

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
MAY 10, 2012 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Jeremy Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Paul Whitcomb, Victoria Hallin, Dick Dobson and Thom Walker. Staff present was Finance Director Steve Jackson, Community Developer Carie Fuhrman, Fire Chief Jim Roxbury, Public Works Director Bob Gerold, Chief Brian Payne, Sergeant Joe Backlund and City Clerk Katie Hunter. Also present: City Attorneys Damien Toven and Dick Schieffer.

AGENDA ADDITIONS/DELETIONS

The Council agreed to add the following to the agenda:

- B. Personnel**
 - 1. Fire Department**
 - b. Keith Young to return to full service effective May 7, 2012
- 8. Petitions, Requests and Communications**
 - D. Closure of 2nd Street
- 11. New Business**
 - C. Downtown Historic Business Inventory Grant

CONSIDERATION OF MINUTES

WHITCOMB MOVED TO APPROVE THE REGULAR CITY COUNCIL MINUTES OF APRIL 26 AND THE STUDY SESSION/MILLE LACS COUNTY BOARD OF APPEAL MINUTES OF MAY 3, 2012. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

CONSENT AGENDA

- A. Permits and Licenses:**
 - 1. Transient Merchant/Food Vendor Permits**
 - a. Boy Scouts Non Exempt Permit sell water during Rum River Festival
 - b. Melody Gadaev Exempt Permit sell Ice Cream during Rum River Festival
 - c. Big T's Mini Donuts adding Cotton Candy to their license (original approved 3-22-12)
 - d. Uncle Gerry's Treats selling Cotton Candy at Parade; contingent upon criminal check
 - 2. Fireworks**
 - a. Pyrotechnic Display Fireworks display on July 4, 2012 at MLC Fairgrounds
 - b. Coborn's Sale of Fireworks; contingent upon background check complete
- B. Personnel**
 - 1. Fire Department**
 - a. Resignation of Billy Gerold effective April 2, 2012
 - b. Keith Young to return to full service effective May 7, 2012
 - 2. Public Works Part Time GMII Positions**
 - a. Jim Sinkel at \$18.10/hour effective Monday, May 14, 2012
 - b. Dan Pierce at \$18.10/hour effective Monday, May 14, 2012
- 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. Mille Lacs County Historical Society Request (Penny Quast)**

Penny Quast, President of the Mille Lacs County Historical Society, introduced herself and said she has been the curator at the Great Northern Depot Museum for the past twelve years. The Depot is run by all volunteers. Quast mentioned that Joel Stottrup wrote an excellent and informative article in the April 26, 2012 edition of the Union-Eagle. The building has been on the National Register of Historic Places since 1977. After more than a year of grant writing and dozens of letters, emails, and phone calls, the Minnesota Historical Society has approved the first step in replacing the leaky roof. The Great Northern Room is used by the city as a voting precinct plus the community uses it for many special occasions.

About five years ago, the city did a street paving and utilities project that included the frontage of the Depot and assessed a little over \$63,000. This was clearly an impossible amount for a volunteer-supported, non-profit organization, Quast said.

Quast suggested that the city pay for the \$63,000 debt through its Railroad TIF Fund surplus because of the Depot's already fragile finances.

Mayor Riddle mentioned that the City Council usually does not take action on Open Forum items.

Riddle asked where the funding for the roof was being obtained. Quast explained that there was a historic assessment done of the roof and that assessment had to approve the roof replacement. The report was just done last week and will be submitted to the state. The roof must be restored historically correct with the drain pipes, cast ironed; to preserve beauty of the depot.

Betty Jensen, also a Historical Society member, commented on the repairs that are being done currently are only being done through legacy grants with the Minnesota Historical Society. One of the only reasons the Mille Lacs County Museum has received the grants is because it is on the National Register of historic places. As more legacy grants become available, the society will be asking for more funds. Jensen reassured that the only way work can be done on the building is through grants.

PUBLIC HEARINGS – there were none.

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

7. Reports of Officers, Boards, and Committees

- A. Fire Board Minutes April 3, 2012 & May 1, 2012
- B. Airport Board Minutes April 2, 2012 & May 7, 2012
 - 1. Beacon Mast Painting Request

Jackson explained that the airport beacon is in need of repainting and the request has been brought forth for the City Council's consideration. A couple members of the Airport Board were present to speak to that issue.

Jim Ferlaak introduced himself as a resident of Elk River and a Princeton Municipal Hanger owner for 26 years also a member of the Princeton Pilots and Hangers Association and on the Airport Advisory Board. This item is not a standard budgeted item, hence the Council approval. The beacon has been in need of maintenance for some time, Ferlaak said.

