

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
SEPTEMBER 10, 2009, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Mayor Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Councilors Paul Whitcomb, Victoria Hallin, Lee Steinbrecher and Dick Dobson. Staff present was Mark Karnowski, Steve Jackson, Bob Gerold, Brian Payne and Joe Backlund. Also present: City Attorney Dick Schieffer.

**AGENDA ADDITIONS/DELETIONS**

It was the consensus of the Council to add the following item to the agenda:

- 5. Open Forum**
  - A. Officer Matt Mullins Recognition

**CONSIDERATION OF MINUTES OF THE REGULAR MEETING OF AUGUST 27, 2009 AND  
THE SEPTEMBER 3, 2009 STUDY SESSION.**

Paul Whitcomb noted that the time sequence was out of order in regular meeting minutes from August 27, 2009.

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF AUGUST 27, 2009 WITH THE CORRECTION OF THE TIME SEQUENCE AND THE SEPTEMBER 3, 2009 STUDY SESSION AS WRITTEN. STEINBRECHER SECONDED THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**CONSENT AGENDA**

- A. Permits and Licenses**
- B. Personnel:**
  - 1. Police Department
    - a. Arnie Soden, Increase after one year to \$20.47/hr. eff. 09-01-09
    - b. Alex Dehn, Increase after 2 years to \$21.25/hr. eff 09-09-09
    - c. Matt Mullins, Increase after 3 yrs to \$22.00/hr. eff 09-17-09
- C. Donations/Designations - None**

DOBSON MOVED TO APPROVE THE CONSENT AGENDA. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**OPEN FORUM**

- A. Officer Matt Mullins Recognized**

Sergeant Joe Backlund, who heads up the Safe and Sober Program in Princeton, nominated Officer Matt Mullins and Mille Lacs County Assistant Attorney Tara Ferguson Lopez to be on the Minnesota Office of Safety's DWI Enforcer All Stars Team this year. Lopez made it onto the honorary team and Mullins made honorable mention. Police Chief Brian Payne, Backlund and the Council recognized Mullins' honorable mention by presenting him with a letter from the Office of Traffic Safety. Mullins had twenty-four DWI arrests in 2008. There were 400 officers in Minnesota that arrested 37,000 intoxicated individuals. Countless lives and property damages were saved, noted Chief Payne.

## **PUBLIC HEARINGS**

### **A. Arcadian Homes Update**

Attorney Dick Schieffer reported that a court hearing is set up for September 23, 2009 for the expenses to be assessed against the Arcadian Homes property. Chase Mortgage, the property owner, may reject the assessed costs at the hearing although it is unlikely that they will. Schieffer stated that there is no delay for the hearing date at this time.

## **REPORTS OF OFFICERS, BOARDS, AND COMMITTEES**

### **A. Public Utilities Commission**

1. Regular Meeting Minutes of June 24, 2009

### **B. Public Utilities Commission**

1. Regular Meeting Minutes of July 22, 2009

### **C. EDA Board**

1. Regular Meeting Minutes of August 20, 2009

### **D. Planning Commission Board**

1. Regular Meeting Minutes of August 17, 2009

### **E. Airport Board**

1. Regular Meeting Minutes of August 31, 2009

The above minutes were reviewed by the council with no questions or concerns.

## **PETITIONS, REQUESTS, AND COMMUNICATIONS**

### **A. Police Chief and Fire Chief to Accept Donation Checks from Eddy Family Foundation**

Robert Eddy from the Eddy Family Foundation introduced himself to the Council. Eddy explained that this foundation was founded by his parents in 1999. Besides Public Safety, the foundation donates to schools, churches, food shelves and other community organizations. The Eddy Foundation recently gave \$1,000 to the Law Enforcement Memorial Association to assist the family of the St. Paul Police Officer (Richard Crittenden) who was killed in the line of duty on September 7, 2009. Two (2) \$2,000.00 checks were presented.

