

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
MAY 14, 2015 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, Victoria Hallin and Jules Zimmer. Staff present, Finance Director Steve Jackson, Community Development Director Jolene Foss, Police Chief Todd Frederick, Public Works Director Bob Gerold, Clerk Shawna Jenkins, and Attorney Damien Toven. Absent was Administrator Mark Karnowski.

CONTINUATION OF BOARD OF APPEAL

Al Hein and Dave Vigdal from Mille Lacs County Assessor's Office stated that they went out and met with both Bob Gerold and Chad Heitschmidt and reviewed their properties.

On Gerold's property, there was a movable shed and a tarred driveway that he removed, which reduced the value \$2,000.

On, Heitschmidt's, they were a bit high in the grade for the age of the home. They are suggesting dropping the grade from a 6.5, to a 6 which would lower the value by \$2500.

Gerold stated that neither of these properties have access to water or sewer. He added that a 10% reduction was done several years ago because of the lack of water and sewer and he is asking that be done again. He said he spoke to Karnowski about the possibility of a rural taxing district and he said he would look into that option. Zimmer asked if residents had applied for that and it was not granted. Gerold said he believes there was some work done on creating a rural taxing district, but it was not implemented. Gerold asked if the Council could again approve a 10% reduction until a rural taxing district was created.

Hein replied that the Assessors simply look at a property from a value point. They don't differentiate between city services or if it has a private well and sewer. They only look to see that it is a functional property. Walker said Hein has a valid point in that the properties are looked at County wide. Whitcomb asked how the 10% reduction was done in the past. Jackson responded that he believes it was a one year reduction.

Hallin agrees that they are functional properties. Zimmer added that he likes to hear that the County did go out and review the properties since the last meeting.

Walker said he would be willing to provide a credit on the city portion of the taxes, but he is not sure how he would do that. Whitcomb added that if the Council were to provide a credit, the next year they would likely need to as well. Hallin added that a portion of the City services/amenities are missing.

Hallin stated she is not comfortable with a 10% reduction, but is in favor of them applying for a rural taxing district.

Walker commented he would like to see a discussion on the ability to provide a credit on the City's portion of taxes.

DOBSON MOVED TO APPROVE THE ASSESSOR'S RECOMMENDED REDUCTION FOR BOB GEROLD AND CHAD HEITSCHMIDT'S PROPERTY. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Dobson stated he agreed with Walker that the Council should have a discussion about properties that are in the same situation.

Vigdal said they looked at Maple View in comparison to Sylva.

The platted areas have a higher value than the outlot area. There are platted vacant lots, or lots that have minimal use. Vigdal said it was listed at \$6000 value per acre, but now that they have reviewed that property, they are recommending a value of \$5011 per acre.

Sylva's property lies in both Sherburne and Mille Lacs County. Doose said the tax statement that they have shows a higher value than what is being discussed. Walker asked if the pond in the center is included in the property total.

Vigdal said there is a state statute that covers wetlands. It refers to wetlands that are categorized, type 3, 4 or 5, which is what is to the north of the property. Further wetlands under clause one, includes adjacent land that is not suitable for agricultural use. He stated that there is another subdivision in the statute that talks about wetlands must be feasible to be drained. Hein stated that the wetland issue first came up in early 2000, and the assessors were required to identify those properties and wetland categories. He was not with Mille Lacs when that law was passed, but all counties were required to review them. Walker asked if these wetlands would be considered exempt since they cannot be drained. Doose added that this wetland is protected. Walker questioned if she knew what percentage was protected. She said their property is bordering the protected wetland. Hallin asked for clarification that the Assessors went out to review the property. Vigdal responded that they have seen the property when it was flooded and when it was dry.

Walker asked what the value is per acre. Vigdal replied that they had some listed at about \$6000 per acre and some at \$6530 per acre. Doose added that she has an appraisal that states a lot of the property is not buildable and the appraisal she received valued the entire property at 60,000. Their tax value for next year is \$102,000.

Vigdal added that he has seen other properties deemed unbuildable be changed if the owners jump through some hoops. Doose said the appraiser that determined most of the site was not buildable walked the whole property.

Hallin commented that they have reduced the value by \$109,000 and she trusts their review and assessment of the property and value. It is difficult to reduce a property value by 2/3.

Walker said if the average is at \$5000 per acre, the argument can be made to set 16.20 acres for \$5000 per acre.

