

ADMINISTRATOR'S REPORT
APRIL 2019

7:00 P.M. PUBLIC HEARING

Jason Murray from David Drown's Office will present the Capital Improvement Plan at this public hearing. Comments and question on the CIP will be taken from the public. No council action is taken at public hearing. Council consideration for adoption of the CIP follows in the regular meeting.

REGULAR COUNCIL MEETING

BANKING TRANSACTIONS:

3/6/19 Transferred \$3,000 from General Checking to Fire Turnout Gear Reserve in Designate Reserves Savings. This was the donation from the Grandy Lions in 2018 to assist replacement head gear. The purchase of the head gear all came out of this reserve, so the \$3,000 can go back into the reserve.

3/7/19 Transferred \$7,500 from Fire Turnout Gear in Des. Reserve Savings to General Checking to go toward the purchase of Turnout Gear coats and pants.

3/12/19 Transferred \$5,005 from Lottery Checking to General Checking for reimbursement of Lottery payouts.

3/26/19 Transferred \$9,606 from Designated Reserve Savings to General Checking to cover the 2019 Property Taxes on the Ind. Park lots paid to Kanabec County.

ENGINEERING:

At this time, there are no engineering items.

RES. 19-7 ADOPTING CAPITAL IMPROVEMENT PLAN:

As noted in the March 5 Administrator's Report and Council meeting minutes, and the 7:00 CIP Public Hearing, the Capital Improvement Plan consists of:

City Shop Cold Storage Building Improvements

The City Shop is not large enough to hold all the equipment that needs to stay in moderate temperatures during winter months. Space is crowded inside the current shop building, creating a safety issue for personnel. By LMCIT Standards, there should be a 3

point contact when climbing into the equipment. This is not possible in the confined space of the City Shop. The intent is to have the Cold Storage Building upgraded to a functioning shop building by adding insulation, tin, concrete floor, heat, lighting, water, and sewer.

Police Garage Repair

The back area of the Police Garage is caving in, and mold is present in the building. This building was built in the 1930's as the jail and well house for the first City well. Asbestos tests on the Police Garage were negative. The roof is being replaced through insurance due to the August 2018 hail damage, but the inside of the building needs restoring.

Fire Hall Roof Replacement

The Fire Hall was purchased from East Central Energy back in 1992. The flat, rubber roof has been patched over the years, but it is only a matter of time before more leaks appear. The Fire Hall houses firefighting vehicles, and is the central Emergency Operations Center for the City. As part of the EOC, there is equipment in the Fire Hall that cannot get damaged from water leaks. The Fire Hall roof was inspected by Roof Tech from Stillwater, and it was recommended for full replacement.

Res. 19-7 adopts the Capital Improvement Plan. Should the council move forward with adoption of the CIP, there is a 30-day waiting period after the council adopts the plan, where it can be blocked by a petition signed by 5% of the registered voters. These are necessary improvements to ensure the integrity of the City's buildings and equipment so we would hope for the community's support, but should the petition happen, the council cannot try again for 365 days.

HIRING PROCESS FOR CITY ADMINISTRATOR:

The council held a workshop on March 25 for the purpose of discussing the hiring process for the City Administrator. Isanti County Commissioner Terry Turnquist, Isanti County Administrator Kevin VanHooser, and Isanti County HR Director Lindsey Giese attended per the City's request to help the council with this process. No official council action was taken at the workshop. The next step is to authorize the advertisement, setting a deadline for applications to be submitted.

TEST RESULTS ON WATER QUALITY COMPLAINT:

At the end of the February 19 council meeting, the council heard a complaint from Jake and Sara King about the rate increase and the poor water quality in their home. A work order was issued to PeopleService Operator Gary Giltner to follow up on the water quality concern. Gary tested the water on 3/8/19. He reported the water was sampled at the kitchen sink and was very clear at the time. He took sample and tested them at the Water Treatment Plant, reporting that the test results came back excellent. He issued a letter to Kings on 3/12/19 as a follow up, which is in the packets.

HIRING OF P.T. LIQUOR STORE CLERK(S):

Liquor Store Manager Jacque Nordby was on vacation at the time of this administrator's report. We will have her recommendation for hiring at the council meeting.

