

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL
HELD ON NOVEMBER 23, 2021 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 Vicki Hallin, Jenny Gerold, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Michele McPherson, Finance Director Tracy Peters, Community Development Manager Stephanie Hillesheim, Public Works Director Bob Gerold, Police Chief Todd Frederick, Fire Chief Ron Lawrence, Wastewater Plant Manager Chris Klinghagen, Clerk Shawna Jenkins and Attorney Damien Toven. Absent is Liquor Store Manager Nancy Campbell.

2. Pledge of Allegiance

3. Agenda Additions / Deletions

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 November 9, 2021
- 4.2. Police Officer Lucas Wubben Step Increase 4 effective 12-4-21
- 4.3. Authorize Purchase of Sampler Head
- 4.4. Authorize Purchase of UV Lightbulbs
- 4.5. Authorize Execution of Revised Contract with Central MN Custodial Services
- 4.6. Res. 21-73 Authorizing Execution of MNDoT Maintenance & Operations Grant 1047506
- 4.7. Information Only - PUC Agenda Packet for November 17, 2021

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

5. Open Forum

6. Old Business

7. New Business

- 7.1. Resolution 21-74 - Approving Donation from Elk Lake Riders to the PFRD for the UTV.

HALLIN MOVED TO APPROVE RESOLUTION 21-74 ACCEPTING THE DONATION FROM ELK LAKE RIDERS. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

- 7.2. Res. 21-75 Accepting Donation from Twice Used Clothing to the Princeton Police Dept

J Gerold mentioned that the resolution on the paperwork says 21-74. Jenkins will make that change.

HALLIN MOVED TO APPROVE RESOLUTION 21-75 ACCEPTING THE DONATION FROM TWICE NEW USED CLOTHING. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

- 7.3. Approve Application to the Fire Act Grant

Lawrence stated he is seeking permission from the council to apply for this year's Fire Act Grant. He hopes to obtain a grant that would purchase Storz connectors for each of the fire hydrants in our city. This would allow the fire department to hook up to a hydrant easier and quicker than our

current method. The total cost would be around \$65,000.00 and the grant would be 5% matching. He would be able to take the matching amount out of my budget. I will be working with Manager Butcher and water supervisor Schmidt on this project.

J GEROLD MOVED TO APPROVE THE REQUEST TO APPLY FOR THE FIRE ACT GRANT. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.4. Review 2022 Airport Budget

Staff went over the proposed 2022 Airport Budget.

7.5. Review 2022 Liquor Store Budget

Staff went over the 2022 proposed Liquor Store Budget.

J Gerold stated that she would like to stop taking checks at the Liquor Store. Donner responded that McPherson and Peters had brought that up as well.

a. Approve Revised Liquor Store Manager Job Description and Authorize Posting

The Council reviewed the updated Liquor Store Manager job description.

HALLIN MOVED TO APPROVE THE REVISED LIQUOR STORE MANAGER JOB DESCRIPTION AND TO AUTHORIZE THE JOB POSTING. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.6. Approve Technology Services Manager Job Description and Authorize Posting

The Council reviewed the Job Description for the new Technology Services Manager. McPherson stated that staff met and discussed this at length. With Hillesheim leaving, we need someone on staff that is available.

HALLIN MOVED TO APPROVE THE IT SERVICES MANAGER JOB DESCRIPTION. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ZIMMER MOVED TO AUTHORIZE THE JOB POSTING. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.7. Approve Revised Community Development Manager Job Description and Authorize Posting

The Council reviewed the reviewed job description for the Community Development Manager.

HALLIN MOVED TO APPROVE THE REVISED COMMUNITY DEVELOPMENT MANAGER JOB DESCRIPTION AND TO AUTHORIZE THE JOB POSTING. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.8. Review Budget Revenue Sources

Staff went over the various Revenue Sources and estimated amounts for 2022

a. Review Fee Schedule and Staff Recommended Changes

McPherson stated that staff has gathered fee schedules for several other local cities and added them to a spreadsheet along with our fees, and the last time they were changed. Some fees have not been changed in over 10 years. Staff has added their suggested amounts, and is looking for Council's thoughts on these amounts.

