

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
AUGUST 12, 2010, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Acting Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Victoria Hallin and Dick Dobson. Mayor Jeremy Riddle and council member Lee Steinbrecher were absent. Staff present was Administrator Mark Karnowski, Finance Director Steve Jackson, Community Developer Jay Blake, Fire Chief Jim Roxbury, Public Works Director Bob Gerold, Police Chief Brian Payne and City Clerk Katie Hunter. Also present: City Attorneys Damien Toven and Dick Schieffer.

**AGENDA ADDITIONS/DELETIONS**

Karnowski informed the council that two items should be deleted from the agenda. The final reading of the Adult Use Ordinance #654 needs some wording updated. Also, the Sterling Pointe amendment should also be deleted because the Small Business Administration was looking for an amendment to the Development Agreement relating to the fees.

**CONSIDERATION OF MINUTES OF THE REGULAR MEETING OF JULY 22, 2010**

HALLIN MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF JULY 22, 2010 AS WRITTEN. DOBSON SECONDED THE MOTION. CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

**CONSENT AGENDA**

**A. Permits and Licenses** - none

**B. Personnel**

1. Liquor Store

a. Amanda Oehmen to Step 1 Increase from \$9.83 to \$10.64 per hour effective August 16, 2010

**C. Donations/Designations** - none

HALLIN MOVED TO APPROVE THE CONSENT AGENDA. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

**OPEN FORUM**

Jasper McLaughlin with the local Eagle Scouts was present to speak to the City Council. McLaughlin asked the council if he could install a disc golf course in Rainbow Park on the North side of Princeton. At this point, McLaughlin doesn't have much of a plan but is first seeking council's permission.

Gerold and the council concurred that McLaughlin should first bring the idea up to the Park Board. Dobson asked McLaughlin if he was aware that there is already a disc golf course opening in the spring of 2011 in Reibe Park. Dobson added for general information, that Saint Cloud and surrounding areas have opened 10 disc golf courses in the last two years.

Hallin suggested that McLaughlin go before the Park Board and lay out a blue print. She went on to explain a rough draft with locations for baskets and measuring the blueprint out would be a big help for the Park Board to picture McLaughlin's ideas. The more information McLaughlin has and the more paperwork he puts together to show the board, the better.

Dobson suggested McLaughlin speak with Scott Suhsen of the Park Board for additional ideas. Suhsen was the individual who put the big push through for the Reibe Park golf course and has a wealth of information.

**PUBLIC HEARINGS** - none

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

- A. EDA Board Draft minutes of July 15, 2010
- B. Unapproved Airport Advisory Board Minutes of August 2, 2010
- C. Visionary Committee Minutes of July 12, 2010
- D. Parks and Recreation Board Minute of July 26, 2010

The City Council members reviewed all of the above minutes with no comment.

**PETITIONS, REQUESTS, AND COMMUNICATIONS**

Karnowski explained that Chief Roxbury received a phone call from a Zimmerman Resident in the Zimmerman Fire District who was concerned about her 9 year old son who had some issues with fire. She had asked if Princeton Fire would be interested in working with her son to convince him that fire was dangerous and maybe "scare" him off a bit from the fire starting. Some of the Sherburne County deputies and Firefighter Chris Wilke, Firefighter Tim Jensen and Chief Roxbury met with the boy. According to Chief Roxbury, there was great success. The Council's packet shows the thank you card from the Nelson family and drawings that Keenan Nelson drew for the firefighters.

Hallin commended the officers. Hallin said she herself had a son that started fires with matches 13 years ago, and the Princeton firefighters did the same thing for her and her son. They talked to him and redirected his behaviors and it ended up working 100 percent. This thank you from the Zimmerman family hit home when Hallin saw this.

**ORDINANCES AND RESOLUTIONS**

**A. Resolution 10-41 Accepting Donation from Jaycees**

Karnowski explained that this resolution is asking to accept a one thousand dollar donation from the Jaycees for the Princeton Splash Park.

DOBSON MOTIONED TO ACCEPT RESOLUTION 10-41. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

**B. Resolution No.10-42; Accepting Minnesota Department of Natural Resources Grant Award and Authorizing Local Match**

Blake explained that that the Rum River Recreation and Resources Board (RRRRB) would like to submit for a grant application for funding through the Minnesota Department of Natural Resources Community Assistance Program in the amount of \$10,000 with a 25 percent local match. The city also received planning funds from the 1000 Friends of Minnesota Community Growth Options (CGO) grant program and adequate funds remain in the program to provide the 25 percent match. The project deadline is June 30, 2011.

The planning will include the identification of recreational opportunities and natural resources along the Rum River corridor. The work may also assist the City with identifying sensitive features that are subject to erosion or other threats that can be protected or enhanced, such as erosion sites that can be stabilized and phosphorus credits received.