HIRING OF P.T. POLICE OFFICER:

Interviews were conducted on the top 3 applicants for the part-time police officer position. Chief Baumgart will give the recommendation for hiring at the council meeting.

INTERIM USE PERMIT – BRAHAM AREA CHAMBER OF COMMERCE FARMER'S MARKET:

The Braham Area Chamber of Commerce has submitted an application for their annual Interim Use Permit to hold the Farmer's Market in Freedom Park from June 6-Oct. 31, 2019.

GAMBLING PERMIT APPLICATION – BRAHAM AREA CHAMBER OF COMMERCE:

The Braham Area Chamber of Commerce is applying for a Charitable Gambling Permit to conduct Bingo and a Raffle in the Braham Fire Hall in combination with June 1 Appreciation Day.

PURCHASE OF CONCRETE BARRIERS:

A lot of planning went into preparation for Pie Day last year. Eric worked with Mike Patterson to get concrete barriers to implement security measures for the event. They arranged for us to rent them from Warning Lights, and get them trucked in for Pie Day. Warning Lights was generous enough to just charge us the trucking fee in 2018, but we can't expect that for every year and every event. Eric, Dan, Tish and I have discussed the need for these barriers on site to be used for Pie Day, but they could be used for Appreciation Day and any other events that pedestrians need to be protected from any vehicles.

We've met with Mike about planning for Pie Day this year. Last year, Warning Lights donated them for Pie Day, and quoted him \$250 per barricade for the City to purchase them. This year they quoted \$225 per barricade. We are in need of 50 barricades, so the cost will be \$11,250. This would be a good cost to come out of the reserve from the Horseshoe Meadows lot sales. There is currently \$137,593 in the Undesignated line item reserve within the Designated Reserve Savings. At the time we transferred the \$85,000 to the reserves in February, I ear-marked some expenses that could come out of that, such as these concrete barriers, City Hall flooring, consultant fees for the upcoming Wellhead Protection Update, and extra Admin costs for two

administrators here before I retire. The need for security measures with our community celebrations is not going to go away. Rather than chasing these down and getting them trucked in for every event, we are recommending the City purchase them and have them on hand.

PEOPLESERVICE CONTRACT RENEWAL:

The City's contract with PeopleService is up for renewal. The contract increases the monthly price and maintenance fund by 3% that covers the increase in compensation over the last 10 years, while the City paid an average 1.72% per year over that time period. According to Chad Meyer, PSI President, over that same time period the shortage of qualified, licensed professionals in this industry has caused wages to increase at higher rate than what the Consumer Price Index increase has averaged. He noted that they believe in the partnership they have developed with the City, and feel the request for a 3% increase was reasonable and in the spirit of that partnership.

Paul also checked back into the CPI increases the City has paid over the past five years. They are: 1.3% in 2015, 0.5% in 2016, 1.7% in 2017, and 2.2% in 2018. He said this calculates out to a total increase over the last four years of 5.7% with an average annual increase over those four years of 1.425%. He said that this had made it hard for them to operate under that budget, yet they have lived by the contract terms and gotten the job done.

Paul noted that if we apply the 2019 adjustment of 3% to the earlier CPI adjustments the total increase over the five year term would be 8.7% with an average annual increase of 1.74%. He said they are asking for an additional 0.8% increase on top of the published 2.2% because they truly do need it to remain viable as a service provider to the City.

Contracting for the Water and Wastewater operations brings many benefits with it—We know the people are qualified, licensed personnel who have checks and balances on all the operations, and they have the resource of other operators in the area they can call in when there's a problem. PSI works with our farmers for land applications, and they take care of the reporting to MPCA. Paul oversees the personnel and is available to me any time the City has a concern. My opinion is that contracting is the only way to go and PSI overall does a great service for Braham.

RAFFLE PERMIT APPLICATION – SEVEN COUNTY SENIOR FEDERATION:

The Seven County Senior Federation has applied for a raffle permit to hold a raffle in conjunction with their annual meeting on Thursday, May 16, 2019. Because they are a 501c3 and the total value of the prizes is under \$1,500 they only need a City permit.

