



# CITY COUNCIL WORK SESSION MINUTES

Wednesday, August 07, 2024 at 6:15 PM

Baxter City Hall, 13190 Memorywood Drive, Baxter, MN

---

## CALL TO ORDER

Mayor Olson called the meeting to order at 6:15 p.m.

## ROLL CALL

Mayor Darrel Olson and Council Members Connie Lyscio, Zach Tabatt, and Jeff Phillips were present. Council Member Mark Cross was absent.

City Administrator Brad Chapulis, Police Chief Jim Exsted, Public Works Director Trevor Walter, and Finance Director Jeremy Vacinek were present.

## BUSINESS ITEMS

1. Sewer / Water Connection Policy Discussion  
The council has previously requested further discussion on the required timeline for property owners to connect to municipal water and sewer services. This request was due to a report prepared by SEH regarding the well rehab and drilling of additional wells as well as a request from a few residents to remove the deadline because of these improvements.

When the water treatment plant was constructed in 2007, the city drilled four wells to accommodate the water usage needs at the time. The four wells could produce 2 million gallons of water per day before stressing the wells and aquifer. The wells were designed to alternate the use of two wells at a time. The city's plan has been to drill additional wells after reaching 2 million gallons per day consistently for 4-6 months. At the time the city is to drill the two new wells, a new water projection and future well location study would need to be completed to identify when and where future wells should be located.

A major reason for the current state of the wells is a result of the 2023 drought and increased water use. During peak summer use there was an average daily use of 2.2 million gallons per day with a peak day of 2.9 million gallons. This was a 17% increase from the 2022 daily average during the same time period. To meet water demand last summer, the city had to run all four wells concurrently, which caused excessive stress on the wells and aquifer. The stress from this event expedited the timing of the well rehab as well as the drilling of the two new wells.

The rehab of the wells will often help restore the well's ability to supply water, but the well is never truly restored to like new condition. After the rehab wells 1-4 will produce approximately 1-1.5 million gallons per day. Drilling two new wells should allow the city to gain another 2 million gallons per day of capacity. This will allow the city to produce over 3 million gallons per day covering peak demand without stressing the wells or aquifer.

The city is able to currently meet the demands of water usage. There is not a water shortage. The city is able to purchase water from Brainerd when the wells are down for maintenance or during peak summer demand.

City Administrator Chapulis summarized the number of homes that are connected or need to connect to city services and the historical number of new homes constructed. With the connection of these properties, it is estimated that an additional 24,000-25,000 gallons of water per day will be added to the city's water system.

In 2019 the council provided direction that property owners have 5 years to connect to city services after substantial completion of the project before becoming a nonuser and subject to a nonuser fee.

While special assessments finance a portion of the capital improvement costs to construct the initial water and sewer lines, the city continues to have operational expenses to maintain the water and sewer lines that serve the parcel even with the parcel is not connected to the system.

Forgoing the monthly revenue that is collected as part of the utility operations by initially not requiring connections or extending the grace period for connections beyond the current five years without charging nonuser fees results in higher rates for those connected to the system.

With the upcoming required connections to municipal services as a result of the past improvement projects, there will be a 60.4% reduction of on-site individual sewage treatment systems. This reduction moves the city closer to meeting goals identified in the capital improvement plan.

The council discussed the preference to discontinue purchasing water from Brainerd and to review water conservation efforts. The city's water per gallon usage fee is a flat rate for small users and extreme users and the city may want to consider a different fee structure to encourage water conservation.

The staff will prepare to continue this conversation in the future.

## **ADJOURN**

**MOTION** by Council Member Lyscio, seconded by Council Member Tabatt to adjourn at 6:55 p.m. p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

---

Darrel Olson  
Mayor

---

Kelly Steele  
Assistant City Administrator