

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
FEBRUARY 25, 2010, 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 Councilors Paul Whitcomb, Victoria Hallin, Dick Dobson and Lee Steinbrecher. Staff present was Acting Administrator Steve Jackson, Community Developer Jay Blake, Fire Chief Jim Roxbury, Public Works Director Bob Gerold, Police Chief Brian Payne and City Clerk Katie Hunter. Also present: City Attorney Damien Toven.

AGENDA ADDITIONS/DELETIONS

It was the consensus of the Council to add the following items to the agenda:

9. Ordinances and Resolutions

- B. Ordinance #642 First Reading – Splash Park Group Rate

11. New Business

- D. Lakes and Pines Grant Writing Agreement

12. Miscellaneous

- A. Letter to Governor Pawlenty
- A. Update from Councilor Dobson on the Rum River Recreation Resource Board

CONSIDERATION OF MINUTES OF THE REGULAR MEETING OF FEBRUARY 11, 2010

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 11, 2010 AS WRITTEN. HALLIN SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

CONSENT AGENDA

A. Permits and Licenses

- 1. Marytina Lawrence with the Princeton Party House Intoxicating and Sunday Liquor; effective March 12 – December 31, 2010. Contingent upon full payment made on March 12, 2010 and personal THANK YOU to Council.

B. Personnel

- 1. Public Works
 - a. Keith Kohler Step 2 Increase after 1 year of service from \$41,910 to \$43,905 effective March 16, 2010

C. Donations/Designations:

HALLIN MOVED TO APPROVE THE CONSENT AGENDA. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

OPEN FORUM

No one was present for Open Forum.

PUBLIC HEARINGS

No one was present for Public Hearings.

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. Park and Recreation Board**
 - a. Minutes of Regular Meeting February 22, 2010**

- B. Planning Commission**
 - a. Habitat for Humanity Lot Area Variance (informational)**

The above information was reviewed with no comments.

PETITIONS, REQUESTS, AND COMMUNICATIONS

ORDINANCES AND RESOLUTIONS

A. Resolution #10-12 Public Hearing Date for Improvements to Old CO RO 18

Blake explained that Resolution #10-12 is calling for a Public Hearing on Thursday, March 25, 2010 at 7:00 p.m. Originally, the Council approved a date of March 11, but because of a scheduling conflict, staff is requesting the general Public Hearing date be changed.

STEINBRECHER MOVED TO APPROVE RESOLUTION #10-12. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

B. Ordinance #642, Splash Park Group Rates - First Reading

Jackson explained that Ordinance #642 is an increase in group rates for the Splash Park. When Ordinance #641 Fee Schedules was approved at the January 28, 2010 meeting, the Splash Park group rates were overlooked.

This will be the first reading of Ordinance #642.

HALLIN MOVED TO APPROVE THE FIRST READING OF ORDINANCE #642. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

UNFINISHED BUSINESS

A. FEMA Grant Awarded to Fire Department

Jackson informed the City Council that the Princeton Fire and Rescue has been awarded \$103,138.00 in grant funds primarily to be used for base radios and pagers. This grant requires 5% funding from the city and 95% from the Federal Government. Jackson reminded the Council that staff has been including this item in the Capitol Improvement Plan for years in getting ready for the 800 megahertz radio changeover.

Jackson thanked Chief Jim Roxbury and the firefighters for their work in applying for and receiving the grant. Roxbury thanked the City Council for their trust and consent to go ahead with grant submittals for the Fire Department.

Steinbrecher asked Jackson how much each year has been allocated for the 800 Megahertz radios in the CIP. Jackson estimated around \$20,000 to \$30,000 a year. This will address all of the 800 megahertz radios for Fire Department. The Police radio require-

ments will have to be addressed when the need becomes closer. Jackson mentioned that the radio prices have actually begun to come down in price.

