

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
JUNE 16, 2015 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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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, Administrator Mark Karnowski, Finance Director Steve Jackson, Community Development Director Jolene Foss, Police Chief Todd Frederick, Public Works Director Bob Gerold, Clerk Shawna Jenkins, Attorney Damien Toven, and Engineers Mike Nielson and Holly Wilson

**AGENDA ADDITIONS/DELETIONS**

None

**CONSIDERATION OF MINUTES**

- A. Regular Meeting Minutes of May 28, 2015
- B. Study Session Meeting Minutes of June 1, 2015

HALLIN MOVED TO APPROVE THE REGULAR MEETING MINUTES OF MAY 28, 2015 AND THE STUDY SESSION MINUTES OF JUNE 4 2015. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**CONSENT AGENDA**

**A. Permits and Licenses**

- 1. Fun Time Show Circus permit for June 22
- 2. Rocci Berrini – Ace Solid Waste Solicitors permit – 5 days
- 3. Daniel Oelfke – Ace Solid Waste Solicitors permit - Annual

**C. Donations/Designations**

- 1. Resolution 15-27 – Accepting Civic Center Donations

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

**OPEN FORUM**

**PUBLIC HEARING – WEST BRANCH PROJECT**

Nielson went over a description of the entire project. It will provide water service, fire flow protection, a looped system for reliability, eliminate long runs, provide service to currently un-serviced parcels and improve the roadway and drainage.

The Street and storm water improvements total \$519,461.15, with Public Improvement bonds at \$247,002.28, the Water Fund covering \$61,113.22 and Assessments being \$211,345.65

Sanitary Sewer improvements total \$226,635.27, with Public Improvement bonds at \$84,559.71 and Assessments at \$142,075.56.

Watermain extension totals \$450,747.96, with the Water Fund covering \$270,448.78 and the balance of \$180,299.18 being assessed.

Nielson said the bids came in a bit lower than they anticipated, so that savings will be passed along to the residents being assessed.

Walker asked about the interest rate, and if the bond is selling for 5%, or is it somewhat less. Jackson said the city usually builds in somewhere between 1 and 1.5% to cover bond fees, and other costs. Nielson said they are estimating the bond will sell at 3.5%, so the interest passed on to the resident would be 5%.

Hallin asked for clarification on substantial completion in October and then the Final in the spring. Neilson responded that it would be seeded prior to winter, but they don't like to final anything until spring because of seeding and any possible erosion issues.

The Public Hearing was opened at 7:17pm

Chuck Young, 708 North 3<sup>rd</sup> street said his property along with 706 and 710 are serviced off of 3<sup>rd</sup> Street. Neilson said if that is the case, water and sewer would be removed from the assessment. He will look into these properties.

Judy Daml, 803 West Branch Street is curious about the deferral option for Seniors. Neilson replied that a State Statute allows for a deferment for Seniors, Agricultural status, total disability or active military. The payments would be deferred until such time that the property is sold. Daml asked if the City has also considered the additional cost for residents to hookup. The bid she received was about \$6,500. Nielson responded that the service would be ran to within 5 feet of her front door, however the council may approve those costs be added to the assessment as well.

Richard Anderson stated that him and his brother own parcel # 10 along West Branch and asked what benefit there is to their property. Nielson said with water and sewer available to the property, those lots could possibly be developed. Anderson questioned that as he has contacted the DNR and told that lot could not be built on. Roger Anderson added that the arena is in a flood plain. Nielson said that area is going to be looked at and the storm sewer may be changed slightly. Anderson asked if the contractors or City staff would be coming on to their property. Nielson said he believes there is an easement on that property which would allow them to if needed.

Jim Hennesy, 702 West Branch Street said he has a storm sewer in his driveway, and he has never figured out where it drains to. He asked if that will be looked at. Nielson responded that it will be reviewed and possibly changed if needed.

Hennesy asked how far into the yard would the lines be. Nielson replied that they are bringing it to the curb stop. The properties with existing connections would be abandoned. Hennesy asked if they could run the lines closer. Nielson added that their intention is to run the new lines as close as possible to their previous connections.

Anne Bredeson 901 West Branch stated she has her own septic, with the water line coming off 3<sup>rd</sup> and running through her back yard. She questioned if the old line is going to be capped off. Nielson said yes, they would like to get rid of those long runs, so her property will be connected to West Branch, creating a much shorter run.

