

**PRINCETON ECONOMIC DEVELOPMENT AUTHORITY  
AGENDA**

**July 10<sup>th</sup>, 2014, 6:00 P.M.  
Princeton City Hall – **Back Room****

- 1. CALL TO ORDER/PLEDGE OF ALLEGIENCE**
  
- 2. AGENDA ADDITIONS / DELETIONS**
  
- 3. APPROVAL OF MINUTES FROM regular meeting on June 19, 2014 – Tab A**
  
- 4. UNFINISHED / OLD BUSINESS:**
  - A. NSP – Tab B**
    - 1. Approve Hiring Consultant for Construction Contingency Plan**
    - 2. Approve Hiring Company for Demolition Work**
  
  - B. Rum River Health Services Computer Rehabbing Work – Tab C**
  
  - C. Sherburne County Economic Development Strategic Plan Update – Tab D**
  
- 5. NEW BUSINESS:**
  
- 6. MISCELLANEOUS:**
  - A. EDA Balance Sheet**
  
  - B. Verbal Report**
    - 1. Higher Education Presence Update**
  
  - C. City Council and Planning Commission Minutes for June, 2014 – Tab E**
  
- 7. ADJOURN**

## MEETING PROTOCOL

1. The chair of any board or commission has the same rights as the other board or commission members in that he/she can both make and second motions.
2. The chair of any board or commission also has the right to vote on all motions that come before the body. Historically, if there's a roll call vote (as opposed to the standard voice vote) the chair sometimes opts to vote last.
3. Generally, a board or commission member should vote on all issues before the group unless they have a disqualifying personal interest in the issue. In cases where the member has a conflict on interest, the member should:
  - A. Advise the board of their intent to abstain and state the conflict before the vote is taken.
  - B. If the member has a true disqualifying personal interest they should take the liberty of seating him/herself in the audience for the duration of the discussion (from where the member can comment on the proposal) until the vote is recorded.
4. On a voice vote, if a member does not vote 'aye' or 'nay', then the member is considered to have voted with the prevailing side. In other words, on a 5 person board, if only 2 members vote 'aye' and the others don't say 'aye' or 'nay', then the vote should be recorded as passing unanimously.
5. If the chair, or one of the members, is not sure of the outcome after a voice vote is taken the chair or member can request a roll call vote whereby the chair asks each member to indicate their preference and the final tally is taken from the results of that polling.
6. It is incumbent on all board and commission members to exhibit professionalism and maintain the respectful decorum required of a assemblage representing the public. Members (as well as the public) should raise their hand and be recognized by the chair before commenting on the issue before the body. Members should also refrain from engaging in member to member debate. The public discussion of issues should not deteriorate into an argument between members. Comments of members and of the public should be directed to the Chair, not to individual board or commission members or other members of the public. The members should also treat their fellow board/commission members and staff with respect.

**THE REGULAR MEETING OF THE EDA BOARD HELD ON JUNE 19, 2014, AT 6:00 P.M.,  
AT THE CITY HALL COUNCIL CHAMBERS**

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The meeting was called to order by Thom Walker. Members present were Charles Snustead, Genny Reynolds, Victoria Hallin, Cindy Riddle, and Mary Chapman. Staff present were Carie Fuhrman (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent was Grady Clark.

**AGENDA ADDITIONS/DELETIONS:**

Fuhrman would like to add under Unfinished Business:

- B. NSP Updates
- C. Greater MSP

Walker would like to add under New Business:

- B. Utility Rebates Discussion

**APPROVAL OF MMINUTES FROM REGULAR MEETING ON MAY 15, 2014**

HALLIN MOVED, SECOND BY CHAPMAN, TO APPROVE THE MINUTES OF MAY 15, 2014. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

**UNFINISHED / OLD BUSINESS:**

**A. Rum River Health Services Collateral Collection Update**

Fuhrman informed the EDA Board that with the help of the Public Works Department, staff has collected the computers and related equipment from the Rum River Health Services Community Health building. There were 29 hard drives, monitors, and keyboards collected.

Tom Trandahl from TDT Computers came Tuesday afternoon of this week to view the computers.

Rum River Health Services, Inc. has officially filed for bankruptcy. A letter from the City Attorney has been given to the EDA Board for review.

