

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
JULY 11, 2013 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 Victoria Hallin, Jules Zimmer, Dick Dobson and Thom Walker. Staff present: Administrator Mark Karnowski, Finance Director Steve Jackson, Community Development Director Carie Fuhrman, Police Chief Brian Payne, Liquor Store Manager Nancy Campbell, Public Works Director Bob Gerold and City Clerk Shawna Jenkins.

AGENDA ADDITIONS/DELETIONS

None

CONSIDERATION OF MINUTES

- A. Regular Meeting Minutes of June 27, 2013
- B. Study Session Meeting Minutes of July 2, 2013

HALLIN MOVED TO APPROVE THE REGULAR CITY COUNCIL MINUTES OF JUNE 27 2013 AND STUDY SESSION MINUTES OF JULY 2, 2013. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

- A. **Permits and Licenses**
 - 1. Princeton Lions to hold a Raffle at K-Bob Restaurant, drawing Oct 21, 2013
 - 2. Woodcock-Herbst American Legion #216, Bingo during County Fair
- B. **Personnel**
 - 1. Promote Dan Pierce from part-time to full-time effective August 1, 2013 and a step 2 increase
- C. **Donations / Designations**
 - 1. Resolution 13-28 accepting donations from the Princeton Jaycees

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

OPEN FORUM

Tama and Joel Holtz from Neighbors Eatery and Saloon in Albertville said they are purchasing the old Northern Attitudes building and are planning on a second Neighbors Eatery and Saloon. They are also interested in the possibility of making some changes to 5th Avenue, to possibly add some volleyball courts and make the site more accessible. Hallin thanked them for entering into a purchase agreement for the building and bringing a nice new establishment to the city.

PUBLIC HEARINGS

- A. Proposed Distinctive Door Annexation

Karnowski reported that the City has received a signed petition from S & P Holdings, LLC (d.b.a. Distinctive Door) requesting annexation into the city of Princeton.

The purpose of the request is to gain access to the Public Utilities Commission (PUC) water system.

Because the property abuts the current city limits, the annexation can be done by ordinance. Annexation by ordinance requires that the city give the township (Baldwin) 30 days notice of a public hearing at which the Council will take testimony regarding the proposed annexation.

WHITCOMB OPENED THE PUBLIC HEARING AT 7:08 PM

Chuck Nagle asked if PUC could provide water to properties located outside the City Limits so annexation would not be required.

Jay Swanson, Chair of Baldwin Township said the City and Township have been discussing annexation for many years. He asked if it would be possible to sell some capacity to sewer and water. He feels the 2 municipalities could work together better and asked the council if it was possible to give properties access to water for a fee instead of annexing the property. Walker responded that it has been discussed before and it just does not work. Karnowski added for an example, the City of Alexandria allowed areas outside the city to gain access at one point. At that time, the tax base stopped growing. Also, in a city he worked at previously, they came to the conclusion from the tax base basis; it was not a prudent thing to do. Alexandria is the only city he knows that tried it and it did not work well. Swanson said we are 2 communities that will need to work together and asked the Council to reconsider and think about the future and growth for both communities.

Barry Ramage stated he is out of city limits on the north side in the industrial section and has power through PUC. He questioned why water could not be provided to properties outside city limits as well. Dobson said the power companies have designated areas that they service, and it is not dictated by the City Limits. Walker said there are even places in Princeton City Limits that are not serviced by PUC for power.

Nagle commented that after listening to the response from Karnowski about Alexandria, that the City has a large new waste water treatment plant to pay for and there are a few properties that are outside city limits that would be interested in helping to pay for it.

DOBSON MOTIONED TO CLOSE THE PUBLIC HEARING AT 7:17PM, THE MOTION WAS SECONDED BY HALLIN.

Staff will prepare the documents for approval at the next meeting.