NEW BUSINESS

A. Budget Discussion and Resolution #10-11

Jackson explained that earlier in the year, the Local Government Aid (LGA) cut was \$220,800. Just this week, an additional cut amount totaling \$239,862 was announced. The City of Princeton's original total LGA is supposed to be \$756,000. With only receiving an amount of \$296,070, we are taking a 61% cut. On the other hand, the Minnesota Department of Revenue's planning estimates of proposed 2011 city LGA is at \$396,317; which is only a 48% decrease.

The city has been doing as much as they can to hold ourselves at where we can with the budget cuts each year.

Jackson informed the council that this was just informational and to make the council aware of what was going on. Staff is encouraging the council to approve the Resolution #10-11 which urges the legislator to reject the supplemental budget proposal. The resolution will be forwarded to the Governor, among other leaders in the Senate.

Hallin commented that Coalition of Greater Minnesota Cities also approved the resolution and she stressed that we get the resolution sent to the capital so we can have our point of view put out along with the other cities that are getting the LGA cuts.

HALLIN MOTIONED TO APPROVE RESOLUTION #10-11. WHITCOMB SECONDED THE MOTION.

Steinbrecher asked what the next step would be. He pointed out that the reality seems to be that with the state being so far in the hole; that even with sending this resolution to the Capitol, the cuts are still going to be made. The question is how to proceed with ten months still left in the year and a 10% budget cut. Steinbrecher wanted to know what staff's prospective was and if there was some sort of plan.

Jackson commented that staff has already started to look at some options. He suggested making some cuts instead of the city absorbing the cuts because it seems the cuts will continue for the next few years. Staff's recommendation is to wait until Karnowski returns and discuss the possibilities next week at the Study Session.

Steinbrecher asked if 75-80% of the budget was personnel. Jackson answered that yes, it was. That will be one of the items to address. Will the city have to look at targeting certain positions to layoff or to make it even across the board in addition to the furlough each employee is already taking? Jackson continued to discuss other options such as reducing City Hall hours, less coverage with the Police Department, cutting back on street plowing with the Public Works Department, no watering the ball fields or lighting the fields at night, increasing cemetery and airport fees. Steinbrecher suggested reducing or eliminating some major items in the Capital Improvement Program (CIP). Jackson advised staying away from using capital items to supplement the unallotment.

Dobson thanked all of the Department Heads and staff for working together on this and said he realizes how hard it is for the Department Heads. They have to answer to em-

ployees and answer to council and they've done an outstanding job.

Hallin commented on how well the Department Heads have continued on by applying for grants that are available for our city.

Jackson added that he believes any cuts in personnel will be a cut in service to the city at this point. There isn't any slack left. Unfortunately, the public will have to be effected one way or another.

THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

B. Princeton Area Chamber of Commerce Donation Request

Princeton Area Chamber of Commerce's Vice President Damien Tovan was present to discuss the Chamber's donation request. He added that the Director of the Chamber, Cheryl Brindle, was going to provide a spreadsheet showing where the costs for the annual parade go. Tovan explained that the Chamber doesn't have a deadline, but inquires have come in from bands and schools. The Chamber can't really continue with planning unless they know what funds they have to work with.

Hallin asked if the annual donation from the City Council goes toward parade. Tovan answered that it does.

Dobson said as much as he would like to say "go ahead" with a donation; he doesn't feel comfortable at this point with not knowing what is going on with the city budget.

Steinbrecher reiterated that these donations come out of the liquor store fund.

Damien asked if the City Council feels they will have an answer within the month. If no answer is given until summer, it will be too late.

Mayor Riddle stated that the council will have to make the budget decisions fast, so within a month is reasonable.

Tovan said he will make sure a spreadsheet is compiled for next Thursday's meeting and he will also be present at the Study Session.

Hallin commented that this donation seems more important to her than others because this event celebrates our city and is detrimental to Princeton's identity.

Tovan added that if Joel Stottrup, who was present representing the Princeton Union Eagle, wanted to make a call in the paper to anyone who is willing to make any sort of donation to the Chamber so the parade during Rum River Days can happen; the Chamber would gladly accept.

