

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
OCTOBER 25, 2012 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Mayor Jeremy Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Dick Dobson, Paul Whitcomb, Victoria Hallin, and Thom Walker. Staff present was Administrator Mark Karnowski, Finance Director Steve Jackson, Community Development Director Carie Fuhrman, Police Chief Brian Payne, City Clerk Shawna Jenkins, Attorney's Dick Schieffer and Damien Toven and Engineer Mike Nielson.

**AGENDA ADDITIONS/DELETIONS**

Karnowski requested the addition of Cooperative Grant letter of Intent to Unfinished Business

**CONSIDERATION OF MINUTES**

- A. Regular Meeting of October 11, 2012

WHITCOMB MOVED TO APPROVE THE REGULAR CITY COUNCIL MINUTES OF OCTOBER 11, 2012. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**CONSENT AGENDA**

**Under Permits and Licenses:**

Flight Expo Charitable Raffle – Sale March – May, Drawing in May, 2013

HALLIN MOVED TO APPROVE THE CONSENT AGENDA. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**OPEN FORUM**

No one was present for Open Forum.

**PUBLIC HEARINGS**

None

**REPORTS OF OFFICERS, BOARDS, AND COMMITTEES**

- A. Fire Advisory Board meeting of October 2, 2012
- B. Park Board meeting of September 24, 2012
- C. Planning Commission – Fuhrman verbal
  - 1. Fitzpatrick CUP and Variance Approval
- D. EDA Board – Fuhrman verbal
  - 1. East Birch Estates (formerly Arcadian Homes)
  - 2. CEDS Survey
  - 3. Grow MN Business visits

Fuhrman stated that a Conditional Use Permit for an Auto sales and a Variance for build-

ing size and height was approved for Patrick Fitzpatrick at the last Planning Commission.

Fuhrman reported that Central MN housing won the bid for the old Arcadian Homes site, but were unable to obtain the funding, so the EDA will be going back out for bids.

Fuhrman stated that the CEDS Survey will be submitted.

Fuhrman said that the Grow MN affiliate, the EDA and the Chamber of Commerce is going to be working together by visiting and meeting with local businesses.

### **PETITIONS, REQUESTS, AND COMMUNICATIONS**

None

### **ORDINANCES AND RESOLUTIONS**

#### **A. Resolution 12-64 certifying past due utility bills**

Karnowski said as the city has done in the past, the past due utility bills are certified to the County. The past due amounts will be assessed to the Property taxes payable for the next year. He recommends the Council approve this Resolution to certify these past due amounts to the County.

HALLIN MOTIONED TO APPROVE RESOLUTION 12-64 CERTIFYING THE PAST DUE UTILITY BILLS TO TAXES. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

#### **B. Ordinance 693 Amending the alcohol ordinance – SECOND READING**

Karnowski reported the City has the authority to require a fenced in area for beer gardens, wrist bands, etc. He said as he was reviewing the ordinance, he noticed some conflicting language in 2 different sections.

Karnowski said in 410.11B, the current ordinance states “no person shall consume liquor or 3.2% malt liquor on any public highway, alley, sidewalk, parking area, vacant lot, public park (except Mark Park) or other public place hereinafter permitted”. He is proposing amending it to read “(except the softball area and Solheim field area of Mark Park and the camping area of Riverside Park)”

Karnowski said he has split the Park and Campground up, so there will not be conflicting information in two sections.

Karnowski added that there is a slight change to 665.02 since first reading. He added that alcohol shall be allowed from noon until 10pm by registered campers.

HALLIN MOTIONED TO APPROVE ORDINANCE 693 AMENDING BOTH SECTION 410.11 (B) [CONSUMPTION IN PUBLIC PLACES] OF TITLE 4 [ALCOHOL REGULATION] AND CHAPTER 665 [ALCOHOLIC BEVERAGES AT RIVERSIDE PARK AND CAMPGROUND] OF THE CITY OF PRINCETON'S ORDINANCES. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