*City Attorney memo dated June 16, 2014:*

*Dear Carie:*

*I am enclosing a copy of the Notice of Chapter 7 Bankruptcy Case regarding Rum River Health Services, Inc. that was filed on June 5, 2014. Chapter 7 means that all listed debts will be discharged unless otherwise challenged. Since the Bankruptcy was filed as a "No Asset" case we will not file a claim at this time and only file in the future if we receive notice from the Bankruptcy Court to do so.*

*At this time, we are subject to the Order of the Court to not engage in collection efforts against the Debtor and the Debtor's property. This does not apply to the property has already been picked up and since the remaining computers are located on City property, I do not think it*

*would be objectionable if those computers are moved from the property room to other space on the city premises. However, no disposition should be made of the equipment until we have cleared such action. No notice regarding disposition of the property will be prepared at this time. However, you can review the status of the equipment and determine what may need to be done to it for resale.*

*Very truly yours,*

*Paul D. Dove*

*DOVE FRET LAND & VAN VALENBURG, PLLP*

Fuhrman said as the letter indicates they have filed for bankruptcy. The Police may utilize one of the computers. Staff is getting a quote from Trandahl and one other computer business to clean the computers.

Riddle asked what they are going to do with the building.

Fuhrman believes they plan to sell it.

Riddle said the church that was using a portion of the old Ben Franklin site has been looking for another site, maybe they could use it.

Walker asked if Rum River Health Services is non-profit.

Snustead said yes it is.

## **B. NSP Updates**

Fuhrman sent out the Request for Proposals for the construction contingency plan and that lays out what needs to be done with the demolition. They are finishing up the RFP's for the Bergstrom house. The RFP's have so many pieces to it. There might be a septic tank system on both properties and also a well on both.

Reynolds said the Soil and Water Conservation has grants for sealing wells.

Fuhrman is encouraged we are getting closer to having the Bergstrom property and old gas station site cleaned up.

## **C. Greater MSP**

Fuhrman gave the EDA Board a handout on Greater MSP that read:

Greater MSP (Minneapolis Saint Paul Regional Economic Development Partnership) is a private nonprofit organization dedicated to providing public and private sector leadership,

coordination, and engagement to grow the economy of the 16 county Minneapolis Saint Paul region.

The Greater MSP region will be recognized as a globally leading economy where business and people prosper. To accelerate job growth and capital investment in the Greater MSP region. Lead regional economic strategy development, aligning with regional partners to target key industry sectors for growth. Brand and market our region to key audiences, including business decision makers, site location consultants, workers, and residents. Drive a coordinated regional business retention, expansion, and recruitment program to stimulate capital investment and job creation in the region. Our new Collaborative Partner Space, which also houses our Greater MSP offices, provides a place for partners and visitors to meet, learn more about our region, and develop new opportunities for prosperity.

### **NEW BUSINESS:**

#### **A. PACE (Property Assessed Clean Energy) Program**

Sherburne County is excited to announce a partnership with the St. Paul Port Authority to administer the Property Assessed Clean Energy program (PACE). PACE allows property owners to borrow money from newly established municipal financing districts to finance energy retrofits (efficiency and renewable energy measures). The property owners then repay the loan through an annual special assessment on their property tax bill. Interested property owners evaluate measures that achieve energy savings and receive 100% financing which is repaid over time up to 20 years.

PACE is a financing tool used to assist commercial and industrial businesses (including agri-business) and multifamily housing properties with improvements that substantially increase energy efficiency. PACE allows businesses to make these fixture improvements without the up-front capital outlay. Costs for the improvements are paid back through a special assessment on their taxes. The increase in property taxes is offset by the decrease in energy costs so that the business sees no change in the bottom line. Dan Weber (contact person for Sherburne County Economic Development) said: "Sherburne County is interested in providing opportunities for our businesses to remain competitive in today's economy. This is one tool that can assist in reaching that objective."

Fuhrman said she spoke with someone who is involved in this program and they said they would be happy to talk to Mille Lacs County on it. She did send information to Roxy and Richard Baker at Mille Lacs County.

Walker commented that Fuhrman should ask ECRDC if they have this information. He believes Isanti and Chisago Counties are probably included in this.

#### **B. Utility Rebates Discussion**

Walker asked if we want to talk to the servicing utilities about rebates.

Snustead said we should know what could be presented for rebates before talking to new businesses.

Fuhrman will check what other utilities are doing for rebates and then give that information to the Princeton Public Utilities and see if they will do some type of rebate. She submitted information to the City of Isanti on what the cost for developments are and will hear back where we fall in with other communities.

