GC, CUP

Date Issued: 12/15/2025

Project Description: To rezone from CN-2 to GC to allow for the construction and operation of an animal clinic

Project Progress: Approved – the applicant is working towards the building permits.

Address: 908 Ivy Street

COMPLETED

PZE Process: Conditional Use Permit Amendment

Date Issued: 01/06/2026

Project Description: To amend the current CUP to allow for a third garage stall on the rectory

Project Progress: Approved and completed.

Address: PID 41020691 AND 41020682 Voyageur Heights **IN PROGRESS**

PZE Process: Preliminary Plat Amendment, Developmental Stage PUD Amendment

Date Issued: 01/06/2026

Project Description: To amend the plat due to the EAW review and DWSMA

Project Progress: Approved and project in progress.

Address: PID 41020691 AND 41020682 Voyageur Heights **IN PROGRESS**

PZE Process: Rezoning, Final Plat, and PUD Final Plat

Date Issued: 02/03/2026

Project Description: Rezone and approve final plat and PUD for 176-unit apartment complex

Project Progress: Approved and project in progress.

Address: 1410 & 1424 Thiesse Dr

IN PROGRESS

PZE Process: Conditional Use Permit

Date Issued: 03/02/2026

Project Description: To exceed the number of off-street parking allowed in GI Zoning District

Project Progress: Approved and construction will soon start once land is conveyed. Construction plans and permit application has been submitted.

Address: 1410 & 1424 Thiesse Dr

IN PROGRESS

PZE Process: Conditional Use Permit Amendment

Date Issued: 04/06/2026

Project Description: To exceed off-street parking spaces to 90

Project Progress: Approved and construction will soon start once land is conveyed. Construction plans and permit application has been submitted.

Address: 1926 S 7th St

COMPLETED

PZE Process: Interim Use Permit Amendment

Date Issued: 04/06/2026

Project Description: Operate homeless shelter year-round

Project Progress: Approved for one-year

Address: 1017 Bluff Ave

IN PROGRESS

PZE Process: Conditional Use Permit

Date Issued: 04/06/2026

Project Description: Consolidate three parcels into one and to exceed allowed lot size

Project Progress: Approved and applicant will soon submit building permit for single-family home

Address: 1513 Pennsylvania Ave

IN PROGRESS

PZE Process: Variance

Date Issued: 04/06/2026

Project Description: Variance from setbacks for the construction of an accessory structure

Project Progress: Approved and applicant will soon submit building permit for garage

Address: 411 Laurel Street

IN PROGRESS

PZE Process: Variance

Date Issued: 05/04/2026

Project Description: Variance to expand the entrance to 411 Laurel Street to the parking lot with a 40' distance to the intersection to allow for incoming and outgoing traffic.

Project Progress: Approved and applicant will be working with Anderson Brothers on the project.

Address: 1526 14th Ave NE

COMPLETED

PZE Process: Interim Use Permit

Date Issued: 06/01/2026

Project Description: To operate a Short-Term Rental

Project Progress: Approved and completed.

Address: 1123 15th Ave NE

COMPLETED

PZE Process: Interim Use Permit Renewal

Date Issued: 06/01/2026

Project Description: To continue Operating a Short-Term Rental

Project Progress: Approved and completed.

Address: 10320 Wright Street

DENIED

PZE Process: Rezoning, Future Land Use Map Amendment, Conditional Use Permit Requests, Variance Permit Request

Project Description: Rezone, CUP, Variance to construct a 50-unit Multifamily Apartment

Project Progress: Denied



City of Brainerd
Technology Department Monthly Report
May 2026

Projects

- The required migration to dotgov is underway (*brainerdmn.gov*), the *ci.brainerd.mn.us* domain will still exist and continue working for the time being. The city website already works with either domain. Staff with *ci.brainerd.mn.us* email will transition to *brainerdmn.gov* early July, staff with *bpu.org* email will transition at the end of Aug.
- Planning phase of integrating BPU network into city network, anticipated late Aug
- Planning for staff office changes post network integration
- Initial steps taken to create a Cyber Response Plan, collaborating with LMC
- BPU fiber loop connections throughout town – primarily lift stations and electric infrastructure
- BPU replacing hardware at existing connected sites to modernize/standardize communications

Hardware/Software

- Removed technology hardware from Fire Station for remodel
- Established temporary technology setup at NE fire station during remodel process
- Began implementation of new helpdesk, asset, project mgmt software – testing before release
- Finalizing city wide (minus BPU) computer replacements
- Phased replacement of city network hardware – core routing and most switches complete, new firewalls cut over 5/27, wireless hardware to be complete by late June.

Other

- Staff attended various meetings, webinars, conferences, and other training opportunities
- Staff additions: various temp/seasonal
- Staff departures: Police Chief, City Engineer, Admin Spec - Payroll, Police Records Tech

Statistics

Telephone: Total calls 7720

Police 3017, City Hall 2762, Transit 1658, Fire 264, Public Works Maint 19

Website: Total views 17k, Users 4.6k

Top pages: main, parks & recreation, employment, agendas & minutes, search

Email: Sent 8290, Received 37180

YouTube: City channel views 887, Hours watched 139.4, Subscribers +4

Facebook (city): Followers 4,579, Views 180k, Interactions 791

MEMORANDUM

TO: Mayor Badeaux and City Councilmembers
FROM: Nick Broyles, City Administrator
DATE: 15 June 2026
SUBJ: City Administrator Report

In addition to routine administrative matters and in preparation of topics and business action items on the Council's work sessions and meeting agendas, the following is a summary of tasks and activities the City Administrator's office has been working on since the last report of 18 May 2026.

Community Engagement

18 May: City council meeting
19 May Fire advisory board meeting
26 May: PUC meeting; park board meeting
27 May: Discussions w/park staff re: operations; fire department remodel progress meeting; HRA board meeting
28 May: City/county meeting w/key staff to discussed proposed airport agreement; agenda review w/President O'Day; discussions w/staff re: potential liquor ordinance amendment in response to new state legislation
29 May: Tour with HRA executive director of all their properties; more parks discussions w/staff
1 Jun: Meeting with department heads re: union contracts – five or our seven contracts expire at the end of 2026
3 Jun: Staff visit w/water-wastewater personnel; fire department remodel progress meeting; meeting w/mayor covering several topics
4 Jun: EDA meeting; airport commission; oak street PMT meeting; more meetings w/parks staff
5 Jun: Meeting w/Baxter city administrator; meeting w/chair of park board
8 Jun: Monthly radio show at WJJY; data center discussion w/VCV
9 Jun: Landscaping meeting w/select staff; business after hours at Jim's Electric
10 Jun: Staff visit w/police department personnel; airport tour; fire department remodel progress meeting
11 Jun: Interviews for public services director; agenda review with President O'Day
12 Jun: Meeting w/parks staff to review deliverables

Projects

1. Highway 210 Reconstruction Project

- Current construction: east mall segment (roundabouts, watermain and sewer utilities, muck excavation, etc.); planned completion east mall segment – early august
- Detour
 - EB/WB 210 – Highway 25 slip ramp and 10th Avenue NE
 - EB/WB 210 to Mill Avenue – 4th Avenue NE and E Street
- Next phase: Kingwood Street to 5th Avenue NE

2. 2026 Brainerd Resurfacing Projects

- Resurfacing of Spruce Drive (Buffalo Hills Lane to S 6th Street), Graydon Avenue (Woodcrest Road – Birchridge Drive), Hillcrest Drive, Pine Street (16th – Walnut Street). Dal-Mar Drive and Dal-Mar Cricle, S 11th Street (Thiesse Drive to Industrial Park Road)
- Road closures on Spruce Drive commenced on 6/3 for upsizing of storm sewer
- All other roadways are open to local traffic during construction. Through traffic should find alternative routes.
- Completion date – prior to 4th of July

3. Beech Street/Oakridge Road

- Project is substantially complete with minor punch list items remaining.
4. **Wright Street/S 10th Street**
 - Wright Street: substantially complete with final lift of bituminous pavement remaining. They are awaiting the completion of S 10th Street before placing the final bituminous on the roadway.
 - S 10th Street: on-going watermain installation, storm sewer installation, and grading activities south of Madison Street. Placement of curb on segment north of Madison Street to commence late this week. Watermain and utility work anticipated to be completed this week, with drain tile, and grading to commence next week.
 - Completion date – Contractor on schedule to complete work on S 10th Street by early August.
 5. **SE Brainerd Reconstruction Project**
 - Streets and utilities included in project include SE 17th Street, SE 18th Street, and SE 19th Street (all Oak Street to Laurel Street), Norwood Street, Maple Street, and Laurel Street (between SE 17th Street and SE 19th Streets).
 - Preconstruction meeting will be held soon, where contractors schedule will be presented. Anticipated start date mid- to late- June with final completion date of 30 Oct.
 - Contractor is Ryan Contracting.
 - Project includes full replacement of sewer and water utilities, storm water utilities, curb and gutter, pavement, and reconstruction of alleys.
 6. **Ronald/Joseph/Alley Reconstruction Project**
 - Project is nearing substantial completion, with pavement being placed tentatively for Wednesday, June 10th (weather dependent). Final topsoil, laying seeds, and clean-up will commence once bituminous is completed, with final completion near the end of June.
 7. **Galvanized Water Service Line Replacement Projects**
 - Ronald/Joseph/Alley Galvanized Water Service Line Replacement Project: these water service lines have been replaced (14) with final plumbed connections being completed in the homes.
 - Project No.'s 1 and 2: two projects for Galvanized Water Service Line replacements are anticipated to commence mid- to late- June and continue through the fall of 2026.
 - Projects include replacement of galvanized water service lines in conjunction with 2026 street reconstruction and resurfacing projects as already detailed, along with a standalone water service line replacement project in NE Brainerd on Gillis Avenue, 1st Avenue NE, and 2nd Avenue NE. In total, the estimated number of replacements in 2026 will be around 120-130 total service lines in these areas.
 - The city has over 1,000 known galvanized water service lines requiring replacement and an additional approximate 400 unknowns that are still being verified through on-site inspections and records verification.
 8. **Large Patching**
 - The city will be commencing some large patches on S 8th Street, Andrew Street, Norwood Street, Bluff Avenue, and Grove Street beginning as soon as this week.
 - This is a program where the city, along with the contractor, Knife River, removes larger sections of pavement with localized potholing and replaces the areas with fresh pavement to extend the life of the streets until the streets can be fully reconstruction or rehabilitated.
 - These streets are historically streets not contained within the 10-year capital improvement plan where the city needs to increase the lift of the pavements and reduce the number of localized areas of potholes in need of patching with standard pothole patching.
 9. **2026 Sanitary Sewer Lining**
 - Contractor is beginning work on a smaller sanitary sewer lining project in North Brainerd between N 5th Street and N 7th Street between Washington Street and Juniper Street.

- The purpose of this project is to rehabilitate the sewer using a cured in place pipe (CIPP) liner in which restores the integrity of the pipe without standard means of excavating.
- The contractor is beginning work on 6/8/2026 and anticipates being completed by 6/12/2026. Additional work to manholes in the project area will follow.

10. Willow Street Roundabout

- Project is substantially complete and awaiting 70% perennial growth in the boulevard areas.

11. Water Treatment Plant Reclamation Tank Project

- This project is for construction of a reclamation tank to decant backwash water used in the water treatment plant backwashing process and send it back through the treatment process to reduce water loss.
- Project is out for competitive bids with trade partners currently, with anticipated construction start date in July.
- Construction Manager at Risk is Rice Lake Construction Group with a guaranteed maximum price for construction set at \$5,300,000.

12. Other Projects

- 2026 city-wide street striping is nearing completion, with contractors working to complete long line work and symbols on streets within the next couple of weeks.
- 2026 seal coat project – Schedule is unknown, but includes streets like Juniper Street, N 3rd Street, N 6th Street, N 7th Street, Tamarac Street, Sycamore Street, Rosewood Street, Vine Street, Todd Street, Paul Street, Paul Circle, S 7th Street, S 8th Street, and Madison Street. Seal coats are implemented by the city close to after their resurfacing or reconstruction dates (within a couple of years) to preserve the new pavement surface to extend the life of the pavements after resurfacing and reconstruction.

We have already began scoping and survey work for the 2027 street program, and once we get a little later in the construction season, we will be back to report on which projects are intended to be reconstructed or resurfaced in 2027.

Charter

The draft charter was unanimously approved by council on 4 May and will be in effect after 90 days.

Finance

- **Audit:** Staff will receive a draft of the audit next week.
- **Election:** 2026 is an election year with the primary on 11 Aug and the general election on 10 Nov. Filing for city offices has closed and the city will not have races on the primary ballot. Staff and election judges are getting trained.

Human Resources

- **Mid-Year Benefit Meetings:** Staff met with Integrity Benefits and North Risk Partners to complete a mid-year review of all benefits. We were pleased to learn that, at this point in the year, our health insurance renewal is trending favorably. While there is still potential for changes in the coming months, we remain optimistic about our 2027 renewal rate.
- **Staffing Update:** Staff have been actively conducting interviews for several full-time positions across the city. We anticipate presenting hiring recommendations to the council over the upcoming meetings.

Streets & Sewer

1. Fill, slope, topsoil, seed, and cover Norwood storm sewer pond
2. Paint downtown crosswalks
3. Mow boulevards

4. Inspect commercial vehicles (MN mandatory inspection program)
5. Jet sanitary sewer lines in SE Brainerd
6. Traffic control when requested (Farmers market, approved events)
7. Camera sanitary sewer lines for current and upcoming street projects

Recreation

- Concessions open this weekend at Bane & Jaycees for tournaments
- 1 Jul: movies in the park (National Treasure)
- Softball leagues Monday - Thursday
- Pickleball leagues Tuesday & Thursday
- Early registration for fall leagues opened (softball, kickball, pickleball)

Parks

- Prepping fields for baseball, softball, and soccer fields for organizations/associations and leagues.
- Continuing to mulch and mow.
- Gregory Park bathrooms flooded twice; underground sewer repairs were completed.
- Epoxying concessions and restrooms at Memorial Park (restrooms), Lyman P. White (restrooms), Lions Park at Buffalo Hills (restrooms), and Kiwanis Park (restrooms), are completed. Jaycees Park (concession) scheduled after BBBA Tournaments.
- Batting cages are now installed at Jaycees Park and Bane Park.
- Beech shade screens are up.
- Gregory Park hydroseeded and watered daily.
- Lions Club submitted grant application to Lions Club International for Lions Park at Buffalo Hills, total \$97,654.59.
- Downtown planters were filled by Copper Creek.

Transit

- Continued software optimization and service planning efforts with Spare to improve scheduling, rider experience, and operational efficiency.
- Transit continues to exceed MnDOT's 90% on-time performance target while meeting and exceeding ridership-per-hour performance goals. Several buses are routinely operating at or near capacity due to scheduling constraints and trip parameters.
- Ongoing weekly operations meetings with Blue Sky Transit continue to focus on service delivery, operational performance, and contractor coordination.
- Continued implementation of updated procurement policies and participation in monthly MnDOT procurement office hours to support compliance and best practices.
- Developed and implemented standardized processes, SOPs, and staff training for monthly recurring transit ticket orders and bulk transit ticket orders to improve consistency and operational continuity.
- Monthly MnDOT ridership and budget reporting continues to be submitted on time and accepted without issue.
- Participated in conflict de-escalation and customer service training to support safe and effective public interactions.
- Continued community outreach efforts through meetings with Pine Crest Country Manor and the Brainerd for All Ages Transportation Subgroup to improve awareness of and access to public transit services.
- Reviewed inclusive social media accessibility best practices to improve the accessibility and usability of public-facing communications.

- Participated in federal legislative update meetings to remain informed on transportation policy changes and emerging funding opportunities affecting public transit.
- Continued development of the 2027 Transit Operating Grant application and supporting budget documentation in preparation for the 30 Jun submission deadline.

Fire

Norson Construction is making great progress with the fire station renovation. Demolition was completed at the end of May and the footings on the east side have been poured and below grade foundation walls are starting. May was a very busy and demanding month for the Brainerd Fire Department. From high-profile regional deployments to advanced technical rope rescue certifications and community wildland management, our personnel demonstrated a high level of readiness and professionalism. The unseasonably demanding wildland fire conditions across the state required our department to respond to two major statewide resource requests. On both deployments, Brainerd crews were specifically assigned to high-stakes structure protection, successfully safeguarding homes and property from encroaching wildfires.

- Stewart Trail Fire (Two Harbors, MN): Brainerd personnel and apparatus deployed northeast to assist local and state agencies in suppressing a fast-moving wildland incident.
- Flanders Fire (Mission Township, MN): BFD responded locally within Crow Wing County to a significant wildland incident, providing critical structural triage and protection alongside regional mutual aid partners.

Training hours were high this month as our members focused on highly specialized rescue disciplines and joint-agency wildland operations. Nine Brainerd firefighters, alongside personnel from several neighboring regional departments, successfully completed the intensive CMC Rope Rescue Technician I/II 40-hour course. This advanced, demanding certification sharpens our technical vertical rescue capabilities. It ensures that our crews are fully prepared to execute complex, high-angle and low-angle rescue scenarios safely and efficiently. In coordination with Crow Wing Soil and Water and Great River Greening, BFD crews conducted a successful prescribed burn at Rotary Park. This operation served a dual purpose:

- It provided vital, real-world wildland fire training for our firefighters.
- It actively mitigates hazardous fuel loads to reduce future wildfire risks while restoring local native ecology.

To ensure our personnel maintain the rigorous physical capabilities required to perform safely on the fireground, the department successfully completed its annual physical fitness testing for all firefighters this month.

Technology

- Migration of city public domain from ci.brainerd.mn.us to brainerd.mn.gov is underway, website deadline is 1 Jun but has already been implemented. Dotgov domain is also in place for email with plans to switch over in the works, tentatively July 1. Lots of work to do with updating existing documents, etc. Applications and websites that use single sign on (SSO) are being prepped for the change from ci.brainerd.mn.us to brainerd.mn.gov.
- Beginning implementation of helpdesk, asset management, project tracking platform
- All city network infrastructure (firewalls, switches, etc.) is being replaced, phase one - core switches are complete, phase two - replacement of all access switches underway, phase three - firewall replacement/cutover in May.
- Ongoing planning for total network integration of the public utility network, anticipated late Aug.

- Numerous new fiber connections made to various utility locations adding them to the SCADA network and allowing the addition of security cameras and access control.
- As part of a security software change, a new endpoint protection has been pushed out to all devices. A new SIEM (security information and event management) has also been rolled out and is being monitored/tested.
- Wrapping up city-wide computer replacements.

Suspense Tracker

Subject	Start Date	Department	Notes	Due Date	% Complete	Status	Date Completed
Transit- Baxter Fares		Public Svcs	12/19/25: Brainerd is waiting a response from Baxter to present to Baxter Council Transit Rates. 6/1/26: Council directed staff to conduct an analysis of transit data - Requested information includes historical fare revenue, local share contributions, fare structures, ridership totals, projected future fares, and trip pattern analysis for calendar years 2023 through 2025, along with any additional data staff determines may be relevant to evaluating fare equity and potential fare structure adjustments. The request also includes direction for staff to consult with MnDOT regarding local share management requirements and the City's authority, as the MnDOT contract holder, to independently adjust fare structures. The target date for this information to be presented to Council is 7/6/26 due to priorities regarding the transit grant.		25%	In Progress	
Transit Business Model		Public Svcs	11/20/25: Public Works is waiting for more information from various department to finish the Business Model. 11/24/25: (staff meeting) - Financial numbers are complete. Take Aways: 1. Add following items to budget: OT, Training, Bus Storage and Drug Testing. 2. Develop Bus Driver schedule to determine OT hours. 3. Build model for Bus Drivers with no OT. 12/18/25: Staff met with HR to confirm the Job Descriptions. HR will review and finalize the descriptions and points; then forward points to Finance. 12/22/25: HR will post opening of part-time person. This person started 1/2/26.		25%	In Progress	
BlockMetrix- Site Control		Community Dev	Purchase and Development Agreement- needs to be executed by BM Power Agreement- needs to be executed by BM Building Permits- have been applied for EDA will direct staff on next steps regarding the PDA at the June 5th meeting 6/6 - EDA took no action at the June 5th meeting 6/24 - Power Agreement is currently being reviewed by staff and will be reviewed by the PUC 7/2 - Power Agreement has been forwarded to Blockmetrix for review 7/30 - Staff set up a virtual meeting with Blockmetrix - Blockmetrix did not attend - stated that an issue came up 8/15 - Staff virtually met with Blockmetrix - Staff have not received a response 9/11 - Staff will virtually meet with Blockmetrix Staff is waiting on a response from Blockmetrix. 10/28 - BPU Commission considered redlined changes from Blockmetrix at the October meeting and recommended no changes. Blockmetrix stated without the redlined changes the project was not viable. 2/12/2026 - Staff met with the developer regarding development of the site. 3/10/2026 - Staff met with the developer regarding potential development of the site. 3/31/2026 - Public Utilities Commission to consider process for large power users. 4/1/2026 - Staff met with developer on next steps 6/8/2026 - Staff met with developer regarding transmission study		50%	In Progress	

Airport Resolution		Administration	3/31/2026 Staff met with Crow Wing County and Airport Commissioners 5/28/2026 Staff will meet with CWC and Airport Commissioners to continue development of a new agreement 6/15/26 Council will review an amended ordinance and conduct the First Reading.		75%	In Progress
Riverside Drive Orderly Annexation		Community Dev	2/17 – Public Hearing and CC consideration of Resolution to adopt Orderly Annexation Agreement with CWC. City Council directed staff to provide additional information based on questions from the public. 3/2 – City Council approved joint resolution. 3/24 – County Board to denied joint resolution at regular meeting. 4/6 – City Council directed staff to amend the agreement to make annexation optional for properties not currently connected to municipal utilities. 4/27 – OAA Reviewed by City Attorney and Forwarded to Crow Wing County for Review 6/15 – OAA draft will be reviewed by City Council, staff provided options for City Council to consider		75%	In Progress
Annex Improvements	12/8/2025	Public Works	Construction Status: HyTec is nearing completion of work in the Annex. Electrical, windows, asbestos abatement, and carpentry are all complete. Remaining work is limited to minor HVAC improvements and interior finishes.	6/30/2026	95%	In Progress
.Gov Transition		Technology	2024 State Statute 471.3422 – Website Domain Requirement by June 1, 2026 Planning for the transition is in progress. The website needs to have the .gov domain by 1 June. Staff will continue working after 1 June to update forms, documents, email addresses, etc. The complete transition date is scheduled for 7/26.	7/26/2026	0%	In Progress
Shoreland Ordinance		Community Dev	2/18/26 – Staff meeting with DNR to perform final review of shoreland ordinance 2/20/26 – Staff submitted ordinance to MN DNR for final review 3/18/26 – DNR to present negotiated items to the Commission – Commission to make final recommendation on negotiated items 4/2 – Staff completed negotiated items with DNR 4/15/26 – Planning Commission reviewed shoreland ordinance 5/20/26 – Planning Commission held public hearing and recommend approval of the ordinance 6/18 Final Reading at Council	6/30/2026	75%	In Progress
2025 Financial Audit		Finance	Finance should receive a draft of the audit next week.	6/30/2026	90%	In Progress
Special Events Ordinance	5/11/2026	CDD/Public Svcs	5/11 – Staff researched sample language from other cities and will present and seek direction from City Council on 5/18 6/1 – City Council to review draft ordinance and provide direction to Staff 6/18 – First reading of the ordinance 7/6 – Final reading and public hearing	7/6/2026	50%	In Progress

Massage Therapy ordinance		Police	10/22/25 – Lt. Kulzer met with Lutheran Social Services (LSS) Regional Coordinator of Safe Harbor. Specializes in youth and human trafficking. Discussed elements of illicitly run massage therapy providers. 10/29/25 – Chief Davis and Lt. Kulzer met with 30-year massage owner/operator Discussed lack of oversight by the State governing massage therapy. Recommendations for training, licensing, and oversight. 11/6/25 – Lt. Kulzer had continued discussion with LSS Safe Harbor Regional coordinator. Discussed potential licensing requirements. November 2025 – Lt. Kulzer reviewed massage therapy ordinances from St. Cloud, Willmer, Edina, Moorhead, Detroit lakes, and Rochester. 12/1/25 – Council direction to proceed with ordinance creation. 12/10/25 – Lt. Kulzer and Inv. Palcher attended the Minnesota BCA Internet Crimes against Children and Human trafficking conference. Illicit massage therapy and human/employment trafficking discussed as a nationwide problem. 12/11/25 – Lt. Kulzer discussed with assistant county attorney, who specializes in sex crimes the potential passage of a ordinance, which she supports as a tool to combat sex trafficking. 12/29/25 – Lt. Kulzer met with local owner/operator and discussed what elements should be included in an ordinance. 04/02/2026 – PD Administrative discussion on necessary elements of the ordinance. Need to finalize rough draft and bring to City Admin.		60%	In Progress
Codification		Administration	1/20 Council approved the proposal from American Legal Publishing for codifications services up to \$30,000 3/2 Staff has submitted necessary documents for codification to begin. The City’s code will go into the queue and we will submit necessary ordinances that are passed in the meantime.		25%	In Progress
Improvement 17-12/20-04 Wright Street and S 10th Street Reconstruction Project	6/1/2025	Public Works	Construction Status: The project is currently in the construction phase. A second preconstruction meeting was held on May 1, 2026, during which Landwehr Construction presented the project schedule. Construction on S 10th Street began May 18, 2026, and is progressing well, with the contractor currently on schedule for an early August 2026 completion. Public notices have been distributed and businesses along the corridor have been notified. S 10th Street – Current Progress: Watermain work is expected to wrap up mid-June. Curb placement on the north half of S 10th Street was completed June 10, 2026. Remaining work includes completing grading operations and drain tile placement, curb installation on the south half, and final gravel grading in preparation for paving and boulevard restoration. Wright Street – Punch List: Minor remaining work on Wright Street consists of punch list items and cleanup from the 2025 construction season. Final pavement lift placement is anticipated to occur concurrently with the final lift on S 10th Street.	9/30/2026	75%	In Progress

Improvement 25-05 – SE Brainerd Reconstruction Project	10/6/2025	Public Works	Project Overview: The SE Brainerd Reconstruction Project involves the full reconstruction of multiple streets in southeast Brainerd, including 17th Street, 18th Street, 19th Street, Norwood Street, Maple Street, and Laurel Street. Scope of work includes complete replacement of sanitary sewer and watermain infrastructure, storm sewer improvements, curb and gutter replacement, and new street surfacing. Bolton & Menk is serving as consultant project manager for both the design and construction phases. Design & Bidding: Final plans are 100% complete. Bids were opened May 5, 2026, and construction is anticipated to begin in late May or early June 2026. The construction Contractor is Ryan Contracting. Construction Status: A preconstruction meeting is scheduled for mid-June 2026. Following that meeting, the contractor's schedule will be finalized and affected property owners will be notified of construction dates and timelines.	10/5/2026	50%	In Progress
Improvement 23-14 Hawkins/Ronald/Joseph/Alley Improvement Project	6/30/2025	Public Works	Construction Status: The Hawkins portion of the project is complete. Work on the Ronald/Joseph/Alley portion began in early April and is progressing on schedule. Galvanized water service line replacements in the alley have been completed as authorized by the Utilities Commission. Paving is scheduled to begin the week of June 8, weather permitting. The project is anticipated to reach substantial completion by end of June 2026, following which the City will monitor final turf restoration and 70% perennial growth before closeout.	10/31/2026	90%	In Progress
Improvements 21-13/21-14 Beech Street/Oakridge Road Improvements Project	6/1/2025	Public Works	Project Status: The Beech Street/Oakridge Road project is nearing final closeout. Construction work is substantially complete, and staff have issued a punch list to Landwehr Construction for outstanding items. The remaining closeout requirement is achievement of 70% perennial growth in restored turf areas, after which the project will be formally closed out.	11/1/2026	95%	In Progress
Network Integration	1/1/2026	Technology		12/31/2026	50%	In Progress
2027 Budget	1/1/2026	Finance		12/31/2026	0%	In Progress
Comprehensive Plan Update	12/17/2025	Community Dev	3/2 – City Council approved Bolton & Menk as the comprehensive plan consultant 3/12 – Staff meeting with Bolton & Menk to review timeline and objectives 4/15 – Comprehensive Plan kickoff meeting with Planning Commission 5/5 – Staff meeting with Bolton & Menk to review Planning Commission comments and discuss community survey 6/2 – Staff meeting with Bolton & Menk for updates	12/31/2026	25%	In Progress
Pedestrian Bridge		Public Works	Funding Status: Staff pursued multiple funding opportunities, including State Bonding, which was unsuccessful. The City was awarded Carbon Reduction Program funding but elected to decline it, as a complete project funding package had not been secured. Staff is currently reviewing the feasibility report to develop a comprehensive funding plan. Once complete, funding options will be presented to the Council for consideration.	12/31/2026	25%	In Progress

Fire Station #1 Renovation		Fire	2/2/2026 City Council approved Design/Construction Services with Widseth and Nor-Son 1/29/2027 25% 2/11/2026 Kickoff meeting with Widseth and Nor-Son Construction 2/23/2026 Continue with weekly meetings finalizing design as we work towards final construction documents. 2/27/2026 Widseth finalized construction documents enabling Nor-Son to solicit and secure bids for the renovation. 3/27/2026 Nor-Son finalized the bidding process utilizing Gordian ezIQC process. 4/6/2026 Council approved construction contract with Nor-Son Construction and project cost of \$5,994,282.76. 5/4/2026 Pre-construction meeting with GC and city staff 5/11/2026 Renovation project started. Weekly project progress meetings 6/3/2026 Demolition is 99% complete. Footings on the east side of the project have been dug. Power transformer set and temp. power to the project. 6/8/2026 Footings have been poured and CMU below grad foundation walls will start 6/11/2026. Weekly			In Progress
2026 Galvanized Water Service Line Replacement Program	11/3/2025	Public Works	Program Overview The Utilities Commission authorized three galvanized service line replacement projects in 2026, utilizing \$2,675,000 in funding received from the Minnesota Department of Health and Minnesota Public Facilities Authority. Ronald/Joseph/Alley Replacements This project is substantially complete. Staff is currently working with consultant engineer Bolton & Menk on funding reimbursement. City Resurfacing/Reconstruction Project Replacements (Project 1) In conjunction with the City's 2026 resurfacing and reconstruction program, 35 galvanized water service lines are being replaced. Bids have been opened and DeChantal Excavating has been selected as the construction contractor. Staff is coordinating a preconstruction meeting, after which construction will commence. NE Phase 1 - Gillis Avenue/1st & 2nd Avenue NE (Project 2) A standalone replacement project in NE Brainerd will replace an estimated 75 galvanized water service lines on Gillis Avenue, 1st Avenue NE, and 2nd Avenue NE. Bids have been opened and DeChantal Excavating has been selected as the construction contractor. Staff is coordinating a preconstruction meeting, after which construction will commence.	6/30/2027	25%	In Progress
Improvement 25-06 - 2026 Resurfacing Project	6/1/2026	Public Works	Project Overview: The 2026 Resurfacing Project encompasses street resurfacing and minor utility improvements on the following corridors: Spruce Drive, Graydon Avenue, Hillcrest Drive, Pine Street, Dal-Mar Drive and Circle, and South 11th Street. Construction Status: Construction commenced the week of June 1, 2026. Removal operations across all roadways are expected to be complete by June 12, 2026. Storm sewer installation on Spruce Drive is scheduled to begin June 15, 2026. The project is anticipated to reach full completion prior to the Fourth of July.	7/9/2027	50%	In Progress

Memorial Park Skate Park	3/24/2026	CDD/Public Svcs	3/24 – Park board denied additional skate park funding request from the Lakes Area Skate Park Association, but was in favor of the project 4/28 – Park board approved preliminary design and phased construction plan 5/26 – Park board approved grant application to DEED for \$750,000 in reimbursable funding 6/3 – Council approved grant application to DEED 6/11 – Waiting for funds to be transferred to the City from Lakes Area Skate Park Association	11/30/2027	50%	In Progress
Hydrodam Generator	8/1/2023	Electric	Project Overview: The hydro facility generator replacement project involves procurement and installation of a new generation unit at the City's hydroelectric facility. Barr Engineering is serving as the project consultant and continues coordinating with City staff on equipment evaluation and project development. Equipment Evaluation: Barr Engineering has confirmed through multiple suppliers that the previously considered submersible generator units are no longer in production or have been paused. This turbine type had been anticipated as the most economical option. Barr continues to evaluate alternative generation options, with current analysis focused on both equipment feasibility and the civil improvements required for installation, as site modifications may significantly influence total project cost. One concept under consideration is a stream diver generator installed vertically within the pit or tailrace area. Cost estimates have not yet been finalized pending completion of installation and site requirement evaluations. Legislative Funding: A site visit was held November 25 with area legislative representatives to review the facility and discuss project needs, funding, and infrastructure considerations. Two bills were introduced during the 2025/2026 legislative session; however, both were unsuccessful. The BPU Commission is currently working with staff to identify and evaluate alternative funding strategies to finance project construction. Design: Design work is continuing with Barr Engineering.	12/31/2027	25%	In Progress
Water Reclamation and Backwash Project	6/1/2026	Public Works	Delivery Method & Procurement: The Utility Commission shifted to a Construction Manager at Risk (CMAR) delivery method following rejection of high-cost competitive bids in 2024. After a May–June procurement process, the Utilities Commission awarded the CMAR contract to Rice Lake Construction Group in September with a preconstruction services fee of \$8,500. Bolton & Menk was also retained for design, CMAR coordination, and construction engineering/administration (NTE \$450,700). Value Engineering & GMP: The project team completed multiple pricing and value engineering reviews in late December 2025 and early 2026. The Guaranteed Maximum Price (GMP) of \$5,300,000 was presented to and approved by the Utilities Commission in April 2026. This price is fixed unless owner-directed changes are authorized via change order. Trade Partner Bidding: Prequalification of trade partners is complete. Bid packages are currently out for pricing, with submissions due June 18, 2026. A bid reconciliation meeting is scheduled for June 22, 2026, with results to be presented at the June 2026 Commission meeting.	12/31/2027	50%	In Progress

Trunk Highway 210 Reconstruction – Construction Phase	3/1/2026	Public Works	Project Overview: The TH 210 Reconstruction Project is currently underway. Contractor RL Larson is actively working on Phase 1, which covers utility installation and roundabout construction between 10th Avenue NE and 5th Avenue NE on the east end of the project corridor. Phase 1 – Current Status: Watermain installation and sanitary sewer work are underway. Traffic detours are in place, rerouting traffic around the TH 210 corridor near Mill Avenue, 10th Avenue NE, and 5th Avenue NE to accommodate roundabout construction and highway reconstruction. Weekly progress meetings are being held to coordinate activities and monitor schedule. Phase 1 is scheduled for completion in early August 2026. Phase 2 – Upcoming Work: Following Phase 1 completion, summer construction will shift to Phase 2, which focuses on reconstruction of the highway segment between Gillis Avenue/13th Street SE and 5th Avenue NE.	12/31/2027	25%	In Progress
Main Lift Station Reconstruction	10/1/2025	Public Works	Project Overview: The Main Lift Station Reconstruction project received Facility Plan certification from the Minnesota Pollution Control Agency (MPCA) in 2025, establishing regulatory approval and allowing the project to advance toward funding and design. The project has since been placed on the Clean Water Revolving Fund (CWRP) Project Priority List (PPL) and has fallen within the fundable range, making it eligible for a low-interest loan to support construction costs. Funding: The project has been placed on the CWRP Intended Use Plan (IUP), confirming eligibility for funding allocation and enabling final loan approval. Design: Final design is currently underway with Widseth and HR Green. The project team is coordinating closely to refine plans, evaluate constructability, and incorporate site-specific requirements. Submission of 90% complete plans to the MPCA was targeted for March 31, 2026, to align with regulatory and funding review timelines. Schedule: Construction is currently scheduled for 2027, following completion of final design, permitting, and procurement. The project team continues coordination with engineering consultants, regulatory agencies, and City staff to maintain schedule and ensure readiness for construction.	6/30/2028	25%	In Progress
2029 Oak Street Reconstruction Project	10/6/2025	Public Works	Project Overview The 2029 Oak Street Reconstruction Project involves the full reconstruction of Oak Street from 19th Street SE to TH 25. Widseth is serving as the consultant for the project. Project Development The project is currently in the corridor study phase. A Project Management Team (PMT) has been organized and is meeting monthly to review corridor study deliverables and provide guidance to the consultant team. Public Engagement A public engagement meeting is scheduled for June 24, 2026 at 6:00 PM to present corridor concepts and gather feedback from adjacent property owners. Next Steps Geotechnical explorations are planned to commence in July 2026. Further project development will advance once the final layout is approved by the City Council following completion of the corridor study.	1/31/2029	5%	In Progress

WWTF Facility Plan and Phase 1 Biosolids Improvements	5/20/2025	Public Works	Project Overview: The Phase 1 Biosolids Improvements project involves proposed facility upgrades to the regional wastewater system. The Final Facility Plan was presented to the Joint Wastewater Management Board on February 12, 2026, followed by presentations to the Brainerd and Baxter City Councils at their February 17, 2026 meetings to provide project details, address scope and cost questions, and gather municipal feedback. Regulatory & Approval Status: Following these briefings, the Public Utilities Commission reviewed the Facility Plan, held a public hearing to gather community input, and adopted a resolution formally approving the plan. The resolution also authorized staff to submit the plan to the Minnesota Pollution Control Agency (MPCA) for certification, a critical step in securing regulatory approval and ensuring compliance with state wastewater management standards. Design: Upon receipt of MPCA certification, preliminary design activities are scheduled to begin in late 2026. Design efforts will include detailed engineering of biosolids processing equipment, facility layout optimization, and cost refinement. Schedule: Construction of the Phase 1 improvements is planned for 2028, following completion of design, procurement, and required permitting. The project team continues coordination with engineering consultants, regulatory agencies, and municipal stakeholders to maintain schedule and ensure readiness for both design and construction phases.	12/31/2029	25%	In Progress
805 Laurel		HRA	Developer is working on financing		10%	Waiting
Friends of Library - Lease Agreement		Administration	5/4 - Friends of Library requested use of the annex for book storage. 5/4 - City Council directed staff to bring a lease agreement back to City Council for review with costs to cover their use. 5/11 - Staff completed draft lease agreement and had the City Attorney review the document. 5/12 - Friends of Library requested that City staff delay Council action as they are still looking into other options.		0%	Deferred
Completed 2026						
Misdemeanor Prosecution Agreement		Administration	Agreement with Severson Porter (12/1) Staff has sent the agreement to the cities of Nisswa & Baxter to get approval from their Councils. Executed fully on 1/5.		100%	Complete 1/15/2026
Gustafson Park Development		PW/CDD	12/8 - City Council directed staff to bring a preliminary plan to the Park Board for a formalized recommendation and receive a quote from a surveying company to replat the property (1/27) 12/17 - Staff received estimate to replat Gustafson Park 1/20/2026 Council voted to bring forth a resolution to dedicate Gustafson Park as a park and discontinue talks about development.		100%	Complete 2/6/2026

SAHA Funds	Community Dev	1/20 – City Council authorized staff to advertise proposal for available SAHA funds 2/20 – Final submittal deadline to apply for SAHA funds 3/2 – City Council will determine distribution of SAHA funds	100%	Complete	3/5/2026
Baxter Information – WWTF Annexation	Administration	3/2/2026– MOVED AND SECONDED BY COUNCIL MEMBERS CZECZOK AND BEVANS, DULY CARRIED, TO DIRECT STAFF TO ASK THE CITY OF BAXTER FOR EITHER THE LETTER OR COUNCIL MINUTESREFERENCING THE LETTER MENTIONED BY MEMBER BEVANS. Staff initially conducted research into the topic, finding an article published 11/22/2016 in the Brainerd Dispatch: “Member Bevans asked if anyone had a copy of Baxter Mayor Darrel Olson’s response to the city’s requests regarding the city of Baxter’s position on the [WWTF] issue. After Administrator Thoreen said no copy was available, Bevans said it was because Olson has not responded.” The City of Baxter has no data responsive to the request. 4/7/2026 Our City Attorney provided documents that are attached to the 4/20 packet.	100%	Complete	4/7/2026
Kuepers Development	Community Dev	12/1 – City Council reviewed EAW and held public meeting 12/15 – City Council to review EAW findings and will make declaration 12/17 – Planning Commission recommended approval of the preliminary plat and PUD 2/2/26 – City Council rezoned the parcels, approved final plat, and PUD. 2/17/26 – City Council approved Stormwater Management Maintenance Agreement 2/20/26 – Developer purchased property 4/09/26 – Building Permit Issued	100%	Complete	4/15/2026
Stormwater Retention Pond– 1001 Anabec St– Bollig	Public Works	1/13/26: Tim, CC Engineer called Mike (PW Director) to discuss the drainage concerns on Bollig’s property. If drainage study is requested by council, CC would be asked to assist with cost (30% per maintenance agreement), Tim plans to discuss with commissioner. 2/9: Contract for Stormwater Study awarded to HR Green. Contract has been revised and agreed upon. Work is expected to occur over the spring with presentation to CC in roughly May. 5/4 Receive report with options for Council – Council made a motion to reject the options laid out by the study and to do nothing.	100%	Complete	5/5/2026
Charter Discussions	Administration	At the special meeting on April 14 the Charter Commission recommended the draft of Chapter 5 Public Utilities to the City Council. The Council then directed staff to draft an ordinance with the amendments. Council conducted the first reading at the April 20th meeting and will hold the final reading and public hearing at the May 4th meeting. If passed unanimously by the Council, the ordinance will then need to be published in the newspaper and will take effect 90 days after publication.	100%	Complete	5/14/2026

Industrial Property Sale – Riverbirch Investments	Community Dev	2/17/26 – City Council to approved resolution conveying subject property to EDA 3/2/26 – City Council to consider resolution approving business subsidy 3/5/26 – EDA approved PDA and Conveyance of the property Developer is working on finalizing construction plans 5/27 – Closing date – property conveyed to the developer		100%	Complete	6/2/2026
Industrial Property 3/5/2026 Sale – CMHP – Wright Street Development	Community Dev	3/5 – Central Minnesota Housing Partnership proposed a multi-family residential development on the Wright Street Extension to the EDA – EDA was generally in favor of the proposed development 4/22 – Downpayment and application submitted to the City to purchase the property at \$1.00 per acre 5/20 – Planning Commission reviewed land use requests and recommended denial 6/1 – Council reviewed and denied land use requests	7/1/2026	100%	Complete	6/10/2026



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Temporary On-Sale Liquor Applications

AGENDA:

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY:

DEPARTMENT: Administration

PRESENTER:

ESTIMATED TIME (MIN):

SUMMARY OF ISSUE

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Motion to approve Temporary On-Sale applications submitted by:
Brainerd Jaycees for an event on 7/24 & 7/25 in Downtown Brainerd
Jack Pine Brewery for an event on 6/12/26 at Lyman P. White Park, 484 E River Rd
Lakes Area Music Festival for an event on 7/31/26 at Gichi Ziibi Center, 602 S 5th St
Lakes Area Music Festival for an event on 8/5/26 at Gichi Ziibi Center, 602 S 5th St
Lakes Area Music Festival for an event on 8/14/26 at Gichi Ziibi Center, 602 S 5th St
Lakes Area Music Festival for an event on 8/19/26 at Gichi Ziibi Center, 602 S 5th St
Lakes Area Music Festival for an event on 8/22/26 at Gichi Ziibi Center, 602 S 5th St
Relationship Safety Alliance for an event on 7/25/26 at C.c.'s Bar Parking Lot, 121 Washington St -
Contingent upon approvals

FINANCIAL IMPACT



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Resolution - MN Lawful Gambling Application - American Legion

AGENDA:

ACTION REQUESTED: Adopt Resolution

SUBMITTED BY:

DEPARTMENT: Administration

PRESENTER:

ESTIMATED TIME (MIN):

SUMMARY OF ISSUE

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Motion to adopt resolution approving MN Lawful Off-Site Gambling application submitted by the Brainerd American Legion #255 for an event on July 18th at Essentia Health Sports Center 502 Jackson Street, Brainerd.

FINANCIAL IMPACT

RESOLUTION

xx:26

RESOLUTION TO CONDUCT OFF-SITE GAMBLING

WHEREAS, the Brainerd American Legion #255 has completed a Minnesota Lawful Gambling Application to Conduct Off-Site Gambling at the Essentia Health Sports Center, 502 Jackson St, Brainerd, MN, on July 18th, 2026.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Brainerd that lawful gambling as requested by the Brainerd American Legion #255 is hereby approved.

Adopted this 18th day of June 2026

MIKE O'DAY
President of the Council

Approved this 19th day of June 2026

DAVE BADEAUX
Mayor

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator



SPECIAL EVENT APPLICATION

STREET/PARKING LOT CLOSURE

Date of Application: 6/4/26

Event applications must be submitted to the Public Works Department at 501 Laurel Street, Brainerd, MN 56401 or administration@brainerdmn.gov at least 30 calendar days prior to the event and will require City Council approval.

Type of Event:

- ☐ Event- City Parking Lot
☒ Event- Street Closure
☐ Other

Name of Event:

Organizer Information

Organization Name	Relationship Safety Alliance
Organization Address	P.O. Box 602
Event Contact Person	Alex Dominguez
Event Contact Phone	2188281216
Event Contact Email	programs@relationshipsafety.org
Contact (Day of)	07/26/2026
For Profit/Nonprofit Status	Nonprofit

Event Information

Description of Activities

Brief description of the activities planned during the event. If a parade/run/walk event, please describe the proposed route with the assembly and dispersal locations and attach a route map:

CC's Bar will be hosting a fundraiser for Relationship Safety Alliance in the form of a Cornhole tournament. The event will take place primarily in the parking lot adjacent to the bar to provide adequate space for tournament play and participants. Alcoholic beverages will be available during the event and served inside the bar. We are requesting approval to extend the licensed service area into a designated portion of the parking lot and alley behind CC's so that attendees may carry beverages within the approved event boundaries. The event area will be clearly defined and secured with ropes/barriers as shown in the attached site map. To safely accommodate participants and spectators, we are requesting temporary closure of the alley behind CC's during the event. No parade, run, or walk is associated with this event. See attached map.

Event Details:

Event Date	Start Time	End Time	Event Location(s)
7/25/26	12pm	8pm	C.C.'s Bar — <i>alley</i>

City Locations/Facilities

- City Hall Parking Lot (130' x 146')
- Laurel Street Parking Lot (92' x 120')
- Front Street Parking Lot (66' x 125')
- City Street(s) (street closure request information on page 4 MUST be filled out)
- Other (specify location above)

Sit Information

Electrical Usage ☐ YES ☒ NO

Describe the type of equipment to be used and how you intend to supply the power:

Amplified Sound ☐ YES ☒ NO

Describe any sound amplification equipment to be used in your event along with times:

Restrooms ☐ YES ☒ NO

If yes, how many ____ (a ratio of 1 for every 100-150 people is recommended)

Company contracted for restrooms:

(If restrooms are provided by neighboring property, please submit the location and property owner's signature to verify approval has been granted)

Signs/Banners/Posters/Flyers ☐ YES ☒ NO

Describe the signs, banners, posters, flyers, and locations:

Trash Receptacle Disposal ☐ YES ☒ NO

Company contracted for trash receptacle disposal:

Street Closure Request Information

Describe the name and sections of the streets for which you are requesting temporary closure (e.g. South 7th st between Maple and Front Streets):

Date and Time for beginning of street closure: **6am 10pm**

Date and Time for reopening of streets:

Describe how your event preserves customer and residential access for businesses and houses along your proposed street closure (e.g. preserving pedestrian traffic along sidewalks):

We are requesting the closing of the ally behind CC's bar and parking lot. Nearby business will still have access through 210 as well as 1st street and 2nd street.

While the City continues to treat downtown as a venue for events, event plans must be balanced with the interests and needs of property owners.

If a street closure occurs along residential streets, reasonable efforts must be made to alert all property owners along the street of the proposed closure. All street closures shall be approved by the City Council. Failure to notify property owners and tenants in street closure areas will result in revocation of this permit.

For information regarding a street closure, please contact the City Engineering office at 218-828-2307 or engineer@brainerdmn.gov.

Hold Harmless Agreement and Insurance Information

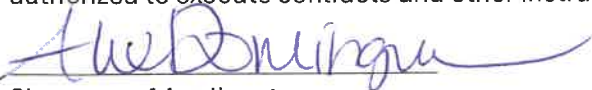
The Applicant covenants to save, defend, hold harmless, and indemnify the City of Brainerd and all of its officers, departments, agencies, agents, and employees (collectively the "City") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the applicant's event herein described.

The City, at its discretion, may require the Applicant to obtain liability insurance for any event. If liability insurance is required, the following requirements apply:

- Minimum of \$1,000,000 in commercial general liability insurance.
- Applicant's insurance shall be primary.
- Insurance shall cover liability for injury death and property damage including coverage for alcohol related claims if alcohol will be served.
- The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
- The City must be named as an "Additional Insured" on the policy.
- At least ten (10) days prior to the event, the Applicant must provide to the City a Certificate of Insurance showing the required coverage.

Signature of Event Applicant

I attest that the above information is true and accurate, and I certify under penalties of perjury that I am authorized to execute contracts and other instruments and legally bind the Applicant.



Signature of Applicant



Print Name

Event Application Approval

The event as described above is approved subject to any conditions noted on this form or otherwise set forth by the City of Brainerd.

City Administrator

Date

Approval Conditions:





SPECIAL EVENT APPLICATION

STREET/PARKING LOT CLOSURE

Date of Application: _____

Event applications must be submitted to the Public Works Department at 501 Laurel Street, Brainerd, MN 56401 or administration@brainerdmn.gov at least 30 calendar days prior to the event and will require City Council approval.

Type of Event:

- ☐ Event- City Parking Lot
☒ Event- Street Closure
☐ Other

RECEIVED

JUN 02 2026

**CITY OF BRAINERD
ADMINISTRATION**

Name of Event:

Organizer Information

Organization Name	Steps on 6th
Organization Address	315 S 6th St
Event Contact Person	Steven Hjorth
Event Contact Phone	218-839-5837
Event Contact Email	MIXN140@GMAIL.COM
Contact (Day of)	218-839-5837
For Profit/Nonprofit Status	

Event Information

Description of Activities

Brief description of the activities planned during the event. If a parade/run/walk event, please describe the proposed route with the assembly and dispersal locations and attach a route map:

Motorcycle & Charity Ride Parking Spaces
For 150-200 Motorcycles

Event Details:

Event Date	Start Time	End Time	Event Location(s)
July 17th	10pm		Motorcycle Rally
July 18	3pm		

City Locations/Facilities

- City Hall Parking Lot (130' x 146')
- Laurel Street Parking Lot (92' x 120')
- Front Street Parking Lot (66' x 125')
- City Street(s) (street closure request information on page 4 MUST be filled out)

X Other (specify location above) *Parking Lot EAST OF PASSPORT*

Sit Information

Electrical Usage ☐ YES ☒ NO

Describe the type of equipment to be used and how you intend to supply the power:

Amplified Sound ☐ YES ☒ NO

Describe any sound amplification equipment to be used in your event along with times:

Restrooms ☐ YES ☒ NO

If yes, how many ____ (a ratio of 1 for every 100-150 people is recommended)

Company contracted for restrooms:

(If restrooms are provided by neighboring property, please submit the location and property owner's signature to verify approval has been granted)

Signs/Banners/Posters/Flyers ☐ YES ☒ NO

Describe the signs, banners, posters, flyers, and locations:

Trash Receptacle Disposal ☐ YES ☒ NO

Company contracted for trash receptacle disposal:

Street Closure Request Information

Describe the name and sections of the streets for which you are requesting temporary closure (e.g. South 7th st between Maple and Front Streets):

Date and Time for beginning of street closure:

Date and Time for reopening of streets:

Describe how your event preserves customer and residential access for businesses and houses along your proposed street closure (e.g. preserving pedestrian traffic along sidewalks):

While the City continues to treat downtown as a venue for events, event plans must be balanced with the interests and needs of property owners.

If a street closure occurs along residential streets, reasonable efforts must be made to alert all property owners along the street of the proposed closure. All street closures shall be approved by the City Council. Failure to notify property owners and tenants in street closure areas will result in revocation of this permit.

For information regarding a street closure, please contact the City Engineering office at 218-828-2307 or engineer@brainerdmin.gov.

Hold Harmless Agreement and Insurance Information

The Applicant covenants to save, defend, hold harmless, and indemnify the City of Brainerd and all of its officers, departments, agencies, agents, and employees (collectively the "City") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the applicant's event herein described.

The City, at its discretion, may require the Applicant to obtain liability insurance for any event. If liability insurance is required, the following requirements apply:

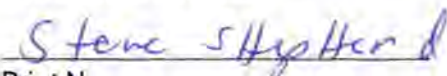
- Minimum of \$1,000,000 in commercial general liability insurance.
- Applicant's insurance shall be primary.
- Insurance shall cover liability for injury death and property damage including coverage for alcohol related claims if alcohol will be served.
- The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
- The City must be named as an "Additional Insured" on the policy.
- At least ten (10) days prior to the event, the Applicant must provide to the City a Certificate of Insurance showing the required coverage.

Signature of Event Applicant

I attest that the above information is true and accurate, and I certify under penalties of perjury that I am authorized to execute contracts and other instruments and legally bind the Applicant.



Signature of Applicant



Print Name

Event Application Approval

The event as described above is approved subject to any conditions noted on this form or otherwise set forth by the City of Brainerd.

City Administrator

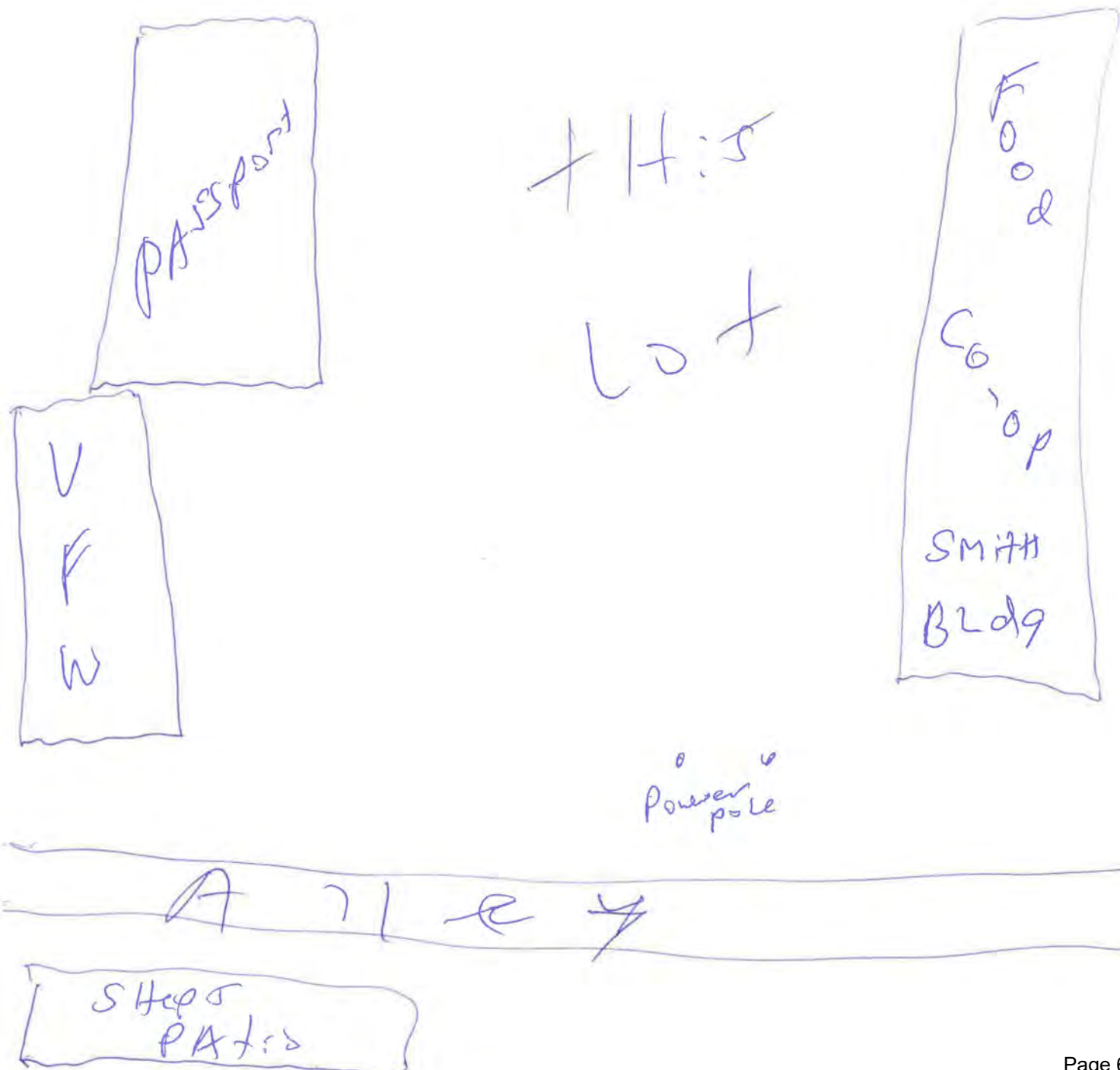
Date

Approval Conditions:

EXTENSION OF PREMISES

This application is to be completed only by an establishment with a valid on sale liquor license

Describe or draw the area in detail where the temporary on sale 3.2 percent malt beverage (beer) will be sold during the event:





SPECIAL EVENT APPLICATION

STREET/PARKING LOT CLOSURE

Date of Application: _____

Event applications must be submitted to the Public Works Department at 501 Laurel Street, Brainerd, MN 56401 or administration@brainerdmn.gov at least 30 calendar days prior to the event and will require City Council approval.

