

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
JANUARY 24, 2008, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Mayor Jeremy Riddle and Councilors Dick Dobson, Victoria Hallin, Lee Steinbrecher and Paul Whitcomb. Staff present was Mark Karnowski, Steve Jackson, Jay Blake, Brian Payne, Jim Roxbury, and Ann Bien. Also present was City Engineer Mike Nielson, WSB, and City Attorneys Dick Schieffer and Damien Toven.

AGENDA ADDITIONS/DELETIONS

IT WAS THE CONSENSUS OF THE COUNCIL TO ADD THE FOLLOWINGS ITEMS TO THE AGENDA:

Under Reports of Officers, Boards, and Committees:

- B. Park Board
 - 1. Resignation of Board Member

Under Petitions, Requests, and Communications:

- A. Communication from Central MN Council on Aging

Under Unfinished Business:

- C. USDA Grant

Under New Business:

- A. SCADA System

APPROVAL OF MINUTES OF THE REGULAR MEETING OF JANUARY 10, 2008

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF JANUARY 10, 2008, AS WRITTEN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

CONSENT AGENDA

A. Permits and Licenses

- 1. Princeton Golf Club – Intoxicating Liquor/Sunday Liquor 02-01-08 thru 12-31-08
- 2. Princeton Golf Club – Tobacco License 02-01-08 thru 12-31-08

B. Personnel

- 1. Police Department
 - a. Nicole Josephes, Increase after one year to \$19.10/hr. eff. 02-04-08

C. Donations/Designations

- 1. Princeton Used Clothing Center - \$300 for flowers

DOBSON MOVED TO APPROVE THE CONSENT AGENDA. STEINBRECHER SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

OPEN FORUM

PUBLIC HEARINGS: None

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. EDA

1. Appointment of Member

Cindy Riddle submitted her application to be appointed to the Economic Development Authority. Whitcomb reported Cindy has been attending EDA meetings and would be a valuable member.

HALLIN MOVED TO APPOINT CINDY RIDDLE TO THE ECONOMIC DEVELOPMENT AUTHORITY FOR A TWO YEAR TERM EXPIRING 12-31-09. STEINBRECHER SECONDED THE MOTION. ON THE VOTE: AYES – 4 (DOBSON, HALLIN, STEINBRECHER, WHITCOMB); NAYS – 0; ABSTAINED: MAYOR RIDDLE. THE MOTION CARRIED.

B. Park Board

1. Resignation/Appointment of Member

Karnowski informed the Council that Mike Trunk has resigned from the Park Board because he will be working out of town and will be unable to attend the meetings.

STEINBRECHER MOVED TO ACCEPT THE RESIGNATION FROM MIKE TRUNK EFFECTIVE IMMEDIATELY. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Dobson stated he would like to see the appointment tabled and direct staff to advertise for the position.

DOBSON MOVED TO TABLE THE APPOINTMENT AND DIRECTED STAFF TO ADVERTISE FOR THE POSITION. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Communication from Central MN Council on Aging

Karnowski informed the Council the Central MN Council on Aging is holding its annual meeting on February 7, 2008, at the St. Cloud VFW from 11:00 a.m. – 1:00 p.m. Preregistration is required.

ORDINANCES AND RESOLUTIONS: None

UNFINISHED BUSINESS

A. 2008 Priorities

Karnowski explained he compiled the ratings given to each project on the list. He explained that neither the prevailing score, total points, nor final ranking represents the Council's level of support for any particular issue, but merely give city staff direction on where to concentrate staff time.

Dobson suggested that due to possible development in Baldwin Township the airport area rezoning be moved higher on the list. Karnowski explained the joint zoning board needs to be reappointed and encourage them to begin work so we can move forward. Riddle stated he thought things would come forward as needed.

B. Public Safety Building Update

Karnowski reported the governor released his funding list for the 2008 bonding bill. He stated Princeton's public safety building was not included in the list, but since transportation was focused on, no local projects were included. He stated the legislature, however, has indicated they would like to see some local projects included. He reported staff met with a couple of lobbyists from SEH about helping the City promote this project and get it in the senate and house bonding bills. He thinks it is in the City's favor that this will be a regional facility. Staff will continue to pursue this.