Reynolds commented that she toured the St Cloud Police Station. She was very impressed. The guy who gave the tour said they put energy efficient lights and low flow toilets in the building. They are not happy with the energy efficient items and once they need replacing, they plan to go back to the regular items. Reynolds suggested that staff call other utility companies and see what they offer for rebates.

Walker said this item could be put on the agenda under old business in a couple of months for an update from staff.

#### **MISCELLANEOUS:**

##### **A. EDA Balance Sheet**

The EDA Board had no comments.

##### **B. Verbal Report**

###### **1) Pioneer Press Article Featuring Princeton Businesses**

Fuhrman said a few of the local businesses were featured in this article. They are doing a very good job at marketing themselves. She wanted to share the article with the EDA Board.

###### **2) Enterprise MN Article Regarding MN Manufacturing**

Fuhrman went to a meeting and it focused on what they are seeing and not seeing in regards to manufacturing in Minnesota. Minnesota is being competitive. A few of the issues that were mentioned was the taxes and rising health care and insurance cost. The ability to attract and retain qualified workers continues to grow as an increasing concern for manufacturers. Companies that have a formal marketing process expect an increase in gross revenues over those that don't.

Walker asked Fuhrman when she goes to the Grow MN visits do they say what taxes have increased the most for them. Is it local property taxes or income taxes.

Riddle commented that the school referendum passed so taxes are going up here because of it.

Reynolds said the property taxes downtown are high. Some are the same as those out by the Walmart area.

Walker expects a full house next year from the downtown business owners in regards to reducing their taxes and he is fine with that.

**3) Planning Commission Update**

Fuhrman informed the EDA Board that on Monday night the Planning Commission approved the Fairview expansion for medical offices. Caribou Coffee will be going into the vacant lot between McDonalds and Shopko, along Rum River Drive. Fuhrman said we try to do the developments and additions in a fast track with arranging a Developer's meeting to make sure all questions are addressed before it goes to the Planning Commission for review.

Walker said that is good word of mouth that we try to move the project fast.

Fuhrman said this afternoon there was another meeting for the Mille Lacs Task Force. She brought a handout on the organization. They are non-profit and have 14 -16 counties they encompass. 75% invested by investors. They want the areas to grown and bring businesses to our regions. Mille Lacs County was added this year. Really good group with a lot of resources that we can tap into. They do BR&E also. They do not service as a lobbying service. Mille Lacs County does not pay to be in it. Fuhrman said the number one thing for our region that was mentioned was how cold it is in Minnesota for the winters.

Reynolds said Minnesota is a fly over state to get to Chicago.

**4) Reminder: Next EDA meeting is July 10, 2014**

Fuhrman wanted to remind the EDA Board that the next EDA meeting is scheduled for July 10, 2014.

**5) Next Coffee with the Mayor: July 19<sup>th</sup>, 9:30 – 10:30 AM at Madre Loca**

Fuhrman informed the EDA Board the next coffee with the Mayor is scheduled for July 19<sup>th</sup>, from 9:30 AM – 10:30 AM, at Madre Loca.

**C. City Council and Planning Commission Minutes for May, 2014**

The EDA Board had no comments.

HALLIN MOVED, SECOND BY RIDDLE, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 6:37 P.M.

ATTEST:

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Thom Walker, President

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Mary Lou DeWitt, Comm. Dev. Assistant

**MEMORANDUM**



TO: Economic Development Authority  
 FROM: Carie Fuhrman, Community Development Director  
 SUBJECT: **Neighborhood Stabilization Program UPDATE**  
 DATE: July 8, 2014

**Construction Contingency Plan at 903 9<sup>th</sup> Ave N (former gas station)**

The City now has the deed to the property.

We received five (5) proposals for the Construction Contingency Plan (CCP) to be performed at the former gas station in response to the Request For Bids sent out in mid-June. The CCP was recommended in the Phase II environmental assessment to establish the actions to take in response to identified potential site conditions, such as contaminated soils or other unanticipated conditions. It also includes a technician to monitor the soils during demolition, particularly in the specific area with elevated VOCs.

Company	Cost Estimate
Javelin Group	\$2,100.00
WSB	\$3,700.00
West Central Environmental Consultants, Inc.	\$4,975.95
Peer Engineering	\$6,344.50
American Engineering Testing, Inc.	\$7,280.00

An analysis of each of the proposals is attached for your review. Staff is waiting for a response from the Javelin Group to verify their cost proposal and will be calling their references – information will be provided at the meeting. Subject to those two items, and based on analysis of each of the proposals, staff would recommend approval of hiring and entering into a contract with the Javelin Group to perform the Construction Contingency Plan and soil monitoring at 903 9<sup>th</sup> Ave North, based on the finding that the proposal appears to be the most responsive to the RFB at a reasonable cost. Copies of all of the proposals are available for review by request.