WALKER MOVED TO SET THE VALUE AT \$65,300 FOR THE SITE VALUE, AND LOWER THE PER ACRE VALUE TO \$5,100 FOR THE REMAINING 16.20 ACRES. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

AGENDA ADDITIONS/DELETIONS

None

CONSIDERATION OF MINUTES

- A. Regular Meeting Minutes of April 23, 2015

HALLIN MOVED TO APPROVE THE REGULAR MEETING MINUTES OF APRIL 23, 2015. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

- A. Permits and Licenses
- B. Personnel
- C. Donations / Designations

OPEN FORUM

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. EDA Minutes of April 16, 2015
- B. Planning Commission Minutes of April 20, 2015
- C. Park Board Minutes of April 27, 2015
- D. PAVC Minutes of April 27, 2015

PETITIONS, REQUESTS, AND COMMUNICATIONS

- A. Princeton Library request for \$1200 for their summer reading program

Zimmer asked what was donated last year. Jackson responded that \$900 was donated last year.

HALLIN MOVED TO APPROVE \$900 AND REQUESTED THAT THE LIBRARY BE PART OF THE BUDGET PROCESS FOR 2016. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ORDINANCES AND RESOLUTIONS

- A. Ordinance 717 – Fee in Lieu of Assessment – final reading

Jackson advised while reviewing some old documents staff realized that as part of the Coborn's project, the city was supposed to adopt a "fee in lieu of assessment" policy which would allow the city to reimburse Coborn's should someone tap into the sewer and water lines they installed for their store.

DOBSON MOVED TO APPROVE ORDINANCE 717 AMENDING CHAPTER VII (METHOD OF ASSESSMENT) OF THE SUBDIVISION ORDINANCE IN ORDER TO ADD A PROVISION TO CHARGE A FEE-IN-LIEU OF ASSESSMENT TO A PROPERTY WISHING TO HOOK UP TO AVAILABLE CITY INFRASTRUCTURE THAT WAS CONSTRUCTED WITHOUT THE SUBJECT PROPERTY BEING ASSESSED. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

- B. Ordinance 718 – Amendment to Chapter 925 – First Reading

Gerold reported that this amendment is just adding "Waste Water Treatment Plant Operator" to the ordinance, as it currently only approves the Public Works Director to enter and review sites.

WALKER MOVED TO INTRODUCE ORDINANCE 718. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Resolution 15-21 – West Branch Project

Neilson reported that Resolution 15-21 is to declare the cost to be assessed and ordering the preparation of the proposed assessment.

Hallin asked if these costs are definite at this point. Neilson said he is not estimating any large changes, but there is a 5% contingency built in in case there is.

HALLIN MOVED TO APPROVE RESOLUTION 15-21 DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Resolution 15-22 - West Branch Project

Nielson reported that Resolution 15-22 is to hold a hearing on a proposed assessment. They are planning on holding the Public Hearing on June 4th at 7pm.

WALKER MOVED TO APPROVE RESOLUTION 15-22, HOLDING THE PUBLIC HEARING ON JUNE 4TH AT 7PM, AND MOVING THE STUDY SESSION FOR THAT NIGHT TO 5:30PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. PAVC request for the \$90,000 TIF dollars earmarked for Riverside

Dobson recused himself for this agenda item and reported that Carrol Ossel was going attend the meeting tonight, but she was not able to. The PAVC is aware that there was \$90,000 in TIF funds that were dedicated for the amphitheater, providing the rest of the money could be raised and/or a grant received. There was a sunset clause on those funds and the PAVC would like to earmark those funds for the improvement to Riverside Park such as the new shelter roof, restrooms, etc. The \$90,000 was used as a match on some grants that the City did not receive. The PAVC would like to use those funds for the repair project.

Foss said she will be applying again for the Legacy Grant and stated that if that money was spent, it would not be available for a grant match. Dobson added that those funds were originally going to be used to move the water main. Hallin and Zimmer both said the funds would remain earmarked specifically for Riverside Park, but used as a grant match if needed. Walker added that he understands that sometimes even \$90,000 is not enough for a match on some of these grants, so he doesn't want to have less to use.

Foss stated that if the PAVC does do some fund raising, they can add those dollars to the \$90,000 to increase the grant match and they would still be earmarked for Riverside. Dobson said the PAVC was going to start meeting with some of the business owners and just wanted to make sure that \$90,000 is still set aside.