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. EDA June 20, 2013 – Rezoning of Aero Business Park (verbal update)
Fuhrman reported that the EDA is looking at rezoning Aero Business Park from B2 to B3. When the site was first established as industrial, there are a lot less uses in B2. The EDA believes zoning it as B3 would make it more marketable.
- B. Planning Commission Meeting of May 20, 2013
- C. Planning Commission Meeting of June 17, 2013
- D. Princeton Visionary Committee of May 13, 2013
- E. Princeton Visionary Committee of June 24, 2013

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Wine and Spirits Grant Request for “Roy’s Teddy Bear Ride”

Karnowski reported that Roy’s place in Bock is requesting a donation of a \$20 gift card for their 160 mile motorcycle ride benefiting the Children’s Hospital.

HALLIN MOVED TO DENY THE REQUEST DUE TO THE FACT THAT IT IS NOT LOCATED IN THE CITY AND WOULD IT NOT DIRECTLY BENEFIT THE CITY RESIDENTS. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ORDINANCES AND RESOLUTIONS

A. Shooting Range Ordinance #698 – First Reading

Fuhrman reported that after an inquiry from an individual regarding the potential operation of an indoor shooting range and gun shop, the Planning Commission considered allowing indoor shooting ranges in city limits. A “shooting range” is currently not addressed in the Zoning Ordinance, which means an Ordinance amendment is needed in order to allow such use. A retail gun shop would fall under a general retail use within the Ordinance.

Although the individual is no longer interested in opening such operation, the Planning Commission wanted to continue with the amendment to the Zoning Ordinance to allow for the use.

After in-depth discussions regarding appropriate locations for a shooting range, research on other communities and their ordinance regulations, as well as comments from the City Attorney, the Planning Commission is recommending to allow indoor shooting ranges as a conditional use permit in the B-3, MN-1, and MN-2 Zoning Districts, and not in the B-1 and B-2 Zoning Districts. The Planning Commission is also recommending that the hours of operation would be reviewed at each specific request.

The Planning Commission has held a public hearing and recommended approval of the attached Ordinance for your review. Staff is requesting that the City Council make a motion to introduce the first reading of the Ordinance #698.

HALLIN MOVED TO INTRODUCE ORDINANCE #698 ADDING A DEFINITION OF INDOOR SHOOTING RANGE AND ALLOW INDOOR SHOOTING RANGES AS A CONDITIONAL USE PERMIT IN THE B-3, MN-1 AND MN-2 ZONING DISTRICTS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. 21st Avenue DNR Discussion update

Nielson reported that Carie Fuhrman, Richard Anderson and himself met with Crystal Payment the MN DNR area hydrologist to discuss the proposed 21st Avenue extension as proposed by Mr. Anderson.

The meeting was to get a feeling on the requirements for getting the necessary permits to fill the required wetlands to accomplish constructing the roadway on the alignment as proposed by Mr. Anderson.

Ms. Payment reiterated for everyone's benefit the sequencing that needs to occur when making and application to fill wetlands. This sequencing includes avoidance and if avoidance is not possible minimizing the wetland impacts. She did voice her opinion that the east west connection to the airport identified as Airport Drive would not be approved.

Regarding the remaining alignment she indicated that an EAW and possible and EIS would be required to even consider the new alignment. An EAW can range in price from \$20,000 to \$30,000 depending on responses from the regulating agencies. If required an EIS can cost from \$50,000 to higher.

MnDOT and FHWA review of the proposed roadway would also be required due to the close proximity to US 169. The primary concern for MnDOT will be the headlights from northbound traffic on the city street confusing southbound travelers on US 169 and drainage concerns for US 169. I have contact Dan Anderson the MnDOT District 3 Engineer to request some preliminary comment regarding the proposed alignment and hope to have those comments prior to the City Council meeting.

The Anderson proposal includes the construction of 5,850 LF of new roadway, which would include the acquisition of approximately 10.75 acres and the filling of approximately 4.5 acres wetlands.

The cost to acquire ROW assuming \$1.00 per square foot is \$468,270 and the cost to mitigate the wetland is approximately \$196,020 for a total additional cost of approximately \$664,290 in addition to the cost to construct the additional 3,250 feet of roadway at \$400/LF = 1,300,000 for a total additional cost of approximately \$1.96 Million.