Walker asked about the Compost Fee of \$5 per load. He was approached by a resident about the reasoning behind the fee. B Gerold responded that in addition to the staff that works the site when it's open, there are additional costs to push the material up and haul it away.

The Council and staff went over the recommended fees and made some minor changes. Staff will bring the fee schedule back as a first reading at the December 9th meeting.

7.9. Approve Fire Relief Fund Benefit Level Increase Policy

The City Council has received information regarding this topic at the September 9 and November 4 City Council meetings. From the November 4 meeting, staff has compiled benefit level information in writing (was presented verbally at that time):

Department	Number of Fire-fighters	PERA or Other Retirement Fund	Benefit Level	Funding Ratio
Princeton	38	PERA	\$4,100 per year of service	
Baldwin Township	34	PERA	\$3,500 per year of service	129%
Cambridge	29	PERA	\$5,200 per year of service	103%
Dalbo	20	PERA	\$1,500 per year of service	158%
Elk River	51	Other	\$9,200 per year of service	100%
Foley	22	Other	\$4,100 per year of service	120%
Isanti (JPA)		PERA	\$5,500 per year of service	143%
Milaca	21	PERA	\$3,700 per year of service	153%
Mora	27	Other	\$2,500 per year of service	
Ogilvie		PERA	\$1,250 per year of service	134%
St. Francis		PERA	\$2,900 per year of service	223%
Zimmerman	33	Other	\$4,100 per year	150%

			of service	
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Staff also presented the following policy language for the Council's consideration, previously the funding ratio was proposed at 115%:

The City Council shall, annually, review the PERA Fire Relief Fund to determine if an increase in the benefit level may be made. The surplus will be divided, at a minimum, equally between the Fund and the benefit level increase except when the funding ratio drops below 113%. In those cases, the division of the surplus shall occur in a manner that the funding ratio is maintained at 113%. The final determination of the benefit level shall be made by December 1 of each calendar year.

Analysis:

Staff contacted Sharyn North at PERA to inquire as to the funding ratio if the benefit level was set at \$5,000. At that level, the ratio is at 115%. From her previous analysis, increasing the benefit level to \$5,100 reduces the ratio to 112% as noted in the chart below:

A. Benefit Level (per year of service):	\$ 4,900	\$ 5,100	\$ 5,300	\$ 5,500
B. Projected Present Assets 12/31/2021 [Attached]	2,360,087	2,360,087	2,360,087	2,360,087
C. Accrued Liability 12/31/2021 [Attached]	2,019,698	2,097,982	2,176,397	2,254,933
D. Surplus/ (Deficit) [B-C]	340,390	262,105	183,691	105,155
E. Funding Ratio at 12/31/2021 [B/C]	117%	112%	108%	105%
F. Accrued Liability 12/31/2022[Attached]	2,197,683	2,283,093	2,368,657	2,454,353
G. Financial Requirement: Increase in Liability [F -C]	177,986	185,111	192,261	199,421
H. Financial Requirement: PERA Fees [\$30/member]	1,170	1,170	1,170	1,170
I. Financial Requirement: 1/10th of Deficit/(Surplus, if 3rd yr) [D/10]	(34,039)	(26,211)	(18,369)	(10,515)
J. Financial Requirement: Total [G+H+I]	145,117	160,070	175,062	190,075
K. Reductions to Financial Requirement:				
Projected Fire State Aid [2021 Amount @1.035]	80,802	80,802	80,802	80,802
Investment Earnings [6% on Projected Present Assets]	141,605	141,605	141,605	141,605
L. Estimated Required Contribution [J-K]	None	None	None	None

Recommendation

Staff recommends that the Council:

Adopt the above Fire Relief Fund benefit level increase policy, and Approve Resolution 21-76 which sets the benefit level for 2022, payable January 2023 at \$5,000 per year of service.

