

BAXTER CITY COUNCIL MINUTES
Work Session
November 20, 2018

Vice Mayor Todd Holman called the Work Session to order at 6:00 p.m.

Council Members Present: Vice Mayor Todd Holman and Council Members Steve Barrows, Quinn Nystrom, and Mark Cross

Council Members Absent: Mayor Darrel Olson

Staff Present: City Administrator Brad Chapulis, Public Works Director Trevor Walter, Finance Director Jeremy Vacinek, Assistant Finance Director Susannah Jensen, Community Development Director Josh Doty, and Assistant City Administrator Kelly Steele

2019 Governmental Funds Budget and Proposed Levy Update

Finance Director Vacinek presented an update to the proposed 2019 budget and levy and explained the truth and taxation hearing is scheduled for December 3. The general fund budget has been reduced \$1,500 for 2019 dental premiums, \$2,200 for the mass notification app., \$5,600 for body and squad cameras, and \$10,000 for the snow blower. The general fund budget will increase \$19,400 for prosecution services. The Changes still result in a balanced general fund budget. Finance Director Vacinek summarized updated tax information provided by Crow Wing County.

2019 Mill & Overlay and Full Depth Reclamation Improvements Project Feasibility Report

Aric Welch, consulting engineer with WSN, summarized the project areas, existing conditions, proposed improvements, costs, and assessment calculations for the 2019 mill and overlay and full depth improvement project. Bituminous prices seem to be increasing. An updated project schedule has been provided, with an improvement hearing to be held on December 13. Construction would start in June. City staff reviews all assessment figures provided by WSN. Mr. Welch will consult with MnDOT regarding project design.

2019 Memorywood Drive Improvements Project

Aric Welch, consulting engineer with WSN, summarized the project boundary and design options. Mr. Welch is looking for council direction on Option A or Option G. Proposed assessments increased from approximately \$5,900 to \$6,200 due to increasing bituminous prices. Street lights on T.H. 210 have been added to the feasibility report. The council consensus was to have Mr. Welch present three design options at the improvement hearing.

2019 South Interceptor, North Forestview and Forestview Stormwater Outlet Improvements Project Feasibility Report

Bryan Drown, consulting engineer with Bolton & Menk, explained the total project cost is just over \$9.5 million. The total estimated assessment per residential unit is \$19,492, excluding wac, sac, and lift station charges. There are some larger parcels within the project boundary that would receive more than one assessment unit. Property owners would also have private costs in addition to the assessed costs.

The council consensus was to have the appraisal study completed and to hold the improvement hearing on December 6.

Prosecution Services Agreement,

City Administrator Chapulis explained that since 1991 the cities of Baxter and Nisswa contracted with the City of Brainerd for prosecution services for various misdemeanor offenses and charges. Per the agreement, compensation for the services are revenue driven.

In March 2018, Brainerd administration notified Baxter and Nisswa administrators that both entities were not complying with the compensation terms of the 1991 agreement. After several conversations, the three administrators concluded the variations from the 1991 agreement began as early as 1998 and may have been verbally agreed to by former leadership of the three entities through there is no documentation supporting such. After consulting with representative police chiefs and completing due diligence, all three administrators determined that they were satisfied with the services of the current prosecutor and continuing to collaborate on prosecution services would be beneficial to all three cities.

Based on the findings, the administrators agreed to abide by the original terms of the 1991 agreement while working towards drafting a new agreement with the goal of such agreement is fair, equitable, and beneficial to all three parties.

The proposed four-year agreement would provide all three cities work together to select the prosecution attorney; Brainerd will be the lead entity for the administration and contracting of the prosecuting attorney; compensation will be reflective of the annual caseloads of the three entities; completion of annual prosecution reports by the prosecutor; and termination of the agreement if the prosecution agreement is terminated prior to the end of the agreement and a substitute agreement is not acceptable to the city. Negotiations are underway with the current prosecutor, Matt Mallie, for a three-year extension of the current agreement, which would extend his services through 2022.

Though the cost of the prosecution services would vary annually, approval for the agreement would increase the City's prosecution costs by approximately \$42,000. About half of the increase is due to the 1998-2018 payment proactive while the other half is reflective to the change in the formula, which is based on case load.

While the City has been able to utilize the collected revenue for other police related costs in the past, it would need to commit all its collected fine revenue for prosecution services and levy the different, if and when applicable. In 2017, the city would have had to levy \$4,000.

While the City had lower financial exposure for prosecution services in the past, it will be required to pay a greater amount going forward. Pursuing prosecution services on our own at this time would be more expensive and be a greater burden on the City's general property tax levy for this required service. Based on the satisfaction of the services provided by the current prosecutor and the economies of scale achieved by continuing to jointly contract for the services with Brainerd and Nisswa, staff recommends approval of the proposed prosecution agreement.

MOTION by Council Member Cross, seconded by Council Member Nystrom to adjourn the council work session at 6:38 p.m. Motion carried unanimously.

Approved by:

Todd Holman
Vice Mayor

Respectfully submitted,

Kelly Steele
Assistant City Administrator