Type of Event:

- ☐ Event- City Parking Lot
☒ Event- Street Closure
☐ Other

RECEIVED

JUN 02 2026

**CITY OF BRAINERD
ADMINISTRATION**

Name of Event:

Organizer Information

Organization Name	Steps ON 6th
Organization Address	315 S 6th St
Event Contact Person	STEVEN STEPHEN
Event Contact Phone	218 839 5837
Event Contact Email	MIAMI40@GMAIL.COM
Contact (Day of)	218-839-5837
For Profit/Nonprofit Status	

Event Information

ELBOW CONVENTION

Description of Activities

Brief description of the activities planned during the event. If a parade/run/walk event, please describe the proposed route with the assembly and dispersal locations and attach a route map:

Live music 830-1230
Aug 28th/29th
Alley closure

Event Details:

Event Date	Start Time	End Time	Event Location(s)
Aug 28	10 AM	2 AM	Alley outside of shops on 6th
Aug 29		3 AM	

City Locations/Facilities

- City Hall Parking Lot (130' x 146')
- Laurel Street Parking Lot (92' x 120')
- Front Street Parking Lot (66' x 125')
- City Street(s) (street closure request information on page 4 MUST be filled out)
- Other (specify location above) Alley 6th St to Power pole

Sit Information

Electrical Usage ☒ YES ☐ NO

Describe the type of equipment to be used and how you intend to supply the power: Our own power Deck plugged in to shops on 6th

Amplified Sound ☒ YES ☐ NO

Describe any sound amplification equipment to be used in your event along with times: Staging & Sound/Light By CHRIS BOBSON/5th partner

Restrooms ☒ YES ☐ NO

If yes, how many 6 (a ratio of 1 for every 100-150 people is recommended)

Company contracted for restrooms: Nelson

(If restrooms are provided by neighboring property, please submit the location and property owner's signature to verify approval has been granted) located on alley in blocked off area

Signs/Banners/Posters/Flyers ☒ YES ☐ NO on Gate of Entrance

Describe the signs, banners, posters, flyers, and locations: NO one under 21/ADMISSION PRICING

Trash Receptacle Disposal ☒ YES ☐ NO

Company contracted for trash receptacle disposal: Waste Partners Dumpsters / Garbage Cans (20 cans)

Street Closure Request Information

Describe the name and sections of the streets for which you are requesting temporary closure (e.g. South 7th st between Maple and Front Streets): *Alley 6 ft street to Power Poles Down Alley (same as other years)*

Date and Time for beginning of street closure: *August 28th 10 AM*

Date and Time for reopening of streets: *August 30th 3 AM*

Describe how your event preserves customer and residential access for businesses and houses along your proposed street closure (e.g. preserving pedestrian traffic along sidewalks): *Sidewalk OPEN Entrance to Alley FROM LAUREL on 8th St*

While the City continues to treat downtown as a venue for events, event plans must be balanced with the interests and needs of property owners.

If a street closure occurs along residential streets, reasonable efforts must be made to alert all property owners along the street of the proposed closure. All street closures shall be approved by the City Council. Failure to notify property owners and tenants in street closure areas will result in revocation of this permit.

For information regarding a street closure, please contact the City Engineering office at 218-828-2307 or engineer@brainerdmn.gov.

Hold Harmless Agreement and Insurance Information

The Applicant covenants to save, defend, hold harmless, and indemnify the City of Brainerd and all of its officers, departments, agencies, agents, and employees (collectively the "City") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the applicant's event herein described.

The City, at its discretion, may require the Applicant to obtain liability insurance for any event. If liability insurance is required, the following requirements apply:

- Minimum of \$1,000,000 in commercial general liability insurance.
- Applicant's insurance shall be primary.
- Insurance shall cover liability for injury death and property damage including coverage for alcohol related claims if alcohol will be served.
- The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
- The City must be named as an "Additional Insured" on the policy.
- At least ten (10) days prior to the event, the Applicant must provide to the City a Certificate of Insurance showing the required coverage.

Signature of Event Applicant

I attest that the above information is true and accurate, and I certify under penalties of perjury that I am authorized to execute contracts and other instruments and legally bind the Applicant.


Signature of Applicant

Stewart S. Shepherd
Print Name

Event Application Approval

The event as described above is approved subject to any conditions noted on this form or otherwise set forth by the City of Brainerd.

City Administrator

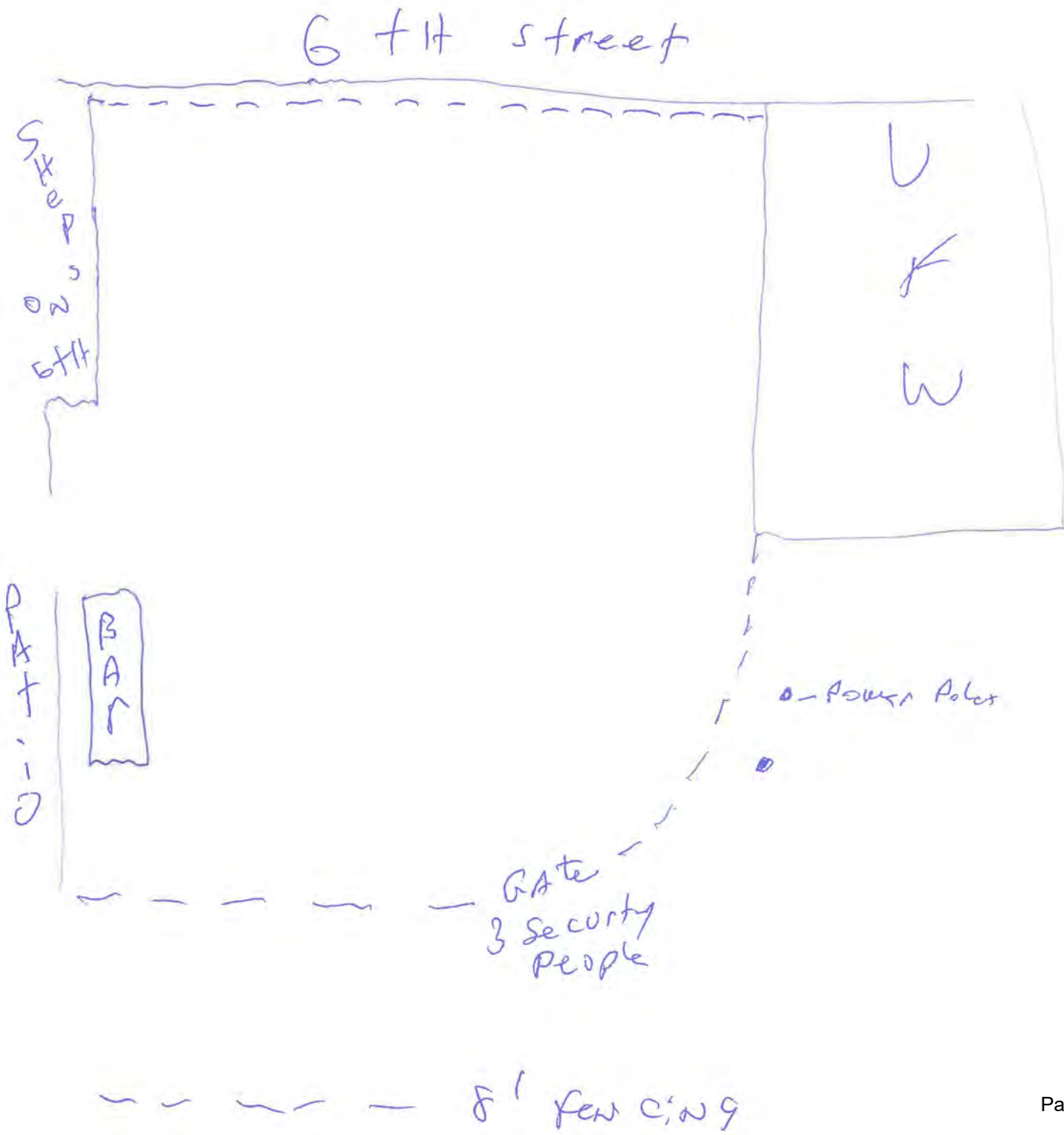
Date

Approval Conditions:

EXTENSION OF PREMISES

This application is to be completed only by an establishment with a valid on sale liquor license

Describe or draw the area in detail where the temporary on sale 3.2 percent malt beverage (beer) will be sold during the event:





SPECIAL EVENT APPLICATION

STREET/PARKING LOT CLOSURE

Date of Application: _____

Event applications must be submitted to the Public Works Department at 501 Laurel Street, Brainerd, MN 56401 or tgage@ci.brainerd.mn.us at least 30 calendar days prior to the event and will require City Council approval.

Type of Event:

☐ Event- City Parking Lot

☐ Event- Street Closure

☒ Other

Name of Event:

Organizer Information

Organization Name	
Organization Address	
Event Contact Person	
Event Contact Phone	
Event Contact Email	
Contact (Day of)	
For Profit/Nonprofit Status	

Event Information

Description of Activities

Brief description of the activities planned during the event. If a parade/run/walk event, please describe the proposed route with the assembly and dispersal locations and attach a route map:

Event Details:

Event Date	Start Time	End Time	Event Location(s)

City Locations/Facilities

- City Hall Parking Lot (130' x 146')
- Laurel Street Parking Lot (92' x 120')
- Front Street Parking Lot (66' x 125')
- City Street(s) (street closure request information on page 4 MUST be filled out)
- Other (specify location above)

Sit Information

Electrical Usage ☐ YES ☐ NO

Describe the type of equipment to be used and how you intend to supply the power:

Amplified Sound ☐ YES ☐ NO

Describe any sound amplification equipment to be used in your event along with times:

Restrooms ☐ YES ☐ NO

If yes, how many ____ (a ratio of 1 for every 100-150 people is recommended)

Company contracted for restrooms:

(If restrooms are provided by neighboring property, please submit the location and property owner's signature to verify approval has been granted)

Signs/Banners/Posters/Flyers ☐ YES ☐ NO

Describe the signs, banners, posters, flyers, and locations:

Trash Receptacle Disposal ☐ YES ☐ NO

Company contracted for trash receptacle disposal:

Street Closure Request Information

Describe the name and sections of the streets for which you are requesting temporary closure (e.g. South 7th st between Maple and Front Streets):

Date and Time for beginning of street closure:

Date and Time for reopening of streets:

Describe how your event preserves customer and residential access for businesses and houses along your proposed street closure (e.g. preserving pedestrian traffic along sidewalks):

While the City continues to treat downtown as a venue for events, event plans must be balanced with the interests and needs of property owners.

If a street closure occurs along residential streets, reasonable efforts must be made to alert all property owners along the street of the proposed closure. All street closures shall be approved by the City Council. Failure to notify property owners and tenants in street closure areas will result in revocation of this permit.

For information regarding a street closure, please contact the City Engineering office at 218-828-2307 or engineer@ci.brainerd.mn.us.

Hold Harmless Agreement and Insurance Information

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The City, at its discretion, may require the Applicant to obtain liability insurance for any event. If liability insurance is required, the following requirements apply:

- Minimum of \$1,000,000 in commercial general liability insurance.
- Applicant’s insurance shall be primary.
- Insurance shall cover liability for injury death and property damage including coverage for alcohol related claims if alcohol will be served.
- The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
- The City must be named as an “Additional Insured” on the policy.
- At least ten (10) days prior to the event, the Applicant must provide to the City a Certificate of Insurance showing the required coverage.

Signature of Event Applicant

I attest that the above information is true and accurate, and I certify under penalties of perjury that I am authorized to execute contracts and other instruments and legally bind the Applicant.

Signature of Applicant

Print Name

Event Application Approval

The event as described above is approved subject to any conditions noted on this form or otherwise set forth by the City of Brainerd.

City Administrator

Date

Approval Conditions:



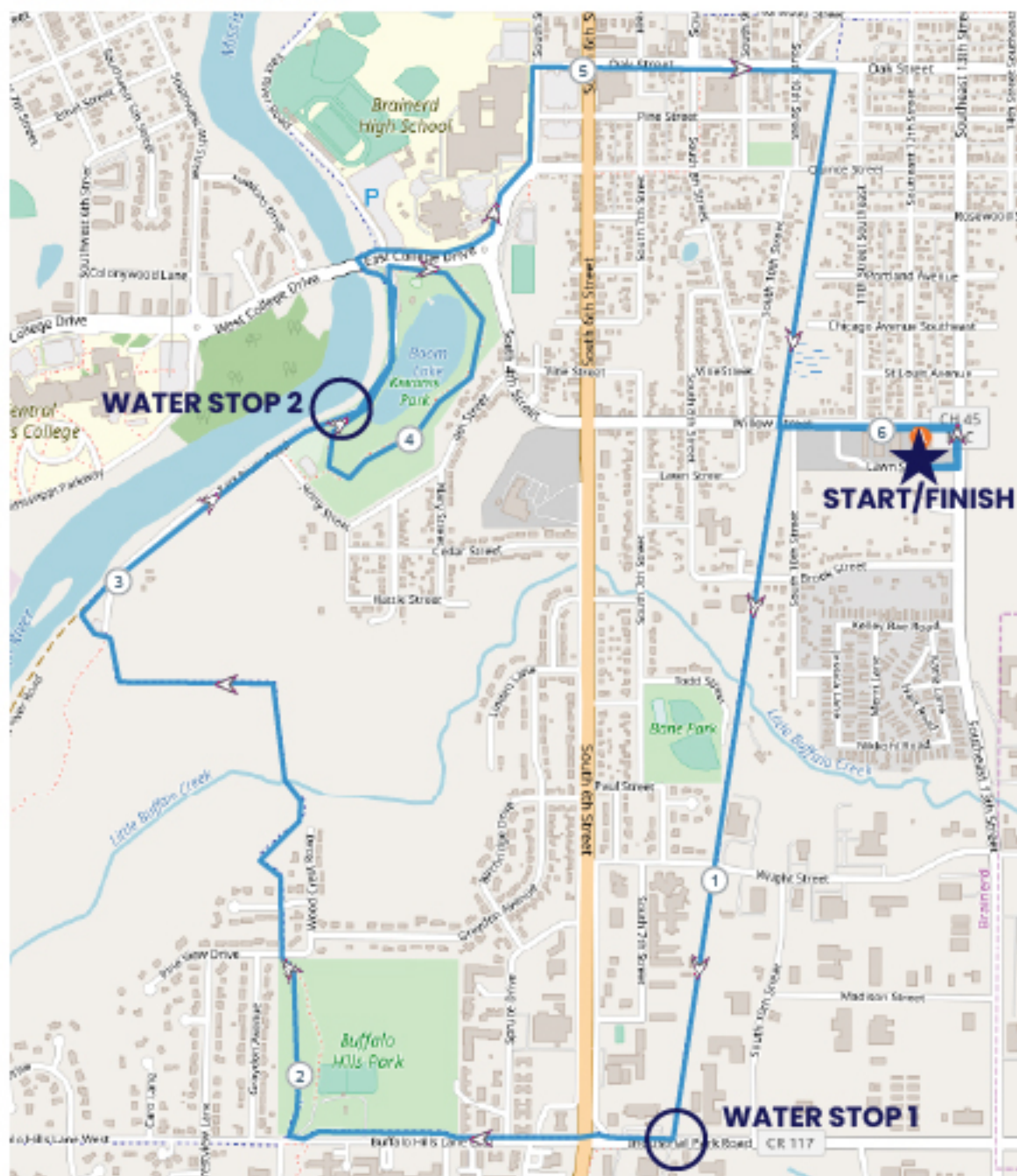
RUN FOR THE SON

WALK OR RUN 5K, 10K and KIDS DASH

Both routes will begin and end at St. Andrew's Church. Signs, cones and chalk will mark the course. We will have some additional volunteers stationed throughout the course as well.

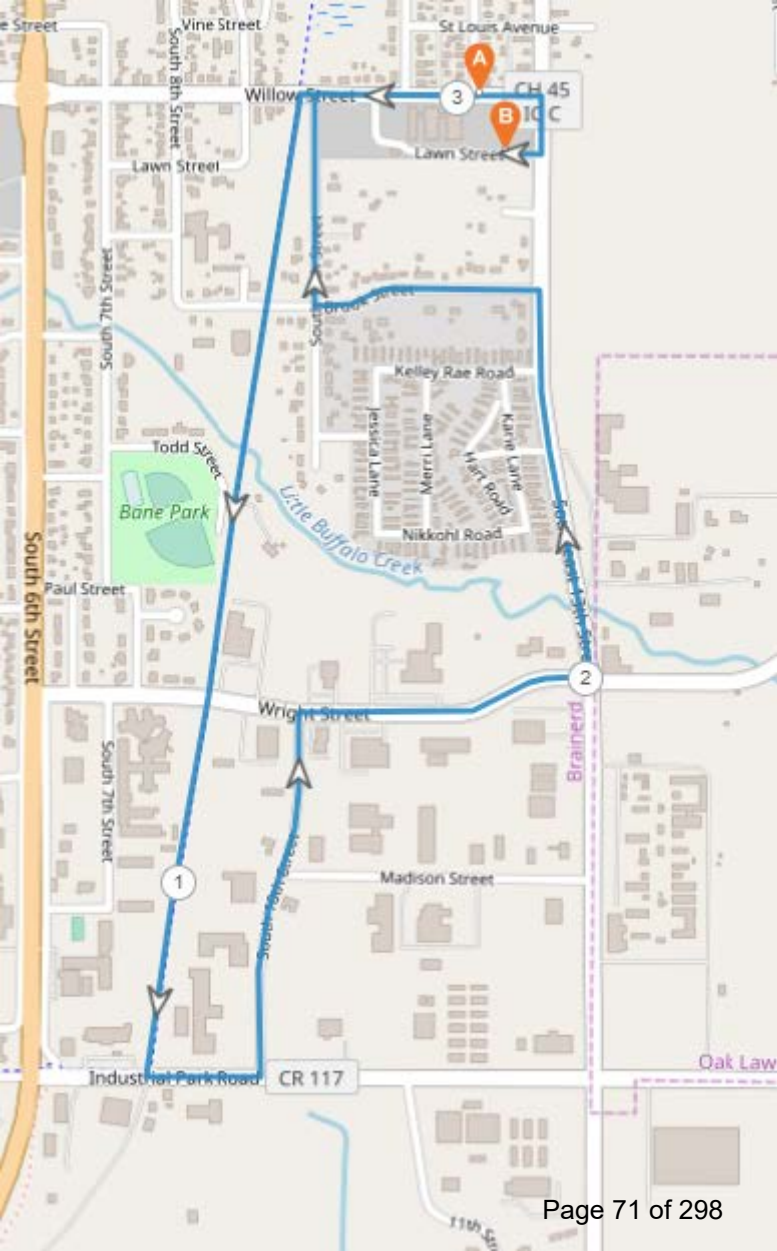
There will be one water stop on the 5k course and an additional stop on the 10k course with a bathroom. Bathrooms will also be located at the start/finish line. Please review the map below.

10K COURSE



WATER STOP 2







City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Start Date - Deputy Public Works Director/City Engineer Jennifer Schumann

AGENDA: Consent

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Brittney Kummet, HR Director

DEPARTMENT: HR

PRESENTER: Brittney Kummet, HR Director

ESTIMATED TIME (MIN): n/a - consent

SUMMARY OF ISSUE

Following the approval to hire at the June 1 Council Meeting and the successful completion of Jennifer's pre-employment requirements, we have confirmed her start date. Jennifer will begin her role with the City of Brainerd as the Deputy Public Works Director/City Engineer on July 20, 2026.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Approve the start date of Jennifer Schumann, which is July 20, 2026.

FINANCIAL IMPACT



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Hiring - Summer Temporary Employees

AGENDA: Consent

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Brittney Kummet, HR Director

DEPARTMENT: HR

PRESENTER: Brittney Kummet, HR Director

ESTIMATED TIME (MIN): n/a - consent calendar

SUMMARY OF ISSUE

Attached is a listing of our 2026 Summer temporary employees that have recently received a conditional job offer and have successfully completed their background checks.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

Pursuant to MN Statute, seasonal assignments are limited to 67 working days per calendar year or 100 working days per year if the employees are under the age of 22, are full-time students enrolled in a nonprofit or public educational institution prior to being hired by the employer, and have indicated, either in an application for employment or by being enrolled at an educational institution for the next academic year or term, an intention to continue as students during or after their temporary employment.

RECOMMENDED ACTION/MOTION

Approve the hiring of the 2026 Summer temporary employees as presented on the attached listing.

FINANCIAL IMPACT

The positions are included in the 2026 budget.

2026 Summer Temporary Employees

<u>Name</u>	<u>Job Title</u>	<u>Date of Hire</u>	<u>2026 Hourly Rate</u>
Mya Galvez	Parks Seasonal Maintenance	6/10/2026	\$20.00

Submitted for Consideration at the June 15, 2026, Council Meeting

* Returning Employee



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Hiring - Records Management Technician Madison Lloyd

AGENDA: Consent

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Brittney Kummet, HR Director,
Tony Runde, Police Chief

DEPARTMENT: HR

PRESENTER: Brittney Kummet, HR Director

ESTIMATED TIME (MIN): n/a - consent

SUMMARY OF ISSUE

We received 10 applications for the Police Records Management Technician position. Staff interviewed 7 applicants and made an offer to Madison Lloyd. Madison will start with us on June 16, 2026, at Step 1 of the 2026 Police Records Management Technician Wage Grid (\$26.80 per hour).

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Approve the hiring of Madison Lloyd for the Police Records Management Technician position effective June 16, 2026; further, that she be placed on Step 1 of the Police Records Management Technician wage grid (\$26.80 per hour).

FINANCIAL IMPACT

This position was included in the 2026 budget.



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: City Building Closures - Employee Wellness Event

AGENDA: P&F Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Employee Wellness Committee

DEPARTMENT: Administration

PRESENTER: Shawn Middagh

ESTIMATED TIME (MIN): 2 Minutes

SUMMARY OF ISSUE

The Employee Wellness Committee is requesting City operations close for 2 hours from 11:30am to 1:30 pm on October 1st to conduct the annual Employee Appreciation Event at the Streets/Parks Maintenance Building. On-call services will not be affected and will be conducted as usual. The event will include lunch (Shawn's Famous BBQ) and an award presentation, including Employee Years of Service. The entire event is funded by the Wellness Program through grant funding earned through employee participation in the Wellness Program.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The committee requested a 2 hour closure in 2024 and 2025. The timing seemed to work much better than the previous time of 1.5 hours.

RECOMMENDED ACTION/MOTION

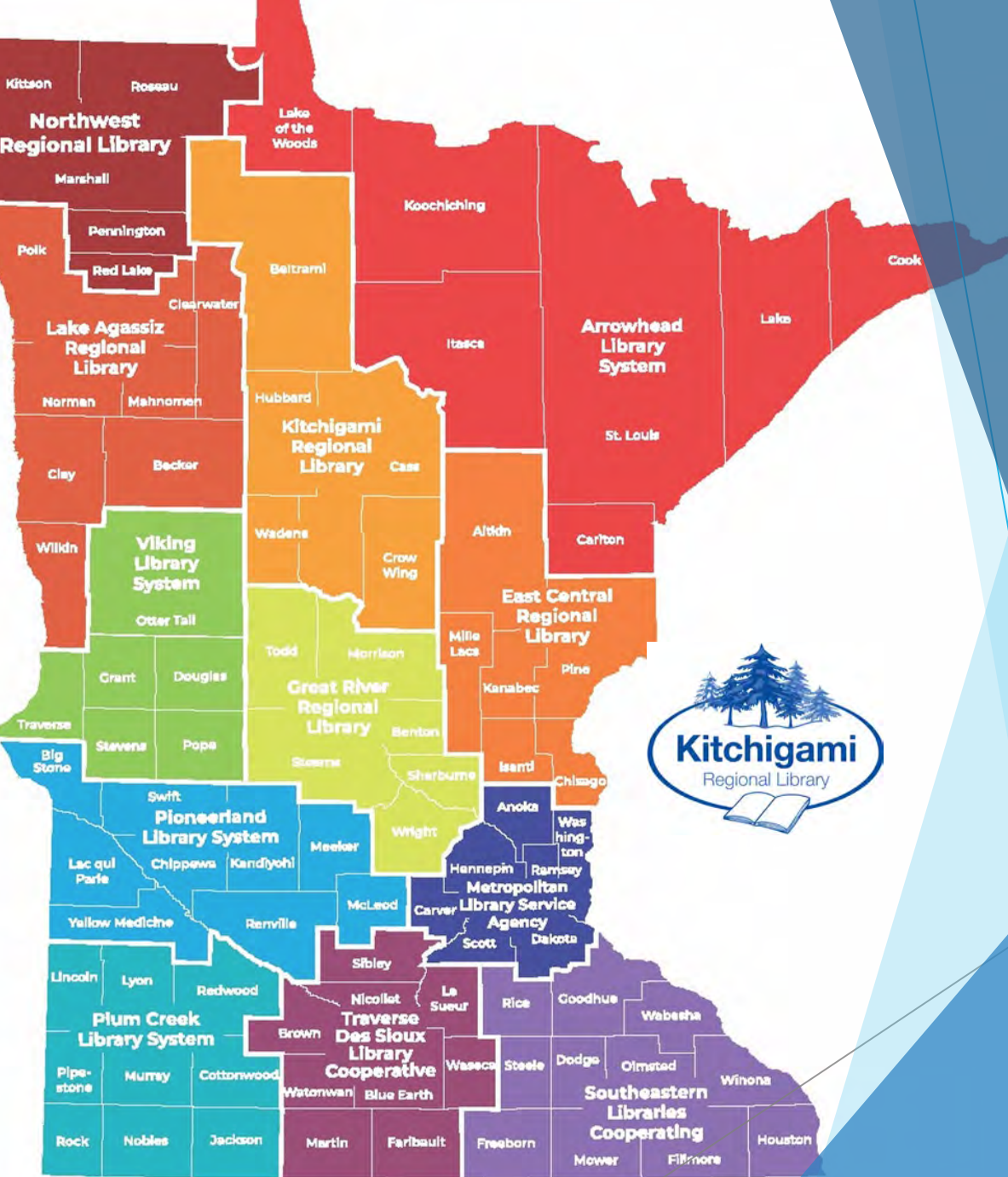
Motion to close City offices from 11:30 am to 1:30 pm on October 1st for the Employee Appreciation Event at Streets/Parks Maintenance Building.

FINANCIAL IMPACT

None



Kitchigami Regional Library System (KRLS)



Who we are:

9 physical branches, bookmobile, headquarters, and an e-library of electronic materials and databases

39 FTE staff plus substitute staffing

5 counties, 9 cities, 2 associate libraries

Serving a population of 183k+ county residents with 61k+ library cards (34.5%)



Mission:

KRLS enhances quality of life [. . .] by providing access to library resources and services that meet residents' varied and continually evolving needs.

Vision:

KRLS empowers libraries to enrich their communities.

Values:

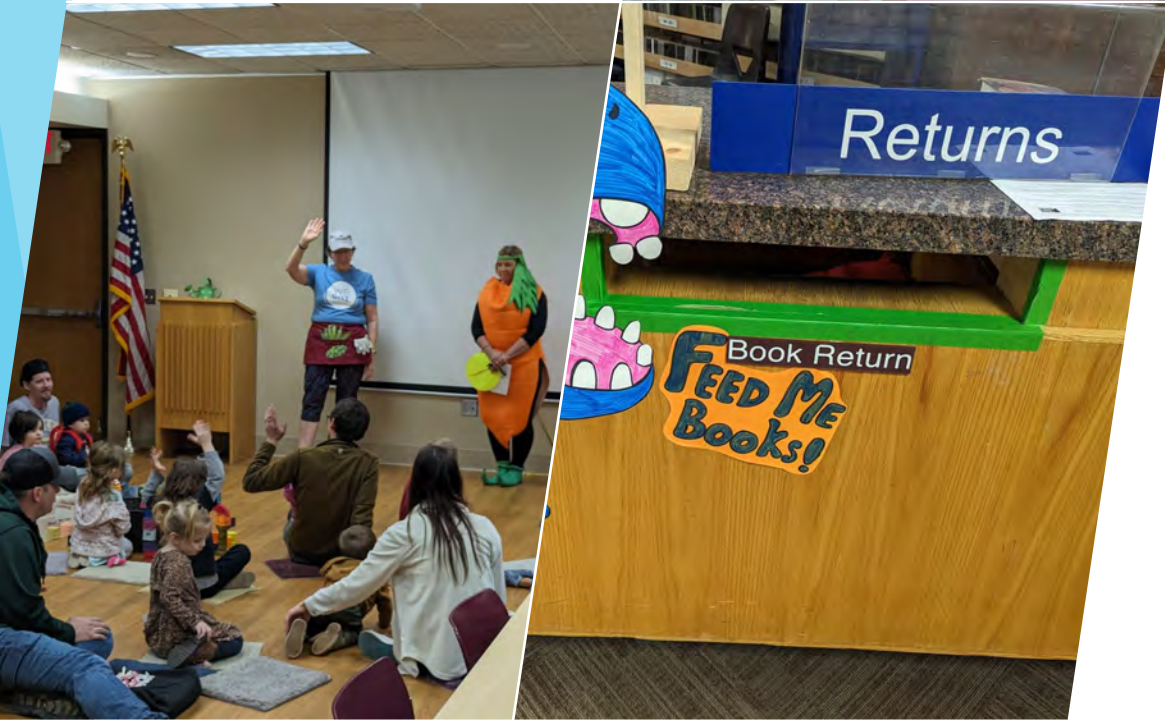
Public Trust
Diversity/Inclusion
Innovation

Access
Excellence

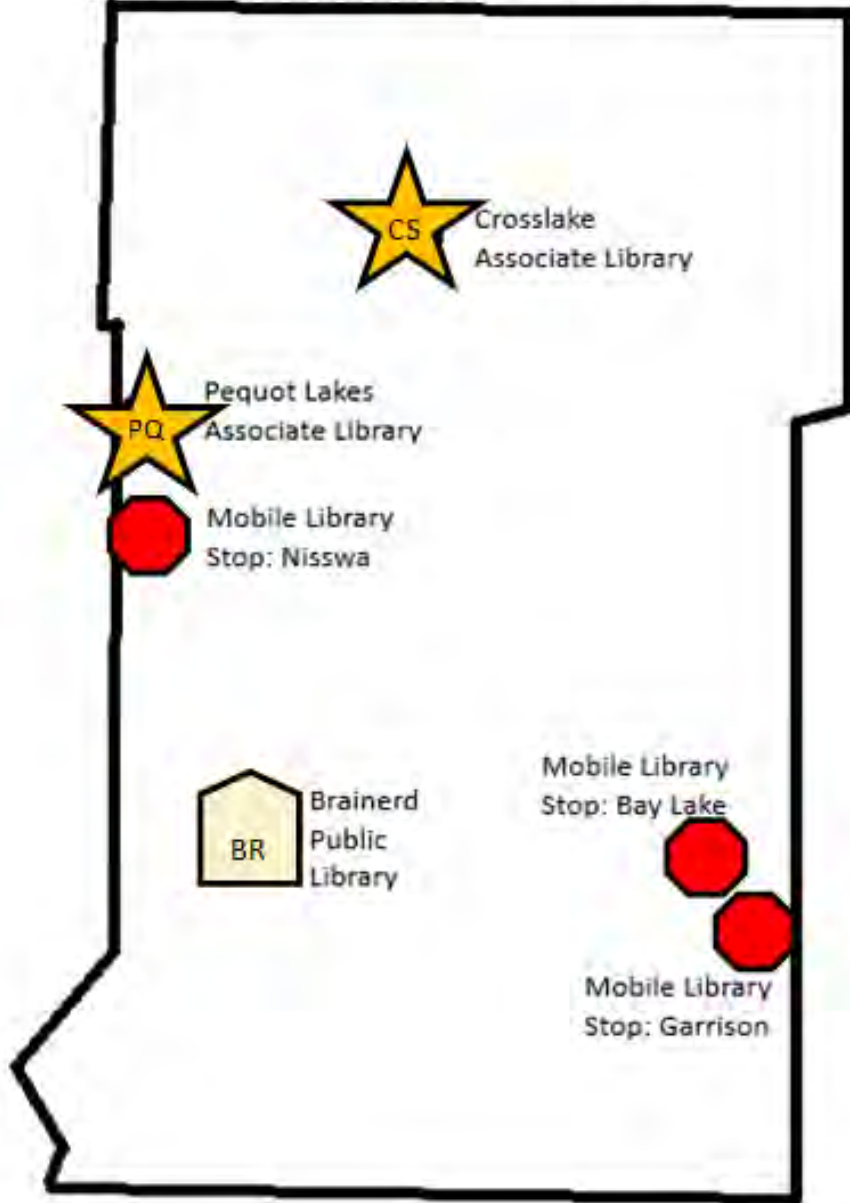




Who we are: Brainerd Public Library



Crow Wing County Library Services 2025



\$715,831 Total Cost

By Funding Partner:



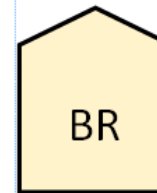
\$509,127 (71.2%)



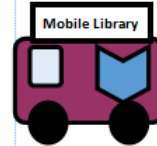
\$81,090 (11.3%)



\$125,614 (17.5%)



\$688,893 Brainerd Public Library
 \$110,089 KRLS Funds
 \$81,090 City of Brainerd Funds
 \$496,984 CWC Funds



\$16,088 Mobile Library
 \$4,795 KRLS Funds
 \$11,293 CWC Funds



\$10,000 Associate Library
 \$10,000 KRLS Funds



\$850 KRLS Board
 \$850 CWC Funds

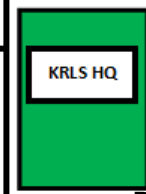
Share of Regional Collection

\$16,425 E-materials
\$6,970 Rotating Large Print



Share of Regional Administration

\$1,700 KRLS Board
\$28,105 Technical Support (IT, Website, Material Processing)



What we do in Crow Wing County

Brainerd Public Library
2025



- 22,801 registered users (**32.6%** of county population)
 - 7,568 City of Brainerd Patrons
 - 11,714 CWC Patrons
 - 3,519 Reciprocal Borrowers/Outside County Lines
- 104,817 visits (**32%** of regional total)
- 170,298 circulated items (**38%** of regional total)



What we do in Crow Wing County



Brainerd Public Library 2025

- 69,701 items in physical collection (**29%** of regional total)
- 21,138 reference questions (**38%** of regional total)
- 6,188 public computer internet uses (**20%** of regional total)
- 11,648 Wireless Sessions (**30%** of regional total)
- 3,822 residents using free meeting room
(or with a minimal charge for business purposes)
- 160 programs with 3,250 attendees
- 38 Special Library Events with 1,583 attendees



Summer Reading Program

- 333 participants registered
- 182 completed
- 311,558 minutes read
- 525 books awarded



BRAINERD PUBLIC LIBRARY

TRACK YOUR READING WITH BEANSTACK

REGISTER ONLINE WITH **beanstack**

Or go to: krls.beanstack.com/reader365

DOWNLOAD THE APP



Join **ONE** of the following challenges:

- 480 Minute Challenge
- 960 Minute Challenge
- 1440 Minute Challenge

Earn badges in Beanstack and at Bookapalooza the number of minutes tracked will convert to a number of books you can select at Bookapalooza!

LEVEL UP AT YOUR LIBRARY

2025 SUMMER READING PROGRAM

JUNE 2ND - JULY 26TH

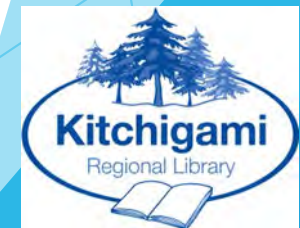
What we do in Crow Wing County

- Mobile Library 2025
 - Nisswa - 662 circulated items
 - Bay Lake - 661 circulated items
 - Garrison - 1,098 circulated items
- Associate Libraries 2025-
 - Pequot Lakes - 28,373 circulated items
 - Crosslake - 13,906 circulated items
- E-Library
 - 19,965 items
 - 54 databases
 - Access to materials statewide via interlibrary loan (9,200 items borrowed instead of purchased)

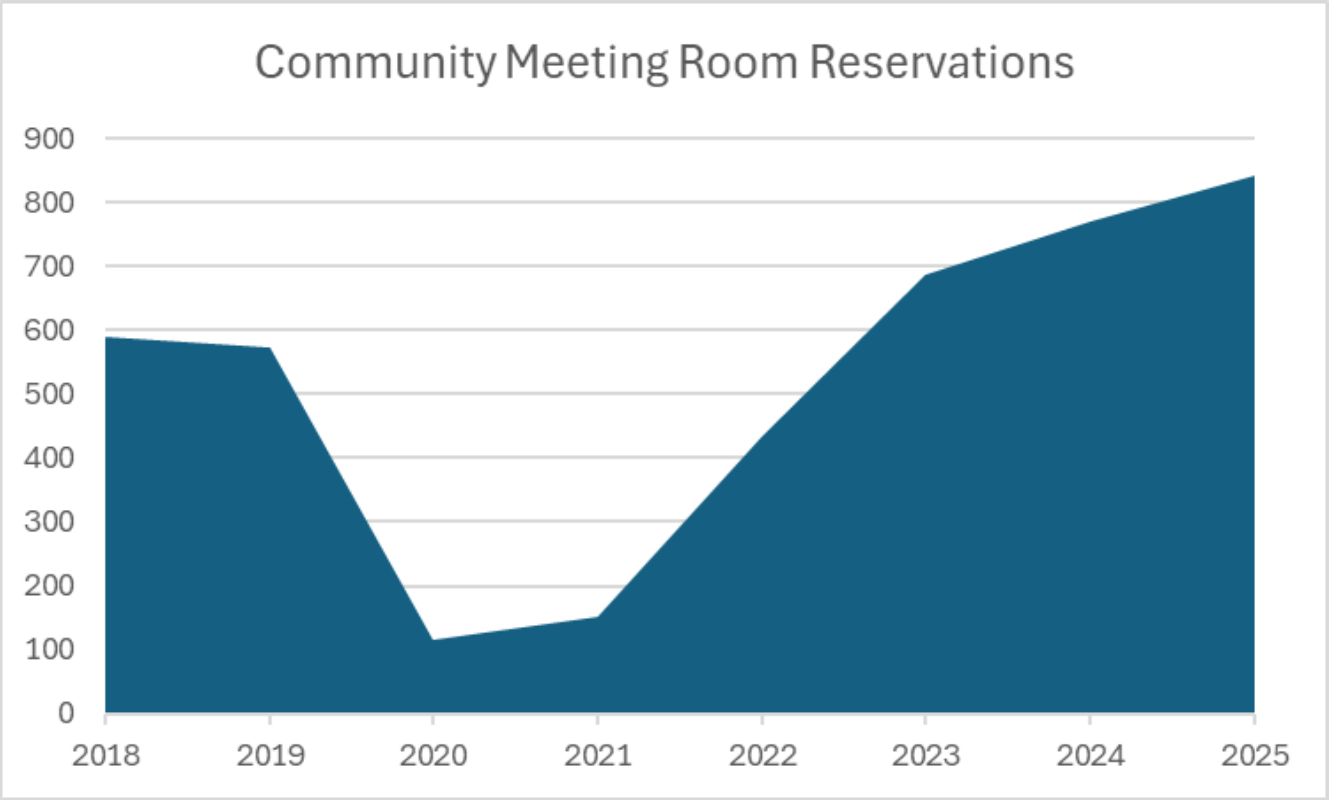


2026 Initiatives

- ▶ Increase library presence in the community through partnerships
- ▶ Expand our services by going to where the community members gather
- ▶ Expand and promote the Hublet and Bibliotheca Lockers
- ▶ Implement new methods of marketing to create awareness of library services
- ▶ Develop ongoing protocols for services and establishing new programming



Meeting Rooms



2024

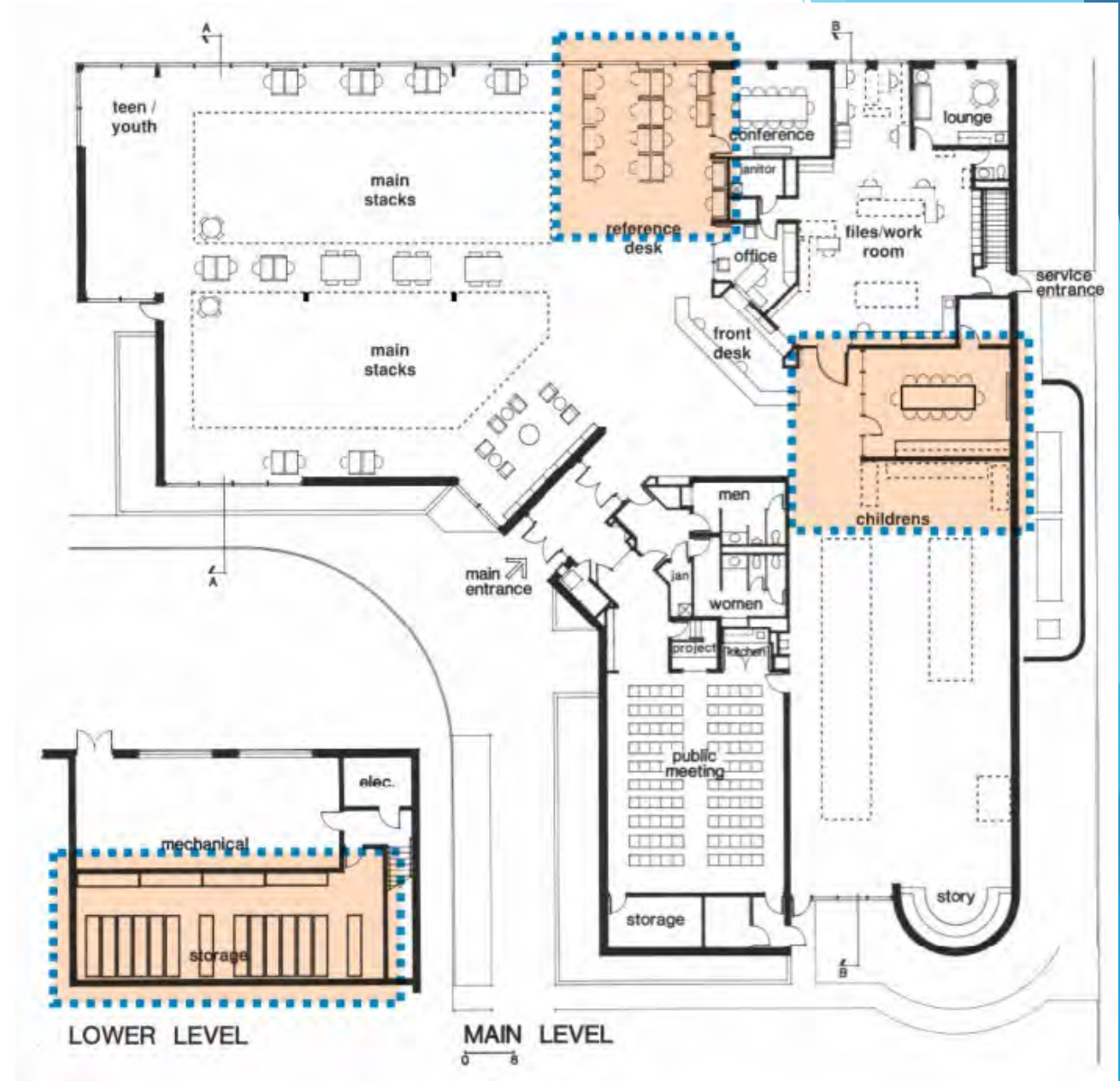
- 771 Reservations
- 3134 Attendees

2025

- 842 Reservations
- 3822 Attendees

2026 MN Department of Education Grant

- 16 New Computers
- New Conference Room with Technology updates
- High Density Mobile Storage System





I love my library because...



Questions?



April Ristau
Regional Branch Manager
Brainerd Public Library
ristaua@krls.org
218-829-5574



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Authorization to attempt to acquire an ARFF apparatus

AGENDA: P&F Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Tim Holmes, Fire Chief

DEPARTMENT: Fire

PRESENTER: Tim Holmes, Fire Chief

ESTIMATED TIME (MIN): 5 minutes

SUMMARY OF ISSUE

The Fire Department is requesting authorization to attempt to acquire an ARFF (Aircraft Rescue and Fire Fighting) apparatus from the Camp Ripley Fire Department through the Federal Excess Property Program at zero acquisition cost.

Obtaining this specialized apparatus via the federal excess property program gives the Brainerd area a regional capabilities upgrade for \$0 in acquisition costs. It bridges the staffing gap at the airport, secures off-road aviation rescue capabilities, and gives the department tools for hazardous material fires within our coverage area and beyond.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

Acquiring an Airport Rescue Firefighting (ARFF) apparatus through the Federal Excess Property Program from Camp Ripley presents a unique, low-risk opportunity for the City and the department's coverage area. Because the apparatus is located nearby, the department can eliminate all delivery and transportation costs. Furthermore, we have firsthand knowledge regarding its service history, usage, and maintenance record.

The Fire Department believes this is an enormous benefit for the City of Brainerd and the fire department's coverage area. The primary operational benefits for the Brainerd Fire Department include:

1. Supporting the Brainerd Lakes Regional Airport

While the airport maintains its own ARFF staff and equipment during regular operational hours, the Brainerd Fire Department is a primary fire department and mutual-aid partner in the event of an aircraft incident.

An ARFF apparatus provides Brainerd Fire Department with the ability to instantly integrate with airport operations, adding major suppression capabilities and specialized high-flow turrets to control a crash site and protect the fuselage for passenger rescue.

2. Crucial After-Hours Airport Response

The Brainerd Lakes Regional Airport is typically staffed for ARFF operations from 5:00 AM to 9:00 PM. However, aviation doesn't completely stop when the airport isn't staffed.

The Gap Coverage: Late-night flights, medical helicopters, military aircraft traffic, and passing commercial or private flights operate outside of standard staffed hours.

If an aircraft experiences an emergency landing outside of airport's operating hours, the airport's onsite ARFF personnel are off duty. Having an ARFF apparatus managed by the Brainerd Fire Department ensures that the community can depend on a rapid, fully equipped aviation-firefighting response to an aircraft incident when the airport is not staffed.

3. Off-Airport Incident Response Capabilities

Aircraft emergencies do not always happen on a runway or within the airport facilities. Airport staff and equipment cannot always respond to an off-airport incident within the fire department's coverage area with an ARFF apparatus.

All-Terrain Response: ARFF apparatus are designed with high ground clearance and specialized tires to navigate mud, sand, and steep terrain to reach a crash site.

Pump and Roll: ARFF apparatus can discharge water and foam while the vehicle is actively moving, allowing the operator to keep re-positioning to quickly extinguish the fire while keeping the crew safe in the cab.

4. Class B & Fuel Fire Suppression

Class B fires involve flammable liquids like gasoline, diesel, and jet fuel.

Large Foam Payload: ARFF trucks carry heavy payloads of specialized Class B Firefighting Foam, alongside a large on-board water tank.

Application to Local Hazards: Beyond aviation, this capability is a massive asset for highway and industrial incidents. If a fuel semi-truck rolls over within our coverage area, or if a major spill occurs at a local bulk fuel storage facility or rail line, the Brainerd Fire Department will have a dedicated, rolling foam-delivery platform capable of blanketing large-scale liquid fires rapidly from a safe distance.

RECOMMENDED ACTION/MOTION

Authorize the Fire Department to attempt to acquire an ARFF (Aircraft Rescue and Fire Fighting) apparatus through the Federal Excess Property program.

FINANCIAL IMPACT

\$0 acquisition cost. The estimated annual maintenance cost for the vehicle is projected to be between \$500 and \$700 per year. At this stage, procurement serves as a pilot program to evaluate the long-term viability of the service; therefore, this apparatus will not be added to the capital replacement plan at this time.



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Funding Request - YMCA

AGENDA: Main

ACTION REQUESTED: Discussion Item

SUBMITTED BY: Nick Broyles, City Administrator

DEPARTMENT: Administration

PRESENTER: Nick Broyles, City Administrator

ESTIMATED TIME (MIN): 10 minutes

SUMMARY OF ISSUE

The YMCA approached the city requesting \$4,000,000 toward a new aquatic center/pool. Council directed staff to work with our municipal advisor for potential funding options. They came back with a single option of tax abatement bonds.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

At the 1 Jun council meeting, council directed staff to draft language for a potential referendum to take the issue to the voters. The draft referendum language is attached. Subsequently, the YMCA sent the city the attached letter stating that a referendum does not work out for their timing.

RECOMMENDED ACTION/MOTION

Staff feels council has several options.

1. Direct staff to move forward with city funding through tax abatement bonds.
2. Comment on referendum language and direct staff to move forward with 1 Jun direction.
3. Rescind the motion from 1 Jun directing the referendum course of action.
4. Reject the \$4,000,000 request ending this initiative.

FINANCIAL IMPACT

Potentially \$4,000,000 of tax abatement bonds through levy increases across a number of years.

Draft Ballot Language

YMCA Pool

Shall the City Council of the City of Brainerd be authorized to issue general obligation tax abatement bonds in an amount not to exceed \$4,000,000 to provide funds towards the construction of an aquatic facility within the proposed new YMCA? By voting yes on this ballot question, you are voting for a property tax increase.



June 8, 2026

City of Brainerd
Attn: Mayor and City Council
501 Laurel Street
Brainerd, MN 56401

RE: Community Aquatic Center Funding Discussion- Referendum YMCA

Mayor, Council Members, and City Staff,

On behalf of the Brainerd Family YMCA, we would like to thank the City of Brainerd for the time, effort, and thoughtful consideration that has been invested in evaluating a potential partnership related to the development of a community aquatic center. We recognize the significant commitment required to explore funding options and assess the long-term community benefits such a project could provide.

As the YMCA continues to evaluate the feasibility of this project and advance its capital campaign efforts, our Board has carefully considered the funding strategies necessary to successfully complete the project's capital stack. Based on those discussions, we have concluded that pursuing funding through a public referendum does not align with the YMCA's fundraising objectives, campaign structure, or project timeline.

While we appreciate the City's willingness to explore this option, the uncertainty associated with a referendum outcome, combined with the timing required to complete a successful capital campaign and secure other funding commitments, creates challenges that are difficult to reconcile within the YMCA's current planning framework. Our fundraising strategy relies on demonstrating certainty and momentum to donors, grant providers, and community partners, and the referendum process introduces variables that could significantly impact those efforts.

For these reasons, we respectfully request that the City discontinue pursuing referendum ballot language related to this project and terminate any further actions associated with preparing a referendum question for Council consideration.

This request should not be interpreted as a lack of interest in partnering with the City. To the contrary, the YMCA remains committed to exploring collaborative opportunities that advance shared community goals and provide lasting recreational and wellness benefits for the residents of Brainerd and the surrounding region. We continue to believe there may be opportunities for partnership through other mechanisms and would welcome future discussions regarding

BRAINERD FAMILY YMCA
602 Oak St. Brainerd, MN 56401
(P)218.829.4767
(W) BrainerdLakesYMCA.org

The mission of the Brainerd Family YMCA is to enhance lives in the Brainerd Lakes Area by connecting individuals and families with opportunities based on Christian values that build a healthy spirit, mind & body.



approaches that better align with the YMCA's capital campaign strategy and implementation schedule.

We appreciate the City's partnership and look forward to maintaining a constructive dialogue as we collectively work to serve our community.

Sincerely,

Shane Riffle
Chief Executive Officer
Brainerd Family YMCA

BRAINERD FAMILY YMCA
602 Oak St. Brainerd, MN 56401
(P)218.829.4767
(W) BrainerdLakesYMCA.org

The mission of the Brainerd Family YMCA is to enhance lives in the Brainerd Lakes Area by connecting individuals and families with opportunities based on Christian values that build a healthy spirit, mind & body.

From: [Nick Broyles](#)
To: [Mike ODay](#); [Jeff Czczok](#)
Cc: [Connie Hillman](#); [Joseph Langel](#); [Toni Gage](#)
Subject: FW: YMCA partnership
Date: Tuesday, June 9, 2026 8:00:46 AM
Attachments: [image001.png](#)
[image002.png](#)
[YMCA Aquatic Center funding.docx](#)
[image003.png](#)
Importance: High

Mike/Jeff:

Please see attached letter from Shane Riffle. The YMCA is requested that the city not move forward with a referendum on pool funding at their facility. Council directed staff to draft language for a referendum which we will continue to do. If you want to stop staff's work on this, perhaps a motion to rescind at the next meeting.

Thoughts?

Nick



Nick Broyles, MPA | City Administrator
City of Brainerd | 501 Laurel Street Brainerd MN 56401
218.828.2307 | nbroyles@ci.brainerd.mn.us

From: Shane Riffle <sriffle@blymca.org>
Sent: Monday, June 8, 2026 4:10 PM
To: Nick Broyles <nbroyles@ci.brainerd.mn.us>
Cc: [mike.angland](mailto:mike.angland@widseth.com) <mike.angland@widseth.com>; [Lindsey Kriens](mailto:Lindsey.Kriens@widseth.com) <Lindsey.Kriens@widseth.com>
Subject: YMCA partnership

*** **Warning:** External sender, use extreme caution with attachments and links ***

Good afternoon Nick.

I've attached a letter from the Y regarding a referendum as a potential funding mechanism for the Aquatic Center partnership that we have been discussing. Would you please share appropriately. Also, if you think necessary, we could be available at the Personnel and Finance Committee meeting prior to the next council meeting to discuss -just let us know.

Sincerely,
Shane



SHANE RIFFLE

CHIEF EXECUTIVE OFFICER
P 218.454.2552
C 843.240.7679
W brainerdlakesymca.org



[SCHEDULE A CAPITAL CAMPAIGN VISION TOUR](#)



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Donation Request - 4th of July Fireworks

AGENDA: P&F Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Connie Hillman, Finance Director

DEPARTMENT: Finance

PRESENTER: Connie Hillman, Finance Director

ESTIMATED TIME (MIN): 5 Minutes

SUMMARY OF ISSUE

Please see the attached letter from Dave Badeaux, Executive Director of Brainerd Community Action (BCA). BCA's request is that both cities, Brainerd and Baxter, continue the same level of support as done in the past.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

Historically, we have used the special projects budgeted line item for the fireworks contribution. Below is a history of the contributions made for the cause:

2016 through 2025 - \$8,000
2015 - \$7,500
2014 - \$8,500
2013 - \$8,000
2011 and 2012 - \$5,000
2010 - \$0

There was \$28,000 budgeted for special projects in 2026. As of June 9, 2025, \$5,000 has been allocated to be used for the YMCA pool financial analysis, leaving a budget balance of \$23,000.

RECOMMENDED ACTION/MOTION

Approve or deny the request from Brainerd Community Action for a donation for 4th of July fireworks in the amount of \$8,000 to be paid from special projects budgeted line item.

FINANCIAL IMPACT

\$8,000; see above explanation



June 6, 2026

Dear City Officials,

Each year Brainerd Community Action hosts numerous annual events that attract thousands of people into The Brainerd Lakes Area and throughout our communities. We are in the midst of our planning season and continuing to prepare for the 2026 Fourth of July celebration. We wanted to reach out to you at this time for a request of support for the annual fireworks display.

The firework portion of the day is to many families the most important part of our local celebration, and we aim to continue to bring a world-class show to all those who are able to view. As this is also the 250th anniversary of our nation's birth, we hope to make this year one to remember. Because of this Brainerd Community Action will be putting an extra emphasis on making sure this portion of the day is top tier.

What we ask of both our cities, Brainerd and Baxter, is that they continue to support the fireworks portion of this important event for our area. Although this cost has increased greatly in the last few years, we are not coming with an ask for additional funds over what has been done recently. We only ask that you continue your gracious levels of support as you have done in recent years.

Brainerd Community Action will continue to evaluate how we can best present this patriotic moment for our community, and as always, our goal will be to provide a celebration that is both appropriate for and worthy of both the cities of Brainerd and Baxter

Thank you for your continued community support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dave Badeaux", with a stylized flourish at the end.

Dave Badeaux

Executive Director Brainerd Community Action



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Procurement Policy - Transit

AGENDA: SPW Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Crystal Gauthier, Transit Coordinator

DEPARTMENT: Public Works

PRESENTER: Nick Broyles, City Administrator

ESTIMATED TIME (MIN): 2 Minutes

SUMMARY OF ISSUE

Attached is the revised Procurement Policy for the Brainerd & Crow Wing Public Transit System. The Federal Transit Administration (FTA) requires recipients to maintain and use written procurement procedures that comply with applicable federal requirements while reflecting applicable state and local laws and regulations. Staff reviewed the policy and incorporated necessary updates to maintain compliance with current procurement requirements and recommends approval of the revised policy.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

MnDOT has requested that the revised policy be reviewed and approved by City Council by June 30, 2026.

RECOMMENDED ACTION/MOTION

Motion to approve the amended Transit Procurement Policy.

FINANCIAL IMPACT

N/A

2026 Procurement Policy Required Changes Table

Section Identified	Change or Update
Throughout entire document	Changed all references of 4220.1F to 4220.1G
Throughout entire document	Updated all citation reference/numbers/links (i.e. 2 CFR 200, federal clauses)
Chapter 5, Section 5.2	Changed the micro purchase threshold to \$15,000.00
Chapter 5, Section 5.3.1.1.	Changed the micro purchase threshold to \$15,000.00
Chapter 5, Section 5.3.2.1.	Changed the small purchase threshold range to \$15,000 - \$350,000
Chapter 5, Section 5.3.2.1.	For governmental agencies – Changed the small purchase threshold from \$15,000 - \$175,000
Chapter 5, Section 5.3.3.1.	Changed the formal procurement threshold from \$250,000 to \$350,000
Chapter 5, Section 5.4.1.3., paragraph C	Changed the title of the paragraph from “Unusual and Compelling Urgency” to “Exigency or Emergency”
Chapter 6, Section 6.5.2.2.	Changed title from “Violation or Breach” to “Remedies”
Chapter 5, Section 5.3.3.9. Paragraph B	Replaced “Qualifications-Based Procurement Procedures Prohibited” with “Purpose of Services” including simple changes in the paragraph.
Chapter 6, Section 6.8.1.	Changed title from “Statement of Policy” to “Recipient Responsibilities and FTA Role in Procurement Disputes”.
Chapter 5, Section 5.4.1.1	Changed “Competition Adequacy” to “Adequate Competition” and replaced with updated language
3.4.3 Required Contract Clauses	Added Domestic Preference under Miscellaneous

**BRAINERD & CROW WING PUBLIC TRANSIT SYSTEM
PROCUREMENT POLICY**

June 30th, 2026

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1. INTRODUCTION

1.1. Purpose

This policy establishes guidelines and minimum standards that Brainerd & Crow Wing Public Transit System will use in the management of its third-party contracts. This manual is intended to ensure that Brainerd & Crow Wing Public Transit System complies with Federal Transit Administration (FTA) and the Minnesota Department of Transportation's standards to ensure full and open competition and equitable treatment of all potential sources for all purchases made with funding derived from the Federal, state, and local governments. In all purchasing activity, the goal of Brainerd & Crow Wing Public Transit System is to ensure maximum open and free competition consistent with:

- FTA Circular 4220.1G "Third Party Contracting Guidance" or latest version thereof;
- FTA Circular 4220.1G "FTA Best Practices Procurement and Lessons Learned Manual"
- 2 CFR § 200.318 – 200.327

The goal of this procurement policy is to provide an atmosphere in which all procurement transactions will be conducted in a manner providing full and open competition while preventing the use of state or federal funds for unallowable costs, as discussed in 2 C.F.R. 200 and other applicable regulations. Brainerd & Crow Wing Public Transit System outlines the local restrictions and guidance on unallowable costs within the Financial Policy.

