

**Administrator's Report
Braham City Council Meeting
June 1, 2021 – 6 pm**

Consent Agenda

The consent agenda contains approval of minutes from 5/4/21, 5/10/21, and 5/18/21 and the payment of bills and payroll. Two additional items are Resolution 21-19 accepting an OSHA grant for \$10,000. This is a matching grant to purchase safety items for water/wastewater operations. The funds are available now and I just need council approval to accept. The final two items on the consent agenda are annual special event permits for Friendship Church to host their Teen Challenge in Freedom Park and Pie Day.

Consultant Report and Refunding Bond Resolution:

Jason Murray will be available via Zoom to answer any questions regarding the refunding bond.

Resolution 21-20 Authorizing the Issuance, Sale and Delivery of a \$2,013,000 GO Note, Series 2021A and Awarding the Sale Thereof

This resolution came from Fryberger and it covers the approval of the payoff on the old notes and the new loan agreement. The annual interest rate is 1.85% and the total amount is less than what Jason Murray of David Drown had speculated. If you remember, Murray thought the refunding bond would be approximately \$2.5 million. Page 4 has a table showing the bonds we are refunding, and the dollar amounts for the bond we are issuing for the 2nd Street Project. I have also included Jason Murray's note on the refunding in your packet as well.

Engineering

Moore Engineering will be at the meeting to give an update on the 2nd Street Project. Additionally, there is a bid from Visu-Sewer in your packet. When we applied for the funding for the 2nd Street Project, we planned for \$80,000 in slip lining, the proposal came in at \$66,482.75. I recommend the council approve the Visu-Sewer proposal.

Lobbyist

James Robins will be present to give the council an update.

Police Report

In addition to the written report in the packet, Baumgart is requesting the council approve the joint powers agreement with the Rum River Special Response Team. The agreement is in the packet.

Utility Report

Eklund got one estimate for the asphalt patching from Premier Outdoor Services. To patch 2nd Street, 3rd Street SE, 4th St SE/107, and in front of Lindgren's it will be \$8500. He spoke to Erickson's for a second estimate but did not received the estimate. I recommend the council approve this estimate from Premier Outdoor Services so we can get this work completed.

Liquor Store

Connor Rowland and Jacqueline Connell both declined the position after being offered something else, so Grafstrom and Piper conducted more interviews this past week. Candy Hart is willing to work parttime/on call. We recommend council vote to reinstate Candy Hart as a liquor store clerk. We interviewed Timothy Thompson and Catina Heidelberger for the part-time position. We recommend the council approve Timothy Thompson at Step 1, \$12.12/hour with a start date of June 2, 2021 and Catina Heidelberger at Step 1, \$12.12/hr with a start date of June 8, 2021. We are interviewing Jerry Baltrusaitis and Katelyn McFarlane for the full-time position. I will recommend hiring one of these two as the full-time liquor store clerk at Step 2, \$12.50/hr with a start date of June 2, 2021. We will not complete these interviews until Thursday afternoon, so I will tell you who we chose at the Council meeting on Tuesday.

Old Business: Burkhardt and Burkhardt Mid-term Audit

The mid-term audit will take us less time to do the final audit. Council will need to approve both the Engagement Letter for the Compilation and the Engagement Letter for the Agreed Upon Procedures. The compilation portion will cost the City \$4000 for the financial statement preparation and compilation with additional out of pocket expenses such as report reproduction, word processing, postage, travel, etc. estimated at \$250. The Agreed Upon Procedures will include the review of the bank reconciliation from January through June 2021, checking samples of disbursements, review a sampling of liquor store receipts, assist, and advise management with the implementation of recommendations from the 2020 audit, review the operations of Banyon software to ensure best practices are being followed and review the journal entries for the first 6 months. The cost for this will be approximately \$1500-2000 with an additional \$50 for the out-of-pocket expenses. All this will save us time at the end of the year and will be deducted off the cost of our year end audit. More importantly, especially with all new staff and some changes in procedures, it will help to ensure we are coding things properly and following the correct procedures, so we don't get dinged on it in our final audit. I recommend the council approve both the Engagement letters for the Agreed Upon Procedures and the Compilation.

Old Business: Nick and Amanda Sweeney Regarding Annexation

The Sweeneys have asked to be on the agenda to address the council regarding annexation. They do have both city water and sewer. We have not sent out the letters on these 10 properties yet because we have not gotten the okay on the legal descriptions from MNDot. We will send out letters to the homeowners this time as well when we get the go ahead.

New Business: Cigarette License Application

We received application from a new business, Braham Tobacco and More requesting a cigarette license to open a tobacco shop in Klingner's building. Council just needs to approve the application so I can submit it to the state. He has already paid his \$100 for a tobacco license.

Respectfully Submitted,

Angela M. Grafstrom