

Administrator's Report
Braham City Council Regular Meeting
Tuesday September 7, 2021
6:00 P.M.

CONSENT AGENDA

In addition to paying the bills and payroll, there are event permits for 2 annual events which need approval: Blue Star Mom's Annual Event/Gaming Permit for November 20 and the Girl Scout Event Permit for October 2.

ENGINEERING REPORT

Jon Pauna may be at the meeting. Fanth, Mayor Carlson, and Grafstrom met with Pauna, Hyjacek, and Sepp from Moore to discuss completion of industrial park road and the wastewater plant.

LOBBYIST REPORT

Written report in the packet.

POLICE REPORT

Written report in the packet.

UTILITY REPORTS

Streets and Water/Wastewater written reports are in the packet.

Exceed Copper Levels

In random Minnesota Dept of Health testing of our system, our copper levels have exceeded the action level. The households who participated were notified (this information is not public). As a result, we have some additional action steps to take. We have an information sheet listed on the website for both lead (which was fine) and copper. We also have a hard copy available at City Hall for anyone who wants it.

Portable Generator (Using ARP money)

We can purchase a good used portable back up generator. This will work for any lift stations, water, wastewater and street department needs. The cost is \$13,500. We can use the ARP money for this purchase.

Approve New Hire of Water/Wastewater Specialist

We received 3 applications and did interviews with all 3 so far. All applicants were very good and we plan to make a hiring recommendation to council at the meeting.

Approve Intern from St. Cloud Tech

We have the opportunity to get an intern in Water/Wastewater from St. Cloud Tech. Interns are free. It would be Victor's daughter, Kendra. She would work every Friday for 10 months, plus one 2-week period, and a 1-week period. This could also be a great opportunity for us to get an "in" at St. Cloud Tech and get more interns going forward.

FIRE DEPT REPORT

Written report in the packet.

LIQUOR STORE

Written report in the packet.

Resignations of Niska and Thompson

They have both been done for a while, but we have never accepted their resignations. This is a formality, but we need to formally accept the resignations.

Approve New Part-time Hires

This should complete the liquor store staff. We would like council to approve Curtis Marcott (start date of September 8) and Carol Ann Manteuffel (Start date of September 9) as part-time liquor store clerks at Step 1, \$12.12/hour.

OLD BUSINESS

Ordinance 154-280 Tarp Structures

The planning commission held the public hearing on this. The recommendation is to leave the ordinance as is. I have included in your packet a copy of the letters from Marshall Lind and new Building Official Steve Thorp both recommending the ordinance not be changed. Minutes should be ready for the council meeting.

Building Official Contracts with Royalton and Chengwatana

These are the same agreements we had as a joint power with Milaca. Both townships would like to renew the contracts with the City of Braham. Thorp has already been serving both areas.

Vehicle Update (No action)

Baumgart picked up the vehicle and title from New Brighton. It will be used for the Building Official and not rotated into the Police Department as Baumgart has chosen to keep the vehicles they have. We paid \$4700 for the car. We had it down to the police upfitter who removed the bumper, etc. for use on the police vehicles we have. The cost was \$700.33. Title was \$52.00. Once they removed the police bumper, we found there is also a crack in the bumper. There are holes where the bumper was removed, and another spot patched with black duct tape. At the time of this report, the vehicle is scheduled to go to the Ford Garage for repairs as it needs struts and brakes. I have had it added to the City's insurance.

NEW BUSINESS

Resolution 21-30 Approve the Preliminary Budget

The preliminary budget is in your packet along with a bar and pie graph showing the General Fund Income and Expenses for 2022. I have included previous year bar and pie graphs to show how expenses have changed/grown moving forward. I am VERY concerned about the increasing costs of policing in our City as they are literally almost half of our entire General Fund Budget. The bulk of the police budget is wages and benefits, with vehicles as the second most expensive element. We have 2 officers currently who are looking elsewhere. I am hoping one or both takes another position so we can use the opportunity to reduce and restructure the department. If they do not, the City CANNOT afford to continue with a police department

operating with almost half of the General Fund. There are 9 departments in the general fund including Streets. If one or both officers does not go, the council will have to look at making some hard decisions about the police department.