When Brainerd & Crow Wing Public Transit System undertakes any purchase utilizing FTA funds, this policy shall supersede any existing purchasing policy. When any conflict exists between this policy and the existing policies of the Brainerd & Crow Wing Public Transit System, the procedures in this policy shall prevail. If any employee of Brainerd & Crow Wing Public Transit System determines that a conflict exists between these policies and state or local law, Brainerd & Crow Wing Public Transit System shall contact MnDOT and communicate the conflict.

1.2. Third Party Contracting Capacity

FTA regulations (2 CFR § 200.319(c) and FTA Circular 4220.1G, Chapter III, § 3a) require Brainerd & Crow Wing Public Transit System to have written procurement procedures. This policy is designed to meet FTA and MnDOT's requirements in this regard.

1.3. Procurement Planning

Planning is Brainerd & Crow Wing Public Transit System first step in the procurement process. It is the process of deciding what to buy, when, and from what sources. In order to plan effectively, Brainerd & Crow Wing Public Transit System must have the internal organizational capability with the proper checks and balances to facilitate the procurement process with the highest degree of integrity. This includes having trained, experienced contract personnel that have the authority to contractually bind the agency. Furthermore, Brainerd & Crow Wing Public Transit System uses Federal funds in support of their procurement actions and must ensure that contract personnel are fully knowledgeable of the numerous laws and regulations that apply to funded procurements. Brainerd & Crow Wing Public Transit System invests the time and resources to establish standards of conduct, organize effectively, and develop short- and long-range plans will avoid last minute, emergency or ill-planned procurements, which are contrary to open, efficient and effective procurements. FTA C. **4220.1G** Best Practices.

1.4. Policy Review and Amendment

Once per year the TRANSIT DIRECTOR, OPERATIONS MANAGER, HUMAN RESOURCES, ***other important organizational figures***, and any employees the TRANSIT DIRECTOR requests to be present, shall meet and review this policy for revisions or updates that need to be made. The Board/Governing Body will be notified of changes to this policy at their next regularly scheduled meeting and at that time, adopt any revisions or updates to the Policy.

If any changes or revisions are adopted to this policy, Brainerd & Crow Wing Public Transit System will upload the updated policy to BlackCat with an indication of the date when the changes were made.

2. CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

2.1. Purpose

Federal grant management rules (2 CFR § 200.318(c)(1)) require each recipient to maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. This policy must address:

- Personal conflicts of interest
- Gifts; and
- Violations.

2.2. Applicability

No employee, officer or agent may participate in the selection, award, or administration of a contract supported by a Federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. 2 C.F.R. 200.318(c)(1).

2.3. Gifts/Gratuities

No officer, employee, agent, or board member of Brainerd & Crow Wing Public Transit System, may solicit or accept gratuities, gifts, favors, or anything of monetary value from contractors or parties to subcontracts. 2 C.F.R. 200.318(c)(1).

2.4. Employee Conflicts of Interest

2.4.1. Conflicts of Interest

It shall be a breach of ethical standards for any Brainerd & Crow Wing Public Transit System listed employee or member to participate directly or indirectly in a procurement when the employee or member knows:

- The employee or any member of the employee's immediate family, board member, officer, agent, his or her partner, has a financial interest pertaining to the procurement;
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- Any other person, business or organization with whom the employee or any member of employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement. 2 C.F.R. 200.318(c)(1); FTA C. 4220.1G, Chpt. III(1)(a).

2.4.2. Discovery of Actual or Potential Conflict of Interest (Disqualification and Waiver)

Regardless of the organizational structure Brainerd & Crow Wing Public Transit System establishes for its procurement activities, a strong need for autonomy or independence of the procurement function from internal customers. It is very important that all procurement responsibilities are carried out without

undue influence by the agency's internal customers and users of the goods and services procured. While the degree of autonomy and organizational reporting relationships will vary with the size of the organization and its established policies, autonomy enables procurement personnel to give unbiased consideration to procurement principles and requirements, as well as to the schedule, budget, functional and other requirements of the internal customers. The procurement personnel must be free from undue influence or pressure in the award and administration of contracts. (See 2 C.F.R. § 200. 319 *General procurement standards*; FTA Circular 4220.1G, Chapter IV , paragraph 3 – *Third Party Contracting Capacity*; and FTA Best Practices 2.2)

Remedies. FTA expects the recipient to analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible, and avoid, neutralize, or mitigate potential conflicts before contract award. FTA C. 4220.1G, Chpt. VI(2)(h).

Upon discovery of an actual or potential conflict of interest, an employee participating directly or indirectly in a procurement shall:

- Promptly file a written statement of disqualification with the Procurement Officer; and
- Withdraw from further participation in the procurement.

The employee may, at the same time, request from the Procurement Officer, an advisory opinion as to what further participation, if any, the employee may have in the procurement. It shall be at the sole discretion of the Procurement Officer to determine if the employee may have any further participation in the procurement and, if so, the extent to which the employee may participate. Any employee who fails to comply with the provisions of this paragraph may be subject to disciplinary action.

2.4.3. Employee Disclosure Requirements

A Brainerd & Crow Wing Public Transit System employee, who has reason to believe that they or their immediate family have an interest that may be affected by their official acts or actions as a Brainerd & Crow Wing Public Transit System employee or by the official acts or actions of Brainerd & Crow Wing Public Transit System, shall disclose the precise nature and value of such interest in a written disclosure statement to the Procurement Officer. The employee's disclosure statement will be reviewed by the Procurement Officer and the Procurement Officer will respond to the employee in writing with an opinion as to the propriety of said interest.

In the event that the Procurement Officer has reason to believe that they or their immediate family has an interest that may be affected by their official acts or actions as a Brainerd & Crow Wing Public Transit System employee or by the official acts or actions of Brainerd & Crow Wing Public Transit System, they shall disclose the precise nature and value of such interest in a written disclosure statement to the Transit Director.

2.4.4. Confidential Information

A Brainerd & Crow Wing Public Transit System employee may not directly or indirectly make use of, or permit others to make use of, for the purpose of furthering a private interest, confidential information acquired by virtue of their position or employment with Brainerd & Crow Wing Public Transit System. 2 C.F.R. 200.303(e).

2.5. Organizational Conflicts of Interest

The Procurement Officer and technical personnel are encouraged to closely scrutinize all situations that appear to have the potential for an organizational conflict of interest.

Organizational conflicts of interest may result in bias and potentially provide an unfair competitive advantage to a potential offeror. An organizational conflict of interest occurs due to the type of work to be performed under a third-party contract, or because of other activities or relationships such as:

- A contractor who is unable, or potentially unable, to render impartial assistance or advice to the Subrecipient;
- A contractor's whose objectivity in performing contract work is or might be impaired;
- A contractor who has an unfair competitive advantage; or
- An organization that has a parent, affiliate, subsidiary or similar organizational relationship with Brainerd & Crow Wing Public Transit System.

Bias arises when a contractor is placed in a situation where there may be an incentive to distort advice or decisions. Whenever a contract is awarded that involves the rendering of advice, the question must always be asked as to whether the potential for a conflict of interest exists for the contractor rendering the advice. Brainerd & Crow Wing Public Transit System will utilize a "Conflict of Interest Disclosure Statement," in its solicitation when contracting for services of this nature. 2 C.F.R. 200.318(c)(2); 2 C.F.R. 200.319(b).

2.6. Penalties

For violation of any provision of this Code of Ethics or Conflict of Interest, the Brainerd & Crow Wing Public Transit System may avail itself of every remedy in law or equity, to enact penalties to the employee, up to and including dismissal.

Civil/Criminal Penalties Additionally, violation of the Ethics Policy or a provision thereof may subject the Employee to criminal or civil penalties under State or Federal law.

3. Brainerd & Crow Wing Public Transit System RESPONSIBILITIES

3.1. Third-Party Contracting Capacity

Brainerd & Crow Wing Public Transit System must maintain adequate technical capacity to carry out its FTA and State assisted projects and comply with Federal and State rules. Brainerd & Crow Wing Public Transit System's third party contracting capability must be adequate to undertake its procurements effectively and efficiently in compliance with applicable Federal, state, and local requirements. FTA C. 4220.1G, Chpt. 3(3).

3.2. Contract Administration System

Brainerd & Crow Wing Public Transit System must maintain a contract administration system to ensure that it and its third-party contractors comply with the terms, conditions, and specifications of their contracts or purchase orders and applicable Federal, state and local requirements. See Section 6 of this policy for a full discussion of contract administration. FTA C. 4220.1G, Chpt. 3(3).

3.2.1. Adequate Third-Party Contract Provisions

Brainerd & Crow Wing Public Transit System must include provisions in all of its third-party contracts that are adequate to form a sound and complete agreement. Provisions identified in the solicitation must be carried over into the contract. FTA C. 4220.1G, Chpt. 3(3)(b).

3.2.2. Revenue Contracts

Brainerd & Crow Wing Public Transit System may enter into a revenue contract with a third-party to generate revenues in connection with a transit related activity, or to create business opportunities utilizing an FTA or State funded asset. Any such said contract opportunity will follow open and competitive selection procedures and principles outlined herein. FTA C. 4220.1G, Chpt. 2(b)(3).

3.2.3. Record Keeping

Brainerd & Crow Wing Public Transit System must prepare and maintain adequate and readily accessible project performance and financial records, covering procurement transactions as well as other aspects of project implementation. Brainerd & Crow Wing Public Transit System must maintain these records in the event of litigation or in other limited circumstances, until six years (in accordance with MN State Record Retention requirements) after Brainerd & Crow Wing Public Transit System and any contractors or subcontractors have made final payment and all other pending matters are closed. Specific record keeping requirements include:

- (a) Written Record of Procurement History – Brainerd & Crow Wing Public Transit System must maintain and make available to MnDOT and FTA written records detailing the history of each procurement. For all procurements above the micro-purchase level Brainerd & Crow Wing Public Transit System must maintain records relating to:
 - (1) Procurement Method – Brainerd & Crow Wing Public Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive;
 - (2) Contract Type – Brainerd & Crow Wing Public Transit System must state the reasons for selecting the contract type it used;

- (3) Contractor Selection – Brainerd & Crow Wing Public Transit System must state its reasons for contractor selection or rejection;
 - (4) Contractor Responsibility – Brainerd & Crow Wing Public Transit System must provide a written determination of responsibility for the successful contractor;
 - (5) Cost or Price – Brainerd & Crow Wing Public Transit System must evaluate and state its justification for the contract cost or price; and
 - (6) Reasonable Documentation – Brainerd & Crow Wing Public Transit System must retain documentation commensurate with the size and complexity of the procurement.
 - (7) Vendor Verification – Brainerd & Crow Wing Public Transit System must include verification of acceptance with a selected vendor/supplier/manufacture through the Federal System of Award Management (SAM) for each project and associated project file.
- (b) Access to Records – Brainerd & Crow Wing Public Transit System must provide FTA and MnDOT officials, Minnesota Department of Management and Budget, the State Auditor, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance.
2 C.F.R. 200.334.

3.3. Determination of Needs

Brainerd & Crow Wing Public Transit System must maintain and follow adequate procedures for determining the types and amounts of products and services it needs to acquire. Brainerd & Crow Wing Public Transit System shall comply with the following requirements when determining the types and amounts of products and services it needs to acquire:

3.3.1. Eligibility

All products and services to be acquired with FTA or State funds must be eligible under the Federal or State law authorizing the FTA or State assistance award and any regulations thereunder. All products and services to be acquired with FTA or State funds must also be eligible for support within the scope of the underlying grant or cooperative agreement from which the FTA or State assistance to be used is derived. FTA C. 4220.1G, Chpt. IV(2).

3.3.2. Necessity

Brainerd & Crow Wing Public Transit System shall adhere to the following standards for avoiding the purchase of duplicative and/or unnecessary products and services it does not need. FTA C. 4220.1G, Chpt. IV(1)(b).

3.3.2.1. Unnecessary Reserves

Brainerd & Crow Wing Public Transit System shall limit the acquisition of Federally or State-assisted property, goods, and services to the amount it needs to support its operations. FTA C. 4220.1G, Chpt. IV(1)(b)(1).

3.3.2.2. Acquisition for Assignment Purposes

Brainerd & Crow Wing Public Transit System shall contract only for its current and reasonably expected public transportation needs and shall not add quantities or options to third-party contracts solely to permit assignment to another party at a later date. These limits on assignments, however, do not preclude joint procurements that are entered into simultaneously by two or more parties to obtain advantages unavailable for smaller procurements. FTA C. 4220.1G, Chpt. IV(1)(b)(2).

- (a) General Prohibition – Brainerd & Crow Wing Public Transit System may contract only for its current and reasonably expected public transportation needs and may not add quantities or options to third-party contracts solely to permit assignment to another party at a later date.
- (b) Exceptions – These limits on assignments, however, do not preclude:
 - (1) Joint Procurements – Brainerd & Crow Wing Public Transit System and one or more other FTA recipients may enter into a single procurement at the same time to obtain advantages unavailable for smaller procurements.
 - (2) Participation in MnDOT Sponsored Vehicle Procurements – Brainerd & Crow Wing Public Transit System may enter into contracts developed by the State of Minnesota to acquire vehicles. See Section 4.3 of this policy for a full discussion of state government purchasing schedules and contracts.
- (c) Procurement Size – For every procurement, Brainerd & Crow Wing Public Transit System shall consider whether to consolidate or break out the procurement to obtain the most economical purchase. Absent efforts to foster greater opportunities for Disadvantaged Business Enterprises (DBEs), small and minority firms and women’s business enterprises, Brainerd & Crow Wing Public Transit System shall not split a larger procurement merely to gain the advantage of micro-purchase or small purchase procedures.
- (d) Options – Brainerd & Crow Wing Public Transit System shall justify, as needed, all option quantities included in every solicitation and contract. An option is a unilateral right in a contract by which, for a specified time, Brainerd & Crow Wing Public Transit System may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract.
- (e) Lease Versus Purchase – Brainerd & Crow Wing Public Transit System shall review lease versus purchase alternatives for acquiring property and shall prepare or obtain an analysis to determine the most economical alternative. If Brainerd & Crow Wing Public Transit System chooses to lease an asset then it must prepare a written comparison of the cost of leasing the asset compared with the cost of purchasing or constructing the asset.
- (f) Lease of Rolling Stock – For rolling stock and related equipment, the Fixing America’s Surface Transportation (FAST) Act requires Brainerd & Crow Wing Public Transit System to submit a report to MnDOT, on behalf of FTA, within three years of executing a rolling stock lease that includes: (1) An evaluation of the overall costs and benefits of leasing

rolling stock; and (2) A comparison of the expected short-term and long-term maintenance costs under a lease versus maintenance costs when buying rolling stock.

- (g) Specifications – Brainerd & Crow Wing Public Transit System's procurement specifications shall clearly describe the products or services to be procured and shall state how the proposals will be evaluated. Brainerd & Crow Wing Public Transit System's procurement specifications shall not be exclusionary, discriminatory, unreasonably restrictive, or otherwise in violation of Federal or Minnesota laws or regulations.

3.4. Contractor Responsibilities

Brainerd & Crow Wing Public Transit System, in awarding contracts financed in whole or in part with FTA financial assistance, shall follow guidance in this section to evaluate contractor capabilities to perform the contract.

In addition to the Federal rules (2 CFR § 200.318(h)) that require contract awards be made only to responsible contractors, Federal law at 49 U.S.C. § 5325(j) and State Statute (174.24) (177.43 and 16C.09) limits third-party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for award, Brainerd & Crow Wing Public Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

3.4.1. Debarment and Suspension

Debarment and suspension regulations and guidance include the following provisions.

3.4.1.1. DOT Debarment and Suspension Regulations

U.S. Department of Transportation (DOT) regulations apply to each third-party contract at any tier of \$25,000 or more, to each third party contract at any tier for a federally required audit (irrespective of the contract amount), and to each third party contract at any tier that must be approved by an FTA official irrespective of the contract amount (2 C.F.R.1200). Brainerd & Crow Wing Public Transit System shall apply DOT's debarment and suspension requirements to itself and each third-party contractor at every tier to the extent required by DOT's regulations that incorporate the requirements of the Office of Management and Budget (OMB), "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)" (2 C.F.R. 180).

3.4.1.2. System for Award Management

Brainerd & Crow Wing Public Transit System will search and ensure that every offeror considered appears as a registered vendor within the results of a SAM.gov search and print the screen with the results of the search to be included in the procurement file. It is the policy of Brainerd & Crow Wing Public Transit System to verify that the prospective third-party vendor is not listed as a debarred contractor on SAM.

3.4.2. Lobbying Certification and Disclosure

If a third-party contract will exceed \$100,000, before awarding the contract, Brainerd & Crow Wing Public Transit System will obtain a signed lobbying certification, and if applicable, a lobbying disclosure from a prospective third party contractor (see DOT regulations, "New Restrictions on Lobbying," 49 CFR Part 20, modified as necessary by 31 U.S.C. Section 1352).

3.4.3. Required Contract Clauses

In addition to the requirements outlined above, there are various required clauses that may apply to Brainerd & Crow Wing Public Transit System's third-party contracts, depending upon the type of procurement and the anticipated dollar value of said contract. It is the responsibility of Brainerd & Crow Wing Public Transit System to assess each procurement and determine the applicable FTA third party terms and conditions that should be included in the solicitation and contract documents. Coordination with MnDOT on the appropriate clauses will be completed. These clauses may include:

- All FTA Assisted Third Party Contracts and Subcontracts:
 - No Federal government obligation to third-parties
 - False or fraudulent statements or claims
 - Access to records
 - Federal changes
 - Civil rights
 - Incorporation of FTA terms
 - Energy conservation
 - Safe operation of motor vehicles
 - Prohibition on certain telecommunications and video surveillance services or equipment
- Contracts Exceeding \$10,000:
 - Termination provisions
- Contracts Exceeding \$25,000:
 - Debarment and suspension
 - Notice regarding disputes, breaches, defaults, and litigation
- Contracts Exceeding \$100,000:
 - Byrd Anti-Lobbying Amendment
- Contracts Exceeding \$150,000:
 - Clean Air Act
 - Federal Water Pollution Control Act
 - Build America, Buy America ("BABA") & Buy America ("BA") (procurements involving iron, steel, manufactured products, and constructions materials)
- Contracts Exceeding the Simplified Acquisition Threshold:
 - Legal remedies for violation or breach
- Contracts for Construction:
 - Davis-Bacon Act
 - Copeland Anti-Kickback Act
 - Contract Work Hours and Safety Standards Act
 - Seismic safety
 - Veterans hiring preference
 - Bonding
- Contracts for Transit Operations:
 - School bus restrictions
 - Charter bus restrictions
 - Transit employee protective arrangements
 - Substance abuse requirements
- Miscellaneous:

- o Conformance with Intelligent Transportation Systems (ITS) national architecture
- o Cargo preference
- o Fly America
- o Patent rights
- o Rights in data and copyrights
- o Procurement of recovered materials
- o Domestic Preference
- Rolling Stock Certifications:
 - o Bus testing
 - o Transit Vehicle Manufacturer (TVM) compliance with DBE requirements
 - o Pre-Award Buy America Certification
 - o Pre-Award Purchaser's Requirements
 - o Pre-Award Federal Motor Vehicle Safety Standards (FMVSS) Certification
 - o Post-Delivery Buy America Certification
 - o Post-Delivery Purchaser's Requirements
 - o Post-Delivery FMVSS Certification

FTA C. 4220.1G, Matrix D; *see also* FTA Master Agreement.

3.5. Bonding

Some procurements may necessitate Brainerd & Crow Wing Public Transit System to require the vendor to submit a bid bond, performance bond, or payment bond (typically construction projects).

3.5.1. Thresholds

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, when bonding is required, MnDOT may accept the bonding policy and requirements of the Subrecipient provided that MnDOT has made a determination that the Federal interest is adequately protected.

3.5.2. Acceptable Sureties

Federal rules for non-governmental recipients requires the non-governmental recipient to obtain construction bonds from companies holding certificates of authority as acceptable sureties under Department of the Treasury regulations, "Surety Companies Doing Business with the United States," (31 CFR Part 223). For a current list of approved sureties, see Department of the Treasury's Listing of Approved Sureties (Department Circular 570). As FTA encourages governmental recipient to require similarly acceptable sureties, it shall be the policy of Brainerd & Crow Wing Public Transit System to such accept sureties.

3.6. Preference for U.S. Property—Buy America

Any contract exceeding \$150,000 entered into by Brainerd & Crow Wing Public Transit System with FTA assistance requires that all iron, steel, manufactured products (including rolling stock), and construction materials used are produced or manufactured in the United States, unless FTA has granted a waiver authorized by Buy America regulations. FTA cautions that its Buy America regulations are complex and different from the Federal "Buy American Act" regulations in FAR Subparts 25.1 and 25.2. FTA C. 4220.1G, Chpt. IV.

FTA may obligate an amount for a project only if the steel, iron, manufactured goods, and construction materials used in the project are produced in the United States under the Build America, Buy America Act (BABA), Pub. L. 117-58, §§ 70901–27 incorporated under 49 U.S.C. 5323(j).

Brainerd & Crow Wing Public Transit System will, to the great practical extent consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States of America, even when Buy America and other regulations do not apply. 2 C.F.R. § 200.322

3.7. Accessibility

Facilities to be used in public transportation service must comply with 42 U.S.C. Sections 12101 *et seq.* and DOT regulations, “Transportation Services for Individuals with Disabilities (ADA),” 49 CFR § 37; and Joint ATBCB/DOT regulations, “Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles,” 36 CFR § 1192 and 49 CFR § 38. Notably, DOT incorporated by reference the ATBCB’s “Americans with Disabilities Act Accessibility Guidelines” (ADAAG), revised July 2004, which include accessibility guidelines for buildings and facilities, and are incorporated into Appendix A to 49 CFR Part 37. DOT also added specific provisions to Appendix A modifying the ADAAG, with the result that buildings and facilities must comply with both the ADAAG and amendments thereto in Appendix A to 49 CFR Part 37.

4. SOURCES OF ACQUISITIONS

4.1. Force Account

Force account means use of Brainerd & Crow Wing Public Transit System's own labor forces and equipment to undertake a project (typically construction, renovation, or repair). The use of force account labor is a project management function, rather than a procurement and contract administration function, except in the general sense of the Subrecipient's ability to perform work with its own forces rather than contracting with another entity to acquire the property or services it needs, and the cost implications of the recipient's decision. Brainerd & Crow Wing Public Transit System does not charge force account labor to its FTA grants. FTA C. 4220.1G, Chpt. V(1).

4.2. Joint Procurements

Brainerd & Crow Wing Public Transit System may participate in joint procurements whereby Brainerd & Crow Wing Public Transit System and one or more other entities agree from the outset to use a single solicitation document and enter into a single contract with a vendor for delivery of products or services. The following requirements apply to Brainerd & Crow Wing Public Transit System's participation in joint procurements:

- Solicitation documents may not be drafted for the purpose of accommodating the needs of other parties that may later want to participate in the benefits of the contract.
- Brainerd & Crow Wing Public Transit System is responsible for ensuring that the joint procurement solicitation and contract complies with all Federal and State requirements and that the solicitation document and contract includes all required clauses and certifications. FTA C. 4220.1G, Chpt. V(3).

4.3. State or Local Government Purchasing Schedules or Purchasing Contracts

4.3.1. Definition

FTA uses the term "state or local government purchasing schedule" to mean an arrangement that a State or local government has established with several vendors in which those vendors agree to provide essentially an option to the State or local government, and its subordinate government entities, to acquire specific property or services in the future at established prices. These arrangements are somewhat similar to the General Services Administration's (GSA) Cooperative Purchasing Program available for Federal Government use. (FTA C. 4220.1G Chpt I 5.cc.)

4.3.2. Small Quantity Conditions for Rolling Stock

To the extent practicable, Brainerd & Crow Wing Public Transit System will use the innovative procurement tools authorized under section 3019 of the FAST Act. If Brainerd & Crow Wing Public Transit System conducts a stand-alone procurement (i.e., not part of a state contract or joint/cooperative procurement) for fewer than five buses, it must prepare a written justification for not using an authorized "innovative procurement tool" pursuant to 49 USC § 5339(a)(10)(B).

4.3.3. Applicability of Federal Provisions

When obtaining property or services in this manner, Brainerd & Crow Wing Public Transit System must ensure all Federal requirements, required clauses, and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or in the recipient's purchase document. While MnDOT takes all precautions to ensure that such provisions are in the original solicitation and contract documents, it is ultimately Brainerd & Crow Wing Public Transit System's responsibility to ensure such documents and certifications are obtained. Solicitation of these vendors is conducted in the same manner as any other procurement.

If such requirements, clauses, and certifications were not included in the original purchase solicitation and contracts, Brainerd & Crow Wing Public Transit System may request the vendor to append the required Federal clauses in the purchase order or other document that effects the Brainerd & Crow Wing Public Transit System's procurement. When this method is used, Brainerd & Crow Wing Public Transit System shall obtain Buy America certification before entering into the purchase order. This method cannot be used to circumvent FTA's Buy America requirements.

4.3.4. Existing Contracts

Brainerd & Crow Wing Public Transit System may use existing contract rights as an acquisition source. An "existing contract" means a contract that, when formed, was intended to be limited to the original parties thereto. FTA C. 4220.1G, Chpt. V(8).

4.3.4.1. Permissible Actions

Within the conditions set forth below, Brainerd & Crow Wing Public Transit System may use existing contract rights held by another recipient of FTA assistance:

- (a) Exercise of Options – Brainerd & Crow Wing Public Transit System may use contract options held by another recipient of FTA assistance with the following limitations:
 - (1) Consistency with the Underlying Contract – Brainerd & Crow Wing Public Transit System must ensure that the terms and conditions of the option it seeks to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.
 - (2) Price – Brainerd & Crow Wing Public Transit System may not exercise an option unless it has determined that the option price is better than prices available in the open market, or that when it intends to exercise the option, the option is more advantageous.
 - (3) Awards Treated as Sole Source Procurements – The following actions constitute sole source awards:
 - i. Failure to Evaluate Options Before Awarding the Underlying Contract – If a contract has one or more options and those options were not evaluated as part of the original contract award, exercising those options after contract award will result in a sole source award.
 - ii. Negotiating a Lower Option Price – Exercising an option after Brainerd & Crow Wing Public Transit System has negotiated a lower or higher price will also result in a sole source award unless that

price can be reasonably determined from the terms of the original contract, or that price results from Federal actions that can be reliably measured.

- (b) Assignment of Contract Rights (“Piggybacking”) – If Brainerd & Crow Wing Public Transit System finds that it has inadvertently acquired contract rights in excess of its needs, it may assign those contract rights to another MnDOT subrecipient if the original contract contains an assignability provision that permits the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions. Brainerd & Crow Wing Public Transit System may use contractual rights through assignment from another recipient of FTA assistance after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. Brainerd & Crow Wing Public Transit System need not perform a second price analysis if a price analysis was performed for the original contract; however, Brainerd & Crow Wing Public Transit System must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. Brainerd & Crow Wing Public Transit System shall be responsible for ensuring the contractor’s compliance with FTA’s Buy America requirements and execution of all the required pre-award and post-delivery Buy America review certifications. Before proceeding with the assignment, however, Brainerd & Crow Wing Public Transit System shall review the original contract to be sure that the quantities the assigning recipient acquired, coupled with the quantities that Brainerd & Crow Wing Public Transit System seeks, do not exceed the amounts available under the assigning recipient’s contract.

4.3.4.2. Impermissible Actions

Brainerd & Crow Wing Public Transit System may not use Federal assistance to finance:

- (a) Improper Contract Expansion – A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the recipient’s reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.
- (b) Cardinal Changes – A significant change in contract work that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change or “tag-on”. A change within the scope of the contract is not a cardinal change or “tag-on”.

5. PROCEDURES FOR OPEN MARKET PROCUREMENTS

5.1. Solicitation of Competitive Price Quotes, Bids or Proposals

Compliance with the solicitation procedures described in Section 5.4 below will fulfill FTA requirements for “full and open competition.” 2 C.F.R. 200.319(a).

5.2. Solicitation Requirements and Restrictions

Every procurement solicitation that Brainerd & Crow Wing Public Transit System issues above the micro-purchase level (currently established in Federal guidance at \$15,000), must include the following information and be advertised in a manner that ensures adequate and open competition. 2 C.F.R. 200.319(d).

5.2.1. Description of the Property or Services

The solicitation and the contract awarded thereunder must include a clear and accurate description of Brainerd & Crow Wing Public Transit System's technical requirements for the products or services to be acquired in a manner that provides for full and open competition. 2 C.F.R. 200.319(d)(1).

5.2.1.1. Descriptive Elements

Brainerd & Crow Wing Public Transit System will prepare descriptions of property, goods, or service in terms of functions to be performed or level of performance required, including the range of acceptable characteristics or minimum acceptable standards. Detailed product specifications should be avoided if at all possible; however, there is no prohibition against their use when appropriate. 2 C.F.R. 200.319(d)(1).

5.2.1.2. Quantities

Additional quantities or options above Brainerd & Crow Wing Public Transit System's needs at the time of acquisition may not be added to contracts solely to allow assignment of those quantities or options at a later date. FTA C. 4220.1G, Chpt. VI(2)(d).

5.2.1.3. Brand Name or Equal

When it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property to be acquired, a “brand name or equal” description may be used to define the performance or other salient characteristics of a specific type of property. The salient characteristics of the named brand that bidders or offerors must provide must be identified. 2 C.F.R. 200.319(b)(6).

5.2.1.4. Prohibited Practices

Solicitations with requirements that contain features that unduly restrict competition may not be used. Brainerd & Crow Wing Public Transit System shall not:

- Impose unreasonable business requirements for bidders or offerors.
- Impose unnecessary experience requirements for bidders and offerors.
- Use prequalification procedures that conflict with the prequalification standards described in Section 5.3.

- Make a noncompetitive award to any person or firm on a retainer contract with Brainerd & Crow Wing Public Transit System if that award is not for the property or services specified for delivery under the retainer contract.
 - Impose unreasonable restrictive bonding requirements on bidders and offerors in excess of FTA and state requirements.
 - Specify only a “brand name” product without allowing offers of an “equal” product, or allowing an “equal” product without listing the salient characteristics that the “equal” product must meet to be acceptable for award.
 - Specify in-state or local geographical preferences or evaluating bids or proposals in light of in-state or local geographic preferences, even if those preferences are imposed by State or local laws or regulations. The only exception expressly mandated or encouraged by Federal law that may be applicable to Brainerd & Crow Wing Public Transit System is the procurement of Architectural and Engineering (A&E) Services. Geographic location may be a selection criterion in the procurement of A&E services if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.
 - Engage in practices that result in organizational conflicts of interest. An organizational conflict of interest occurs when any of the following circumstances arise:
 - o Lack of Impartiality or Impaired Objectivity – When the bidder or offeror is unable, or potentially unable, to provide impartial and objective assistance or advice to Brainerd & Crow Wing Public Transit System Transit due to other activities, relationships, contracts, or circumstances.
 - o Unequal Access to Information – When the bidder or offeror has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
 - o Biased Ground Rules – When during the conduct of an earlier procurement, the bidder or offeror has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
 - Support or acquiesce in noncompetitive pricing practices between firms or between affiliated companies.
 - Take any arbitrary action in the procurement process.
- 2 C.F.R. 200.319.

5.2.2. Evaluation Factors.

All solicitations shall identify all factors to be used in evaluating bids or proposals. At the discretion of Procurement Officer, the relative order of importance and/or weights shall be communicated to prospective offerors. FTA C. 4220.1G, Chpt. VI (2)(f).

5.2.3. Permissible Contract Types

Brainerd & Crow Wing Public Transit System shall state the type of contract that will be awarded in all solicitation documents. The following types of contracts will typically be executed with the successful vendor:

5.2.3.1. Firm Fixed Price

A firm fixed price contract includes a price that remains fixed irrespective of the contractor's cost experience in performing the contract. A firm fixed price contract may include an economic price adjustment provision, incentives, or both.

5.2.3.2. Cost Reimbursement

A cost-reimbursement contract provides for payment of the contractor's allowable incurred costs, to the extent prescribed in the contract. Allowable costs may include incentives if the recipient believes they can prove helpful. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.

5.2.4. Prohibitive or Restricted Contract Types

The following contract types are prohibited or restricted:

5.2.4.1. Cost Plus Percentage of Cost

Cost plus Percentage of Cost type contracts are prohibited.

5.2.4.2. Time and Materials

Time and Materials type contracts may be used only after a written determination is made that no other contract type is suitable. In addition, the contract between Brainerd & Crow Wing Public Transit System and the Contractor must specify a ceiling price that the Contractor may not exceed except at its own risk.

5.2.5. Other Federal Requirements Affecting the Property or Services to be Acquired

The solicitation and resulting contract must identify those Federal requirements that will affect contract scope and performance.

5.2.6. Other Federal Requirements Affecting the Bidder or Offeror and the Contractor

The solicitation and resulting contract must identify all Federal requirements that a bidder or offeror must fulfill before and during contract performance.

5.2.7. Reservation of Right to Award to Other Than the Low Bidder or Offeror

The solicitation must specifically reserve Brainerd & Crow Wing Public Transit System right to award a contract to other than the low bidder or offeror. If the solicitation documents do not specify this right, Brainerd & Crow Wing Public Transit System will be obligated to award the contract to the low bidder.

5.2.8. Reservation of Right to Reject All Bids or Offers

The solicitation must specifically reserve Brainerd & Crow Wing Public Transit System's right to reject all bids or offers.

5.3. Methods of Procurement

Brainerd & Crow Wing Public Transit System shall use competitive procedure(s) appropriate for the acquisition undertaken. The procedures used must comply with Minnesota and local law as well as with Federal requirements. Federal restrictions vary with the type of procurement method used. The

following guidance is based on the requirements of 2 CFR § 200.318 – 200.326, supplemented by FTA and State policies that address the needs of FTA recipients.

5.3.1. Informal Procurements: Micro Purchases

5.3.1.1. Definition

Per 2 C.F.R. 200.320, micro-purchases are those purchases of products and services that cost \$15,000 or less (or current threshold established by Federal Acquisition Regulations (FAR)); for purposes of this policy, Brainerd & Crow Wing Public Transit System will use \$15,000 as the threshold for relatively simple purchases as a means to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.

5.3.1.2. Approval Authority

Micro-purchases must be approved in writing by one of the following Brainerd & Crow Wing Public Transit System employees:

- Procurement Director
- Transit Director

5.3.1.3. Competition

Brainerd & Crow Wing Public Transit System may acquire products and services valued at less than (Micro Purchase Limit) without obtaining competitive quotations. Micro-purchases should be distributed equitably among qualified suppliers.

Micro purchases are exempt from FTA's Buy America requirements. Davis-Bacon prevailing wage requirements, however, will apply to construction contracts exceeding \$2,000, even though the recipient uses micro-purchase procurement procedures. 2 C.F.R. 200.320(a)(1)(ii).

5.3.1.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the micro purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in Brainerd & Crow Wing Public Transit System's Federally assisted procurements. FTA C. 4220.1G, Chpt. VI (3)(b).

5.3.1.5. Documentation

Every micro-purchase must be accompanied by a written determination that the price is fair and reasonable and a description of how that determination was made. FTA C. 4220.1G, Chpt. VI(3)(a)(3)(c).

5.3.2. Informal Procurements: Small Purchases

5.3.2.1. Definition

Minnesota law, which is applicable to Brainerd & Crow Wing Public Transit System per Minn. Stat. 471.345, defines small purchases as those purchases of products and services, including construction services, that cost greater than \$15,000 but not more than \$175,000. For purposes

of this policy, Brainerd & Crow Wing Public Transit System will consider small purchase those that cost greater than \$15,000 but not more than \$175,000.

5.3.2.2. Approval Authority

Small purchases must be approved in writing by one of the following Brainerd & Crow Wing Public Transit System employees:

- Transit Director
- Governing Board
- Other identified per local decision

5.3.2.3. Required Competition

Price or rate quotations must be obtained from an adequate number of qualified sources. It is the responsibility of Brainerd & Crow Wing Public Transit System to ensure that an adequate number of quotations, bids, or proposals are received. 2 C.F.R. 200.320(2)(i).

5.3.2.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the small purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in Brainerd & Crow Wing Public Transit System's Federally assisted procurements. FTA C. 4220.1G, Chpt. IV(3)(a)(3)(b)

5.3.2.5. Documentation

Every small purchase must be documented in the grantee's written procurement history file. The level of documentation is stipulated in Section 6.6.1. 2 C.F.R. 200.334.

For small purchases, price quotations may be oral or written.

5.3.2.6. Special Considerations

Brainerd & Crow Wing Public Transit System reserves the right to use formal purchase methods, even if small purchase thresholds are met, if the Procurement Officer believes it is in the best interests of the Brainerd & Crow Wing Public Transit System to do so.

5.3.3. Formal Procurements

5.3.3.1. Definition

Per Minn. Stat. 471.345, formal purchases are those purchases of products and services that cost greater than the current state threshold of \$175,000. For purposes of this policy, Brainerd & Crow Wing Public Transit System will use formal procedures for all purchases over \$175,000.

5.3.3.2. Approval Authority

Large purchases must be approved in writing by the following Brainerd & Crow Wing Public Transit System employees or officials:

- Transit Director
- Governing Board
- Other local identified officials

No further delegation of approval authority for large purchases may be made.

5.3.3.3. Procurement Methods

There are two primary methods of procurement for large purchases of products and services:

- Sealed Bid method (IFB); and
- Competitive Proposal (RFP) method.

5.3.3.4. Required Competition

Formal bids and competitive proposals must be publicly advertised. 2 C.F.R. 200.320(b).

For formal purchases by the sealed bid method of procurement, two or more responsible bidders must be willing and able to compete effectively for the business. 2 C.F.R. 200.320(b)(1)(i)(B).

For formal purchases by the competitive proposal method of procurement, two or more offerors must be willing and able to submit an offer or proposal. 2 C.F.R. 200.320(b)(2).

5.3.3.5. Required Documentation

Every formal purchase must, at a minimum, be supported by a written independent cost estimate, formal bids or proposals, a written cost or price analysis as appropriate, a written justification and detailed rationale for contractor selection (including application of evaluation criteria) and a written determination of the responsibility of the contractor. Additional documentation requirements are dependent upon the formal procurement method that is utilized to make the purchase. 2 C.F.R. 200.320; 2 C.F.R. 200.324(a).

5.3.3.6. Procedural Methods for Sealed Bids

The sealed bid method of procurement is a formal method in which bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation for Bids (IFB), is lowest in price. The IFB document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a bid, and the forms on which bids must be submitted. 2 C.F.R. 200.320(b)(1).

- (a) When Appropriate – The sealed bid method of procurement is the preferred method for acquiring products and services that, including construction services, cost greater than simplified threshold or Small Purchase threshold. The sealed bid method of procurement may also be used for small purchases if it is determined to be appropriate. The sealed bid method of procurement is appropriate if the following conditions apply:

- (1) Precise Specifications – A complete, adequate, precise, and realistic specification or purchase description is available.

- (2) Adequate Sources – Two or more responsible bidders are willing and able to compete effectively for the business.
 - (3) Fixed Price Contract – The procurement generally lends itself to a firm fixed price contract.
 - (4) Price Determinative – The successful bidder can be selected on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken. Apart from responsibility determinations, contractor selection may not be determined on the basis of other factors whose costs cannot be measured at the time of award.
 - (5) Discussions Unnecessary – Discussions with one or more bidders after bids have been submitted are expected to be unnecessary as award of the contract will be made based on price and price-related factors alone.
FTA C. 4220.1G, Chpt. VI(3)(c)(1)(d).
- (b) Requirements for Sealed Bids – The following requirements apply to the sealed bid method of procurement:
- (1) Publicity – The Invitation for Bids must be publicly advertised.
 - i. The Procurement Officer shall ensure that sufficient time is allowed to prepare bids before the date of bid opening.
 - ii. Notice of bidding opportunities may be provided in other ways in addition, but not as a substitute, to a published notice. The methods may include, but not necessarily be limited to:
 - a. Direct notice, based on compiled vendor lists or from pre-qualification list, sent to prospective offerors; or
 - b. Use of advertisement by electronic means.
 - (2) Adequate Sources – Bids must be solicited from an adequate number of known suppliers.
 - (3) Adequate Specifications – The Invitation for Bids, including any specifications and pertinent attachments, must describe the property or services sought in sufficient detail that a prospective bidder will be able to submit a proper bid.
 - (4) Sufficient Time – Bidders must be allowed sufficient time to prepare bids before the date of bid opening.
 - (5) Public Opening – All bids must be publicly opened at the time and place prescribed in the Invitation for Bids.
 - (6) Fixed Price Contract – A firm fixed price contract must be awarded in writing to the lowest responsive and responsible bidder unless the Invitation for Bids specifically allowed for award of a fixed price incentive contract or the inclusion of an economic price adjustment provision.
 - (7) Rejection of Bids – Any or all bids may be rejected if there is a sound, documented business reason.
FTA C. 4220.1G, Chpt. IV(3)(c)(2)(e).

5.3.3.7. Competitive Proposals

The competitive proposal method of procurement is a formal method in which written proposals are publicly solicited and a contract is awarded to the responsible offeror whose proposal, taking into consideration price and other factors, is considered to be the most

advantageous to Brainerd & Crow Wing Public Transit System or that is considered to be the “best value” to Brainerd & Crow Wing Public Transit System. The vehicle through which proposals are solicited is Request for Proposals (RFP). The RFP document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a proposal and the forms on which proposals must be submitted, if applicable. FTA C. 4220.1G, Chpt. VI(3)(d).

(a) When Appropriate – The competitive proposal method of procurement is appropriate for the acquisition of products and services that cost greater than (Small Purchase Limit) when the nature of the procurement does not lend itself to sealed bidding and Brainerd & Crow Wing Public Transit System expects that more than one source will be willing and able to submit a proposal. The competitive proposal method of procurement may also be used for small purchases if it is determined to be appropriate. The competitive proposal method of procurement may not be used for the procurement of construction services. The competitive proposal method of procurement is appropriate when any of the following circumstances are present:

- (1) Type of Specifications – The products or services to be acquired are described in a performance or functional specification, or if described in detailed technical specifications, other circumstances such as the need for discussions or the importance of basing contract award on factors other than price alone are present.
- (2) Uncertain Number of Sources – Uncertainty about whether more than one bid will be submitted in response to an Invitation for Bids.
- (3) Price Alone Not Determinative – Due to the nature of the procurement, contract award need not be based exclusively on price or price-related factors.
- (4) Discussions Expected – Separate discussions with individual offerors are expected to be necessary after they have submitted their proposals.
FTA C. 4220.1G, Chpt. VI(3)(d)(1)(d).

(b) Requirements for Competitive Proposals – The following requirements apply to the competitive proposal method of procurement:

- (1) Publicity – The Request for Proposals must be publicly advertised.
- (2) Evaluation Factors – All evaluation factors and their relative importance must be specified in the solicitation, but numerical or percentage ratings or weights need not be disclosed.
- (3) Adequate Sources – Proposals must be solicited from an adequate number of qualified sources.
- (4) Evaluation Method – A specific method must be established and used to conduct technical evaluations of the proposals received and to determine the most qualified offeror.
- (5) Price and Other Factors – An award must be made to the responsible offeror whose proposal is most advantageous to Brainerd & Crow Wing Public Transit System or that represents the “best value” to Brainerd & Crow Wing Public Transit System with price and other factors considered.

- (6) Best Value – Brainerd & Crow Wing Public Transit System may award a contract to the offeror whose proposal provides the greatest value to Brainerd & Crow Wing Public Transit System. To do so, the solicitation must inform potential offerors that the award will be made on a “best value” basis and identify what factors will form the basis for award. Brainerd & Crow Wing Public Transit System must base its determination of which proposal represents the “best value” on an analysis of the tradeoff of qualitative technical factors and price or cost factors. FTA C. 4220.1G, Chpt. IV(3)(d)(2).

5.3.3.8. Two-Step Procurements

Brainerd & Crow Wing Public Transit System may use two-step procurement procedures in both sealed bid and competitive proposal procurements, provided the opportunity for full and open competition is retained. FTA C. 4220.1G, Chpt. VI(3)(e).

Review of Technical Qualifications and Approach – The first step is a review of the prospective contractors’ technical approach to Brainerd & Crow Wing Public Transit System's request and their technical qualifications to carry out that approach followed by the establishment of a competitive range consisting of prospective contractors that demonstrate a technically satisfactory approach and have satisfactory qualifications. FTA C. 4220.1G, Chpt. IV(3)(e)(1).

Review of Bids and Proposals Submitted by Qualified Prospective Contractors – The second step consists of soliciting and reviewing complete bids or proposals, including price, submitted by each prospective contractor determined to be qualified. Absent exceptional circumstances, bids or proposals must be solicited from at least three qualified prospective contractors. FTA C. 4220.1G, Chpt. IV(3)(e)(2).

5.3.3.9. Architectural and Engineering (A&E) Services and Other Services

FTA’s enabling legislation at 49 U.S.C. § 5325(b)(1) requires the use of the qualifications-based procurement procedures contained in the “Brooks Act,” 40 U.S.C. § 1101 through 1104, to acquire A&E services. . FTA C. 4220.1G, Chpt. VI(3)(f).

- (a) Qualifications-Based Procurement Procedures Required – Brainerd & Crow Wing Public Transit System must use qualifications-based procurement procedures to acquire architectural and engineering (A&E) services as well as certain other services that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property. In addition to A&E services, other services that must be procured by qualifications-based procurement procedures include:

- Program management;
- Construction management;
- Feasibility studies;
- Preliminary engineering;
- Design, architectural, engineering;
- Surveying, mapping; and
- Other related services.

The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used. FTA C. 4220.1G, Chpt. IV(3)(f)(1).

- (b) Purpose of Services - The use of qualifications-based procurement procedures is authorized only for those services that directly support or are directly connected or related to construction, alteration, or repair of real property. Thus, if services, such as program management, feasibility studies, or mapping, are not directly in support of, directly connected to, or directly related to, or lead to construction, alteration, or repair of real property, then the recipient must not use qualifications-based procurement procedures to select the contractor that will perform those services. FTA C. 4220.1G, Chpt. IV(3)(h)(2)(a).
- (c) Qualifications-Based Procurement Procedures – The following procedures apply to qualifications-based procurements:
 - (1) Qualifications – Unlike other two-step procurement procedures in which price is an evaluation factor, an offeror’s qualifications are evaluated to determine contract award.
 - (2) Price – Price is excluded as an evaluation factor.
 - (3) Most Qualified – Price negotiations are first conducted with only the most qualified offeror.
 - (4) Next Most Qualified - Only after failing to agree on a fair and reasonable price may negotiations be conducted with the next most qualified offeror. Then, if necessary, negotiations with successive offerors in descending order may be conducted until contract award can be made to the offeror whose price the recipient believes is fair and reasonable.
FTA C. 4220.1G, Chpt. VI(3)(f)(2).

5.4. Noncompetitive Procurements

Normally, Brainerd & Crow Wing Public Transit System must provide for full and open competition when soliciting bids or proposals. Federal regulations at 2 C.F.R. 200.320(f)(1) – (4), however, acknowledges that under certain circumstances, a recipient may conduct procurements without providing for full and open competition.

5.4.1. When Appropriate

Noncompetitive procurement procedures may only be used when the procurement is inappropriate for small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances are present:

5.4.1.1. Adequate Competition

If after soliciting several sources, competition is determined inadequate, a recipient may make a noncompetitive award. If a recipient receives inadequate competition in response to its solicitation, it should review its specifications to determine if they are unduly restrictive or if changes can be made to encourage submission of more bids or proposals. After the recipient

determines that the specifications are not unduly restrictive and changes cannot be made to encourage greater competition, the recipient may make a noncompetitive award.

5.4.1.2. Sole Source

When Brainerd & Crow Wing Public Transit System requires products or services available from only one responsible source, and no other products or services will satisfy its requirements, Brainerd & Crow Wing Public Transit System may make a sole source award. In addition, when Brainerd & Crow Wing Public Transit System requires an existing contractor to make a change to its contract that is beyond the scope of that contract, Brainerd & Crow Wing Public Transit System will consider the change a sole source award that must be justified. Sole source awards are only appropriate when one of the following conditions apply:

- (a) Unique Capability or Availability – The products or services are available from only one source if one of the conditions described below is present:
 - (1) Unique or Innovative Concept – The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to Brainerd & Crow Wing Public Transit System only from one source and has not in the past been available to Brainerd & Crow Wing Public Transit System from another source.
 - (2) Patents or Restricted Data Rights – Patent or data rights restrictions preclude competition.
 - (3) Substantial Duplication Costs – In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
 - (4) Unacceptable Delay – In the case of a follow-on contract for the continued development or production of a highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling Brainerd & Crow Wing Public Transit System's needs.
FTA C. 4220.1G, Chpt. VI(3)(h)(1)(b)(4).
- (b) Single Bid or Proposal – Upon receiving a single bid or proposal in response to a solicitation, Brainerd & Crow Wing Public Transit System should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.
 - (1) Adequate Competition – Competition is adequate when the reasons for a single response were caused by conditions beyond Brainerd & Crow Wing Public Transit System's control.
 - (2) Inadequate Competition – Competition is inadequate when the reasons for a single response were caused by conditions within Brainerd & Crow Wing Public Transit System's control.

FTA C. 4220.1G, Chpt. IV(3)(i)(1)(b)(2).

- (c) Exigency or Emergency – Brainerd & Crow Wing Public Transit System may limit the number of sources from which it solicits bids or proposals when Brainerd & Crow Wing Public Transit System has such an unusual and urgent need for the products or services that Brainerd & Crow Wing Public Transit System would be seriously injured unless it were permitted to limit the solicitation. Brainerd & Crow Wing Public Transit System may also limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the products or services. FTA C. 4220.1G, Chpt. VI(3)(h)(1)(c).
- (d) Authorized by MnDOT – Brainerd & Crow Wing Public Transit System may request permission from MnDOT to allow it to use noncompetitive proposals for a particular procurement. FTA C. 4220.1G, Chpt. VI(3)(i)(1)(e).
- (e) When Prohibited – Less than full and open competition is not justified based on:
 - (1) Failure to Plan – Brainerd & Crow Wing Public Transit System's lack of advance planning, resulting in limited competition, is not justification for a sole source or single bid award.
 - (2) Limited Availability of Federal Assistance – Concerns about the amount of Federal assistance available to support the procurement.
FTA C. 4220.1G, Chpt. VI(3)(i)(2).
- (f) Procurement Procedures – The following requirements apply when Brainerd & Crow Wing Public Transit System completes a procurement utilizing less than full and open competition:
 - (1) Potential Sources – Brainerd & Crow Wing Public Transit System must solicit offers from as many potential sources as is practicable under the circumstances.
 - (2) Sole Source Justification – Brainerd & Crow Wing Public Transit System must justify all sole source procurements in writing. Sole source procurement justifications must describe the reasons for why a sole source procurement is appropriate, state which of the authorized justifications listed in Section 5.6.1.2 are applicable, include a cost analysis and be signed by the Procurement Officer. If Brainerd & Crow Wing Public Transit System decides to solicit an offer from only one source, Brainerd & Crow Wing Public Transit System must justify its decision in writing. The written justification must include the same elements as a sole source justification except that it must state which of the authorized justifications listed in Section 5.6.1.2 are applicable to the sole source purchase.
 - (3) Cost Analysis – Brainerd & Crow Wing Public Transit System must prepare or obtain a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the costs and profits. A price analysis shall not be adequate to justify a sole source purchase.
FTA C. 4220.1G, Chpt. VI(3)(h)(3)(c).

- (g) Exception for Procurement Activities Using Non-FTA Funds – When it is determined by the Procurement Coordinator or appropriate Director to be in the best interest of Brainerd & Crow Wing Public Transit System, noncompetitive procurement procedures may be utilized to acquire professional or other transportation-related services that do not involve the use of FTA or State financial assistance. Any such determination must be requested and authorized in writing by MnDOT.

5.5. Evaluation Requirements

The following standards shall apply to all evaluations of bids or proposals conducted by Brainerd & Crow Wing Public Transit System.

5.5.1. General

When evaluating bids or proposals received in response to a solicitation, Brainerd & Crow Wing Public Transit System shall consider all evaluation factors specified in the solicitation documents and shall evaluate the bids or offers proposals only on the evaluation factors included in those solicitation documents. Brainerd & Crow Wing Public Transit System may not modify its evaluation factors after bids or proposals have been received without re-opening the solicitation. FTA C. 4220.1G, Chpt. VI(5).

5.5.2. Options

The following standards shall apply when awarding contracts that include options:

5.5.2.1. Evaluation Required

In general, Brainerd & Crow Wing Public Transit System must evaluate bids or offers for any option quantities or periods contained in a solicitation if it intends to exercise those options after the contract is awarded. For formal procurements, the use of a team to conduct the evaluation will be used.

5.5.2.2. Evaluation Not Required

Brainerd & Crow Wing Public Transit System need not evaluate bids or offers for any option quantities when Brainerd & Crow Wing Public Transit System does not intend to exercise those options after the contract is awarded or if it determines that evaluation would not otherwise be in its best interests.

FTA C. 4220.1G, Chpt. VI(5)(b).

5.6. Contract Award Requirements

The following standards shall apply to all contract award decisions made by Brainerd & Crow Wing Public Transit System:

5.6.1. Award to Other Than the Lowest Bidder or Offeror

Brainerd & Crow Wing Public Transit System may award a contract to other than the lowest bidder if the award furthers an objective consistent with the purposes of 49 U.S.C. Chapter 53, including improved long-term operating efficiency and lower long-term costs. Brainerd & Crow Wing Public Transit System may also award a contract to other than the offeror whose price proposal is lowest, when stated in the evaluation factors of the solicitation. In both cases, Brainerd & Crow Wing Public Transit System must include a statement in its solicitation document reserving the right to award the contract to other than the low bidder or offeror. FTA C. 4220.1G, Chpt. VI(6)(a).

5.6.1.1. Award Only to a Responsible Bidder or Offeror

Brainerd & Crow Wing Public Transit System may only award contracts to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract and who demonstrate that its proposed subcontractors also qualify as responsible. Brainerd & Crow Wing Public Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources when making a determination of contractor responsibility. Brainerd & Crow Wing Public Transit System must also ensure that the contractor is not listed as a debarred or suspended contractor on the System for Award Management (SAM), which is maintained by the General Services Administration (GSA), at the time of contract award. Entities that are listed as debarred or suspended contractors on SAM may not be determined to be responsible contractors by Brainerd & Crow Wing Public Transit System. For every procurement action above the micro-purchase level, Brainerd & Crow Wing Public Transit System must make a written determination of the responsibility of the contractor and include such determination in the applicable contract file (See Section 3.6).

To designate a prospective contractor “responsible” as required by 49 U.S.C. § 5325, Brainerd & Crow Wing Public Transit System, at a minimum, must determine and ensure that the prospective contractor satisfies the criteria of Integrity and Ethics, Debarment and Suspension, Affirmative Action and DBE, Public Policy, Administrative and Technical Capacity, Licensing and Taxes, Financial Resources, Production Capability, Timeliness, and Performance Record. FTA C. 4220.1G, Chpt. VI(6)(b).

5.6.1.2. Rejection of Bids and Proposals

Brainerd & Crow Wing Public Transit System may reject all bids or proposals submitted in response to an Invitation for Bids or Request for Proposals. Brainerd & Crow Wing Public Transit System must include a statement in its solicitation document reserving the right to reject all bids or proposals.

- (a) Extent and Limits of Contract Award – The selection of a contractor to participate in one aspect of a project does not, by itself, constitute a sole source selection of the contractor’s wholly owned affiliates to perform other work in connection with the project.

FTA C. 4220.1G, Chpt. VI(6)(h).

5.6.2. Affirmative Action and DBE

Is in compliance with the Common Grant Rules’ affirmative action and FTA’s Disadvantaged Business Enterprise requirements, including completing an ICE and Scope of Work for any federally or state funded projects over \$5,000. 2 C.F.R. 200.321.

5.7. Independent Cost Estimate and Cost and Price Analysis

5.7.1. Independent Cost Estimate

For every solicitation above the micro-purchase threshold, Brainerd & Crow Wing Public Transit System shall make a written independent estimate of cost prior to receiving price quotes, bids or proposals. FTA C. 4220.1G, Best Practices 4.6.1.

5.7.2. Cost or Price Analysis

Brainerd & Crow Wing Public Transit System shall perform a cost or price analysis in connection with every procurement over \$350,000, and ensure a Cost Analysis for all sole source and contract modifications. 2 C.F.R. 200.324(a); FTA C. 4220.1G, Chpt. IV(6).

5.7.2.1. Price Analysis

If Brainerd & Crow Wing Public Transit System determines that competition was adequate, a written price analysis, rather than a cost analysis, is required to determine the reasonableness of the proposed contract price. 2 C.F.R. 200.324(a); FTA C. 4220.1G, Chpt. VI(4)(a).

5.7.2.2. Cost Analysis

Brainerd & Crow Wing Public Transit System must perform or obtain a cost analysis when:

- (a) A price analysis will not provide sufficient information to determine the reasonableness of the contract cost.
- (b) When the offeror submits elements of the estimated cost.
- (c) When only a sole source is available, even if the procurement is a contract modification.
- (d) In the event of a change order.

2 C.F.R. 200.324(a); FTA C. 4220.1G, Chpt. VI(4)(b).

6. CONTRACT ADMINISTRATION REQUIREMENTS AND CONSIDERATIONS

6.1. Brainerd & Crow Wing Public Transit System Staff Responsibilities

Prior to execution of third party contracts, Brainerd & Crow Wing Public Transit System shall designate a Project Manager to serve as Brainerd & Crow Wing Public Transit System's principal contact with the contractor and as the primary administrator of the contract. The designated Project Manager for each contract shall have responsibility for directing and overseeing the work performed by the contractor; reviewing and approving deliverables and invoices from the contractor; determining percentage of contract completion for progress payments (if applicable); making recommendations on the exercise of contract options (if applicable); recommending contract changes; preparing justifications for contract changes; performing independent cost estimates and cost or price analyses for contract changes; making recommendations on approval or rejection of subcontractors; assisting with the resolution of contract disputes; making recommendations on contract termination or other contractor disciplinary actions; maintaining complete contract files; and other contract administration duties that may be necessary.

6.2. Administrative Restrictions on the Acquisition of Property and Services

The following Federal laws and regulations impose administrative requirements, many of which will affect specific third-party procurements.

6.2.1. Legal Eligibility

The property or services acquired must be eligible for support under the scope or restrictions accompanying the Federal statute or State laws authorizing the Federal and/or State assistance to be used. FTA C. 4220.1G, Chpt. VI(1)(a).

6.2.2. Period of Performance

Brainerd & Crow Wing Public Transit System will use sound business judgment and be judicious in establishing and extending a contract's period of performance. FTA C. 4220.1G, Chpt. VI(2)(b)(3).

