Mayor Brad Schumacher called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: City Administrator Robert Barbian, Finance Director Steve Jackson, Police Chief Todd Frederick, Community Development Specialist Stephanie Hillesheim, Clerk Shawna Jenkins, Liquor Store Manager Nancy Campbell, Wastewater Manager Chris Klinghagen, Fire Chief Ron Lawrence, and Attorney Damien Toven. Absent was Jenny Gerold and Public Works Director Bob Gerold.

**AGENDA ADDITIONS/DELETIONS**

Zimmer moved to approve the agenda. Reynolds seconded the motion. The motion carried unanimously.

**CONSIDERATION OF MINUTES**

A. Regular Meeting minutes of September 26, 2019

B. Study Session Meeting Minutes of September 12, 2019

Reynolds moved to approve regular meeting minutes of September 26, 2019 and study session meeting minutes of October 3, 2019. Zimmer seconded the motion. The motion carried unanimously.

**CONSENT AGENDA**

A. Permits and Licenses

B. Personnel
   1. Stephanie Hillesheim Step Increase effective 10-22-19
   2. Resignation of Liquor Clerk Shanon Gallager

C. Donations
   1. Resolution 19-49 – accept donation from PUC for Holiday Decorations
   2. Resolution 19-50 – accept donation from Liquor Store’s Coors Lite Event to PFRD
   3. Resolution 19-52 – accept donation from Jaycee’s for Airport Fuel Facility

D. Miscellaneous
   1. Trespass L. Klisch from all City of Princeton Parks for one year effective 9-19-19

Frederick reported on the Trespass from the City Parks. Klisch was involved with damage of park property. He was warned once, and when it happened a second time, he was trespassed from City Parks for one year.

Reynolds moved to approve the consent agenda. Edmonds seconded the motion. The motion carried unanimously.

**OPEN FORUM**

Kevin Gerrard came to the podium. Schumacher asked if this is about the PUC again.

Gerrard asked how it would work if for example, the City and the PUC wanted to expand in different directions. Would the City or PUC decide. Barbian responded that it would be a joint decision.
Gerrard asked who keeps the data for Princeton projects. Schumacher responded that the City would have sewer information, as well as the City’s Engineer. Barbian added that water project information would be with Princeton Public Utilities. Gerrard asked for information in regard to project #148416-000, which was for the watermain that goes under the West Branch of the Rum river. Staff responded that the City would not have that information.

Toven stated he has provided Gerrard the information to contact if the PUC does not respond to his data request. The City Council cannot provide any assistance, as the City does not have the information he is looking for.

Tim Hennagir from the Union Times presented the new Princeton-Opoly game to the City. It will be kept sealed, and put on display with the previous Princeton-Opoly game.

**PUBLIC HEARINGS** - None

**PRESENTATIONS** - None

**FYI – REPORTS, ANNOUNCEMENTS, CORRESPONDENCE AND BOARDS / COMMITTEES**

A. Park Board Minutes of September 23, 2019
B. Great Northern Trail update

**PETITIONS, REQUESTS, AND COMMUNICATIONS**

**ORDINANCES AND RESOLUTIONS**

**UNFINISHED BUSINESS**

A. Fire Relief Association increase request

Schumacher provided a quick review of the numbers that were presented to the Council at the last meeting. He asked when it needs to be submitted to PERA. Chad Heitschmidt and Adam Cook replied that it needs to be submitted by December 31st.

Lawrence added that it will be three more years until retiring members could take the higher benefit level, as there is a 5-year waiting period when joining PERA. Schumacher stated that in looking at the estimates, the $3800 they are suggesting would be at about a 120% funding level. Heitschmidt said that they had originally planned on trying to keep it at about 110%, but with more discussion, 120% would be a little more comfortable.

Schumacher questioned if there are any departments that have a higher amount than what the Council approves. Heitschmidt replied that with PERA, the council needs to approve and sign off on it, so there would be no differences.

Zimmer stated that it sounds like Schumacher is suggesting a $200 increase, which would have the funding percentage at 127%. He would also be interested in setting a policy that it is kept in the 120% range for future increases as well. He asked if a committee could be
formed with one or 2 council members and a few from the Fire Relief Association to review and make recommendations to the Council.

Zimmer said he is also in favor of a $200 increase.

Firefighter Jay Roxbury questioned why they will not approve the $400 increase that the Relief Association is requesting, as it would be at 121% funded. The previous Mayor said he was comfortable with keeping it at 111% or above.

Barbian said the Council is supportive of the Fire Department and would like to give regular increases. There is just some concern of possible downturns in the market, so they would like to be a bit cautious.