**Demolition of 908 9<sup>th</sup> Ave N (former Bergstrom home) and 903 9<sup>th</sup> Ave N (former gas station)**

We received one proposal for the demolition work to be performed at the former gas station and former Bergstrom home in response to the Request For Bids sent out in mid-June. West Branch Construction submitted a cost proposal for \$40,250.00. The work needed is quite extensive, including:

- Removal and disposal of trash and non-construction debris inside and outside both structures;
- Removal and disposal of asbestos-containing materials prior to demolition;
- Capping municipal water and sewer service; sealing private wells (if discovered); and abandoning onsite septic (if discovered);
- Demolition of the former home and gas station; Removal and disposal of both buildings and foundation debris; and
- Preparing the site for potential future redevelopment.

Staff would recommend approval of hiring and entering into a contract with West Branch Construction to perform the demolition and clean-up of the two sites. A copy of their cost proposal is attached for review.

Our NSP fund has sufficient funding to pay for both of these tasks.

Encl: Analysis of CCP Cost Proposals  
 West Branch Construction Demolition Proposal





3527 Branch Rd  
Princeton, MN 55371

# PROPOSAL

DATE
7/3/2014

NAME / ADDRESS
<b>City of Princeton</b> <b>Attn. Carie Fuhrman</b> <b>705 N 2nd St</b> <b>Princeton, MN 55371</b>

TERMS	PROJECT

DESCRIPTION	UNIT MEAS.	QTY	UNIT PRICE	TOTAL
Demolish Property #1 (809 9th Ave N) per Scope of work detailed in the "Request for Bids 2014 Demolition of Two Buildings".	Lump Sum	1	18,500.00	18,500.00
Demolish Property #2 (903 9th Ave N) per Scope of work detailed in the "Request for Bids 2014 Demolition of Two Buildings".	Lump Sum	1	21,750.00	21,750.00
Quote valid for 45 days. Based on Summer 2014 start. Sales Tax			6.875%	0.00
Thank you for this opportunity. Please call with questions.			<b>TOTAL</b>	<b>\$40,250.00</b>

Presented By   
Paul Johnson

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**MEMORANDUM**

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TO: Economic Development Authority  
FROM: Carie Fuhrman, Community Development Director  
SUBJECT: **Rum River Health Services Computer Refurbishing**  
DATE: July 7, 2014

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We received two bids for the refurbishment of the 29 computers obtained through the Rum River Health Services default on their revolving loan fund.

- TDT Computer Consulting & Service: \$2,465.00
- F1 Computers: \$1,914.00

Staff is requesting a motion from the EDA directing staff to hire one of the consultants for the refurbishment of the computers, and approval to disperse to city staff or sell the computers once they are refurbished.

Encl: TDT Quote  
F1 Computers Quote

**TDT Computer Consulting, Inc.**  
 10994 97th Street  
 Milaca, MN 56353

# QUOTATION

Quote Number: 124  
 Quote Date: Jun 26, 2014  
 Page: 1

Voice: 320-983-3200  
 Fax:

Quoted To:
Steve Jackson 705 Second Street North Princeton, MN 55371

Customer ID	Good Thru	Payment Terms	Sales Rep
City of Princeton	7/7/14	Net 10 Days	

Quantity	Item	Description	Unit Price	Amount
29.00	004	System Restore - will perform as what is stated in Bid letter	120.00	3,480.00
29.00		DISCOUNT	35.00	-1,015.00
Subtotal				2,465.00
Sales Tax				
<b>TOTAL</b>				<b>2,465.00</b>

## Carie Fuhrman

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**From:** rluckoff@gmail.com on behalf of Robert Luckoff  
<robert.luckoff@f1.computerexperts.com>  
**Sent:** Monday, June 23, 2014 12:35 PM  
**To:** Mark Karnowski; cfuhrman@princetonmn.org  
**Subject:** Re: Bids to Refurbish Computers

Hi Mark and Carie!

Thanks for considering us.