6.2.2.1. General Standards

The period of performance generally should not exceed the time necessary to accomplish the purpose of the contract. Brainerd & Crow Wing Public Transit System will also consider competition, pricing, fairness, and public perception. Brainerd & Crow Wing Public Transit System's procurement files will document its rationale for determining the performance period designated for each contract. FTA C. 4220.1G, Chpt. VI(2)(b)(3)(a).

6.2.2.2. Time Extensions

Consistent with the general tone of FTA Circular 4220.1G, contract time extensions shall be considered in light of whether they are permissible changes or impermissible cardinal changes. Once Brainerd & Crow Wing Public Transit System awards a third-party contract, an extension of the contract term length that amounts to a cardinal change will require a sole source justification. FTA C. 4220.1G, Chpt. VI(2)(b)(3)(c).

6.2.2.3. Authority to Extend

The Transit Director has the sole authority to approve and execute contract modifications. The Procurement Officer for the contract shall recommend all contract time; prior to making a

recommendation for a contract time extension. The Procurement Officer shall prepare a written justification and cost analysis for the contract time extension and shall negotiate the appropriate contract modification with the contractor.

6.3. Federal Cost Principles

Federal rules require project costs to conform to applicable Federal cost principles for allowable costs. In general, costs must be necessary and reasonable, allocable to the project, authorized or not prohibited by Federal or State law or regulation, and must comply with Federal cost principles applicable to the recipient. FTA C. 4220.1G, Chpt. VI(2)(b)(4).

OMB guidance for grants and agreements, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," 2 CFR § 200, applies to project costs incurred Brainerd & Crow Wing Public Transit System.

6.4. Payment Provisions

Brainerd & Crow Wing Public Transit System will follow the provisions of this section when using Federal or State funds to support its third party contracts. FTA C. 4220.1G, Chpt. VI(2)(b)(5).

6.4.1. Financial Support for the Project

Costs may only be incurred by Brainerd & Crow Wing Public Transit System if MnDOT or FTA has awarded a financial assistance contract to Brainerd & Crow Wing Public Transit System.

6.4.1.1. Progress Payments

Progress payments are payments for contract work that has not been completed. Brainerd & Crow Wing Public Transit System may use MnDOT assistance to support progress payments provided the recipient obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested. FTA C. 4220.1G, Chpt. VI(2)(b)(5)(b).

6.4.1.2. Adequate Security for Progress Payments

Adequate security for progress payments may include taking title or obtaining a letter of credit or taking equivalent measures to protect the recipient's financial interest in the progress payment. Adequate security should reflect the practical realities of different procurement scenarios and factual circumstances. Brainerd & Crow Wing Public Transit System should always consider the costs associated with providing security (for example, the recipient may need to acquire bonds or letters of credit in the commercial marketplace) and the impact of those costs on the contract price, as well as the consequences of incomplete performance FTA C. 4220.1G, Chpt. VI(2)(b)(5)(b)(a).

6.4.1.3. Adequate Documentation

Sufficient documentation is required to demonstrate completion of the amount of work for which progress payments are made. FTA C. 4220.1G, Chpt. VI(2)(b)(5)(b)(b).

6.4.1.4. Percentage of Completion Method

Federal rules require that any progress payments for construction contracts be made on a percentage of completion method described therein. Brainerd & Crow Wing Public Transit System, however, may not make progress payments for other than construction contracts based on this percentage method. FTA C. 4220.1G.

6.5. Protections Against Performance Difficulties

Brainerd & Crow Wing Public Transit System shall include provisions in its third-party contracts that will reduce potential problems that might occur during contract performance, as follows:

6.5.1. Changes

Brainerd & Crow Wing Public Transit System shall include provisions that address changes and changed conditions in all third-party contracts except for routine supply contracts. FTA C. 4220.1G, Chpt. IV(2)(b)(9)(c).

6.5.2. Remedies

Brainerd & Crow Wing Public Transit System shall include provisions that address remedies in its third-party contracts. Provisions related to remedies may include provisions for:

6.5.2.1. Liquidated Damages

Brainerd & Crow Wing Public Transit System may use liquidated damages if Brainerd & Crow Wing Public Transit System reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. Rate and measurement standards must be calculated to reasonably reflect Brainerd & Crow Wing Public Transit System's costs should the standards not be met and must be specified in the solicitation and contract. The assessment for damages may be established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. The contract file must include a record of the calculation and rationale for the amount of damages established. Any liquidated damages recovered must be credited to the transit system account. FTA C. 4220.1G, Chpt. IV(2)(b)(9)(d).

6.5.2.2. Remedies

Third party contracts exceeding \$250,000 must include administrative, contractual, or legal remedies for violations or breach of the contract by the third-party contractor. FTA C. 4220.1G, Chpt. IV(b)(6)(b)(2).

6.5.2.3. Suspension of Work

Brainerd & Crow Wing Public Transit System may include provisions pertaining to suspension of work in its third-party contracts. FTA C. 4220.1G.

6.5.2.4. Termination

Termination for cause and termination for convenience provisions must be included in third party contracts exceeding \$10,000. FTA C. 4220.1G, Chpt. IV(2)(b)(9)(b).

6.6. Contents of Complete Contract Files

The following documents shall comprise the contents of a complete contract file for procurements above the micro-purchase level:

6.6.1. Written Record of Procurement History

Brainerd & Crow Wing Public Transit System shall maintain written records detailing the history of the procurement, including records relating to:

6.6.1.1. Procurement Method

Brainerd & Crow Wing Public Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive. FTA C. 4220.1G, Chpt. III(3)(a)(5).

6.6.1.2. Contract Type

Brainerd & Crow Wing Public Transit System must state the reasons for selecting the contract type it used. . FTA C. 4220.1G, Chpt. III(3)(d)(1)(b).

6.6.1.3. Contractor Selection

Brainerd & Crow Wing Public Transit System must state its reasons for contractor selection or rejection, including written justification and evaluation documents. FTA C. 4220.1G, Chpt. III(3)(d)(1)(c).

6.6.1.4. Contractor Responsibility

Brainerd & Crow Wing Public Transit System must provide a written determination of responsibility for the successful contractor. FTA C. 4220.1G, Chpt. III(3)(d)(1)(c).

6.6.1.5. Cost or Price

Brainerd & Crow Wing Public Transit System must evaluate and state its justification for the contract cost or price, including the independent cost estimate and cost or price analysis. FTA C. 4220.1G, Chpt. III(3)(d)(1)(d).

6.6.1.6. Reasonable Documentation

Brainerd & Crow Wing Public Transit System must retain documentation commensurate with the size and complexity of the procurement, including documents related to solicitation, receipt, and evaluation of offers, and contract award, negotiation and execution. FTA C. 4220.1G, Chpt. III(3)(d)(2).

6.7. Contract Administration and Close-Out Documents

Brainerd & Crow Wing Public Transit System shall maintain written records detailing the performance and close-out of the contract, including records relating to:

6.7.1. Contract Deliverables

Brainerd & Crow Wing Public Transit System must maintain copies of all contract deliverables and records relating to approval, rejection and requested modifications of contract deliverables.

6.7.2. Contract Changes

Brainerd & Crow Wing Public Transit System must maintain copies of all contract modifications, including documentation related to the determination of need, written justification and rationale, cost analysis, negotiation, and execution.

6.7.3. Contract Payments

Brainerd & Crow Wing Public Transit System must retain documentation of invoices, approval of payments, requests for modifications to invoices, determination of percentage of contract completion for partial payments (if applicable), and ownership of title to partial work products.

6.7.4. Contract Close-Out

Brainerd & Crow Wing Public Transit System must retain documentation related to contractor performance and evaluation, approval of final deliverables and payments, transfer of title to complete work products to Brainerd & Crow Wing Public Transit System, and contract audit and final reconciliation.

6.8. Protest Procedures

See 2 C.F.R. 200.318(k); FTA C. 4220.1G, Best Practices 4.9.

6.8.1. Recipient Responsibilities and FTA Role in Procurement Disputes.

Brainerd & Crow Wing Public Transit System is responsible for resolving all contractual and administrative issues, including protests of evaluations and contract awards, arising out of its third-party procurements using good administrative practices and sound business judgment. FTA C. 4220.1G, Chpt. III (7).

In general, MnDOT will not substitute its judgment for that of Brainerd & Crow Wing Public Transit System unless the matter is primarily a federal concern. Nevertheless, MnDOT and FTA can become involved in Brainerd & Crow Wing Public Transit System's administrative decisions when a Brainerd & Crow Wing Public Transit System protest decision is appealed to MnDOT.

Brainerd & Crow Wing Public Transit System's procedure for addressing third party procurement protests is described in Paragraph 6.9.2 below. Brainerd & Crow Wing Public Transit System shall insert its protest procedure in all solicitation documents for products and services having an estimated value of \$100,000 or greater.

6.8.2. Brainerd & Crow Wing Public Transit System Staff Responsibilities

The following staff responsibilities shall be assigned in all protests:

- Procurement Officer – Responsibilities include: ensuring that the Brainerd & Crow Wing Public Transit System Protest Procedure is included in all solicitation documents; and providing information to and assisting the legal counsel with the resolution of protests.
- Transit Director and Governing Board – Responsibilities include reviewing all procurement protests; and advising and assisting the Subrecipient as needed with the resolution of all procurement protests.

6.8.3. Solicitation Provision

Brainerd & Crow Wing Public Transit System shall insert the following provision in all solicitation documents:

6.8.3.1. Pre-Proposal Protests

All protests concerning solicitation specifications, criteria and/or procedures shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer as specified below not later than ten (10) business days prior to the deadline for submission of bids/proposals.

The Procurement Officer may, within his or her discretion, postpone the deadline for submission of bids/proposals, but in any case, shall provide a written response to all protests not later than five (5) business days prior to the deadline for submission of bids/proposals. If the deadline for submission of bids/proposals is postponed by the Procurement Officer as the result of a protest the postponement will be announced through an addendum to the solicitation.

The decision by the Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth by FTA below.

6.8.3.2. Pre-Award Protests

With respect to protests made after the deadline for submission of bids/proposals but before contract award by Brainerd & Crow Wing Public Transit System, protests shall be limited to those protests alleging a violation of Federal or State law, a challenge to the bids/proposals evaluation and award process, Brainerd & Crow Wing Public Transit System's failure to have or follow its protest procedures or its failure to review a complaint or protest. Such protests shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer as specified below not later than five (5) business days after the Recommendation for Contract Award announcement by Brainerd & Crow Wing Public Transit System.

The Procurement Officer may, within his or her discretion, postpone the award of the contract, but in any case, shall provide a written response to all protests not later than three (3) business days prior to the date that Brainerd & Crow Wing Public Transit System shall announce the contract award.

The decision by the Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth or review by MnDOT as specified below.

6.8.4. Requirements for Protests

All protests must be submitted to Brainerd & Crow Wing Public Transit System in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail), with sufficient documentation, evidence and legal authority to demonstrate that the Protestor is entitled to the relief requested. The protest must be certified as being true and correct to the best knowledge and information of the Protestor, and be signed by the Protestor. The protest must also include a mailing address to which a response should be sent.

Protests received after the deadlines for receipt of protests specified above are subject to denial without any requirement for review or action by Brainerd & Crow Wing Public Transit System.

All protests must be directed in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer at the address shown in the solicitation documents.

6.8.5. Protest Response

The Procurement Officer shall issue written responses to all protests received by the required protest response dates. All protest responses shall be transmitted by first-class U.S. Postal Service to the address indicated in the protest letter.

For convenience, Brainerd & Crow Wing Public Transit System will also send a copy of the response to a protest to the Protester by facsimile and/or electronic mail if a facsimile number and/or electronic mail address are indicated in the protest letter. The protest response transmitted by U.S. Postal Service shall be the official Brainerd & Crow Wing Public Transit System response to the protest and Brainerd & Crow Wing Public Transit System will not be responsible for the failure of the Protester to receive the protest response by either facsimile or electronic mail.

6.8.6. Review of Protests by MnDOT

All protests or complaints involving contracts financed with state or Federal assistance shall be disclosed to MnDOT and will keep FTA informed about the status of any such protest or complaint. Brainerd & Crow Wing Public Transit System shall disclose all information about any third party procurement protest to MnDOT upon request. Protesters shall exhaust all administrative remedies with Brainerd & Crow Wing Public Transit System prior to pursuing protests with MnDOT. MnDOT limits its reviews of protests to: a grantee's failure to have or follow its protest procedures; a grantee's failure to review a complaint or protest when presented an opportunity to do so; or violations of Federal law or regulation. Appeals to MnDOT must be received within five (5) working days of the date the Protester has received actual or constructive notice of Brainerd & Crow Wing Public Transit System final decision or within five (5) working days of the date the Protester has identified other grounds for appeal to MnDOT.

BRAINERD & CROW WING PUBLIC TRANSIT SYSTEM PROCUREMENT POLICY

~~#MAY 20, 2024#~~

~~*June 30th, 2026*~~

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1. INTRODUCTION

1.1. Purpose

This policy establishes guidelines and minimum standards that Brainerd & Crow Wing Public Transit System will use in the management of its third-party contracts. This manual is intended to ensure that Brainerd & Crow Wing Public Transit System complies with Federal Transit Administration (FTA) and the Minnesota Department of Transportation's standards to ensure full and open competition and equitable treatment of all potential sources for all purchases made with funding derived from the Federal, state, and local governments. In all purchasing activity, the goal of Brainerd & Crow Wing Public Transit System is to ensure maximum open and free competition consistent with:

- FTA Circular [*4220.1G* #4220.1F#](#) "Third Party Contracting Guidance" or latest version thereof;
- FTA Circular [*4220.1G* #4220.1F#](#) "FTA Best Practices Procurement and Lessons Learned Manual"
- 2 CFR § 200.318 – 200.327

The goal of this procurement policy is to provide an atmosphere in which all procurement transactions will be conducted in a manner providing full and open competition while preventing the use of state or federal funds for unallowable costs, as discussed in 2 C.F.R. 200 and other applicable regulations. Brainerd & Crow Wing Public Transit System outlines the local restrictions and guidance on unallowable costs within the Financial Policy.

When Brainerd & Crow Wing Public Transit System undertakes any purchase utilizing FTA funds, this policy shall supersede any existing purchasing policy. When any conflict exists between this policy and the existing policies of the Brainerd & Crow Wing Public Transit System, the procedures in this policy shall prevail. If any employee of Brainerd & Crow Wing Public Transit System determines that a conflict exists between these policies and state or local law, Brainerd & Crow Wing Public Transit System shall contact MnDOT and communicate the conflict.

1.2. Third Party Contracting Capacity

FTA regulations (2 CFR § 200.319(c) and FTA Circular [*4220.1G*#4220.1F#](#), Chapter III, § 3a) require Brainerd & Crow Wing Public Transit System to have written procurement procedures. This policy is designed to meet FTA and MnDOT's requirements in this regard.

1.3. Procurement Planning

Planning is Brainerd & Crow Wing Public Transit System first step in the procurement process. It is the process of deciding what to buy, when, and from what sources. In order to plan effectively, Brainerd & Crow Wing Public Transit System must have the internal organizational capability with the proper checks and balances to facilitate the procurement process with the highest degree of integrity. This includes having trained, experienced contract personnel that have the authority to contractually bind the agency. Furthermore, Brainerd & Crow Wing Public Transit System uses Federal funds in support of their procurement actions and must ensure that contract personnel are fully knowledgeable of the numerous laws and regulations that apply to funded procurements. Brainerd & Crow Wing Public Transit System invests the time and resources to establish standards of conduct, organize effectively, and develop short- and long-range plans will avoid last minute, emergency or ill-planned procurements, which are contrary to open, efficient and effective procurements. FTA C. ~~*4220.1G* #4220.1F#~~ Best Practices.

1.4. Policy Review and Amendment

Once per year the TRANSIT DIRECTOR, OPERATIONS MANAGER, HUMAN RESOURCES, ***other important organizational figures***, and any employees the TRANSIT DIRECTOR requests to be present, shall meet and review this policy for revisions or updates that need to be made. The Board/Governing Body will be notified of changes to this policy at their next regularly scheduled meeting and at that time, adopt any revisions or updates to the Policy.

If any changes or revisions are adopted to this policy, Brainerd & Crow Wing Public Transit System will upload the updated policy to BlackCat with an indication of the date when the changes were made.

2. CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

2.1. Purpose

Federal grant management rules (2 CFR § 200.318(c)(1)) require each recipient to maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. This policy must address:

- Personal conflicts of interest
- Gifts; and
- Violations.

2.2. Applicability

No employee, officer or agent may participate in the selection, award, or administration of a contract supported by a Federal award if they have a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. 2 C.F.R. 200.318(c)(1).

2.3. Gifts/Gratuities

No officer, employee, agent, or board member of Brainerd & Crow Wing Public Transit System, may solicit or accept gratuities, gifts, favors, or anything of monetary value from contractors or parties to subcontracts. 2 C.F.R. 200.318(c)(1).

2.4. Employee Conflicts of Interest

2.4.1. Conflicts of Interest

It shall be a breach of ethical standards for any Brainerd & Crow Wing Public Transit System listed employee or member to participate directly or indirectly in a procurement when the employee or member knows:

- The employee or any member of the employee's immediate family, board member, officer, agent, his or her partner, has a financial interest pertaining to the procurement;
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- Any other person, business or organization with whom the employee or any member of employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement. 2 C.F.R. 200.318(c)(1); FTA C. ~~*4220.1G*~~~~#4220.1F#~~, Chpt. III(1)(a).

2.4.2. Discovery of Actual or Potential Conflict of Interest (Disqualification and Waiver)

Regardless of the organizational structure Brainerd & Crow Wing Public Transit System establishes for its procurement activities, a strong need for autonomy or independence of the procurement function from

internal customers. It is very important that all procurement responsibilities are carried out without undue influence by the agency's internal customers and users of the goods and services procured. While the degree of autonomy and organizational reporting relationships will vary with the size of the organization and its established policies, autonomy enables procurement personnel to give unbiased consideration to procurement principles and requirements, as well as to the schedule, budget, functional and other requirements of the internal customers. The procurement personnel must be free from undue influence or pressure in the award and administration of contracts. (See 2 C.F.R. § 200. ~~*319*#318#~~ General procurement standards; FTA Circular ~~*4220.1G, Chapter IV*~~ ~~#4220.1F, Chapter III~~, paragraph 3 – Third Party Contracting Capacity; and FTA Best Practices 2.2)

Remedies. FTA expects the recipient to analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible, and avoid, neutralize, or mitigate potential conflicts before contract award. FTA C. ~~*4220.1G*~~ ~~#4220.1F~~, Chpt. VI(2)(h).

Upon discovery of an actual or potential conflict of interest, an employee participating directly or indirectly in a procurement shall:

- Promptly file a written statement of disqualification with the Procurement Officer; and
- Withdraw from further participation in the procurement.

The employee may, at the same time, request from the Procurement Officer, an advisory opinion as to what further participation, if any, the employee may have in the procurement. It shall be at the sole discretion of the Procurement Officer to determine if the employee may have any further participation in the procurement and, if so, the extent to which the employee may participate. Any employee who fails to comply with the provisions of this paragraph may be subject to disciplinary action.

2.4.3. Employee Disclosure Requirements

A Brainerd & Crow Wing Public Transit System employee, who has reason to believe that they or their immediate family have an interest that may be affected by their official acts or actions as a Brainerd & Crow Wing Public Transit System employee or by the official acts or actions of Brainerd & Crow Wing Public Transit System, shall disclose the precise nature and value of such interest in a written disclosure statement to the Procurement Officer. The employee's disclosure statement will be reviewed by the Procurement Officer and the Procurement Officer will respond to the employee in writing with an opinion as to the propriety of said interest.

In the event that the Procurement Officer has reason to believe that they or their immediate family has an interest that may be affected by their official acts or actions as a Brainerd & Crow Wing Public Transit System employee or by the official acts or actions of Brainerd & Crow Wing Public Transit System, they shall disclose the precise nature and value of such interest in a written disclosure statement to the Transit Director.

2.4.4. Confidential Information

A Brainerd & Crow Wing Public Transit System employee may not directly or indirectly make use of, or permit others to make use of, for the purpose of furthering a private interest, confidential information

acquired by virtue of their position or employment with Brainerd & Crow Wing Public Transit System. 2 C.F.R. 200.303(e).

2.5. Organizational Conflicts of Interest

The Procurement Officer and technical personnel are encouraged to closely scrutinize all situations that appear to have the potential for an organizational conflict of interest.

Organizational conflicts of interest may result in bias and potentially provide an unfair competitive advantage to a potential offeror. An organizational conflict of interest occurs due to the type of work to be performed under a third-party contract, or because of other activities or relationships such as:

- A contractor who is unable, or potentially unable, to render impartial assistance or advice to the Subrecipient;
- A contractor's whose objectivity in performing contract work is or might be impaired;
- A contractor who has an unfair competitive advantage; or
- An organization that has a parent, affiliate, subsidiary or similar organizational relationship with Brainerd & Crow Wing Public Transit System.

Bias arises when a contractor is placed in a situation where there may be an incentive to distort advice or decisions. Whenever a contract is awarded that involves the rendering of advice, the question must always be asked as to whether the potential for a conflict of interest exists for the contractor rendering the advice. Brainerd & Crow Wing Public Transit System will utilize a "Conflict of Interest Disclosure Statement," in its solicitation when contracting for services of this nature. 2 C.F.R. 200.318(c)(2); 2 C.F.R. 200.319(b).

2.6. Penalties

For violation of any provision of this Code of Ethics or Conflict of Interest, the Brainerd & Crow Wing Public Transit System may avail itself of every remedy in law or equity, to enact penalties to the employee, up to and including dismissal.

Civil/Criminal Penalties Additionally, violation of the Ethics Policy or a provision thereof may subject the Employee to criminal or civil penalties under State or Federal law.

3. Brainerd & Crow Wing Public Transit System RESPONSIBILITIES

3.1. Third-Party Contracting Capacity

Brainerd & Crow Wing Public Transit System must maintain adequate technical capacity to carry out its FTA and State assisted projects and comply with Federal and State rules. Brainerd & Crow Wing Public Transit System's third party contracting capability must be adequate to undertake its procurements effectively and efficiently in compliance with applicable Federal, state, and local requirements. FTA C. *4220.1G*#4220.1F#, Chpt. 3(3).

3.2. Contract Administration System

Brainerd & Crow Wing Public Transit System must maintain a contract administration system to ensure that it and its third-party contractors comply with the terms, conditions, and specifications of their contracts or purchase orders and applicable Federal, state and local requirements. See Section 6 of this policy for a full discussion of contract administration. FTA C. *4220.1G*#4220.1F#, Chpt. 3(3).

3.2.1. Adequate Third-Party Contract Provisions

Brainerd & Crow Wing Public Transit System must include provisions in all of its third-party contracts that are adequate to form a sound and complete agreement. Provisions identified in the solicitation must *be carried* #carry# over into the contract. FTA C. *4220.1G*#4220.1F#, Chpt. 3(3)(b).

3.2.2. Revenue Contracts

Brainerd & Crow Wing Public Transit System may enter into a revenue contract with a third-party to generate revenues in connection with a transit related activity, or to create business opportunities utilizing an FTA or State funded asset. Any such said contract opportunity will follow an open and competitive selection procedures and principles outlined herein. *FTA C. 4220.1G, Chpt. 2(b)(3)*#FTA C. 4220.1F, Chpt. 2(b)(4)#.

3.2.3. Record Keeping

Brainerd & Crow Wing Public Transit System must prepare and maintain adequate and readily accessible project performance and financial records, covering procurement transactions as well as other aspects of project implementation. Brainerd & Crow Wing Public Transit System must maintain these records in the event of litigation or in other limited circumstances, until six years (in accordance with MN State Record Retention requirements) after Brainerd & Crow Wing Public Transit System and any contractors or subcontractors have made final payment and all other pending matters are closed. Specific record keeping requirements include:

- (a) Written Record of Procurement History – Brainerd & Crow Wing Public Transit System must maintain and make available to MnDOT and FTA written records detailing the history of each procurement. For all procurements above the micro-purchase level Brainerd & Crow Wing Public Transit System must maintain records relating to:
 - (1) Procurement Method – Brainerd & Crow Wing Public Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive;
 - (2) Contract Type – Brainerd & Crow Wing Public Transit System must state the reasons for selecting the contract type it used;

- (3) Contractor Selection – Brainerd & Crow Wing Public Transit System must state its reasons for contractor selection or rejection;
- (4) Contractor Responsibility – Brainerd & Crow Wing Public Transit System must provide a written determination of responsibility for the successful contractor;
- (5) Cost or Price – Brainerd & Crow Wing Public Transit System must evaluate and state its justification for the contract cost or price; and
- (6) Reasonable Documentation – Brainerd & Crow Wing Public Transit System must retain documentation commensurate with the size and complexity of the procurement.
- (7) Vendor Verification – Brainerd & Crow Wing Public Transit System must include verification of acceptance with a selected vendor/supplier/manufacture through the Federal System of Award Management (SAM) for each project and associated project file.

- (b) Access to Records – Brainerd & Crow Wing Public Transit System must provide FTA and MnDOT officials, Minnesota Department of Management and Budget, the State Auditor, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance.

2 C.F.R. 200.334.

3.3. Determination of Needs

Brainerd & Crow Wing Public Transit System must maintain and follow adequate procedures for determining the types and amounts of products and services it needs to acquire. Brainerd & Crow Wing Public Transit System shall comply with the following requirements when determining the types and amounts of products and services it needs to acquire:

3.3.1. Eligibility

All products and services to be acquired with FTA or State funds must be eligible under the Federal or State law authorizing the FTA or State assistance award and any regulations thereunder. All products and services to be acquired with FTA or State funds must also be eligible for support within the scope of the underlying grant or cooperative agreement from which the FTA or State assistance to be used is derived. *FTA C. 4220.1G, Chpt. IV(2)*#FTA C. 4220.1F, Chpt. IV(1)(a)#.

3.3.2. Necessity

Brainerd & Crow Wing Public Transit System shall adhere to the following standards for avoiding the purchase of duplicative and/or unnecessary products and services it does not need. *FTA C. 4220.1G, Chpt. IV(1)(b)*#FTA C. 4220.1F, Chpt. IV(1)(b)#.

3.3.2.1. Unnecessary Reserves

Brainerd & Crow Wing Public Transit System shall limit the acquisition of Federally or State-assisted property, goods, and services to the amount it needs to support its operations. *FTA C. 4220.1G, Chpt. IV(1)(b)(1)*#FTA C. 4220.1F, Chpt. IV(1)(b)(1)#.

3.3.2.2. Acquisition for Assignment Purposes

Brainerd & Crow Wing Public Transit System shall contract only for its current and reasonably expected public transportation needs and shall not add quantities or options to third-party contracts solely to permit assignment to another party at a later date. These limits on assignments, however, do not preclude joint procurements that are entered into simultaneously by two or more parties to obtain advantages unavailable for smaller procurements. FTA C. ~~*4220.1G*~~~~#4220.1F#~~, Chpt. IV(1)(b)(2).

- (a) General Prohibition – Brainerd & Crow Wing Public Transit System may contract only for its current and reasonably expected public transportation needs and may not add quantities or options to third-party contracts solely to permit assignment to another party at a later date.
- (b) Exceptions – These limits on assignments, however, do not preclude:
 - (1) Joint Procurements – Brainerd & Crow Wing Public Transit System and one or more other FTA recipients may enter into a single procurement at the same time to obtain advantages unavailable for smaller procurements.
 - (2) Participation in MnDOT Sponsored Vehicle Procurements – Brainerd & Crow Wing Public Transit System may enter into contracts developed by the State of Minnesota to acquire vehicles. See Section 4.3 of this policy for a full discussion of state government purchasing schedules and contracts.
- (c) Procurement Size – For every procurement, Brainerd & Crow Wing Public Transit System shall consider whether to consolidate or break out the procurement to obtain the most economical purchase. Absent efforts to foster greater opportunities for Disadvantaged Business Enterprises (DBEs), small and minority firms and women’s business enterprises, Brainerd & Crow Wing Public Transit System shall not split a larger procurement merely to gain the advantage of micro-purchase or small purchase procedures.
- (d) Options – Brainerd & Crow Wing Public Transit System shall justify, as needed, all option quantities included in every solicitation and contract. An option is a unilateral right in a contract by which, for a specified time, Brainerd & Crow Wing Public Transit System may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract.
- (e) Lease Versus Purchase – Brainerd & Crow Wing Public Transit System shall review lease versus purchase alternatives for acquiring property and shall prepare or obtain an analysis to determine the most economical alternative. If Brainerd & Crow Wing Public Transit System chooses to lease an asset then it must prepare a written comparison of the cost of leasing the asset compared with the cost of purchasing or constructing the asset.
- (f) Lease of Rolling Stock – For rolling stock and related equipment, the Fixing America’s Surface Transportation (FAST) Act requires Brainerd & Crow Wing Public Transit System to submit a report to MnDOT, on behalf of FTA, within three years of executing a rolling stock lease that includes: (1) An evaluation of the overall costs and benefits of leasing

rolling stock; and (2) A comparison of the expected short-term and long-term maintenance costs under a lease versus maintenance costs when buying rolling stock.

- (g) Specifications – Brainerd & Crow Wing Public Transit System's procurement specifications shall clearly describe the products or services to be procured and shall state how the proposals will be evaluated. Brainerd & Crow Wing Public Transit System's procurement specifications shall not be exclusionary, discriminatory, unreasonably restrictive, or otherwise in violation of Federal or Minnesota laws or regulations.

3.4. Contractor Responsibilities

Brainerd & Crow Wing Public Transit System, in awarding contracts financed in whole or in part with FTA financial assistance, shall follow guidance in this section to evaluate contractor capabilities to perform the contract.

In addition to the Federal rules (2 CFR § 200.318(h)) that require contract awards be made only to responsible contractors, Federal law at 49 U.S.C. § 5325(j) and *State Statute (174.24) (177.43 and 16C.09)*~~*State Law (CXXXXXX)#~~ limits third-party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for award, Brainerd & Crow Wing Public Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

3.4.1. Debarment and Suspension

Debarment and suspension regulations and guidance include the following provisions.

3.4.1.1. DOT Debarment and Suspension Regulations

U.S. Department of Transportation (DOT) regulations apply to each third-party contract at any tier of \$25,000 or more, to each third party contract at any tier for a federally required audit (irrespective of the contract amount), and to each third party contract at any tier that must be approved by an FTA official irrespective of the contract amount (2 C.F.R.1200). Brainerd & Crow Wing Public Transit System shall apply DOT's debarment and suspension requirements to itself and each third-party contractor at every tier to the extent required by DOT's regulations that incorporate the requirements of the Office of Management and Budget (OMB), "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)" (2 C.F.R. 180).

3.4.1.2. System for Award Management

Brainerd & Crow Wing Public Transit System will search and ensure that every offeror considered appears as a registered vendor within the results of a SAM.gov search and print the screen with the results of the search to be included in the procurement file. It is the policy of Brainerd & Crow Wing Public Transit System to verify that the prospective third-party vendor is not listed as a debarred contractor on SAM.

3.4.2. Lobbying Certification and Disclosure

If a third-party contract will exceed \$100,000, before awarding the contract, Brainerd & Crow Wing Public Transit System will obtain a signed lobbying certification, and if applicable, a lobbying disclosure

from a prospective third party contractor (see DOT regulations, “New Restrictions on Lobbying,” 49 CFR Part 20, modified as necessary by 31 U.S.C. Section 1352).

3.4.3. Required Contract Clauses

In addition to the requirements outlined above, there are various required clauses that may apply to Brainerd & Crow Wing Public Transit System’s third-party contracts, depending upon the type of procurement and the anticipated dollar value of said contract. It is the responsibility of Brainerd & Crow Wing Public Transit System to assess each procurement and determine the applicable FTA third party terms and conditions that should be included in the solicitation and contract documents. Coordination with MnDOT on the appropriate clauses will be completed. These clauses may include:

- All FTA Assisted Third Party Contracts and Subcontracts:
 - No Federal government obligation to third-parties
 - False or fraudulent statements or claims
 - Access to records
 - Federal changes
 - Civil rights
 - Incorporation of FTA terms
 - Energy conservation
 - Safe operation of motor vehicles
 - Prohibition on certain telecommunications and video surveillance services or equipment
- Contracts Exceeding \$10,000:
 - Termination provisions
- Contracts Exceeding \$25,000:
 - Debarment and suspension
 - Notice regarding disputes, breaches, defaults, and litigation
- Contracts Exceeding \$100,000:
 - Byrd Anti-Lobbying Amendment
- Contracts Exceeding \$150,000:
 - Clean Air Act
 - Federal Water Pollution Control Act
 - Build America, Buy America (“BABA”) & Buy America (“BA”) (procurements involving iron, steel, manufactured products, and constructions materials)
- Contracts Exceeding the Simplified Acquisition Threshold:
 - Legal remedies for violation or breach
- Contracts for Construction:
 - Davis-Bacon Act
 - Copeland Anti-Kickback Act
 - Contract Work Hours and Safety Standards Act
 - Seismic safety
 - Veterans hiring preference
 - Bonding
- Contracts for Transit Operations:
 - School bus restrictions
 - Charter bus restrictions
 - Transit employee protective arrangements

- Substance abuse requirements
- Miscellaneous:
 - Conformance with Intelligent Transportation Systems (ITS) national architecture
 - Cargo preference
 - Fly America
 - Patent rights
 - Rights in data and copyrights
 - Procurement of recovered materials
 - *Domestic Preference*
- Rolling Stock Certifications:
 - Bus testing
 - Transit Vehicle Manufacturer (TVM) compliance with DBE requirements
 - Pre-Award Buy America Certification
 - Pre-Award Purchaser's Requirements
 - Pre-Award Federal Motor Vehicle Safety Standards (FMVSS) Certification
 - Post-Delivery Buy America Certification
 - Post-Delivery Purchaser's Requirements
 - Post-Delivery FMVSS Certification

FTA C. *4220.1G*#4220.1F#, Matrix D; *see also* FTA Master Agreement.

3.5. Bonding

Some procurements may- necessitate Brainerd & Crow Wing Public Transit System to require the vendor to submit a bid bond, performance bond, or payment bond (typically construction projects).

3.5.1. Thresholds

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, when bonding is required, MnDOT may accept the bonding policy and requirements of the Subrecipient provided that MnDOT has made a determination that the Federal interest is adequately protected.

3.5.2. Acceptable Sureties

Federal rules for non-governmental recipients requires the non-governmental recipient to obtain construction bonds from companies holding certificates of authority as acceptable sureties under Department of the Treasury regulations, "Surety Companies Doing Business with the United States," (31 CFR Part 223). For a current list of approved sureties, see Department of the Treasury's Listing of Approved Sureties (Department Circular 570). As FTA encourages governmental recipient to require similarly acceptable sureties, it shall be the policy of Brainerd & Crow Wing Public Transit System to such accept sureties.

3.6. Preference for U.S. Property—Buy America

Any contract exceeding \$150,000 entered into by Brainerd & Crow Wing Public Transit System with FTA assistance requires that all iron, steel, manufactured products (including rolling stock), and construction materials used are produced or manufactured in the United States, unless FTA has granted a waiver authorized by Buy America regulations. FTA cautions that its Buy America regulations are complex and different from the Federal "Buy American Act" regulations in FAR Subparts 25.1 and 25.2. *FTA C. 4220.1G, Chpt. IV*#FTA C. 4220.1F, Chpt. IV(2)(c)(5)#.

FTA may obligate an amount for a project only if the steel, iron, manufactured goods, and construction materials used in the project are produced in the United States under the Build America, Buy America Act (BABA), Pub. L. 117-58, §§ 70901–27 incorporated under 49 U.S.C. 5323(j).

Brainerd & Crow Wing Public Transit System will, to the great practical extent consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States of America, even when Buy America and other regulations do not apply. 2 C.F.R. § 200.322

3.7. Accessibility

Facilities to be used in public transportation service must comply with 42 U.S.C. Sections 12101 *et seq.* and DOT regulations, “Transportation Services for Individuals with Disabilities (ADA),” 49 CFR § 37; and Joint ATBCB/DOT regulations, “Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles,” 36 CFR § 1192 and 49 CFR § 38. Notably, DOT incorporated by reference the ATBCB’s “Americans with Disabilities Act Accessibility Guidelines” (ADAAG), revised July 2004, which include accessibility guidelines for buildings and facilities, and are incorporated into Appendix A to 49 CFR Part 37. DOT also added specific provisions to Appendix A modifying the ADAAG, with the result that buildings and facilities must comply with both the ADAAG and amendments thereto in Appendix A to 49 CFR Part 37.

4. SOURCES OF ACQUISITIONS

4.1. Force Account

Force account means use of Brainerd & Crow Wing Public Transit System's own labor forces and equipment to undertake a project (typically construction, renovation, or repair). The use of force account labor is a project management function, rather than a procurement and contract administration function, except in the general sense of the Subrecipient's ability to perform work with its own forces rather than contracting with another entity to acquire the property or services it needs, and the cost implications of the recipient's decision. Brainerd & Crow Wing Public Transit System does not charge force account labor to its FTA grants. FTA C. [*4220.1G*#4220.1F#](#), Chpt. V(1).

4.2. Joint Procurements

Brainerd & Crow Wing Public Transit System may participate in joint procurements whereby Brainerd & Crow Wing Public Transit System and one or more other entities agree from the outset to use a single solicitation document and enter into a single contract with a vendor for delivery of products or services. The following requirements apply to Brainerd & Crow Wing Public Transit System's participation in joint procurements:

- Solicitation documents may not be drafted for the purpose of accommodating the needs of other parties that may later want to participate in the benefits of the contract.
- Brainerd & Crow Wing Public Transit System is responsible for ensuring that the joint procurement solicitation and contract complies with all Federal and State requirements and that the solicitation document and contract includes all required clauses and certifications.
FTA C. [*4220.1G*#4220.1F#](#), Chpt. V(3).

4.3. State or Local Government Purchasing Schedules or Purchasing Contracts

4.3.1. Definition

FTA uses the term "state or local government purchasing schedule" to mean an arrangement that a State or local government has established with several vendors in which those vendors agree to provide essentially an option to the State or local government, and its subordinate government entities, to acquire specific property or services in the future at established prices. These arrangements are somewhat similar to the General Services Administration's (GSA) Cooperative Purchasing Program available for Federal Government use. (FTA C. [*4220.1G*#4220.1F#](#) Chpt I 5.cc.)

4.3.2. Small Quantity Conditions for Rolling Stock

To the extent practicable, Brainerd & Crow Wing Public Transit System will use the innovative procurement tools authorized under section 3019 of the FAST Act. If Brainerd & Crow Wing Public Transit System conducts a stand-alone procurement (i.e., not part of a state contract or joint/cooperative procurement) for fewer than five buses, it must prepare a written justification for not using an authorized "innovative procurement tool" pursuant to 49 USC § 5339(a)(10)(B).

4.3.3. Applicability of Federal Provisions

When obtaining property or services in this manner, Brainerd & Crow Wing Public Transit System must ensure all Federal requirements, required clauses, and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or in the recipient's purchase document. While MnDOT takes all precautions to ensure that such provisions are in the original solicitation and contract documents, it is ultimately Brainerd & Crow Wing Public Transit System's responsibility to ensure such documents and certifications are obtained. Solicitation of these vendors is conducted in the same manner as any other procurement.

If such requirements, clauses, and certifications were not included in the original purchase solicitation and contracts, Brainerd & Crow Wing Public Transit System may request the vendor to append the required Federal clauses in the purchase order or other document that effects the Brainerd & Crow Wing Public Transit System's procurement. When this method is used, Brainerd & Crow Wing Public Transit System shall obtain Buy America certification before entering into the purchase order. This method cannot be used to circumvent FTA's Buy America requirements.

4.3.4. Existing Contracts

Brainerd & Crow Wing Public Transit System may use existing contract rights as an acquisition source. An "existing contract" means a contract that, when formed, was intended to be limited to the original parties thereto. [*FTA C. 4220.1G, Chpt. V\(8\)*#FTA C. 4220.1F, Chpt. V\(7\)#](#).

4.3.4.1. Permissible Actions

Within the conditions set forth below, Brainerd & Crow Wing Public Transit System may use existing contract rights held by another recipient of FTA assistance:

- (a) Exercise of Options – Brainerd & Crow Wing Public Transit System may use contract options held by another recipient of FTA assistance with the following limitations:
 - (1) Consistency with the Underlying Contract – Brainerd & Crow Wing Public Transit System must ensure that the terms and conditions of the option it seeks to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.
 - (2) Price – Brainerd & Crow Wing Public Transit System may not exercise an option unless it has determined that the option price is better than prices available in the open market, or that when it intends to exercise the option, the option is more advantageous.
 - (3) Awards Treated as Sole Source Procurements – The following actions constitute sole source awards:
 - i. Failure to Evaluate Options Before Awarding the Underlying Contract – If a contract has one or more options and those options were not evaluated as part of the original contract award, exercising those options after contract award will result in a sole source award.
 - ii. Negotiating a Lower Option Price – Exercising an option after Brainerd & Crow Wing Public Transit System has negotiated a lower

or higher price will also result in a sole source award unless that price can be reasonably determined from the terms of the original contract, or that price results from Federal actions that can be reliably measured.

- (b) Assignment of Contract Rights (“Piggybacking”) – If Brainerd & Crow Wing Public Transit System finds that it has inadvertently acquired contract rights in excess of its needs, it may assign those contract rights to another MnDOT subrecipient if the original contract contains an assignability provision that permits the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions. Brainerd & Crow Wing Public Transit System may use contractual rights through assignment from another recipient of FTA assistance after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. Brainerd & Crow Wing Public Transit System need not perform a second price analysis if a price analysis was performed for the original contract; however, Brainerd & Crow Wing Public Transit System must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. Brainerd & Crow Wing Public Transit System shall be responsible for ensuring the contractor’s compliance with FTA’s Buy America requirements and execution of all the required pre-award and post-delivery Buy America review certifications. Before proceeding with the assignment, however, Brainerd & Crow Wing Public Transit System shall review the original contract to be sure that the quantities the assigning recipient acquired, coupled with the quantities that Brainerd & Crow Wing Public Transit System seeks, do not exceed the amounts available under the assigning recipient’s contract.

4.3.4.2. Impermissible Actions

Brainerd & Crow Wing Public Transit System may not use Federal assistance to finance:

- (a) Improper Contract Expansion – A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the recipient’s reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.
- (b) Cardinal Changes – A significant change in contract work that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change or “tag-on”. A change within the scope of the contract is not a cardinal change or “tag-on”.

5. PROCEDURES FOR OPEN MARKET PROCUREMENTS

5.1. Solicitation of Competitive Price Quotes, Bids or Proposals

Compliance with the solicitation procedures described in Section 5.4 below will fulfill FTA requirements for “full and open competition.” 2 C.F.R. 200.319(a).

5.2. Solicitation Requirements and Restrictions

Every procurement solicitation that Brainerd & Crow Wing Public Transit System issues above the micro-purchase level (currently established in Federal guidance at-~~*\$15,000*~~~~#\$10,000#~~), must include the following information and be advertised in a manner that ensures adequate and open competition. 2 C.F.R. 200.319(d).

5.2.1. Description of the Property or Services

The solicitation and the contract awarded thereunder must include a clear and accurate description of Brainerd & Crow Wing Public Transit System's technical requirements for the products or services to be acquired in a manner that provides for full and open competition. 2 C.F.R. 200.319(d)(1).

5.2.1.1. Descriptive Elements

Brainerd & Crow Wing Public Transit System will prepare descriptions of property, goods, or service in terms of functions to be performed or level of performance required, including the range of acceptable characteristics or minimum acceptable standards. Detailed product specifications should be avoided if at all possible; however, there is no prohibition against their use when appropriate. 2 C.F.R. 200.319(d)(1).

5.2.1.2. Quantities

Additional quantities or options above Brainerd & Crow Wing Public Transit System's needs at the time of acquisition may not be added to contracts solely to allow assignment of those quantities or options at a later date. ~~*FTA C. 4220.1G, Chpt. VI(2)(d)*#FTA C. 4220.1F, Chpt. IV(1)(b)#~~.

5.2.1.3. Brand Name or Equal

When it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property to be acquired, a “brand name or equal” description may be used to define the performance or other salient characteristics of a specific type of property. The salient characteristics of the named brand that bidders or offerors must provide must be identified. 2 C.F.R. 200.319(b)(6).

5.2.1.4. Prohibited Practices

Solicitations with requirements that contain features that unduly restrict competition may not be used. Brainerd & Crow Wing Public Transit System shall not:

- Impose unreasonable business requirements for bidders or offerors.
- Impose unnecessary experience requirements for bidders and offerors.
- Use prequalification procedures that conflict with the prequalification standards described in Section 5.3.

- Make a noncompetitive award to any person or firm on a retainer contract with Brainerd & Crow Wing Public Transit System if that award is not for the property or services specified for delivery under the retainer contract.
 - Impose unreasonable restrictive bonding requirements on bidders and offerors in excess of FTA and state requirements.
 - Specify only a “brand name” product without allowing offers of an “equal” product, or allowing an “equal” product without listing the salient characteristics that the “equal” product must meet to be acceptable for award.
 - Specify in-state or local geographical preferences or evaluating bids or proposals in light of in-state or local geographic preferences, even if those preferences are imposed by State or local laws or regulations. The only exception expressly mandated or encouraged by Federal law that may be applicable to Brainerd & Crow Wing Public Transit System is the procurement of Architectural and Engineering (A&E) Services. Geographic location may be a selection criterion in the procurement of A&E services if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.
 - Engage in practices that result in organizational conflicts of interest. An organizational conflict of interest occurs when any of the following circumstances arise:
 - Lack of Impartiality or Impaired Objectivity – When the bidder or offeror is unable, or potentially unable, to provide impartial and objective assistance or advice to Brainerd & Crow Wing Public Transit System Transit due to other activities, relationships, contracts, or circumstances.
 - Unequal Access to Information – When the bidder or offeror has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
 - Biased Ground Rules – When during the conduct of an earlier procurement, the bidder or offeror has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
 - Support or acquiesce in noncompetitive pricing practices between firms or between affiliated companies.
 - Take any arbitrary action in the procurement process.
- 2 C.F.R. 200.319.

5.2.2. Evaluation Factors.

All solicitations shall identify all factors to be used in evaluating bids or proposals. At the discretion of Procurement Officer, the relative order of importance and/or weights shall be communicated to prospective offerors. *FTA C. 4220.1G, Chpt. VI (2)(f)*#FTA C. 4220.1F, Chpt. VI2.c.1. and 2#.

5.2.3. Permissible Contract Types

Brainerd & Crow Wing Public Transit System shall state the type of contract that will be awarded in all solicitation documents. The following types of contracts will typically be executed with the successful vendor:

5.2.3.1. Firm Fixed Price

A firm fixed price contract includes a price that remains fixed irrespective of the contractor's cost experience in performing the contract. A firm fixed price contract may include an economic price adjustment provision, incentives, or both.

5.2.3.2. Cost Reimbursement

A cost-reimbursement contract provides for payment of the contractor's allowable incurred costs, to the extent prescribed in the contract. Allowable costs may include incentives if the recipient believes they can prove helpful. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.

5.2.4. Prohibitive or Restricted Contract Types

The following contract types are prohibited or restricted:

5.2.4.1. Cost Plus Percentage of Cost

Cost plus Percentage of Cost type contracts are prohibited.

5.2.4.2. Time and Materials

Time and Materials type contracts may be used only after a written determination is made that no other contract type is suitable. In addition, the contract between Brainerd & Crow Wing Public Transit System and the Contractor must specify a ceiling price that the Contractor may not exceed except at its own risk.

5.2.5. Other Federal Requirements Affecting the Property or Services to be Acquired

The solicitation and resulting contract must identify those Federal requirements that will affect contract scope and performance.

5.2.6. Other Federal Requirements Affecting the Bidder or Offeror and the Contractor

The solicitation and resulting contract must identify all Federal requirements that a bidder or offeror must fulfill before and during contract performance.

5.2.7. Reservation of Right to Award to Other Than the Low Bidder or Offeror

The solicitation must specifically reserve Brainerd & Crow Wing Public Transit System right to award a contract to other than the low bidder or offeror. If the solicitation documents do not specify this right, Brainerd & Crow Wing Public Transit System will be obligated to award the contract to the low bidder.

5.2.8. Reservation of Right to Reject All Bids or Offers

The solicitation must specifically reserve Brainerd & Crow Wing Public Transit System's right to reject all bids or offers.

5.3. Methods of Procurement

Brainerd & Crow Wing Public Transit System shall use competitive procedure(s) appropriate for the acquisition undertaken. The procedures used must comply with Minnesota and local law as well as with Federal requirements. Federal restrictions vary with the type of procurement method used. The

following guidance is based on the requirements of 2 CFR § 200.318 – 200.326, supplemented by FTA and State policies that address the needs of FTA recipients.

5.3.1. Informal Procurements: Micro Purchases

5.3.1.1. Definition

Per 2 C.F.R. 200.320, micro-purchases are those purchases of products and services that cost ~~*\$15,000*~~~~#\$10,000#~~ or less (or current threshold established by Federal Acquisition Regulations (FAR)); for purposes of this policy, Brainerd & Crow Wing Public Transit System will use ~~*\$15,000*~~~~#\$10,000#~~ as the threshold for relatively simple purchases as a means to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.

5.3.1.2. Approval Authority

Micro-purchases must be approved in writing by one of the following Brainerd & Crow Wing Public Transit System employees:

- Procurement Director
- Transit Director

5.3.1.3. Competition

Brainerd & Crow Wing Public Transit System may acquire products and services valued at less than (Micro Purchase Limit) without obtaining competitive quotations. Micro-purchases should be distributed equitably among qualified suppliers.

Micro purchases are exempt from FTA's Buy America requirements. Davis-Bacon prevailing wage requirements, however, will apply to construction contracts exceeding \$2,000, even though the recipient uses micro-purchase procurement procedures. 2 C.F.R. 200.320(a)(1)(ii).

5.3.1.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the micro purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in Brainerd & Crow Wing Public Transit System's Federally assisted procurements. ~~*FTA C. 4220.1G, Chpt. VI (3)(b)*#FTA C. 4220.1F, Chpt. IV(3)(a)(2)(b)#.~~

5.3.1.5. Documentation

Every micro-purchase must be accompanied by a written determination that the price is fair and reasonable and a description of how that determination was made. ~~*FTA C. 4220.1G, Chpt. VI(3)(a)(3)(c)*#FTA C. 4220.1F, Chpt. IV(3)(a)(2)(c)#.~~

5.3.2. Informal Procurements: Small Purchases

5.3.2.1. Definition

~~*Minnesota law, which is applicable to Brainerd & Crow Wing Public Transit System per Minn. Stat. 471.345, defines small purchases as those purchases of products and services, including construction services, that cost greater than \$15,000 but not more than \$175,000. For purposes~~

of this policy, Brainerd & Crow Wing Public Transit System will consider small purchase those that cost greater than \$15,000 but not more than \$175,000.*~~#FTA defines small purchases as those purchases of products and services, including construction services, that cost greater than \$10,000 but not more than \$250,000. For purposes of this policy, Brainerd & Crow Wing Public Transit System will consider small purchase those that cost greater than \$10,000 but not more than \$250,000.#~~

5.3.2.2. Approval Authority

Small purchases must be approved in writing by one of the following Brainerd & Crow Wing Public Transit System employees:

- Transit Director
- ~~#Chief Executive Officer#~~
- Governing Board
- Other identified per local decision

5.3.2.3. Required Competition

Price or rate quotations must be obtained from an adequate number of qualified sources. It is the responsibility of Brainerd & Crow Wing Public Transit System to ensure that an adequate number of quotations, bids, or proposals are received. 2 C.F.R. 200.320(2)(i).

5.3.2.4. Prohibited Divisions

The size or dollar value of procurements may not be divided or reduced merely to come within the small purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in Brainerd & Crow Wing Public Transit System's Federally assisted procurements. ~~*FTA C. 4220.1G, Chpt. IV(3)(a)(3)(b)*#FTA C. 4220.1F, Chpt. IV(3)(b)(2)(b)#.~~

5.3.2.5. Documentation

Every small purchase must be documented in the grantee's written procurement history file. The level of documentation is stipulated in Section 6.6.1. 2 C.F.R. 200.334.

For small purchases, price quotations may be oral or written.

5.3.2.6. Special Considerations

Brainerd & Crow Wing Public Transit System reserves the right to use formal purchase methods, even if small purchase thresholds are met, if the Procurement Officer believes it is in the best interests of the Brainerd & Crow Wing Public Transit System to do so.

5.3.3. Formal Procurements

5.3.3.1. Definition

*Per Minn. Stat. 471.345, formal purchases are those purchases of products and services that cost greater than the current state threshold of \$175,000. For purposes of this policy, Brainerd & Crow Wing Public Transit System will use formal procedures for all purchases over

~~\$175,000*#Formal purchases are those purchases of products and services that cost greater than the current Federal threshold of \$250,000. For purposes of this policy, Brainerd & Crow Wing Public Transit System will use formal procedures for all purchases over \$250,000. 2 C.F.R. 200.320(b); FTA C. 4220.1F.#~~

5.3.3.2. Approval Authority

Large purchases must be approved in writing by the following Brainerd & Crow Wing Public Transit System employees or officials:

- Transit Director
- Governing Board
- Other local identified officials

No further delegation of approval authority for large purchases may be made.

5.3.3.3. Procurement Methods

There are two primary methods of procurement for large purchases of products and services:

- Sealed Bid method (IFB); and
- Competitive Proposal (RFP) method.

5.3.3.4. Required Competition

Formal bids and competitive proposals must be publicly advertised. 2 C.F.R. 200.320(b).

For formal purchases by the sealed bid method of procurement, two or more responsible bidders must be willing and able to compete effectively for the business. 2 C.F.R. 200.320(b)(1)(i)(B).

For formal purchases by the competitive proposal method of procurement, two or more offerors must be willing and able to submit an offer or proposal. 2 C.F.R. 200.320(b)(2).

5.3.3.5. Required Documentation

Every formal purchase must, at a minimum, be supported by a written independent cost estimate, formal bids or proposals, a written cost or price analysis as appropriate, a written justification and detailed rationale for contractor selection (including application of evaluation criteria) and a written determination of the responsibility of the contractor. Additional documentation requirements are dependent upon the formal procurement method that is utilized to make the purchase. 2 C.F.R. 200.320; 2 C.F.R. 200.324(a).

5.3.3.6. Procedural Methods for Sealed Bids

The sealed bid method of procurement is a formal method in which bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation for Bids (IFB), is lowest in price. The IFB document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a bid, and the forms on which bids must be submitted. 2 C.F.R. 200.320(b)(1).

- (a) When Appropriate – The sealed bid method of procurement is the preferred method for acquiring products and services that, including construction services, cost greater than simplified threshold or Small Purchase threshold. The sealed bid method of procurement may also be used for small purchases if it is determined to be appropriate. The sealed bid method of procurement is appropriate if the following conditions apply:

- (1) Precise Specifications – A complete, adequate, precise, and realistic specification or purchase description is available.
- (2) Adequate Sources – Two or more responsible bidders are willing and able to compete effectively for the business.
- (3) Fixed Price Contract – The procurement generally lends itself to a firm fixed price contract.
- (4) Price Determinative – The successful bidder can be selected on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken. Apart from responsibility determinations, contractor selection may not be determined on the basis of other factors whose costs cannot be measured at the time of award.
- (5) Discussions Unnecessary – Discussions with one or more bidders after bids have been submitted are expected to be unnecessary as award of the contract will be made based on price and price-related factors alone.

FTA C. 4220.1G, Chpt. VI(3)(c)(1)(d)#FTA C. 4220.1F, Chpt. IV(3)(c)(1)#.

- (b) Requirements for Sealed Bids – The following requirements apply to the sealed bid method of procurement:

- (1) Publicity – The Invitation for Bids must be publicly advertised.
 - i. The Procurement Officer shall ensure that sufficient time is allowed to prepare bids before the date of bid opening.
 - ii. Notice of bidding opportunities may be provided in other ways in addition, but not as a substitute, to a published notice. The methods may include, but not necessarily be limited to:
 - a. Direct notice, based on compiled vendor lists or from pre-qualification list, sent to prospective offerors; or
 - b. Use of advertisement by electronic means.
- (2) Adequate Sources – Bids must be solicited from an adequate number of known suppliers.
- (3) Adequate Specifications – The Invitation for Bids, including any specifications and pertinent attachments, must describe the property or services sought in sufficient detail that a prospective bidder will be able to submit a proper bid.
- (4) Sufficient Time – Bidders must be allowed sufficient time to prepare bids before the date of bid opening.
- (5) Public Opening – All bids must be publicly opened at the time and place prescribed in the Invitation for Bids.
- (6) Fixed Price Contract – A firm fixed price contract must be awarded in writing to the lowest responsive and responsible bidder unless the Invitation for

Bids specifically allowed for award of a fixed price incentive contract or the inclusion of an economic price adjustment provision.

- (7) Rejection of Bids – Any or all bids may be rejected if there is a sound, documented business reason.

~~*FTA C. 4220.1G, Chpt. IV(3)(c)(2)(e)*#FTA C. 4220.1F, Chpt. IV(3)(c)(2)#.~~

5.3.3.7. Competitive Proposals

The competitive proposal method of procurement is a formal method in which written proposals are publicly solicited and a contract is awarded to the responsible offeror whose proposal, taking into consideration price and other factors, is considered to be the most advantageous to Brainerd & Crow Wing Public Transit System or that is considered to be the “best value” to Brainerd & Crow Wing Public Transit System. The vehicle through which proposals are solicited is Request for Proposals (RFP). The RFP document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a proposal and the forms on which proposals must be submitted, if applicable. ~~*FTA C. 4220.1G, Chpt. VI(3)(d)*#FTA C. 4220.1F, Chpt. IV(3)(d)#.~~

- (a) When Appropriate – The competitive proposal method of procurement is appropriate for the acquisition of products and services that cost greater than (Small Purchase Limit) when the nature of the procurement does not lend itself to sealed bidding and Brainerd & Crow Wing Public Transit System expects that more than one source will be willing and able to submit a proposal. The competitive proposal method of procurement may also be used for small purchases if it is determined to be appropriate. The competitive proposal method of procurement may not be used for the procurement of construction services. The competitive proposal method of procurement is appropriate when any of the following circumstances are present:

- (1) Type of Specifications – The products or services to be acquired are described in a performance or functional specification, or if described in detailed technical specifications, other circumstances such as the need for discussions or the importance of basing contract award on factors other than price alone are present.
- (2) Uncertain Number of Sources – Uncertainty about whether more than one bid will be submitted in response to an Invitation for Bids.
- (3) Price Alone Not Determinative – Due to the nature of the procurement, contract award need not be based exclusively on price or price-related factors.
- (4) Discussions Expected – Separate discussions with individual offerors are expected to be necessary after they have submitted their proposals.

