

Administrator's Report
May 5, 2020 Council Meeting
6:30 pm

We will begin the meeting with the Audit Workshop.

Engineering Report

The city has a serious issue on the intersection of Elmhurst and Central. The engineers have surveyed. Even though it is only 15 years old, it is rusting out and we have portions of the road sinking. This will need to be replaced. We need to approve this tonight as we want to get started on it in May.

The lift station at Hidden Park needs the pumps replaced. These work in tandem with each other so they should be the same pump. Les has recommended instead of replacing with used, worn pumps, we would be better off to replace with 2 new pumps. We got 2 estimates. Les will discuss.

Police Report

Chris Bulera has resigned as a part-time officer and council needs to accept the resignation.

Utility Report

- A. **Approve Advertising for the new Utility Position?** I have completed the job description and sent it out to the Personnel Committee for review. If they are okay with the description, I would like to begin advertising for the position. Superintendent Eklund knows someone with experience that is interested in the position. We still have to advertise and take applications, but at least we know we would get one qualified applicant.
- B. **Compost/Yard Waste Collection:** We have had some trouble with maintaining the Compost. Often, we have large stumps and non-yard waste dumped and Superintendent Eklund believes much of this comes from outside the city. We have a few options: Option 1: I have spoken with Quality Disposal and they would be willing to do curb side pick-up for those who want to participate from April 1 to November 1. Our compost site would be gated and locked with only Quality entering to dump compost. There would be a flat fee charged only to those who choose to use the program. This way we can still offer composting to citizens, but not have it abused. This would also allow us to better utilize and improve the park that is attached to the compost area. The proposal from Quality Disposal is in the packet. Option 2: Put up a camera so we can catch people who are dumping things that don't belong there. Option 3: Gate it and have set

hours of operation. If we have weekend hours, it could be rotated as “on-call” hours. Or maybe it is a combination of the 3 choices?

- C. **Clean-Up Day:** We should move clean-up day due to COVID-19. When should it be offered instead? Superintendent Eklund has suggested September.
- D. **Mosquito Drone:** As summer is approaching one of the main complaints at city hall is the lack of mosquito control. In addition to just being a nuisance, there are over 50 species of mosquito in Minnesota and they are carriers of West Nile, Zika, encephalitis, and Jamestown Canyon Virus among other diseases. So, it is important to reduce the mosquito population within city limits as best we can. The MN Dept of Health does recommend mosquito control.

We live in a very swampy area and many cities, especially in the south are using drones to spray larvicide with a success rate of about 65-80% reduction in mosquitos. They combine this with truck spraying and in some cases, backpack spraying as well. Larvicide spraying would occur during the day and we would still do truck spraying at dusk. I have included the cost and the research on this in the packet. I would suggest the newer drone model because the newer model is cheaper than last year’s model. The AGRAS T16 with set up, training and test prep for \$21,493.18. We could easily afford this without dipping into reserves with the proposed reduction of Health insurance costs, see letter I under “New Business”.

New Business

- A. **Audit:** Approve the 2019 Audit.
- B. **Resolution 20-12** Approving donation to Fire Dept
- C. **Resolution 20-13** Approving donation to the Police Dept
- D. **Resolution 20-14 Allocating Reserve funds:** I have reviewed this with the auditors. We need to plan better for the expenses we know we will have and start investing part of the city’s reserve funds into even higher interest-bearing accounts. If you approve this resolution, the plan is to invest \$360,000 at Frandsen Bank in CDs with a 2-4% interest rate. We would be doing a 1-year, 2-year, 3-year, and maybe a 4-year CD so we always have funds coming available if needed but can be renewed for a longer term if not needed to gain more interest. The longer the term, the higher the interest. The \$40,000 would be an investment in revolving loans through the EDA.
- E. **Resolution 20-15** The auditors will address this, but we need to forgive the TIF 2-8 loan payable to the General Fund.
- F. **Resolution 20-16** Yearly the city transfers \$35,000 from the liquor store fund to the General fund for operating expenses after the audit has been completed.
- G. **Resolution 20-17 Authorizing EDA to Approve Business Loans:** The EDA has met and would like to assist downtown businesses by offering 8 loans of \$5,000 as COVID-19 Emergency Loans. I already included the \$40,000 in the

Allocation of Reserve Funds to the EDA. Going forward, these funds would remain allocated to the EDA for operating expenses and to continue to issue loans to help develop business in Braham. This is a function of the EDA and the city as it helps to increase the city's tax base and grow city funds. The current COVID-19 loans will target non-essential businesses that are suffering because of the current shut down and they will be charged a \$100 origination fee, which will go back to the EDA for operating costs (we pay board members \$15.00/meeting) and to continue to grow the funds for future loans to promote business growth and development in the city. This Resolution will give the EDA the authority to issue the loans using the assigned funds without further council approval. They are a city committee and the by-laws of the EDA allow them to do this on behalf of the city.

- H. **Renewal of Mutual Aid Agreement with Cambridge:** The utility department and the fire department reviewed the fees and we updated the Agreement. This expired in March and Linda from Cambridge just sent it now for renewal.
- I. **PEIP Health Insurance:** The city is currently purchasing employee health insurance on the open market. We are paying insurance premiums based on individual employee ages, preexisting conditions and number of family members using the insurance. PEIP is Public Employees Insurance Program, designed specifically to make quality, affordable health, dental and life insurance to all city, county, school districts and other public entities regardless of size. They can offer affordable, long-term rate stability by pooling our group's experience with that of other public employee groups. The program is managed through the Minnesota Management and Budget Dept. and administered through Innovo. The plan has a set rate for family or individual and it does not vary based on the individual employee. This is quality insurance that allows the employee the opportunity to choose from 3 carriers: Preferred One, BlueCross/BlueShield and HealthPartners. I have included details in the packets, but basically, the city could add the comprehensive dental plan offered through PEIP for the employees **and still save \$26,030.76 PER YEAR**. That is a savings of over \$100,000 in 4 years. Over the last nine renewal periods PEIP rates have increased approximately 2.5% per year.
- J. The fire dept is seeking approval of Nate George as a probationary firefighter. Mr. George is the military officer who presented the combat flag to our police dept.

Respectfully submitted,

Angela M. Grafstrom