Mayor Brad Schumacher called the meeting to order. Council members present was Jack Edmonds, Jenny Gerold, Jules Zimmer and Jeff Reynolds. Staff present, Administrator Robert Barbian, Finance Director Steve Jackson, Public Works Director Bob Gerold, Police Chief Todd Frederick, Community Development Specialist Stephanie Hillesheim, Clerk Shawna Jenkins, Wastewater Plant Manager Chris Klinghagen, Liquor Store Manager Nancy Campbell and Fire Chief Ron Lawrence.

Zimmer stated he would like to give an announcement on the retirement of Karen Michels and the hiring of Kim Young as the new Chamber Director.

**Princeton Public Utilities Audit**

Keith Porter with Mayer, Porter & Nelson, Ltd are certified public accountants and completed Princeton Public Utilities 2019 audit.

Schumacher asked why the City Council Members and administrator was removed from the Organization page, when they have been there in previous years. Porter responded that the financial statements are owned by the Utility company. He is actually seeing a lot of instances where the organizational page is removed from the financial statements entirely.

Porter went through the Audit in detail.

Zimmer asked when the last discussion of the “Payments in Lieu of taxes” was. Jackson responded that it was last looked at in 2007. Butcher added that the Princeton Public Utilities is the only Utility company that he is aware of that is paying both “In lieu of Taxes” and a franchise fee. Edmonds added that they are also collecting the City’s sewer fees and not collecting anything to cover administrative costs of doing that.

Schumacher questioned how their long-term debt compares to others. Porter responded that he does not believe they are overextended, but there is a fair amount.

Zimmer questioned if it is standard to have an agreement that goes out to 2050. Butcher responded it is common. The previous agreement was from 1980 to 2030. Zimmer asked when they would usually start contacting companies to extend the contracts. Butcher replied that it is usually looked at about 12-15 years prior.

Schumacher asked how Rochester is getting out of SMMPA. Butcher replied that they did not renew the contract past 2030, so they will be out at that time. Schumacher asked if the other cities will bear a burden when a large municipality is no longer buying power. Butcher stated that if the plant is still working well at that time, the remaining cities may actually have a financial benefit. However, SMMPA may go out and add members.

Barbian wondered what the Industry standards are for an average requested reserve. Porter responded that a lot if based on the utility and their future projects. Butcher added that it really varies on expenses, depreciation, and what kind of large overlay is planned in the near future. Depending on where those are, you would determine whether to pay cash or bond.

Porter stated that he works with a lot of smaller cities, and for an example, they may need to replace a sewer system that was not planned. Since there are not any funds set aside, then the sewer rates would likely need to be increased several times to cover the cost. The PUC is keeping current with things, so there should not be any unexpected projects.
Certificate of Utility and City Officials

Barbian advised that this is the agreement to extend the contract. The bond would be sold on the 24th. The communities usually provide approval.

Butcher the agreement essentially says we are under obligation to buy power from SMMPA until 2050. The agreement is giving the investors proof that their investment is secure. Schumacher asked how the City will benefit. Butcher replied that SMMPA is the one who will see the savings directly, but it may allow them to keep the City’s rates from going up. When a utility refinances, the rates and savings are looked at.

Barbian asked how Rochester getting out of the agreement. Butcher would have to look into the details on that.

Schumacher stated he would like to table the item and have the City Attorney review the agreement. He would like to know how much money this will save the residents. Porter said saves SMMPA money, not the city. However, it likely means they can pass their savings down by holding the rates down.

Butcher asked if it would help to have a SMMPA representative at the meeting, as he can ask someone to attend. Schumacher stated it would be nice to have someone attend.

Barbian said in regard to the two sections he reviewed, he thinks the agreement looks good.

SCHUMACHER MOVED TO TABLE THE AGREEMENT UNTIL SEPTEMBER 12TH AT 7PM SYSTEM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Board Book Proposal

Hillesheim advised that the City of Princeton recently purchased notebooks for the Mayor and Council Members in step towards paperless meetings. Notebooks have the ability to increase efficiency and to improve communication. With security, confidentiality and efficiency as vital components to this change, City Staff have been looking at ways to make the system more effective and streamlined for staff, Councilors and the public. BoardBook was recommended to the City from the School District and is an online software system that increases ease of use.

Analysis:
BoardBook costs $3,250 per year. This allows for an unlimited number of meetings, minutes, boards and users. It is easily linked to the website to allow Public Viewing of all agenda items and minutes. The program would also be a beneficial tool for other boards and commissions of the city. Some other benefits of BoardBook include:

- The Packet is available that makes it easy for users to move between Tabs with a click and limits scrolling through a continuous PDF.
- Staff have the ability to make additions until the meeting without having to print additional paperwork or send updated versions.
- Everything is automatically available once posted in the portal.
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- Email notifications can notify members when agenda packets are posted and when other changes are made.
- Historic information is easily searchable and always automatically archived.

City Staff also researched:

**BoardPaq: $3,588/year for 50 users.**

**Recommendation:**
City Staff recommends purchasing BoardBook for $3,250 based upon the very positive recommendation from School Board members and the affordability compared to other software

Schumacher asked if there are funds available for this type of software. Jackson responded that there were some funds set aside for the tablet purchase and software in the CIP.

ZIMMER MOVED TO APPROVE THE PURCHASE OF THE BOARD BOOK AGENDA SYSTEM FOR ONE YEAR. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**Announcements / updates**

Barbian stated that in regard to Aero Business Park, an agreement with the interested party should be coming soon. One question that comes up is some of the companies have talked about large projects. He wanted to let the Council know that the EDA has discussed some TIF, Tax Abatements and other ideas to cut costs for prospective businesses.

Edmonds said he gets questions all the time about the Shopko building, and asked if staff has heard anything. Hillesheim responded that she has talked to a few people, but nothing concrete so far.

Zimmer commented that he would like to know when these types of meetings are happening, so they are in the loop when people ask. Barbian gave an example. They may get a call from DEED asking if the city has anything available for a 150,000 square foot building. Staff provides them the information on the lots that are available.

Barbian said many times, businesses want their names and business kept quiet in the early discussions. Staff was contacted by another that produces a product and has a small sale area in front, and an industrial business that may be interested.

Hillesheim reported that there are two ground breakings coming up. One for the Great Northern Trail and the other for the new Dairy Queen. Also coming up soon is the Soar Conference on October 10th at the Northern Lights Ballroom.

**Miscellaneous**

Zimmer advised that Karen Michels retired and Kim Young is the new Chamber Director.
Barbian reported that the letter to Princeton Township was sent out. It has been discussed if the letter should be changed slightly, and sent to the School Superintendent, as well as Senator Andrew Mathews and Representative Sondra Erickson.

Barbian stated he does not believe the Township has made any decisions as of yet. Zimmer questioned if the City should be sending the letter if the Township would be taking the lead. Edmonds suggested that the letter come from the City and the Township.

**Adjournment**

ZIMMER MOVED TO ADJOURN THE STUDY SESSION AT 6:23PM. REYNOLDS SECOND-ED THE MOTION. MEETING ADJOURNED

Respectfully Submitted,

__________________________
Shawna Jenkins Tadych
City Clerk

__________________________
ATTEST:

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Brad Schumacher, Mayor