

MINUTES OF THE REGULAR MEETING  
OF THE BRAHAM CITY COUNCIL  
TUESDAY, SEPT. 5, 2017  
7:00 P.M.

The meeting was called to order with the following present: Mayor Patricia Carlson; Council Members Lowell Jaques, Shawn Sullivan, Jeremy Kunshier, and Traci Leaf; and City Administrator Sally Hoy.

In the audience were: Delwayne Hahn from the Isanti County News, Scott McKinney from the Braham Journal, Chief Knowles, Officer Eric Baumgart, Officer Erik Anderson, Shawn Kuhnke, Penny Landborg-Crosson, Isanti County Sheriff Chris Caulk, Isanti County Deputy Tyler Johnson, State Representative Brian Johnson, Jim Rostberg and Carol Ann Smith from Isanti County Beyond the Yellow Ribbon, Dave Segl from Central Insurance Services, and City Engineer Brian Miller.

The meeting opened with The Pledge of Allegiance.

Leaf moved, and Sullivan seconded to approve the minutes from the August 1 council meeting. Motion carried 5-0.

Jaques moved, and Leaf seconded to accept the agenda as presented. Motion carried 5-0.

Kunshier moved, and Leaf seconded to approve payment of the August bills and payrolls as presented. Motion carried 5-0.

Chief Knowles gave the police report. He reported 599 calls for service in August, compared to 434 in August 2016.

Leaf moved, and Jaques seconded to adopt Res. 17D-8 accepting the August 2017 donations. Motion carried 5-0.

#### BANKING TRANSACTIONS

Sullivan moved, and Kunshier seconded to accept the following banking transactions and transfers:

8/7/17 Transferred \$3,206 from Lottery Checking to General Checking for reimbursement of Lottery payouts.

8/10/17 Transferred \$2,555 from Des. Res. Savings to General Checking for purchase of Shower Unit paid with the Knife River Grant held in reserves.

8/10/17 Transferred \$350 from General Checking to Des. Res. Savings for forfeiture proceeds.

8/10/17 Transferred \$8,176 from General Checking to Des. Res. Savings. This was Street Maintenance Aid from the State, and can only be used for street maintenance purposes. We set this aside for repairs.

8/10/17 Transferred \$2,600 from Park Board Savings to General Checking for the installation of plates under the skate park equipment paid with the Knife River grant held in reserves.

8/23/17 Transferred \$3,044 from Equipment Reserves in the Des. Res. Savings to General Checking to pay for labor and mileage on the RAS pumps at the WWTF.

Motion carried 5-0.

### PRESENTATION OF PLAQUES OF APPRECIATION

Chief Knowles and Isanti County Sheriff Chris Caulk presented Plaques of Appreciation to Shawn Kuhnke and Penny Landborg-Crosson, recognizing their Good Samaritan efforts for their attention to detail and willingness to assist law enforcement that led to a July arrest in Braham. The council extended its appreciation to Mr. Kuhnke and Ms. Landborg-Crosson, as well as to all the law enforcement present at the meeting.

### ISANTI COUNTY BEYOND THE YELLOW RIBBON PLAQUE PRESENTATION

Jim Rostberg and Carol Ann Smith from Isanti County Beyond the Yellow Ribbon presented a Plaque of Appreciation to the Braham City Council for the community's support of veterans and the Beyond the Yellow Ribbon organization.

### ENGINEERING

#### 2018 Street Improvement – Res. 17-8 Authorizing Feasibility Study

City Engineer Brian Miller presented Res. 17-8 to the council for adoption, authorizing the Feasibility Study for the 2018 Street Improvement that included improvement of the following streets:

Cypress Avenue South from County Road 4 to 3<sup>rd</sup> Street SE;  
Eastgate from 2nd Street SE to Mailbox;  
4<sup>th</sup> Street SW from STH 107 to Broadway Avenue S;  
3<sup>rd</sup> Street SE from Eastgate Avenue to Beechwood Avenue S; and,  
3<sup>rd</sup> Street SW from Douglas to STH 107.

by reconstructing a bituminous road surface and to assess the benefitted property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Chapter 429.

Administrator Hoy noted that the list of streets was recommended by the Streets Committee, were on the initial 2016 Street Improvement but were not done due to the project size and costs. Miller noted there will be other improvements that will be in the project, but they are not proposed to be assessed, so this resolution listed only the streets to be assessed against the properties.