We would like to bid this:

Our bid includes all the services listed in Caries email, but we would add a few things:

- 1.) The operating system will be installed per the licensing assigned to that particular computer. For example, if any computers are Vista or XP, they will remain Vista or XP. Activation will be performed as OEM activation or using the product key attached to the side of the computer.
- 2.) We would also load all drivers at no extra charge.
- 3.) We would also include the current versions of Flash, Java & Adobe PDF at no extra charge.

Our bid is: \$66.00 per computer, which calculates to \$1914.00 for all 29 computers. If hardware issues are found, the city will be given the option to replace parts for an additional charge, or take no action and there will be no charge for that computer. We also offer recycling at no extra charge (excluding monitors).

Thanks again! Please feel free to contact us with any questions or concerns.

On Mon, Jun 23, 2014 at 11:06 AM, Mark Karnowski <[mark@princetonmn.org](mailto:mark@princetonmn.org)> wrote:

Bob,

If you're interested, the computers are her at city hall and available to look at if necessary.

*Mark*

Mark H. Karnowski  
City Administrator  
City of Princeton  
705 Second Street N.  
Princeton MN 55371  
Office: 763-389-2040  
Fax: 763-389-0993  
Email: [mark@princetonmn.org](mailto:mark@princetonmn.org)

**Carie Fuhrman**

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**From:** Dan Weber <Dan.Weber@co.sherburne.mn.us>  
**Sent:** Wednesday, July 02, 2014 3:48 PM  
**To:** Baldwin Twp; Becker Township; Big Lake Township (bltwp@windstream.net); jan123@sherbtdel.net; clearlaketwp@hotmail.com; havenclerk@cloudnet.com; Livonia Township (livtownclrk@sherbtdel.net); clerk@orrocktownship.com; palmertwp@gmail.com; kathy.woolard@yahoo.com; Amanda Othoudt (amandao@ci.becker.mn.us); Greg Pruszinske (gpruszinske@ci.becker.mn.us); City of Clear Lake; Heidi.Steinmetz@ci.big-lake.mn.us; jessica.green@ci.big-lake.mn.us; bbeeman@ElkRivermn.gov; cportner@ci.elk-river.mn.us; Eddy, Colleen (CEddy@ElkRiverMN.gov); Randy Piasecki (rpiasecki@sherbtdel.net); cathy.mehelich@ci.stcloud.mn.us; Carie Fuhrman; Osendorf, Mark F (mark.f.osendorf@xcelenergy.com); Mark Karnowski (mark@princetonmn.org); Debbi Rydberg (Debbi@elkriverchamber.org); pacc@sherbtdel.net; Becker Area Chamber of Commerce (chamber@beckerchamber.org); Big Lake Chamber (blchamber@sherbtdel.net); bchaffee@cmjts.org; bradley.brzezinski@state.mn.us; Kathleen Heaney; Tim Sime; Raeanne Danielowski (cook113@aol.com); Jon Sevald; Nancy Riddle; Steve Taylor; David Unmacht (dunmacht@springsted.com); Tony Schertler (tschertler@springsted.com)  
**Subject:** Sherburne County Economic Development

Recently we have had several inquiries requesting an update on the status of the Sherburne County Economic Development Strategic Plan. I wanted to take a moment to update everyone on our current timeline and progress made so far.

At the June 4th County Board workshop meeting a preliminary draft of the Sherburne County Economic Development Strategic Plan was presented to the Board of Commissioners by Springsted. Based on feedback from the discussion and previous community meetings, we have narrowed the focus of the plan to six main strategies.

- 1. Collaboration with Public Agencies and Private Partners**
- 2. Invest in Transportation and Technology Infrastructure**
- 3. Determine Role in Marketing**
- 4. Allocation of County Resources**
- 5. Efficient Use of Financial Incentives and Tools**
- 6. Maximize Value of Public Facilities**

The Work Plans that fall under each of these six strategies will be discussed at the July 8<sup>th</sup> County Board meeting. The plan is to assign tasks and completion dates to each portion of the work plan.

In addition, and as I mentioned in an earlier email, we are planning our first Countywide Community Partnership meeting on August 5<sup>th</sup> at 2pm. DEED will be the main speaker at this meeting, but my plan is to distribute the final version of the strategic plan to all attendees. I will be sending out an agenda closer to the meeting date.

Thank you to everyone who has participated in this process and do not hesitate to contact me with any questions.

Dan Weber, SAMA  
 Economic Development Specialist  
 763-765-4901  
 13880 Business Center Dr | Elk River | MN | 55330