

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
SEPTEMBER 8TH, 7:00 P.M.**

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**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, City Attorney Damien Toven, and Liquor Store Manager Dylan Donner. Absent was Fire Chief Ron Lawrence.

**2. Pledge of Allegiance**

**3. Agenda Additions / Deletions**

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

**4. Consent Agenda**

- 4.1. City Council Meeting Minutes of August 25th, 2022
- 4.2. Temporary Intoxicating Liquor License for Chamber of Commerce October 15th, 2022
- 4.3. Temporary Intoxicating for Mille Lacs County Agricultural Society October 7th & 8th, 2022
- 4.4. Planning Commission Meeting Minutes of August 15, 2022
- 4.5. EDA Meeting Minutes of August 18, 2022
- 4.6. CGMC Candidate Information
- 4.7. Melissa Hortman Correspondence regarding Special Session
- 4.8. Authorize Administrator McPherson to Execute Grant Agreement FAA AIP 3-27-0081-020-2022
- 4.9. Approval to Hire Drew Scharber as a Police Officer, contingent upon successful completion of his Post Board Police Officer Exam

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

**5. Open Forum; public comment on items not on the agenda.**

**6. Old Business**

**6.1. Ordinance 822 and Resolution 22-44 - Rezoning 24-071-0020 - FINAL READING**

McPherson advised that the City Council held the first reading on August 25<sup>th</sup>, 2022 and there were no issues with the rezoning of this site from D-1, Airport District to MN-1, Industrial District. An Administrative Lot Line Adjustment will be completed to correct the triangular piece of land that is combined with the property site of #90-005-1200. That section of land has a portion of a taxiway on it and will be combined with PID #90-005-2100.

The Planning Commission held a public hearing on August 15<sup>th</sup>, 2022 in regards to the rezoning of this site from the D-1, Airport District to MN-1, Industrial District and forwards the recommendation of approval to the City Council.

Staff recommends the City Council approve both in separate motions for the rezoning from D-1, Airport to MN-1, Industrial District and also the Future Land Use Plan of the Comprehensive Plan and Zoning Map Amendment that designates the properties from Parks & Open Space to Industrial.

HALLIN MOVED TO APPROVE ORDINANCE 822 AND RESOLUTION 22-44. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**6.2. Ordinance 823 and Resolution 22-45 - Rezoning 90-005-1200 - FINAL READING**

HALLIN MOVED TO APPROVE ORDINANCE 823 AND RESOLUTION 22-45. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

### **6.3. Ordinance 824 - Cannabis Moratorium - FINAL READING**

McPherson reported that the 2022 Legislature passed legislation allowing the sale of cannabis items without any regulatory parameters. Cities around the state are attempting, on their own, to address this issue. Several local cities have discussed a moratorium with their Councils; reception has been mixed. Other cities are moving forward with drafting ordinances specific to cannabis products but regulating them in a similar manner to tobacco and liquor ordinances.

For the city to draft an ordinance, time is essential. Staff is recommending that the City Council adopt a moratorium ordinance.

Staff recommends that the City Council approve Ordinance 824 establishing a moratorium on the sale, testing, manufacturing, and distribution of cannabis products for up to one year.

HALLIN MOVED TO APPROVE ORDINANCE 824. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

## **7. New Business**

### **7.1. Presentation of Pavement Management Plan by WSB**

Engineer Edison reported on the City's current road conditions and explained how they are graded. In her opinion, the City's roads are in pretty condition, especially since most are just many layers of sealcoating.

A Pavement Management Plan will include a general schedule for the maintenance and reconstruction of the streets and strategies for the financing of that work.

#### **7.1.1. Provide Direction regarding Condition Level to be Maintained**

Edison said staff is looking for direction on what Pavement Condition Index the Council would like to keep the average within. In Princeton, the need for Utilities to be upgraded will likely play a big role in determining which roads to prioritize.

Walker agreed that the utilities should be considered when looking at potential road projects. Edison asked B Gerold how old the utilities are on the north side. B Gerold responded that they are 60+ years old. He said he feels we should be first looking at the needed utility updates and then the road maintenance. McPherson added that we have a sewer study that was done and she believes PUC is working on a water study as well. We can layer all of that information on a map and work from that.

Zimmer asked how staff knows the conditions of the sewer lines. B Gerold responded that they identify issues while they are jetting the lines each year. If issues are found, they can put a camera down in the line to see what the problems are. Depending on the issues, some can be repaired without digging everything up.

Edison advised that now that the City's population is over 5000, they are working on getting the City on to the State Aid Road program. The City will receive funds for approximately 6 miles of road each year. Staff will want to choose collector roads, as they have more traffic, which equals more funds.

Walker stated that he would like to see the average condition rating stay in the same range as they are now. Identify the ones that are in fair condition and repair those, while just maintaining the others until the utilities need to be repaired.

Walker said his goal would be to keep the average about 75-80%. Staff will work on getting the sewer and water line plans overlaid onto the pavement condition study.

#### **7.2. Resolution 22-50 Supporting Regional Designation for The Great Northern Trail**

McPherson reported that this Resolution is to show support for the Great Northern Trail to be designated as a Regional Park or Trail designation. It is a joint project with Sherburne and Mille Lacs Counties, and the cities of Princeton, Zimmerman and Elk River.