~~*FTA C. 4220.1G, Chpt. VI(3)(d)(1)(d)*#FTA C. 4220.1F, Chpt. IV(3)(d)(1)#.~~

- (b) Requirements for Competitive Proposals – The following requirements apply to the competitive proposal method of procurement:

- (1) Publicity – The Request for Proposals must be publicly advertised.
- (2) Evaluation Factors – All evaluation factors and their relative importance must be specified in the solicitation, but numerical or percentage ratings or weights need not be disclosed.

- (3) Adequate Sources – Proposals must be solicited from an adequate number of qualified sources.
- (4) Evaluation Method – A specific method must be established and used to conduct technical evaluations of the proposals received and to determine the most qualified offeror.
- (5) Price and Other Factors – An award must be made to the responsible offeror whose proposal is most advantageous to Brainerd & Crow Wing Public Transit System or that represents the “best value” to Brainerd & Crow Wing Public Transit System with price and other factors considered.
- (6) Best Value – Brainerd & Crow Wing Public Transit System may award a contract to the offeror whose proposal provides the greatest value to Brainerd & Crow Wing Public Transit System. To do so, the solicitation must inform potential offerors that the award will be made on a “best value” basis and identify what factors will form the basis for award. Brainerd & Crow Wing Public Transit System must base its determination of which proposal represents the “best value” on an analysis of the tradeoff of qualitative technical factors and price or cost factors.

FTA C. 4220.1G, Chpt. IV(3)(d)(2)#FTA C. 4220.1F, Chpt. IV(3)(d)(2)#.

5.3.3.8. Two-Step Procurements

Brainerd & Crow Wing Public Transit System may use two-step procurement procedures in both sealed bid and competitive proposal procurements, provided the opportunity for full and open competition is retained. *FTA C. 4220.1G, Chpt. VI(3)(e)*#FTA C. 4220.1F, Chpt. IV(3)(e)#.

Review of Technical Qualifications and Approach – The first step is a review of the prospective contractors’ technical approach to Brainerd & Crow Wing Public Transit System’s request and their technical qualifications to carry out that approach followed by the establishment of a competitive range consisting of prospective contractors that demonstrate a technically satisfactory approach and have satisfactory qualifications. *FTA C. 4220.1G, Chpt. IV(3)(e)(1)*#FTA C. 4220.1F, Chpt. IV(3)(e)(1)#.

Review of Bids and Proposals Submitted by Qualified Prospective Contractors – The second step consists of soliciting and reviewing complete bids or proposals, including price, submitted by each prospective contractor determined to be qualified. Absent exceptional circumstances, bids or proposals must be solicited from at least three qualified prospective contractors. *FTA C. 4220.1G, Chpt. IV(3)(e)(2)*#FTA C. 4220.1F, Chpt. IV(3)(e)(2)#.

5.3.3.9. Architectural and Engineering (A&E) Services and Other Services

FTA’s enabling legislation at 49 U.S.C. § 5325(b)(1) requires the use of the qualifications-based procurement procedures contained in the “Brooks Act,” 40 U.S.C. § 1101 through 1104, to acquire A&E services. *FTA C. 4220.1G, Chpt. VI(3)(f)*#FTA C. 4220.1F, Chpt. IV(3)(f)#.

- (a) Qualifications-Based Procurement Procedures Required – Brainerd & Crow Wing Public Transit System must use qualifications-based procurement procedures to acquire architectural and engineering (A&E) services as well as certain other services that are directly in support of, directly connected to, directly related to, or lead to construction,

alteration, or repair of real property. In addition to A&E services, other services that must be procured by qualifications-based procurement procedures include:

- Program management;
- Construction management;
- Feasibility studies;
- Preliminary engineering;
- Design, architectural, engineering;
- Surveying, mapping; and
- Other related services.

The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used. ~~*FTA C. 4220.1G, Chpt. IV(3)(f)(1)*#FTA C. 4220.1F, Chpt. IV(3)(f)(1)#.~~

- (b) ~~*Purpose of Services - The use of qualifications-based procurement procedures is authorized only for those services that directly support or are directly connected or related to construction, alteration, or repair of real property. Thus, if services, such as program management, feasibility studies, or mapping, are not directly in support of, directly connected to, or directly related to, or lead to construction, alteration, or repair of real property, then the recipient must not use qualifications-based procurement procedures to select the contractor that will perform those services. FTA C. 4220.1G, Chpt. IV(3)(h)(2)(a).*#Qualifications-Based Procurement Procedures Prohibited – Unless FTA determines otherwise in writing, qualifications-based procurement procedures may not be used to acquire other types of services if those services are not directly in support of, directly connected to, directly related to, or do not lead to construction, alteration, or repair of real property. Qualifications-based procurement procedures may not be used for actual construction, alteration or repair to real property. FTA C. 4220.1F, Chpt. IV(3)(f)(2).#~~

- (c) Qualifications-Based Procurement Procedures – The following procedures apply to qualifications-based procurements:

- (1) Qualifications – Unlike other two-step procurement procedures in which price is an evaluation factor, an offeror's qualifications are evaluated to determine contract award.
- (2) Price – Price is excluded as an evaluation factor.
- (3) Most Qualified – Price negotiations are first conducted with only the most qualified offeror.
- (4) Next Most Qualified - Only after failing to agree on a fair and reasonable price may negotiations be conducted with the next most qualified offeror. Then, if necessary, negotiations with successive offerors in descending order may be conducted until contract award can be made to the offeror whose price the recipient believes is fair and reasonable.

~~*FTA C. 4220.1G, Chpt. VI(3)(f)(2)*#FTA C. 4220.1F, Chpt. IV(3)(f)(3)#.~~

5.4. Noncompetitive Procurements

Normally, Brainerd & Crow Wing Public Transit System must provide for full and open competition when soliciting bids or proposals. Federal regulations at 2 C.F.R. 200.320(f)(1) – (4), however, acknowledges that under certain circumstances, a recipient may conduct procurements without providing for full and open competition.

5.4.1. When Appropriate

Noncompetitive procurement procedures may only be used when the procurement is inappropriate for small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances are present:

5.4.1.1. ~~*Adequate Competition*~~~~#Competition Adequacy#~~

~~*If after soliciting several sources, competition is determined inadequate, a recipient may make a noncompetitive award. If a recipient receives inadequate competition in response to its solicitation, it should review its specifications to determine if they are unduly restrictive or if changes can be made to encourage submission of more bids or proposals. After the recipient determines that the specifications are not unduly restrictive and changes cannot be made to encourage greater competition, the recipient may make a noncompetitive award.*#After soliciting several sources and receiving an inadequate response, Brainerd & Crow Wing Public Transit System shall review its specifications to determine if they are unduly restrictive or if changes can be made to encourage submission of more price quotes, bids or proposals. If Brainerd & Crow Wing Public Transit System determines that the specifications are not unduly restrictive and changes cannot be made to encourage greater competition, Brainerd & Crow Wing Public Transit System may determine the original competition adequate and complete the purchase from among the sources that submitted a price quote, bid or proposal. A cost analysis must be performed in lieu of a price analysis when this situation occurs. FTA C. 4220.1F, Chpt. IV(3)(i)(1)(a).#~~

5.4.1.2. Sole Source

When Brainerd & Crow Wing Public Transit System requires products or services available from only one responsible source, and no other products or services will satisfy its requirements, Brainerd & Crow Wing Public Transit System may make a sole source award. In addition, when Brainerd & Crow Wing Public Transit System requires an existing contractor to make a change to its contract that is beyond the scope of that contract, Brainerd & Crow Wing Public Transit System will consider the change a sole source award that must be justified. Sole source awards are only appropriate when one of the following conditions apply:

(a) Unique Capability or Availability – The products or services are available from only one source if one of the conditions described below is present:

(1) Unique or Innovative Concept – The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to Brainerd & Crow

Wing Public Transit System only from one source and has not in the past been available to Brainerd & Crow Wing Public Transit System from another source.

- (2) Patents or Restricted Data Rights – Patent or data rights restrictions preclude competition.
 - (3) Substantial Duplication Costs – In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
 - (4) Unacceptable Delay – In the case of a follow-on contract for the continued development or production of a highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling Brainerd & Crow Wing Public Transit System's needs.
FTA C. 4220.1G, Chpt. VI(3)(h)(1)(b)(4)#FTA C. 4220.1F, Chpt. IV(3)(i)(1)(b)(1)#.
- (b) Single Bid or Proposal – Upon receiving a single bid or proposal in response to a solicitation, Brainerd & Crow Wing Public Transit System should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.
- (1) Adequate Competition – Competition is adequate when the reasons for a single response were caused by conditions beyond Brainerd & Crow Wing Public Transit System's control.
 - (2) Inadequate Competition – Competition is inadequate when the reasons for a single response were caused by conditions within Brainerd & Crow Wing Public Transit System's control.
FTA C. 4220.1G, Chpt. IV(3)(i)(1)(b)(2)#FTA C. 4220.1F, Chpt. IV(3)(i)(1)(b)(2)#.
- (c) *Exigency or Emergency*#Unusual and Compelling Urgency# – Brainerd & Crow Wing Public Transit System may limit the number of sources from which it solicits bids or proposals when Brainerd & Crow Wing Public Transit System has such an unusual and urgent need for the products or services that Brainerd & Crow Wing Public Transit System would be seriously injured unless it were permitted to limit the solicitation. Brainerd & Crow Wing Public Transit System may also limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the products or services. *FTA C. 4220.1G, Chpt. VI(3)(h)(1)(c)*#FTA C. 4220.1F, Chpt. IV(3)(i)(1)(c)#.
- (d) Authorized by MnDOT – Brainerd & Crow Wing Public Transit System may request permission from MnDOT to allow it to use noncompetitive proposals for a particular procurement. *FTA C. 4220.1G, Chpt. VI(3)(i)(1)(e)*#FTA C. 4220.1F, Chpt. IV(3)(i)(1)(e)#.
- (e) When Prohibited – Less than full and open competition is not justified based on:

- (1) Failure to Plan – Brainerd & Crow Wing Public Transit System's lack of advance planning, resulting in limited competition, is not justification for a sole source or single bid award.
 - (2) Limited Availability of Federal Assistance – Concerns about the amount of Federal assistance available to support the procurement.
~~*FTA C. 4220.1G, Chpt. VI(3)(i)(2)*#FTA C. 4220.1F, Chpt. IV(3)(i)(2)#.~~
- (f) Procurement Procedures – The following requirements apply when Brainerd & Crow Wing Public Transit System completes a procurement utilizing less than full and open competition:
- (1) Potential Sources – Brainerd & Crow Wing Public Transit System must solicit offers from as many potential sources as is practicable under the circumstances.
 - (2) Sole Source Justification – Brainerd & Crow Wing Public Transit System must justify all sole source procurements in writing. Sole source procurement justifications must describe the reasons for why a sole source procurement is appropriate, state which of the authorized justifications listed in Section 5.6.1.2 are applicable, include a cost analysis and be signed by the Procurement Officer. If Brainerd & Crow Wing Public Transit System decides to solicit an offer from only one source, Brainerd & Crow Wing Public Transit System must justify its decision in writing. The written justification must include the same elements as a sole source justification except that it must state which of the authorized justifications listed in Section 5.6.1.2 are applicable to the sole source purchase.
 - (3) Cost Analysis – Brainerd & Crow Wing Public Transit System must prepare or obtain a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the costs and profits. A price analysis shall not be adequate to justify a sole source purchase.
~~*FTA C. 4220.1G, Chpt. VI(3)(h)(3)(c)*#FTA C. 4220.1F, Chpt. IV(3)(i)(3)#.~~
- (g) Exception for Procurement Activities Using Non-FTA Funds – When it is determined by the Procurement Coordinator or appropriate Director to be in the best interest of Brainerd & Crow Wing Public Transit System, noncompetitive procurement procedures may be utilized to acquire professional or other transportation-related services that do not involve the use of FTA or State financial assistance. Any such determination must be requested and authorized in writing by MnDOT.

5.5. Evaluation Requirements

The following standards shall apply to all evaluations of bids or proposals conducted by Brainerd & Crow Wing Public Transit System.

5.5.1. General

When evaluating bids or proposals received in response to a solicitation, Brainerd & Crow Wing Public Transit System shall consider all evaluation factors specified in the solicitation documents and shall evaluate the bids or offers proposals only on the evaluation factors included in those solicitation documents. Brainerd & Crow Wing Public Transit System may not modify its evaluation factors after bids or proposals have been received without re-opening the solicitation. ~~*FTA C. 4220.1G, Chpt. VI(5)*#FTA C. 4220.1F, Chpt. IV(7)#.~~

5.5.2. Options

The following standards shall apply when awarding contracts that include options:

5.5.2.1. Evaluation Required

In general, Brainerd & Crow Wing Public Transit System must evaluate bids or offers for any option quantities or periods contained in a solicitation if it intends to exercise those options after the contract is awarded. For formal procurements, the use of a team to conduct the evaluation will be used.

5.5.2.2. Evaluation Not Required

Brainerd & Crow Wing Public Transit System need not evaluate bids or offers for any option quantities when Brainerd & Crow Wing Public Transit System does not intend to exercise those options after the contract is awarded or if it determines that evaluation would not otherwise be in its best interests.

FTA C. 4220.1G, Chpt. VI(5)(b)#FTA C. 4220.1F, Chpt. IV(7)(b)#.

5.6. Contract Award Requirements

The following standards shall apply to all contract award decisions made by Brainerd & Crow Wing Public Transit System:

5.6.1. Award to Other Than the Lowest Bidder or Offeror

Brainerd & Crow Wing Public Transit System may award a contract to other than the lowest bidder if the award furthers an objective consistent with the purposes of 49 U.S.C. Chapter 53, including improved long-term operating efficiency and lower long-term costs. Brainerd & Crow Wing Public Transit System may also award a contract to other than the offeror whose price proposal is lowest, when stated in the evaluation factors of the solicitation. In both cases, Brainerd & Crow Wing Public Transit System must include a statement in its solicitation document reserving the right to award the contract to other than the low bidder or offeror. *FTA C. 4220.1G, Chpt. VI(6)(a)*#FTA C. 4220.1F, Chpt. IV(8)(a)#.

5.6.1.1. Award Only to a Responsible Bidder or Offeror

Brainerd & Crow Wing Public Transit System may only award contracts to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract and who demonstrate that its proposed subcontractors also qualify as responsible. Brainerd & Crow Wing Public Transit System must consider such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources when making a determination of contractor responsibility. Brainerd & Crow Wing Public Transit System must also ensure that the contractor is not listed as a debarred or suspended contractor on the System for Award Management (SAM), which is maintained by the General Services Administration (GSA), at the time of contract award. Entities that are listed as debarred or suspended contractors on SAM may not be determined to be responsible contractors by Brainerd & Crow Wing Public Transit System. For every procurement action above the micro-purchase level, Brainerd & Crow Wing Public Transit System must make a written determination of the responsibility of the contractor and include such determination in the applicable contract file (See Section 3.6).

To designate a prospective contractor “responsible” as required by 49 U.S.C. § 5325, Brainerd & Crow Wing Public Transit System, at a minimum, must determine and ensure that the prospective contractor satisfies the criteria of Integrity and Ethics, Debarment and Suspension, Affirmative Action and DBE, Public Policy, Administrative and Technical Capacity, Licensing and Taxes, Financial Resources, Production Capability, Timeliness, and Performance Record. *FTA C. 4220.1G, Chpt. VI(6)(b)*#FTA C. 4220.1F, Chpt. IV(8)(b)#.

5.6.1.2. Rejection of Bids and Proposals

Brainerd & Crow Wing Public Transit System may reject all bids or proposals submitted in response to an Invitation for Bids or Request for Proposals. Brainerd & Crow Wing Public Transit System must include a statement in its solicitation document reserving the right to reject all bids or proposals.

- (a) Extent and Limits of Contract Award – The selection of a contractor to participate in one aspect of a project does not, by itself, constitute a sole source selection of the contractor’s wholly owned affiliates to perform other work in connection with the project.

FTA C. 4220.1G, Chpt. VI(6)(h)#FTA C. 4220.1F, Chpt. IV(8)(c)#.

5.6.2. Affirmative Action and DBE

Is in compliance with the Common Grant Rules’ affirmative action and FTA’s Disadvantaged Business Enterprise requirements, including completing an ICE and Scope of Work for any federally or state funded projects over \$5,000. 2 C.F.R. 200.321.

5.7. Independent Cost Estimate and Cost and Price Analysis

5.7.1. Independent Cost Estimate

For every solicitation above the micro-purchase threshold, Brainerd & Crow Wing Public Transit System shall make a written independent estimate of cost prior to receiving price quotes, bids or proposals. FTA C. *4220.1G*#4220.1F#, Best Practices 4.6.1.

5.7.2. Cost or Price Analysis

Brainerd & Crow Wing Public Transit System shall perform a cost or price analysis in connection with every procurement over *\$350,000*#\$250,000#, and ensure a Cost Analysis for all sole source and contract modifications. 2 C.F.R. 200.324(a); *FTA C. 4220.1G, Chpt. IV(6)*#FTA C. 4220.1F, Chpt. IV(6)#.

5.7.2.1. Price Analysis

If Brainerd & Crow Wing Public Transit System determines that competition was adequate, a written price analysis, rather than a cost analysis, is required to determine the reasonableness of the proposed contract price. 2 C.F.R. 200.324(a); *FTA C. 4220.1G, Chpt. VI(4)(a).*#FTA C. 4220.1F, Chpt. IV(6).#

5.7.2.2. Cost Analysis

Brainerd & Crow Wing Public Transit System must perform or obtain a cost analysis when:

- (a) A price analysis will not provide sufficient information to determine the reasonableness of the contract cost.

- (b) When the offeror submits elements of the estimated cost.
- (c) When only a sole source is available, even if the procurement is a contract modification.
- (d) In the event of a change order.

2 C.F.R. 200.324(a); *FTA C. 4220.1G, Chpt. VI(4)(b)*#FTA C. 4220.1F, Chpt. IV(6)(a)#.

6. CONTRACT ADMINISTRATION REQUIREMENTS AND CONSIDERATIONS

6.1. Brainerd & Crow Wing Public Transit System Staff Responsibilities

Prior to execution of third party contracts, Brainerd & Crow Wing Public Transit System shall designate a Project Manager to serve as Brainerd & Crow Wing Public Transit System's principal contact with the contractor and as the primary administrator of the contract. The designated Project Manager for each contract shall have responsibility for directing and overseeing the work performed by the contractor; reviewing and approving deliverables and invoices from the contractor; determining percentage of contract completion for progress payments (if applicable); making recommendations on the exercise of contract options (if applicable); recommending contract changes; preparing justifications for contract changes; performing independent cost estimates and cost or price analyses for contract changes; making recommendations on approval or rejection of subcontractors; assisting with the resolution of contract disputes; making recommendations on contract termination or other contractor disciplinary actions; maintaining complete contract files; and other contract administration duties that may be necessary.

6.2. Administrative Restrictions on the Acquisition of Property and Services

The following Federal laws and regulations impose administrative requirements, many of which will affect specific third-party procurements.

6.2.1. Legal Eligibility

The property or services acquired must be eligible for support under the scope or restrictions accompanying the Federal statute or State laws authorizing the Federal and/or State assistance to be used. *FTA C. 4220.1G, Chpt. VI(1)(a)*#FTA C. 4220.1F, Chpt. IV(1)(a)#.

6.2.2. Period of Performance

Brainerd & Crow Wing Public Transit System will use sound business judgment and be judicious in establishing and extending a contract's period of performance. *FTA C. 4220.1G, Chpt. VI(2)(b)(3)*#FTA C. 4220.1F, Chpt. IV(b)(3)#.

6.2.2.1. General Standards

The period of performance generally should not exceed the time necessary to accomplish the purpose of the contract. Brainerd & Crow Wing Public Transit System will also consider competition, pricing, fairness, and public perception. Brainerd & Crow Wing Public Transit System's procurement files will document its rationale for determining the performance period designated for each contract. *FTA C. 4220.1G, Chpt. VI(2)(b)(3)(a)*#FTA C. 4220.1F, Chpt. IV(b)(3)(a)#.

6.2.2.2. Time Extensions

Consistent with the general tone of FTA Circular 4220. *1G*#1F#, contract time extensions shall be considered in light of whether they are permissible changes or impermissible cardinal changes. Once Brainerd & Crow Wing Public Transit System awards a third-party contract, an extension of the contract term length that amounts to a cardinal change will require a sole source justification. *FTA C. 4220.1G, Chpt. VI(2)(b)(3)(c)*#FTA C. 4220.1F, Chpt. IV(b)(3)(c)#.

6.2.2.3. Authority to Extend

The Transit Director has the sole authority to approve and execute contract modifications. The Procurement Officer for the contract shall recommend all contract time; prior to making a recommendation for a contract time extension. The Procurement Officer shall prepare a written justification and cost analysis for the contract time extension and shall negotiate the appropriate contract modification with the contractor.

6.3. Federal Cost Principles

Federal rules require project costs to conform to applicable Federal cost principles for allowable costs. In general, costs must be necessary and reasonable, allocable to the project, authorized or not prohibited by Federal or State law or regulation, and must comply with Federal cost principles applicable to the recipient. [*FTA C. 4220.1G, Chpt. VI\(2\)\(b\)\(4\)*#FTA C. 4220.1F, Chpt. IV\(b\)\(4\)#](#).

OMB guidance for grants and agreements, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," 2 CFR § 200, applies to project costs incurred Brainerd & Crow Wing Public Transit System.

6.4. Payment Provisions

Brainerd & Crow Wing Public Transit System will follow the provisions of this section when using Federal or State funds to support its third party contracts. [*FTA C. 4220.1G, Chpt. VI\(2\)\(b\)\(5\).*#FTA C. 4220.1F, Chpt. IV\(b\)\(5\)-#](#)

6.4.1. Financial Support for the Project

Costs may only be incurred by Brainerd & Crow Wing Public Transit System if MnDOT or FTA has awarded a financial assistance contract to Brainerd & Crow Wing Public Transit System.

6.4.1.1. Progress Payments

Progress payments are payments for contract work that has not been completed. Brainerd & Crow Wing Public Transit System may use MnDOT assistance to support progress payments provided the recipient obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested. [*FTA C. 4220.1G, Chpt. VI\(2\)\(b\)\(5\)\(b\)*#FTA C. 4220.1F, Chpt. IV\(b\)\(5\)\(c\)#](#).

6.4.1.2. Adequate Security for Progress Payments

Adequate security for progress payments may include taking title or obtaining a letter of credit or taking equivalent measures to protect the recipient's financial interest in the progress payment. Adequate security should reflect the practical realities of different procurement scenarios and factual circumstances. Brainerd & Crow Wing Public Transit System should always consider the costs associated with providing security (for example, the recipient may need to acquire bonds or letters of credit in the commercial marketplace) and the impact of those costs on the contract price, as well as the consequences of incomplete performance [*FTA C. 4220.1G, Chpt. VI\(2\)\(b\)\(5\)\(b\)\(a\)*#FTA C. 4220.1F, Chpt. IV\(b\)\(5\)\(c\)\(1\)#](#).

6.4.1.3. Adequate Documentation

Sufficient documentation is required to demonstrate completion of the amount of work for which progress payments are made. *FTA C. 4220.1G, Chpt. VI(2)(b)(5)(b)(b)*#FTA C. 4220.1F, Chpt. IV(b)(5)(c)(2)#.

6.4.1.4. Percentage of Completion Method

Federal rules require that any progress payments for construction contracts be made on a percentage of completion method described therein. Brainerd & Crow Wing Public Transit System, however, may not make progress payments for other than construction contracts based on this percentage method. *FTA C. 4220.1G*#FTA C. 4220.1F, Chpt. IV(b)(5)(c)(3)#.

6.5. Protections Against Performance Difficulties

Brainerd & Crow Wing Public Transit System shall include provisions in its third-party contracts that will reduce potential problems that might occur during contract performance, as follows:

6.5.1. Changes

Brainerd & Crow Wing Public Transit System shall include provisions that address changes and changed conditions in all third-party contracts except for routine supply contracts. *FTA C. 4220.1G, Chpt. IV(2)(b)(9)(c)*#FTA C. 4220.1F, Chpt. IV(b)(6)(a)#.

6.5.2. Remedies

Brainerd & Crow Wing Public Transit System shall include provisions that address remedies in its third-party contracts. Provisions related to remedies may include provisions for:

6.5.2.1. Liquidated Damages

Brainerd & Crow Wing Public Transit System may use liquidated damages if Brainerd & Crow Wing Public Transit System reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. Rate and measurement standards must be calculated to reasonably reflect Brainerd & Crow Wing Public Transit System's costs should the standards not be met and must be specified in the solicitation and contract. The assessment for damages may be established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. The contract file must include a record of the calculation and rationale for the amount of damages established. Any liquidated damages recovered must be credited to the transit system account. *FTA C. 4220.1G, Chpt. IV(2)(b)(9)(d)*#FTA C. 4220.1F, Chpt. IV(b)(6)(b)(1)#.

6.5.2.2. ~~*Remedies*~~#Violation or Breach#

Third party contracts exceeding \$250,000 must include administrative, contractual, or legal remedies for violations or breach of the contract by the third-party contractor. *FTA C. 4220.1G, Chpt. IV(b)(6)(b)(2)*#FTA C. 4220.1F, Chpt. IV(b)(6)(b)(2)#.

6.5.2.3. Suspension of Work

Brainerd & Crow Wing Public Transit System may include provisions pertaining to suspension of work in its third-party contracts. *FTA C. 4220.1G*#FTA C. 4220.1F, Chpt. IV(b)(6)(b)(3)#.

6.5.2.4. Termination

Termination for cause and termination for convenience provisions must be included in third party contracts exceeding \$10,000. *FTA C. 4220.1G, Chpt. IV(2)(b)(9)(b)*#FTA C. 4220.1F, Chpt. IV(b)(6)(b)(4)#.

6.6. Contents of Complete Contract Files

The following documents shall comprise the contents of a complete contract file for procurements above the micro-purchase level:

6.6.1. Written Record of Procurement History

Brainerd & Crow Wing Public Transit System shall maintain written records detailing the history of the procurement, including records relating to:

6.6.1.1. Procurement Method

Brainerd & Crow Wing Public Transit System must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive. *FTA C. 4220.1G, Chpt. III(3)(a)(5)*#FTA C. 4220.1F, Chpt. III(3)(d)(1)(a)#.

6.6.1.2. Contract Type

Brainerd & Crow Wing Public Transit System must state the reasons for selecting the contract type it used. *FTA C. 4220.1G, Chpt. III(3)(d)(1)(b)*#FTA C. 4220.1F, Chpt. III(3)(d)(1)(b)#.

6.6.1.3. Contractor Selection

Brainerd & Crow Wing Public Transit System must state its reasons for contractor selection or rejection, including written justification and evaluation documents. *FTA C. 4220.1G, Chpt. III(3)(d)(1)(c)*#FTA C. 4220.1F, Chpt. III(3)(d)(1)(c)#.

6.6.1.4. Contractor Responsibility

Brainerd & Crow Wing Public Transit System must provide a written determination of responsibility for the successful contractor. *FTA C. 4220.1G, Chpt. III(3)(d)(1)(c)*#FTA C. 4220.1F, Chpt. III(3)(d)(1)(c)#.

6.6.1.5. Cost or Price

Brainerd & Crow Wing Public Transit System must evaluate and state its justification for the contract cost or price, including the independent cost estimate and cost or price analysis. *FTA C. 4220.1G, Chpt. III(3)(d)(1)(d)*#FTA C. 4220.1F, Chpt. III(3)(d)(1)(d)#.

6.6.1.6. Reasonable Documentation

Brainerd & Crow Wing Public Transit System must retain documentation commensurate with the size and complexity of the procurement, including documents related to solicitation, receipt,

and evaluation of offers, and contract award, negotiation and execution. FTA C. 4220.1G, Chpt. III(3)(d)(2)~~FTA C. 4220.1F, Chpt. III(3)(d)(1)(e).~~

6.7. Contract Administration and Close-Out Documents

Brainerd & Crow Wing Public Transit System shall maintain written records detailing the performance and close-out of the contract, including records relating to:

6.7.1. Contract Deliverables

Brainerd & Crow Wing Public Transit System must maintain copies of all contract deliverables and records relating to approval, rejection and requested modifications of contract deliverables. ~~#FTA C. 4220.1F, Chpt. III(3)(d).~~#

6.7.2. Contract Changes

Brainerd & Crow Wing Public Transit System must maintain copies of all contract modifications, including documentation related to the determination of need, written justification and rationale, cost analysis, negotiation, and execution. ~~#FTA C. 4220.1F, Chpt. III(3)(d).~~#

6.7.3. Contract Payments

Brainerd & Crow Wing Public Transit System must retain documentation of invoices, approval of payments, requests for modifications to invoices, determination of percentage of contract completion for partial payments (if applicable), and ownership of title to partial work products. ~~#FTA C. 4220.1F, Chpt. III(3)(d).~~#

6.7.4. Contract Close-Out

Brainerd & Crow Wing Public Transit System must retain documentation related to contractor performance and evaluation, approval of final deliverables and payments, transfer of title to complete work products to Brainerd & Crow Wing Public Transit System, and contract audit and final reconciliation. ~~#FTA C. 4220.1F, Chpt. III(3)(d).~~#

6.8. Protest Procedures

See 2 C.F.R. 200.318(k); FTA C. ~~*4220.1G*~~#4220.1F#, Best Practices 4.9.

6.8.1. *Recipient Responsibilities and FTA Role in Procurement Disputes. *

6.8.1. #Statement of Policy#

Brainerd & Crow Wing Public Transit System is responsible for resolving all contractual and administrative issues, including protests of evaluations and contract awards, arising out of its third-party procurements using good administrative practices and sound business judgment. ~~*FTA C. 4220.1G, Chpt. III (7)*#FTA C. 4220.1F, Chpt. VII#.~~

In general, MnDOT will not substitute its judgment for that of Brainerd & Crow Wing Public Transit System unless the matter is primarily a federal concern. Nevertheless, MnDOT and FTA can become involved in Brainerd & Crow Wing Public Transit System's administrative decisions when a Brainerd & Crow Wing Public Transit System protest decision is appealed to MnDOT.

Brainerd & Crow Wing Public Transit System's procedure for addressing third party procurement protests is described in Paragraph 6.9.2 below. Brainerd & Crow Wing Public Transit System shall insert its protest procedure in all solicitation documents for products and services having an estimated value of \$100,000 or greater.

6.8.2. Brainerd & Crow Wing Public Transit System Staff Responsibilities

The following staff responsibilities shall be assigned in all protests:

- Procurement Officer – Responsibilities include: ensuring that the Brainerd & Crow Wing Public Transit System Protest Procedure is included in all solicitation documents; and providing information to and assisting the legal counsel with the resolution of protests.
- Transit Director and Governing Board – Responsibilities include reviewing all procurement protests; and advising and assisting the Subrecipient as needed with the resolution of all procurement protests.

#FTA C. 4220.1F, Chpt. VII(1)(a).#

6.8.3. Solicitation Provision

Brainerd & Crow Wing Public Transit System shall insert the following provision in all solicitation documents:

6.8.3.1. Pre-Proposal Protests

All protests concerning solicitation specifications, criteria and/or procedures shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer as specified below not later than ten (10) business days prior to the deadline for submission of bids/proposals.

The Procurement Officer may, within his or her discretion, postpone the deadline for submission of bids/proposals, but in any case, shall provide a written response to all protests not later than five (5) business days prior to the deadline for submission of bids/proposals. If the deadline for submission of bids/proposals is postponed by the Procurement Officer as the result of a protest the postponement will be announced through an addendum to the solicitation.

The decision by the Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth by FTA below.

6.8.3.2. Pre-Award Protests

With respect to protests made after the deadline for submission of bids/proposals but before contract award by Brainerd & Crow Wing Public Transit System, protests shall be limited to those protests alleging a violation of Federal or State law, a challenge to the bids/proposals evaluation and award process, Brainerd & Crow Wing Public Transit System's failure to have or follow its protest procedures or its failure to review a complaint or protest. Such protests shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer as specified below not later than five (5) business days after the Recommendation for Contract Award announcement by Brainerd & Crow Wing Public Transit System.

The Procurement Officer may, within his or her discretion, postpone the award of the contract, but in any case, shall provide a written response to all protests not later than three (3) business days prior to the date that Brainerd & Crow Wing Public Transit System shall announce the contract award.

The decision by the Procurement Officer shall be the final agency decision on the matter but shall be subject to judicial review as set forth or review by MnDOT as specified below.

6.8.4. Requirements for Protests

All protests must be submitted to Brainerd & Crow Wing Public Transit System in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail), with sufficient documentation, evidence and legal authority to demonstrate that the Protestor is entitled to the relief requested. The protest must be certified as being true and correct to the best knowledge and information of the Protestor, and be signed by the Protestor. The protest must also include a mailing address to which a response should be sent.

Protests received after the deadlines for receipt of protests specified above are subject to denial without any requirement for review or action by Brainerd & Crow Wing Public Transit System.

All protests must be directed in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Procurement Officer at the address shown in the solicitation documents.

6.8.5. Protest Response

The Procurement Officer shall issue written responses to all protests received by the required protest response dates. All protest responses shall be transmitted by first-class U.S. Postal Service to the address indicated in the protest letter.

For convenience, Brainerd & Crow Wing Public Transit System will also send a copy of the response to a protest to the Protester by facsimile and/or electronic mail if a facsimile number and/or electronic mail address are indicated in the protest letter. The protest response transmitted by U.S. Postal Service shall be the official Brainerd & Crow Wing Public Transit System response to the protest and Brainerd & Crow Wing Public Transit System will not be responsible for the failure of the Protester to receive the protest response by either facsimile or electronic mail.

6.8.6. Review of Protests by MnDOT

All protests or complaints involving contracts financed with state or Federal assistance shall be disclosed to MnDOT and will keep FTA informed about the status of any such protest or complaint. Brainerd & Crow Wing Public Transit System shall disclose all information about any third party procurement protest to MnDOT upon request. Protesters shall exhaust all administrative remedies with Brainerd & Crow Wing Public Transit System prior to pursuing protests with MnDOT. MnDOT limits its reviews of protests to: a grantee's failure to have or follow its protest procedures; a grantee's failure to review a complaint or protest when presented an opportunity to do so; or violations of Federal law or regulation. Appeals to MnDOT must be received within five (5) working days of the date the Protester has received actual or constructive notice of Brainerd & Crow Wing Public Transit System final decision or within five (5) working days of the date the Protester has identified other grounds for appeal to MnDOT.



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Amendment No. 2 – BWSR Clean Water Fund: Brainerd Gully Stormwater Project & Potential Soil Stabilization at Outlet

AGENDA: SPW Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Paul Sandy, Public Works Director

DEPARTMENT: Public Works

PRESENTER: Paul Sandy, Public Works Director

ESTIMATED TIME (MIN): 10 Minutes

SUMMARY OF ISSUE

Attached you will find the original grant agreement between the Board of Water and Soil Resources (BWSR) and the Crow Wing County Soil and Water Conservation District (SWCD) for the Brainerd Gully Project — a Clean Water Fund grant totaling \$975,000 — along with subsequent memorandums of understanding and amendments that have shaped the project to its current state. In total, the City of Brainerd has \$940,000 available for this project. Also included is Amendment No. 2, which extends the grant deadline to December 31, 2026, aligning with the agreement between BWSR and the SWCD to administer the funds to the City of Brainerd.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS Staff have been working closely with the Soil and Water Conservation District (SWCD) and the Board of Water and Soil Resources (BWSR) on the Brainerd Gully Project, including multiple site visits to assess a potential issue at the project outlet near Little Buffalo Creek. These discussions have prompted a broader review of the project budget, outstanding invoices, and remaining grant funds.

Budget Summary

The City's agreement with the SWCD commits \$940,000 toward the Brainerd Gully Project. The current budget status is as follows:

- Total City Request from SWCD: \$915,618.01
- Required City Match (25%): \$228,904.50
- **Total Project Expenditures: \$1,144,522.51**
- Previous SWCD Pay Requests: \$863,960.97
- **Remaining Balance to Request from SWCD: \$51,657.04**
- **Remaining Project Funds (of \$940,000): \$24,381.99**

Outlet Erosion Concern

During final walkthroughs conducted with SWCD's Melissa Barrick, staff identified localized erosion occurring downstream of the project's outlet plunge pool, near Little Buffalo Creek. The plunge pool is

designed to receive stormwater and dissipate energy; however, erosion progressing beyond the pool could eventually compromise the pool itself and, if left unaddressed, may affect the outlet pipe. Photos of the affected area are attached.

Staff Recommendation

Given the high velocity and volume of stormwater discharged through this area during rain events, staff believes it is prudent to engage a qualified water resources engineer to design a stabilization solution — rather than attempt the work in-house — to ensure long-term durability and effectiveness.

Staff recommends retaining HR Green, the project's original design engineer, for this work. HR Green has direct familiarity with the site's design criteria, flow rates, and discharge velocities, making them best suited to address stabilization needs outside the original construction limits and scope.

Staff is requesting Council authorization to:

1. **Solicit a proposal from HR Green** for limited topographic survey and engineering design to stabilize the discharge area downstream of the plunge pool, utilizing the project's remaining grant funds.
2. **Return to Council** with a recommendation to bid the stabilization work once design and cost estimates are complete — provided sufficient grant funds remain, including potential supplemental engineering funds the SWCD has indicated may be available.
3. **Approve Amendment No. 2** to the City-SWCD agreement, extending the project completion date to **December 31, 2026**, consistent with the SWCD-BWSR agreement.

RECOMMENDED ACTION/MOTION Staff recommends the Council take the following actions:

1. **Approve Amendment No. 2** to the City-SWCD agreement, extending the project completion date to December 31, 2026.
2. **Authorize staff to solicit a proposal from HR Green** for topographic survey, design, and cost estimating services related to the stabilization work downstream of the plunge pool.
3. **Authorize staff to coordinate with the SWCD** regarding the potential use of supplemental engineering funds to offset a portion of the anticipated design costs.

FINANCIAL IMPACT

The remaining Clean Water Fund grant balance is \$24,381.99, with the potential for additional engineering funds through the SWCD.



**FY 2023 STATE OF MINNESOTA
BOARD OF WATER and SOIL RESOURCES
2023 Competitive Grant - Crow Wing SWCD
GRANT AMENDMENT**

Grant Agreement Start Date:	02/17/2023
Original Grant Agreement Expiration Date:	12/31/2025
Original Agreement Amount:	\$975,000.00

This amendment is by and between the State of Minnesota, through its Board of Water and Soil Resources ("Board") and Crow Wing SWCD, 322 Laurel Street Suite 22, Brainerd MN 56401 ("Grantee").

Recitals

1. The Board has a Grant Agreement with the Grantee identified as the **2023 Competitive Grant - Crow Wing SWCD**, PO # 3000015644, for the following grants:

Grant ID	Grant Title	Previous Expiration Date	Amended Expiration Date	Previous Award Amount	Amended Award Amount
C23-9634	City of Brainerd Mississippi River Gully Erosion 250 Tons TSS	12/31/2025	12/31/2026	\$975,000.00	

2. The Crow Wing SWCD requests an amendment to the grant agreement as summarized in the table above for the purposes of the revised work plan which needs additional time to address newly created erosion.
3. Grant reporting must be completed by 2/1/2027 or within 30 days of work completion, whichever comes first.
4. The Board and Crow Wing SWCD are willing to amend the Original Contract as stated below.

Contract Amendment

REVISION 1. 1. Term of Grant Agreement

1.3 EXPIRATION DATE: is amended as follows:

~~December 31, 2025;~~ December 31, 2026, or until all obligations have been satisfactorily fulfilled, whichever comes first.

REVISION 2. 2. Grantee's Duties

2.2.3 IMPLEMENTATION: is amended as follows:

~~February 1, 2026,~~ February 1, 2027, or within 30 days of completion of the Project, whichever occurs sooner. Information provided must conform to the requirements and formats set by the Board.

Except as amended herein, the terms and conditions of the Original Grant Agreement remain in full force and effect.

APPROVED:

Crow Wing SWCD

melissa Barrick

By:

Signed by:

Melissa Barrick

4A46721550444D1...

(signature)

Title: District Manager

Date: 12/10/2025

Board of Water and Soil Resources

Adam Beilke

By:

Signed by:

Adam Beilke

54B60BB4C36B49E...

(signature)

Title: Land and Water Programs Supervisor

Date: 12/10/2025

Agreement for BWSR Clean Water Fund Brainerd Gully Stormwater Project

This Agreement is entered into on the 15th day of May, 2023 by and between the City of Brainerd and the Crow Wing Soil and Water Conservation District (SWCD).

WHEREAS, stormwater management and erosion and sediment control are a priority concern under the Crow Wing County Local Comprehensive Water Plan; and

WHEREAS, SWCD received a Board of Water and Soil Resources (BWSR) Clean Water Fund Grant of \$975,000 to stabilize the 1.4-acre gully by installing estimated 1,300 linear feet of reinforced concrete pipes within the gully channel and create a deposition pool with erosion control fabric and native seed mixes. The grant requires a minimum of 25 percent match of cash or in-kind contributions; and

WHEREAS, City has agreed to manage the installation and construction oversight of the stormwater treatment system and annual maintenance of the stormwater system for a minimum of 25 years.

NOW THEREFORE, the SWCD and the City hereby agree to the following:

A) SWCD duties:

- 1) SWCD will be the fiscal agent for the BWSR Clean Water Funds and be responsible for all reporting and fiscal duties. Grant funds will expire on December 31, 2025.
- 2) SWCD will pay all associated bills for the Brainerd Gully Stormwater Project construction and contractor expenses within 35 days of receiving the bill.

B) City of Brainerd duties:

- 1) City will assume responsibility of the Brainerd Gully stormwater system project from the start date of installation through completion, defined as final sign-off and payment to the project contractor. Any and all claims that arise, or may arise, on behalf of the City, its agents, servants, or employees as a consequence of any act or omission on the part of the City or its agents, servants, or employees while engaged in the performance of this Agreement shall in no way be the obligation or responsibility of the SWCD. To the extent allowed by law, the City shall indemnify, hold harmless and defend the SWCD, its elected officials, officers, employees, and volunteers, against any and all liability, loss, costs, damages, expenses, claims, or actions, including attorneys' fees which the SWCD, its officers and employees may hereafter sustain, incur or be required to pay, arising out of or because of any negligent or willful act or omission of the City, its agents, servants or employees in the execution, performance or failure to adequately perform the City's obligations pursuant to this Agreement. This shall include any and all copyright, trademark, patent, or other intellectual real property claims, issues, or matters arising out of the City's act or omission, whether the same be negligent, willful, or otherwise.

- 2) The City will monthly bill the SWCD for Brainerd Gully Stormwater Project construction and contractor expenses. This may not exceed \$905,000 and all bills must be received before December 10, 2025.
- 3) City and its contractors will conduct themselves according to Minnesota Law and the grant agreement and work plan on file with SWCD.
- 4) City is required to complete annual maintenance at its own expense but not limited to monitoring.
- 5) City will maintain property ownership as described in Exhibit A for a minimum of 25 years.

C. General Provisions:

- 1) **Compliance with Laws/Standards:** The Parties agree to abide by all federal, state, and local laws; statutes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this Agreement or to the facilities, programs, and staff for which the Agreement is responsible.
- 2) **Indemnification:** Each party to this Agreement shall be liable for the acts of its officers, employees, or agents and the results thereof to the extent authorized or limited by law and shall not be responsible for the acts of any other party, its officers, employees, or agents. The provisions of the Municipal Tort Claims Act, Minnesota Statute Chapter 466, and other applicable laws govern the liability of the Parties. To the full extent permitted by law, actions by the Parties, their respective officers, employees, and agents pursuant to this Agreement are intended to be and shall be construed as a “cooperative activity.” It is the intent of the Parties that they shall be deemed a “single governmental unit” for the purpose of liability, as set forth in Minnesota Statutes § 471.59, subd. 1a(a). For purposes of Minnesota Statutes § 471.59, subd. 1a(a) it is the intent of each party that this Agreement does not create any liability or exposure of one party for the acts or omissions of any other party.
- 3) **Records Retention and Data Practices:** The Parties agree that records created pursuant to the terms of this Agreement will be retained in a manner that meets their respective entity’s records retention schedules that have been reviewed and approved by the State in accordance with Minnesota Statutes § 138.17. The Parties further agree that records prepared or maintained in furtherance of the agreement shall be subject to the Minnesota Government Data Practices Act. At the time this agreement expires, all records will be turned over to Crow Wing SWCD for continued retention. After termination of this Agreement, the parties of this agreement shall continue to have access to the records created pursuant to this Agreement.
- 4) **Timeliness:** The Parties agree to perform obligations under this Agreement in a timely manner as agreed upon by all parties and keep each other informed about any delays that may occur.

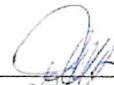
5) **Extension:** This Agreement terminates upon Project completion. The Parties may extend the termination date of this Agreement upon agreement by all Parties.

D) The above represents the full and entire scope of this Agreement. This Agreement can only be altered in writing signed by all parties hereto.



Crow Wing Soil and Water Conservation District

By: Gerald Chai



City of Brainerd

By: its City Administrator

Memorandum of Understanding Amendment 1

This Memorandum of Understanding is entered into on the 15 days of May, 2023 by and between the City of Brainerd and the Crow Wing Soil and Water Conservation District (SWCD),

WHEREAS, stormwater management and erosion and sediment control are a priority concern under the Crow Wing County Local Comprehensive Water Plan

WHEREAS, SWCD received a Board of Water and Soil Resources (BWSR) Clean Water Fund Grant of \$975,000 to stabilize the 1.4-acre gully by installing an estimated 1,300 linear feet of reinforced concrete pipes within the gully channel and create a deposition pool with erosion control fabric and native seed mixes. The grant requires a minimum of 25 percent match of cash or in-kind contributions and,

WHEREAS, City has agreed to manage the installation and construction oversight of the stormwater treatment system and annual maintenance of the stormwater system for a minimum of 25 years and,

NOW THEREFORE, Crow Wing Soil and Water Conservation District (SWCD) and the City of Brainerd (City) hereby agree to amend the May 15, 2023, Memorandum of Understanding:

To authorize an additional \$35,000 to the City of Brainerd for the Construction of the Brainerd Gully Stormwater Project, the total amount available for construction is \$940,000.

IN WITNESS WHEREOF, the parties hereto have signed their respective names on the date first above written.

Crow Wing SWCD


Authorized Representative

Date 8-21-24

Printed Name: Jim Chamberlain

City of Brainerd


Authorized Representative

Date 4 Sep 24

Printed Name: Nicholas W. Boyles

Memorandum of Understanding Amendment 2

This Memorandum of Understanding is entered into on the 15th day of May, 2023, by and between the City of Brainerd and the Crow Wing Soil and Water Conservation District (SWCD),

WHEREAS, stormwater management and erosion and sediment control are a priority concern under the Crow Wing County Local Comprehensive Water Plan,

WHEREAS, SWCD received a Board of Water and Soil Resources (BWSR) Clean Water Fund Grant of \$975,000 to stabilize the 1.4-acre gully by installing an estimated 1,300 linear feet of reinforced concrete pipes within the gully channel and to create a deposition pool with erosion-control fabric and native seed mixes. The grant requires a minimum of 25 percent match of cash or in-kind contributions and,

WHEREAS, City has agreed to manage the installation and construction oversight of the stormwater treatment system and annual maintenance of the stormwater system for a minimum of 25 years and,

WHEREAS, City and SWCD amended the agreement on September 24, 2024, to add \$35,000 towards the City of Brainerd for construction not to exceed \$940,000.

NOW THEREFORE, Crow Wing Soil and Water Conservation District (SWCD) and the City of Brainerd (City) hereby agree to amend the May 15, 2023, Memorandum of Understanding:

To authorize and extend the agreement deadline to match the current BWSR grant deadline of December 31, 2026, retroactively as of December 31, 2025 (See attached grant agreement extension).

IN WITNESS WHEREOF, the parties hereto have signed their respective names on the first date above written.

Crow Wing SWCD

City of Brainerd

Authorized Representative

Authorized Representative

Date_____

Date_____

Printed Name:

Printed Name:

Paul Sandy

From: Melissa Barrick <melissa@cswswcd.org>
Sent: Tuesday, June 2, 2026 9:51 AM
To: Paul Sandy; Paul Sandy
Cc: Schultz, Patrick J (BWSR); Chris Andree; Hrubes, Jeff (BWSR); brett.arne@state.mn.us
Subject: Recommendations from BWSR engineer
Attachments: 5-297.405-1853807-v4.PDF; BH Gully Outfall Repair Proposal.pdf; 20250716_122359005_iOS.jpg; 20250716_122440831_iOS.jpg; IMG_0794.JPG

Importance: High

Hi Paul,

Please see narrative I sent to Jessie regarding potential issues with the erosion downstream of the Brainerd Gully Project:

Board of Water and Soil Resources (BWSR) licensed engineer Patrick Schultz visited the site on April 21, 2026, to review Jessie's conceptual plan for addressing the newly formed gully channel. Please see SWCD/Engineer's concerns regarding the newly formed gully channel:

1. If we do nothing, the gully will erode to the rock outlet and likely undermine some rock, messing with the integrity of the plunge pool.
2. The outside bank where the channel first turns will also continue to erode and likely jeopardize the City's access road along that side.

After visiting the site, Patrick developed a few options for the City to consider:

1. Continue with the rock-check dams if dug deep enough below the bottom of the gully, so when it runs into the check dam, it can't get through. There is a risk that the gully might undermine the check dam, going right underneath it, and continuing over the top. The check dams could slow the water down very briefly, but they do not create additional storage for the water to go. The water will move over the top of the check dams with substantial energy and continue to erode the sharp turn by your access road.
2. Hard armor the gully channel with rock rip rap going past the sharp turn. Install geotextile fabric underneath rock armoring.
3. Grade the slopes of the gully channel and widen it based on the calculation of water going through the channel, geotextile blanket, seed it, and add some topsoil. Calculate the amount of water flowing out of the pipe and ensure the channel is wide enough to handle it.

I copied Patrick, Jeff, and BWSR on this email. Patrick is more than willing to help where we need him. He has done work on other gully sites and specializes in conservation engineering.

Chris, I, and Patrick met on May 21, and reviewed the full MNDOT specs on the rock check dam. The MNDOT rock check dam specs could be a potential solution.

See the attached link to the MNDOT Specs for Rock Check Dams, Jessie's plan sets, and 2025 and 2026 photos of the site.

Thank you again!

Melissa

Melissa Barrick

District Manager

322 Laurel Street, Suite 22, Brainerd, MN 56401

218-828-6197

melissa@cswgcd.org

www.cswgcd.org



Vision: *Clean water, productive lands, and vibrant communities.*

Mission: *Fostering healthy lands and clean water through voluntary conservation.*

Values: *Stewardship, Support, Integrity, Leadership, and Partnerships.*

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City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Change Order 5 - S 10th Street Reconstruction - Lane Closure on Industrial Park Road (CR 117)

AGENDA: SPW Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Paul Sandy, Public Works Director

DEPARTMENT: Public Works

PRESENTER: Paul Sandy, Public Works Director

ESTIMATED TIME (MIN): 5 Minutes

SUMMARY OF ISSUE

During the watermain installation on S 10th Street, staff identified the need for additional traffic control measures at the intersection of S 10th Street and Industrial Park Road (County Road 117). To safely complete the final watermain connections at this location, it was necessary to close one lane of Industrial Park Road.

The existing watermain within Industrial Park Road runs east-west along the north curb line of the roadway. The final connection point is located near this curb line, placing workers and equipment in close proximity to the travel lanes of Industrial Park Road. Although no excavation or direct work was performed within the County Road right-of-way, the proximity of the connection work to active traffic required the temporary lane closure to maintain a safe working environment and protect both workers and the traveling public.

The additional traffic control measures were coordinated accordingly to minimize disruption to traffic flow while allowing crews to safely and efficiently complete the final watermain connections at this intersection.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

To address the need for additional traffic control at the intersection of S 10th Street and Industrial Park Road, staff worked directly with Landwehr Construction to review and negotiate a unit cost for the required measures. Landwehr coordinated the traffic control services through their subcontractor, All State Traffic Control, who specializes in temporary traffic management and lane closure operations.

Prior to implementation, the proposed lane closure was reviewed and coordinated with Crow Wing County, as Industrial Park Road is a County Road (CR 117) under their jurisdiction. Crow Wing County reviewed the traffic control plan and granted approval for the temporary lane closure, ensuring the work was performed in accordance with county requirements and applicable traffic control standards.

The lane closure was implemented and the final watermain connection work was completed on June 9, 2026, in accordance with the approved traffic control plan layout. The traffic control setup followed the

plan sheet that was prepared, submitted, and installed as part of this work.

Following review and negotiation with Landwehr Construction, staff and the contractor agreed upon a total change order cost of \$2,826.78 for the additional traffic control services. This cost reflects the negotiated unit prices for the equipment, labor, and setup associated with the temporary lane closure as outlined in the attached plan sheet.

RECOMMENDED ACTION/MOTION

Staff recommends the Council approve Change Order No. 5 to the S 10th Street Watermain Project contract with Landwehr Construction in the amount of \$2,826.78 for additional traffic control services at the intersection of S 10th Street and Industrial Park Road.

FINANCIAL IMPACT

The \$2,826.78 cost associated with Change Order No. 5 will be funded through the Water Enterprise Fund.

SP/SAP(s)	SAP 108-131-002 tied to SAP 108-132-003	MN Project No.:	N/A	Change Order No.	5
-----------	---	-----------------	-----	------------------	---

Project Location	Wright Street - South 6th Street to 13th Street SE (CR 45), 10th Street SE - Industrial Park Road (CR 117) to Wright Street		
Local Agency	City of Brainerd	Local Project No.	17-12
Contractor	Landwehr Construction, Inc.	Contract No.	17-12
Address/City/State/Zip	PO Box 1086 846 South 33rd Street / St. Cloud / MN / 56302		
Total Change Order Amount		\$2,826.78	

Issue: The Engineer has determined the Contract needs to be revised in accordance with specification 1402.5 - Extra Work

The Engineer has determined that the watermain interconnection at the intersection of S 10th Street and Industrial Park Road (CR 117) cannot be completed within the originally designated work zone. Completion of this work requires additional traffic control measures and a lane closure on CR 117 to provide the Contractor sufficient space for material staging, excavation operations, and connection of the new watermain to the existing watermain along the north curb line.

Resolution:

1. The Contractor will install the traffic control devices pursuant to the Minnesota Manual of Uniform Traffic Control Devices standard plate for right lane closures on multi-lane undivided roadways during the watermain interconnection operations.

Entitlement: Payment for this work will be at: Negotiated Lump Sum as shown in the estimate of cost.

Contract Time - is not changed

Estimate Of Cost: <i>(Include any increases or decreases in contract items, any negotiated or force account items.)</i>						
Group/Funding Category**	Item No.	Description	Unit	Unit Price	+ or – Quantity	+ or – Amount \$
Watermain / 10th Street	2563.6 01	TRAFFIC CONTROL (CR 117 LANE CLOSURE)	L SUM	\$2,826.78	1	\$2,826.78
Net Change this Change Order						\$2,826.78

****Group/funding category is required for federal aid projects**



STATE AID FOR LOCAL TRANSPORTATION
CHANGE ORDER

Rev. December 2024

SP/SAP(s)	SAP 108-131-002 tied to SAP 108-132-003	MN Project No.:	N/A	Change Order No.	5
-----------	---	-----------------	-----	------------------	---

Project Engineer: *Paul G Sandy*
Print Name: Paul G Sandy

Date: 06/04/2026
Phone:

Contractor: *Derek Burggraff*
Print Name: Derek Burggraff

Date: 06/04/2026
Phone: 320-252-1494

DSAE Portion: The State of Minnesota is not a participant in this contract. Signature by the District State Aid Engineer is for **FUNDING PURPOSES ONLY** and for compliance with State and Federal Aid Rules/Policy. Eligibility does not guarantee funds will be available.

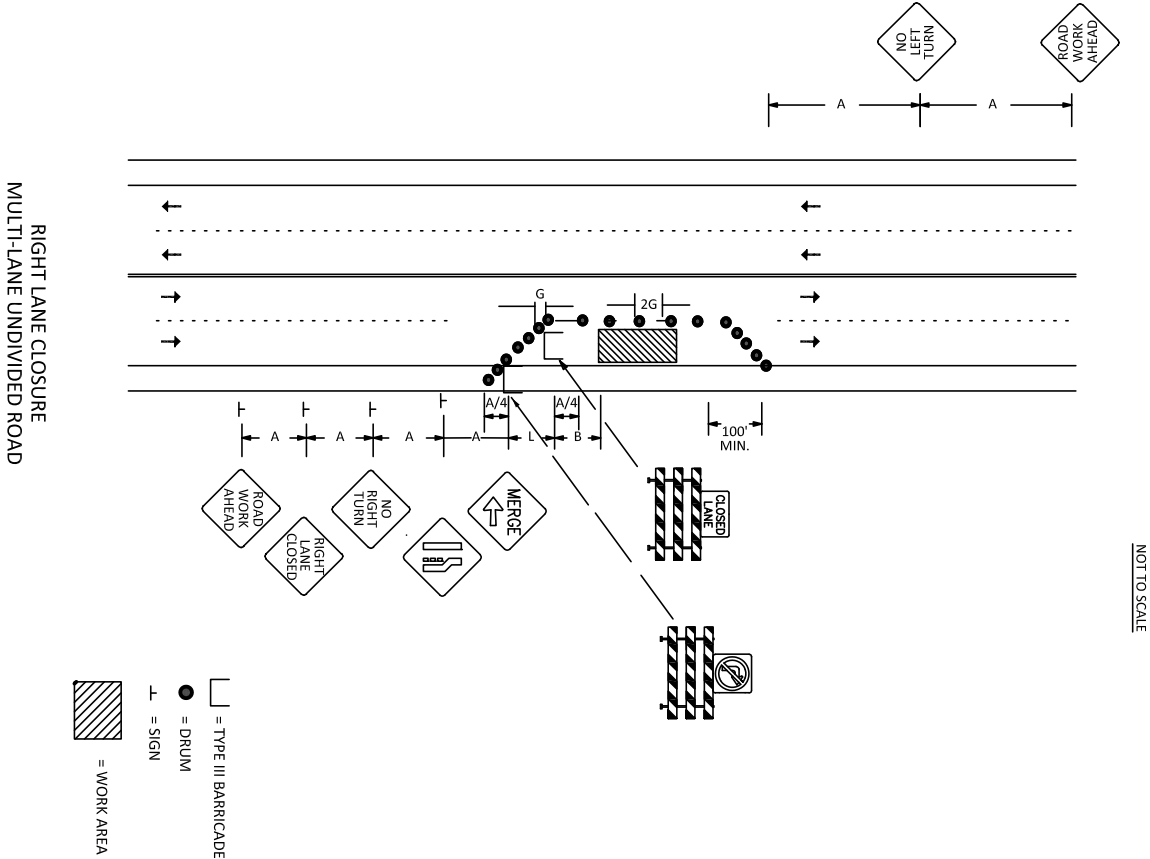
This work is eligible for:

Federal Funding
State Aid Funding
Local/Other Funds

District State Aid Engineer:

Date:

MNDOT LONG TERM TYPICAL APPLICATION 20 FOR LANE CLOSURE ON:
CO. RD. 117 ON S.E. 10TH ST..