C. USDA Grant

Karnowski explained the City is applying for loan and grant funds from the United States Department of Agriculture (USDA) to assist in the construction of the proposed wastewater treatment plant. As part of the process, numerous forms need to be filled out and returned to the USDA. At this point, none of the forms commit the City to any particular course of action or will result in any additional expenditures of funds. He requested authorization and direction for the Mayor and staff to sign the required documentation to apply for a USDA loan/grant for the proposed wastewater treatment plant.

DOBSON MOVED TO AUTHORIZE AND DIRECT THE MAYOR AND CITY STAFF TO SIGN THE REQUIRED DOCUMENTATION TO APPLY FOR A USDA LOAN/GRANT FOR THE PROPOSED WASTEWATER TREATMENT PLANT. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

A. \$5,190,000 G.O. Water Revenue Bonds, Series 2008A

George Eilertson, Northland Securities, explained that in 2005 the Public Utilities Commission (PUC) financed a portion of the cost of the construction of certain improvements to the City's water treatment and distribution system by the issuance of a water revenue note in the principal amount of \$2,865,000. Since the City is authorized by MN Statutes to finance all or a portion of the cost of the project by the issuance of general obligation bonds, the PUC has requested the City to refund the 2005 Note and approve the issuance and sale of G.O. Water Revenue Bonds to cover the remaining costs. This bond will be payable from the net revenues of the water system. He explained the PUC cannot issue this type of bond on its own.

Eilertson explained tonight's resolution will set the date to sell the bonds, which is proposed to be at the last meeting in February.

Dobson asked if the bond sale can be moved up even though the resolution states a specific date. Eilertson answered it may be able to be moved up. This resolution does not bind the City to sell bonds at the second meeting in February. Dobson asked how this would affect future bonds if needed by the City. Eilertson explained the City has a legal cap on the debt it can have, but this would not hinder the City's ability to borrow. It will also not have a negative affect on the City's bond rating.

Karnowski stated one concern is that this is a negotiated sale. He explained the PUC would prefer to work with Siemens for several reasons, but City staff was concerned that a negotiated sale would not offer the best interest. However, Siemens want to be able to establish a track record and Eilertson has secured a verbal commitment from them to match or better the going rate on that day. Eilertson has also structured this so an advertised sale could happen if Siemens change their mind. Eilertson explained they will be looking at other sales throughout this time to determine the going rate, which Siemens has agreed to pay.

STEINBRECHER MOVED TO APPROVE RESOLUTION #08-06, A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF APPROXIMATELY \$5,190,000 GENERAL OBLIGATION WATER REVENUE BONDS, SERIES 2008A. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

DOBSON MOVED TO APPROVE THE FINANCIAL SERVICE AGREEMENT BY AND BETWEEN THE CITY OF PRINCETON AND THE PRINCETON PUBLIC UTILITIES COMMISSION, MINNESOTA, AND NORTHLAND SECURITIES, INC. AND TO AUTHORIZE THE MAYOR AND CITY ADMINISTRATOR TO SIGN ON BEHALF OF THE CITY OF PRINCETON. STEINBRECHER SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B. Report on Downtown Business Meeting (Dobson)

Dobson reported he attended the downtown business meeting on the 14th. He stated there were approximately 14 downtown building owners in attendance. He stated the meeting was basically a planning meeting for a Princeton historical preservation group to get started. The intent is to start preserving/restoring the remaining historical buildings in the downtown area.

He stated they received quite a bit of information to go through. There will need to be a lot of legwork first and he thought maybe an intern could do some of the work. He stated the group will need council support for their project. Any funding through bonds for this project will need to go through the City. If grants are received, the City will have to match a portion.

He invited any one from the council to attend the next meeting on Monday and get involved since they will be asking the City for support.

C. Chamber Presentation (Damien Toven)

Toven asked for direction regarding solicitation of donations for the Chamber of Commerce. He asked if the Council is requiring them to present one application for each individual event or is it sufficient to come with one application listing all of the events and asking for one lump sum.

Riddle stated he thought it would be okay to receive one application for a lump sum stating they anticipate it to be split a specific way, but events could be changed. The Council agreed.