## **ORDINANCES AND RESOLUTIONS**

### **A. HyTech Automotive Rezoning and Ordinance # 635**

City Administrator Mark Karnowski explained that Wayne Nelson of HyTech Automotive plans to expand his business operations to the property across the street at the old Marathon Gas Station site. The site needs to be re-zoned from a B-1 (Central Business District) to a B-2 (General Business District). To the city's understanding, HyTech Automotive will be moving a portion of their current auto repair and service business to that site and then expanding the business to include the sale of vehicles on their current HyTech site. Once re-zoned, Mr. Nelson will then be able to apply for the required interim use permit to allow the sale of vehicles on the current site. The Planning Commission held the public hearing and recommends approval.

HALLIN MOVED TO APPROVE ORDINANCE #635 AN ORDINANCE RE-ZONING THE EAST ½ OF BLOCK 20, ORIGINAL TOWNSITE, CITY OF PRINCETON, MILLE LACS COUNTY, MINNESOTA FROM B-1 CENTRAL BUSINESS DISTRICT TO B-2 GENERAL BUSINESS DISTRICT AS WRITTEN. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**UNFINISHED BUSINESS** - NONE

**NEW BUSINESS**

**A. Preliminary Levy**

Finance Director Steve Jackson informed the City Council that the city must conform to the timetable the State has adopted for the "Truth in Taxation" procedure. As discussed at the last meeting, a 3% increase was suggested and agreed upon. This increase will bring the tax levy to \$2,183,350.00. The current operating budget for 2010 is \$2,995,000.00. At the December 10, 2009 regular city council meeting, the budget and final levy will be discussed.

DOBSON MOTION TO APPROVE RESOLUTION 09-38 A RESOLUTION CERTIFYING A TOTAL PRELIMINARY PROPOSED TAX LEVY AND SETTING THE PUBLIC HEARING AS WRITTEN. STEINBRECHER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**B. Debt Refunding**

Finance Director Steve Jackson introduced George Eilertson from Northland Securities.

Eilertson explained that the city is within the window of time to do a current refunding on this \$1,535,000.00 General Obligation bond. The interest rates are presently favorable with an average rate of 4% and could be lowered to 2.75%. The City could save \$71,000 in payments. Eilertson reported that he has met with city staff to review the existing bond and the structure would remain the same, it would be a debt service reduction. The sale would take place on October 8, 2009.

Steinbrecher asked if the \$71,000.00 in savings is the net savings or before any overhead costs. Eilertson explained that \$71,000.00 is after any costs of doing business.

Mayor Riddle questioned the structure of the bond, but Eilertson assured the council that alternate structures were reviewed, but the appropriate direction for this particular bond would be to keep the maturity the same.

HALLIN MADE A MOTION TO ACCEPT RESOLUTION #09-40 A RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$1,535,000.00 GENERAL OBLIGATION IMPROVEMENT REFUNDING BONDS, SERIES 2009B AS WRITTEN. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

STEINBRECHER MADE A MOTION TO APPOINT NORTHLAND SECURITIES AS THE CITY'S FINANCIAL ADVISORY. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**C. Safe and Sober Grant Resolution 09-39**

Karnowski informed the council that the Safe and Sober Communities Program is the same as has been approved in the past with the only difference being that Jeffrey Beahen, the Elk River Chief of Police, will be acting as the fiscal agent. Hallin asked if there were any costs involved. Karnowski reassured the council that there were no city funds involved and that the funds used are grant funds.

STEINBRECHER MADE A MOTION TO APPROVE RESOLUTION 09-39 A RESOLUTION AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT BETWEEN THE CITY OF PRINCETON AND THE MINNESOTA DEPARTMENT OF PUBLIC SAFETY FOR THE "SAFE & SOBER COMMUNITIES" PROJECT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**MISCELLANEOUS:**

Councilor Hallin thanked the High School students who were present for the meeting. Hallin stated she was very impressed that they came the first week of school.

**BILL LIST – \$290,473.18**

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL OF \$154,005.39 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 61265 TO 61320 FOR A TOTAL OF \$136,467.79. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**ADJOURNMENT**

There being no further business:

DOBSON MOVED TO ADJOURN THE MEETING. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS) AT 7:27 PM.

Respectfully Submitted,

Katie Hunter,  
City Clerk

ATTEST:

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Jeremy Riddle, Mayor