## **UNFINISHED BUSINESS**

### **A. Budget Update – Finance Director Steve Jackson**

Jackson reported that the total revenue year to date actual is at 50% of budget which is typical of the anticipated revenue stream for the City. The first half of the property tax settlements from the county and the state aids were received in July, but the second half will not be received until December. In terms of revenue compared to budget, charges for services are greater than expected. This is due to the timing of the receipts for fire service contracts with the townships. The second half of the 2011 township contracts are due in January of this year and the first half of 2012 is due at the end of July. This timing makes it appear that we have received the entire 2012 payment. The Year to date expenditures are over 60%, which is well below the expected 75% of budget. However, expenditures still exceed revenues by over \$ 365,000. The only areas that are significantly over the expected range in terms of expenditures from actual to budget are assessing, mosquito control and splash park. This is somewhat expected since these areas have high concentrations of expenditures in just a few months instead of being spread out over the entire year. The mosquito control and splash park areas will need to be reviewed to see if they need budget adjustments for 2012 and 2013

Jackson said that in regard to the expenditures and not including any capital expenditures, the operating expenditures have been well controlled by the various departments with the total coming in at about 65% of budget

Jackson reported that the Sewer Fund revenue percentage is above the expected percent of budget amount. The revenue for Sewer Availability Charge (SAC) accounts for the overage due to receipts primarily for Wal-Mart and USDP. Usage revenue is only slightly less than the expected, but that appears to be correcting itself now that the second half of the rate increase has taken effect. Because of payments for the WWTF construction, revenues are behind expenditures by nearly \$6,500,000. The Sewer Fund operating transactions, not including capital items shows expenditures significantly over the expected amount, but this is mostly due to the timing of interest payments on the debt. Even though revenues are actually more than expenditures by over \$ 500,000, the \$ 500,000 phosphorus reduction grant should be factored out of revenues when comparing the operating transactions. The main reason that operating revenues are higher than expenditures is the large increase in SAC.

Jackson added that the Liquor Fund transactions are greater than the expected budget level, and this is with two of the largest volume months remaining. The revenue amount is significantly higher than the 2011 and 2010 same period sales amounts. Expenditures are more than budget expectations. This is partly due to large beer and Windsor purchases prior to cost increase and to take advantage of deal packages.

Riddle said he does recall seeing that Campbell was planning on purchasing large volume of products before the prices increased in the staff notes.

**B. Cooperative Grant Letter of Intent**

Karnowski stated that he has looked into this as requested. It is suggested that a letter of intent from the cities that are agreeing to participate be drafted and sent. We are asking council permission to draft such a letter to the City of Milaca to include in the grant application.

DOBSON MOTIONED TO APPROVE STAFF TO DRAFT A LETTER OF INTENT TO BE INCLUDED WITH THE COOPERATIVE GRANT APPLICATION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**NEW BUSINESS**

**A. November and December meeting dates**

Karnowski stated the city is heading into the end of the year's holiday season and the time for final approval of the 2012 budget, it seems timely to consider a meeting schedule for the end of the year.

Karnowski said in the past the Council has scheduled two budget meetings in November. The first is usually the Study session (this year, November 1<sup>st</sup>) with the second being the Tuesday before Thanksgiving (this year, November 20<sup>th</sup> – Thanksgiving's on the 22<sup>nd</sup>). He asked if those dates will work again this year, or would other dates be more preferable and what time would the council like the meetings to begin.

Karnowski stated as usual, Thanksgiving falls on the second meeting date in November. In the past the Council has had one regular meeting in November with the understanding that the Council could approve bills at the budget meeting should the need arise. Accordingly, if the Council chooses to follow the same procedure, a motion to move the November 8<sup>th</sup> meeting to November 15<sup>th</sup> would be in order.

DOBSON MOTIONED TO APPROVE THE MEETING DATES OF NOVEMBER 15<sup>TH</sup> REPLACING THE NORMAL COUNCIL MEETING DATES OF NOVEMBER 8<sup>TH</sup> AND 22<sup>ND</sup>, AND FOR NOVEMBER 20<sup>TH</sup> TO BE A BUDGET SESSION TO START AT 4:30. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**B. PFRD Shared Services Grant**

Roxbury said as government is being encouraged to find ways to do our job better and more efficiently and encourage collaboration, the Princeton Fire & Rescue Department is considering whether or not to apply for a grant through the Minnesota State Fire Marshall's Office.

Roxbury stated the program under consideration is their "Shared Services Grant Program". If the City applies for and is awarded a grant, the funds can be used for outside consulting services that explore a shared services model for multiple fire services

Roxbury reported that the funds would be used to pay for a third party (consultant) feasibility study that addresses some or all of the following study requirements and the options for shared services including but not limited to those provided in "A Blueprint for Shared Services".

