
MEMORANDUM



TO: Mayor Walker and Councilors
FROM: M McPherson, City Administrator
SUBJECT: **Bi-Weekly Administrator's Report**
DATE: May 24, 2022

I have the following observations and information to share from the last two weeks:

Development

Community Development Manager (CDM) Brooks met with Dan Howard and Jim/Kristi LeBrun regarding the powersports project. It appears that the LeBrun's are not as far into their planning and financing as we originally thought, so staff will be providing links to small business resources for assistance.

CDM Brooks met with Mike Wimmer, Mille Lacs County Economic Development Manager this month. They plan to meet monthly in order to develop partnerships and identify ways to attract businesses to the City of Princeton and Mille Lacs County.

CDM Brooks attending the Sherburne County SWCD's Spring Aquatic Invasive Species meeting on May 23 to thank them for approving a grant to help the City rid the WWTP of invasive phragmites.

CDM Brooks and I will be meeting Tuesday, May 24 with Annie Deckert of Declan Group regarding the business park offer. I will provide a verbal update at the Council meeting. Mr. Dolan is currently experiencing unexpected health issues, so Ms. Deckert is stepping into the negotiations.

Finance

While Audit preparation is going well, Abdo has encountered a few bumps in the road, namely incomplete 2020 audit closure in the finance system which through off the beginning trial balance. The issue has been fixed, but Abdo and Bergan KDV agreed (as did I) that the Audit should be delayed one week, so it will start June 6 and run through June 10. Taking an extra week will ensure that our financial house has a strong foundation moving forward.

Finance Intern Suiter is preparing and mailing past due fire service invoices this week. Service recipients will have until July 1 to pay the past due amounts and then staff will begin to collect the necessary information to start the assessment process this fall.

Finance Intern Suiter helped prepare the documentation to request reimbursement for the various airport projects and is currently entering liquor deposits into the finance system as they are delivered by Manager Donner and after they are reviewed by Accountant Hodges.

Grants

We are still waiting on the results from our grant application to the Federal EDA for the Business Park infrastructure.

Infrastructure

CDM Brooks and I met with Allen Rauth representing TDS Telecom (www.tdstelecom.com), a communications company headquartered in Wisconsin. They provide telecommunications (internet, phone, TV) services. A portion of their investment is in underserved communities; they are currently providing services

in 28 Minnesota communities such as Backus, Cass County, Monticello and Pequot Lakes. They are interested in investing in Princeton in 2023. Attached is their introductory power point. Per Mr. Rauth's request, contact information for the City Attorney, City Engineer, and Public Works Director were provided as well as information regarding the franchise agreement and ordinance. I will provide updates as they are warranted.

Legislation

As usual, the Legislature failed to pass any bills of substance, so everything is up in the air. LMC and CGMC are monitoring the action and are providing updates as they arise.

Liquor Store Update

The ductwork was cleaned and looks great. Manager Donner was pleased with the work and will schedule routine cleaning going forward every three (3) to five (5) years.

Manager Donner, Technology Services Manager Yost and I met with representatives from RateZero on Monday, May 23. RateZero is a local (St. Louis Park) company that offers Point of Sale (POS), inventory software and credit card processing services to liquor stores at no cost – they make their money by using a credit card surcharge. Currently, the liquor store is paying the credit card service fees which, in 2021, totaled \$98,890.83. If we switch to RateZero, the surcharge cost to the customer will be roughly \$1.00 per average transaction, the City's expenses will be reduced by \$100,000 (roughly – the cost of credit card fees), and the inventory program will be more reliable. The current inventory system has a number of bugs and lost data the day of the 2021 inventory. There is still work to be done: RateZero will be building a "shadow system" for the staff to test run, in addition to the software, they provide and maintain all of the necessary hardware; Manager Donner needs to research what contracts we have with the credit card and inventory software providers and what it will cost to exit those contracts. Expect further updates on this topic.

Upcoming Meeting/Event Reminders

Council Meetings

The June 9 meeting has been rescheduled to June 7 due to Rum River Days. As a result, the Council agenda packet LESS the bill list will be released at the end of day June 3. In order to provide sufficient time to do payroll and the bill list the week of May 30 (a short week), the bill list will be added by the end of the day June 6. This should provide sufficient time to review the agenda materials over the weekend leaving only the bill list to review Monday evening.

As I noted in my email of May 17, we have the following Council Study Session dates and topics for consideration (note the new topic additions):

- June 2, at this time I do not have a topic for discussion
- July 7; occurs the week of the 4th, would the Council prefer to cancel this meeting? The topic of the CIP budget could be tacked onto a regular agenda or moved to August 4
- August 4, rescheduled joint meeting with the PUC, and if time, year to date budget review, identify 2023 budget targets, CIP budget review
- September 1, review of the early version of the 2023 budget and discussion of the preliminary 2023 levy amount which needs to be set by September 30
- October 6, no topic at this time; may be a good meeting to discuss the redirection of the franchise fee and establishment of a rural taxing district.
- November 3, presentation of Transportation and Pavement Management Plans, budget discussion
- December 1, budget review as the final levy needs to be set at the December 22 Council meeting

Please provide direction as to the desire to cancel the June and July meetings and input into any of the proposed topics.

Other Meetings/Events

- Rum River Festival – June 9-11
 - June 5: Princeton Ambassador Coronation (PACC)
 - June 9: Street Fair, Parade, City-wide Garage Sale
 - June 10: Chalk Art Event, Decades Band, Beer Garden/Ice Cream Sales, Lucky Duck Drop, City-wide Garage Sale
 - June 11: 5K, Ladies Local, Food Trucks on the Farm, Gala Night, City-wide Garage Sale
 - June 12: Lions Fly-in Brunch (Airport)
- CGMC Summer Conference – July 27 to 29, Red Wing
- CGMC Fall Conference – November 17 to 18, Alexandria