Painting the beacon is a special process because it is 63 feet high; and proper insurance is needed in case of anyone getting hurt. Rick Hoffman, also on the Pilots

Association, obtained three bids. The lowest bid being \$1700 with a next to nothing preparation and a low quality paint. The highest bid is \$3800 with a high quality paint. The \$1725 bid is also good quality materials and paint and they would prepare the beacon by cleaning it with abrasive chemicals. That company has high experience level. Their main business is painting chairlifts.

Ferlaak said the pilots would like to think of the beacon as more of an asset at the airport. Also, if it is taken care of, it will maintain its value. New lights and lenses were just added at a cost of \$390 and Ferlaak thanked the City Council for the approval for those improvements. The beacon needs maintenance every two years. A new beacon would cost near \$50,000, which a portion could be covered by a grant at ten percent for the city's portion. The pilots have commented that the beacon is doing exactly what it should do; enhancing safety. The beacon is one of the first things people see when they drive into the airport.

The board would like to have the beacon painted before June 10, the annual Lion's Club and Father's Day Fly-In.

Some board members have recently planted hedges around the Administration Building; with wood chips being supplied by Sylva Corporation. Jeff Hammer from Crystal Cabinets has opted to purchase a new United States flag. In addition, repair work was done to the north end of the fence, where labor was all volunteer and Joe Glenn purchased the materials.

Hallin asked that if the beacon had to be maintained every two years but if the paint lasted for ten years. Ferlaak assured her that the paint would last for ten years; it was small maintenance that should be kept up every two years.

Dobson spoke as the liaison for the Airport Board and complimented the Pilots Association for taking ownership especially in the last six months and volunteering their money. The airport is looking nice.

Whitcomb asked Jackson if this money would be eligible to come from the state. Jackson assured the Council that this cost for the beacon could come out of repairs and maintenance with the agreement with the State. Also, Jackson said as long as it is for airport purposes, the issue doesn't have to go through bidding requirements.

HALLIN MOTION TO APPROVE SPENDING \$1775 ON REPAINTING THE BEACON AT THE MUNICIPAL AIRPORT. DOBSON SECONDED THE MOTION.

Jackson added that because this was not a budget item and there are still seven and a half months to go, the Council shall not hold Bob Gerold accountable at the end of the year if he happens to go over his budget.

THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

- C. Planning Commission Meeting Minutes of April 16
- D. PAVC Minutes of both March 26 & April 9, 2012

The other minutes were reviewed without any further comment.

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Sherburne County Alcohol Compliance Check Letter

The mayor congratulated the establishments in Sherburne County that passed the Alcohol Compliance Check done on May 1, 2012.

B. Closure of 2nd Street North

Frank King introduced himself as being present on behalf of Princeton VFW. The VF would like to do a Back to the Fifty's Costume Contest and Classic Car Show. The plan is also to have hotdogs, hamburgers and a DJ with a street dance. The request before the City Council is to close 2nd Street North from Rum River Drive to 6th Avenue on the morning of June 9, 2012 from about 11:00 am to 5:00 pm.

The City Council asked if King had obtained signatures from businesses in the area and he assured them that he did. The businesses are excited about the event. The money raised will go to the VFW, as Councilor Dobson knows, the VFW distributes funds out each year in phone cards to troops out to seas.

Riddle asked if King had run the idea past the Chief of Police. King said he had not yet.

Payne commented on the closure of 2nd Street North and said it would be a challenge for his officers to get through. On the other hand, if there are people walking across the street back and forth looking at cars, Payne would prefer it was closed.

Walker asked where the detour would go. The normal detour would go behind the mall on 4th Street. Payne added that he was not a fan of the closure of 2nd Street during Rum River Festival, since a portion of Rum River will be closed as well.

King added that the main goal is to get people into town. King has been involved with rat rods at the Mille Lacs County Fairgrounds. In the past, the show done at O'Reilly Auto tripled their sales for the day. A show has also been done in the past for Northern Attitudes.

Dobson suggested moving the car show off of Rum River Drive to be 'connected' with what the Chamber has already set aside. Dobson was trying to think of a way to not have to close two different streets that intersect on the same day. King was concerned that may not be enough room for roughly twenty to thirty cars. In addition, King felt he could control the Car Show better if it was on a side street versus Rum River Drive.

The Council asked if King had spoke with the Chamber at all. King said he had spoken with Berry Law Office who is a member of the Chamber.

The Council also asked if homeowner's signatures were obtained in addition to the business owners. King said that they had been.

