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 Bevans.

Upon roll call, the following members were noted as present: Johnson, Stenglein, Erickson, O'Day, Stunek, and Bevans. Mayor Badeaux was noted as present. Member Bieser was noted as absent.

Council President Bevans opened the meeting with the Pledge of Allegiance to the flag.

MOVED AND SECONDED BY COUNCIL MEMBERS STENGLEIN AND STUNEK, DULY CARRIED, TO APPROVE THE AGENDA.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND O'DAY TO APPROVE THE CONSENT CALENDAR.

A. Approval of Bills
B. Approval of Minutes
  a. Regular City Council Meeting held on November 21^{st}, 2022
  b. City Council Budget Workshop held on November 28^{th}, 2022
C. Approval of Licenses
D. Department Activity Report
E. Adopt Resolution Designating Polling Locations for 2023

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

Presentations

Northland Arboretum Annual Report

Candice Zimmerman, 14250 Conservation Dr, Executive Director, Northland Arboretum, gave an overview of the strategies that the Northland Arboretum developed in order to become more independent from the funding from the City. She also gave an overview of the revenue and budget in 2022. The City of Brainerd as of September 2022 made up 18.5% of the revenues.

Approve Brainerd Public Utilities (BPU) 2023 Operating and Capital Budget

BPU Finance Director Wicklund gave an overview of the 2023 BPU Operating Budget. He stated that the operating expenses account for the increase in price of supplies. The projected revenue for 2023 is $36.4 million, which includes $6.8 million from crypto mining. Projected expenses for 2023 $34.7 million with purchased power being $17.7 million. BPU Superintendent Magnuson, gave an overview of the BPU 2023 to 2027 Capital plan for all Brainerd Public Utilities departments.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE 2023 BRAINERD PUBLIC UTILITIES CAPITAL AND OPERATING BUDGETS.

Presentation by the Park Board Regarding 2023 Capital Budget

Troy Rushmeyer, 2818 Blair St, Park Board President, gave an overview of the priorities of the Park Board and how they addressed the immediate needs of the parks with their proposed 2023 budget. The Board feels that the Memorial Park lights are important to address prior to the other projects that were in the budget previously while the Park Board is master planning.

Council Committee Reports

Safety and Public Works

Approve Revision of Transportation Alternatives Grant Application

Committee Chair O'Day stated that this revision is necessary if the City wants to include the pedestrian bridge in the grant request to connect the east and west segments of the Cuyuna Lakes State Trail.

Member Erickson stated that he would abstain from voting due to his employment.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND STENGLEIN TO APPROVE THE REVISION OF 10TH AVE NE TRAIL GRANT APPLICATION TO INCLUDE CONSTRUCTION OF A PEDESTRIAN BRIDGE AT 14TH AVE NE.

Council Members Johnson, Stenglein, O'Day, Stunek, and Bevans voted "aye". No Member voted "nay". Member Erickson abstained from voting. The Chair declared the motion carried.

Adopt Resolution Removing On-Street Parking on Oak Street between SE 15th and SE 16th Streets

Committee Chair O'Day stated that the committee reviewed the alternative plans presented, in order to keep the road passable by the snowplow, the committee felt removing parking was best.

Member Johnson stated that he is not in favor of removing on-street parking. He stated that from experience in talking with engineers he has learned that the width does not include the two feet for storm sewer. The lane will be plenty wide enough to accommodate parking and the plow trucks. He loves the project.

Mayor Badeaux stated that in order to be consistent in promoting on-street parking he is not in favor of removing parking in this area. He also asked whether the trees that the school district had as a part of their plan will show up in this construction.

City Engineer/Public Works Director Dehn stated that the trees are a part of the improvement.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND ERICKSON TO ADOPT RESOLUTION REMOVING ON-STREET PARKING FROM THE SOUTH SIDE OF OAK STREET BETWEEN SE 15TH STREET AND SE 16TH STREET.

Upon roll call, Council Members Erickson, O'Day, and Stunek voted "aye". Members Johnson, Stenglein, and Bevans voted "nay". The Mayor voted "nay" to break the tie. The Chair declared the motion failed.