- Governance of regional fire and rescue shared service districts that take into account geographic area, population density and other factors that encourage voluntary participation of communities and fire service providers.
- Funding sources for operation of the service district, cooperative training among component departments, and equipment procurement.
- Efficiency and effectiveness of emergency response and overall benefit to the population served,
- Employment issues associated with combining existing agencies and entities into a regional or multi-jurisdictional shared services entity.
- An analysis of best practices in the creation and functioning of public safety-related shared services delivery models.
- A preliminary set of operating procedures for cooperative shared fire and rescue service systems.

Roxbury added that Shared Services refers to any number of methods where fire and rescue service organizations are doing something together to become more effective or more efficient. The shared service concept does not necessarily mean a savings in terms of money nor does it mean that fire departments must formally merge together to be able to share services.

Roxbury stated that it is anticipated that two or more fire service agencies will jointly apply for grant funding to study ways, or implement ways of increasing efficiency, effectiveness, and/or cost savings through voluntary and cooperative shared services.

Roxbury said that the City has been advised that individual grants should be in the range of \$25,000 to \$40,000. A local match of at least 10% of the grant award is required. Local match may include administrative costs to manage the consultant contract.

Roxbury added that the expected outcome of the study will include a report delivered to the State Fire Marshal that outlines possible alternatives for the parties to share fire and rescue services. The grants have to be in to the State Fire Marshal's Office by November 16<sup>th</sup>

Roxbury stated that the PFRD is requesting Council Permission to look into the program and apply for a grant should our research indicate that participation in the Shared Services investigation could be useful.

The council gave approval for Roxbury to research this grant.

### **C. Fitzpatrick Developers Agreement**

Attorney Schieffer stated that he and Pat Fitzpatrick have exchanged several drafts of the developer's agreement and asked him to call with any questions. He is recommending the council approve the developer's agreement tonight, so Fitzpatrick does not have to wait any longer to apply for a building permit if he agrees with the terms of the agreement. The only changes from the standard developer's agreement is a few items that the Planning

Commission and Engineer had suggested for this particular project.

WHITCOMB MOTIONED TO APPROVE RESOLUTION 12-66 APPROVING THE DEVELOPERS AGREEMENT AS WRITTEN FOR PAT FITZPATRICK. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

## **MISCELLANEOUS**

### **A. Pay Estimate #3 to MN Native Landscapes for \$82,228.67**

Karnowski reported that MN Native Landscapes is mostly done with the project, with the exception of the punch list items. He anticipates that there will only be one more payment, and that will be for the retainage.

WALKER MOTIONED TO APPROVE PAY ESTIMATE #3 TO MN NATIVE LANDSCAPES FOR \$82,228.67. DOBSON SECONDED THE MOTION.

Walker asked who approves the final payment. Nielson said S.E.H. will go thru the punch list and approve final payment when everything is completed.

THE MOTION CARRIED UNANIMOUSLY

### **B. Pay Estimate #16 to Rice Lake Construction for \$94,426.57**

Karnowski reported that in addition to Rice Lake moving their supervisor to another site, there was an issue the last 2 weeks with the reed beds not holding water. There was an issue with the expansion joints that are now being fixed. It is anticipated that there will only be one more payment, which will likely be the retainage.

HALLIN MOTIONED TO APPROVE PAY ESTIMATE #16 TO RICE LAKE CONSTRUCTION FOR \$94,426.57. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **C. USDA Grant Agreement**

Karnowski reported that Brett Repulski from the USDA stopped in late this afternoon. The loan the city received for the Waste Water Treatment Plant is almost used up, so in order access the grant funds, the Council needs to approve the grant agreement. It includes the same language that the council agreed to a few years ago when the grant was applied for.

WHITCOMB MOTIONED TO APPROVE THE USDA GRANT AGREEMENT. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

## **BILL LIST – \$227,278.56**

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$97,677.08, AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE

CHECKS 66993 TO 67052 FOR A TOTAL OF \$227,278.56. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**ADJOURNMENT**

There being no further business:

WHITCOMB MOVED TO ADJOURN THE MEETING AT 7:25 PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins  
City Clerk

ATTEST:

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Jeremy Riddle, Mayor