POSTED SPEED LIMIT PRIOR TO WORK STARTING (MPH)	SPACING OF CHANNELIZING DEVICES (G) FEET	SPACING OF ADVANCE WARNING SIGNS (A) FEET	DECISION SIGHT DISTANCE FEET	TAPER LENGTH (L) FEET	SHIFTING TAPER (L/2) FEET	TYPICAL SHOULDER TAPER (L/3) FEET	BUFFER SPACE (B) FEET
45 - 50	50	600	900	600	300	200	425

ALL DISTANCES BASED ON 12 FT LANE WIDTHS.

REV. #	DATE	REVISION



CITY OF BRAINERD

ENGINEERING DEPARTMENT

501 LAUREL STREET

BRAINERD, MN 56401

Il hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly licensed professional engineer under the laws of the state of Minnesota.

JESSIE DEHN, P.E.

Date

License No. 57747

WRIGHT ST. AND S.E. 10TH ST. RECONSTRUCTION

S.A.P. 108-131-002 AND S.A.P. 108-132-003

TRAFFIC CONTROL

Page 205 of 298

Paul Sandy

From: Derek Burggraff <Derek@LANDWEHRCONSTRUCTION.COM>
Sent: Tuesday, May 26, 2026 7:32 AM
To: Paul Sandy
Cc: Eric Pratt - Engineering; Jason Massmann; Max Tomczik
Subject: FW: County Road 117 and S.E. 10th Street right turn lane closure
Attachments: 17-12 31 TRAFFIC CONTROL TURN LANE CLOSURE.pdf

Paul,

Below is the pricing for the traffic control. We will need our GC 10 % added. $\$2,569.80 \times 1.1 = \$2,826.78$

Thanks,



Derek Burggraff – Vice President of Public Construction
Office: (320) 252-1494 | **Mobile:** (320) 250-9088
Fax: (320) 252-2380
851 60th St S St Cloud, MN 56301

From: Manny Kissner <Manny@allstatetrafficmn.com>
Sent: Saturday, May 23, 2026 9:32 AM
To: Derek Burggraff <Derek@LANDWEHRCONSTRUCTION.COM>
Cc: Rick Borgen <Rick@allstatetrafficmn.com>; Manny Kissner <Manny@allstatetrafficmn.com>
Subject: County Road 117 and S.E. 10th Street right turn lane closure

Derek,
Cost, per attached TC plan \$2,569.80

7 – 48” signs x \$3.04 = \$21.28 x 14 days = \$297.92
2 – Type III Barricades x \$3.36 = \$6.72 x 14 = \$94.08
2 – sign plaques 20 SF X \$.31 = \$6.20 x 14 = \$86.80
30 – Drums x \$1.11 = \$3.30 x 14 = \$466.20
2 – Mobs 150 miles \$812.00 each = \$1,624.00
Total\$2,569.80

Thank you,
Manny Kissner
All State Traffic Control
875 Prairie Court
Cold Spring, MN 56320
320-428-6016

From: Derek Burggraff <Derek@LANDWEHRCONSTRUCTION.COM>
Sent: Tuesday, May 12, 2026 9:32 AM
To: Manny Kissner <Manny@allstatetrafficmn.com>; Rick Borgen <Rick@allstatetrafficmn.com>
Cc: Jason Massmann <JasonM@LANDWEHRCONSTRUCTION.COM>
Subject: FW: County Road 117 and S.E. 10th Street right turn lane closure

Manny,

Can you supply a cost for this lane closure. This will be in phase two of the project this year.

Thanks,



Derek Burggraff – Vice President of Public Construction
Office: (320) 252-1494 | **Mobile:** (320) 250-9088
Fax: (320) 252-2380
851 60th St S St Cloud, MN 56301

From: Paul Sandy <psandy@bpu.org>
Sent: Tuesday, May 12, 2026 8:32 AM
To: Derek Burggraff <Derek@LANDWEHRCONSTRUCTION.COM>; Jason Massmann <JasonM@LANDWEHRCONSTRUCTION.COM>
Cc: Eric Pratt - Engineering <epratt@ci.brainerd.mn.us>; James Reed - Engineering <jreed@ci.brainerd.mn.us>; Rob.Hall@crowwing.gov
Subject: FW: County Road 117 and S.E. 10th Street right turn lane closure

Derek/Jason,

Please see the attached right lane closure information that we discussed at the preconstruction meeting for County Road 117 (Industrial Park Road) at SE 10th Street.

We have been coordinating with Rob Hall at Crow Wing County regarding this right lane closure. The County does not require a permit for the traffic control, but they do request one to two weeks' advance notice before traffic control is installed at this location. County Road 117 will be serving as part of the TH 210 detour route, so the earlier notice we can provide, the better.

As discussed, the right-turn lane closure is anticipated to be needed only for the watermain connection associated with Phase 2 (south end) watermain construction.

As we get closer to the anticipated timing for this closure, we will coordinate providing notice to the County and will continue to discuss this at the weekly progress meetings.

Please pass this information along to your traffic control subcontractor so they can plan for the required materials at the time of the closure. In addition, please have them provide a cost proposal for the additional traffic control so it can be addressed through a change order.

Sincerely,

Paul

Paul Sandy, PE

Public Works Director

218-825-3220 | Direct

218-839-1775 | Mobile

218-829-8726 | Office



8027 Highland Scenic Rd | Brainerd, MN 56401

BPU.org

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From: Eric Pratt <epratt@ci.brainerd.mn.us>

Sent: Tuesday, May 12, 2026 8:11 AM

To: Paul Sandy <psandy@bpu.org>

Subject: FW: County Road 117 and S.E. 10th Street right turn lane closure

From: Eric Pratt

Sent: Friday, May 8, 2026 10:36 AM

To: 'rob.hall@crowwing.gov' <rob.hall@crowwing.gov>

Subject: County Road 117 and S.E. 10th Street right turn lane closure

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City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Final Pay Voucher No. 9 - Police Department Exterior Improvements Project

AGENDA: SPW Committee

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Paul Sandy, Public Works Director

DEPARTMENT: Public Works

PRESENTER: Paul Sandy, Public Works Director,
Tony Runde, Police Chief

ESTIMATED TIME (MIN): 5 Minutes

SUMMARY OF ISSUE

Attached is the final pay voucher for the Police Department Exterior Improvements Project completed by Hy-Tec Construction of Brainerd, Inc.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The original contract value for this project was \$455,500. One change order was issued in the amount of \$5,000, related to the demolition and replacement of the east exterior door, resulting in a revised contract total of \$460,500. The final contract amount reflects no variance from the original bid.

This pay voucher releases the remaining contractor retainage of \$23,025, equal to 5% of the total contract value. Please note that final payment will be withheld pending the City's receipt of IC-134s from the contractor.

RECOMMENDED ACTION/MOTION

Staff recommends approving the final pay voucher of \$23,025 to Hy-Tec Construction of Brainerd, Inc. for the Police Department Exterior Improvements Project, with payment released upon receipt of IC-134 documentation.

FINANCIAL IMPACT

The project was budgeted at \$582,000 in 2024 which included both construction and engineering. The actual amount spent is \$491,648 a difference of \$90,352 under budget.



11360 Business 371, PO Box 621
Brainerd, MN 56401

(218) 829-8529 (218) 829-5383 FAX

Sold To:

City of Brainerd
City Hall
501 Laurel Street
Brainerd, MN 56401

400-9050-45500
eng

Invoice Number : 15753
Invoice Date : 05/31/2026
Customer Number : BRAI01
Job Number : 24133
Due Date : 06/30/2026

Job:

Brainerd PD Exterior
225 E River Rd
Brainerd, MN 56401

ALL INVOICES ARE DUE PER THE CONTRACT OR NET 30 DAYS. FINANCE CHARGES OF 18.0%/YR WILL BE
ASSESSED ON ALL LATE INVOICE

Date	Description	Amount
05/31/2026	Pay Application #9 - Retainage	23,025.00
	GROSS BILLINGS :	23,025.00
	NET BILLINGS :	23,025.00

RECEIVED

JUN 08 2026

CITY OF BRAINERD
ADMINISTRATION

Thank You

TO OWNER City of Brainerd
501 Laurel Street
Brainerd, MN 56401

PROJECT: Brainerd Police Department
Exterior Improvement Project
222 East River Rd, Brainerd, MN 56401

APPLICATION NO: 9

Distribution to:

OWNER

ARCHITECT

CONTRACTOR

FROM CONTRACTOR:
Hy-Tec Construction of Brainerd, Inc
11360 Business 371, PO Box 621
Brainerd, MN 56401

VIA ARCHITECT: Widseth
7804 Industrial Park Rd
Baxter, MN 56425

PERIOD TO: 05/31/2026

PROJECT NO: 2024-10723

CONTRACT FOR: General Construction Work

CONTRACT DATE: 09/04/2024

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM

\$ 455,500.00

2. Net change by Change Orders

\$ 5,000.00

3. CONTRACT SUM TO DATE (Line 1 + 2)

\$ 460,500.00

4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)

\$ 460,500.00

5. RETAINAGE:

a. 0 % of Completed Work (Column D + E on G703)

\$ 0.00

b. % of Stored Material (Column F on G703)

\$

Total Retainage (Lines 5a + 5b or Total in Column I of G703)

\$ 0.00

6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)

\$ 460,500.00

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)

\$ 437,475.00

8. CURRENT PAYMENT DUE

\$ 23,025.00

9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)

\$ 0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$5,000.00	
Total approved this Month		
TOTALS	\$5,000.00	\$0.00
NET CHANGES by Change Order	\$5,000.00	

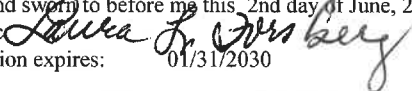
The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

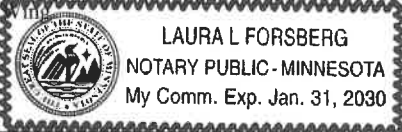
CONTRACTOR: Hy-Tec Construction of Brainerd, Inc

By:  Date: 06/02/2026

State of: Minnesota County of: Crow Wing

Subscribed and sworn to before me this 2nd day of June, 2026

Notary Public  My Commission expires: 01/31/2030



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)
ARCHITECT: Widseth

By: Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE 2 OF X PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 9

APPLICATION DATE: 6/2/2026

PERIOD TO: 5/31/2026

ARCHITECT'S PROJECT NO: 2024-10723

Brd PD Exterior Improvements

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
	General Requirements	\$38,543.00	\$38,543.00		\$0.00	\$38,543.00	100.00%	\$0.00	\$1,927.15
	Exterior Concrete and paving	\$24,966.00	\$24,966.00		\$0.00	\$24,966.00	100.00%	\$0.00	\$1,248.30
	Demo	\$9,673.00	\$9,673.00		\$0.00	\$9,673.00	100.00%	\$0.00	\$483.65
	Roofing	\$191,050.00	\$191,050.00		\$0.00	\$191,050.00	100.00%	\$0.00	\$9,552.50
	EIFS	\$103,790.00	\$103,790.00		\$0.00	\$103,790.00	100.00%	\$0.00	\$5,189.50
	Caulking	\$10,322.00	\$10,322.00		\$0.00	\$10,322.00	100.00%	\$0.00	\$516.10
	Doors	\$15,647.00	\$15,647.00		\$0.00	\$15,647.00	100.00%	\$0.00	\$782.35
	Windows & Glass/Glazing	\$20,874.00	\$20,874.00		\$0.00	\$20,874.00	100.00%	\$0.00	\$1,043.70
	Gypsum	\$8,042.00	\$8,042.00		\$0.00	\$8,042.00	100.00%	\$0.00	\$402.10
	Painting	\$24,795.00	\$24,795.00		\$0.00	\$24,795.00	100.00%	\$0.00	\$1,239.75
	Electrical	\$7,798.00	\$7,798.00		\$0.00	\$7,798.00	100.00%	\$0.00	\$389.90
PR1	Demo & Replace E Exterior Serv Door	\$5,000.00	\$5,000.00		\$0.00	\$5,000.00	100.00%	\$0.00	\$250.00
	PAGE TOTALS	\$460,500.00	\$460,500.00	\$0.00	\$0.00	\$460,500.00	100.00%	\$0.00	\$23,025.00

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Preliminary Draft - Orderly Annexation - Riverside Drive

AGENDA: Main

ACTION REQUESTED: Direction Requested

SUBMITTED BY: James Kramvik, Community Development Director, Paul Sandy, Public Works Director

DEPARTMENT: Community Development

PRESENTER: James Kramvik, Community Development Director

ESTIMATED TIME (MIN): 15 min

SUMMARY OF ISSUE

At the March 2nd City Council meeting, City Council approved the joint resolution (orderly annexation) by a 4-3 vote. The County Board considered the joint resolution at the March 24th County Board meeting. The board allowed public testimony and motioned to not approve the joint resolution. The County Board unanimously approved the motion.

At the April 6th City Council meeting, City Council directed staff to amend the orderly annexation agreement to only include properties adjacent to municipal utilities or those already connected to municipal utilities. Due to the adjustment to the map, the City Engineer and County Engineer agreed to remove the road maintenance section from the resolution.

The criteria for annexation in the amended orderly annexation agreement are as follows:

1. Property Owner Initiated Annexation. Each separately defined "Parcel" (which has its own separate PID as shown in Crow Wing County land records) within the OAA shall become eligible for annexation by property owner petition if the Parcel abuts the City's municipal boundary line. (This method would be used to annex properties that would like to connect to municipal utilities.)
2. City Initiated Annexation. At any time, the City may initiate annexation of a Parcel or Parcels within the OAA that are connected to "Public Utilities" (defined to mean sanitary sewer or water).

Properties included in the map that are not currently connected to municipal utilities will have the option to either connect and annex into the City or repair their septic and remain in the County.

Two parcels are currently connected to municipal utilities and would be subject to City Initiated annexation by City Council resolution. (PID 99260500 - 10567 SHADY HILLS TRL BRAINERD 56401 & PID

99040512 - 14821 RIVERSIDE DRIVE BRAINERD 56401)

The orderly annexation agreement, which includes the map, is an agreement between the City and the County and cannot be changed unilaterally.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS Staff has received requests from property owners for the City to consider removing or reducing the deferred connection charges placed upon properties adjacent to the 2003 sewer and water extension project along Riverside Drive. Staff recommends that City Council should review the deferred connection charges prior to making a final decision regarding the orderly annexation agreement.

In addition, the City should update its Mississippi Headwaters regulations prior to annexing any properties into the City. Properties within the jurisdiction of the Mississippi Headwaters regulations cannot be issued land use or building permits until the City Code is compliant with current regulations. The Planning Commission will begin reviewing the Mississippi Headwaters regulations in the Fall of 2026.

The City Council may consider the following options:

1. Motion to direct staff to bring back the orderly annexation agreement for City Council consideration after review of the deferred connection charges and approval of updated Mississippi Headwaters regulations. (staff recommendation)
2. Motion to approve the attached resolution.
3. Motion to not move forward with an orderly annexation agreement.

RECOMMENDED ACTION/MOTION

Motion to direct staff to bring back the orderly annexation agreement for City Council consideration after review of the deferred connection charges and approval of updated Mississippi Headwaters regulations.

FINANCIAL IMPACT

N/A

**A JOINT RESOLUTION
PROVIDING FOR THE ORDERLY ANNEXATION
OF CERTAIN AREAS WITHIN CROW WING COUNTY
TO THE CITY OF BRAINERD
PURSUANT TO MINNESOTA STATUTES § 414.0325**

Crow Wing County Resolution No. _____

City of Brainerd Resolution No. _____

WHEREAS, Crow Wing County, Minnesota (hereinafter the "County") and the City of Brainerd located in Crow Wing County, Minnesota (hereinafter the "City") designate for orderly annexation the land designated in Exhibit A and legally described in Exhibit B located within Unorganized First Assessment District of the County; and

WHEREAS, The Crow Wing County Board has jurisdiction over the Unorganized First Assessment District.

WHEREAS, the County and City agree as to the orderly annexation of the unincorporated land described; that both believe it will be to their benefit and to the benefit of their respective residents; and

WHEREAS, Minnesota Statutes § 414.0325 provides a procedure whereby the County and City may agree on a process of orderly annexation of a designated area; and

WHEREAS, on June 13th, 2026, a Notice of Intent to designate an area of property in an orderly annexation area was published pursuant to the requirements of Minnesota Statutes § 414.0325, subd. 1b; and

WHEREAS, the City and the County have agreed to work cooperatively to accomplish the orderly annexation of the areas designated herein as legally described in Exhibit B; and

WHEREAS, the City and the County desire to set out the terms and conditions that will govern the Orderly Annexation Agreement.

NOW, THEREFORE, BE IT RESOLVED, jointly by the City Council of the City of Brainerd and the Board of Crow Wing County as follows:

1. **Recitals.** The Recitals set forth above are incorporated herein and made part of this Joint Resolution.
2. **Designated Land.** This Joint Resolution is intended to establish an Orderly Annexation Agreement between the County and the City (hereinafter "Agreement"). The Orderly Annexation Area consists of the land designated in Exhibit A and legally described in Exhibit B (hereinafter "OAA"), which Exhibits are incorporated herein and made part of this Joint

Resolution. This Joint Resolution provides for the terms and conditions applicable to the orderly annexation of said land in the OAA.

3. Municipal Boundary Adjustment Unit of the Minnesota Office of Administrative Hearings.

Upon approval by the County and the City, this Joint Resolution shall confer jurisdiction upon the Municipal Boundary Adjustment Unit, or its designated successor (hereinafter "MBAU") so as to accomplish said orderly annexations in accordance with the terms of this Joint Resolution.

3.1. Review and Comment by the MBAU. The County and City mutually agree and state that this Joint Resolution and Agreement sets forth all the conditions for annexation and that no consideration by the MBAU is necessary for individual annexations which occur in accordance with this Agreement. MBAU may review and comment, but shall, within 30 days, order the annexation in accordance with the terms of this Joint Resolution.

3.2. No Alteration of Boundaries. The County and City mutually agree and state that no alterations by the MBAU of the stated boundaries of the area designated for orderly annexation are appropriate.

4. Annexation Eligibility. All property within the OAA is eligible for annexation at any time by the City or a property owner so long as the annexation will not create an island of County property surrounded by City property.

4.1. Property Owner Initiated Annexation. Each separately defined "Parcel" (which has its own separate PID as shown in Crow Wing County land records) within the OAA shall become eligible for annexation by property owner petition if the Parcel abuts the City's municipal boundary line.

4.2. City Initiated Annexation. At any time, the City may initiate annexation of a Parcel or Parcels within the OAA that are connected to "Public Utilities" (defined to mean sanitary sewer or water.).

4.3. Resolution of City to Annex Areas. To annex any area in the OAA as set forth above, the City shall pass a resolution. The resolution adopted by the City Council pertaining to the annexation in the OAA shall state:

- No action by the County or consideration by the chief administrative law judge or its successor is required to effectuate the annexation; and
- The chief administrative law judge or its successor may review and comment, but shall, within 30 days, order the annexation in accordance with the terms of the resolution.

5. Annexation Outside of the OAA. The County and City acknowledge property owners have a right to request annexation of property abutting the City outside of the OAA. Nothing in this Agreement shall prohibit a property owner or the County from requesting the City annex Parcels located outside the OAA. The City shall have sole discretion as to whether to proceed with a request to annex property outside the OAA.

6. County / City Property Taxes.

- 6.1. Current Year Property Taxes. Property taxes payable on the annexed land shall continue to be paid to the County for the year in which the annexation becomes effective.
- 6.2. Future Year Property Taxes. If the annexation becomes effective on or before August 1st of a levy year, the City will levy on the Area beginning with that same levy year. If the annexation becomes effective after August 1st of a levy year, the County will continue to levy on the Area for that levy year, and the City shall not levy on the Area until the following levy year.

7. Connection to Sanitary Sewer and Water. Property owners shall petition to annex prior to connecting to public water or sanitary sewer facilities. Property owners may connect and pay 200% water and sewer charges for properties not currently adjacent to the Brainerd municipal boundary. Properties will be annexed upon adjacency to the Brainerd municipal boundary by “City Initiated Annexation” when connected to “Public Utilities”.

8. Disputes and Remedies. The County and City agree as follows:

- 8.1. Negotiation. When a disagreement over interpretation of any provision of this Joint Resolution shall arise, the respective County and City will direct staff members as they deem appropriate to meet at least once at a mutually convenient time and place to attempt to resolve the dispute through negotiation.
- 8.2. Adjudication. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Joint Resolution, either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this Joint Resolution and any other available remedies at law or equity, in the case of a violation, default or breach of any provision of this Joint Resolution, the non-violating, non-defaulting, or non-breaching party may bring an action for specific performance to compel the performance of this Joint Resolution in accordance with its terms.

9. Legal Description. The County and City agree that in the event there are errors, omissions or any other problems with the legal descriptions provided in Exhibit B, in the judgment of the Minnesota Office of Administrative Hearings, that the City and County shall make such corrections and file any additional documentation, including a new Exhibit B replacing and making the corrections requested or required by the Minnesota Office of Administrative Hearings as necessary to make effective the annexation the Subject Area in accordance with the terms of this Joint Resolution.

10. Termination. This Joint Resolution terminates when all of the Orderly Annexation Area has been annexed into the City or 50 years has passed since the execution of this Agreement, whichever is longer.

11. Severability. The provisions of this Joint Resolution are severable. If any provision herein is, for any reason, held by a court of competent jurisdiction to be invalid, contrary to law, or

unenforceable, such decision shall not affect the remaining provisions of this Joint Resolution.

12. **Amendments**. Any amendment to this Joint Resolution shall be adopted pursuant to the process and laws governing and applied to the adoption of this Joint Resolution. This Joint Resolution may not be unilaterally amended by action of the governing body of either the County or the City. Amendment of this Joint Resolution will require approval of each governing body.
13. **Costs Associated with the Orderly Annexation Agreement**. Each party shall pay its own costs incurred in the negotiation, development, and implementation of this Agreement.
14. **Headings**. Headings are included solely for the purpose of reference. The language in a heading shall not be interpreted as a substantive provision of this Joint Resolution.
15. **Effective Date**. This Joint Resolution and Agreement shall be effective upon adoption by the governing bodies of the County and City and approval by the MBAU. This Joint Resolution shall be filed by the City with the MBAU after adoption by the parties.

Adopted by affirmative vote of the members of the _____ Crow Wing County Board of
Commissioners this _____ day of _____ 2026.

ATTEST:

By: _____
ROSEMARY FRANZEN
Chair of the Board

By: _____
DEBORAH A. ERICKSON
County Administrator

Adopted by affirmative vote of the City Council of Brainerd, this ____ day of
_____ 2026.

MIKE O'DAY
President of the Council

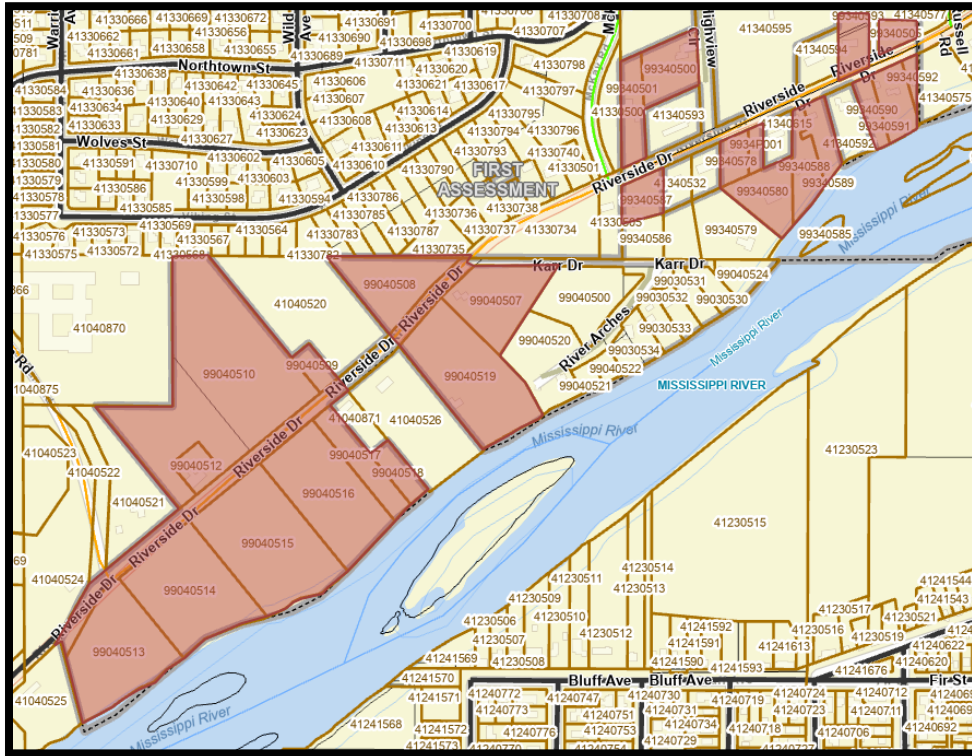
Approved this __ day of ____ 2026

DAVE BADEAUX
Mayor

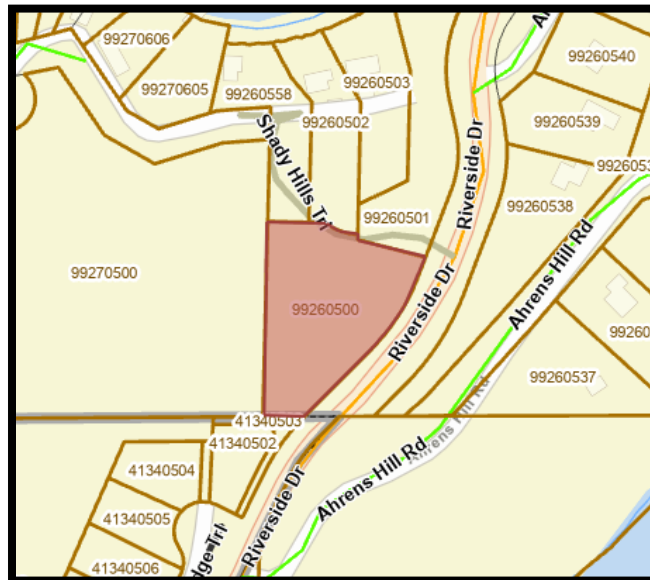
ATTEST: _____
NICHOLAS W. BROYLES
City Administrator

EXHIBIT A - MAP OF PROPERTY

Orderly Annexation Area 1



Orderly Annexation Area 2



Orderly Annexation Area



Parcels

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

99040513

That part of Lot 20, and the vacated old C.S.A.H. No. 20, RIVER HEIGHTS, according to the record plat thereof described as follows: Commencing at the point on the west line of said RIVER HEIGHTS which is the northeast corner of Government Lot 5 Section 4, Township 133 North, Range 28 West, Crow Wing County, Minnesota; thence South 00 degrees 20 minutes 00 seconds East, assumed bearing, along the East line of said Government Lot 5, and along said west line of RIVER HEIGHTS, 741.98 feet; thence North 55 degrees 55 minutes 41 seconds East 287.60 feet to the point of beginning of the tract to be described; thence North 14 degrees 48 minutes 50 seconds West 326.97 feet to the southerly right-of-way line of C.S.A.H. No. 20 as constructed in 1978 and now maintained; thence North 47 degrees 01 minutes 00 seconds East along said southerly right-of-way line to the northeasterly line of said Lot 20; thence South 39 degrees 13 minutes 00 seconds East 409 feet, more or less, along said northeasterly line of Lot 20, to the shore of the Mississippi River; thence southwesterly along said shore to its intersection with the line that bears South 14 degrees 48 minutes 50 seconds East from the point of beginning; thence North 14 degrees 48 minutes 50 seconds West 8 feet, more or less, to the point of beginning. Subject to easements, reservations, and restrictions of record if any together with all hereditaments and appurtenances.

99040515 and 99040514

River Heights, Lots 18, 19, and 20 and all that part of Lot 21 lying S'ly of new C.S.A Highway #20 and all the adjacent vacated portion of old C.S.A Highway #20.

99040516

Lot Seventeen (17), River Heights, except that part thereof described as follows: Commencing at the northeasterly corner of said Lot Seventeen (17), the point of beginning of the tract herein excepted; thence southwesterly along the northwesterly line of said Lot Seventeen (17) a distance of 100 feet; thence southeasterly along a line running parallel with the northeasterly line of said Lot Seventeen (17) to the southeasterly line of said Lot Seventeen (17); thence northeasterly along the southeasterly line of said Lot Seventeen (17) to the southeasterly corner of said lot; thence northwesterly along the northeasterly line of said Lot Seventeen (17) to the point of beginning and there terminating, all subject to easements, reservations and restrictions of record, if any.

99040518 and 99040517

Lot Sixteen (16), River Heights,
AND

That part of Lot Seventeen (17), River Heights, described as follows: Commencing at the Northeasterly corner of said Lot Seventeen (17), the point of beginning of the tract herein conveyed; thence Southwesterly along the Northwesterly line of said Lot Seventeen (17) a distance of 100 feet; thence Southeasterly along a line running parallel with the Northeasterly line of said Lot Seventeen (17) to the Southeasterly line of said Lot Seventeen (17); thence Northeasterly along the Southeasterly line of said Lot Seventeen (17) to the Southeasterly

corner of said lot; thence Northwesterly along the Northeasterly line of said Lot Seventeen (17) to the point of beginning and there terminating.

99040519

Lots 12, 13, and 14, River Heights, together with all that part of Outlot B, said River Heights, which lies Southwesterly of the following described line: beginning at a point on the northwesterly line of said Outlot B, distant 174.2 feet northeasterly from the most westerly corner of said Outlot B, as measured along the northwesterly line thereof; thence southeasterly to the southeasterly line of said Outlot B, along a line, which if extended, would intersect the most northerly corner of Lot 12 of said River Heights, Crow Wing County, Minnesota.

AND

That portion of vacated Karr Drive in the plat of River Heights which lies westerly of the northerly extension of the east line of Lot 12 of said plat and extending to the south line of the county highway.

99040507

That part of Outlot B, River Heights, described as follows: Commencing at the most Westerly corner of said Outlot B; thence North 40 degrees 47 minutes 00 seconds East, assumed bearing, 174.20 feet along the Northwesterly line of said Outlot B to the point of beginning of the tract to be described; thence South 43 degrees 50 minutes 19 seconds East 360.00 feet along a line which, if extended, would intersect the most Northerly corner of Lot Twelve (12) of said River Heights; thence North 33 degrees 17 minutes 44 seconds East 473.36 feet to the Southerly line of Karr Drive in said plat of River Heights; thence North 89 degrees 20 minutes 30 seconds West 360.00 feet along said Southerly line of Karr Drive to said Northwesterly line of Outlot B; thence South 46 degrees 48 minutes 00 seconds West 204.71 feet, more or less, along said Northwesterly line of Outlot B to the point of beginning, Crow Wing County, Minnesota.

99340587

That part of Government Lot 5, Section 34, Township 134, Range 28, described as follows: Commencing at the Southwest corner of said Government Lot 5; thence North along the West line of said Government Lot 5 a distance of 154.49 feet to the point of beginning; thence continuing North along said West line a distance of 169.52 feet to its intersection with the Southerly right of way line of C.S.A.H #20; thence North 66 degrees 27 minutes 40 seconds East a distance of 200.12 feet along said right of way line to the Northwest corner of Lot 1, Block 1, Scenic Acres; thence South along the West line of said Lot a distance of 200 feet to the Southwest corner thereof; thence Southwesterly in a straight line to the point of beginning.

99340578

Lot Three (3), Block One (1), Scenic Acres.

99340579

THAT PART OF OUTLOT B OF THE RECORDED PLAT OF SCENIC ACRES, CROW WING COUNTY, MINNESOTA, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF LOT 2, BLOCK 1 OF SAID PLAT OF SCENIC ACRES; THENCE SOUTH 66

DEGREES 27 MINUTES 40 SECONDS WEST 136.88 FEET ALONG THE SOUTHERLY LINE OF SAID LOT 2; THENCE SOUTH 09 DEGREES 03 MINUTES 15 SECONDS EAST 267.52 FEET TO A POINT ON THE SOUTH LINE OF SAID OUTLOT B; THENCE SOUTH 89 DEGREES 37 MINUTES 24 SECONDS EAST APPROXIMATELY 285 FEET TO THE MISSISSIPPI RIVER; THENCE NORTHEASTERLY ALONG THE MISSISSIPPI RIVER APPROXIMATELY 130 FEET TO A POINT WHICH BEARS SOUTH 50 DEGREES 23 MINUTES 12 SECONDS EAST FROM THE POINT OF BEGINNING, THENCE NORTH 50 DEGREES 23 MINUTES 12 SECONDS WEST APPROXIMATELY 340 FEET TO THE POINT OF BEGINNING, AND AN UNDIVIDED ½ INTEREST IN OUTLOT A, SCENIC ACRES, TOGETHER WITH A 20 FEET WIDE ROAD EASEMENT DESCRIBED AS FOLLOWS; BEGINNING AT A POINT ON THE SOUTH LINE OF OUTLOT A OF SAID PLAT OF SCENIC ACRES DISTANT 162.43 FEET SOUTH 66 DEGREES 27 MINUTES 40 SECONDS WEST FROM THE NORTHEAST CORNER OF OUTLOT B OF SAID PLAT; THENCE SOUTH 04 DEGREES 06 MINUTES WEST 201.88 FEET TO THE NORTHEASTERLY LINE OF THE ABOVE DESCRIBED TRACT; THENCE NORTH 50 DEGREES 23 MINUTES 12 SECONDS WEST ALONG THE NORTHEASTERLY LINE OF THE ABOVE DESCRIBED TRACT 24.61 FEET; THENCE NORTH 04 DEGREES 06 MINUTES EAST 177.12 FEET TO THE SOUTH LINE OF OUTLOT A OF SAID PLAT; THENCE NORTH 66 DEGREES 27 MINUTES 40 SECONDS EAST ALONG THE SOUTH LINE OF SAID OUTLOT A 22.58 FEET TO THE POINT OF BEGINNING.

99340588

That part of Government Lot Five (5), Section Thirty-four (34), Township One Hundred Thirty-four (134), Range Twenty-eight (28), described as follows: Commencing at the iron monument at the Southwest corner of said Government Lot 5; thence North 00 degrees 22 minutes 32 seconds West, assumed bearing, 323.80 feet along the west line of said Government Lot 5 to an iron monument on the southerly right-of-way line of CSAH 20; thence North 66 degrees 03 minutes 00 seconds East 873.27 feet along said southerly right-of-way line to an iron monument, the point of beginning of the tract to be described; thence reversing South 66 degrees 03 minutes 00 seconds West 53.77 feet along said southerly right-of-way line to an iron monument; thence South 00 degrees 30 minutes 00 seconds East 464 feet, more or less, to the shore of the Mississippi River; thence northeasterly along said shore to its intersection with the line that bears South 15 degrees 46 minutes 00 seconds East from the point of beginning; thence North 15 degrees 46 minutes 00 seconds West 337 feet, more or less to the point of beginning; EXCEPT; That part of Government Lot Five (5), Section Thirty-four (34), Township One Hundred Thirty-four (134), Range Twenty-eight (28), described as follows: Commencing at the iron monument at the Southwest corner of said Government Lot 5; thence North 00 degrees 22 minutes 32 seconds West, assumed bearing, 323.80 feet along the West line of said Government Lot 5 to an iron monument on the Southerly right of way line of CSAH 20; thence North 66 degrees 03 minutes 00 seconds East 873.27 feet along said Southerly right of way line to an iron monument thence South 15 degrees 46 minutes 00 seconds East 105.57 feet, to the point of beginning of the tract to be described; thence South 63 degrees 11 minutes 30 seconds West 45.60 feet; thence South 15 degrees 46 minutes 00 seconds East 30.00 feet; thence North 63 degrees 11 minutes 30 seconds East 45.00 feet; thence North 15 degrees 46 minutes 00 seconds West 30.00 feet to the point of beginning.

99340589

That part of Government Lot 5, Section 34, Township 134 North, Range 28 West, Crow Wing County, Minnesota, described as follows, Commencing at the iron monument at the Southwest corner of said Government Lot 5; thence North 00 degree 22 minutes 62 seconds West, assumed bearing, 323.80 feet along the West line of said Government Lot 5 to an iron monument on the Southerly right of way line of CSAH 20; thence North 66 degrees 03 minutes 00 seconds West 974.30 feet along said Southerly right of way line to an iron monument, the point of beginning of the tract to be described; thence reversing South 66 degrees 03 minutes 00 seconds West 101.03 feet along said Southerly right of way line to an iron monument; thence South 15 degrees 46 minutes 00 seconds East 337 feet, more or less, to the shore of the Mississippi River; thence Northeasterly along said shore to its intersection with the line that bears South 15 degrees 46 minutes 00 seconds East from the point of beginning; thence North 15 degrees 46 minutes 00 seconds West 310 feet, more or less, along the Northeasterly line of the tract deeded to Crawford by the deed recorded in *Book 271 of Deeds, page 192*, in the Crow Wing County Recorder's Office, to the point of beginning. Subject to easements, reservations, or restrictions of record, if any.

AND

DRAINFIELD DESCRIPTION

That part of Government Lot 5, Section 34, Township 134 North, Range 28 West, Crow Wing County, Minnesota, described as follows: Commencing at the iron monument at the Southwest corner of said Government Lot 5; thence North 00 degree 22 minutes 32 seconds West, assumed bearing, 323.80 feet along the West line of said Government Lot 5 to an iron monument on the Southerly right of way line of CSAH 20; thence North 66 degrees 03 minutes 00 seconds East 873.27 feet along said Southerly right of way line to an iron monument; thence South 15 degrees 46 minutes 00 seconds East 105.57 feet, to the point of beginning of the tract to be described; thence South 63 degrees 11 minutes 30 seconds West 45.00 feet; thence South 15 degrees 46 minutes 00 seconds East 30.00 feet; thence North 63 degrees 11 minutes 30 seconds East 45.00 feet; thence North 15 degrees 46 minutes 00 seconds West 30.00 feet to the point of beginning.

99340590

That part of Government Lot Five (5), Section Thirty-four (34), Township One Hundred Thirty-four (134), Range Twenty-eight (28), described as follows: From the Southwest corner of Lot 5 run North 0 degrees 30 minutes West 323.8 feet to the South line of Highway; thence North 66 degrees 03 minutes East 974.3 feet; thence South 15 degrees 46 minutes East 300 feet to the River; thence North 54 degrees 29 minutes East 236.6 feet along the River; thence North 15 degrees 46 minutes West 252 feet to the point on the South line of Highway, which is the point of beginning of the land herein described; thence South 66 degrees 01 minutes West 90.9 feet along the Northerly line of said tract to a point which is 90 feet measured at right angles from the Easterly line of said tract; thence South 20 degrees 02 minutes East 300 feet, more or less, to the shore of the Mississippi River; thence Northeasterly along said shore to the Easterly line of said tract; thence North 15 degrees 46 minutes West 300 feet, more or less, along said Easterly line to the place of beginning.

99340591

That part of Government Lot 5, Section 34, Township 134, Range 28, described as follows to-wit: Commencing at a point on the West line of said Lot 5, which is 323.8 feet North of the

Southwest corner of said Lot 5, and on the South side of the Scenic Highway; thence North 66 degrees 03 minutes East 1199 feet along the Scenic Highway; thence South 15 degrees 46 minutes East 252 feet; more or less, to the shore of the Mississippi River, the place of beginning; thence North 15 degrees 46 minutes West 252 feet to the Scenic Highway; thence North 66 degrees 03 minutes East 150 feet along said Scenic Highway; thence South 15 degrees 46 minutes East 250 feet, more or less, to the shore of Mississippi River; thence Southwesterly along said shore to the place of beginning, according to the U.S. Government Survey thereof on file and of record in the office of the County Recorder in and for Crow Wing County, Minnesota.

AND ALSO:

That part of Government Lot 4, Section 34, Township 134, Range 28 described as follows: Commencing at a point on the West line of Government Lot 5, Section 34, Township 134, Range 28, which is 323.8 feet North of the Southwest corner of said Lot 5 and on the South side of the Scenic Highway; thence North 66 degrees 03 minutes East 1349 feet along said Scenic Highway; thence South 15 degrees 46 minutes East to the West line of Government Lot 4, the point of beginning of the tract herein described; thence continuing South 15 degrees 46 minutes East to the Mississippi River; thence Southwesterly along the shore of the river to the West line of said Lot 4 to the point of beginning. Together with an easement for ingress and egress over and across the existing asphalt driveway which encroaches from the West a distance of 5.6 feet onto those premises described in that certain deed recorded in *Book 206 of Deeds, page 286*.

99340592

That part of Government Lot 4, Section 34, Township 134, Range 28, described as follows: Commencing at the southwest corner of Section 34; thence North 0 degrees 30 minutes West 323.8 feet along the West line of Section 34 to the Southerly line of the public highway; thence North 66 degrees 03 minutes East 1459 feet along said highway to the point of beginning; thence South 35 degrees 00 minutes East 270.4 feet to the shore of the Mississippi River; thence North 57 degrees 36 minutes East 99.04 feet along said shore; thence North 35 degrees 00 minutes West 260.1 feet to the Souther line of said public highway; thence South 63 degrees 30 minutes West 100.05 feet along said highway to the point of beginning (PID NO. 41340575) AND

That part of Government Lots 4 and 5, Section 34, Township 134, Range 28, described as follows: Commencing at a point on the West line of said Lot 5 which is 323.8 feet North of the Southwest corner of said Lot 5 and on the South side of the Scenic Highway; thence North 66 degrees 03 minutes East 1349 feet along said Scenic Highway; thence South 15 degrees 46 minutes East 250 feet, more or less to the shore of the Mississippi River, the place of beginning; thence North 15 degrees 46 minutes West 250 feet, more or less, to the edge of the Scenic Highway; thence North 66 degrees 03 minutes East 110 feet along said Scenic Highway; thence South 35 degrees 0 minutes East 250 feet, more or less, to the Mississippi River; thence Southwesterly along the river shore to the place of beginning. (PID No. 99340592)

99040512

Parcel A: That part of Lot 28, Plat of River Heights, Crow Wing County, Minnesota, described as follows: Commencing at the southwest corner of said Lot 28; thence northeasterly along the north right of way line of County Highway a distance of 100 feet to the point of beginning; thence northwesterly parallel with the west line of said Lot 28 a distance of 175 feet; thence

northeasterly parallel with the north right of way line of said County Highway a distance of 100 feet; thence southeasterly parallel with the west line of said Lot 28, 175 feet to the County Highway right of way; thence southwesterly along the north line of the County Highway right of way 100 to the place of beginning.

AND

That part of Lot 28, Plat of River Heights, Crow Wing County, Minnesota, described as follows: Commencing at the southwest corner of said Lot 28; thence northeasterly along the north right of way line of County Highway a distance of 200 feet to the point of beginning; thence northwesterly parallel with the west line of said Lot 28 a distance of 175 feet; thence northeasterly parallel with the north right of way line of said County Highway a distance of 50 feet; thence southeasterly parallel with the west line of said Lot 28, 175 feet to the County Highway right of way; thence southwesterly along the north line of the County Highway right of way 50 feet to the place of beginning.

Parcel B: That part of Lot 28, Plat of River Heights, Crow Wing County, Minnesota, described as follows: Commencing at the southwest corner of said Lot 28; thence northeasterly along the south easterly line of said Lot 28 a distance of 250 feet to the point of beginning; thence northwesterly parallel with the westerly line of said Lot 28 a distance of 175 feet; thence northeasterly parallel with the southeasterly line of said Lot 28, a distance of 16.09 feet; thence Southeasterly parallel with the westerly line of said Lot 28 a distance of 175 feet to the southeasterly line of said Lot 28; thence southwesterly 16.09 feet along said southeasterly line to the point of beginning.

AND

That part of Lot 28, Plat of River Heights, Crow Wing County, Minnesota, described as follows: Commencing at the southwest corner of said Lot 28; thence northeasterly along the southeasterly line of said Lot 28, a distance of 100 feet to the point of beginning; thence northwesterly parallel with the westerly line of said Lot 28 a distance of 175 feet; thence southwesterly parallel with the southeasterly line of said Lot 28, a distance of 4.97 feet; thence southeasterly parallel with the westerly line of said Lot 28, a distance of 175.00 feet to the southeasterly line of said Lot 28; thence northeasterly along said southeasterly line of Lot 28 a distance of 4.97 feet to the point of beginning.

99040510

Lot 27, River Heights, according to the plat thereof on file and of record in the office of the Crow Wing County Recorder.

AND

Lot 28, River Heights, according to the plat thereof on file and of record in the office of the Crow Wing County Recorder, Except the East 100 feet of the West 200 feet of the South 175 feet of Lot 28; and Except that part of Lot 28 described as follows: Commencing at the Southwest corner of Lot 28; thence Northeasterly along the North right of way line of the County Highway a distance of 200 feet to the point of beginning; thence Northwesterly parallel with the West line of Lot 28 a distance of 175 feet; thence Northeasterly parallel with the North right of way line of said County Highway a distance of 50 feet; thence Southeasterly parallel with the West line of Lot 28 175 feet to the County Highway right of way; thence Southwesterly along the North line of the County Highway 50 feet to the point of beginning and also except that part of Lot 28 described as follows: Commencing at the Southwest corner of said Lot 28; thence Northeasterly

along the Southeasterly line of said Lot 28 a distance of 100 feet to the point of beginning of the tract of land to be described; thence Northwesterly parallel with the Westerly line of said Lot 28 a distance of 175 feet; thence Southwesterly parallel with the Southeasterly line of said Lot 28 a distance of 4.97 feet; thence Southeasterly parallel with the Westerly line of said Lot 28 a distance of 175 feet to the Southeasterly line of said Lot 28; thence Northeasterly along said Southeasterly line of Lot 28 a distance of 4.97 feet to the point of beginning. And also except that part of Lot 28 described as follows: Commencing at the Southwest corner of said Lot 28; thence Northeasterly along the Southeasterly line of said Lot 28 a distance of 250 feet to the point of beginning of the tract to be described; thence Northwesterly parallel with the Westerly line of said Lot 28 a distance of 175 feet; thence Northeasterly parallel with the Southeasterly line of said Lot 28 a distance of 16.09 feet; thence Southeasterly parallel with the Westerly line of said Lot 28 a distance 175 feet to the Southeasterly line of said Lot 28; thence Southwesterly 16.09 feet along said Southeasterly line to the point of beginning.

AND

Lot 29, River Heights, according to the plat thereof on file and of record in the office of the Crow Wing County Recorder

99340501

That part of Government Lot 5, Section 34, Township 134, Range 28, described as follows: Beginning at a point where the West line of said Government Lot 5 intersects the centerline of the road known as "Scenic Drive" or "Scenic River Road"; thence North 0 degrees 30 minutes West, assumed bearing, along said West line of said Government Lot 5, a distance of 508.80 feet; thence North 66 degrees 03 minutes East a distance of 99.70 feet; thence South 2 degrees 57 minutes East a distance of 500.00 feet, to the point of intersection with the centerline of said "Scenic Drive"; thence South 66 degrees 03 minutes West, along the centerline of said "Scenic Drive" a distance of 123.00 feet to the point of beginning.

99040509

That part of Lot Thirty (30), River Heights, described as follows: Beginning at the Southwest corner of said Lot Thirty (30); thence 200 feet Northerly along the West line of said lot; thence 100 feet Easterly on a course parallel to the South line of said lot; thence 200 feet Southerly to the Northerly line of the county highway; thence Westerly along said Northerly line to the point of beginning.

99340593

The South 200 feet of the West 140 feet of the East 350 feet of all that part of Government Lot 5, Section 34, Township 134, Range 28, lying Northerly of the centerline of the road known as Scenic Drive or Scenic Road. Said 200 feet created by a line drawn 200 feet North and parallel with said centerline of the road known as Scenic Drive or Scenic Road.

AND

That part of the Government Lot 5, Section 34, Township 134, Range 28, described as follows: Commencing at the point where the centerline of the road known as "Scenic Drive" intersects with the West line of the East 350.00 feet of said Government Lot 5; thence North 0 degrees 07 minutes West, assumed bearing, along said West line of the East 350.00 feet a distance of 200.00 feet to an iron monument being the point of beginning; thence North 66 degrees 03 minutes East, parallel with the centerline of said "Scenic Drive", a distance of 153.05 feet to an

iron monument on the West line of the East 210.00 feet of said Government Lot 5; thence North 0 degrees 07 minutes West along said West line of the East 210.00 feet a distance of 38.16 feet; thence South 89 degrees 53 minutes West a distance of 140.00 feet to a point on said West line of the East 350.00 feet; thence South 0 degrees 07 minutes East along said West line of the East 350.00 feet a distance of 100.00 feet to the point of beginning.

99260500

The Land is described as follows:

All that part of Government Lot 5, Section 26, Township 134, Range 28, Crow Wing County, Minnesota, which lies southerly of Lot 1, Block 1, Ahren's Hill and westerly of County State Aid Highway No. 20; EXCEPT That part of Government Lot 5, Section 26, Township 134, Range 28, described as follows: Commencing at the southwest corner of said Section 26; thence North 01 degree 16 minutes 30 seconds East, bearings are based on the North American Datum of 1983, along the West line of said Section 26, a distance of 398.37 feet; thence South 88 degrees 43 minutes 30 seconds East, a distance of 118.37 feet; thence southeasterly 70.40 feet along a non-tangential curve concave to the northeast to the intersection with the East line of the West 184.07 feet of said Government Lot 5, said curve having a central angle of 33 degrees 36 minutes 44 seconds, a radius of 120.00 feet and a chord bearing of South 69 degrees 57 minutes 30 seconds East; thence North 01 degree 16 minutes 30 seconds East along said East line, a distance of 268.97 feet to the point of beginning; thence reversing course South 01 degree 16 minutes 30 seconds West, a distance of 207.91 feet; thence North 64 degrees 11 minutes 01 second East, a distance of 112.32 feet to the intersection with the East line of the West 284.07 feet of said Government Lot 5; thence North 01 degree 16 minutes 30 seconds East along said East line, a distance of 223.95 feet; thence North 14 degrees 26 minutes 42 seconds West, a distance of 158 feet, more or less, to the shoreline of Gilbert Lake; thence southwesterly along said shoreline to the intersection with a line that bears North 28 degrees 46 minutes 42 seconds West from the point of beginning; thence South 28 degrees 46 minutes 42 seconds East, a distance of 167 feet, more or less, to the point of beginning;

AND EXCEPT

That part of Government Lot 5, Section 26, Township 134, Range 28, described as follows: Commencing at the Southwest corner of said Section 26; thence North 01 degree 16 minutes 30 seconds East, bearings are based on the North American Datum 1983, along the West line of said Section 26, a distance of 398.37 feet; thence South 88 degrees 43 minutes 30 seconds East, a distance of 84.07 feet to the East line of the West 84.07 feet of said Government Lot 5, said point hereinafter referred to as "Point A", thence North 01 degree 16 minutes 30 seconds East along said East line, a distance of 245.82 feet; thence North 40 degrees 38 minutes 57 seconds West, a distance of 63.34 feet to the point of beginning of the tract to be described; thence reversing course South 40 degrees 38 minutes 57 seconds East, a distance of 63.34 feet to the intersection with said East line of the West 84.07 feet of said Government Lot 5; thence South 01 degree 16 minutes 30 seconds West, along said East line, a distance of 245.82 feet to said "Point A", thence South 88 degrees 43 minutes 30 seconds East a distance of 34.30 feet; thence southeasterly 70.40 feet along a non-tangential curve concave to the northeast to the intersection with the East line of West 184.07 feet of said Government Lot 5, said curve having a central angle of 33 degrees 36 minutes 44 seconds, a radius of 120.00 feet and a chord bearing of South 69 degrees 57 minutes 30 seconds East; thence North 01 degree

16 minutes 30 seconds East along said East line, a distance of 268.97 feet; thence North 28 degrees 46 minutes 42 seconds West, a distance of 167 feet, more or less, to the shoreline of Gilbert Lake; thence southwesterly along said shoreline to the intersection with a line that bears North 28 degrees 46 minutes 42 seconds West from the point of beginning; thence South 28 degrees 46 minutes 42 seconds East, a distance of 82 feet, more or less, to the point of beginning:

AND EXCEPT

That part of Government Lot 5, Section 26, Township 134, Range 28, described as follows: Commencing at the southwest corner of said Section 26; thence North 01 degree 16 minutes 30 seconds East, bearings are based on the North American Datum of 1983, along the West line of said Section 26, a distance of 398.37 feet to the point of beginning of the tract to be described; thence South 88 degrees 43 minutes 30 seconds East, a distance of 84.07 feet to the East line of the West 84.07 feet of said Government Lot 5; thence North 01 degree 16 minutes 30 seconds East along said East line, a distance of 245.82 feet; thence North 40 degrees 38 minutes 57 seconds West, a distance of 63.34 feet; thence North 28 degrees 46 minutes 42 seconds West, a distance of 82 feet, more or less, to the shoreline of Gilbert Lake; thence westerly along said shoreline to the intersection with said West line of said Section 26; thence South 01 degree 16 minutes 30 seconds West along said West line, a distance of 364 feet, more or less, to the point of beginning:

AND EXCEPT

That part of Government Lot 5, Section 26, Township 134, Range 28, described as follows: Commencing at the southwest corner of said Section 26; thence North 01 degree 16 minutes 30 seconds East, bearings are based on the North American Datum of 1983; along the Westline of said Section 26, distance of 398.37 feet; thence South 88 degrees 43 minutes 30 seconds East, a distance of 118.37 feet; thence southeasterly 70.40 feet along a non-tangential curve concave to the Northeast to the intersection with the East line of the West 184.07 feet of said Government Lot 5, said curve having a central angle of 33 degrees 36 minutes 44 seconds, a radius of 120.00 feet and a chord bearing of South 69 degrees 57 minutes 30 seconds East; thence South 01 degree 16 minutes 30 seconds West, along said East line a distance of 10.01 feet to the point of beginning; thence reversing course North 01 degree 16 minutes 30 seconds East along said East line, a distance of 71.06 feet; thence North 64 degrees 11 minutes 01 seconds East, a distance of 112.32 feet to the intersection with the East line of the West 284.07 feet of said Government Lot 5; thence North 01 degree 16 minutes 30 seconds East, along said East line, a distance of 223.95 feet; thence North 14 degrees 26 minutes 42 seconds West, a distance of 158 feet, more or less, to the southeasterly shoreline of Gilbert Lake; thence northeasterly along said southeasterly shoreline to the intersection with the southerly line of Lot 1, Block 1, Ahren's Hill; thence South 42 degrees 35 minutes 28 seconds East, along said South line, a distance of 56 feet, more or less, to the westerly right-of-way line of County State Aid Highway No. 20; thence southerly along said westerly right-of-way line to the intersection with a line which bears South 75 degrees 32 minutes 46 seconds East from the point of beginning; thence North 75 degrees 32 minutes 46 seconds West, a distance of 144.77 feet, hereinafter referred to as "Line A", to the point of beginning.

99340500

That part of Government Lot Five (5), Section Thirty-four (34), Township One Hundred Thirty four (134), Range Twenty-eight (28), described as follows: Commencing at a point where the west line of said Government Lot 5 intersects the center line of the road known as "Scenic Drive" or "Scenic River Road", thence North 66 degrees 03 minutes East, assumed bearing, along the center line of said "Scenic Drive" or "Scenic River Road", a distance of 423.00 feet, to the point of intersection with the centerline of the County Road known as "McKay Road", thence North 2 degrees 57 minutes West, along the center line of said "McKay Road" a distance of 375.00 feet to the point of beginning, thence continuing North 2 degrees 57 minutes West, along the center line of said "McKay Road", a distance of 125.00 feet, thence South 66 degrees 03 minutes West a distance of 300.00 feet, thence South 2 degrees 57 minutes East a distance of 125.00 feet, thence North 66 degrees 03 minutes East a distance of 300.00 feet to the point of beginning.

AND

That part of Government Lot Five (5), Section Thirty-four (34), Township One Hundred Thirty-four (134), Range Twenty-eight (28), described as follows: Commencing at a point where the west line of said Government Lot 5 intersects the centerline of the road known as "Scenic Drive" or "Scenic River Road", thence North 66 degrees 03 minutes East assumed bearing, along the centerline of said "Scenic Drive" or "Scenic River Road" a distance of 423.00 feet, to the point of intersection with the centerline of the County Road known as "McKay Road", thence North 2 degrees 57 minutes West along the centerline of said "McKay Road" a distance of 250.00 feet to the point of beginning, thence continuing North 2 degrees 57 minutes West, along the centerline of said "McKay Road" a distance of 125.00 feet, thence South 66 degrees 03 minutes West a distance of 300.00 feet, thence South 2 degrees 57 minutes East a distance of 125.00 feet, thence North 66 degrees 03 minutes East a distance of 300.00 feet to the point of beginning.

9934P001

OUTLOT A SCENIC ACRES

99040508

Lot # 31, River Heights



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Resolution - Deny CMHP Wright Street Development

AGENDA: Main

ACTION REQUESTED: Adopt Resolution

SUBMITTED BY: James Kramvik, Community Development Director

DEPARTMENT: Community Development

PRESENTER: James Kramvik, Community Development Director

ESTIMATED TIME (MIN): 5 min

SUMMARY OF ISSUE

Central Minnesota Housing Partnership, Inc and the Brainerd HRA have applied for a Rezoning and Future Land Use Map Amendment, Conditional Use Permits and Variance Request to construct a 50-unit multifamily apartment building at 10320 Wright Street (parcel #41310501). The request was to subdivide and rezone the parcel from GI (General Industrial) to a CN-2 (Contemporary Neighborhood 2) Zoning District and amend the future land use map from Industrial to Medium-High Density Residential. The Conditional Use Permits were to allow for multifamily attached dwelling units in the CN-2 Zoning District and to exceed the lot size and width in the CN-2 District. The Variance requests were from off-street parking requirements of the CN-2 District.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The Planning Commission considered these requests and held a public hearing at their May 20th meeting. Commissioners Duval, Grecula, and Kramer recused themselves from voting due to conflicts of interest. The remaining Commissioners unanimously recommended denial of all applications.

The City Council considered the request and the Planning Commission recommendation at the June 1st meeting and unanimously recommended denial. A resolution with findings denying the applications is attached.