ROW acquisition costs would be in addition to the above costs and could range between \$25,000 to \$35,000.

To date WSB has invoiced the City for approximately \$1,900 for work associated with meeting preparation, attending meeting and evaluating the feasibility of this proposed option. If the council recommends moving forward with further evaluation of this option a preliminary budget for services would be as follows.

Step 1.

1. Wetland Delineation and Report.....	\$ 7,500
2. Preliminary Survey.....	\$ 8,400
3. Soil Borings.....	\$ 15,000
4. Feasibility Report.....	\$20,000
5. EAW	\$25,000
	TOTAL \$75,900

If it is determined that an Environmental Impact Statement were required it would raise this cost by approximately \$25,000.

These costs are not to be considered a firm proposal, but only for budgeting purposes. If the council wished to move forward with this effort, WSB will prepare an actual scope of services and cost proposal.

Whitcomb asked Nielson if he heard back from the district engineer as of yet. Nielson responded that in the original discussion, he didn't think it was a good idea, but he should have more information at the next meeting.

Walker said it appears that the Alternate would be a lot of money. Hallin added that it would cost almost three times as much as the original plan.

Dobson said he hates to see the cross wind runway zoning disappear, but with the big cost difference between the 2 options and even then the second option is just a maybe so he is in favor of the original option.

Zimmer asked where the funds will come from for either option. Nielson said they have thought about assessing those future developable properties that could be turned into industrial or manufacturing uses. The assessment part was never finalized and if done, it would be split proportionately between the City and those properties.

Zimmer wanted clarification on the costs to determine if option 2 would even be possible. Nielson replied that even to get to the point of finding that out, the City would need to spend almost \$75,000 in studies.

Walker commented that the zoning will need to be changed, so regardless the council cannot proceed right away. The next step will be to find out what needs to be done to change the zoning.

Karnowski said he did check with the Airport Engineer and if the Council wants to pursue the original route, the first step would be make a motion to have the Engineer prepare an amendment to the airport plan that will remove the cross wind runway.

Walker asked if the City had received any grants in the past to assist in getting the cross wind zoning and if there would be any financial drawbacks by removing it. Karnowski said there were property owners that received payment for easements on their properties, but those were just for easements. Walker said if the city received any grants he wanted to find out if the City need to pay those amounts back.

Richard Anderson asked what the project would cost if they added in the roundabout and road on the south side that Nielson had shown as an example. Nielson responded that the south side idea and the original route could probably both be completed for the same or less than alternative 2. The advantage of going around and that was would be to open up the Dover property as industrial land.

Dean Powell owns Anoka Metal Services in the Industrial Park said he has a large amount of semi trucks coming into his site and feels that it is a public safety issue to allow all those vehicles into the area. Prior to coming here, he was in Columbia Heights where they did the same thing and had a lot of problems. He asked the council not to put the public in harm's way by extending 21st using the original route.

Walker said he doesn't think it is anyone's intention to route all the traffic through the industrial park. The thought is to allow the industrial park some expansion and provide public safety better access.

Joe Glenn of Glenn Metalcraft said he mirrors Powel's message about the semi traffic in the Industrial Park and does not think it is a good idea to route more traffic through there when it's already very busy. He feels Nielson's suggestion showing a southern expansion and roundabout would be a good idea.

Hallin added that the main reason for the 21st Ave Extension is because of the new public safety building that is going up. The main goal is to expedite their services to the people that may need it. Glenn asked the Council if they could look at the southern suggestion as well, as would alleviate traffic in the industrial park and open it up for additional expansion.

Nielson said the south roundabout and road idea he would consider a phase 2 and is something he put together on his own time to see how it might work. He would like to look at taking some curve out of the one area to create a better flow, but thinks it would be a big benefit. There are some options that may be able to be changed slightly to make this work even better if the City went with that phase in the future

Powell asked if Nielson and the Council could spend some time in the industrial park to get a feel for the amount of traffic that is already there. He saw it happen in Columbia Heights and it greatly affected the public's safety.