ZIMMER MOVED TO APPROVE RESOLUTION 22-50. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### **7.3. Resolution 22-51 - Accept Donation from Michael Monson / Bremer Bank for the Fire Department**

HALLIN MOVED TO APPROVE RESOLUTION 22-51. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### **7.4. Review Draft Agreement with Mille Lacs County; CSAH 4/7th Avenue Project**

McPherson advised that the City, PUC and County staff have been discussing the reconstruction of CSAH 4/7th Avenue and the replacement of the infrastructure located within the right of way. The County has indicated that they want the City to be the lead agency in this endeavor.

In order to prepare the design, specifications, and bid documents, there are items that need to be investigated. To that end, WSB has prepared the attached scope for a feasibility study. Public Works Director Gerold, PPU General Manager Butcher and Administrator McPherson reviewed the scope and found it to be complete.

A cooperative agreement with Mille Lacs County has been drafted. This agreement addresses Phase I, the feasibility study; and a more detailed agreement will be prepared for execution once all of the estimates have been prepared based on the study. The draft agreement has been sent to the City Attorney and Mille Lacs County for review and changes. The plan is to place it on the County Board Agenda of September 13, 2022 with City Council approval on September 22.

The City Council was asked to review the attached documents and provide staff with any direction or changes. None were provided.

#### **7.5. Bill List**

ZIMMER MOVED TO APPROVE THE SEPTEMBER 8, 2022 CHECK REGISTER CONTAINING CHECKS 85352 TO 85419 IN THE AMOUNT OF \$527,840.01, AND THE PAYROLL ELECTRONIC PAYMENTS AS NOTED ON THE PAY PERIOD 18 TRANSMITTAL REGISTER IN THE AMOUNT OF \$64,729.93. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### **7.6. Request to set Special Meeting for September 29; Budget Review and Set Preliminary Levy**

McPherson stated that as the Council is aware, 2022 has been a year of financial change: operating without a Finance Director and implementation of the updated software. Given those challenges, preparation of the 2023 budget is behind where staff would like it to be at this time.

In order to make sure that staff has accounted for all possible 2023 expenses to set a sufficient preliminary levy as well as implementing the TIF decertifications and the account closures related to the audit, McPherson is requesting the Council set a special meeting for September 29 to do a budget review and set the preliminary levy. This will provide staff sufficient time to review their year-to-date expenses and recommend appropriate 2023 expense levels as well as time to work with Abdo on calculating the personnel expenses.

However, given that there is an event on September 29<sup>th</sup>, staff would like to change the date to either September 27 or 28<sup>th</sup>, 2022.

HALLIN MOVED TO ET A SPECIAL MEETING FOR TUESDAY, SEPTEMBER 27 AT 5PM TO REVIEW THE BUDGET AND SET THE PRELIMINARY LEVY. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **7.7. City Administrator Bi-Weekly Report**

McPherson reported on her observations and information since the last update:

#### **Airport**

We have been awarded the grants for the Beacon replacement and the ALP update. As soon as the grant document arrives, it will be executed.

#### **Budget**

The budget is progressing, albeit slowly. Future years will be easier; this is the year for all of the changes and set up.

#### **Development**

There is nothing new on the Glenn Metalcraft project. The hangar lot project is the topic of the closed session.

#### **Finance**

No new news on the Finance front. Staff hopes to have the advertisement for the accountant posted by the end of the week.

#### **Grants**

No news on the Small Cities grant, although the notice of awards is scheduled to occur sometime in September.

#### **Upcoming Meeting/Event Reminders**

- September 10, 10 am to 2 pm – Public Safety Day at the Public Safety Building. Police, Fire, Public Works, Princeton Public Utilities
- 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.
- October 6 Study Session:
  - o Cannabis Ordinance
  - o Fee Schedule Changes
- CGMC Fall Conference – November 17 to 18, Alexandria

### **7.8. Closed Session - Discuss Real Estate Transaction**

Walker advised that the agenda item for this meeting is to discuss and consider terms of an offer to purchase or sell real estate. This portion of the properly noticed meeting of the Princeton City Council will be closed pursuant to Minnesota Statutes under the real estate sales or purchase exception to the Minnesota Open Meeting Law, pursuant to Minnesota Statute Section 13D.05 Subd 3(a)(3).

The need for confidentiality outweighs the purposes served by the open meeting law in this case based on the following:

Confidentiality is necessary to protect the City's negotiating strength and interests as to real estate negotiations.

The purpose of the closed meeting is not to make a decision behind closed-doors, but instead is to determine what actions are appropriate with respect to the real estate negotiations.

The only business to be discussed in this portion of the meeting are the real estate negotiations, and what action, if any, should be taken.

Walker will now entertain a motion to close this portion of the meeting.

REYNOLDS MOVED TO CLOSED THE MEETING AT 8:20PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

The Council will now go into a closed session. The time is 8:20PM. Only the officials and consultants of the Council who reasonably require access to this data may be in attendance at any portion of the meeting for this agenda item. The minutes of this portion of the meeting should reflect only that a meeting was held with its date, time and location; who was present at the meeting; and the purpose of the meeting.

Walker asked the City Administrator to begin the discussion on this matter.

HALLIN MOVED TO ADJOURN THE CLOSED SESSION AND MOVE BACK INTO THE OPEN SESSION AT 8:57PM. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Toven reported that the Council discussed a potential land sale. Staff will work with the prospective buyer and report back to the Council.

#### 8. Committee Reports

Staff reported that Public Safety Day is Saturday.

#### 9. Adjournment

ZIMMER MOVED TO ADJOURN THE MEETING AT 8:58PM. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

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Shawna Jenkins Tadych  
City Clerk

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Thom Walker  
Mayor