Hallin asked if those long runs that will be abandoned and if any easements there would be removed. Nielson said easements were probably not done when the lines were put in. Hallin said she had someone ask her if they could build a shed in their backyard once those lines are capped off and abandoned. Nielson said they could.

Hennessy asked what type of time frame they expecting for them to be without water and sewer. Nielson said the project scope states that they must provide temporary water if a property is to be without water for more than 8 hours. Sewer will be available at all times.

DOBSON MOVED TO CLOSE THE PUBLIC HEARING AT 7:33PM. HALLING SECONDED THE MOTION.

WALKER MOVED TO APPROVE RESOLUTION 15-30 ACCEPTING THE FINAL ASSESSMENT ROLL, WITH EXCEPTION TO THE REDUCTION OF \$1,499 IN WATER TO PID 24-201-0310 AND REVIEWING WATER AND SEWER ASSESSMENT FOR PID 24-201-0330, 24-201-0340 AND 24-201-0350. HALLIN SECONDED THE MOTION. THE MOTION CARRIED.

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

- A. EDA Special Meeting of Minutes of May 21, 2015
- B. Park Board Minutes of May 26, 2015
- C. Airport Board Minutes of June 1, 2015

### **PETITIONS, REQUESTS, AND COMMUNICATIONS**

- A. Christ Our Light Sidewalk Chalk Event

Foss reported that Christ Our Light is requesting Council approval to close a section of the sidewalk in front of the church where the event will be taking place. Frederick said he spoke with Gerold and they will section off the shoulder in that area so people can walk there around the art.

DOBSON MOVED TO APPROVE CHRIST OUR LIGHT MARK CLOSE OFF A SECTION OF THE SIDEWALK IN FRONT OF THE CHURCH FOR THE EVENT. HALLIN SECONDED THE MOTION. THE MOTION CARRIED.

- B. Council Action Request for One-way Alley

Karnowski advised that Ron Gensler at 1311 Shady Lane is requesting the alley from First Street South behind K-Bob to be designated as One-way. Gensler stated that access to the Food Shelf and municipal parking, as well as freight loading and unloading would be much safer. Because of blind access from 1<sup>st</sup> Street, Autos and trucks traveling north through the alley have little or no choice but to force any vehicle attempting to enter via First street to back out causing a dangerous situation to vehicles and pedestrians.

Karnowski said he is not sure if Gensler has talked with the property owners. Dobson said he agrees there is potential for accidents, but also would like to see how the property owners would feel about the alley being one-way.

Whitcomb added that Public Works and the Police Department may have some concerns if it were one-way as well. Gerold responded that with the way the parking lot is striped, it would need to be reconfigured if the alley was changed to one-way. He also stated that most service doors are off the passenger side of trailers, but that would be a question for the businesses and delivery drivers.

Zimmer asked Chief Frederick if he knows of any incidents. Frederick said they have had a few near misses and a few pedestrian/bike accidents. He can think of at least 2 off the top of his head. He added that it is busier when the Ice Cream shop is open in the summer

Zimmer suggested some signage warning people of the blind spot and to beware of auto and pedestrian traffic. Whitcomb asked if the mirrors used in stores would work. Gerold said that would be an option, but the City would need to get permission from property owners to put one on their building if it was in an area we would not put a post in. Zimmer and Hallin liked that idea as well.

Dobson asked Gensler about the alley behind Taco Johns that he had also mentioned. Gensler said he sees issues with both alley's, but it is more dangerous with the one north as you cannot see onto First Ave. Dobson said he appreciated him bringing this to the Council's attention.

Walker said there is an issue with safety, as some people seem to pull right out without stopping. Gensler added that with the Ice Cream shop and Food Shelf, the small cubby area off the alley is being used heavily for deliveries and creates another blind spot.

Frederick stated that there may be some additional education that can be done, and of course enforcement may help as well.

Walker commented that he would like to see some signage and a mirror to start with. Zimmer agreed.

Whitcomb said we can look into the options and hopefully we can come up with a workable solution.