Personnel and Finance Committee

Approve Animal Control Enforcement Contract for Calendar Years 2023-2025

Committee Chair Johnson stated that the contract includes a modest 3% increase each year. The Police Department has been satisfied with the services.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO APPROVE THE ANIMAL ENFORCEMENT CONTROL AGREEMENT WITH LAKES AREA WILDLIFE CONTROL AND AUTHORIZE SIGNATURES OF THE AGREEMENT.

Consider Amending American Rescue Plan Act (ARPA) Budget for Historic Water Tower Preservation

Committee Chair Johnson stated that these are ARPA funds, not levy dollars. This will bring the unallocated amount of ARPA dollars to $138,098.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STENGLEIN, DULY CARRIED, TO USE ARPA FUNDS, NOT TO EXCEED $200,000, TO COMPLETE PHASE 1 OF THE HISTORIC WATER TOWER PRESERVATION, SPECIFICALLY THE REHABILITATION OF THE INTERIOR STAIRS AND WINDOWS OF THE STRUCTURE.

Authorization to Enter into Agreement with CliftonLarsonAllen (CLA) for 2022 Audit Services

Committee Chair Johnson stated that the increase is quite significant 12.3% increase, but it was expected and is a budgeted expense.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK, DULY CARRIED, TO AUTHORIZE SIGNATURES ON THE ENGAGEMENT LETTERS.

Adopt Resolution Declaring Costs to be Reassessed Ordering Preparation of Proposed Reassessment, and Ordering a Public Hearing on Proposed Assessment

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STENGLEIN TO ADOPT A RESOLUTION DECLARING COSTS TO BE REASSESSED, ORDERING PREPARATION OF PROPOSED REASSESSMENT, AND ORDERING A PUBLIC HEARING ON PROPOSED REASSESSMENT AT THE DECEMBER 19, 2022, COUNCIL MEETING; FURTHER TO DIRECT STAFF TO CONTACT AND SEND FORMER OWNER OF PID 41300743 A LETTER TO ATTEMPT COLLECTION.

Committee Chair Johnson stated that these are two properties that staff would have considered waiving had the property owners presented themselves in a timelier manner. He asked City Attorney Langel if the City needs to go through the process of conducting the public hearing and wasting staff time for an insignificant amount of money. Instead, cutting a check to the homeowners and leaving it in their hands to pay their taxes with the amount.

City Attorney Langel stated that that process would be unusual, but he would suggest writing the check to the county directly. The assessment would still be on the assessment record, but insignificant in the historic record of the properties.

Committee Chair Johnson and Stenglein rescinded their motion.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STENGLEIN, DULY CARRIED, TO DIRECT STAFF TO PAY THE COUNTY THE AMOUNTS ASSESSED TO PID 41300743 IN THE AMOUNT OF $625 AND 41191352 IN THE AMOUNT OF $125 TO RESOLVE THE ASSESSMENTS.

Direction on Updating the City Code

Committee Chair Johnson stated that he would be voting no because he believes it is the wrong year to hire a consultant for this process.

Member Stenglein stated that she hesitated on the timing of the process, however, the deferred maintenance on our code is significant.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STUNEK TO AUTHORIZE STAFF TO MOVE FORWARD WITH THE CODIFICATION PROCESS BY DEVELOPING AN RFP TO SOLICIT PROPOSALS IN EARLY 2023 TO BE APPROVED BY COUNCIL AND KEEP THE $20,000 IN THE 2023 BUDGET AS PRESENTED.

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

Discussion of Non-Working Funds 2023 Budgets

Committee Chair Johnson stated that the two discussion points of the committee were that the transit fund is in big trouble, the system has been running on fund balance and is at risk for running out in the next couple of years. The Transit Advisory Committee needs to work on a plan to be financially solvent. The committee also discussed the storm sewer collection fund. The City is in talks with Baxter to share an employee to complete our MS4 compliance work for the State of Minnesota.

MOVED AND SECONDED BY COUNCIL MEMBERS JOHNSON AND STENGLEIN, DULY CARRIED, TO DIRECT STAFF TO INCLUDE $50,000 IN THE STORM SEWER COLLECTION FUND WHEN THE RATE STUDY IS COMPLETE FOR A POTENTIAL SHARED EMPLOYEE WITH THE CITY OF BAXTER.

