

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
OCTOBER 23, 2014 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Dick Dobson, Jules Zimmer, and Victoria Hallin. Staff present, Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Public Works Director Bob Gerold, Clerk Shawna Jenkins, Engineer Mike Nielson, and Attorneys Dick Schieffer and Damien Toven.

AGENDA ADDITIONS/DELETIONS

None

CONSIDERATION OF MINUTES

- A. Regular Meeting Minutes of October 9, 2014

HALLIN MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 9, 2014. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

- A. **Permits and Licenses**
- B. **Personnel**
 - 1. **Public Works**
 - a. Stephen "Austin" Schneider Step 3 increase to \$21.88 effective 11-14-14
 - b. Tyler Hall Step 2 Increase to \$20.93 effective 11-18-14
- C. **Donations / Designations**
 - 1. Resolution 14-34 – Walmart donation to Princeton Fire and Rescue

DOBSON MOVED TO APPROVE THE CONSENT AGENDA. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

OPEN FORUM

PUBLIC HEARINGS

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. Airport Advisory Board Minutes of October 6, 2014
- B. Fire Advisory Board Minutes of October 7, 2014
- C. PUC Meeting Minutes of August 27, 2014
- D. 4R Board Meeting Minutes of September 24, 2014

PETITIONS, REQUESTS, AND COMMUNICATIONS

- A. Wine and Spirits Grant Request from Marv's True Value

Karnowski reported that Marv's True would like a \$25 grant to assist in their 2nd Annual Ladies' night, where they teach some "DYI skills". He said it is a little out of the realm for what we have done in the past.

WALKER MOVED TO APPROVE THE WINE AND SPIRITS GRANT REQUEST FOR \$25 FOR MARV'S TRUE VALUE'S LADIES NIGHT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

- B. WAC and SAC Reduction Request

Karnowski reported that staff has received requests from two different individuals requesting an extension of the temporary reduction in the WAC & SAC Charges for two different city parcels.

For perspective, in 2012 the City undertook an effort to get parcels that had access to but were not hooked up to city water and/or sewer, the City Council temporarily reduced the standard WAC & SAC fees. On February 6, 2014 The Council extended that "deal" until June 1, 2014. The fees are currently \$4,202 for sewer and \$3,825 for water. The "deal" pricing was \$1,125 for sewer and \$750 for water.

Request #1: The first request is from Thomas Rogers and regards the Great Glacier property located just on the south side and just east of the 21st Avenue and 1st Street intersection.

As noted on the request, Mr. Rogers filed an application for sewer and water hook up in June of 2013 and the city sent a letter to him in March of 2014. Rogers was out of the country until April 12, 2014. Rogers asserts that the city's letter was misfiled and he did not see it until after June 1, 2014. Rogers is requesting that the Council, in light of the situation, allow him to pay the discounted total hook-up WAC & SAC hook-up fee of \$1,875.

According to city staff, they have been exchanging emails with the property owner and/or real estate agents in an attempt to get the building measurements to calculate the appropriate fees for over 2 years. Apparently the property owner promised to provide those measurements but never followed through, much to the ongoing frustration of staff. Staff does not agree that the owner was not aware of the city's attempt to resolve the situation.

Request #2: The second request is from Sharon Osborne who is looking to purchase the property at 2008 1st Street (old Al Miller property located at the northeast corner of the 1st Street/21st Ave. intersection) which has been vacant for over 2 years.

As part of her negotiations to purchase the property, she too is asking for the City to consider allowing her to pay the reduced rate. If you recall, in 2013, the city extended the reduced rate for WAC & SAC until Bremer Bank gained control of the property, which they did later in 2013...but never hooked the building up.

Osborne wants the city to allow continued use of the two (2) apartments plus allowing a remodeling of the remaining open space to be used as an attorney's office. But, the property is not zoned for apartments and Paragraph E of Chapter III, Section 3 of the City Zoning Ordinances states:

- E. Whenever a lawful, nonconforming use of a building or structure or land is discontinued for a period of 12 months, any future use of said building or structure or land shall be in conformity with the provisions of this ordinance.

The city's WAC & SAC rate for apartments is .8 for each apartment unit. So, if the City can, after consulting with the City Attorney, allow continued use of the two apartments, the WAC & SAC fees would be a total of 1.6 units plus one unit for the addition of the law office.

If the new owner opted to discontinue the use of the apartments, the WAC & SAC fees would be calculated on the total square footage of the structure and the use proposed for the space.

The Council should also be aware that there are two other properties in the city that have city sewer and access to City water but, as yet, have not hooked up to city water. They, as I understand it, did not respond to the city's offer for a temporary reduction in WAC & SAC fees.

As the Council may recall, there were several property owners who complied with the original timeframe and even agreed to have the fees assessed against the properties. Approving either of the above requests may not be deemed 'fair' to those property owners.

