

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
AUGUST 11TH, 7:00 P.M.**

1. Call to Order - Roll Call

Mayor Thom Walker called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Jenny Gerold, Vicki Hallin, Jules Zimmer and Jeff Reynolds. Others present: Administrator Michele McPherson, Clerk Shawna Jenkins, Public Works Director Bob Gerold, Police Chief Todd Frederick, Wastewater Plant Manager Chris Klinghagen, Technology Services Manager Ed Yost, Fire Chief Ron Lawrence, City Attorney Damien Toven, Liquor Store Manager Dylan Donner and PUC Manager Keith Butcher.

2. Pledge of Allegiance

3. Agenda Additions / Deletions

McPherson advised that members of "This is Princeton" would like to go before the Intern Update as one of the presenters has a long drive after the meeting.

HALLIN MOVED TO APPROVE THE AGENDA. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

4. Consent Agenda

- 4.1. City Council Meeting Minutes of July 28, 2022
- 4.2. Accept Resignation of CJ Bumgarner from the Splash Park
- 4.3. Accept resignation of Liquor Clerk Elizabeth Engebretsen effective 7-29-22
- 4.4. Northern Elements Cheer Booster Club Gambling Permit for Raffle at Speedway on Aug 19, 2022
- 4.5. Northern Elements Cheer Booster Club Gambling Permit for Raffle at Speedway on Aug 26, 2022
- 4.6. Accept 50/50DNR Grant for PFRD

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

5. Open Forum; *public comment on items not on the agenda. Each speaker is limited to three (3) minutes. The Council will not discuss legal matters.*

6. Old Business

7. New Business

- 7.1. Public Hearing - Vacating drainage & Utility easement in Ind Park 3rd addition, Block 2, Lots 2 & 3

McPherson reported that RW Builders is going to be building an addition to an Industrial facility in which the proposed addition will cross over a common property line. They are looking to vacate a current drainage and utility easement and a new easement will be dedicated for drainage and utilities.

HALLIN MOVED TO OPEN THE PUBLIC HEARING AT 7:06PM. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

HALLIN MOVED TO CLOSE THE PUBLIC HEARING AT 7:07PM. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

- 7.1.2 Ordinance 821 - Vacating Easements Ind Park 3rd, Block 2 - FIRST READING

ZIMMER MOVED TO INTRODUCE ORDINANCE 821. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.2. "This is Princeton" update

Mary Patnode, Zach Kitzman and Kim Young provided an update on the "This is Princeton" project. Marketing is an effective way of engaging with people, building and maintaining a reputation, keeping communication open, aid in providing insights and maintain relevance.

They shared some examples from Facebook pages where some posts get excessive comments, and how so much misinformation is spread.

They also shared some Google search results when asked if "Princeton was a good and safe place to live" that showed Princeton in a fairly negative light

Marketing can help clear up confusion, share awareness of events, educate people, and show that Princeton a desirable place to live, work, start a business, visit, etc. We want to celebrate victories and good things by being the loudest voice.

With the number of daily Facebook users of 1.96 billion and 1.9 billion on Instagram, marketing on Social Media makes a lot of sense.

They have created a "This is Princeton" Facebook page, as well as a page on the City's website. They introduced many of their ideas of "Live here, Work Here", "Learn Here, "Retire Here", "Shop Here", Dine Here" ect, in the Rum River Parade in June. They have advertised on the Fair's electronic billboard, and they have a banner up at the racetrack as well.

There are ways to support your community. Serve with a local organization, support local businesses by spending money locally, and volunteer in your community.

7.3. Presentations by Summer Interns

Finance Intern Anna Sutier, Community Development Intern Paige Johaneson and Splash Park Intern Hayley Payment provided an update on the work they did while they were here this summer.

7.4. Bill List

ZIMMER MOVED TO APPROVE THE AUGUST 11, 2022 CHECK REGISTER CONTAINING CHECKS 85223 TO 85289 IN THE AMOUNT OF \$411,842.00, AND THE PAYROLL ELECTRONIC PAYMENTS AS NOTED ON THE PAY PERIOD 16 TRANSMITTAL REGISTER IN THE AMOUNT OF \$65,818.69. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.5. City Administrator Bi-Weekly Report

McPherson had the following observations and information to share from the last update:

Airport

The stakeholder meeting with MNDOT, FAA, and the Airport Advisory Board on August 1 went well. Staff received some direction on the Capital Budget; the FAA would like projects broken into finer detail. For example, for the AWOS relocation project, they want the land acquisition broken out from the construction portion.

Development

McPherson stated that she is waiting on a response back from the second purchaser of a lot in the Princeton Business Park. They were sent the draft purchase agreement and hopefully they will get back to us soon.

McPherson advised that she is trying to reconnect with Tim Dolan (representing Glenn Metalcraft) to make sure that we are able to respond promptly to any requests that they may have. They are likely applying for state funding assistance and there will likely be a role for the City to play.

Finance

Financial Assistance

Staff has received the Abdo proposal; but it needs to be reviewed. It will be on the August 25 agenda for the Council's review and approval.

