

**MINUTES OF REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
MAY 28, 2009, 4:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Riddle called the meeting to order. Council members present were Councilors Paul Whitcomb, Victoria Hallin, Dick Dobson and Lee Steinbrecher. Staff present was Steve Jackson, Jay Blake, and Katie Hunter.

IT WAS THE CONSENSUS OF THE COUNCIL TO ADD THE FOLLOWING ITEMS TO THE AGENDA:

Under Open Forum:

- A. Scout's Accomplishments; added by Councilor Dobson

Under Public Hearings:

- A. Purchase of Liquor Store by Interested Party, added by Councilor Whitcomb

Under Miscellaneous:

- A. Comment on Fourth of July Firework Donation; added by Councilor Dobson

APPROVAL OF MINUTES OF THE REGULAR MEETING OF May 14, 2009

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF MAY 14, 2009 AS WRITTEN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

CONSENT AGENDA

A. Permits and Licenses

- 1. Fireworks Permit for Melrose Pyrotechnics, Inc @ Mille Lacs County Fairgrounds for July 4, 2009

B. Personnel:

- 1. Public Works
 - a. Kristopher Macko, Summer Help @ \$9.50/hr. (returning) eff. 05-26-09
 - b. Isiah McBride, Summer Help @ \$7.25/hr. eff. 05-26-09
 - c. Colten Heitschmidt, Summer Help @ \$7.25/hr. eff. 05-26-09
 - d. Jessica Jones, Splash Park Attendant @ \$7.00/hr. eff. 5/22/09
 - e. Jon Zdenek, Splash Park Attendant @ \$7.00/hr. eff. 5/22/09
 - f. Joslyn Ingalls, Splash Park Attendant @ \$7.00/hr. eff. 5/22/09
 - g. Jenah Lundeen, Splash Park Attendant @ \$7.00/hr. eff. 5/22/09

C. Donations/Designations: None

LEE MOVED TO APPROVE THE CONSENT AGENDA. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

OPEN FORUM

A. Scout's Accomplishments

Bob Gerold introduced Zach Foede with the Princeton Boy Scouts. Zach built 15 new birdhouses and a map stand with maps at Princeton's Pioneer Park. Zach got the idea of adding a map stand at the park after reading a story in the Princeton Union-Eagle about two girls who had gotten lost in Pioneer Park. Zach presented a binder with information and pictures to the Council. At the last Park Board meeting, Zach presented the final review.

Steinbrecher asked where the map stand was located. Zach explained that the map stand was located at the main entrance of the park.

Dobson stated that the Park Board would like map of the existing trails that is included in binder. Gerold stated that the Public Works would also like a copy of Zach's binder.

Hallin complimented Zach on his efforts with bettering the community.

The City Council gave a clap off for Zach's accomplishments.

PUBLIC HEARINGS - None

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Airport Board

1. Draft Minutes of May 4, 2009

The above minutes were reviewed.

B. Fire Advisory Board

1. Draft Minutes of May 5, 2009

The above minutes were reviewed.

PETITIONS, REQUESTS, AND COMMUNICATIONS

None

ORDINANCES AND RESOLUTIONS

None

UNFINISHED BUSINESS

A. Sale of Liquor Store Located at 601 Rum River

Whitcomb stated that Mr. Joseph Brueske was present at the last EDA Meeting held on May 21, 2009. He stated his interest in purchasing the Old Liquor Store located off of Rum River Drive. Whitcomb stated that he will let Jay Blake continue with the details of the offer.

Blake explained that Mr. Brueske made an offer to acquire the old Liquor Store to consolidate several of his businesses and expand his current business of Zapp Sporting Goods. The offer is written up as \$190,000 on a contract for deed with a balloon payment after seven years. Brueske has offered a \$3000 down payment and wishes to close as quickly as possible. The property was valued at \$295,000 two and a half years ago. At that time, the City had attempted to market the property themselves, with Quickstroms Real Estate listing it. At that time, there was some interest, but no offers. As of December of 2008, the agreement with Quickstroms Real Estate ended. Mr. Brueske has done estimates on refurbishing the building. Blake stated that at this time, it is costing the City approximately \$250-265 a month to maintain the building. This approximation including a phone for the security system, heat, etc. Blake stated that the offer from Mr. Brueske is not as high as the offers in the past, but the City is in a position to accept this offer. There was some discussion of another interested party, but the City hasn't heard back from this party at all.