I recommend approving the preliminary budget, we can still reallocate funds after approval.

Resolution 21-31 Approve Preliminary Levy Amount

I am currently looking at a General Fund Levy of \$572, 381 and a debt service amount of \$211,355 for a total levy of \$ \$783,736. This is a 2% tax increase which equals approximately \$40/year on a \$2000 tax bill.

The county is going to create a standardized resolution form, which I should have before the meeting. I have included my version in the meantime, so you have a sense of what we are looking at.

Free: Life 360 App on all City owned phones

For Safety and Security reasons, Mayor Carlson suggested this, and I agree. This is a FREE app, and we should require it on all city phones. It would add to the security of our employees and allow us to find phones more easily when they are lost (we do have an issue with lost phones).

Purchase Lepinski Property

This has been an ongoing discussion with the EDA. A draft of the last meeting minutes are in the packet. Members of the EDA would like the City to purchase this property. I contacted the City attorney just to verify the steps of meetings and how we go about doing this. After a discussion with the Attorney and the Mayor, we decided to skip any more meetings of the EDA or Planning Commission and bring this directly to council. These meetings and ongoing discussions are costing the city in staff and committee time as well as attorney time when the property owner has not provided the basic, requested information on the property regarding potential contamination. City Attorney Andrea McDowell Poehler told me to bring up the following in regard to this purchase:

The historical information and information from the MPCA indicates that there is the potential for contamination located on the property. Any acquisition of the property should be preceded by a Phase I, and if necessary, a Phase II Environmental Study to determine if the site is contaminated, extent of contamination and potential clean-up costs.

Since the City has not been actively seeking to acquire the property and has no immediate need or purpose for the acquisition, I would recommend that the Owner provide a Phase I and, if necessary, a Phase II (at the Owner's cost) prior to the City entering into a purchase agreement. The results of such studies could have an impact on the City's decision whether to purchase the property at all and the terms for purchase, e.g. price, timing and responsibility for cleanup, necessity of non-association or assurance letters from MPCA related to contamination. The studies will ultimately benefit the Owner for any future sale, if the City determines not to purchase the property.

Depending upon what environmental issues may exist, costs could be significant and the timing extensive, with the need to work through MPCA approvals. It could mean a significant delay in the City recouping its costs associated with the acquisition, if the costs are not borne by the Owner, and ultimate sale and development of the property. If the costs are extensive, it is possible that the City would not be able to recoup its full investment and clean up expenses if the market would not support such costs.

Additionally, I question why Lepinski wants to sell the property to the City when there are businesses looking for land and expansion. Why doesn't Mr. Lepinski sell directly to these interested parties? Looking at the 2022 budget, I also do not see how the City would afford this purchase without bonding. Council will have to decide if this purchase is in the best interest of the citizens of Braham at this time. The City is still paying on the ERCOA lot. Clean-up on ERCOA cost the City \$167,000 and the City bonded for \$125,723 of that cost. (See Res 21-31)

Midterm Audit Report

Burkhardt and Burkhardt conducted our Mid-term audit. They noted the audit was conducted when the City's finances look the worst, June 30, as taxes and LGA are not entered until July. Page 4 of the report is what it is expected to look like with the addition of our property tax dollars. The report also does not reflect the allocation of the \$425,000 bonded funds for the 2nd Street Project. Most of the recommendations they had were in regard to Liquor Store Procedures, and all have been addressed and corrected.

UPDATES:

LED sign for Freedom Park has been ordered and should arrive in about 2 weeks. Jay Manke plans to install it in our existing wooden frame.

The Lion's Shelter has been started and we will schedule a park dedication ceremony once it is completed.

Respectfully Submitted,

Angela M. Grafstrom
City Administrator