Finance Software Update

This week is the first week that employees will be accessing their pay stub online via the MiPay Online portal. There have been a few hiccups, but Accountant Hodge has done a stellar job of assisting staff with any questions that arise. Liquor Store Manager Donner has taken on the responsibility of entering the store receipts with Accountant Hodge reviewing them for accuracy before the general ledger is updated.

Fire PERA Analysis

We received the analysis from PERA based on possible changes in benefit level for 2023. As of now, any change in benefit level above \$5,000 lowers the fund level below 113 percent. One could say it is significantly lowered. We will check again at the end of November/beginning of December to see if anything changes.

Preliminary Budget Schedule

As usual, the preliminary levy needs to be set by September 30. This year, there is a new format to the Truth in Taxation notices required by legislation. As such, the counties are looking to have our budget information earlier in September. However, our last meeting before the end of the month is September 22, so staff will get the information out to them on the 23rd if the Council approves the levy on the 22nd.

Here is the tentative budget schedule:

- Week of August 15 – distribute capital budget worksheets to staff
- August 25 – review of capital budget items, components of the budget, new budget forms, solution of the funds to be shifted/closed and transfer amounts
- September 1 – study session, currently no topic but it is unlikely that I will have budget numbers ready; we could continue the capital budget review or cancel the meeting
- September 8 -review first half of the budget
- September 22 – review second half of the budget and set the preliminary levy

2023 Local Government Aid

The State has certified the 2023 local government aid amounts; the excerpted page with Princeton's amount from the report is attached. Since the legislature didn't pass much legislation, including a tax bill, there was no change from 2022.

The Coalition of Greater Minnesota Cities has requested that local governments adopt and submit a resolution encouraging (demanding?) a special session. They drafted a model resolution which she said she edited and the Council may desire to approve that.

Grants

We did not receive the Federal EDA grant.

Personnel

We received six applications for the Community Development Manager position. Councilor Gerold, Technology Services Manager Yost and Administrator McPherson are reviewing them. Assuming we have candidates we wish to interview, McPherson hopes to schedule interviews for the end of next week or the first part of the following.

Police Department POST Board Audit

The Princeton Police Department passed a review of the department's records by the MN Peace Officer Standards and Training (POST) Board. The department should be commended and congratulated on the consistent record-keeping and management/implementation of its policies.

Upcoming Meeting/Event Reminders

- August 10-14 – Mille Lacs County Fair; I will be splitting my time between City Hall and the Fairgrounds this week
- August 15, 3 pm – Minnco Groundbreaking
- September 29, 5 to 8 pm – Whiskey and Wine Tasting Event at Northern Lights Ballroom, Pease. This is a joint venture between Princeton Wine and Spirits and the Milaca Municipal Liquor Stores.
- CGMC Fall Conference – November 17 to 18, Alexandria

7.5.1. Resolution 22-43 Requesting a Special Session

ZIMMER MOVED TO APPROVE RESOLUTION 22-43 REQUESTING A SPECIAL SESSION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.5.2. Discuss Adoption of a Lodging Tax

McPherson shared the information included in a previous agenda packet.

Imposition of a lodging tax has been discussed by the City Council in past years.

Intern Suiter contacted the local lodging establishments for room rates and average occupancies and calculated the potential revenue based on 1, 2 and 3 percent tax amount.

The Rum River Motel will have a Lodging Tax Revenue of:

1% -> \$1861.50/YR

2% -> \$3,723/YR

3% -> \$5,584.50/YR

The AmericInn Hotel will have a lodging Tax Revenue of:

1% -> \$11,826/YR

2% -> \$23,652/YR

3% -> \$35,378/YR

Five (5) percent of the proceeds may be used for administration (collection), but the remaining percentage must be used to "fund a local convention or visitor's bureau for tourism and convention center promotion". As noted in a previous memo to the City Council from 2020, the Chamber of Commerce would qualify as a visitor's bureau, which could eliminate the annual contribution from the Wine & Spirits grant fund. If the Council is interested in imposing the lodging tax, discussions should occur with the Chamber regarding their interest and to develop a program for promotion using the funding.

J Gerold said she is in favor of this. Since it is requested to be used for tourism, she envisions using it to pay the annual \$10,000 towards the Chamber. The balance would be used for so many things, even the "This is Princeton" campaign.

Zimmer added that this could also allow more organizations apply for the Wine and Spirits Grants since the Chamber's \$10,000 would not come out of the Liquor Fund.

McPherson said an ordinance just needs to be drafted and approved to put the lodging tax in place. The Council consensus was for staff to draft an ordinance

8. Committee Reports

J Gerold reported that she attended the Public Meeting on August 9th in regard to the Level 3 sex offender that is moving to the area. There was approximately 24 people in attendance and the presentation was very well done.

9. Adjournment

HALLIN MOVED TO ADJOURN THE MEETING AT 8:39PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

Shawna Jenkins Tadych
City Clerk

Thom Walker
Mayor