RECOMMENDED ACTION/MOTION

Motion to adopt resolution denying the Central Minnesota Housing Partnership Rezoning, Future Land Use Map Amendment, Conditional Use Permits, and Variance request.

FINANCIAL IMPACT

N/A

RESOLUTION

No. ____:26

RESOLUTION DENYING REZONING, FUTURE LAND USE MAP AMENDMENT, CONDITIONAL USE PERMITS, AND VARIANCE REQUEST

WHEREAS, Central Minnesota Housing Partnership, Inc and the Brainerd HRA applied for a rezoning and future land use map amendment, conditional use permits and a variance request to construct a 50-unit multifamily apartment building at 10320 Wright Street (parcel #41310501). The request was to subdivide and rezone the parcel from GI (General Industrial) to a CN-2 (Contemporary Neighborhood 2) Zoning District and amend the future land use map from Industrial to Medium-High Density Residential. The conditional use permits were to allow for multi-family attached dwelling units in the CN-2 Zoning District and to exceed the lot size and width in the CN-2 District. The variance request concerned off-street parking requirements in the CN-2 District.

WHEREAS, the property is zoned GI - General Industrial; and

WHEREAS, adjacent zoning is GI - General Industrial; and

WHEREAS, the property is designated Industrial in the Future Land Use Map; and

WHEREAS, adjacent property is designated Industrial in the Future Land Use Map; and

WHEREAS, a conditional use permit is required for multi-family attached dwelling units (5+ Units) in the CN-2 District; and

WHEREAS, a conditional use permit is required for new lots in the CN-2 District that exceeds 15,000 square feet; and

WHEREAS, a conditional use permit is required for new lots in the CN-2 District that exceeds a lot frontage of 80 feet; and

WHEREAS, a variance is required for multi-family attached dwelling units that do not meet the off-street parking requirements of Table 515-4-12.3: Parking Space Minimum; and

WHEREAS, the Planning Commission recommended denial of the rezoning, future land use map amendment, conditional use permit for a multi-family attached unit

(5+units), conditional use permits to exceed the lot size and lot width maximum in the CN-2 District, and the variance request to not meet the minimum off-street parking requirements for multi-family attached dwelling units in the CN-2 District by a 3-0 vote; and

WHEREAS, In granting a zoning map amendment, Zoning Code section 515-5-6.B.11.a-j provides that the Council and the Planning Commission shall consider possible adverse effects of the proposed amendment.

WHEREAS, In granting a conditional use permit, Zoning Code section 515-5-2.B.6.a-g provides that the Council shall consider the advice and recommendations of the Planning Commission and the effect of the proposed use upon the health, safety, morals and general welfare of occupants or surrounding lands.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BRAINERD, MINNESOTA:

1. Consistent with section 515-5-6, the Council approves the following findings:
 - a. "The proposed action's consistency with the specific policies and provisions of the official City Comprehensive Plan."
 - i. Economic Goal 3 Policy 1 states: Attract new businesses best suited for the community's assets, increasing local employment options and building the city's tax base.
 1. *The proposed housing development would negatively impact the future viability of industrial and commercial uses in this area due to MPCA noise regulations adjacent to residential uses.*
 2. *The property is shovel ready for industrial development and was intended to expand employment in Brainerd.*
 - b. "The proposed use's compatibility with present and future land uses of the area."
 - i. *The future land use map in the Comprehensive Plan designates this property as Industrial along with all adjacent properties. The property is adjacent to a permitted industrial use and conditions have not changed in the area that would support a rezoning or future land use map amendment.*
 - c. "The proposed use's effect upon the area in which it is proposed."
 - i. *The existing adjacent business and surrounding vacant parcels would be held to a higher standard for MPCA noise regulations as a result of the proposed development.*

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Final Reading - Ordinance 1603 - Shoreland Overlay District

AGENDA: Main

ACTION REQUESTED: Ordinance

SUBMITTED BY: James Kramvik, Community Development Director

DEPARTMENT: Community Development

PRESENTER: James Kramvik, Community Development Director

ESTIMATED TIME (MIN): 5 min

SUMMARY OF ISSUE

The Planning Commission directed staff to work with the MN DNR to investigate if lot widths and sizes are negotiable for non-riparian sewerage lots in the Traditional Neighborhood and Contemporary Neighborhood Zoning Districts. The current DNR standard for lot widths and sizes are not consistent with the Brainerd Zoning Code or the City's historic development patterns. The MN DNR recommended that staff perform a survey of properties located in the shoreland district prior to making a request. In addition, staff also requested an impervious surface increase from 25% to 40%.

Staff prepared a final ordinance as directed by the Planning Commission with reduced lot widths and lot sizes with concessions in other areas of the Code. The letter to the DNR is attached to this agenda item. After review by the MN DNR, the DNR requested that in order to approve the reduced lot sizes and widths, additional regulations would be necessary that would make a significant difference in overall water quality of the lake.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

At the May 20th Planning Commission meeting, the Commission reviewed the proposed deviations and higher standards and held the public hearing for the proposed shoreland ordinance. The Planning Commission unanimously recommended approval of the ordinance as presented.

The DNR conditional approval letter listing the proposed deviations and higher standards is attached to the agenda item.

City Council conducted the first reading at the June 1st meeting.

RECOMMENDED ACTION/MOTION

1) Motion to conduct the final reading of proposed Ordinance 1603 and dispense with the actual reading.

Note: Note a motion to dispense with the actual reading must be unanimous.

- 2) Motion to approve Ordinance 1603.
- 3) Motion to approve resolution approving summary publication of Ordinance 1603.

FINANCIAL IMPACT

N/A

**ORDINANCE
NO. 1603**

**AN ORDINANCE AMENDING SECTIONS 530 SHORELAND MANAGEMENT
REGULATIONS OF THE CITY CODE AND 515-2 ZONING DISTRICTS, 515-5 RULES AND
ADMINISTRATION AND 515-6 RULES AND DEFINITIONS OF THE ZONING CODE**

WHEREAS, a public hearing was held by the Planning Commission as required by the Zoning Code, on May 20th, 2026

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Brainerd, Minnesota, as follows:

SECTION ONE Purpose: The purpose of a shoreland zoning district is to protect the quality of surface waters and preserve the environmental and economic values of shorelands by regulating development and land use along lakes and rivers. These districts manage aspects like lot sizes, building setbacks, and land alterations to prevent pollution, minimize flood damage, maintain natural characteristics, and ensure the wise use of water resources.

SECTION TWO: Section 530 Shoreland Management Regulations of Chapter Five of the City Code is hereby repealed in its entirety.

SECTION THREE: Section 515-2 Zoning Districts are hereby amended by adding 515-2-22 Shoreland Overlay in its entirety to the Zoning Code as indicated in Appendix A of this Ordinance.

SECTION FOUR: Section 515-5 – Rules and Administration is hereby amended by adding 515-5-7.J Shoreland Planned Unit Developments in its entirety to the Zoning Code as indicated in Appendix B of this Ordinance. The current section 515-5-7.J and all subsequent Sections in 515-5-7 shall be reformatted in succeeding order.

SECTION FIVE: Section 515-5 – Rules and Administration is hereby amended by adding the following underlined language to Section 515-5-2.B.6 Criteria for Granting Conditional Use Permits.

*j. In addition to the above criteria, conditional uses within the shoreland areas shall be subject to a thorough evaluation of the water body and the topographic, vegetation, and soils conditions on the site must be made to ensure:

- a. the prevention of soil erosion or other possible pollution of public waters, both during and after construction;
- b. the visibility of structures and other facilities as viewed from public waters is limited;
- c. the site is adequate for water supply and on-site sewage treatment; and
- d. the types, uses, and numbers of watercraft that the project will generate are compatible in relation to the suitability of public waters to safely accommodate these watercraft.*

SECTION SIX: Section 515-6-2.A Definitions of Nouns, Person, and Regulatory Bodies shall be amended by adding the following underlined language in alphabetical order.

Commissioner. The commissioner of the Department of Natural Resources.

SECTION SEVEN: Section 515-6-2.B Definitions of Structure, Measurement and Dimension shall be amended by adding the following underlined language in alphabetical order.

*Bluff impact zone. A bluff and land located within 20 feet from the top of a bluff.

*Boardwalk. A temporary or permanent above-grade constructed linear walkway, located above the OHW, not to exceed 6 feet in width and used to cross wetlands for the purposes of accessing shorelines/public waters.

*Boathouse. A structure designed and used solely for the storage of boats or boating equipment.

*Boat Slip. A space adjacent to a dock or between two docks or piers where one boat may be moored.

*Camper. - A structure capable of providing shelter and mounted on a self-propelled vehicle.

*Dock. A narrow platform or structure extending waterward from the shoreline (below OHW) intended for ingress and egress for moored watercraft or seaplanes or to provide access to deeper water for swimming, fishing, or other water-oriented recreational activities.

*Failing System. Any subsurface sewage treatment system that discharges sewage to a seepage pit, cesspool, drywell or leaching pit, and any system with less than the required vertical separation as described in Minnesota Rule 7080.1500 Subparts. 4 (D & E).

*Guest Cottage. A structure used as a dwelling unit that may contain sleeping spaces and kitchen and bathroom facilities in addition to those provided in the primary dwelling unit on a lot.

*Guest Quarter. A structure located above a garage used as a dwelling unit that may contain sleeping spaces and kitchen and bathroom facilities in addition to those provided in the primary dwelling unit on a lot.

*Lot, Riparian. A lot that abuts public waters.

*Lot, Non-Riparian. A lot that does not abut public waters.

*Patio. An open recreation area adjacent to a dwelling, or free standing, that is covered with a pervious or an impervious surface such as asphalt, paving stones, wood, or other approved material.

*Public waters. Any waters as defined in Minnesota Statutes, Section 103G.005, Subdivision 15.

*Rear Lot Zone (RLZ). Land located between the structure setback line and the landward boundary of the shoreland district.

*Rip-Rap. Coarse stones randomly and loosely placed along the shoreline meeting the standards of this Ordinance.

***Shore Impact Zone 1 (SIZ 1).** Land located between the ordinary high-water level (OHWL) of public waters and a line parallel to it at a setback of 50 percent of the required structure setback. The shore impact zone serves as all or part of the shoreline buffer.

***Shore Impact Zone 2 (SIZ 2).** Land located between shore impact zone 1 and the structure setback line.

***Shoreland.** Land located within the following distances from public waters: 1,000 feet from the ordinary high water level of a lake, pond, or flowage; and 300 feet from a river or stream, or the landward extent of a floodplain designated by ordinance on a river or stream, whichever is greater. The limits of shorelands may be reduced whenever the waters involved are bounded by topographic divides which extend landward from the waters for lesser distances and when approved by the Commissioner.

***Significant historic site.** Any archaeological site, standing structure, or other property that meets the criteria for eligibility to the National Register of Historic Places or is listed in the State Register of Historic Sites, or is determined to be an unplatted cemetery that falls under the provisions of Minnesota Statutes, section 307.08. A historic site meets these criteria if it is presently listed on either register or if it is determined to meet the qualifications for listing after review by the Minnesota state archaeologist or the Director of the Minnesota Historical Society. All unplatted cemeteries are automatically considered to be significant historic sites.

***Toe of the bluff.** The lower point of a 50-foot segment with an average slope exceeding 18 percent.

***Top of the bluff.** The higher point of a 50-foot segment with an average slope exceeding 18 percent.

***Water Oriented Accessory Structure.** A small, above ground building or other improvement, except stairways, fences, docks, pergolas attached to a deck or patio and retaining walls, which, because of the relationship of its use to a surface water feature, reasonably needs to be located closer to the public waters than the normal structure setback. Examples of such structures and facilities include equipment storage buildings, gazebos, screen houses, free-standing pergolas, fish houses, pump houses, patios, and detached decks.*

SECTION EIGHT: Section 515-6-2.C Definitions of Use, Standards and Terms shall be amended by adding the following underlined language and deleted language struck out in alphabetical order.

Campground or recreational camping vehicle park. - A development that is used for the purpose of providing five or more sites for nonpermanent overnight use by campers using tents, trailers, recreation camping vehicles, or other temporary shelters.

Dirt Moving. Any movement, excavation, grading, or filling of dirt on a lot.

Extractive use. The use of land for surface or subsurface removal of sand, gravel, rock, industrial minerals, other nonmetallic minerals, and peat not regulated under Minnesota Statutes, sections 93.44 to 93.51.

Forest land conversion. The clear cutting of forested lands to prepare for a new land use other than reestablishment of a subsequent forest stand.

Building Height. The vertical distance to be measured from the lowest grade of a building line to the top, to the cornice of a flat roof, to the deck line of a mansard roof, to a point on the roof directly above the highest wall of a shed roof, to the uppermost point on a round or other arch type roof, to the mean distance of the highest gable on pitched or hip roof.

***Ice Ridge, Annual.** A linear mound of lakebed materials pushed up onto the lakeshore by the action of ice within a calendar year.

***Ice Ridge, Historic.** A linear mound of lakebed materials pushed up onto the lakeshore by the action of ice over a period of two or more years upon which well-established herbaceous and woody vegetation is growing.

***Industrial use.** The use of land or buildings for the production, manufacture, warehousing, storage, or transfer of goods, products, commodities, or other wholesale items.

***Intensive vegetation clearing.** The complete removal of trees or shrubs or ground cover in a contiguous patch, strip, row, or block.

***No Maintenance Buffer.** A strip of land on a riparian parcel adjacent to a public water upon which vegetation is to be maintained in its natural state, and not be mowed, cut or removed shorter than 8 inches in height and is consistent with the standards set forth in the Department's Shoreline Rapid Assessment Model.

***Pervious Surface.** A surface that allows inflow of rainwater into the underlying construction or soil.

***Sensitive Resource Management.** The preservation and management of areas unsuitable for development in their natural state due to constraints such as shallow soils over groundwater or bedrock, highly erosive or expansive soils, steep slopes, susceptibility to flooding or occurrence of flora or fauna in need of special protection.

***Sensitive Shoreland District.** A land use district established to accommodate limited residential uses, agricultural uses, and forest management activities in the shoreland zone while conserving sensitive land areas on which more intensive development would adversely affect water quality, wetlands, lakes, shorelines, slopes, wildlife habitat, biological ecosystems, or scenic and natural values.

***Water-Oriented Commercial Use.** The use of land for commercial purposes, where access to and use of surface water feature is an integral part of the normal conducting of business. Marinas, resorts, and restaurants with transient docking facilities are examples of such use*

SECTION NINE: This ordinance shall take effect and be in full force one week from and after its publication.

Adopted this _____ day of _____, 2026

MIKE O'DAY
President of the Council

Approved this _____ day of _____, 2026

DAVE BADEAUX
Mayor

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator

Published: One Time – _____

515-2-22 Shoreland Overlay (S)

- A. **Purpose of Shoreland Overlay District.** The purpose of the Shoreland Overlay Zoning District is to protect the quality of surface waters and preserve the natural characteristics of shoreland areas by regulating development along lakes and rivers. This includes managing lot sizes, building placement, and alterations to the shoreline to minimize environmental impact. Shoreland is land located 1,000 feet from the ordinary high water level of a lake, pond, or flowage and 300 feet from a river or stream.
- B. **Jurisdiction.** The shore lands of the city are hereby designated as a shore land overlay district pursuant to the authorization contained in the Minnesota statutes chapter 103F; Minnesota regulations parts 6120.2500 through 6120.3900; and the planning and zoning enabling legislation in Minnesota statutes chapter 462. The provisions of this Ordinance shall apply to the shorelands of the public water bodies as classified in this Section G Table 515-2-22-1 of this Ordinance and to private water bodies greater than 10 acres in size. For the purposes of this ordinance, “public waters” includes private water bodies greater than 10 acres in size.
- C. **Compliance.** The use of any shoreland of public waters; the size and shape of lots; the use, size, type and location of structures on lots; the installation and maintenance of water supply and waste treatment systems, the grading and filling of any shoreland area; the cutting of shoreland vegetation; and the subdivision of land shall be in full compliance with the terms of this ordinance and other applicable regulations.
- D. **Interpretation.** In their interpretation based on the most current information available and application, the provisions of this Ordinance shall be held to be minimum requirements and shall be liberally construed in favor of the governing body and shall not be deemed a limitation or repeal of any other powers granted by State Statutes.
- E. **Severability.** If any section, clause, provision, or portion of this Ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction the remainder of this Ordinance shall not be affected thereby.
- F. **Abrogation and Greater Restrictions.** It is not intended by this Ordinance to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this Ordinance imposes greater restrictions, the provisions of this Ordinance shall prevail. All other Ordinances inconsistent with this Ordinance are hereby repealed to the extent of the inconsistency only and the stricter state guidelines shall apply.
- G. **Public Waters Classifications.**

Table 515-2-22.1. S Public Waters Classifications

Lakes		
A	General Development Lakes (list here and designate on official Zoning map)	Rice Lake: 18-145 Gilbert Lake: 18-320 Unnamed Lake: 18-537
B	Natural Environment (list here and designate on official zoning map)	Mud Lake: 18-321 - Sec 29 and 30 T1234N R28W Buffalo Lake: 18-152 - Sec 2 and 3 T44N R31W Unnamed Lake: 18-535
Rivers and Streams		
D	Forested Rivers (list river names here and show boundaries of district on official zoning map)	Mississippi River: T45N R30W Sect 18,19 - T45N R31W Sect 24,25,35,36 - T133 R28W Sect 4,9 - T134 R28W Sect 34
E	Remote Rivers (list stream names here and show boundaries of district on official zoning map)	Whitley's Creek (M-100) T45N R30W Sect 16,17
F	Tributary Streams (list stream names here and show boundaries of district on official zoning map)	Little Buffalo Creek: T45N R31W Sect 35,36 - T45N R30W Sect 31 Tributary to Lt Buffalo Creek - T45N R30W Sect 31 - T44N R30W Sect 6 Gilbert Lake Creek - T134 R28W Sect 28 – Buffalo Creek (M-098) T44 R30W Sect 2,3,11
G	All protected watercourses in the City of Brainerd indicated on the Official Protected Waters Inventory List for Crow Wing County, a copy of which is hereby adopted by reference. https://files.dnr.state.mn.us/waters/watermgmt_section/pwi/CROW_PWILIST.PDF	

H. **S Zoning District Dimensional Standards.** The following dimensional requirements shall apply to all shorelands of all public waters within the city. Lots must be at least 100 feet from the OHWL to qualify as a non-riparian lot.

Table 515-2-22.2. S Dimensional Standards – Density, Lot Size, Coverage and Height Standards

Lot Dimensions	Natural Environmental Lakes	Recreational Development Lakes	General Development Lakes	Forested Rivers	Tributary Streams	Remote River
A Riparian Lot Size - Unsewered (minimum)						
Single Family	80,000 SF	40,000 SF	20,000 SF	(no minimum)	(no minimum)	(no minimum)
Duplex	120,000 SF	80,000 SF	40,000 SF	(no minimum)	(no minimum)	(no minimum)
Triplex	160,000 SF	120,000 SF	60,000 SF	(no minimum)	(no minimum)	(no minimum)
Quad	200,000 SF	160,000 SF	80,000 SF	(no minimum)	(no minimum)	(no minimum)
B Riparian Lot Frontage on All Roads and Water Frontage - Unsewered (minimum)						
Single Family	200'	150'	100'	200'	100'	300'
Duplex	300'	225'	180'	300'	150'	450'
Triplex	400'	300'	260'	400'	200'	600'
Quad	500'	375'	340'	500'	250'	750'
C Non-riparian Lot Size – Unsewered (minimum)						
Single Family	80,000 SF	40,000 SF	40,000 SF	(no minimum)	(no minimum)	(no minimum)
Duplex	160,000 SF	80,000 SF	80,000 SF	(no minimum)	(no minimum)	(no minimum)
Triplex	240,000 SF	120,000 SF	120,000 SF	(no minimum)	(no minimum)	(no minimum)
Quad	320,000 SF	160,000 SF	160,000 SF	(no minimum)	(no minimum)	(no minimum)
D Non-riparian Lot Frontage on All Roads and Water Frontage - Unsewered (minimum)						
Single Family	200'	150'	150'	200'	100'	300'
Duplex	400'	265'	265'	300'	150'	450'
Triplex	600'	375'	375'	400'	200'	600'
Quad	800'	490'	490'	500'	250'	750'
E Riparian Lot Size - Sewered (minimum)						
Single Family	40,000 SF	20,000 SF	15,000 SF	(no minimum)	(no minimum)	(no minimum)
Duplex	70,000 SF	35,000 SF	26,000 SF	(no minimum)	(no minimum)	(no minimum)
Triplex	100,000 SF	50,000 SF	38,000 SF	(no minimum)	(no minimum)	(no minimum)
Quad	130,000 SF	65,000 SF	49,000 SF	(no minimum)	(no minimum)	(no minimum)
F Riparian Lot Frontage on All Roads and Water Frontage - Sewered (minimum)						
Single Family	125'	75'	75'	200'	75'	300'
Duplex	225'	135'	135'	300'	115'	450'
Triplex	325'	195'	195'	400'	150'	600'
Quad	425'	255'	255'	500'	190'	750'
G Non-riparian Lot Size - Sewered (minimum)						
Single Family	20,000 SF	15,000 SF	10,000 SF	(no minimum)	(no minimum)	(no minimum)
Duplex	35,000 SF	26,000 SF	17,500 SF	(no minimum)	(no minimum)	(no minimum)
Triplex	52,000 SF	38,000 SF	25,000 SF	(no minimum)	(no minimum)	(no minimum)
Quad	65,000 SF	49,000 SF	32,500 SF	(no minimum)	(no minimum)	(no minimum)
H Non-riparian Lot Frontage on All Roads and Water Frontage - Sewered (minimum)						

APPENDIX A

BRAINERD, MN
Chapter 515 ZONING

	Single Family	125'	75'	75'	200'	75'	300'
	Duplex	220'	135'	135'	300'	115'	450'
	Triplex	315'	190'	190'	400'	150'	600'
	Quad	410'	245'	245'	500'	190'	750'
I	Non-riparian Lot Size - Sewered CN & TN Zoning Districts						
	Single Family	20,000 SF	15,000 SF	7,000 SF	(no minimum)	(no minimum)	(no minimum)
	Duplex	35,000 SF	26,000 SF	10,000 SF	(no minimum)	(no minimum)	(no minimum)
	Triplex	52,000 SF	38,000 SF	13,000 SF	(no minimum)	(no minimum)	(no minimum)
	Quad	65,000 SF	49,000 SF	16,000 SF	(no minimum)	(no minimum)	(no minimum)
J	Non-riparian Lot Frontage on All Roads and Water Frontage - Sewered CN & TN Zoning Districts (minimum)						
	Single Family	125'	75'	50'	200'	75'	300'
	Duplex	220'	135'	75'	300'	115'	450'
	Triplex	315'	190'	100'	400'	150'	600'
	Quad	410'	245'	125'	500'	190'	750'
K	Dwelling units per acre requirements in the underlying zoning district shall not apply to the Shoreland Overlay District.						
Building Setback Standards		Natural Environmental Lakes	Recreational Development Lakes	General Development Lakes	Forested Rivers	Tributary Streams	Remote River
Building setback from ordinary high-water mark (minimum)							
G	Unsewered Structures	150'	100'	75'	150'	100'	200'
	Sewered Structures	150'	75'	50'	100'	75'	100'
H	Front Yard Setback	Dimensional standards regulated by underlying zoning district.					
I	Side Yard Setback	Dimensional standards regulated by underlying zoning district.					
J	Rear Yard Setback	Dimensional standards regulated by underlying zoning district.					
Additional Structure Setbacks							
K	Top of Bluff (feet) (minimum)	30'					
L	Unplatted Cemetery (feet) (minimum)	50'					
M	Right-of-way line of federal, state, or county highway (feet) (minimum)	50'					
N	Right-of-way line of town road, public street, or other roads not classified	20'					
Sewage System Setback Standards from OHW (MINIMUM)							
O	Sewage systems setback	150'	75'	50'	100'	75'	150'
Other Standards							
P							
Q	Impervious Surface Coverage (maximum)	25%					
R	Impervious Surface Coverage (maximum) Non-riparian Sewered CN & TN Zoning Districts	40%					
S	All primary structures in residential districts height (feet) (maximum)	35'					

I. Land Development Restrictions

1. **Placement of Structures on Lots.** When more than one setback applies to a site, structures and facilities must be located to meet all setbacks. Where structures exist on the adjoining lots on both sides of a proposed building site, structure setbacks may be altered with a variance to conform to the adjoining setbacks from the ordinary high-water level, provided the proposed building site is not located in a shore impact zone or in a bluff impact zone.
2. **Impervious Surface Standards.**
 - a. On riparian lots with total impervious surface coverage that exceeds 15%, a stormwater management plan shall be prepared by the applicant or their designated agent pursuant to the stormwater management plan design guide and worksheet provided by the Department and be submitted to the Department for approval prior to issuance of a permit and shall be effectively implemented subject to the following:
 - i. Permit holders or their designated agent shall notify the Department within 24 hours after implementation of the approved stormwater management plan.
 - ii. The Department shall conduct an on-site inspection of stormwater management system to ensure compliance with the approved stormwater management plan.
 - iii. The Zoning Administrator shall have the discretion to determine whether an engineered stormwater plan is required. A determination by the Zoning Administrator that an engineered stormwater plan is necessary shall be made in writing on a form approved by the City Engineer for this purpose.
 - b. On lots with total impervious surface coverage that exceeds 20% a no maintenance shoreline buffer is required pursuant to the standards in the Vegetative Mitigation Section of this Code.
3. **Bluff Impact Zones.** Structures and accessory facilities, except stairways and landings, may not be placed within bluff impact zones.
4. **Steep Slopes.** The Zoning Administrator must evaluate possible soil erosion impacts and development visibility from public waters before issuing a permit for construction of sewage treatment systems, roads, driveways, structures or other improvements on steep slopes. When determined necessary, conditions must be attached to issued permits to prevent erosion and to preserve existing vegetation screening of structures, vehicles, and other facilities as viewed from the surface of public waters, assuming summer, leaf-on vegetation.
5. **Setbacks and Screening for Uses Without Water-Oriented Needs.** Non-residential uses without water-oriented needs must be located on lots or parcels without public waters frontage or, if located on lots or parcels with public waters frontage, must either be set back twice the normal ordinary high-water level setback or be substantially screened from view from the water by vegetation or topography, assuming summer, leaf-on conditions.

6. **High Water Elevations.** Structures must be placed above high water elevations in accordance with the floodplain regulations. Water-oriented accessory structures may have the lowest floor placed lower than the elevation determined in this item if: 1) the structure is constructed of flood-resistant materials to the elevation; 2) electrical and mechanical equipment is placed above the elevation; and 3) if long duration flooding is anticipated, the structure is built to withstand ice action and wind-driven waves and debris.
7. **Significant Historic Sites.** No structure may be placed on a significant historic site, as identified by the Minnesota Historical Society, in a manner that affects the value of the site unless adequate information about the site has been removed and documented in a public repository.

J. Land Uses.

1. Shoreland district land uses are regulated as:
 - a. Permitted uses (P). These uses are allowed, provided all standards in this ordinance are followed.
 - b. Conditional uses (C). These uses are allowed through a conditional use permit.
 - c. Interim uses (I). These uses are allowed through a conditional use permit.
 - d. Not permitted uses (N). These uses are prohibited.
 - e. When the Shoreland Overlay (S) district is in conflict with the base zoning district, the more restrictive use classification shall prevail.

Table 515-2-22.3. S Land Uses for Lake and River Classifications

Land Uses	Natural Environmental Lakes	Recreational Development Lakes	General Development Lakes	Forested Rivers	Tributary Streams	Transition Rivers
Single residential	P	P	P	P	P	P
Duplex, triplex, quad residential	C	P	P	P	P	P
Guest Cottage	P	P	P	P	P	P
Commercial	C	P	P	C	P	C
Residential PUD	C	C	C	C	C	C
Water-dependent (Resorts are also Commercial PUDs)	C	C	C	C	C	C
Commercial PUD (Expansion of PUD involving up to six additional units or sites allowed as a permitted use provided the provisions of Section 10.0 are satisfied.)	C	C	C	C	C	C
Solar Power Facilities (principal land use)	C	C	C	C	C	C
Parks & historic sites	C	C	C	C	C	C
Public, semipublic	C	P	P	C	P	C
Industrial	N	C	C	C	C	N
Agricultural: cropland and pasture	P	P	P	P	P	P
Agricultural feedlots: New	N	N	N	N	N	N
Agricultural feedlots: Expansion or resumption of existing	C	C	C	C	C	C
Forest management	P	P	P	P	P	P

Forest land conversion	C	C	C	C	C	C
Extractive use	I	I	I	I	I	I
Mining of metallic minerals and peat	I	I	I	I	I	I

2. Standards for Water-Oriented Commercial, Industrial, Public and Semi-Public Uses. Surface water-oriented commercial, industrial, public and semi-public uses with similar needs to have access to and use of public waters may be located on parcels or lots with frontage on public waters. Those uses with water-oriented needs must meet the following standards:

- a. In addition to meeting impervious coverage limits, setbacks and other zoning standards in this Code, the uses must be designed to incorporate topographic and vegetative screening of parking areas and structures.
- b. Uses that require short-term watercraft mooring for patrons must centralize these facilities, design them to avoid obstructions of navigation, and to be the minimum size necessary to meet the need.
- c. Uses that depend on patrons arriving by watercraft may use signs and lighting to convey needed information to the public, subject to the following general standards:
 - i. No advertising signs or supporting facilities for signs may be placed in or upon public waters. Signs conveying information or safety messages may be placed in or on public waters by a public authority or under a permit issued by the County Sheriff.
 - ii. Signs may be placed, when necessary, within SIZ 1 and SIZ 2 if they are designed and sized to be the minimum necessary to convey needed information. The signs must only convey the location and name of the establishment and the general types of goods or services available. The signs must not contain other detailed information, such as product brands and prices, must not be located higher than ten (10) feet above the ground, and must not exceed thirty-two (32) square feet in size. If illuminated by artificial lights, the lights must be downcast and shielded or directed to prevent illumination out across public waters.
- d. Outside lighting may be located within SIZ 1 and SIZ 2 or over public waters if it is used primarily to illuminate potential safety hazards and is downcast and shielded or otherwise directed to prevent direct illumination out across public waters. This does not preclude use of navigational lights.

3. Special Residential Lot Provisions

- a. Subdivisions of duplexes, triplexes, and quads are conditional uses on Natural Environment Lakes and must also meet the following standards:
 - i. Each building must be set back at least 200 feet from the ordinary high water level;
 - ii. Each building must have common sewage treatment and water systems in one location and serve all dwelling units in the building;
 - iii. Watercraft docking facilities for each lot must be centralized in one location and serve all dwelling units in the building; and
 - iv. No more than 25 percent of a lake's shoreline can be in duplex, triplex, or quad developments.
- b. One guest cottage or guest quarter may be allowed on lots meeting or exceeding the single-family lot area and width dimensions presented in this Code, provided the following standards are met:

- i. For lots exceeding the minimum lot dimensions of single family lots, the guest cottage or guest quarter must be located within an area equal to the smallest single family-sized lot that could be created including the principal dwelling unit;
 - ii. A guest cottage or guest quarter must not exceed more than 700 square feet of livable area.
 - iii. A guest cottage must not exceed 15 feet in height.
 - iv. A guest quarter must not exceed 35 feet in height.
 - v. A guest cottage or guest quarter must be located or designed to reduce its visibility as viewed from public waters and adjacent shorelands by vegetation, topography, increased setbacks or color, assuming summer leaf-on conditions.
 - vi. All properties with a new guest cottage or guest quarter shall provide a no maintenance buffer in accordance with the Vegetative Mitigation Section of this Code.
 - vii. No more than one (1) guest cottage or guest quarter shall be allowed per single-family residential lot.
 - viii. Lots which contain a two-, three-, four- or multi-family dwellings shall not be allowed a guest cottage or guest quarter.
- c. Lots intended as private controlled accesses to public waters, or as recreation areas for use by owners of non-riparian lots within subdivisions, are prohibited.
- 4. Agricultural Use Standards**
- a. The shore impact zone for parcels with permitted agricultural land uses is equal to a line parallel to and 50 feet from the ordinary high-water level.
 - b. General cultivation farming, grazing, nurseries, horticulture, truck farming, sod farming, and wild crop harvesting are permitted uses if steep slopes and shore and bluff impact zones are maintained in permanent vegetation or operated under an approved conservation plan (Resource Management Systems) consistent with the field office technical guides of the local soil and water conservation districts or the United States National Resource Conservation Service.
- 5. Forest Management Standards**
- a. The harvesting of timber and associated reforestation must be conducted consistent with the provisions of the Minnesota Non-point Source Pollution Assessment-Forestry and the provisions of the Water Quality in Forest Management “Best Management Practices in Minnesota”.
- 6. Extractive Use Standards**
- a. Extractive uses require a conditional use permit.
 - b. Site Development and Restoration Plan. An extractive use site development and restoration plan must be developed, approved, and followed over the course of operation of the site. The plan must address dust, noise, possible pollutant discharges, hours and duration of operation, and anticipated vegetation and topographic alterations. It must also identify actions to be taken during operation to mitigate adverse environmental impacts, particularly erosion, and must clearly explain how the site will be rehabilitated after extractive activities end.
 - c. Setbacks for Processing Machinery. Processing machinery must be located consistent with setback standards for structures from ordinary high-water levels of public waters and from bluffs.
- 7. Mining of Metallic Minerals**

- a. Mining of metallic minerals, as defined in Minnesota Statutes, sections 93.44 to 93.51, shall be a conditional use provided the provisions of Minnesota Statutes, sections 93.44 to 93.51, are satisfied.

K. Riparian Shoreland Alterations

1. **Decks.** Construction of new decks shall require a shoreland alteration permit, building permit, and comply with the following standards:
 - a. Decks adjacent to dwellings shall meet structure setbacks in Table 515-2-22.1 of this Section.
 - b. A 4-foot walkway located beyond the minimum required setback required for dwellings, or within said setback when attached or immediately adjacent to a building, constructed for the purpose of providing access to an entrance door on a dwelling, may be added without a shoreland alterations permit and without regard to its setback to the ordinary high-water level, but may need a building permit.
 - c. Decks should be constructed as to be pervious, allowing water to reach a pervious surface below the deck. Decks not meeting this requirement shall be considered impervious surfaces.
 - d. *Setbacks of decks.* Deck additions may be allowed without a variance to a structure not meeting the required setback from the ordinary high water level if all of the following criteria are met:
 - i. The structure existed on the date the structure setbacks were established;
 - ii. A thorough evaluation of the property and structure reveals no reasonable location for a deck meeting or exceeding the existing ordinary high water level setback of the structure;
 - iii. The deck encroachment toward the ordinary high water level does not exceed 15 percent of the existing setback of the structure from the ordinary high water level or is no closer than 30 feet from the OHWL, whichever is more restrictive; and
 - iv. The deck is constructed primarily of wood or composite material, and is not roofed or screened.
2. **Patios.** Patios placed within the structure setback require a shoreland alteration permit and shall comply with the following standards:
 - a. Not be located in SIZ 1 except as a water-oriented accessory structure according to this Section;
 - b. Be free standing;
 - c. Have no railings;
 - d. Be a maximum of 250 square feet in size. Up to 400 square feet in size is allowed with an approved and implemented stormwater management plan.
 - e. The combined footprint of patios, swimming pools and hot tubs in SIZ 2 may not exceed 400 square feet;
 - f. Not be more than one foot above natural ground level.
 - g. Permeable pavers are considered impervious.
3. **Stairways, Walkways, Lifts and Landings.** Stairways, walkways, lifts, and landings for public water access shall require shoreland alteration permits and comply with the following standards:
 - a. Preferred to topographic changes. Stairways, walkways, and lifts are the preferred alternative to major topographic alterations for achieving access up and down bluffs and steep slopes to shore areas.
 - b. Only one stairway or walkway shall be allowed within a shore or bluff impact zone. The combination of stairways and walkways to traverse a shore or bluff impact zone shall be allowed, provided they are constructed in a continuous manner without diverting in different directions. A parcel may contain one lift in addition to any allowed stairway/walkway. Within SIZ 1, both the lift and the walkway/stairway must be located within the allowable cleared vegetation standards of this Section.

- c. Maximum width. Stairways and lifts shall not exceed four feet in width on residential lots. Up to eight-foot-wide stairways may be permitted on water-oriented commercial lots.
 - d. The maximum impervious surface limits for the lot shall not be exceeded. Permeable pavers are considered impervious.
 - e. Landings. Landings for stairways and lifts on residential lots must not exceed 32 square feet in area and be integral to the function of the stairway and not constitute a deck. Landings for stairways and lifts on water-oriented commercial lots must not exceed 64 square feet in area and be integral to the function of the stairway and not constitute a deck.
 - f. Canopies or roofs are not allowed on stairways, lifts, or landings.
 - g. Stairways, lifts, and landings may be either constructed above the ground on posts or pilings or placed into the ground, provided they are designed and built in a manner that ensures control of soil erosion.
 - h. Facilities such as ramps or mobility paths for handicapped access to shoreline areas may be allowed, provided that:
 - i. The department determines that there is no other reasonable way to achieve access; and
 - ii. The dimensional and performance standards of this section are met; and
 - iii. The requirements of Minnesota Rules, Chapters 1307 and 134 are met.
4. **Accessory Structures.**
- a. The placement and total cumulative area that all accessory structures may occupy on a lot shall be subject shall be regulated by the applicable zoning district underlying this shoreland overlay district.
 - b. Accessory structures without water-oriented needs must be located on lots or parcels without public waters frontage, or, if located on lots or parcels with public waters frontage, must meet primary structure setbacks from the ordinary high-water level and all other setback requirements of this Code.
 - c. Private swimming pools located above or below the ground and hot tubs located above or below the ground shall require a permit as an accessory structure and must meet all applicable setbacks. Private swimming pools and hot tubs located in the ground are prohibited in shore impact zone 1 but shall be allowed in shore impact zone 2 and the rear lot zone. The combined footprint of patios, swimming pools and hot tubs in shore impact zone 2 may not exceed 400 square feet.
 - d. New boathouses and boat storage structures that do not meet the setback requirements of this Code are prohibited.
 - e. Existing boathouses and boat storage structures may be repaired or replaced pursuant to Minn. Stat. §394.36, subd. 4.
5. **Water-Oriented Accessory Structures.** One water-oriented accessory structure that does not meet the structure setbacks in Table 515-2-22.2 of this Code may be placed with a shoreland alterations permit on a water-oriented residential or commercial lot provided the following standards are met:
- a. For riparian commercial properties the structure or facility shall not exceed 15 feet in height and cannot occupy an area greater than 200 square feet;
 - b. For riparian residential properties the structure or facility shall not exceed 12 feet in height and cannot occupy an area greater than 120 square feet;
 - c. The minimum setback of the structure or facility from the OHWL level shall be 20 feet;
 - d. The structure or facility is treated to reduce visibility as viewed from public waters and adjacent shorelands by vegetation, topography, increased setbacks or color, assuming summer, leaf-on conditions;
 - e. The structure shall not be used for human habitation;

- f. The structure shall not include bathroom facilities.
- g. The structure shall not be located within a bluff impact zone;

6. Retaining Walls

- a. A retaining wall may be installed with a shoreland alteration permit in SIZ 1 or 2 provided the following standards are met:
 - i. The City Engineer determines that there is no other alternative to control erosion.
 - ii. No tier of the retaining wall shall exceed four feet in height without a plan signed by a Minnesota licensed professional engineer.
 - iii. A retaining wall is not required to meet a side yard setback provided it does not adversely affect adjoining property.
- b. A retaining wall may be installed without a permit behind the structure setback provided that:
 - i. It does not significantly alter the character of the property or does not create runoff or erosion problems.
 - ii. A retaining wall is not required to meet a side yard setback provided it does not adversely affect adjoining property.

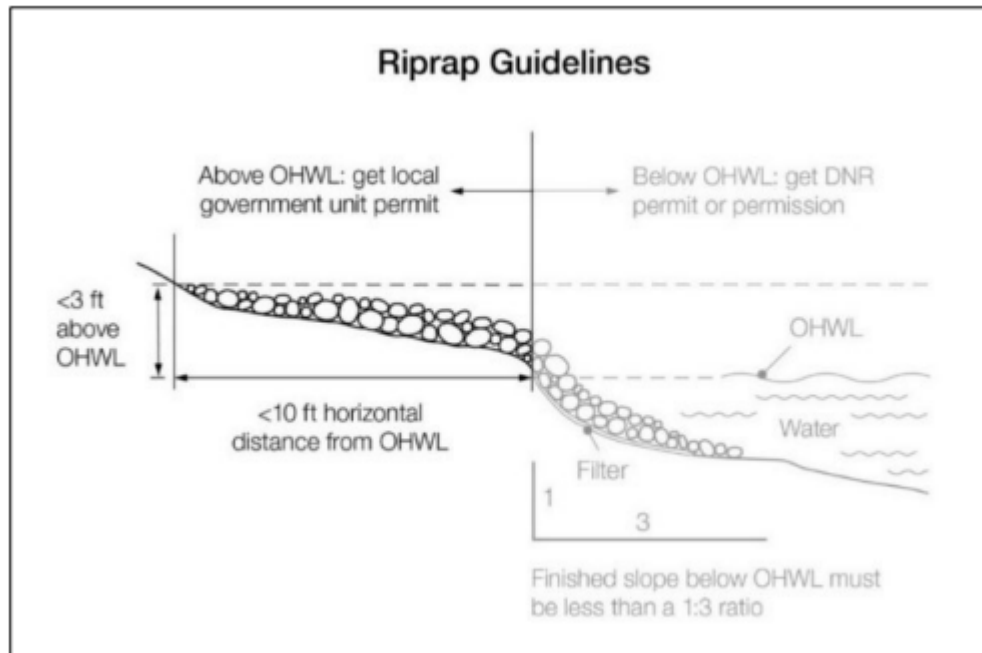
7. Shoreline Recreation Use Areas. Intensive vegetation clearing for the purpose of creating a new shoreline recreation use area within shore impact zone 1 is allowed with an approved shoreland alteration permit. The dimensions of a shoreline recreation use area shall be determined as follows:

- a. Only one shoreline recreation use area is allowed on each lot and the recreation use area must not exceed 30% of the total lot width and 25 feet landward from the ordinary high-water level in depth. The maximum width of a shoreline recreation use area created under this Article shall not exceed 60 feet.
- b. Invasive species removal or the removal of trees or branches that pose a safety hazard or are diseased is allowed;
- c. Vegetation must be maintained to screen structures with trees and shrubs so that the structures are substantially screened from view during summer, leaf-on conditions;
- d. Sand Blankets pursuant to this Code shall be located in the shoreline recreation use area;
- e. Stairways, lifts and landings pursuant to this Code shall terminate or be adjacent to the shoreline recreation use area;
- f. Permitted paths pursuant to this Code shall terminate or be adjacent to the shoreline recreation use area.

8. Vegetative Mitigation

- a. To protect water quality and safeguard sensitive areas, on-site vegetative mitigation may be required for:
 - i. A variance granted to the standards of this ordinance;
 - ii. Issuance of any conditional use permit or interim use permit where evaluation and assessment by the Planning Commission / Board of Adjustment determines the need for additional environmental protection;
- b. A no maintenance shoreline buffer shall be required for the issuance of a permit on riparian lots that exceeds 20% total lot impervious coverage subject to the following regulations:
 - i. Vegetation shall be maintained at a minimum of 8 inches high.

- ii. A no maintenance shoreline buffer shall constitute a minimum of 70% of the total shoreland width.
 - a. The following widths shall be required for land located landward from the ordinary high watermark for no maintenance shoreline buffers:
 - i. General Development Lakes: 10 feet
 - ii. Recreational Development Lakes: 15 feet
 - iii. Natural Environmental Lakes: 20 feet
 - iv. Tributary Streams: 10 feet
 - v. Forested Rivers & Remote Rivers: 20 feet
 - iii. This Section applies to reconstruction projects 400 SF or more in one year for riparian lots that exceed 20% total lot impervious coverage.
 - a. Reconstruction includes demolition and reconstruction of primary and accessory structures.
 - b. Reconstruction does not include new siding, re-roofing, replacement of deck boards, etc...
 - iv. Impervious surface additions of 160 square feet or less per year are exempt from this Section.
9. **Rip-Rap.** Placement of natural rock riprap, including the necessary grading of the shoreline and placement of a filter blanket, shall require a shoreland alteration permit and comply with the following standards:
- a. Only natural rock (cannot average less than 6 inches or more than 30 inches in diameter) may be used that is free of debris that may cause pollution or siltation. Concrete is not allowed;
 - b. A filter of crushed rock, gravel, or filter fabric material must be placed underneath the rock;
 - c. The minimum finished slope waterward of the OHWL must be no steeper than 3 to 1 (horizontal to vertical);
 - d. The riprapped area must be no more than 200 linear feet of shoreline along lakes and wetlands or, along shorelines of streams, must be less than five times the average width of the affected watercourse;
 - e. The landward extent of the riprap must be within ten feet of the ordinary high-water level;
 - f. The height of the riprap above the ordinary high-water level shall not exceed three feet (see figure below);



- g. The installation of riprap must not be located in wetlands.
- h. The installation of riprap must not result in a violation of this Code (dirt moving, historic ice ridges, vegetation alterations, recreation use areas, bluff and steep slope standards, etc.), or any other Shoreland District performance standard.
- i. The installation of riprap is subject to the requirements of, and/or permitting by, the Minnesota Department of Natural Resources (DNR).
- j. Riprap shall only be allowed when erosion is evident and landward of the ordinary high water level with a permit in situations where bio-engineering practices (vegetation) are not feasible..
- k. Permit approval for rock riprap landward of the ordinary high water level shall require establishment of a no maintenance shoreline buffer pursuant to the standards in the Vegetative Mitigation Section of this Code.

10. Boardwalks and Bridges.

- a. Boardwalks over non-public waters are permitted in SIZ1, SIZ2, and RLZ with an approved shoreland alteration permit.
- b. Boardwalks located in shoreland or non-shoreland areas are the preferred method of accessing public waters across riparian wetlands. Boardwalks constructed on posts or pilings (temporary or permanent) shall not be considered fill pursuant to MN Rules 8420.0111 Subpart 26. Boardwalks may incorporate railings and shall comply with the following standards:
 - i. Be constructed perpendicular to the shoreline to the greatest extent possible;
 - ii. Not have a canopy, roof, or be enclosed;
 - iii. Not extend into adjoining riparian use areas;
 - iv. Meet property line setbacks;
 - v. Be no wider than 6 feet;
 - vi. Structure supports, other than posts or pilings, shall be constructed above the wetland surface and decking shall be constructed a minimum of 12" above the wetland surface;

- vii. Comply with MN Rules 6115.0210 for docks and access below the OHWL ; and
- viii. Comply with the Floodplain Regulations.

11. Dirt Moving

- a. The standards in this Section shall apply to all dirt moving activities within the Shoreland District. Except as specified below, dirt moving activities shall require permits and may require a site plan, scope of work, and additional supporting documents including, but not limited to, surveys, wetland delineation reports, engineered grading plans with profile view, engineered drainage plans including erosion and sediment control and stormwater management plans.
- b. The following activities shall not require a shoreland alteration permit but must meet the provisions of this Article.
 - i. **Dirt moving associated with construction of structures.** Grading, filling, or excavations necessary for construction of structures or septic systems, if part of an approved permit, shall not require a separate shoreland alteration permit.
 - ii. **Small landscaping projects.** Placement of up to 10 cubic yards of soil for the creation of a lawn or yard as long as the fill / dirt moving is not located within a bluff impact zone or shore impact zone 1.
 - iii. **Private roads or driveways.** The construction of a driveway, access road, or parking area provided that they:
 - a. Meet the structure setback from the ordinary high-water level from public waters.
 - b. Are properly screened from public waters.
 - iv. **Approved agricultural road.** Agricultural roads for machinery, livestock crossings, or shoreline stabilization on agricultural land with a stabilization plan approved by the Engineering Department.
 - v. **Approved agricultural improvements.** The construction of livestock watering ponds, agricultural manure treatment facilities and conservation projects approved by the Natural Resource Conservation Service (NRCS), Soil and Water Conservation District (SWCD) and / or other regulatory agencies, only in the RLZ.
 - vi. **Wetland Replacement Plan.** A shoreland alteration permit is not required if a wetland replacement plan, exemption, or no-loss has been approved pursuant to Minnesota Rules Chapter 8420.
 - vii. **Normal Agricultural Practices.** To include but not be limited to tillage, planting, harvesting, fencing and proper disposal of animal mortalities pursuant to all state and federal agricultural regulations.
 - viii. **Existing Sand Blankets / Beaches.** A shoreland alteration permit shall not be required to place 10 cubic yards of sand annually on an existing sand blanket / beach on residential parcels located in the shoreland district. A shoreland alteration permit shall be required for new sand blankets or expansions to existing sand blankets and shall be subject to this Code.
- c. **Standards for Grading and Filling. Activities in the Shore Impact Zone 1 (SIZ1)** Dirt moving activities in shore impact zone 1 shall require shoreland alteration permits and meet the following standards unless the activity is exempt in this Code:
 - i. **Sand Blanket**

- a. The maximum dimensions shall not exceed 30 percent of the total lot width by 25 feet landward from the OHWL and shall be located within the shoreline recreation use area. The maximum width of a sand blanket created under this Article shall not exceed 200 feet. A sand blanket may also be located in shore impact zone 2 and the rear lot zone.
- b. The slope of the area to be covered by the sand blanket shall be less than 10 percent. The sand shall be clean with minimal amounts of organic materials.
- c. Sand blankets shall be limited to 10 cubic yards annually with a shoreland alteration permit.

ii. **Upland Fill.**

- a. For residential properties in the shoreland district the following standards shall apply:
 - i. A maximum of 30 cubic yards of dirt moving may be permitted.
- b. For commercial and industrial properties in the shoreland district the following standards shall apply:
 - i. General Development Lakes: 30 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - ii. Recreational Development Lakes: 30 cubic yards of dirt moving may be permitted for each 150 feet of shoreline width.
 - iii. Natural Environment Lakes: 30 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width.
 - iv. Natural Environment – Special Shallow Lakes: 30 cubic yards of dirt moving may be permitted for each 250 feet of shoreline width.
 - v. Forested Rivers: 30 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - vi. Tributary Streams: 30 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width.
 - vii. Total cubic yards of dirt moving in SIZ1 includes that placed as a sand blanket, if applicable.
 - viii. Applications for all properties to move larger quantities of dirt for all public water classifications in SIZ1 shall be processed as conditional uses.
- c. **Wetland Fill.** No wetland fill shall be allowed in SIZ 1 except as allowed under MN Rules Chapter 8420.0420 Subpart 8 A (1) d.

iii. **Annual ice ridges.** Annual ice ridges may be regraded to their original shoreline contour without a shoreland alteration permit provided that the work is completed in the year in which the annual ice ridge occurred. Any such regrading shall meet the following standards:

- a. There shall be no topsoil or vegetative matter deposited in the lake.

- b. Any dirt moving from re-grading the annual ice ridge that is used on the remainder of the property shall require a shoreland alteration permit.
 - c. Depositing any sand below the OHWL is subject to DNR public waters permit rules.
 - d. Temporary erosion and sediment control best management practices shall be implemented.
 - iv. **Historic Ice Ridges.** On those ice ridges with well-established vegetative cover, alterations for lake access shall require a shoreland alteration permit and comply with the following standards:
 - a. One alteration site is allowed per conforming residential lot, single nonconforming lot of record, or per group of contiguous nonconforming lots in the same ownership.
 - b. On residential lots, the bottom width shall not exceed 15 feet, with side slopes no steeper than 2:1 at each end.
 - c. On waterfront commercial lots, the maximum bottom width shall be 25 feet with 2:1 side slopes at each end.
 - d. Berms of not less than 12 inches above grade level or diversions not less than 12 inches below grade level shall be placed landward of all ice ridge alterations to prevent erosion from upland runoff.
 - e. A stormwater management plan must be approved by the City Engineer prior to any dirt moving.
 - f. All disturbed material shall be graded landward or removed from the site.
 - g. Any alteration below the OHWL may require approval from the Department of Natural Resources and / or U.S. Army Corps of Engineers.
 - d. **Upland Fill in the Shore Impact Zone 2 (SIZ2).** Dirt moving activities in shore impact zone 2 shall require shoreland alteration permits and meet the following standards unless the activity is exempt in this Code:
 - i. For residential properties in the shoreland district the following standards shall apply:
 - a. A maximum of 50 cubic yards of dirt moving may be permitted. Applications to move larger quantities shall be processed as conditional uses.
 - ii. For commercial and industrial properties in the shoreland district the following standards shall apply:
 - a. General Development Lakes: 50 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - b. Recreational Development Lakes: 50 cubic yards of dirt moving may be permitted for each 150 feet of shoreline width.
 - c. Natural Environment Lakes: 50 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width.
 - d. Natural Environment – Special Shallow Lakes: 50 cubic yards of dirt moving may be permitted for each 250 feet of shoreline width.

- e. Forested Rivers: 50 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - f. Tributary Streams: 50 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width, including that placed as a sand blanket, if applicable. Applications to move larger quantities shall be processed as conditional uses.
 - g. Total cubic yards of dirt moving in SIZ2 includes that placed as a sand blanket, if applicable.
 - h. Applications for all properties to move larger quantities of dirt for all public water classifications in SIZ2 shall be processed as conditional uses.
 - iii. **Wetland Fill.** No wetland fill shall be allowed in SIZ 2 except as allowed under MN Rules Chapter 8420.0420 Subpart 8 A (1) d.
- e. **Upland Fill in the Rear Lot Zone (RLZ).** Dirt moving activities in the rear lot zone shall require shoreland alteration permits and meet the following standards and meet the following standards unless the activity is exempt in this Code:
 - i. For residential properties in the shoreland district: A maximum of 100 cubic yards of dirt moving may be permitted per calendar year.
 - ii. For commercial and industrial properties in the shoreland district the following standards shall apply:
 - a. General Development Lakes: 100 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - b. Recreational Development Lakes: 100 cubic yards of dirt moving may be permitted for each 150 feet of shoreline width.
 - c. Natural Environment Lakes: 100 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width.
 - d. Natural Environment – Special Shallow Lakes: 100 cubic yards of dirt moving may be permitted for each 250 feet of shoreline width.
 - e. Forested Rivers: 100 cubic yards of dirt moving may be permitted for each 100 feet of shoreline width.
 - f. Tributary Streams: 100 cubic yards of dirt moving may be permitted for each 200 feet of shoreline width.
 - g. Total cubic yards of dirt moving in RLZ includes that placed as a sand blanket, if applicable.
 - h. Applications for all properties to move larger quantities of dirt for all public water classifications in RLZ shall be processed as conditional uses.
 - iii. **Wetland Fill.** No wetland fill shall be allowed in RLZ except as allowed under MN Rules Chapter 8420.0420 Subpart 8 A (1) d.
- f. **General Dirt Moving Standards.** All dirt moving activities shall comply with the following standards.
 - i. No more than one dirt moving permit shall be allowed on the same property in any three-year period. This limitation shall apply to each of the SIZ1, SIZ2 and RLZ areas separately.
 - ii. Soil used as fill shall be free of state-regulated contaminants.

- iii. Exposure of bare ground. Dirt moving must be designed to ensure that the smallest amount of bare ground is exposed for the shortest period of time.
 - iv. Erosion and sediment control best management practices as required by the Department shall be used during and immediately after construction.
 - v. Permanent vegetative coverage shall be established within 21 days of the completion of construction, or when vegetation establishment is not possible, other protective measures such as erosion control fabric or mulch blankets shall be installed until permanent vegetation can be established.
 - vi. Dirt moving in a bluff impact zone is prohibited, except for the placement of stairways, lifts, or landings permitted under this Code.
 - vii. Steep slope stabilization. Dirt moving on steep slopes may be permitted with a stormwater and erosion control plan approved by the City Engineer.
- 12. Removal of Natural Vegetation.** Vegetation alteration necessary for the construction of structures and sewage treatment systems and the construction of roads and parking areas regulated by this Code are exempt from the vegetation alteration standards that follow:
- a. Removal or alteration of vegetation, except for agricultural and forest management uses as regulated in this Code, respectfully, is allowed subject to the following standards:
 - i. Intensive vegetation clearing within the shore impact zone 1, shore impact zone 2, and bluff impact zones and on steep and long gradual slopes is not allowed. Intensive vegetation clearing for forest land conversion to another use outside of these areas is allowable as a conditional use if an erosion control and sedimentation plan is developed and approved by the soil and water conservation district in which the property is located.
 - ii. In shore and bluff impact zones and on steep slopes, limited clearing of trees and shrubs and cutting, pruning, and trimming of trees is allowed to provide a view to the water from the principal dwelling site and to accommodate the placement of stairways and landings, picnic areas, access paths, livestock watering areas, and beach and watercraft access areas, provided that:
 - a. The screening of structures, vehicles, or other facilities as viewed from the water, assuming summer, leaf-on conditions, is not substantially reduced;
 - b. Along rivers, existing shading of water surfaces is preserved; and
 - c. The above provisions are not applicable to the removal of trees, limbs, or branches that are dead, diseased, or pose safety hazards.
- 13. Placement and Design of Roads, Driveways, and Parking Areas.**
- a. Public and private roads and parking areas must be designed to take advantage of natural vegetation and topography to achieve maximum screening from view from public waters. Documentation must be provided by a qualified individual that all roads and parking areas are designed and constructed to minimize and control erosion to public waters consistent with the field office technical guides of the local soil and water conservation district, or other applicable technical materials.
 - b. Roads, driveways, and parking areas must meet structure setbacks and must not be placed within bluff and SIZ1, when other reasonable and feasible placement alternatives exist. If no alternatives exist, they may be placed within these areas and must be designed to minimize adverse impacts.
 - c. The maximum impervious surface limits for the lot shall not be exceeded. Permeable pavers are considered impervious.
- 14. Watercraft Access Ramps.** Watercraft access ramps, approach roads, and access related parking areas require shoreland alteration permits and shall comply with the following standards:

- a. Are permitted for private residential lots only on lakes without Public Accesses.
 - b. May be permitted for water-oriented commercial uses on any lake classified General Development or Recreational Development.
 - c. Shall not include asphalt in shore impact zone 1.
 - d. Shall not exceed 15 feet in width from the lake to the structure setback line.
 - e. Construction complies with all stormwater management provisions of this Code.
 - f. The maximum impervious surface limits for the lot are not exceeded. Permeable pavers are considered impervious.
15. **Connections to Public Waters.** Excavations, where the intended purpose is connection to public water, such as boat slips, canals, lagoons and harbors, must be controlled by local shoreland controls. Permission for excavations may be given only after the Commissioner of Natural Resources has approved the proposed connection to public waters.
16. **Use of Fertilizer.** The Use of fertilizer, pesticides, or animal wastes in shoreland districts must conform to Minnesota Statutes, chapters 18B, 18C, 18D, and 103H, and be consistent with the latest best management practices developed for such use by the Minnesota Department of Agriculture and Pollution Control Agency.