Dobson asked if staff could check to see if any state or federal funds were used in creating the cross wind runway zoning. Karnowski responded he spoke to Jackson and his recollection was that the city did spend money on easements on the north side, but the cross wind runway adjustments were done by zoning and does not believe there were any payments made but that can be confirmed.

Walker asked Powel and Glenn could check with their employees to poll them on which proposed route in and out they would take. He agrees that he would not like to see extensive people just traveling through the industrial site.

WALKER MOVED TO TABLE UNTIL THE MIDDLE OF OCTOBER. DOBSON SECONDED THE MOTION. WHITCOMB OPPOSED, MOTION CARRIED

B. Sealcoating Bids

Karnowski stated that at 10 AM the morning of July 8, 2013 the city opened bids for the 2013 sealcoating program. Three bids for the 127,335 yd² were received. Those bids are:

Company	Unit Price	Total Bid
Pearson Bros., Inc. 11079 Lamont Ave. N.E. Hanover MN 55341 763-391-6622 Contact: Jack or Russ Pearson Email: chris@pearsonbrosinc.com	\$1.14	\$145,161.90

Allied Blacktop Co. 10503 89 th Ave. N. Maple Grove MN 55369 763-425-0575 Contact: Peter Capistrant Email: pete@alliedblacktopmn.com	\$1.14	\$145,161.90
Caldwell Asphalt Co., Inc. 24060 175 th St. N.E. Hawick MN 56273 320-243-4023 Contact: Troy Caldwell	\$1.235	\$157,258.72

The two apparent low bidders submitted exactly the same bid amount. There were no bid irregularities and both low bidders submitted all the appropriate documentation. Both bidders are deemed as responsible.

After consulting with both City Attorney Schieffer and the League of Minnesota Cities, it was learned there is no precedent for the city to fall back on. But, in the case of any city election that ends in a tie, the historical resolution is to determine the winner via the use of a "coin flip".

The process to be used is to put the name of one of the apparent low bidding companies on each of two slips of paper and then put those slips of paper in a hat. The name first drawn will be designated as "heads" and the remaining company will then be designated as "tails". The clerk will then flip a coin and let it fall on the carpet. Whichever side of the coin is face up once it lands will announced and the corresponding company will be awarded the contract.

The city contacted both low bidders to advise that the contract would be decided by coin flip at the Council meeting and we received confirmation from both agreeing with the process outlined above.

Both names were put in a hat and the first name drawn would be "heads" and the second "tails".

Allied Blacktop was drawn first so was deemed to be "heads" and Pearson Blacktop was deemed to be "tails".

Jenkins flipped the coin and it landed with "tails" up, therefore the winner was Pearson Blacktop.

HALLIN MOVED TO AWARD THE SEALCOATING BID TO PEARSON BROTHERS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

- A.** Discuss Purchase of Meadow View Drainage pond

Fuhrman reported that Outlot D, Sharco Estates is tax forfeited (PID 24-790-0340). The majority of this parcel contains the large drainage pond that serves a portion of Meadow View and Sharco Estates

The rest of the drainage pond is located on Outlot A of Meadow View Estates 5th Addition (PID 24-554-0700); the southern tip of the pond is on the adjacent privately-owned lots in Meadow View Estates 5th Addition; and the rest of the pond appears to be on unimproved right-of-way to the east.

The City Public Works Department maintains the fountain located in the pond and mows around the pond approximately once a year.

If the City is interested in taking ownership of the parcel, the following options are available:

1) The City can purchase the parcel after making an offer, and get the title to the land (minimum bid is \$22,450). The City would be free to do with the land what they please.

-OR-

2) The City can obtain title of the parcel by way of a "Conditional Use Deed." The parcel would have to continue being used for public benefit. The City cannot sell the parcel to anyone, and if the City were to decide to change the use of the parcel, the parcel would revert to the State of Minnesota.