Kunshier moved, and Leaf seconded to adopt Res. 17-8 authorizing MSA Professional Services, Inc. to do the Feasibility Study for the 2018 Street Improvement Project. Motion carried 5-0.

#### WWTF Pump Purchases

Miller reported that one of the Variable Frequency Drives burned out on one of the circulation pumps (Return Activated Sludge (RAS) pumps) at the Wastewater Treatment Facility. He explained that the sludge that comes out of the clarifier is recirculated back through the system or sent to waste for disposal with these pumps. He told the council that the 5 hp pumps have had some difficulty in the past, and there's been discussion to step up to 7.5 hp pumps.

Miller said that when the 5 hp VFD went out, both VFDs were upgraded to 7.5 hp, and the wiring in the circuits is capable of servicing 7.5 hp pumps. He said Dave Braun is recommending the pumps be replaced with 7.5 hp pumps, which would be more horsepower for the pumping process than the pumps that are in there. Miller said he would concur with the recommendation that for the minimal extra cost, to upgrade to the 7.5 hp pumps.

Sullivan moved, and Leaf seconded to upgrade to the 7.5 hp pumps as recommended by Dave Braun. Motion carried 5-0.

#### WWTF Old Lab/Motor Control Building

Miller noted that Administrator Hoy contacted him last week expressing concern that the old lab building at the WWTF appeared to have black mold issues in it and had asked him to look at it when he came down for the meeting. He said he went through the building with PSI Operator Gary Giltner. Miller said that buildings built back in the 1930's often had asbestos in them. He noted that he didn't know if there was asbestos in the building or not, but that there is a concern with the ceiling falling down. He said there is enough indication that there is probably some mold in that building. Miller said he took numerous pictures and will send them to their architect to take a look at to get some options/cost projections to either refurbish the building, demolish the building and put a new superstructure on it, or demolish the building and put just a dormer on it to access the basement. Miller said MSA has an environmental team out of Duluth that are certified in asbestos inspections that can determine if the ceiling material or tiles would have asbestos in them. He said they can also drill through the (block) walls and see if there is insulation in the blocks, and the possibility of asbestos in that as well. Miller noted this is a project that should take higher priority.

Council Member Sullivan asked if the building is basically sound. Miller replied that the superstructure looks like it's sound—there are some cracks in it, but it was built in the 1930's. He noted this was part of the original WWTF. He explained it used to be the pump control/lab building but the motor control unit and lab was moved out of there.

## GENESIS CONTRACT FOR BROADBAND – PARTIAL PAY REQUEST

The council reviewed partial pay request in the amount of \$29,864.32 from Genesis for the Broadband installation to the Industrial Park. Carlson moved, and Sullivan seconded to approve the payment request. Motion carried 5-0.

## INTRODUCTION OF DAVID SEGL, INSURANCE AGENT

David Segl, the new owner of Central Insurance Services, introduced himself to the Council. Segl recently purchased the business from Ron Grundyson. Segl confirmed the company name will remain Central Insurance Services, which Administrator Hoy noted the City has appointed as insurance agency for the City.

## AMEND PERSONNEL POLICY FOR USE OF SQUAD CARS

Administrator Hoy noted that the current personnel policy had an exception in it that allowed the personal use of squad cars to leave work and proceed straight home, and also to return to work. She noted this was put into place years ago when Chief Knowles, who lived in Braham, would drop his children off at school while he was patrolling at the school. She noted that with the upcoming changeover in personnel at the end of the year, the council should consider amending this policy to clarify that it applies to police personnel who live within the Braham city limits only.

Council Member Sullivan asked if it could be changed in the future, and Administrator Hoy noted it can be changed by council at any time.

Carlson moved, and Sullivan seconded to amend Section Y. Personal Use of Squad Cars Prohibited to clarify the exception to the policy applies to Braham police officers who reside within the Braham City Limits. Motion carried 5-0.

## POLICE CHIEF JOB DESCRIPTION

The council reviewed the updated Police Chief job description. Administrator Hoy noted that it was a compilation and condensation of the job descriptions from Cambridge, Forest Lake, Isanti and Milaca, and had been reviewed and edited by Chief Knowles, the Personnel Committee, the City's HR Attorney Andrea Poehler, then it went back for final review by the Personnel Committee again.