C. Dunn Bridge Construction Easement

Blake explained the Mille Lacs County Engineer has requested that the City of Princeton grant a construction easement over a portion of Block 19, Original Townsite of Princeton to afford the necessary land area for the reconstruction of the Dunn Bridge by Mille Lacs County. There does not appear to be any major impacts to Riverside Park that will occur as a result of the easement.

STEINBRECHER MOTIONED TO AUTHORIZE THE MAYOR AND CITY CLERK TO SIGN THE EASEMENT DOCUMENTS. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

D. Lakes and Pines Grant Writing Agreement

Blake explained that he met with Lezlie Sauter, Project Manager from Lakes and Pines Community Action Council, Inc. About nine months ago, some Princeton businesses had put in their input that they would be interested in improvements for their downtown establishments.

Blake clarified that we can apply for up to \$600,000. Sauter has advised applying for the grant jointly with the City of Milaca. The chance of receiving the grant when filing jointly is greater. If funds are received, 1.2 million would be awarded; \$600,000 for each city. The funds would be used primarily for downtown building rehabilitation. The cost for applying for the grant would be \$1000 in which the Planning Department currently has \$3000 set aside for Special Studies. The grant writing costs can be reimbursed if we're successful in getting the grant. Lakes and Pines will do all of the Public Hearings, the data research, filing, etc.

If the City of Milaca concurs, staff is asking for authorization to apply for this grant called Small Cities Development Program.

HALLIN MOTIONED TO AUTHORIZE STAFF TO APPLY FOR THE SMALL CITIES DEVELOPMENT PROGRAM GRANT JOINTLY WITH MILACA IF THEY CONCUR. WHITCOMB SECONDED THE MOTION.

Steinbrecher asked if this was a State or a Federal grant. Blake said it was not part of a stimulus package and was a State grant. Dobson asked if we are awarded the 1.2 million if the money is all awarded at once. Jackson stated that the funds will be given as the projects go through. Dobson asked about the provisions for the grant. Blake commented that the grant can be structured differently than other cities, even Milaca.

The Council asked how long the funds are available. Blake thought the timeline was two years, but he wasn't exactly sure.

Dobson remarked that any work that is done has to be paid at the prevailing union wage.

THE MOTION CARRIED, 4 AYES AND 1 NAY. DOBSON VOTED NAY.

MISCELLANEOUS:

Blake handed out a copy of a letter written by Mayor Riddle to Governor Pawlenty. Because of a comment from the Governor where he specifically cited Princeton as being what is wrong with the bill (having the Public Safety Building). Earlier this afternoon, Jay Blake and Councilor Whitcomb hand delivered the letter to the Governor's office. Blake explained that they met with Senator Fobbe along with the press; Pioneer Press, Channel 11 and Channel 9, Minnesota Public Radio, ECM Newspapers. Blake commented that they had a good conversation. Whitcomb told the press and focused on the fact that Princeton is the relocation center for the Monticello Nuclear Power Plant. Also, the fact that the DNR, surrounding counties, and other cities that could benefit from the building. This

building is not just for the City of Princeton. The press thought it was great that the city reacted as we did with a letter and hand delivering it. They were happy and cordial.

Mayor Riddle thanked the men for taking the letter to the cities.

Dobson updated the council on the meeting of the Planning Committee to set up the Rum River Regional and Resource Board. The city's attorney was asked to review the agreement for a joint planning body. Dick Schieffer dove right in and had a number of additions. Schieffer was working with Sierra to make the language consistent and comfortable with other townships.

Dobson explained that Lavonia Township has joined and signed the agreement as well as Greenbush Township. There is a good chance Princeton Township will also sign. The board would like to get this all wrapped up by the March 10 meeting.

BILL LIST – \$185,036.52

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL OF \$65,185.70 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 62041 TO 62090 FOR A TOTAL OF \$119,850.82. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

ADJOURNMENT

There being no further business:

DOBSON MOVED TO ADJOURN THE MEETING AT 7:58 PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

Respectfully Submitted,

Katie Hunter
City Clerk

ATTEST:

Jeremy Riddle, Mayor