

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
OCTOBER 23, 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 Paul Whitcomb, Dick Dobson, and Victoria Hallin. Councilor Lee Steinbrecher was absent. Staff present was Mark Karnowski, Steve Jackson, Jay Blake, Brian Payne, Joe Backlund, Bob Gerold, and Ann Bien. Also present were City Attorneys Dick Schieffer and Damien Toven and City Engineer Mike Nielsen.

AGENDA ADDITIONS/DELETIONS

IT WAS THE CONSENSUS OF THE COUNCIL TO ADD THE FOLLOWING ITEM TO THE AGENDA:

Under Miscellaneous:

- A. Update of LMC Regional Meeting

APPROVAL OF MINUTES OF BUDGET AND REGULAR MEETINGS OF OCTOBER 9, 2008

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE BUDGET AND REGULAR MEETINGS OF OCTOBER 9, 2008, AS WRITTEN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

CONSENT AGENDA

- A. **Permits and Licenses:** None
- B. **Personnel**
 - 1. Liquor Department
 - a. Patty Furness, Step 2 Increase to \$13.15/hr. eff. on or about 11-04-08
- C. **Donations/Designations:** None

HALLIN MOVED TO APPROVE THE CONSENT AGENDA. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

OPEN FORUM

Steve Minor, owner of Princeton AutoMart, 211 North Rum River Drive, stated he understands the City is going to eliminate one street parking space in front of his business and asked the reason. He stated he would like to protest eliminating the space since parking at his business is at a minimum and they were given no notice. He stated he is concerned that it is happening quickly and there are quite a few similar parking spots in the downtown area. He handed out photographs showing the visibility.

Riddle explained the Council does not generally get into discussion during the open forum format and recommended he talk to the Police Chief since they also had concerns. He stated that although eliminating the parking space has been passed, it can be reconsidered.

PUBLIC HEARINGS: None

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. **Fire Advisory Board**
 - 1. **Draft Minutes of October 7, 2008**
The above minutes were reviewed.

PETITIONS, REQUESTS, AND COMMUNICATIONS: None

ORDINANCES AND RESOLUTIONS

A. Resolution #08-31, Certifying Past-Due Utility Billing

DOBSON MOVED TO APPROVE RESOLUTION #08-31, A RESOLUTION CERTIFYING PAST-DUE UTILITY BILLING TO THE MILLE LACS COUNTY AUDITOR AND THE SHERBURNE COUNTY AUDITOR FOR COLLECTION WITH THE 2009 PROPERTY TAXES. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B. Resolution #08-28, Premise Permit for VFW Post #6843 Auxiliary

HALLIN MOVED TO APPROVE RESOLUTION #08-28, A RESOLUTION APPROVING PREMISE PERMIT APPLICATION FOR VFW POST #6843 AUXILIARY. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES – 3; NAYS – 0; DOBSON ABSTAINED. THE MOTION CARRIED UNANIMOUSLY.

C. Resolution #08-32, Premise Permit for Princeton Jaycees

HALLIN MOVED TO APPROVE RESOLUTION #08-32, A RESOLUTION APPROVING PREMISE PERMIT APPLICATION FOR PRINCETON JAYCEES. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

D. Resolution #08-33, Decertification of TIF District No. 4-1

Jackson explained Tax Increment District No. 4-1 was set up to assist Princeton Hardware. He explained the district has already been decertified, but since then a couple of additional receipts have been received. In order to return the money to the County Auditor for distribution back to the three jurisdictions, the district needs to be decertified again.

WHITCOMB MOVED TO APPROVE TO APPROVE RESOLUTION #08-33, A RESOLUTION APPROVING/CONFIRMING THE DECERTIFICATION OF TAX INCREMENT FINANCE DISTRICT NO. 4-1. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

E. Ordinance #623, Park Board Members

Karnowski explained that a few years ago the Council approved increasing the Park Board membership to 8 members because of interest in being appointed. At this time, it is recommended the membership number be reduced back to seven.

DOBSON MOVED TO INTRODUCE ORDINANCE #623, AN ORDINANCE AMENDING CHAPTER 225 - PARK AND RECREATION ADVISORY BOARD – OF THE PRINCETON CODE OF ORDINANCES. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

UNFINISHED BUSINESS

A. Draft Work Scope for Community Growth Options Grant

Blake reviewed that the City received a \$100,000 grant from the 1000 Friends of Minnesota organization earlier this year, with \$40,000 available for the first year. He explained that the proposed work in year one includes the completion of computerized base mapping for Princeton Township and Greenbush Township (the only two remaining areas that do not have computerized base mapping available) and the meeting necessary to complete the process in establishing the regional planning group. He recommended the Council approve the scope of work and authorize staff to work with Bonestroo to develop the final contract for Council review and approval.