J. Shoreland Planned Unit Developments

1. **Purpose.** To protect and enhance the natural and scenic qualities of shoreland areas during and after development and redevelopment of high density residential and commercial uses.
2. **Types of PUDs Permissible.** Planned unit developments (PUDs) are allowed for new projects on undeveloped land, redevelopment of previously built sites, or conversions of existing buildings and land. Deviation from the minimum lot size standards of this ordinance is allowed if the standards in this Section are met.
3. **Processing of PUDs.** Planned unit developments in the shoreland district must be processed as a conditional use and comply with the provisions of this section in addition to those standards outlined elsewhere in the zoning and subdivision regulations. When there is a conflict in requirements, the more stringent of the requirements shall be applied. An expansion to an existing commercial PUD involving 6 or less new dwelling units or sites since the date this ordinance was adopted is permissible as a permitted use provided the total project density does not exceed the allowable densities calculated in the project density evaluation procedures in this Section. Approval cannot occur until all applicable environmental reviews are complete.
4. **Density Determination.** Proposed new or expansions to existing planned unit developments must be evaluated using the following procedures.
 - a. Step 1. Identify Density Analysis Tiers. Divide the project parcel into tiers by drawing one or more lines parallel to the ordinary high water level at the following intervals, proceeding landward:

Table 515-5-7.1. Density Analysis Tiers.

Waterbody Classification	No Sewer (ft)		Sewer (ft)
General Development Lakes – 1st tier	200		200
General Development Lakes – all other tiers	267		200
Recreational Development Lakes	267		267
Natural Environment Lakes	400		320
All Rivers	300		300

- b. Step 2. Calculate Suitable Area for Development. Calculate the suitable area within each tier by excluding all road rights-of way or easements, wetlands, bluffs, or land below the ordinary high-water level of public waters.
- c. Step 3. Determine Base Density:
 - i. For residential PUDs, divide the suitable area within each tier by the minimum single residential lot area for lakes to determine the allowable number of dwelling units, or base density, for each tier. For rivers, if a minimum lot area is not specified, divide the tier width or river frontage by the minimum single residential lot width.
 - ii. For commercial PUDs:
 - a. Determine the average area for each dwelling unit or dwelling site within each tier. Include both existing and proposed dwelling units and sites in the calculation.
 - i. For dwelling units, determine the average inside living floor area of dwelling units in each tier. Do not include decks, patios, garages, or porches and basements, unless they are habitable space.
 - ii. For dwelling sites (campgrounds), determine the area of each dwelling site as follows:

- iii. For manufactured homes, use the area of the manufactured home, if known, otherwise use 1,000 sf.
- iv. For recreational vehicles, campers or tents, use 400 sf.
- b. Select the appropriate **floor area/dwelling site area ratio** from the following table for the floor area or dwelling site area determined in Step 3: Determine Base Density for Commercial PUDs.

Table 515-5-7.2. Floor Area/ Dwelling Site Area Ratio.

Inside Living Floor Area or Dwelling Site Area (sf)	General Development Lakes w/Sewer – all tiers General Development Lakes w/no sewer – 1 st tier Agricultural, Urban and Tributary Rivers	General Development Lakes w/no sewer – all other tiers Recreational Development Lakes Forested and Transition Rivers	Natural Environment Lakes Remote Rivers
≤ 200	.040	.020	.010
300	.048	.024	.012
400	.056	.028	.014
500	.065	.032	.016
600	.072	.038	.019
700	.082	.042	.021
800	.091	.046	.023
900	.099	.050	.025
1,000	.108	.054	.027
1,100	.116	.058	.029
1,200	.125	.064	.032
1,300	.133	.068	.034
1,400	.142	.072	.036
≥ 1,500	.150	.075	.038

- c. Multiply the suitable area within each tier determined in Step 2, Calculate Suitable Area for Development, by the floor area or dwelling site area ratio to yield the total floor area or dwelling site area for each tier to be used for dwelling units or dwelling sites.
 - i. Divide the total floor area or dwelling site area for each tier calculated in the above paragraph by the average inside living floor area for dwelling units or dwelling site area determined in Step 3 for commercial PUD's. This yields the allowable number of dwelling units or dwelling sites, or base density, for each tier.
- iii. Allowable densities may be transferred from any tier to any other tier further from the waterbody, but must not be transferred to any tier closer to the waterbody.
- d. Step 4. Determine if the Site can Accommodate Increased Density:

- i. The following increases indicated in *Table 515-5-7.3* to the dwelling unit or dwelling site base densities determined in Step 3, Determine Base Density, are allowed if the design criteria of this Section are satisfied as well as the following standards:
 - a. Structure setbacks from the ordinary high water level:
 - i. Are increased to at least 50 percent greater than the minimum setback; or
 - ii. The impact on the waterbody is reduced an equivalent amount through vegetative management, topography, or additional acceptable means and the setback is at least 25 percent greater than the minimum setback.

Table 515-5-7.3. Increase Maximum Density.

Shoreland Tier	Maximum density increase within each tier (percent)
1 st	50
2 nd	100
3 rd	200
4 th	200
5 th	200

5. Design Criteria. All PUDs must meet the following design criteria.

- a. General Design Standards.
 - i. All residential planned unit developments must contain at least five dwelling units or sites.
 - ii. On-site water supply and sewage treatment systems must be centralized and meet the standards of this ordinance. Sewage treatment systems must meet the setback standards of *Table 515-2-22.2. S Dimensional Standards*.
 - iii. Dwelling units or dwelling sites must be clustered into one or more groups and located on suitable areas of the development.
 - iv. Dwelling units or dwelling sites must be designed and located to meet the dimensional standards in *Table 515-2-22.2. S Dimensional Standards*.
 - v. Shore recreation facilities:
 - a. Must be centralized and located in areas suitable for them based on a suitability analysis.
 - b. The number of spaces provided for continuous beaching, mooring, or docking of watercraft must not exceed one for each allowable dwelling unit or site in the first tier (notwithstanding existing mooring sites in an existing commercially used harbor).
 - c. Launching ramp facilities, including a small dock for loading and unloading equipment, may be provided for use by occupants of dwelling units or sites located in other tiers.
 - vi. Structures, parking areas, and other facilities must be treated to reduce visibility as viewed from public waters and adjacent shorelands by vegetation, topography, increased setbacks, color, or other means acceptable to the local unit of government, assuming summer, leaf-on conditions. Vegetative and topographic screening must be preserved, if existing, or may be required to be provided.

- vii. Accessory structures and facilities, except water oriented accessory structures, must meet the required structure setback and must be centralized.
 - viii. Water-oriented accessory structures and facilities may be allowed if they meet or exceed design standards contained in this ordinance and are centralized.
- b. Open Space Requirements.
 - i. Open space must constitute at least 35 percent of the total project area and must include:
 - a. Areas with physical characteristics unsuitable for development in their natural state; Areas containing significant historic sites or unplatted cemeteries; Portions of the SIZ preserved in its natural or existing state as follows:
 - i. For existing residential PUD's, at least 50 percent of the SIZ.
 - ii. For new residential PUDs, at least 70 percent of the SIZ.
 - iii. For all commercial PUD's, at least 50 percent of the SIZ.
 - ii. Open space may include:
 - a. Outdoor recreational facilities for use by owners of dwelling units or sites, by guests staying in commercial dwelling units or sites, and by the general public;
 - b. Subsurface sewage treatment systems if the use of the space is restricted to avoid adverse impacts on the systems; and
 - c. Non-public water wetlands.
 - iii. Open space shall not include:
 - a. Dwelling sites or lots, unless owned in common by an owners association;
 - b. Dwelling units or structures, except water-oriented accessory structures or facilities;
 - c. Road rights-of-way or land covered by road surfaces and parking areas;
 - d. Land below the OHWL of public waters; and
 - e. Commercial facilities or uses.
- c. Open Space Maintenance and Administration Requirements.
 - i. Open space preservation. The appearance of open space areas, including topography, vegetation, and allowable uses, must be preserved and maintained by use of deed restrictions, covenants, permanent easements, public dedication, or other equally effective and permanent means. The instruments must prohibit:
 - a. Commercial uses (for residential PUD's);
 - b. Vegetation and topographic alterations other than routine maintenance;
 - c. Construction of additional buildings or storage of vehicles and other materials; and
 - d. Uncontrolled beaching of watercraft.
- d. Erosion Control and Stormwater Management.

- i. Erosion control plans must be developed and must be consistent with the provisions of this ordinance. Erosion control plans approved by a soil and water conservation district may be required if project size and site physical characteristics warrant.
 - ii. Stormwater management facilities must be designed and constructed to manage expected quantities and qualities of stormwater runoff.
 - a. For residential PUDs, impervious surface for the entire project site must not exceed 25%.
 - b. For commercial PUDs, impervious surfaces within any tier must not exceed 25 percent of the tier area.
- 6. **Conversions.** Local governments may allow existing resorts or other land uses and facilities to be converted to residential PUDs if all of the following standards are met:
 - a. Proposed conversions must be evaluated using the same procedures for residential PUDs involving new construction. Inconsistencies between existing features of the development and these standards must be identified;
 - b. Deficiencies involving water supply and sewage treatment, structure color, impervious coverage, open space, and shore recreation facilities must be corrected as part of the conversion or as specified in the conditional use permit;
 - c. Shore and bluff impact zone deficiencies must be evaluated and reasonable improvements made as part of the conversion. These improvements must include, where applicable, the following:
 - i. Removal of extraneous buildings, docks, or other facilities that no longer need to be located in shore or bluff impact zones;
 - ii. Remedial measures to correct erosion, improve vegetative cover and improve screening of buildings and other facilities as viewed from the water; and
 - iii. Conditions attached to existing dwelling units located in shore or bluff impact zones that preclude exterior expansions in any dimension or substantial alterations. The conditions must also provide for future relocation of dwelling units, where feasible, to other locations, meeting all setback and elevation requirements when they are rebuilt or replaced.
 - d. Existing dwelling unit or dwelling site densities that exceed standards of this ordinance may be allowed to continue but must not be allowed to be increased, either at the time of conversion or in the future. Efforts must be made during the conversion to limit impacts of high densities by requiring seasonal use, improving vegetative screening, centralizing shore recreation facilities, installing new sewage treatment systems, or other means.

R E S O L U T I O N
NO. xx:26

RESOLUTION APPROVING SUMMARY PUBLICATION OF ORDINANCE 1603

BE IT RESOLVED by the City Council of the City of Brainerd, Crow Wing County, Minnesota as follows:

WHEREAS, on June 15th, 2026, the City Council adopted Ordinance No. 1603 which amends Section 530 Shoreland Management Regulations of the City Code and 515-2 Zoning Districts, 515-5 Rules and Administration, and 515-6 Rules and Definitions of the Zoning Code.

WHEREAS, Ordinance No. 1603 is lengthy and would be expensive to publish in its entirety.

NOW, THEREFORE, BE IT RESOLVED that the Council finds that the following text clearly informs the public of the intent and effect of Ordinance No. 1603 and approves the following summary for publication:

SUMMARY PUBLICATION OF ORDINANCE 1603

**AN ORDINANCE AMENDING SECTIONS 530 SHORELAND MANAGEMENT
REGULATIONS OF THE CITY CODE AND 515-2 ZONING DISTRICTS, 515-5 RULES
AND ADMINISTRATION AND 515-6 RULES AND DEFINITIONS OF THE ZONING
CODE.**

The purpose of this proposed Ordinance is to update the City of Brainerd's current shoreland regulations to meet MN State Statute and to protect the quality of surface waters and preserve the environmental and economic values of shorelands by regulating development and land use along lakes and rivers. These regulations manage aspects like lot sizes, building setbacks, and land alterations to prevent pollution, minimize flood damage, maintain natural characteristics, and ensure the wise use of water resources. A full copy of Ordinance 1603 can be reviewed at Brainerd City Hall, 501 Laurel Street, Brainerd, MN 56401.

Adopted this __ day of _____ 2026

MIKE O'DAY
President of the Council

Approved this __ day of _____ 2026

DAVE BADEAUX
Mayor

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator



www.ci.brainerd.mn.us

To: Jacob Frie, Area Hydrologist, Minnesota DNR
From: City of Brainerd
Date: May 7, 2026
Re: Request for Implementation Flexibility – Brainerd Shoreland Ordinance

Mr. Frie,

In preparation of the City of Brainerd's draft shoreland overlay zoning ordinance being sent to the DNR for final review, this correspondence is intended to document the City's request for implementation flexibility in accordance with Minnesota Rules 6120.2800 Subp. 3. Flexibility from the State's shoreland rule provisions are requested due to unique characteristics of land in Brainerd that abuts public water bodies.

The shoreland areas are primarily along three public water bodies in Brainerd (Rice Lake, Gilber Lake, and the Mississippi River) and are nearly fully developed. Allowing flexibility for development and redevelopment along the shoreland, specifically in the Traditional and Contemporary Neighborhood Zoning Districts, will result in new restoration efforts, improved management of stormwater runoff, and enhanced stewardship of the lakes. The City is specifically requesting an increase impervious surface maximum requirements and reduced lot dimensional standards for non-riparian sewered lots in the subject zoning districts. Details containing all the requested special standards/flexibility are contained in an accompanying attachment. The attachment also includes offsetting/higher standards in exchange for the requested flexibility.

The City looks forward to continue working with the DNR on establishing reasonable standards that both accommodate future development and protects Brainerd's shoreland. Please contact me if you have any questions 218-454-3408.

Thank you,

James L. Kramvik

Community Development Director

PROPOSED HIGHER STANDARDS

Watercraft access ramps, approach roads, and access related parking areas require shoreland alteration permits and are permitted for private residential lots only on lakes without Public Accesses to help stop the spread of aquatic invasive species. (Section J.13 of Appendix A)

Prohibition on use of permeable pavement to exceed standards. (Sections J.2,3,12, and 13 Appendix A)

Requiring that a lot must be at least 100 feet from the OHWL to qualify as a non-riparian lot. (Section H Appendix A)

Riparian properties may exceed 15% impervious surface with an approved and implemented stormwater plan. (Section I.2 Appendix A)

Riparian properties may exceed 20% impervious surface with a no maintenance shoreline buffer. Impervious surface additions of 160 square feet or less per year are exempt. Reconstruction projects 400 SF or more per year on riparian properties exceeding 20% impervious surface also require a no maintenance shoreline buffer. (Section J.8 Appendix A)

Limit water orientated accessory structures in SIZ1 to 120 SQFT with a 20 foot setback. (Section J.5 Appendix A)

Enhanced riprap provisions. (Section J.9 Appendix A)

All guest cottages or guest quarters require a no maintenance buffer. (Section J.3.b Appendix A)

PROPOSED DEVIATIONS

Allow for a combined 400 SQFT for patios, pools, and hot tubs in SIZ2 with an approved and implemented stormwater plan. (Section J.2 Appendix A)

Allow for reduced lot sizes and lot widths for GD Lakes for lots that are non-riparian and sewered in the Traditional Neighborhood and Contemporary Neighborhood Zoning Districts. (Sections H.I&J Appendix A)

Allow for increased impervious surface maximum requirements for lots that are non-riparian and sewered in the Traditional Neighborhood and Contemporary Neighborhood Zoning Districts. (Section H.R Appendix A)

Allow for 35' primary structures in residential districts. (Section H.S Appendix A)

Allow for (1) guest cottage on a single family lots on lots that meet lot size requirements (Section J.3 Appendix A).

Allow for 35% open space for Planned Unit Developments. (Section J.5.b Appendix B)

STATISTICAL ANALYSIS

Staff reviewed one hundred twenty-one properties located in northeast Brainerd that are non-riparian sewerage lots located in the Rice Lake Shoreland Overlay District. Rice Lake is considered a General Development Lake, which means any property located within 1,000 FT of the ordinary high-water level is in the shoreland overlay district and is subject to additional requirements.

properties statistics:

Lot frontage (mean) - 77.94 FT

Lot frontage (mode) - 50 FT (52 properties)

Lot area (mean) - 12,128.82 SF

Lot area (mode) - 6,500 SF – 7,500 SF (59 Properties)

Impervious surface (mean) - 3196.51 SF

Impervious surface % (mean) - 31.48%

Properties Exceeding 40% - 20 Properties

Ecological and Water Resources
1601 Minnesota Drive
Brainerd, MN 56401

May 12, 2026

James Kramvik
Community Development Director
City of Brainerd
501 Laurel Street
Brainerd, MN 56401

Re: Conditional Approval of City of Brainerd's Shoreland Ordinance

Dear James Kramvik:

Thank you for sending your proposed shoreland ordinance to the DNR for conditional approval review. I am pleased to inform you that the proposed ordinance is substantially compliant with the statewide rules (MR 6120.2500 – 6120.3900) and hereby approved, provided the conditions of approval in this letter are met.

Ordinance Evaluation

The City of Brainerd submitted a proposed shoreland ordinance to DNR for preliminary on July 31, 2025. Then, on December 20, 2025, the City requested to implement shoreland flexibility standards pursuant to Mn Rule 6120.2800 subp. 3. The DNR provided preliminary comment review letters on three occasions: 9/11/2025 for the new shoreland overlay district proposal only and on both 3/11/2026 and 4/9/2026 focused solely on the City's request to implement shoreland flexibility standards. The City of Brainerd's Planning Commission reviewed various versions of the proposed ordinance several times, including formal review of the proposed implementation flexibility on 3/18/2026. Based on that review and additional negotiations with DNR, the City of Brainerd's Planning Commission recommended approval of the proposed ordinance with implementation flexibility and agreed-upon offsetting higher standards at the April 15, 2026 meeting.

We have reviewed this ordinance and requested implementation flexibility for compliance with the state shoreland rules (Minn. R. 6120.2500 – 6120.3900) and are providing conditional approval as follows.

Conditions of Approval

The following conditions must be met before the DNR will issue final approval:

1. Ongoing compliance with the following terms of implementation flexibility.

Terms of Implementation Flexibility

The terms of implementation flexibility, in accordance with Minn. R. 6120.2800 Subp. 3, are detailed below. These terms of implementation flexibility are also conditions of approval. If any of the offsetting higher standards are eliminated or protection levels reduced in future ordinance amendments without

DNR approval, approval of implementation flexibility is rescinded. The authority and process under which the DNR evaluates and approves deviations is outlined in Minnesota Rule 6120.2800, Subp 3.

Proposed Deviations:

1. Within the shoreland overlay district, on only non-riparian General Development lake lots within the sewered Contemporary Neighborhood (CN) and Traditional Neighborhood (TN) zoning districts, reduce lot sizes in the following ways (sections H.I & J Appendix A):
 - Single family: from state minimum 10,000 sq. ft to a proposed 7,000 sq. ft
 - Duplex: from a state minimum 17,500 sq. ft to a proposed 10,000 sq. ft
 - Triplex: from a state minimum 25,000 sq. ft to a proposed 13,000 sq. ft
 - Quad: from a state minimum 32,500 sq. ft to a proposed 16,000 sq. ft
2. Within the shoreland overlay district, on only non-riparian General Development lake lots within the sewered Contemporary Neighborhood (CN) and Traditional Neighborhood (TN) zoning districts, reduce lot widths in the following ways (sections H.I & J Appendix A):
 - Single family: from state minimum 75' to a proposed 50'
 - Duplex: from a state minimum 135' to a proposed 75'
 - Triplex: from a state minimum 190' to a proposed 100'
 - Quad: from a state minimum 245' to a proposed 125'
3. Within the shoreland overlay district, on only non-riparian General Development lake lots within the sewered Contemporary Neighborhood (CN) and Traditional Neighborhood (TN) zoning districts, increase impervious surface maximums in the following way (Section H.R Appendix A):
 - From a state maximum 25% to a proposed 40% allowance.
4. On all riparian lots within the Shoreland Overlay District:
 - Allow for a total combination of 400 sq. ft patio, pool, and/or hot tub in SIZ 2 where state minimum standards do not allow for structures to be anywhere within the structural setback from the OHW of the particular shoreland classified lake or river (unless as a water-oriented accessory structure as defined by state shoreland rules) (Section J.2 Appendix A).
5. On all lots within the shoreland overlay district, allow guest cottages (max. 15 ft tall) and guest quarters (max. 35 ft tall) meeting the following provisions (Section J.3 Appendix A):
 - Must be located on existing lots of record that meet minimum size and width requirements for single-family lots. This exceeds minimum state rules requirements that guest cottages only be allowed on duplex-sized lots.
6. Allow for 35' total height of primary structures in residential areas in the shoreland overlay district, where the state's maximum allowance is 25' (Section H.S Appendix A).
7. Allow for 35% open space for Planned Unit Developments (PUDs) within the shoreland overlay district where the state's minimum allowance is 50% (Section J.5.b Appendix B).

Proposed Higher Standards

1. Require an approved and implemented stormwater management for all patio/hot tub/pool permits >250 sq. ft in size located on riparian lots in SIZ 2 (Section J.2 Appendix A).
2. Require stormwater management plans to be submitted and implemented for approved permits on riparian properties exceeding 15% impervious surface coverage (Section I.2 Appendix A).
3. Only allow watercraft access ramps, approach roads, and access related parking areas (with a permit) on lakes without public access (Section J.13 Appendix A).
4. Prohibit the use of permeable pavement to exceed local impervious standards (Sections J.2,3,12, and 13 Appendix A).

5. Require that a lot must be at least 100 feet from the OHWL to qualify as non-riparian (Section H Appendix A).
6. Require no maintenance buffers on 70% of the width of shoreline lots to be implemented for approved permits for riparian properties whose properties exceed 20% impervious surface coverage in the shoreland overlay district (Section J.8 Appendix A). The following projects will be exempt from the above requirement:
 - a. All permit requests totaling less than 160 sq. ft in size per-year.
 - b. Reconstructions of existing structures of less than 400 sq. ft in size per-year.
7. Limit the size of water-oriented accessory structures to 120 sq. ft and minimum 20 ft from OHW (Section J.5 Appendix A).
8. Enhance riprap standards consisting of the following (Section J.9 Appendix A):
 - a. Requiring that riprap may only be approved if both erosion is present and bioengineering practices are not feasible.
 - b. Requiring that any approved riprap must also include the establishment of a no-maintenance buffer pursuant to the Vegetative Mitigation section of the city's code.

Next Steps

Following are the steps for completing and receiving final DNR approval for your amendment:

1. The city council adopts the amendment.
2. Email the completed Ordinance Processing Checklist (attached) and the documents identified on the checklist within 10 days of city council adoption to:
 - a. Jacob Frie, Jacob.frie@state.mn.us.
 - b. Ordinance.review.dnr@state.mn.us
3. We will review the amendment adopted by the city council for consistency with the above conditions.
4. If the adopted amendments are consistent with the conditions, I will send you a "final approval" letter. State rules require DNR final approval of shoreland ordinances and amendments for those ordinances to be effective.

A shoreland ordinance is an important land use regulation that helps to protect surface water quality, near shore habitat, and scenic character of Minnesota's public waters. We appreciate your efforts to protect these resources for all present and future Minnesotans. Jacob Frie is available to assist with ordinance technical guidance and to consult with you on other land and water-related projects.

Sincerely,

Darrin Hoverson

Digitally signed by Darrin
Hoverson
Date: 2026.05.12 15:53:31 -05'00'

Darrin Hoverson

MN DNR – Division of Ecological and Water Resources - District Manager

Attachments:

Proposed City of Brainerd Shoreland Ordinance materials
Ordinance Processing Checklist

ec: Jacob Frie, DNR Area Hydrologist
Ordinance.review.dnr@state.mn.us

NOTICE OF HEARING

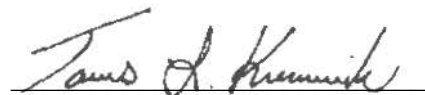
Notice is hereby given that the City of Brainerd Planning Commission will be conducting a public hearing to consider the amendment of Sections 530 Shoreland Management Regulations of the Brainerd City Code and 515-2 Brainerd Zoning Districts, 515-5 Rules and Administration, and 515-6 Rules and Definitions of the Brainerd Zoning Code. The purpose of this proposed Ordinance is to update our current regulations to meet MN State Statute and to protect the quality of surface waters and preserve the environmental and economic values of shorelands by regulating development and land use along lakes and rivers. These regulations manage aspects like lot sizes, building setbacks, and land alterations to prevent pollution, minimize flood damage, maintain natural characteristics, and ensure the wise use of water resources.

A full copy of the proposed ordinance is available at City Hall in the Community Development Department.

A Public Hearing will be conducted by the Brainerd Planning Commission at 6:00 p.m. Wednesday, May 20th, 2026 in the Brainerd City Hall Council Chambers, 501 Laurel Street.

Any individual needing special accommodations or would like more information about this request, please call (218) 828-2307.

Dated this 6th day of May, 2026



James Kramvik
Community Development Director

Publication Date: May 9th, 2026



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: First Reading - Ordinance 1604 - Special Events

AGENDA: SPW Committee

ACTION REQUESTED: Discussion Item

SUBMITTED BY: James Kramvik, Community
Development Director

DEPARTMENT: Community Development

PRESENTER: James Kramvik, Community
Development Director

ESTIMATED TIME (MIN): 5 min

SUMMARY OF ISSUE

The Special Event process is not codified in City Code, which makes it difficult for staff to require and enforce a special event application. The proposed ordinance defines a special event and requires those holding special events to apply for and have a special event permit prior to holding an event.

The penalty for violating the ordinance is listed below and has been reviewed by the City's prosecuting attorney.

Criminal Penalty. Subdivision 1. Any violation of this section by the event organizer is deemed a misdemeanor, as defined in Minnesota Statute §609.02, subd. 3, currently a crime for which a sentence of not more than 90 days or a fine of not more than \$1,000, or both, may be imposed. Subd. 2. No person may be prosecuted under this chapter unless the person has been warned that their conduct is a violation of this section, subject to criminal prosecution. An individual who has been warned and then relocates to another space that a reasonable person would understand is also covered by this section is not entitled to a new warning.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The proposed ordinance includes a line in Section 835.09 that states, "the applicant is responsible for enforcing and following all City Ordinances, Park Regulations, and Special Event Policies."

A Special Event Policy could be worked on and reviewed by the Park Board and the Safety and Public Works Committee in the future and, when implemented, it would be enforceable based on the proposed language of this ordinance. A policy could indicate when insurance is required, bathroom facility requirements, deposits, etc....

A public hearing has been noticed for the July 6th City Council meeting.

RECOMMENDED ACTION/MOTION

Motion to conduct the 1st reading of Ordinance 1604 and dispense with the actual reading.

Note: A motion to dispense with the actual reading must be unanimous.

FINANCIAL IMPACT

N/A

**ORDINANCE
NO. 1604**

**AN ORDINANCE AMENDING CHAPTER 8 – STREETS, ALLEYS, PUBLIC WAYS AND
GOUNDS OF THE CITY CODE OF
THE CITY OF BRAINERD**

WHEREAS, a public hearing was held by the City Council, on July 6th, 2026

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Brainerd, Minnesota,
as follows:

SECTION ONE: Purpose

The purpose of this Ordinance is to regulate large public gatherings to protect public health, safety, and welfare of the community. It provides a formal permit system that manages the time, place, and manner of events while coordinating necessary city services like traffic control, sanitation, and emergency response.

SECTION TWO: Chapter 8 - Streets, Alleys, Public Ways & Grounds of the City Code is hereby amended by adding the following Section:

Section 835 – Special Events

835.01 Definitions. For purposes of this Section the term “Special Event” means an organized event, gathering, or activity, held on public property, including public streets, sidewalks, walkways, alleys, right-of-way, parks, or any other publicly owned property, which interferes with normal vehicular or pedestrian traffic, or involves fifty (50) or more participants, or amplified sound, or the sale of food or beverages, or the addition of temporary structures, or requires the use of City services. Examples include, but are not limited to: Parade, Community Festival, Run/Walk Event, Sporting Event, and a Public Assembly.

835.03 Permit Requirement. Any person or organization desiring to conduct or sponsor a special event in the City shall first obtain a special event permit from the City and are subject to the following provision:

- a) Requests are accepted on a first-come, first-served basis.
- b) The submittal of an application does not guarantee permission to conduct the planned event.
- c) All applications are subject to review and approval by the City.

835.05 Permit Applications. Application for a permit shall contain, and will be considered complete only upon compliance with the requirements of the following provisions:

- a) Submission of a completed permit application form, including all required attachments.

835.07 Insurance. The City, at its discretion, may require the applicant to obtain liability insurance for any special event. If liability insurance is required, the following requirements apply:

- a) The Applicant shall provide insurance which indemnifies the City of Brainerd and its elected and/or appointed officials, agents, and authorized volunteers from and against any and all claims, actions, suits, proceedings, costs, expenses, damages, obligations, penalties, injuries, and liabilities (including, without limitation, reasonable court costs, attorney's fees, and the cost of appellate proceedings) arising in connection with the proposed uses in amounts of at a minimum of \$1,000,000 in commercial general liability insurance.
- b) Insurance shall cover liability for injury, death and property damage including coverage for alcohol related claims if alcohol will be served.
- c) Applicant's insurance shall be primary.
- d) The policy shall name the City of Brainerd as an additional insured "as their interest may appear". The name, date and location of event shall be listed under "Description of Operations".
- e) The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
- f) At least ten (10) days prior to the event, the Applicant must provide a Certificate of Insurance showing the required coverage to the City.

835.09 Issuance of Permit; Conditions. The City may impose reasonable conditions upon the issuance of the permit and the performance of the applicant thereunder to protect the health, safety and welfare of the public or public property. In addition, the applicant shall agree to the following provisions:

- a) The Applicant must take all reasonable safety precautions during the event. If canceling or postponing your event, the applicant must notify the City of Brainerd in advance of the original event date.
- b) The Applicant is responsible for enforcing and following all City Ordinances, Park Regulations, and Special Event Policies.
- c) The City of Brainerd may require a security deposit for a special event. Permits for the event will not be issued until the full security deposit is paid.
- c) The Applicant is responsible for cleaning up and disposing of garbage at the event's conclusion. City of Brainerd personnel will inspect the areas after the event. Any costs for repair or clean-up in excess of your deposit will be billed to the individual and/or group who reserved the facility. The sponsoring group and/or applicant are responsible for any damage or accidents that may occur in connection with the event. Deposit is refundable only by recommendation of City Staff.

835.11 Criminal Penalty. Subdivision 1. Any violation of this section by the event organizer is deemed a misdemeanor, as defined in Minnesota Statute §609.02, subd. 3, currently a crime for which a sentence of not more than 90 days or a fine of not more than \$1,000, or both, may be imposed.

Subd. 2. No person may be prosecuted under this chapter unless the person has been warned that their conduct is a violation of this section, subject to criminal prosecution. An individual who has been warned and then relocates to another space that a reasonable person would understand is also covered by this section is not entitled to a new warning.

SECTION THREE: This ordinance shall take effect and be in full force one week from and after its publication.

Adopted this _____ day of _____, 2026

MIKE O'DAY
President of the Council

Approved this _____ day of _____, 2026

DAVE BADEAUX
Mayor

ATTEST: _____
NICHOLAS W. BROYLES
City Administrator

Published: One Time – _____



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Letter of Intent - Apartment Development City Hall Parking Lot

AGENDA: Main

ACTION REQUESTED: Direction Requested

SUBMITTED BY: James Kramvik, Community
Development Director

DEPARTMENT: Community Development

PRESENTER: James Kramvik, Community
Development Director

ESTIMATED TIME (MIN): 10 min

SUMMARY OF ISSUE

Lumber One Development Company has been working with staff for the potential redevelopment of the City Hall Parking lot into a multifamily apartment. The EDA received direction from City Council to market the property for redevelopment as recommended by the Parking Commission. Downtown would benefit from additional housing units and the development would meet the goals of the Comprehensive Plan. Parking accommodation for staff and meetings would be discussed at a later meeting if the proposed development moves forward. The City does own a parking lot on Maple Street, which is located a few blocks away from City Hall. The parking lot is typically rented to students at the High School when school is in session.

Attached to this agenda request is a letter of intent from the developer outlining their proposed development and their requests of the City. In order to potentially make this potential development feasible, the developer is requesting the property be sold for \$1.00 and would be requesting tax abatement. Prior to moving forward with negotiations on a purchase and development agreement and tax abatement request, the developer would like the EDA Board and City Council to preliminarily review the purchase contingencies and proposed use and provide feedback and comments to the developer and City Council.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The EDA reviewed this request at their June 5th meeting and recommended the City move forward with the Letter of Intent.

The letter of intent has been reviewed by the City Attorney. The letter of intent is meant to outline the proposed development and provides for a 90-day agreement for the developer to work with staff on a purchase and development agreement. If executed, the City/ EDA would not market the property to other developers for 90 days.

Zoning Requirements

As proposed, the developer would need to rezone the property to Town Center District to allow for

ground level parking. In addition, the developer must apply for a CUP for a multifamily apartment, and upon preliminary review with the developer, variance requests may be required for off-street parking and landscaping requirements. One off-street parking space is required for each dwelling unit, and the ground-level parking accommodations may be a few spaces short of this requirement.

RECOMMENDED ACTION/MOTION

Motion to approve the attached Letter of Intent.

FINANCIAL IMPACT

N/A

May 26, 2026

James Kramvik
Community Development Director
City of Brainerd
501 Laurel Street
Brainerd, MN 56401
(218) 454-3408
jkramvik@ci.brainerd.mn.us

RE: Brainerd Parcel: PID: 41241434

Dear James:

Lumber One Development Company, LLC proposes to build a higher quality 43-unit 4-story apartment building on the .48-acre city site PID 41241434. The first floor will have covered parking and the upper three floors will be apartments. Our apartment will offer higher quality construction as to what is typically available in the area. Our project will be amenity rich and secure. We will include a roof-top patio, high-end commercial gym equipment, community room including games and kitchen. There would be secure access to garage, apartment and package delivery room. We also install multiple security cameras for peace of mind. Our team has built similar projects in Willmar, Litchfield and Hutchinson. See Exhibit B to see photos of our Willmar project that was constructed on a Brownfields site located in the City's redevelopment district.

This letter is to express the intention of the undersigned Lumber One Development Company, LLC ("**Buyer**") or its assigns to extend an offer to City of Brainerd ("**Seller**") to purchase the below-referenced property (the "**Property**"), on the terms and conditions hereinafter set forth (the "**Purchase**"). It is understood by the parties hereto that this is a Letter of Intent intended to lead to a definitive Purchase and Development Agreement to be executed by the parties. Some of the more significant terms and conditions of the proposed Purchase are as follows:

1. Property: Crow Wing County Parcel ID: 41241434, also shown on **Exhibit A**.
2. Purchase Price: The purchase price of the property will be \$1.00.
3. Real Estate Taxes and Special Assessments: The real estate taxes (if any) payable in the any years prior to the year of closing will be paid by Seller and the real estate taxes payable in the year of closing will be prorated based on a calendar year and the date of closing by the parties. Seller shall be responsible for all special assessments in connection with a sale, which shall be paid for at closing by Seller.
4. Contingencies: Any obligation on the part of Buyer to purchase the Property will be contingent upon (and the Purchase Agreement and Development Agreement will so provide) each of the following being satisfied within 365 days after execution of the Purchase Agreement and Development Agreement ("Due Diligence Period"):
 - a. The Property shall have received such soil tests, inspections, reviews, surveys, examinations, and environmental assessments as Buyer deems necessary with the results of each being satisfactory to Buyer in its sole discretion.
 - b. Title to the Property being acceptable to Buyer in its sole discretion.
 - c. Buyers have received necessary municipal approvals.
 - d. Buyer having received satisfactory purchase money financing to acquire the property.
 - e. The Property having been successfully enrolled in the Central Business District Incentive Program.

- f. The Property to receive Tax Abatement.
- g. Seller agrees to deliver to Buyer all Seller's documents relating to the physical nature of the Property now in Seller's reasonable possession, including a Phase I, related environmental reports and surveys.
- h. Representations and Warranties: The Purchase of the Property is AS-IS, WHERE-IS.
- i. Commissions: Seller to identify prior to entering into a purchase agreement brokerage fee that is to be paid by buyer.
- j. Appraisal: Buyer understands that the city will require an appraisal prior to sale of property for the city's sole benefit. The appraisal will not affect the agreed upon purchase price of \$1.00. Buyer agrees to pay for the appraisal, but not to exceed \$2,000.

5. Good Faith Negotiations: For a period of ninety (90) days from the date of acceptance of this Letter of Intent, Buyer and Seller shall negotiate in good faith with a view to entering into a mutually acceptable, binding and enforceable purchase and development agreement (the "Purchase and Development Agreement"). Buyer will draft the initial Purchase and Development Agreement after the Seller submits the Application for Public Financing.

6. Escrow Deposit: Buyer upon acceptance of letter of intent will deposit Ten Thousand and 00/100 (\$10,000.00) for city-incurred legal and professional fee expenses.

This Letter of Intent merely sets forth some of the more significant terms and conditions of the proposed Purchase. Anything herein to the contrary, notwithstanding any contrary representation or agreement made by any shareholder, officer, director, agent or representative of Buyer or Seller, this Letter of Intent shall not be binding upon either of the parties hereto or any of their respective affiliates. Seller will not continue to market the Property during the period this Letter of Intent and/or the Purchase Agreement is in effect.

Best Regards,

Ted Schmid
Lumber One Development Company
PO Box 7
101 2nd St NW
Avon, MN 56310
(320) 980-4827

WE HAVE READ THE FOREGOING AND UNDERSTAND AND AGREE WITH THE TERMS AND CONDITIONS.

Buyer:
Lumber One Development Company, LLC
By: Ted Schmid

Its: Chief Manager

Date: 5-29-2026

Seller:
City of Brainerd

By: _____

Its: _____

Date: _____

Exhibit A

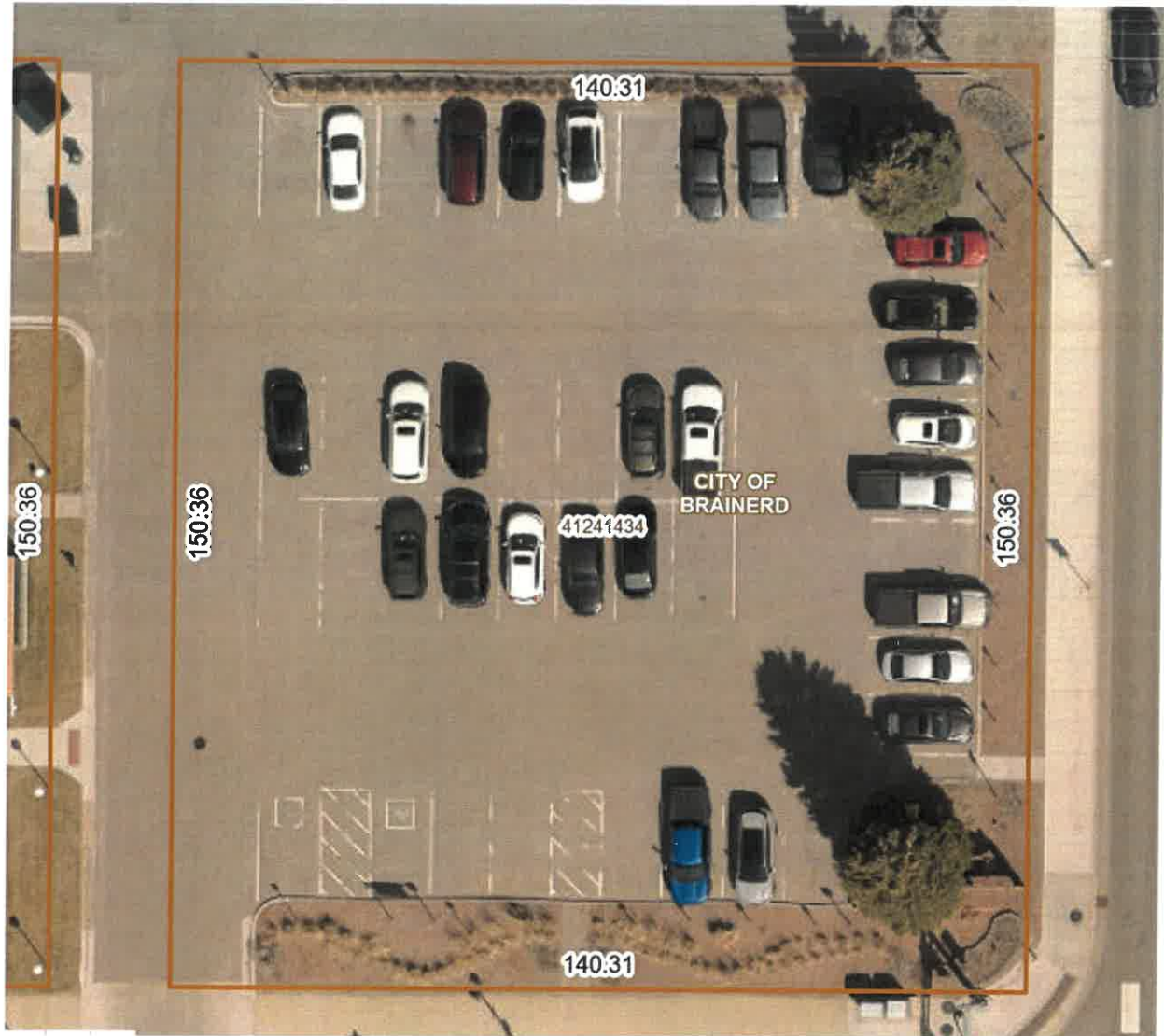


Exhibit B

Design Inspirations Willmar Block 25 Apartment





City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: First Reading - Ordinance 1605 - Airport Agreement

AGENDA: Main

ACTION REQUESTED: Ordinance

SUBMITTED BY: Nick Broyles, City Administrator

DEPARTMENT: Administration

PRESENTER: Nick Broyles, City Administrator

ESTIMATED TIME (MIN):

SUMMARY OF ISSUE

City Staff has been working with County staff, Commissioner Barrows, and Member Yeager to develop an amended agreement for the Airport. This ordinance is the result of those efforts and has been approved by both the County Attorney and City Attorney. The ordinance includes changes to the structure of the funding from each government and the makeup of the Commission to reflect the funding structure.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

The Council may set a public hearing at the final reading of the ordinance if they so choose which would be conducted on July 6th at 7:30 p.m. in Council Chambers.

RECOMMENDED ACTION/MOTION

Motion to Conduct the First Reading of Ordinance 1605 and dispense with the actual reading.

FINANCIAL IMPACT

**ORDINANCE
NO. 1605**

**AN ORDINANCE AMENDING CITY CODE SECTION 305.19 BRAINERD LAKES
REGIONAL AIRPORT COMMISSION**

The Council of the City of Brainerd ordains as follows:

305.19 Brainerd Lakes Regional Airport Commission

Subdivision 1 Purpose and Joint Operation. The City of Brainerd ("City") and the County of Crow Wing ("County") agree to jointly maintain and operate a public airport. The airport shall be known as the Brainerd Lakes Regional Airport ("Airport").

Subdivision 2 Airport Commission. There is hereby established the Brainerd Lakes Regional Airport Commission ("Commission"). The Commission is established as a joint airport operating board pursuant to Minnesota Statutes, Section 360.042, and shall exercise the powers conferred by that section and by Minnesota Statutes, Sections 360.011 to 360.076, on behalf of the City and County, except as otherwise provided in this ordinance.

Subdivision 3 Membership and Appointments.

- a) **Phased Composition.** The Commission shall consist of six members. Recognizing the County's increased financial responsibility, the composition of the Commission shall transition according to the following schedule, with each phase taking effect on January 1 of the applicable year:
 - 1. Phase 1 (Effective Date through December 31, 2026): Three members appointed by the Crow Wing County Board of Commissioners, one of whom shall be a County Commissioner; and three members appointed by the Brainerd City Council, one of whom shall be a Councilmember.
 - 2. Phase 2 (Effective Date through December 31, 2027): Four members appointed by the Crow Wing County Board of Commissioners, one of whom shall be a County Commissioner; and two members appointed by the Brainerd City Council, one of whom shall be a Councilmember.
 - 3. Phase 3 (Effective Date January 1, 2028 and thereafter): Five members appointed by the Crow Wing County Board of Commissioners, two of whom shall be a County Commissioner; and one member appointed by the Brainerd City Council, who shall be a Councilmember.
- b) **Ex Officio Member.** The Airport Manager shall serve as a non-voting ex officio member of the Commission.
- c) **Terms.** Members serving by virtue of their position as a City Councilmember or County Commissioner shall serve annual terms. Other appointed members shall serve three-year terms.

- d) Vacancies and Holdover. Appointments upon expiration of a term or upon a vacancy shall be made by the respective appointing authority. Members shall serve until their successors are duly appointed.
- e) Compensation. Members shall receive such compensation as the City Council and County Board shall jointly determine.
- f) Officers. The Commission shall elect a Chairperson and Vice Chairperson from among its voting members. The Chairperson shall serve a two-year term. Chairperson elections shall be held at the first regular meeting of January following the expiration of the prior Chairperson's term. No person may serve as Chairperson for two consecutive terms; upon completing a second consecutive year in the position, a Chairperson shall not be eligible for reelection as Chairperson until at least one full two-year term has elapsed. The Vice Chairperson shall serve a one-year term and may be reelected without limitation. Vice Chairperson elections shall be held at the first regular meeting of January each year. In the event of a vacancy in either office, the Commission shall elect a successor at its next regular meeting to serve the remainder of the unexpired term.

Subdivision 4. Meetings and Voting.

- a) Quorum. A quorum shall consist of four members of the Commission. Official business may only be conducted at a meeting at which a quorum is present.
- b) Voting. All voting members present, including the Chairperson and Vice Chairperson, shall have the right to vote on all matters. Action shall require the affirmative vote of a majority of members present at a meeting at which a quorum exists, unless a higher threshold is specified in this ordinance.

Subdivision 5 Powers of the Commission.

- a) General Powers. The Commission, on behalf of the City and County, shall have authority to acquire necessary property for, establish, construct, enlarge, improve, maintain, equip, operate, and regulate the Airport and other air navigation facilities jointly controlled and operated under this ordinance. The Commission may exercise all powers granted to municipalities under Minnesota Statutes, Sections 360.011 to 360.076, except as otherwise provided in this ordinance or by law.
- b) Rules and Regulations. Rules and regulations for the management, government, and use of Airport property may be proposed by the Commission but shall be enacted only by concurrent action of the City Council and County Board, pursuant to Minnesota Statutes, Section 360.038, subdivision 3, and Section 360.042.
- c) Leases, Concessions, and Disposition of Property. Pursuant to Minnesota Statutes, Section 360.042, the Commission may on its own authority lease space, area, or improvements on the Airport and grant concessions for aeronautical purposes or purposes incidental thereto, consistent with the term limits established by Minnesota Statutes, Section 360.038, Subdivision 4. No

airport, air navigation facility, or air protection privilege owned jointly under this ordinance shall be disposed of by sale, lease, or otherwise, except by authority of both the City Council and the County Board, pursuant to Minnesota Statutes, Section 360.042.

- d) Personnel and Professional Services. The Commission shall have authority to hire, retain, and terminate all employees and professional service providers necessary to carry out its purposes. The Commission shall adopt personnel policies consistent with applicable law.
- e) Purchasing Policy. Pursuant to Minnesota Statutes, Section 360.042, which requires that a sum above which governing body approval is required for property acquisition be fixed by the joint agreement, the Commission shall adopt a purchasing policy establishing specific dollar thresholds above which Commission approval, and above which City Council and County Board approval, shall be required for the acquisition of personal property, equipment, or services. The purchasing policy shall constitute the "sum fixed by the joint agreement" for purposes of Minnesota Statutes, Section 360.042. No real property shall be acquired, and no condemnation proceedings shall be instituted without prior approval of both the City Council and the County Board in each individual instance. Condemnation proceedings shall be instituted in the names of the City and County jointly, pursuant to Minnesota Statutes, Section 360.042, Subdivision 9. The purchasing policy and any amendments thereto shall be subject to approval by both the City Council and the County Board.

Subdivision 6 Real Property; Ownership. Real property acquired under this ordinance shall be held by the City and County as tenants in common, with the City holding an undivided fifty percent (50%) interest and the County holding an undivided fifty percent (50%) interest, regardless of the financial contribution percentages in effect under Subdivision 7 at any given time. The parties expressly agree that changes to the financial contribution schedule under Subdivision 7 do not alter or imply any change to the ownership interests established by this subdivision. Any change to the ownership percentages shall require a separate written agreement and, where applicable, a recorded deed of conveyance.

Subdivision 7 Financial Contributions.

- a) Phased Contribution Schedule. The respective contributions of the City and County to the Airport Fund, as established in Subdivision 9, for operating, maintenance, and capital costs not covered by federal, state, or other revenues shall transition according to the following schedule:
 - 1. Phase 1 (effective January 1, 2027): County seventy-five percent (75%); City twenty-five percent (25%).
 - 2. Phase 2 (effective January 1, 2028): County eighty percent (80%); City twenty percent (20%).
 - 3. Phase 3 (effective January 1, 2029): County eighty-five percent (85%); City fifteen percent (15%).

- b) Ownership Not Affected. The financial contribution percentages set forth in this subdivision are independent of and do not affect the ownership interests of the City and County in Airport real property, which are governed exclusively by Subdivision 6.
- c) Surplus Revenues. Any surplus of Airport revenues over operating and maintenance expenses may be transferred by the Commission to the City and County in proportion to their respective contribution percentages applicable for that year under paragraph (a).

Subdivision 8 Annual Budget.

- a) Preparation. The Commission shall annually prepare a budget for Airport finances for the ensuing calendar year. The budget shall be substantially balanced and shall identify all anticipated revenues and expenditures, presented in a format adopted by the Commission and approved by both the City Council and the County Board, consistent with generally accepted governmental accounting principles.
- b) Submission. The proposed budget shall be submitted to the City Council and the County Board no later than July 1st, or such earlier date as the City Council and County Board may jointly require to meet their respective budget adoption cycles. The submission date shall be set to allow both governing bodies sufficient time to review, deliberate, and act on the budget prior to the December 1 approval deadline required by paragraph (c).
- c) Governing Body Approval. Pursuant to Minnesota Statutes, Section 360.042, the total amount of expenditures to be made by the Commission for any purpose in any calendar year shall be determined by approval of the budget by each of the City Council and the County Board on or before December 1 of the preceding year. Each governing body shall notify the Commission of its approved contribution amount on or before December 1.
- d) No Deficit Spending. The Commission shall not approve claims or incur obligations for expenditures unless there is unencumbered cash in the Airport Fund sufficient to pay the same.

Subdivision 9. Airport Fund and Financial Administration.

- a) Airport Fund. There is hereby created a special fund designated the Airport Fund. All revenues of the Commission shall be deposited into a bank account maintained to the credit of the Airport Fund at a financial institution designated by the Commission.
- b) Expenditures. All expenditures from the Airport Fund shall be made within the limits of the annual budget approved pursuant to Subdivision 8 and in accordance with the purchasing policy adopted pursuant to Subdivision 5(e).
- c) Fiscal Year. The fiscal year of the Commission and the Airport Fund shall commence on January 1 and end on December 31.

- d) Audit. The Airport Fund shall be audited annually. The audit may be conducted independently or in conjunction with audits of either the City or the County.

Subdivision 10. Annual Report. The Commission shall, as soon as practicable after the end of each calendar year, prepare and present to the City Council and County Board a comprehensive annual report of its activities, finances, and operations. The Commission shall also prepare and present to federal and state officials such reports as may be required by law, regulation, or contract.

Subdivision 11. Termination. This ordinance may be terminated by the repeal thereof by either the City or the County. In the event of such repeal, the powers of the Commission shall continue to the extent necessary to maintain and operate the Airport until disposition of Airport property has been completed. Any termination resulting in closure of the Airport shall be subject to the notice and preservation requirements of Minnesota Statutes, Section 360.046, which governs the process for closure of a municipal airport. Following satisfaction of those requirements, the City and County shall dispose of all Airport property and surplus funds by mutual agreement, and any disputes regarding disposition shall be resolved pursuant to Subdivision 12. In the absence of a mutually agreed arrangement, each party shall assume responsibility for outstanding debts and liabilities of the Commission in proportion to its then-applicable financial contribution percentage under Subdivision 7.

Subdivision 12. Dispute Resolution and Enforcement. In the event of a dispute between the City and County regarding the interpretation or enforcement of this ordinance, the parties shall first attempt resolution through good faith negotiation between their respective chief administrative officers. If negotiation does not resolve the dispute within thirty days of written notice of the dispute, the parties shall submit the matter to non-binding mediation before a mutually agreed mediator prior to initiating legal proceedings. Either party may seek specific performance or other appropriate legal or equitable relief in a court of competent jurisdiction.

Subdivision 13. Three-Year Review.

- a) Review Cycle. Commencing with the third anniversary of the Effective Date of this ordinance, and every three (3) years thereafter, the Commission shall conduct a comprehensive review of Airport operations, governance, and finances.
- b) Effect of Review. The review process does not automatically amend this ordinance. Any amendments proposed following a review require concurrent action of the City Council and County Board. If no amendments are proposed or adopted within the ninety-day period following presentation, this ordinance shall continue in effect without change until the next review cycle.

Subdivision 14. Repeal of Prior Ordinances. All prior versions of Section 305.19 of the Brainerd City Code, are hereby repealed and replaced in their entirety by this ordinance.

Subdivision 15. Effective Date. This ordinance shall take effect one week after its passage and publication, and upon adoption of a substantially identical ordinance or resolution by the Crow Wing County Board of Commissioners authorizing joint operation of the Airport on the terms set forth herein. The date on which both conditions are satisfied shall be the "Effective Date" for purposes of this ordinance.

Adopted this ___ day of ___, 2026

MIKE O'DAY

President of the Council

Approved this ___ day of ___, 2026.

DAVE BADEAUX

Mayor

ATTEST: _____

NICHOLAS W. BROYLES

City Administrator

Published One Time: _____



City Council Agenda Request

MEETING DATE: June 15, 2026

TITLE OF ITEM: Letter of Support - Baxter Tax-Forfeit Lots

AGENDA: Main

ACTION REQUESTED: Approve/Deny Motion

SUBMITTED BY: Jeff Czczok, Councilmember

DEPARTMENT: Administration

PRESENTER: Jeff Czczok, Councilmember

ESTIMATED TIME (MIN): 5 minutes

SUMMARY OF ISSUE

The Crow Wing County HRA Board recently voted to move forward by directing staff to draft a Purchase and Development Agreement (PDA) involving more than 50 tax-forfeited properties located in Baxter.

Level Contracting has a lengthy history—spanning more than five years—of working with HRA staff regarding redevelopment opportunities involving these exact tax-forfeited properties. Level Contracting submitted an application and expressed interest in participating in the redevelopment effort. However, the process moved forward with only a single developer being allowed to participate in negotiations regarding the proposed PDA, while other interested applicants were not provided the same opportunity to present proposals.

I am requesting that the following letter of support be placed on the full City Council agenda for consideration on June 15, 2026 in an effort to encourage the CWC HRA Board members to move forward with the proposed development competitively.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS

RECOMMENDED ACTION/MOTION

Motion to authorize signature on letter of support to Crow Wing County HRA regarding Baxter tax-forfeit lots.

FINANCIAL IMPACT

N/A

6/19/2026



Crow Wing County HRA
Board of Commissioners
324 E River Rd
Brainerd, MN 56401

The Mayor and City Council of Brainerd recognize Level Contracting's extensive experience in residential development and redevelopment projects throughout Crow Wing County, including successful projects within the City of Brainerd.

Level Contracting has successfully advanced developments in Brainerd, including Brainerd Oaks, which is scheduled for completion this year, along with the completion of Dal-Mar Estates and Serene Pines developments. These projects have added significant housing opportunities and economic value to the region. According to public statements made by the Crow Wing County HRA, these developments added approximately \$28 million in estimated market value and generate more than \$250,000 annually in local property taxes.

These developments were awarded through competitive processes that allowed multiple developers to participate. Competitive selection processes help ensure transparency and provide the greatest benefit to taxpayers.

Given the significance of the proposed redevelopment involving more than 50 tax-forfeited properties in Baxter, we encourage the Crow Wing County HRA Board to utilize a competitive process that allows all qualified and interested developers an opportunity to participate. When only a single developer is permitted to advance through the process, taxpayers lose the benefit of competing proposals and potential increases in lot sale revenues and overall public benefit.

Making these development opportunities available through an open and competitive process has the potential to increase public benefit, maximize value for Crow Wing County taxpayers, and support responsible housing and economic development throughout the region. The benefits of a successful redevelopment effort extend beyond Baxter and positively impact Brainerd and communities throughout Crow Wing County.

Sincerely,

Dave Badeaux
Mayor
City of Brainerd, Minnesota

From: [Logan Klisch](#)
To: [Administration](#)
Subject: Re: Gustafson Park Update!
Date: Tuesday, June 9, 2026 5:14:36 PM

You don't often get email from klischlogan01@gmail.com. [Learn why this is important](#)

*** **Warning:** External sender, use extreme caution with attachments and links ***



Attached is a photo I took from my yard this afternoon of Gustafson Park being well loved! I want to say thank you for saving this park from house development I know all these people would thank you as well!

-Logan Klisch

On Thu, Jan 29, 2026 at 21:12 Logan Klisch <klischlogan01@gmail.com> wrote:

-Logan Klisch

----- Forwarded message -----

From: **Jeff Czeczok** <jczeczok@ci.brainerd.mn.us>
Date: Thu, Jan 29, 2026 at 19:23

Subject: RE: Gustafson Park Petition
To: Logan Klisch <klischlogan01@gmail.com>

Hi Logan,

Thanks for everything you've been doing and please don't give up.

You know where I stand on this issue and if you're able to get others to email or call the other councilmembers, that could help.

Best regards, Jeff

From: Logan Klisch <klischlogan01@gmail.com>
Sent: Thursday, January 29, 2026 5:21 PM
To: Kevin Yeager <kyeager@ci.brainerd.mn.us>; Tad Erickson <terickson@ci.brainerd.mn.us>; Kelly Bevans <kbevans@ci.brainerd.mn.us>; Jeff Czeczok <jczeczok@ci.brainerd.mn.us>; Gabe Johnson <gjohnson@ci.brainerd.mn.us>; Kevin Stunek <kstunek@ci.brainerd.mn.us>; Mike ODay <moday@ci.brainerd.mn.us>; Dave Badeaux <dbadeaux@ci.brainerd.mn.us>; admin@ci.mn.us
Subject: Gustafson Park Petition

*** **Warning:** External sender, use extreme caution with attachments and links ***

Attached is an updated copy of the current petition regarding the development of Gustafson Park. Please consider looking this over and taking it into consideration when making your decisions.

Thanks- Logan Klisch