At the previous EDA meeting on May 21, 2009, it was discussed among the Board whether to hold on to the building or to accept Brueske's offer. The EDA Board recommended unanimously that the City accept the offer from Brueske

Blake turned the floor over to Mr. Brueske for the City Council to ask questions of.

Steinbrecher asked that with the price of the building and the down payment being so low, he assumes Brueske plans on doing a lot of improvements. Brueske stated that he plans on approximately \$40,000-\$60,000 in improvements at a bare minimum. Brueske stated that although the building itself is beautiful structure, everything is concrete. So, in order to do improvements, core drilling will be required at about \$200 per hole.

Steinbrecher questioned with only \$3000 as a down payment and the agreement on a Contract for Deed, how do we guarantee that the \$40,000 to \$60,000 will be completed and that the City of Princeton is not liable, should Mr. Brueske walk away from the project. Damien stated that the purchase agreement will have lien waivers. Brueske addressed that not only having the verbiage in the purchase agreement, he will agree to operate the business that is in that building rather than buying low and selling it off and selling high. Brueske reassured that his business will be in the building. Brueske also stated that he has had a business in Princeton for 3 years now and is just looking to expand that business. Steinbrecher stated that he has no other concerns, otherwise.

LEE MOVED TO DIRECT STAFF AND LEGAL COUNCIL TO MAKE UP NECESSARY DOCUMENTS ON THE OLD LIQUOR STORE BUILDING LOCATED AT 601 RUM RIVER DRIVE IN PRINCETON, MN 55371 AND SET CLOSING DATE PRIOR TO JUNE 26TH, 2009. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

A. Seal Coat Bids

Gerold explained that on Tuesday, May 26, 2009 the City received bids for our 2009 sealcoating program. There were three bids submitted;

1). Pearson Bros, Inc. 11079 Lamont Ave. N.E. Hanover MN 55341	91¢	\$109,200.00
2). ASTECH Corp. P.O. Box 1025 St. Cloud MN 56302	82¢	\$ 98,400.00
3). Allied Blacktop 10503 89 th Ave. N. Maple Grove MN 55369	92.9¢	\$111,480.00

Gerold stated that the adjusted CIP budgeted amount for this project was \$110,000.00 and was based on a need to complete 110,000 square yards at an estimated \$1/yd². Given the bids came in about \$11,600 lower than the budgeted amount, Gerold would like direction on whether to check with the low bidder to see if they would agree to do an additional 14,000 square yards (which would still keep us under the budgeted amount) or "bank" the \$11,600 to address the unknown LGA unallotment amount and other probably revenue shortfalls.

Staff points out that the original adopted budget for 2009 sealcoating was \$140,000. That amount was reduced to \$110,000 when the Governor announced his proposed 2009 budget. Still, it's unknown whether the Governor's final LGA unallowcation will match or exceed the amount announced earlier this year.

Hallin stated that she likes to come in under budget and retain it in case there is need for it elsewhere. Gerold can work it either way, ideally he would like to expand it, but he is fine with leaving it as is. Dobson agreed with Hallin, for the time being. Dobson stated that it could make the difference of someone not losing their job. Whitcomb stated that if we do not do the sealcoating this year when we have the chance, that the City may not be able to do it at all in the years to come, depending on budget. Mayor Riddle suggested only doing 5% more this year. Jackson suggested another option; that if they are to negotiate a sale, use the proceeds of the sale. Steinbrecher suggested adding another \$5800 on to the final amount with ASTECH Corp of \$98,400.00 for a total of \$104,200.

STEINBRECHER MOVED TO APPROVE THE ACCEPTANCE OF ASTECH CORP BID OF \$98,400.00 AND TO ADD ANOTHER \$5800.00 WORTH OF SEAL COATING TO THIS YEAR'S PLAN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B. TH95 Improvements Funding

Blake explained that the city has received notice from both Melissa Jabas and Jonathan Rucks, staff members from Congressman Jim Oberstar's office, advising that the Congressman, whose chair of the House Transportation & Infrastructure Committee has included Princeton's request for Federal Funds to complete the improvements to TH95 in the House of Representative's version of the forthcoming Transportation bill.