HALLIN MOVED TO APPROVE THE FIRE RELIEF FUND BENEFIT LEVEL POLICY. REYNOLDS SECONDED THE MOTION. VOTE 4:0:1, J GEROLD ABSTAINED. THE MOTION CARRIED

a. Resolution 21-76 Approving Increase in Benefit Level

HALLIN MOVED TO APPROVE RESOLUTION 21-76 INCREASING THE BENEFIT LEVEL REYNOLDS SECONDED THE MOTION. VOTE 4:0:1, J GEROLD ABSTAINED. THE MOTION CARRIED

7.10. Bill List

ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$167,379.30 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 83935 TO 84002 FOR A TOTAL OF \$786,288.75. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.11. City Administrator Bi-Weekly Report

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

Airport

The taxiway work is substantially complete. A walk-through was completed November 18. Most of the outstanding work will be related to asphalt transitions and settled soil along the pavement edges. KLJ is assembling a grant application to replace the beacon equipment.

Board/Commission Openings

Staff has been advertising the upcoming open seats on the City's various boards and commissions (see attached Facebook posting). There are eight (8) terms expiring, but only one official vacancy which is on the Airport Advisory Board due to Mr. Ramage moving out of state. There are four (4) applications to consider at this time.

Code Enforcement

Mr. Clayson paid his bill in full for the costs of the clean-up of his property.

COVID-19

We have had several staff hit with the COVID-19 virus, both with vaccinated and unvaccinated statuses. Operations have continued without interruption with other staff stepping up to fill the gaps. Fingers crossed, no one has yet had to be hospitalized.

Development Projects

We continue to work on various requests for information from developers, both residential and commercial. For the December 2 Study Session, there will be a discussion with a developer interested in the Pontious parcel and the use of TIF/Tax Abatement for utility extensions to the parcel.

Grants

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

Staff submitted a pre-application for a Small Cities Development Program Grant under the Public Facilities category. If successful, a full grant application will be submitted; the goal is to help with the 7th Avenue sewer project.

Infrastructure

The 21st Avenue project is progressing well. Hydrants have been relocated, old asphalt has been reclaimed, a stormwater pond has been shaped and the new entrance to the airport has been formed. The work did adversely (temporarily) impact the access to the compost site, but the contractor worked with staff to ensure residents could dump their leaves and grass clippings. Ron and I continue to work with Micah Myers to find funding for the radio simulcast equipment.

Liquor Store Operations

Liquor store operations continue to go well. Discounted wine sales are progressing nicely and plans are moving forward with a Black Friday/Shop Local Saturday sale. I will be in the store Friday and Saturday over the lunch hour to help staff as needed.

Local Business Openings

I attended the ribbon cuttings for Heavenly Fresh, Mike's Discount Foods, and the Mark MN during the week of November 15.

PUC Meetings

I attended both the special Work Study meeting of November 10 (2022 budget review) and the regular meeting of November 17 which was rescheduled due to the Thanksgiving holiday. From the budget meeting, there are several large capital projects being proposed: roof replacement, AMI water meter work, replacement of a truck. There are some minor fee schedule adjustments proposed to keep fees current with the market and covering staff costs.

The significant discussion items at the regular meeting were the presentation of the DGR system study (to be presented at the December 7 Work Study meeting), the proposed 2022 rate study, a continuation of the ACH/credit card convenience fee, and the amount to include in the budget for donations (Light Up Princeton will continue to be a specific donation). It was noted that the April 13, 2022 SMMPA Board meeting will be hosted in Princeton and the City Council is invited to the meeting.

Upcoming Meeting/Event Reminders

- November 24 – Last day for the Compost site to be open
- November 27 – Santa at the Depot, Mini Dazzle Parade and the opening night of Light Up Princeton
- December 2 – Council Study Session: developer TIF/Tax Abatement discussion, revised Library contract (Rachel Howell, Assistant Director will be present), final budget review/discussion/adjustments, commission/board interviews
- December 7 – PUC Work Study meeting to receive and review the results of the DGR system study
- December 9 – Truth in Taxation meeting, budget presentation and public input on revenues/expenditures

8. Committee Reports

J Gerold reported that Small Business Saturday, Light up Princeton and Santa at the Depot is coming up soon.

9. Adjournment, there being no further business:

HALLIN MOVED TO ADJOURN THE MEETING AT 9:15 PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

Shawna Jenkins Tadych
City Clerk

Thom Walker,
Mayor