HALLIN MOVED TO APPROVE RESOLUTION 10-42; A RESOLUTION ACCEPTING THE MINNESOTA DEPARTMENT OF NATURAL RESOURCES COMMUNITY CONSERVATION ASSISTANCE PROGRAM GRANT AND RECOGNIZING LOCAL MATCH REQUIREMENTS. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

DOBSON MOTIONED TO APPROVE THE MAYOR AND CITY ADMINISTRATOR TO SIGN THE GRANT AGREEMENT WITH THE STATE OF MINNESOTA. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

Dobson thanked Jay for his work and meeting with the Department of Natural Resources.

### **UNFINISHED BUSINESS**

#### **A. Neighborhood Stabilization Program – Contract Amendment**

Blake explained that the Council is asked to review the contract amendment between the City of Princeton and the Minnesota Housing Finance Agency (MHFA).

The city entered into a contract with the MHFA for the utilization of the \$796,000 NSP grant. The deadline to commit the funds or face possible loss of the funds is in one month. Blake reported that nearly 90 percent of the funds to date are committed and it is anticipated to us all of the funds awarded to the city.

A slight modification to the budget moving dollars has been negotiated between different program areas and MHFA has prepared a contract amendment for the approval of the council.

In order to utilize the remaining project funds, the bids for the demolition of Arcadian Homes are being requested and Blake is working on the rehabilitation of two additional residences.

HALLIN MOTIONED TO ENTER INTO THE AMENDMENT THE AGREEMENT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

### **NEW BUSINESS**

#### **A. Arcadian Homes Redevelopment Request for Proposals**

Blake gave details about the Arcadian Homes substandard structures and enticing a new private development to occur on the approximately 1.5 acres site. The buildings will be used for arson training by the International Association of Arson Investigators and burned by September 30, 2010 and the demolition should be completed by the end of October or early November.

The Princeton EDA has overseen the acquisition and demolition process and would like to serve as an initial review body for the redevelopment proposals. The EDA would review the

RFPs and conduct interviews as necessary and then make a recommendation to the City Council for negotiating a sale contract and Developer's Agreement. The following process is proposed:

1. August 12, 2010  
The City Council authorizes the solicitation of proposals and the RFP
2. August 19, 2010  
Staff prepares final documents and ads
3. August 20, 2010  
RFP is posted on city Website, League of Minnesota Cities website
4. August 25, 2010 Publication  
Ad is placed in official newspaper of the City of Princeton
5. September 30, 2010  
Proposals due to city offices by Thursday
6. October 21, 2010  
Princeton EDA reviews proposals and schedules interviews
7. November 11, 2010  
Recommendation to City Council for authorization to negotiate sale and agreements

Blake added that staff has received several inquiries from both non-for-profit and for-profit groups interested in the redevelopment of the site.

DOBSON MOTIONED TO SEND OUT THE RFP FOR THE DEMOLITION OF ARCADIAN HOMES WITH WORDING CHANGES. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

## **B. Finance Update**

Jackson reported that expenditures in the General Fund are \$600,000 more than what the revenues are. This shows the need to have a fund surplus so that can be handled without difficulty. The current operations are along the lines of what you would expect from timing of revenues and expenditures and the budget standpoint.

Engineers from WSB are working on the sewer rate study. Staff is hoping to be able to phase in that increase. Because of the city's financing with Rural Development, the principal payments will be forgone the first couple of years. That will probably be presented at a study session in a couple of months.

## **B. City of Princeton 2010 Insurance Renewal**

Rollie Natvig with Princeton Insurance was present to discuss the 2010 insurance renewal. Natvig said that there is an approximate \$2600 increase because of increased property coverage of about \$800,000, changes of vehicles and heavy equipment additions. On a positive note, the city has earned a credit of liability for having fewer and smaller claims. That credit liability went from a 1.3 percent to a 1.0 percent.

The State of Minnesota limits how much the city could be sued for in a liability claim to a total of 1.5 million dollars. Within that is a \$500,000 limit for any one person. It would be an additional 869, remove that 500,000 per person.

DOBSON MOTIONED NOT TO WAIVE TORTE LIABILITY. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

The second option available to the city is an excess umbrella liability. This umbrella would go over the general and auto policy. There would be a one million dollar umbrella over the 1.5 million dollar coverage. The extra cost for this would be \$9,622. This would not apply to liquor liability claims. Natvig stated that it is worthy of the council's consideration. Federal discrimination or land use type claims are not subject to that cap.

HALLIN MOTIONED TO NOT ACCEPT THE SECOND OPTION. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

Dobson commented that he appreciates the work that Rollie Natvig and the Princeton Insurance Agency does for the city.

Karnowski said that with his experience and being part of the LMCIT board, there seems to be ongoing complaint from cities about their local insurance agents. Rollie deserves recognition for the amount of work and how he works with our staff and getting stuff together correctly.

**BILL LIST – \$632,285.23**

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL OF \$134,424.40 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 62803 TO 62904 FOR A TOTAL OF \$497,860.83. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (3 AYES, 0 NAYS).

**ADJOURNMENT**

There being no further business:

HALLIN MOVED TO ADJOURN THE MEETING AT 7:30 PM. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

Respectfully Submitted,

Katie Hunter  
City Clerk

ATTEST:

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Paul Whitcomb, Acting Mayor