He asked how does the Council wished to proceed.

Thomas Rogers said he submitted an application in June 2013 and the check was returned months later while he was out of the country. He was not aware that it had been returned. Karnowski added that staff had been trying very unsuccessfully to get the measurements of the building to calculate the fees. Rogers said he has the measurements done and he is ready to proceed with the project.

Walker said he is requesting the extension of the reduced SAC fees of \$1,125 for just 2 more weeks. Hallin said she feels it would be unfair to offer them the discounted rate, when others met the deadline.

Dobson agreed, and said the rest of the residents did respond by the deadline and got the project done. He said Mr. Rogers has had plenty of time to submit the required measurements. Zimmer echoed that as well, and said he doesn't want to see more people coming to the council asking for the discounted rate when the deadline has passed several months ago. Hallin added that she said if the Council approved this request, it would open a Pandora's Box. Rogers said he thought the original calculations were correct, but he agrees that it could have been done sooner.

Walker said he looks at it as a cleaning up a problem that needs to be resolved. Dobson said the residents that did hook up took advantage of those reduced rates, and the deadline has already been extended a couple times. In all fairness, he cannot agree to offer them a reduced rate 4 months after the deadline.

**DOBSON MOVED TO DENY THE REQUEST TO EXTEND THE REDUCED SEWER RATE.
HALLIN SECONDED THE MOTION.**

Walker said it's not like he's coming in now, he had applied prior to the deadline. He is also looking at these SAC fees and feels they may be a bit high.

VOTE: 4:1, WALKER OPPOSED, MOTION CARRIED

Sharon Osborn stated she has found a property she would like to turn into a law office. This is the third property she has looked at in the city. She is frustrated to see the Council not wanting to promote businesses. Because of the current tax rate in the town, she can't afford to purchase many of the buildings that are for sale. Why not extend the reduced rate again, so the City can bring more businesses in. She would like to use the current apartments to

assist in paying the mortgage, and then convert the garages to law offices. She would request that the apartments be allowed to be grandfathered in as they appear to abide by the code. She feels like she has had more road blocks in the City of Princeton, then she had in the City of Minneapolis when she converted a home to a multi family building. If the current rates applied, she would be looking at over \$10,000. She has a real limited budget to work with.

Walker said he spoke with her on the phone for an hour or so about a few different properties. He said he is not sure about having apartments there, as that would need to go to the Planning Commission. Osborn said she would love to have businesses in those apartments, but until the economy picks up, she would need those apartments to generate some income.

Hallin asked Osborn if she understands why she made the motion to not reduce the rate. Osborn said she does not understand and if the Council were to allow some flexibility, it would benefit growth. She understands the council wants to be fair, but she doesn't see how it would hurt anyone. She said she thinks the Council needs to make it as easy as possible for businesses to come into the city. The greater good is helping the community. Hallin responded that she feels the Council was flexible in extending the reduced rate twice. Osborn said if it's a matter of principle, one more time is not any different than the first 2 times it was extended. She wants to develop this property and has an \$80,000 loan in place to purchase it. She means no disrespect but, she thinks it should be extended again. The council should do everything they can to bring business into the city.

Dobson said this is a totally different situation then the one prior. She is coming in to purchase the property. Bremer had requested the extension until they took control of the property, then they never followed through. Osborn is caught in the middle. He said the apartments are a Planning Commission issue, so shouldn't be discussed here. He said he is leaning towards granting this request because Bremer was supposed to hook up and didn't.

Whitcomb said he thinks she should go back to Bremer and ask them to pay the additional fees. Osborn responded that Bremer claimed there was an extension. They are already underwater on this building so she does not think Bremer would cover those costs. She cannot afford the building if the reduction is not approved

Walker said this building really needs to be rehabilitated and used. She is not the person that did not hook up the building when requested.

Dobson asked when she could hook up if the reduced rates were approved. She said she could pay within a couple weeks. Zimmer questioned if she would still continue with the purchase of the building if Princeton Public Utilities does not extend the Water Access Charge reduction as well. He thinks it should be discussed with the PUC. Karnowski said he spoke to Wangen at PUC and she had asked if this was on the agenda. She said she thought they may grant some reduction, but probably not go down to the original low price. She did not provide a number as to what that rate would be as it had not been discussed yet.

Whitcomb asked if there is a purchase agreement in place as of yet. Osborn responded that they have a verbal agreement, but working on something in writing. She is up against pending snow and winter, so she needs to close on it and get working on a few things. But, she cannot close unless the reduced rates are extended.

Hallin said still thinks this is a Bremer issue. Dobson responded that we don't have any control over Bremer and we have someone that wants to fix up an old building.