In order to obtain title via "Conditional Use Deed," the following is required:

- City Resolution requesting to obtain this property, as well as photos.
- A check for \$250.00 made out to the Department of Revenue (State fee; if they deny the request, they refund \$150.00).
- A check for \$1.65 for State Deed Tax
- A check for \$46.00 for recording the Deed

Once this information is received by Mille Lacs County, the County Board will review the request and the application is sent to the State of Minnesota for their review.

City staff recommends the City obtain title of the parcel (Outlot D, Sharco Estates) via the Conditional Use Deed option, subject to review by the City Attorney. If the City Council is in favor, a resolution will be presented at the next meeting.

If the City Council is not interested in obtaining this parcel, it will remain on the public land sale held by the County later in July. If it is not sold, the parcel would remain in Title to the State of Minnesota as tax-forfeited land, and it would be available for anyone to purchase from Mille Lacs County for the minimum bid price. It would be re-offered at the next public land sale auction.

Another related issue that has been brought up by the County Deputy Auditor/Treasurer is that Outlot A, Meadow View 5th Addition (just south of Outlot D) is currently coded tax exempt, meaning the property owner has never paid taxes on it. County staff believes some record linkage was missed when all of the platting and re-platting occurred in that area of the city back in 2002-2004. County staff believes Outlot A had to have its own PID due to being in a separate plat from Outlot D, Sharco Estates; but, by deed and use, it was considered one property. County staff believes that Outlot A and Outlot D were to be one parcel, which is why Outlot A had no value in its record and was coded tax exempt. If the City

Council is interested, staff could contact Great Northern Land Company to see if they have interest in deeding the City Outlot A being this is another portion of the pond.

Dobson asked if it had to remain a pond, or if it could become a park. Fuhrman said you usually have to keep it what you originally claim it as and it is a storm water retention pond for the entire development.

Dobson questioned if there were any liability issues if someone were to be injured or drowned in the pond. Karnowski said he talked to Schieffer about that and was told it would be listed as city owned property; therefore it would be on the City's insurance if anything were to happen.

Walker he would like to pursue the conditional use deed and inquire about combining Outlot A and D. Ideally the same conditional use deed could be used on Outlot A. The Council was in agreement, so Fuhrman will bring a resolution back to the next meeting for approval.

B. Safe Routes to School Agreement with Mille Lacs County

Fuhrman reported that the City was awarded a Safe Routes to School Grant earlier this summer. Because Princeton is not a State Aid City, Mille Lacs County must serve as the sponsor for the grant – meaning they are the fiscal agent and have the agreement with MnDOT for the grant.

An agreement between the City of Princeton and Mille Lacs County is needed in order to address maintenance and any cost overages. Essentially, the attached agreement states that the City will be liable for any costs over and above what the grant came in for, and the City will be responsible for maintenance of improvements (sidewalks) within City right-of-way, while the County will be responsible for maintenance of improvements (crosswalks) within County right-of-way. We will be utilizing our consultant City Engineer (WSB) for the majority of the engineering work.

The initial kick-off meeting with MnDOT staff went very well. A tentative timeline was established – actual project construction will likely not occur until summer 2014 after preliminary engineering is complete. In order to proceed with the project, staff is requesting the City Council approve the attached agreement with Mille Lacs County.

HALLIN MOVED TO APPROVE THE SAFE ROUTES TO SCHOOL AGREEMENT WITH MILLE LACS COUNTY. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. USDP Escrow Release

Nielson said he has reviewed the turf establishment and the USDP site and am satisfied that the permanent erosion control turf is established sufficiently to release the remaining escrow.

WALKER MOVED TO RELEASE USDP'S REMAINING ESCROW. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

BILL LIST – \$452,057.35

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$91,134.16 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 68263 TO 68331 FOR A TOTAL OF \$452,057.35. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

There being no further business:

HALLIN MOVED TO ADJOURN THE MEETING AT 8:15PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk
ATTEST:

Paul Whitcomb, Mayor