WALKER MOVED TO APPROVE STREET CLOSURE REQUEST FOR JUNE 9 FOR THE CAR SHOW, HALLIN SECONDED THE MOTION. DOBSON ABSTAIN (MEMBER OF THE VFW). THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

ORDINANCES AND RESOLUTIONS

A. Resolution #12-33 \$2,275,000 General Obligation Bond Sale & Bond Rating Report

George Eilertson with Northland Securities handed out paperwork regarding the sale of General Obligation Refunding Bonds in the amount of \$2,275,000. There were several that Eilertson was suggesting the city refund: \$535,000 General Obligation Improvement Refunding Bonds, Series 2000B, the \$400,000 General Obligation Improvement Bonds, Series 2004A, an advance refund for the \$1,100,000 General Obligation Improvement Bonds, Series 2005A (February 1 of 2013 is the call date) and finally to advance refund the \$1,755,000 General Obligation Sewer Revenue Bonds, Series 2007B (which has a call date of February 1, 2016).

In the packets, Eilertson went over the highlights. The sale results have a bond rating of "AA-" assigned by Standard and Poor's. The bonds will be purchased by UMB (United Missouri Bank) out of Kansas City, Missouri with a true interest cost of 2.037%.

Page three showed the two bidders. Normally there are four to five bidders, but because of the busy time bidders are being more selective.

Walker went over the call dates asking if they had all reached their call date. Eilertson said that the bonds from 2000 and 2004 had reached their call date and the other two from 2005 and 2007 had not yet; where they call that advanced refunding which means locking in a future savings at today's rates.

Dobson complimented Jackson and the Finance team for their work and the AA rating.

HALLIN MOTIONED TO APPROVE RESOLUTION 12-33 PROVIDING FOR THE ISSUANCE AND SALE OF \$2,275,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012B, PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND NET REVENUES AND LEVYING A TAX FOR THE PAYMENT THEREOF TO UMD. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

B. Ordinance #683 Building Materials Amendment Second Reading

Fuhrman said that no changes have been made since the first meeting of Ordinance 683. If there were further changes to specific wording, Fuhrman said she might suggest tabling the item, but then she would request further direction from council. Otherwise, if there are no further comments, suggestions or questions, Fuhrman's recommendation would be to make a motion to accept ordinance 683.

HALLIN MOVED TO APPROVE ORDINANCE 683 AN ORDINANCE AMENDING SECTION 4 (R-1 RESIDENTIAL), SECTION 5 (R-2 RESIDENTIAL), AND SECTION 6 (R-3 MULTI-FAMILY RESIDENTIAL) OF CHAPTER V (ZONING DISTRICTS) OF TITLE 11 (ZONING) REVISING STANDARDS FOR THE BUILDING MATERIALS USED IN RESIDENTIAL SIDING AND ROOFING. DOBSON SECONDED THE MOTION.

Walker said he is not opposed to this ordinance, he just has trouble understanding exactly what changes it is making for the better. Walker said that it seems as if the city already has a hard time dealing with properties in the city and what they can and cannot do. He just does not see how this ordinance is going to be effective.

Dobson said that there have been so many improvements with metal roof and siding that the board wanted something that would allow material in residential areas and give the city a say in future changes that come about.

Fuhrman added the Planning Commission added what they did and did not want to see in the general language. The Commission did make a list but decided not to submit it with the final ordinance. Fuhrman offered the list to the City Council if they wished to see it.

Schieffer said that for a Zoning Ordinance and Planning Commission to tell a property owner what kind of siding they can and cannot put on their house is difficult. In addition, the Commission wanted to control what people put on the outside of their house for aesthetics not for function. There has to be some building function reason. Schieffer added that an example would be the Walmart building, just recently. The first plan submitted had siding on the back side, facing the other business in the strip mall that was not as nice as looking. The city came back and suggested a different material; which Walmart agreed to although there was nothing in the ordinance.

As for the portion on dilapidated buildings, the Planning Commission needs to be vigilant when new construction arises, that is, if we ever get back to a rise in construction. Making a decision what is in common use, whether it meets for function. It is something that if it were to be challenged in court the city could defend it; having this much control over the fascia.

Schieffer closed by saying that with a new ordinance, there is always the classic tension between letting people do what they want to do and the city controlling too much. Because you do not want to get involved in anything 'ugly', Schieffer said the City and the Planning Commission need to remain vigilant in every aspect.

THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

UNFINISHED BUSINESS

A. Chamber Road Closure Request Follow-up Resolution 12-34

Jackson stated that at the last City Council meeting it was agreed to close Rum River Drive between 1st Street and 2nd Street North for four Chamber events this summer and fall. Since Rum River Drive is a County Road (CSAH 29), that approval was contingent upon the County's concurrence.

The County Engineer forwarded a copy of the Road Closure Agreement and advised that the Council must adopt the a resolution as well as provide a copy of both the City's liability insurance policy and the Chamber's liability insurance policy with the County named as an additional insured on both documents.