Zimmer said he understands there is a difference between the last request and this one as Bremer should have taken care of it. He said he would suggest maybe offering the fee at half the current rate.

Walker wanted clarification that there are a total of 4 properties that have not hooked up. Karnowski replied that the 2 other properties are just water hookups. Walker stated these properties are the last 2 that have not hooked up to Sewer, so there will not be any additional properties seeking an extension of the reduced rate.

WALKER MOVED TO OFFER THE ORIGINAL REDUCED RATE OF \$1,125 TO HOOKUP THIS PROPERTY TO SEWER. DOBSON SECONDED THE MOTION. VOTE: 3:2, ZIMMER AND HALLIN OPPOSED, THE MOTION CARRIED

WHITCOMB MOVED TO RECONSIDER THE MOTION MADE EARLIER TO DENY THE REQUEST TO EXTEND THE REDUCED RATE TO THE GREAT GLACIER PROPERTY. DOBSON SECONDED THE MOTION.

WALKER MOVED TO OFFER THE ORIGINAL REDUCED RATE OF \$1,125 TO HOOKUP THE GREAT GLACIER PROPERTY TO SEWER. DOBSON SECONDED THE MOTION.

Whitcomb stated if this is the last property, why not just approve the reduced rate and get the property hooked up. Zimmer said by approving this request, it is only fair to approve the first as well. Dobson agreed that since this is the last property, although they are differed cases.

VOTE: 4: HALLIN OPPOSED, THE MOTION CARRIED

Hallin spoke to Osborn and stated she did not appreciate her saying that the Council does not promote new business. The Council and various Committees do a lot to help businesses in the City.

ORDINANCES AND RESOLUTIONS

A. Ordinance 713 - General Zoning amendments – FIRST READING

Karnowski reported that staff has been accumulating a list of updates needed to the Zoning Ordinance. Most are general updates that are needed due to industry and general construction changes, as well as responses to local needs. The changes are generally in relation to landscaping, swimming pool fencing requirements and traffic visibility.

The Planning Commission Board reviewed the changes at their September 15, 2014 meeting and advised staff to have this as a public hearing for the October 20, 2014 meeting. The parking regulations have removed and will be discussed further. The City Attorney has reviewed the ordinance amendment and had no changes.

WALKER MOVED TO INTRODUCE ORDINANCE 713 AMENDING SEVERAL SECTIONS OF THE ZONING ORDINANCE. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. Police Investigator Matt Mullins Swearing in

Karnowski administered the oath to Police Investigator Matt Mullins.

B. Community Development Director

1. Hiring Recommendation

Karnowski reported that on Tuesday, October 14th, an interview panel consisting of Mayor Paul Whitcomb, Council Member Thom Walker (Chair of the EDA), Jack Edmonds (Chair of the Planning Commission), Lynda Wolfe (Cambridge City Administrator) and Administrator Karnowski interviewed five candidates for the vacant Community Development Director position.

While several of the candidates had some excellent credentials, when all the interviews were completed, the panel was in agreement to recommend to the full City Council that Jolene Foss be appointed to fill that vacancy.

Ms. Foss is a Princeton High School graduate who is a graduate of the Planning and Community Development program (with an emphasis on Economic Development) from St. Cloud State University. She currently is completing a marketing internship with the St. Cloud Metro Bus organization but has previously worked with the St. Cloud Downtown Council and Foundation Alliance where she worked directly with the City of St. Cloud, the Greater St. Cloud Development Corporation and the St. Cloud Chamber of Commerce.

Ms. Foss has also served as the Assistant City Administrator for the City of Avon where she worked with the Economic Development Committee as well as the Joint Planning Board and City Council. She also participated in their Business Retention and Expansion project.

The panel was impressed by not only her training and background but her enthusiasm for the community development field. The panel also agreed that her being a Princeton H.S. grad was also a definite plus.

Checking references, those we talked to indicated that she is genuinely committed to the Community Development goals and strongly recommended her.

Accordingly, the panel recommendation is to hire Jolene Foss as Princeton's Community Development Director at a starting salary of \$55,079 subject, as always, to successful completion of the 6-month probation period.

If the Council concurs, a motion to that effect would be in order.

HALLIN MOVED TO HIRE JOLENE FOSS AS PRINCETON'S COMMUNITY DEVELOPMENT DIRECTOR AT A STARTING SALARY OF \$55,079, SUBJECT TO COMPLETION OF THE 6 MONTH PROBATION PERIOD. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

2. Swearing In

Karnowski administered the oath to Princeton's new Community Development Director Jolene Foss

C. Police Officer Hiring Recommendation

Karnowski reported that on Friday, October 17th, an interview panel consisting of Mayor Paul Whitcomb, Police Officers Kristi Kuyper, Eric Minks, Police Chief Todd Frederick, Mille Lacs County Attorney Jan Jude and Administrator Karnowski interviewed five candidates for the vacant Police Officer position which became vacant upon the City Council's promotion of Matt Mullins to Police Investigator.