HALLIN MOVED TO APPROVE TO KEEP THE \$90,000 EARMARKED FOR RIVERSIDE PARK FOR 2 MORE YEARS. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Great Northern Trail

Nielson said Baldwin Township denied the request as is because they have some additional items they want done. They would like the ditches graded 4:1, a culvert installed and knock-over bollards so cars could not use the trail.

The trail is in the high point of the road, so a culvert would be useless and a waste of money. He said he did get a quote from Paul Johnson at West Branch and was quoted approximately \$1,000-1,250. The knock-over bollards that the Township wants is not allowed by most bike groups.

He is looking for some direction, on the culvert. He said one option would be to stop the trail just short of the Baldwin right of way. Walker stated that the plan was to go all the way through, connecting road to road as the long range goal is for a trail to connect to Zimmerman and Elk River. Nielson said that Karnowski had checked with the DNR and it is an option to stop the trail 20 feet short.

Dobson asked if the City did a small cul-de-sac at the end for a turn-around would that add much cost.

Foss said Karen Michels and herself are on the agenda with Baldwin next week. She would like to talk with Baldwin while she is there and see if they can come to an agreement on completing the trail without a culvert.

Whitcomb said he spoke to Baldwin Township Board member Jay Swanson, who turned it over to their engineer. The engineer said that it is the Township board that wants the culvert.

WALKER MOVED TO APPROVE STOP THE TRAIL 20 FEET SHORT, WITHOUT A CULVERT OR A CUL-DE-SAC. DOBSON SECONDED THE MOTION.

Foss said Baldwin has been aware of this trail for quite some time. Dobson said they had Baldwin Supervisor's attend the 4R Board when it was first formed. This trail was one of the first projects the 4R board discussed and worked on. He was not sure if Jay Swanson was on the Town Board at that time. He added that he would like to see if Foss could talk with the Town Board when she attends their meeting next week.

THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

A. 2015 Sealcoating bids

Gerold reported that staff advertised for Sealcoating bids with a deadline of 11pm on Monday, May 11th 2015.

The Bid was advertised on the City Website, in the Finance and Commerce Magazine and the Union Eagle.

The City's total estimated yardage is 147,814. Staff was asked to include neighboring Greenbush Township (26,000 square yards) and the PUC's Parking lot (3700 square yards) in the Bid request, for a total of 177,514 yards.

The following bids were received.

Allied Blacktop
10503 89th Ave. N.
Maple Grove MN 55369
763-425-0575
Contact: Peter Capistrant
Email: pete@alliedblacktopmn.com

\$1.01 per square yard
Total City cost of \$149,292.14

Pearson Brothers
11079 Lamont Ave. N.E.
Hanover MN 55341
763-391-6622
Contact: Jack or Russ Pearson
Email: chris@pearsonbrosinc.com

\$1.03 per square yard
Total City cost of \$152,248.12

Caldwell Asphalt
24060 175th St. N.E.
Hawick MN 56273
320-243-4023
Contact: Troy Caldwell

\$1.09 per square yard
Total City cost of \$161,117.26

Staff recommends a motion to approve the 2015 Sealcoating Bid of \$1.01 per yard from Allied Blacktop.

WALKER MOVED TO ACCEPT ALLIED BLACKTOP'S 2015 SEALCOATING BID OF \$1.01 PER YARD. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Partners in Healthy Living Grant

Gerold reported that the PAVC has discussed some signage in the crosswalks. He has applied for and received the Partners in Healthy Living Grant of \$1000 to purchase reboundable cross walk signs.

HALLIN MOVED TO APPROVE STAFF TO SIGN THE PARTNERS IN HEALTHY LIVING GRANT AGREEMENT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. June 11th Council Meeting Rescheduling

Jackson reported that the Council's June 11th meeting falls on the same night as the Rum River Festival Parade.

In the past the Council has moved that meeting to the previous Tuesday (which, this year, would be Tuesday, June 9th). Would the Council like to move the meeting to that date or would some other day work better? The following Tuesday, June 16th would also be a realistic option.

Zimmer said he will be out of town June 9th. Walker commented that the meeting is likely needed mostly for the bill list.

HALLIN MOVED TO APPROVE THE JUNE 11TH MEETING BE RESCHEDULED TO JUNE 16TH AT 7PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS

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 \$308,654.70 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 71791 TO 71881 FOR A TOTAL OF \$275,222.39 ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

There being no further business:

MOVED TO ADJOURN THE MEETING AT 8:06 PM. SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk

ATTEST:

Paul Whitcomb, Mayor