HALLIN MOVED TO APPROVE THE SCOPE OF WORK AND DIRECT STAFF TO DRAFT A CONTRACT WITH BONESTROO FOR REVIEW BY THE CITY ATTORNEY AND FINAL COUNCIL APPROVAL. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B. Wastewater Treatment Plant Project

Karnowski reported the City has been exploring using a process to reduce the amount of water in the sludge that the WWTP produces. He stated Mismash and Gerold have visited other cities where they are using the process and it appears Princeton can implement the process at our plant for under \$30,000. He explained the process employs a system whereby the sludge is allowed to settle and the liquids are separated out and re-circulated through the plant. The resulting sludge product can then either be spread on farm fields or disposed of in a landfill.

DOBSON MOVED TO APPROVE AN EXPENDITURE FROM THE SEWER FUND NOT TO EXCEED \$30,000 TO PURCHASE THE NECESSARY EQUIPMENT AND PREPARE THE SITE TO IMPLEMENT THE SLUDGE REDUCTION SYSTEM. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

A. Draft Request for Qualifications for Engineering Services – Algal-Based Wastewater Treatment System

Blake reported staff is recommending the City hire an engineering firm to oversee a project involving the construction of an algal-based wastewater pretreatment facility to be used by USDP and BioMatrix to pre-treat effluent from USDP so it can be handled by the City wastewater treatment facility. He explained the City will utilize the information from the project to determine if it is feasible to use that technology to construct a new municipal wastewater treatment facility.

WHITCOMB MOVED TO APPROVE THE REQUEST FOR QUALIFICATIONS FOR ENGINEERING SERVICES FOR CONSTRUCTION OF AN ALGAL-BASED WASTEWATER PRE-TREATMENT FACILITY. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B Progress Report No. 4 and Pay Request No. 14 from Municipal Builders, Inc. for WWTP Phosphorus Removal Mod.

Karnowski reported the project is close to completion, with the cost so far approximately \$1,664,686.

WHITCOMB MOVED TO APPROVE PAY REQUEST NO. 14 FROM MUNICIPAL BUILDERS, INC. IN THE AMOUNT OF \$27,382.80. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

C. Finance Report for 9 Months Ending 09-30-08

Jackson presented the third quarter 2008 update. He reported total revenue year-to-date actual is about 46% of the budget, which is less than 75% of what it should be at the third quarter. He explained this is partially the result of the unique revenue stream for cities, but adjustments may need to be made for the remainder of the year. He pointed out building permits are at 30% of the budget, which is a concern since the last three months of each year is typically low. He also noted expenditures are below 75% of the budget, but there is a difference of \$532,000 between revenues and expenditures.

Jackson reported the Sewer Fund revenue is well below the 75% level, which is partially due to the fact that the budget included a rate increase that has not been adopted. He stated the main reason, however, is there has been less revenue from Sewer Availability Charges as a result of slower than anticipated building activity. He recommended this fund be closely monitored.

Regarding the Liquor fund, Jackson reported sales are below the expected 75% of the budget level, but to some degree this can be expected since two of the remaining three months are higher volume months. He noted, however, the current year-to-date sales is \$16,000 less than the same period last year. A positive point is that expenditures are lower than budget expectations. Jackson added Liquor Manager Campbell has noticed a change in consumer habits since the economy has lowered, with fewer purchases of high end products.

MISCELLANEOUS

A. Update of LMC Regional Meeting

Hallin reported she, Dobson, and Karnowski attended the League of MN Cities regional meeting yesterday. She stated a lot of information was offered regarding budgets and cut-backs, and there is a concern for Local Government Aid (LGA) since there is a huge deficit in the state's budget. She stated several communities indicated they needed LGA support for their budgets and have asked the LMC to lobby for LGA.

Hallin stated another concern was unfunded mandates and helping communities with bridge projects. Dobson also mentioned JOBZ to help draw industries to the community. Karnowski added another concern is vacant spots on main streets and suggested there may be an opportunity to do something to encourage home occupations to move into store fronts with some type of tax break or assistance.

Dobson reported Karnowski was recognized at the meeting for his work with the LMC over the past years.

BILL LIST – \$275,664.88

HALLIN MOVED TO APPROVE MANUAL CHECKS NUMBERING 59517-59518 AND 59603-59605 FOR A TOTAL OF \$64,677.56 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST, WHICH WILL BE CHECKS NUMBERING 59608-59670, FOR A TOTAL OF \$210,987.32, AS SHOWN ON THE BILL LIST. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

There being no further business, WHITCOMB MOVED TO ADJOURN AT 7:36 P.M. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,

Ann Bien, Deputy City Clerk

ATTEST:

Jeremy Riddle, Mayor