Sullivan moved, and Kunshier seconded to adopt the Job Description for the Police Chief position. Motion carried 5-0.

## RESIGNATION OF MIKE VOGEL AS PART-TIME POLICE OFFICER

Jaques moved, and Leaf seconded to accept the resignation of Mike Vogel as part-time police officer, effective Oct. 3, 2017. Motion carried 5-0. Mayor Carlson noted that the City extends its appreciation to Mike for his 13 years of service with the Braham Police Department.

## RATIFY APPROVAL OF RAFFLE PERMIT – BRAHAM FIRE RELIEF ASSN

The council reviewed the Raffle Permit application from the Braham Fire Relief Assn to coincide with their Chili Feed on Oct. 13, 2017. Administrator Hoy noted that because this is a permit they apply for every year, and to allow them time to submit the app to the state before they can sell tickets, she signed off on the application, and it just needed council to ratify the permit approval.

Sullivan moved, and Leaf seconded to ratify approval of the Raffle Permit for the Braham Fire Relief Assn as presented. Motion carried 5-0.

## OFF-SALE 3.2 LICENSE APPLICATION – MN STORES LLC

Administrator Hoy reported that Mille Lacs Oil is in the process of being sold to MN Stores LLC, who has applied for the off-sale 3.2 license and tobacco license. She noted that the City had received the liquor liability and work comp certificates, but the policy numbers were pending. She also noted that the Braham PD did the background investigation, and it came back clean.

Leaf moved, and Sullivan seconded to approve the Off-Sale 3.2 license application, contingent upon meeting and maintaining all licensing requirements. Motion carried 5-0.

Leaf moved, and Kunshier seconded to approve the tobacco license application, contingent upon meeting and maintaining all licensing requirements. Motion carried 5-0.

## MDH SANITARY SURVEY REPORT

The council reviewed the MDH Sanitary Survey Report for the Braham Public Water System. Administrator Hoy noted that according to PeopleService Operator Gary Giltner, the majority of the report is boiler plate language and is already being done. She noted that City Engineer Brian Miller was looking into the need to add an overflow outlet on the Water Treatment Filter System and costs for a second backup well, and she would get clarification from the MDH on a potential cross-connection backflow prevention policy.

## RES. 17-9 ADOPTING THE 2018 PRELIMINARY LEVY

Administrator Hoy reported that the 2018 Preliminary Levy is \$606,930. She said this is an increase of \$31,548, a 5.48% increase over last year. She noted that 4.6% of this levy increase is for the second step levy increase for the 2016 Street Improvement bond. This leaves an increase of .88% for increase in operation costs. Hoy said that most of the operations increases were covered with a \$16,000 LGA increase, police fines, retirement of the police chief, decertification of TIF District 2-9, and decertification of the High Point Estates Tax Abatement. She said for comparison, the levy increase for 2017 was 3.8%, the levy increase for 2016 was 3.0%, and the average levy increase over the last 10 years was 4.1%.

Hoy then walked the council through the 2018 Preliminary Budget.

Sullivan moved, and Leaf seconded to adopt Res. 17-9 adopting the 2018 Preliminary Levy at \$606,930. Motion carried 5-0.

#### Res. 17-10 ADOPTING THE 2018 PRELIMINARY BUDGET & SALARY SCHEDULE

Administrator Hoy noted the biggest impact of the 2018 Preliminary Budget was in salaries and benefits. She reported that the 2018 Preliminary Salary Schedule (last page of the budget) was based on a 2017 Salary Survey that included the cities of Mora, Pine City, Rush City, Milaca, Foley, and the LMC Survey of centrally located cities under 2,000 population. She said Step 8 on the 2018 Preliminary Salary Schedule was used as the average top step from the survey because most of the Braham employees sit on Step 8. The schedule is then backed off 3% each step down to Step 1.

She reported that because the 2018 salaries are based on the 2017 survey salaries, it is projected that Braham will still sit below the average by a 2-3% COL, as other cities will be getting increases for 2018, but that it would get the Braham employees up closer to the average pay than they currently are.

Hoy noted that she was waiving part of her salary increase and would take only a COL increase. She said she was doing this so no one would be under the misconception that she did the salary survey and schedule for a big raise, but instead her concern is to get the employees and salary schedule up to where they need to be.