The request is in the form of High Priority Project (HPP) funds for "Safety Improvements to State Highway 95 and US Hwy 169 Interchange Area". The funding proposed is for \$6.4 million dollars to do the following work:

The project includes the widening of TH 95 from just west of CSAH 31 to approximately 3000 ft. east of TH 169 in the City of Princeton. It will include safety improvements in the form of intersection revisions, access closures and sight distance improvements. In addition to the safety improvements, through and turn lanes will be added to TH 95 to increase capacity along this segment of TH 95. A frontage road will be constructed to provide access to the existing homes on TH 95 west of TH 169. Two interchange ramps will be relocated east of the TH 95 bridge to correct deficient sight distances.

As in the past, the funding is proposed to be channeled through Mille Lacs County.

Oberstar's staff advises that the bill is to replace the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (P.L. 109-59), which expires on September 30, 2009.

Blake explained that staff had been advised that Congressman Oberstar received over \$1.3 billion in requests and was able to accommodate about 9 percent of those requests. Oberstar's staff further advises that they will keep us posted and let us know if the funding is included in the final bill that gets sent to the President.

C. Car Show on August 8, 2009 at O'Reilly's Auto Parts Store – Frank King

Mr. Frank King explained that he would like to put on a Car Show in the O'Reilly's Parking lot located in the Princeton Mall off of 2nd Street. King stated he is working with O'Reilly's and has gained signatures from all of the surrounding businesses for their approval. Hallin stated that she was impressed with all signatures he obtained.

Steinbrecher asked if the Car Show will include the entire parking lot. King stated that he plans on leaving the front row of parking open for businesses. They will start parking cars at the back row and work their way forward. King stated that O'Reilly Auto Parts store is planning a customer appreciation day in conjunction with the Car Show. King has already checked with the Farmer's Market, which will be done at 12:00 noon, so there will be plenty of time for the Car Show to set up.

Dobson asked how the Car Show will affect traffic if the Fire Department has to respond to a call. Chief Payne stated that it shouldn't affect anything because the visitors to the Car Show will still have to park in regular parking spaces and lots. King stated that he spoke with Chief Payne about putting a squad car at the site, but then the Police Department would have to pay overtime. The Chief agreed to have the squad cars drive by the event.

HALLIN MAKES A MOTION TO APPROVE CAR SHOW FOR THE DATE OF AUGUST 8, 2009 IN THE O'REILLY'S AUTO PARTS PARKING LOT FROM 1:00 PM TO 5:00 PM. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

D. Potential Buyer for Skate Park Apparatus

Bob Gerold explained that the Public Works Department is looking at selling the Skate Park Apparatus. At this time, no one has come forward to help put the equipment together. Gerold stated that equipment is "Type II" apparatus, which could be used only if the Skate Park is fenced in and has an attendant on duty when it is open. While the cost of the fencing would not be a significant issue, the cost of providing an attendant while the facility was open could be expensive.

Accordingly, at their recent meeting, the Park Board recommended that the city sell the equipment.

Bob Gerold advised that the city has received an offer from a private party to purchase the skate park apparatus the city purchased a couple of years ago at a price significantly lower than what the city paid. Although, the purchasing party would have to bring in a crane to lift the equipment and haul it out at their own cost.

In order to assure the city gets as much as they can for the equipment, if the Council agrees to sell the equipment, it is suggested that the city advertise its availability on the League of Cities' web site in addition to the Princeton Union Eagle.

Steinbrecher stated that most cities are probably not going to want to invest in the equipment. Steinbrecher also suggested that the city consider taking the offer while it's in useable condition. Jackson suggested, for legal purposes, still putting an ad in the local paper and League's website so the sale is kept an open process.

Hallin mentioned Rum River Health Care Providers having an account set aside for the Skate Park with around \$500 in it. Jay Blake stated he will check into that.

Jackson suggested that the City advertise next Thursday, June 4, 2009 for one week. If no new potential buyers come forward, the Council could act on the issue at the next Council Meeting.

HALLIN MOVED TO ADVERTISE THE SALE OF SKATE PARK APPARATUS ON THE LEAGUE OF MN CITIES WEBSITE AND IN THE PRINCETON UNION EAGLE FOR ONE WEEK. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS

A. Fourth of July Firework Donation

Per Dick Dobson, the Legion and Park Board wish to thank the City Council for the Fireworks Funding Donation.

BILL LIST – \$205,980.17

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL \$93,126.12, AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 60734-60784 FOR A TOTAL OF \$112,854.05.

There being no further business, LEE MOVED TO ADJOURN AT 7:51 P.M. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,

Katie Hunter; City Clerk

ATTEST:

Jeremy Riddle, Mayor