The City had over 100 applicants and scored each application, narrowing the field down to seven top candidates. Earlier the day of the interviews, one candidate withdrew his application and another applicant did not show up for the interview.

The initial intent of the interviewing panelists was to narrow the field down to 2 or 3 candidates to bring back for a second interview. Upon completion of the interviews, it was the consensus of the group that a second set of interviews would not be necessary because one of the candidates clearly excelled.

Accordingly, the interviewing panel is recommending that the City Council hire Shane Duncan to the position of Princeton Police officer pending, of course, the successful completion of the background check and requisite probation period.

Mr. Duncan is a graduate of St. Cloud State University with an Associate of Arts degree in liberal arts and sciences. He is currently pursuing his Bachelor's degree in criminal justice from St. Cloud State. Duncan completed his Law Enforcement Skills training in 2013 and is currently licensed by the Minnesota Post Board. In addition he is a trained first responder.

From 1998 to 2004, Duncan was in the 82nd Airborne Division of the U.S. Army and attained the rank of sergeant. He served our country with tours in both Afghanistan and Iraq.

Duncan has demonstrated his commitment to the City of Princeton as a Reserve Officer beginning in 2012. In the year and a half of his service to our community, Duncan has given us over 1,800 hours of volunteer (unpaid) service.

Duncan is currently a full-time Deputy Sheriff for Wright County. Prior to that, he worked for the Princeton School District as a Maintenance Engineer for 10 years. So he's very familiar with the city.

Accordingly, the panel recommendation is to hire Shane Duncan as a Princeton Police Officer at a starting salary of \$21.17/hr. (\$44,033.60/yr.), subject, as always, to successful completion of the mandatory 12-month probation period.

If the Council concurs, a motion to that effect would be in order.

Frederick stated that Duncan has been with them for a couple years as a Reserve Officer and they are looking forward to having him on the team.

DOBSON MOVED TO HIRE SHANE DUNCAN AS A PRINCETON POLICE OFFICER AT A STARTING SALARY OF \$21.17 PER HOUR (\$44,033.60/YEAR), SUBJECT TO COMPLETION OF THE 12 MONTH PROBATION PERIOD. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

A. 2014 State Demographer's estimates

Karnowski reported that the city has been notified by the Minnesota State Demographer's Office that Princeton's estimated population and number of households as of April, 2013 is:

Population: 4,726
Households: 1,981

To help put that in perspective, below is the 10 year history of each entity:

----- POPULATION -----											
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Since 2004</u>
Baldwin Twsp	6094	6335	6488	6509	6575	6656	6739	6746	6769	6798	+704 (+12%)
Princeton Twsp	2147	2198	2228	2229	2237	2232	2254	2240	2222	2227	+ 80 (+4%)
Princeton City	4434	4503	4535	4517	4530	4518	4698	4698	4727	4726	+ 292 (+7%)

----- NUMBER OF HOUSEHOLDS -----											
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Since 2004</u>
Baldwin Twsp	2072	2160	2218	2231	2244	2264	2518	2343	2353	2357	+285 (+14%)
Princeton Twsp	774	795	809	813	818	818	869	835	832	835	+ 61 (+8%)
Princeton City	1885	1927	1953	1960	1972	1973	1926	1928	1979	1981	+ 96 (+5%)

B. USDA Assurance Agreement

Jackson reported that this Agreement needs to be signed to allow for funding to complete the NSP program. When the NSP program was initiated, we contracted with Lakes and Pines to administer the program. When it winded down, they chose not to renew the agreement as there was not much time left. Fuhrman had done some research on other consulting firms, but was not able to find anyone anxious to get involved in the short time frame. They allow for a technical assistant to finish the current NSP Project and to develop the other site. This agreement is needed to apply for the funding.

WALKER MOVED TO ACCEPT THE USDA ASSURANCE AGREEMENT. HALLIN SECOND-ED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Caribou Coffee's Developer's Agreement

Karnowski reported that as the Council is aware, Caribou has broken ground. The Developer's Agreement has been reviewed and approved by Attorney Schieffer.

HALLIN MOVED TO ACCEPT THE USDA ASSURANCE AGREEMENT. WALKER SECOND-ED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

Nielson introduced Holly Wilson, who is a new engineer with WSB. She was the Administrator in Pine City and has worked in Wilmar as well.

BILL LIST

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$176,904.04 AND THE ITEMS

LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 70846 TO 70905 FOR A TOTAL OF \$157,646.38. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

There being no further business:

MOVED TO ADJOURN THE MEETING AT 8:11 PM. SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk

ATTEST:

Paul Whitcomb, Mayor