D. Garbage Bid Results

Karnowski reported the city received four quotes for garbage services for the various City facilities. Based on the low bid, staff recommends East Central Sanitation with a flat monthly fee of \$225 for all the services noted in the RFP. Riddle stated he heard they have been offering half price for the first 12 months, so wondered if this was basically half. Karnowski stated it was his understanding this rate would be for at least one year.

Dobson stated he heard East Central Sanitation has offered some people half price for 12 months and others for 24 months, He asked if the City could lock in this price or 24 months. Karnowski stated he will ask what their intent was.

HALLIN MOVED TO APPROVE THE PROPOSAL FROM EAST CENTRAL SANITATION FOR A FLAT MONTHLY FEE OF \$225 FOR ALL THE SERVICES NOTED IN THE RFP IF THE PROPOSAL IS FOR TWO YEARS. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

E. WWTP Phosphorus Removal Modifications Change Order #2

Change Order #2 is for chemical building floor drain and vent piping modifications, chemical building louver opening modifications, and revised parapet wall for chemical building.

STEINBRECHER MOVED TO APPROVE CHANGE ORDER #2 FOR THE WASTEWATER TREATMENT PLANT PHOSPHORUS REMOVAL MODIFICATIONS. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

F. Fire Department Truck Bid Results

Karnowski reported that pursuant to the City's CIP, the Fire Department purchased a chaise for the First Responder/grass rig. The City then requested proposals to add the necessary equipment to the vehicle, including a 220 gallon water tank, a gas fired water pump, hose reels and hoses, a foam system, underbody cabinets, mud flaps, light bar, siren, lighting, a tow bar, a winch, and other ancillary add-ons. Three bids were received, with the lowest being \$28,880 from Polycraft Equipment out of Alexandria MN.

Roxbury advised Polycraft Equipment does a lot of this work and recommends approval of their bid. Riddle asked if this has gone to the Fire Advisory Board and was told it had not yet, but they know this is in the budget for this year.

HALLIN MOVED TO ACCEPT BID OF \$29,880 FROM POLYCRAFT EQUIPMENT FOR THE ABOVE REFERENCED EQUIPMENT TO BE PLACED ON THE CHAISE FOR THE FIRST RESPONDER/GRASS RIG. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

G. SCADA System

Mismash explained the alarm system at the lift stations and wastewater treatment plant has become obsolete and not in compliance with the WWTP permit. He requested authorization to purchase a SCADA (Supervisory Control And Data Acquisition) alarm system for the lift stations and WWTP. He explained with this system, we will have radio telemetry to the plant and from there telephone call out to responsible people. He also believes the product can be expanded upon before it becomes obsolete. He recommended the approval of the proposal from Power/mation for \$42,483.58 and labor from Princeton Electric for \$5,865. The Council asked if labor costs could go higher once the project is started. Mismash stated they are usually close in their estimates and did not think it would be higher.

DOBSON MOVED TO APPROVE THE PURCHASE OF A SCADA ALARM SYSTEM FROM POWER/MATION FOR \$42,483.58 FOR THE WWTP AND LIFT STATIONS AND LABOR FROM PRINCETON ELECTRIC FOR A TOTAL NOT TO EXCEED \$6,000. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS

A. 2008 CGMC Legislative Action Day notice

Karnowski informed the Council that the 2008 Coalition of Greater MN Cities Legislative Action Day is scheduled for February 20, 2008. Hallin and Dobson indicated they planned to attend.

BILL LIST – \$562,765.46

HALLIN MOVED TO APPROVE MANUAL CHECKS NUMBERING 58067 AND 58151 FOR A TOTAL OF \$206,036.40 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST, WHICH WILL BE CHECKS NUMBERING 58153-58225, FOR A TOTAL OF \$356,729.06 AS SHOWN ON THE BILL LIST. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS

B. Closed session to discuss pending litigation w/City Attorney

Mayor Riddle closed the meeting.

City Attorney Dick Schieffer discussed the Steve Smith termination case and gave the Council legal advice.

The meeting was reopened to the public.

HALLIN MOVED TO DIRECT CITY ATTORNEY DICK SCHIEFFER TO APPEAL THE STEVE SMITH TERMINATION DECISION. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

There being no further business, DOBSON MOVED TO ADJOURN AT 8:20 P.M. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted

Ann Bien, Deputy City Clerk

ATTEST:

Jeremy Riddle, Mayor