## **ORDINANCES AND RESOLUTIONS**

### A. Resolution 15-26 – Approving the It Starts Here Loan

Foss reported that Faith Goenner was the winner of the second round of the It Starts Here Program. The EDA and City Staff have reviewed the application and recommended approval of the forgivable loan.

HALLIN MOVED TO APPROVE RESOLUTION 15-26 APPROVING A FORGIVABLE LOAN TO FAITH GOENNER, IN THE AMOUNT OF \$10,000 WITH AN INTEREST RATE OF 2.5% THROUGH THE IT STARTS HERE PROGRAM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### B. Resolution 15-28 – calling for hearing to consent to the sale of Fairview bonds

Karnowski reported Fairview is proposing that the city of Minneapolis issue, on behalf of Fairview, revenue bonds in an amount not to exceed \$135,000,000 under the Minnesota Municipal Industrial Development Act.

The proceeds of those Bonds will be used to finance various Fairview projects in health care facilities, located not only in Princeton, but Minneapolis, Edina, Red Wing, Burnsville, Hib-

bing, Chisago City and Wyoming.

In 2002, Minneapolis, with the approval of Princeton, issued bonds on behalf of Fairview to refund revenue bonds issued by the City of Princeton in 1991 to finance the original acquisition of land and construction of Fairview Northland Medical Center.

Then, in 2005, the City again consented to the issuance by Minneapolis of revenue bonds to finance improvements to Northland, at which time Minneapolis then issued bonds as part of a larger bond issue on behalf of Fairview. By including the bonds to finance the construction of improvements to Northland as part of a larger issue of bonds by Minneapolis, Fairview was able to achieve some economies of scale and reduce issuance expenses.

It's a fairly common practice to have one city issue bonds for facilities in another city (with the consent of such other city) in the case of large health care institutions such as Fairview which have facilities located in different municipalities.

Resolution 15-28 approves financing that will refinance both the 2002 and 2005 bonds. Minneapolis will issue the Bonds, not Princeton. But under the IRS Code, such issuance requires the approval of the Princeton City Council. Prior to giving such approval a public hearing on the proposed financing is required to be held by the Princeton City Council.

Fairview has agreed to pay all expenses with respect to issuance of the Bonds. Further, the issuance of the Bonds will in no way impact the City's bond ratings or count against the City's bonding limits (including bank qualified limits).

In order to satisfy the IRS requirements and consent to the issuance of the Bonds, the first step is to pass a resolution calling for a public hearing on the issuance of the bonds. Fairview will then publish a notice of public hearing in the Union Eagle on June 25th. The public hearing will then be held on July 9th. At the conclusion of the public hearing, the City Council will adopt a resolution consenting to the issuance by Minneapolis of the Bonds.

Following adoption of such resolution no further action would be required to be taken by the City.

Dobson asked for clarification that it does not affect us in any way. Walker said that was correct, we have done this for Elim Home as well.

**DOBSON MOVED TO APPROVE RESOLUTION 15-28 CALLING FOR A PUBLIC HEARING ON AN ISSUE OF REVENUE BONDS BY CITY OF MINNEAPOLIS ON BEHALF OF FAIRVIEW HEALTH SERVICES. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY**

**C. Resolution 15-29 Authorizing staff to request a Quote from InControl**

Karnowski reported that the City is going to be replacing the Main Lift Station. Resolution 15-29 authorizes city staff to obtain a quotation from InControl for SCADA Control Panel and System Integration. There is some issues with USDA grant funds, and they will reimburse us if we get a quote and do it ourselves. The company was the major contributor when we did the plant upgrade and they have been very instrumental with keeping the plant running and working with Chris Klinghagen.

HALLIN MOVED TO APPROVE RESOLUTION 15-29 AUTHORIZING CITY STAFF TO OBTAIN A QUOTATION FROM INCONTROL FOR SCADA CONTROL PANEL AND SYSTEM INTEGRATION MAIN SANITARY LIFT STATION REHABILITATION. ZIMMER SECONDED THE MOTION.

Walker asked for clarification on why staff is requesting this resolution. Nielson replied that we wanted to just name them as the contractor due to them being the company that handles the rest of the plant. However, USDA does not allow that and we have to go out for a quote. For example, staff cannot ask for an exact pump, as they don't like proprietary type things. There are other people that can do the work, but they are familiar with the system already and it is ideal to have the same contractor so everything is tied together. Nielson added that USDA has said that this method was okay. Walker asked for clarification that USDA will approve the cost prior to the installation. Nielson responded that they would.