SPECIAL EVENT PERMIT – FRIENDSHIP ASSEMBLY OF GOD CHURCH:

Friendship Assembly of God has applied for a Special Event Permit to host the Teen Challenge Choir in Freedom Park on Sunday, July 14, 2019 from 9a-3p. They are estimating 75-150 in attendance.

NORTH TRUNK HIGHWAY 65 CORRIDOR COALITION MEMBERSHIP DUES:

The City received an invoice from the North TH 65 Corridor Coalition in the amount of \$250 for annual membership dues. From the records in the computer that go back to 2016, the dues have not increased in the four years.

2019 CLEAN UP DAY CHARGES:

The Cleanup Day charges are in the packets for council approval. Several of the items have been increased from last year. The majority of the costs are pass-through charges, with the City adding \$10 on the carpet disposals and charging a standard \$15 on appliances rather than splitting the appliances from \$10 and \$15. Last year, the City lost \$1,400 on cleanup days after receiving in the \$500 from the County. This did not include City crew labor.

SET DATE FOR 2018 ANNUAL AUDIT PRESENTATION:

The City's Financial Statements include the Braham HRA financials. The CPA firm for the HRA is slow in getting the information to the City Auditors, as it was last year, which is delaying the annual City audit presentation to the council. According to Greg Burkhardt, the City's end of the financials are all clean and they are only waiting for the HRA now. It appears Burkhardts will be hired by the HRA to do its financials from here on out, which makes sense since they are the City auditors. Because of Burkhardts' audit commitments this year, Greg said the earliest they can get to the HRA financials is mid May. He believes he can be ready for a June audit presentation if the council wants to set that for June 4 at 6:30 p.m..

ANNOUNCE APRIL 25 OPEN HOUSE FOR 2019 MNDOT HWY 65/107 INTERSECTION IMPROVEMENT PROJECT:

MnDOT will be hosting an Open House at the Braham City Hall on Thursday, April 25 from 4-6 p.m. to provide information and answer questions on the Hwys 107 & 65 intersection project planned for this year.

NPDES 2018 ANNUAL COMPLIANCE SUMMARY REPORT:

The City received the final Wastewater Annual Compliance Summary for 2018 under the NPDES Permit (National Pollutant Discharge Elimination System). Everything was good on it with the exception of one DMR (Discharge Monitoring Report) parameter shown missing. This

was for chlorine, which we don't use chlorine because we use ultraviolet disinfection in place of it. I talked to PeopleService operator Gary Giltner about this, and he said all the DMR reports list chlorine as a non-requirement for Braham, but for some reason it was listed for reporting on the December 2018 report. Since we don't use chlorine at the WWTF, he said there were no parameters for him to report. They will get this corrected when we meet with MPCA in April. See next item.

APPOINT COMMITTEE TO WORK ON NEW PHOSPHORUS LIMITS ON NPDES PERMIT RENEWAL:

I received a call from Robin Novatny at MPCA last week. They are in the process of renewing the City's NPDES Permit. The permit renewal had actually begun in 2015, but MPCA began a statewide watershed study at the time to see the potential impact all the Wastewater Treatment Facilities have on Minnesota watersheds and held off on renewing any permits until that study was completed. Braham's WWTF discharges into the Rum River Watershed (major) and Lower Stanchfield Lake (minor). Robin said that according to their study, the City does not exceed the new phosphorus limits for the Rum River Watershed, and does not currently exceed the Lower Stanchfield Lake either, but they believe that as Braham grows and gets closer to full capacity, we will exceed those limits for the Lower Stanchfield Lake. In 2012 our WWTF was upgraded to 400,000 gpd capacity. We have been operating at half capacity for years. It can literally take many years before Braham reaches full capacity, or big development in the Industrial Park or an annexation for housing developments could shorten that time. We don't know. Robin asked if we'd like to meet with her and a team from MPCA to discuss the new phosphorus limits in the City's permit. I did tell her I'd be retiring in the fall if she'd rather wait to start with a new administrator, but she would like to have the permit renewal completed by then. So we should set up a meeting in April. I would recommend the council assign a council committee on this project for continuity sake because I am retiring and because this will be long-term process. We're attempting to set up the meeting in April, so I will need to know when the committee is available.

Respectfully Submitted,

Sally A. Hoy
City Administrator