

**MINUTES OF STUDY SESSION OF THE PRINCETON CITY COUNCIL
HELD ON DECEMBER 6, 2007, AT 4:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Jeremy Riddle called the meeting to order at 4:34PM. Council members present were Mayor Jeremy Riddle and Councilors Paul Whitcomb, Lee Steinbrecher, and Victoria Hallin. Council Member Dick Dobson was absent (excused). Staff present was Mark Karnowski, Steve Jackson, Jim Roxbury, Nancy Campbell and Tom Mismash.

Also present were City Attorney Richard Schieffer (left at 5:35), Mille Lacs County Engineer Bruce Cochran, MnDOT District 3 Project Engineer Dave Schwarting and reporter Joel Stottrup

SALE OF OLD LIQUOR STORE BUILDING

Administrator Karnowski provided a memo indicating he'd been contacted earlier that day by one of the three parties who were negotiating to purchase the property and advised that their SBA loan they were seeking had been approved.

He reminded the Council that the city's original asking price for the building and the lot it sits upon was \$295,500. He advised that the proposed buyer noted that the roofing needed replacing which we subsequently found out would cost about \$10,500.

He asked the members present if, given the need to re-roof the building, if they would be comfortable selling the building for \$275,000. He also noted that the city would be responsible for removing the cooler and gravity shelving and that he understood the offer did not include the city owned adjacent lot. Further, that some of the detail still needed to be worked out.

The consensus of the Council was that \$275,000 seemed to be a fair price and directed staff to finalize negotiations based on that price. The Council will still need to approve the final agreement.

BRIDGE DISCUSSION

Mille Lacs County Engineer Bruce Cochran and MnDOT District 3 Project Engineer Dave Schwarting approached the Council to discuss their individual proposals to replace both the Dunn (Rum River Drive) bridge (a County project) and the TH95 Bridge over the main branch of the Rum River (a MnDOT project).

Cochran noted that replacing the Dunn Bridge is now on the County's 5-year CIP plan and scheduled for 2011 at an estimated cost of \$1.6 million. His preliminary plans are to make the bridge look as much as possible as the 1931 structure it will replace by using pre-cast arches and railings. He noted that the bridge is both functionally deficient (not enough lanes) and structurally deficient (no pilings). He plans on using the pre-cast approach to both achieve the right look and expedite construction – they will attempt to have the project done in one season (April – October).

The proposed new bridge would have five lanes with three northbound (one through lane and two turn lanes) and two southbound lanes to improve the traffic flow in addition to one 6' sidewalk on both the east and west sides.

He noted that the pizza restaurant should be "okay" but some of the park land will be needed. They're still working on how the 5 lanes will merge into the narrower Rum River Drive.

He noted the need to come up with a suitable detour route and spend some time learning how to mitigate the 10-15 thousand cars a day that currently use the bridge.

Schwarting advised that the traffic count on Rum River Drive was actually higher than that on

December 6, 2007

Page 2

TH95 at that intersection and he was happy to learn that the County was planning on replacing their bridge as it will help address the intersection problems as well. Their proposed work will include improving the flow at the intersection of TH95 and Rum River Drive. He indicated that MnDOT had not discounted the possibility that they would use a "roundabout" as an option.

Schwarting noted that their project is scheduled for 2011 but that they'd just begun looking at options. Later in the meeting it was noted that it may be better to do both projects at the same time rather than impact the downtown for two consecutive summers.

He noted that MnDOT wants to involve the City and the business community as they review the options in order to minimize the impacts on downtown and suggested the Council appoint staff and others to serve on a 6-10 member committee.

Steinbrecher asked if MnDOT would make their staff available to advise the downtown business owners of the possible impacts and Schwarting said they would. It was tentatively agreed that an "open house" to discuss the proposal could be held as soon as the preliminary group came up with some initial ideas to discuss.

Cochran suggested that the three entities (City, County and MnDOT) form a partnership to work on the total concept.

Riddle suggested that Community Development Director Jay Blake be the lead staff appointee along with Tom Mismash, a Council Member and members of the Visionary Committee.

Riddle asked if the new bridge could be left operational while the new one was being built. Schwarting indicated that it probably wouldn't happen because of DNR concerns regarding protection of the river. Later in the meeting it was suggested that, perhaps, a temporary bridge could be built to handle the through traffic while the new bridge is being built since the city now controls both the east and west sides of the Rum River on the south side of TH95. That option will be reviewed.

Riddle suggested that one possible detour for the Rum River Drive portion of the project could be extending 7th Avenue North across the river. He also noted that he liked the proposed County design as it should calm the concerns of citizens who like the looks of the existing bridge.

Karnowski noted that completing some of the proposed intersection improvements west of Rum River drive may help too.

Schwarting suggested that, initially, quarterly meetings of the group could start after the first of the year. So appointing representatives before the end of the year would be preferable.

2008 BUDGET DISCUSSION

Finance Director Jackson advised the Council that the proposed 2008 budget included most of the Departmental needs and hinged on transferring \$40,000 from the liquor fund to the General fund and noted the new levy analysis included the estimated 2008 tax capacity numbers.

Steinbrecher indicated that the impact on the taxpayers between the Preliminary Budget and the proposed final was not significant.

Karnowski reminded the Council that the latest State Budget forecast indicated a shortfall and that, while that shortfall can be covered by existing reserves, a new forecast is due just before the Legislature meets in 2008. He suggested caution since the state has a history of cutting promised LGA to balance their budget.

December 6, 2007

Page 3

Public Works Director Mismash, who had not made a presentation on his proposed budget, approached the Council and advised that the city should anticipate an increase in stormwater management costs in future years.

He advised that the 2008 budget for sealcoating was higher than 2007 because not all of the 2007 monies were spent do to a communication problem between the City and the Contractor.

Mismash also noted that the budget included changing out the lighting system at the PW garage and that he planned on changing out the garage's heating system in 2009

He also advised that, as anticipated, the increase in fuel costs – especially diesel – was having a real impact on the budget.

He cautioned that we will need a new plow truck soon to replace the 1979 vehicle that he drives when clearing snow. They'll also need a new blacktop roller to replace the 1965 equipment they currently use.

Mismash reminded the Council that the city had been “dinged” by OSHA for the air exchange/ventilation system at the garage and that we need to address that concern.

Mismash also reminded the Council that they use a portion of the 40 acre Hanson parcel the city owns southwest of the airport to burn brush we collect throughout the year and if the city sells that land we'll need another parcel to replace it for that purpose.

He noted that Dutch Elm has been replaced by Oak Wilt as the primary deforestation threat to the city. They've been trying to address the problem but are not making headway.

During the discussion of airport needs, Mismash indicated they are ultimately going to need a maintenance building at the airport of the FAA purchased equipment. They're also spending more hours plowing snow because of the new T-hangars and other construction.

Jackson reviewed changes in the proposed budget's “Special Funds” and advised that both the Finance and Administration Department budgets simply maintain the status quo.

Jackson asked if he should base the Truth In Taxation presentation scheduled for next Thursday, December 13th on the “Preliminary” or “Adopted” budget figures. The consensus of the Council was to use the “Preliminary” figures.

There being no further business, STEINBRECHER MOVED TO ADJOURN AT 6:40 PM. HAL-LIN SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted

Mark Karnowski, City Administrator

ATTEST:

Jeremy Riddle, Mayor