THE MOTION CARRIED UNANIMOUSLY

D. Ordinance 719 – Airport Standards – FINAL READING

Karnowski advised that MnDOT has suggested having Airport standards in place. The ordinance basically covers FBO (fixed base operators) in some airports. Princeton does not currently have those and do not have any that do agricultural spraying. However, MnDOT suggesting having something in the code in case that were to occur. There has been no changes to the standards since the first reading.

HALLIN MOVED TO APPROVE ORDINANCE 719 ADDING MINIMUM AIRPORT STANDARDS TO CHAPTER 6, SECTION BB OF THE PRINCETON CITY ZONING ORDINANCE. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**UNFINISHED BUSINESS**

A. Great Northern Trail – Final Invoice from West Branch Construction

Karnowski reported that in March, the City Council awarded a design/build contact to a joint venture composed of WSB Engineering and West Branch Construction for a cost not to exceed \$179,500.

As part of that agreement, the city fronted \$125,000 upon signing of the contract with the balance to be paid upon completion.

The contract anticipated a final clean-up and inspection of the project to occur on June 29<sup>th</sup>. Staff is pleased to advise that the project came in on budget and will be completed by the end of the month with the erection of the appropriate signage.

Staff recommends that the Council approve the final payment of \$ 54,500 to West Branch Construction, which will be tendered upon receipt from the City Engineer that the project, including signage, has been completed pursuant to the contract.

Further, as staff wraps up the funding for the project (the DNR Grant; the Bremer Grant and the balance in City Funding), we recommend the Council adopt a second motion authorizing the Mayor and staff to sign any other requisite documentation required to lock up those out-

side funding sources.

He added that he thinks the 'Design/Build' approach was the right process for this project and that the finished product will be a benefit for the larger Princeton Community.

Dobson asked if there is any retainage on the project. Karnowski replied that there was not on this project for 2 reasons. One is because it was done using the Design Build process and the other because it is a local contractor that knows their reputation is on the line if the work was not satisfactory or they did not follow through.

HALLIN MOVED TO APPROVE THE PAYMENT OF THE FINAL INVOICE FOR \$54,500 TO WEST BRANCH CONSTRUCTION FOR THE GREAT NORTHERN TRAIL CONTINGENT ON IT BEING COMPLETE. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

DOBSON MOVED TO AUTHORIZE THE MAYOR AND STAFF TO SIGN ANY OTHER REQUISIT DOCUMENTATION REQUIRED TO LOCK UP THOSE OUTSIDE FUNDING SOURCES OF THE GREAT NORTHERN TRAIL. ZIMMER SECONDED THE MOTION.

Zimmer asked if the trail will continue into town. Foss responded that next year it will likely extend into the city if they receive the TAP Grant they will apply for again.

THE MOTION CARRIED UNANIMOUSLY

## **NEW BUSINESS**

### A. Underground Storage Tanks

Foss advised that the property at 809-903 9<sup>th</sup> Ave North, which was acquired with HUD/NSP funding still has storage tanks underground.

Demolition occurred at this site in September of 2014, but the orphaned tanks could not be removed at that time because there was not a MPCA licensed Tank Removal Contractor onsite.

After an intense RFP process, 3 bids were received. West Central Environmental Consultants had the most financially reasonable bid and they have former experience with this site.

Staff is asking for a motion to approve, pending EDA approval, West Central Environmental Consultants as the lead organization in the removal of the remaining underground tanks.

WALKER MOVED TO APPROVE WEST CENTRAL ENVIRONMENT CONSULTANTS AS THE LEAD ORGANIZATION TO REMOVE THE REMAINING UNDERGROUND TANKS AT 809 – 903 9<sup>TH</sup> AVE N, PENDING EDA APPROVAL. DOBSON 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 \$72,882.87 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE

CHECKS 71938 TO 72019 FOR A TOTAL OF \$247,863.17. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

There being no further business:

HALLIN MOVED TO ADJOURN THE MEETING AT 8:00PM. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

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Shawna Jenkins  
City Clerk

ATTEST:

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Paul Whitcomb, Mayor