Unfinished Business

Final Reading- Proposed Ordinance 1539, an Ordinance Amending Section 515-4 of the Zoning Code- Restrictions on Demolition and Removal of Dwelling Units

Community Development Director Kramvik gave an overview of Ordinance 1539 and its history. The Planning Commission held a public hearing and considered Proposed Ordinance No. 1539 at their regular scheduled meeting on November 16, 2022. The primary discussion of the proposed ordinance centered around Section 515-4-14.A.3 which states that: Except as provided in Section A of this chapter, no permit shall be issued to allow the demolition of a dwelling unit in the Traditional Neighborhood 1 (TN-1), Traditional Neighborhood 2 (TN-2), Contemporary Neighborhood 1 (CN-1), or Contemporary Neighborhood 2 (CN-2) Zoning Districts unless: City Council approval has been granted for an alternative use of the property. Staff's interpretation of "approval of an alternative use" would be in the form of an approved conditional use permit or interim use permit. Planning Commission recommended approval of the ordinance with removing this section A.3. removed.

The Chair opened the public hearing at 8:20 p.m.

Mike Larson, 7338 Ojibwa Rd, Senior Vice President, St. Joseph's Medical Center, he stated that he was speaking against the proposed ordinance. He gave an overview of the history of the hospital. The organization feels that it is important to have a good relationship with the neighborhood. Demands for healthcare services will only continue to grow, as such, the need to expand will as well.

Father Michael Garry, 416 N 9th St, stated that he was speaking against the ordinance. He gave an overview of the history of St. Francis Church and School. He stated that the church will need a rectory in the future to house its priests.

Ginny Knudson, 12319 Thompson Rd, Borden, Steinbauer, Krueger and Knudson Law, Trustee for St. Francis Church stated that she opposes the ordinance without paragraph A3. The conditional use process is a useful process.

Kathleen Hermerding, 116 Juniper St, stated that the hospital and St. Francis are good neighbors, however, parking lots do not make a neighborhood. Losing housing in our neighborhoods reduces the tax base.

The Chair closed the public hearing at 8:32 p.m.

MOVED AND SECONDED BY COUNCIL MEMBERS ERICKSON AND O'DAY, DULY CARRIED, TO HOLD THE FINAL READING OF ORDINANCE 1539 AN ORDINANCE AMENDING SECTION 515-4 OF THE ZONING CODE- RESTRICTIONS ON DEMOLITION AND REMOVAL OF DWELLING UNITS AND DISPENSE WITH THE ACTUAL READING.

MOVED BY COUNCIL MEMBER ERICKSON TO ADOPT ORDINANCE 1539 AN ORDINANCE AMENDING SECTION 515-4 OF THE ZONING CODE- RESTRICTIONS ON DEMOLITION OF DWELLING UNITS.

The Chair declared the motion failed for lack of a second.

MOVED BY COUNCIL MEMBER STENGELIN TO ADOPT ORDINANCE 1539 AN ORDINANCE AMENDING SECTIONS 515-4 OF THE ZONING CODE RESTRICTIONS ON DEMOLITION OF DWELLING UNITS WITH THE 3A LANGUAGE.

Chair Bevans asked for clarification from Attorney Langel on the Council's ability to pass the ordinance with the language added back in.

City Attorney Langel stated that in order to pass an ordinance with the language included, the City would have to start the ordinance process over.

Chair Bevans disallowed the motion.

Call for Applicants – Informational:

(Application Information at (ci.brainerd.mn.us/279/Boards-Commissions)
Mayor Recommended: (terms to expire on 12/31 of said year)
Charter Commission – 4 terms (Expire 2026) 1 term (Expire 2025)
Parks and Recreation-- 1 term (Expire 2027)
Library Board -- 1 term (Expire 2023)
Public Utilities Commission-- 1 term (Expires 2027)
Rental Dwelling License Board of Appeals – 5 terms (Expire 2022)
Transportation Advisory Committee-- 3 terms (Expire 2024)
Mayor Recommended: (terms to expire 09/07 of said year)

Economic Development Authority (EDA) – 1 term (Expire 2028) 1 term (Expire 2026)
Council President Recommended: (terms to expire 12/31 of said year)
Airport Commission-- 1 term (Expire 2025)
Planning Commission-- 2 terms (Expire 2025)

New Business

Discussion on KRLS Board Appointment

City Administrator Bergman stated that according to the KRLS agreement with the City, the member who was appointed as alternate must sit out a year per state statute.