HALLIN MOVED TO APPROVE RESOLUTION 12-34 REQUESTING THAT MILLE LACS COUNTY AUTHORIZE THE CLOSURE OF CASH 29 ON CERTAIN DATES ALLOWING THE CHAMBER OF COMMERCE TO HOLD COMMUNITY EVENTS. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

B. Temporary Sign Fee Follow-up

This memo is a follow-up to the City Council's discussion at the April Study Session in response to the concerns raised by the Princeton Lion's organization in regards to charging a temporary sign permit fee to non-profit organizations. The City Council directed staff to research how other communities handle temporary sign permit fees for charitable non-profit organizations. The following is a summary of the responses re-

ceived after requesting information on the League of MN Cities list serve and contacting area cities. There were three cities (Ottertail, North Branch, and Blaine) that do not charge a sign fee to non-profits.

Dobson stated that he likes the idea of adding the specification of a 501C3 as part of the definition. There are some organizations that claim to be nonprofit but haven't filed for the status with the state, therefore have not received a 501C3 status. This should be for organizations in just that category.

Hallin added that a lot of organizations donate back into the community.

Walker agreed that a permit is still needed, but also agreed to waiving the fee for non-profit.

NEW BUSINESS

A. Consideration of SEH Contract for Airport Improvements

Jackson said that he is not as up-to-date on the contract; as Mr. Karnowski was. Mark included a memo in the Council's packet.

Mark had written that as noted in the Airport Advisory Board meeting minutes for April 2nd, Engineer Joel Dresel advised that, although an Airport Entitlement Authorization Bill passed congress, there was no money allocated.

Apparently there is a second bill which would fund the initial program is working its way through the congressional process. Dresel anticipates being advised shortly that entitlement grant money should become available in July or August.

Last year, the city was told there was no grant money available and so accordingly, the city didn't plan on any projects. Then, late in the year, funding became available, but that the city only had one month to gather bids and get the project underway.

In an effort to avoid that situation again, Dresel had proposed moving forward with obtaining bids for various airport improvement projects with hopes that they will be able to move as soon as notice is given by the FAA that the funding is available. The proposed projects for this summer include replacing the pavement in the tie-down area and rehab the taxiways as well as correct some problems with the REILs (Runway End Identification Lights) and PAPIs (Precision Approach Path Indicator). Depending on funding, other projects may be added.

RIDDLE MOTIONED TO APPROVE THE AIRPORT IMPROVEMENTS CONTRACT WITH SEH. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

B. Partial Payment Estimate #10 to Rice Lake Construction

DOBSON MOVED TO APPROVE PARTIAL PAY ESTIMATE NUMBER 10 IN THE AMOUNT OF \$434,936.75 TO RICE LAKE CONSTRUCTION GROUP. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

C. Downtown Historic Business Inventory Grant

Fuhrman reminded the council that earlier this spring, the City applied for a MN Historical and Cultural Grant to conduct a Façade Improvement Study of ten historic buildings in downtown Princeton utilizing a consultant. The grant was not awarded; in response, Minnesota Historical Society staff suggested that a Downtown Building Inventory/Survey be completed prior to the Façade Improvement Study. Surveys of historic properties serve to identify important resources in order that they may be preserved and protected. They also generate unique insights into a community's past and can serve as a backbone for sound community planning.

The Survey would include hiring a preservationist to take an inventory of downtown buildings. A description of each property would then be provided, including the architectural style, number of stories, roof shape/material, window type/material, exterior siding, and any alterations (additions, window modifications, siding, porch enclosures, etc). An assessment of the integrity of each building would also be included. If awarded, this work could complement the Downtown Revitalization project as well.

The grant is for up to \$7,000 with no match required from the city. The next grant deadline is June 15th, 2012.

Dobson asked Fuhrman if the grant funds were to be used for only the downtown area. Fuhrman said that they were.

WALKER MOVED TO AUTHORIZE STAFF TO REQUEST PROPOSALS FROM AT LEAST THREE CONSULTANTS TO CONDUCT A DOWNTOWN SURVEY/INVENTORY AND AUTHORIZING SUBMITTAL OF THE GRANT APPLICATION TO THE MN HISTORICAL AND CULTURAL GRANT PROGRAM. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

MISCELLANEOUS - none

BILL LIST – \$731,593.76

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL OF \$88,961.28, AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 66048 TO 66108 FOR A TOTAL OF \$642,632.48. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

ADJOURNMENT

There being no further business:

DOBSON MOVED TO ADJOURN THE MEETING AT 8:00 PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

Respectfully Submitted,

Katie Hunter
City Clerk

ATTEST:

Jeremy Riddle, Mayor