She noted that with the salaries for police officers increasing to the average along with all the other city positions, the \$1.80/hr. differential pay, which was given in the past because police salaries were trailing in salaries, will be eliminated.

Hoy added that with Braham salaries being in the range of the area average, employees can be expected to contribute more towards their health insurance, as employees in other cities do. She said the budget reflects the employee's portion of their spouse coverage increasing from \$160/mo. to \$200/mo. This \$40/mo. increase equates to .23 /hr.

She reported that at this time, the Body-Worn Cameras were not in the 2018 Preliminary Budget, and that this project has been put on hold until the State Auditor's Office and League of MN

Cities determine what will qualify for the annual audit requirement without adding an exorbitant expense to the project. Hoy noted that if the City moves forward with the Body-Worn Cameras in 2018, there are forfeiture funds in the Police Equipment Reserves for the purchases.

Officer Eric Baumgart concurred with Hoy at the meeting. He said outside for profit businesses could charge \$5,000 - \$10,000 biannually to conduct an audit. He said it will likely be the beginning of the year before a decision on the audit requirements will be made.

State Representative Brian Johnson added that the audit requirements came out of the DVS data breeches, and legislation wanted to make sure that data privacy issues were covered with BWCs, but they didn't include details on who could conduct the audits.

Hoy reported that Street Supt Dan Eklund noted they have outgrown the City shop, and they were getting quotes for making improvements to the cold storage building in 2018 so it can be heated and used for an additional shop building. She said along with this, Eklund was getting quotes on a new skid loader. She said the City would bond for the combination, with first payment in 2019.

The second levy increase on the 2016 Street Improvement debt is in the 2018 levy, and it is a 4.6% levy increase all on its own. She said the City does the levy increases on these big projects over a 2-year span for this very reason.

Hoy reported High Point Estates Tax Abatement and TIF 2-9 (Grocery Store & Beauty Shop) decertified 12/31/17. She explained to Council Member Sullivan that these were incentives for development, with the HP Estates being for the trunk water/sewer lines that ran down Co. Rd. 4 to the High Point Estates housing development.

With regards to the Water and Sewer Funds, Hoy reported that the City was seeing more breaks with the aging infrastructure. She reported water main breaks/hydrant repairs ran over \$18,000 in 2016 and \$16,000 so far in 2017. She said that the City has been slower to recover from the economic downturn, and therefore has held off doing any rate increases so not to burden the Braham residents and businesses. She said in doing so, the City's been budgeting a transfer from the Water Reserves for operations over the past few years, knowing that if revenues did not pick up, we were going to need a rate increase.

Council Member Leaf noted that summers continue to be cool and wet, and the revenues are not coming in.

Hoy reported the last rate increase was in 2010, and the last increase in flat fees was in 2013. She said for the purpose of setting a preliminary budget, she used \$1.00/1,000 gal. increase for water, and \$.30/1,000 gal. increase for sewer but noted this does not include the overflow for the Water Treatment Plant, costs for a new backup well were not known yet, and costs for refurbishing or demolishing the old lab building at the WWTF were not in these numbers. She asked that the council appoint a committee to do a rate/project study with her, the next item on the agenda.

Under the Liquor Fund, Hoy reported that Liquor Store Manager Jacque Nordby projected revenues to increase with Sunday sales, and the Liquor expenditures reflect staffing and scheduling changes that have dropped expenditures considerably.

Jaques moved, and Kunshier seconded to adopt Res. 17-10 adopting the 2018 Preliminary Budget and Salary Schedule as presented. Motion carried 5-0.

#### SET UP COMMITTEE FOR W/S RATE & PROJECT STUDY

Sullivan moved, and Kunshier seconded to appoint Mayor Carlson and Council Member Leaf to a Water/Sewer Rate & Project Study Committee. Motion carried 5-0.

#### SET DATE FOR TRUTH IN TAXATION MEETING

Kunshier moved, and Sullivan seconded to set the City's Truth in Taxation Meeting with the following announcement:

*"The Truth in Taxation Meeting will be held at the Braham City Hall on December 5, 2017 at 7:00 p.m., at which time public comment will be taken."*

Motion carried 5-0.

Sullivan moved, and Jaques seconded to adjourn. Motion carried 5-0. Meeting adjourned at 8:10 p.m.

Respectfully Submitted,

Sally A. Hoy  
City Administrator