Chair Bevans asked Member Johnson whether he felt it was necessary to appoint an alternate.

Member Johnson stated that he would be able to attend each meeting. He also stated that the letter from KRLS is disingenuous.

Two Council Members to the Joint Wastewater Management Board

BPU Finance Director Wicklund stated that the board was established when the sewer plant was built in 2007. It has not met due to not having many issues because of the new construction. This board will be necessary in the coming months as the permit for wastewater is coming due. They will meet to discuss sewer agreements that will need to be the same for both cities.

Member Johnson asked whether it was important to appoint someone right away or whether the Council could wait until the 1st meeting in January when the new members are appointed to the Council and Committees.

Finance Director Wicklund stated that the Board will have to meet before February 1st, so waiting until the 1st meeting in January is acceptable.

Public Forum

The Chair opened the public forum at 8:47 p.m.

No one came forward.

The Chair closed the public forum at 8:48 p.m.

Staff Reports

HR Director Schubert stated that there are a couple outstanding health insurance election forms. City Administrator Bergman's performance review will be on December 19th, please submit comments by December 12th. Finally, there is a senior gift tree downstairs, she encouraged members to take a gift tag and support seniors in our community.

City Engineer/ Public Works Director Dehn stated that the water tower roof project is getting wrapped up we will have photos available so everyone can see the result. The committee is working on the next part of phase 1. Staff is working on coming up with a date that our woodchips will be available to the community from the storms this last summer.

Administrator Bergman stated that BPU commission met on November 29th and discussed the development of the Robert's property, river crossing project, and potential solar project in Rotary Park there will be a committee formed with all stakeholders, succession planning for a key member at BPU, and capital and operating budgets. She and the Mayor talked about all things Brainerd with Lakeland Public TV.

IT/GIS Director Strong stated that Charter is still projecting New Year's as the air date for cable.

Mayor Report

Mayor Badeaux stated that Saturday, December 17th at 2:00 p.m. there will be caroling provided by the Brainerd North Neighborhood Association. Finally, Conner Erickson will be returning home after rehabilitating from a football injury. He requested that the public turn out on Friday, December 9th on Ridge Dr at 4:00 p.m. to welcome him home. He asked whether the Council is agreeable to the Park Board adding the Memorial Park lights to their special meeting on Tuesday, December 6th.

Council Member Reports

Member Johnson stated that Brainerd Hockey is celebrating 50 years this Tuesday and Friday at the Boys and Girls hockey games. He had asked at the previous meeting about adding the street light discussion to the agenda this meeting. He reviewed the rules of decorum regarding addition of items to the agenda.

Chair Bevans stated that the street light discussion will be on the next meeting, it was his fault for the delay of the item.

Member O'Day stated that on Friday, December 9th at Buffalo Hills Park from 6:00-8:00 p.m. there will be holiday hayrides. There will be s'mores, hot chocolate, hayride, and holiday light contest along the route.

Adjourn to Closed Session per MN Statute 13D.03 to Discuss Labor Union Negotiation Strategy

MOVED AND SECONDED BY COUNCIL MEMBERS STUNEK AND O'DAY, DULY CARRIED, TO ADJOURN TO CLOSED SESSION PER MN STATUTE 13D.03 TO DISCUSS LABOR UNION NEGOTIATION STRATEGY.

The Chair adjourned to closed session at 8:58 p.m.

Council took a 5-minute break.

Adjourn to Budget Public Hearing on December 12th, 2022, at 7:30 p.m. in the City Council Chambers

The Chair reconvened the meeting at 9:19 p.m.

MOVED AND SECONDED BY COUNCIL MEMBERS O'DAY AND JOHNSON, DULY CARRIED, TO ADJOURN THE MEETING TO THE BUDGET PUBLIC HEARING ON DECEMBER 12TH, 2022 AT 7:30 PM IN THE COUNCIL CHAMBERS.

The Chair adjourned the meeting at 9:19 p.m.

December 5th, 2022

City Administrator
Jennifer Bergman