Firefighter James Langfeld said this is a tool to keep firefighters on the Princeton department. None of them sign up for a paycheck, or the retirement, but years of experience is very important to the department. He understands the council is responsible to their residents, and he understands their concern with the market. The Department was told previously that 111% funding was okay, now it changes to 120%, and that could change if there is a different Council. Princeton is below the average in retirement.

Schumacher stated that the City has had to chip in when it was underfunded. The Council would like to avoid that, so they would like to stay in the 120% range.

Barbian asked Langfeld about Princeton being below average. Langfeld replied that Heitschmidt had the numbers in the presentation. The amounts are all over the map. Some are 150 – 170% overfunded, but the average seems to be in the 110 – 120% range.

Schumacher added that the Council is supportive of the Fire Department in other ways as well. They approved the ladder truck replacement, and a new engine to be ordered. The Council will visit this again a year from now. The Council is very proud of the Department, Firefighters and the Equipment the department has.

Firefighter Josh Vaccarri, mentioned the committee that was discussed. Zimmer responded that he brought that up, and the suggestion of it being kept at about 120%. He is not a financial person, but the market can drop drastically in a matter of a few days. Vaccarri responded that if a committee was formed, they could look at it if the market did make a drastic change. Schumacher added that just as they did with the truck committee, the department can select people that are really knowledgeable in financial matters.

Zimmer added the Council is very supportive of the department and takes their suggestions very seriously.

Schumacher said he is in approval of a $200 increase, and it will be looked at again in 12 months.

Zimmer moved to approve a $200 increase, establishment of a committee and for them to make a recommendation in 12 months. Reynolds seconded the motion. The motion carried unanimously.

B. Purchase and Development Agreements, with Chino Properties & Res 19-51 – Interfund Loan for TIF 8-4
Barbian advised that the City of Princeton has been working with Chino Properties to come to an agreement for purchase of the land legally described as Lot 1, Block 1 Aero Business Park First Addition, Mille Lacs County. This lot will be split into two lots and the buyer shall take ownership of the North approximate one half for development and construction of a commercial building, containing 10,000 square feet. The buyer shall pay seller $8,500 for sellers legal and consultant fees plus $5,000 as the purchase price.

Analysis:
Attached are the Purchase Agreement, Developer's Agreement, and Tax Increment Financing Agreement. The Purchase Agreement is dependent upon adherence to the Developer’s Agreement, which relies upon the execution of the Tax Increment Financing District 8-4.

The Developer’s Agreement outlines the requirements of SAC and WAC fees, $500 site plan application fee, and $1,000 required escrow fee to cover items such as survey, storm water review, easement review and related items.

The Tax Increment Financing Agreement outlines the Tax Increment Financing Plan approved by the City Council on September 12, 2019, requiring the construction of a 10,000 square foot commercial facility that must be completed by September 30, 2020 as well as requiring the developer create at least four (4) full time equivalent jobs paying not less than $15.00 per hour, plus benefits, within two (2) years of occupying the Project and shall certify these facts.

The site plan application has been submitted, along with a payment of $4,250 and will be reviewed at next plan commission meeting and if all goes well the project will start yet this fall.

Recommendation:
City staff recommends the approval of the above-named agreements.

Edmonds asked for clarification that they want 2 lots, but this agreement shows them purchasing one. Barbian responded that they have 2 years to purchase the second lot.

EDMONDS MOVED TO APPROVE THE PURCHASE AGREEMENT, DEVELOPMENT AGREEMENT AND RESOLUTION 19-51 FOR THE TIF 8-4 INTERFUND LOAN. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Public Safety Building Discussion - Verbal

Lawrence provided an update on the cold storage building that was discussed in the CIP meeting. They have received some quotes. As of now, the lowest is $225,000. They do have about $100,000 in insurance funds, in addition to CIP funds.

Schumacher asked where it will be located. Lawrence replied that location will be discussed at some point, he just wanted to provide some preliminary numbers.

D. Outdoor Recreation Grant Contract
Hillesheim stated that in February, the Council authorized the city to apply for funding through the State of Minnesota Department of Natural Resources (DNR) grant called: The Minnesota Outdoor Recreation Grant Program. The grant program provides up to 50% of the cost of qualified projects. Through the application process and many discussions with staff, engineers and DNR grant liaisons, changes were made to the request to ensure all necessary costs were covered and grant guidelines were met.

In June we were notified that the Outdoor Recreation Program Grant had been awarded to the City of Princeton for $220,000 with a 50% match acquired from Franchise Fees, Park Dedication Funds, and through applying for funds from local organizations and granting foundations.

**ANALYSIS:**

We have received the Grant Contract from the Minnesota Department of Natural Resources. The contract is attached. Once the contract is executed, work can begin on both sides of the park. The first step in the process is required by the MN State Historic Preservation Office, consisting of a Phase I Archaeological Study. We are currently in the process of collecting bids from Archaeologists.

City Staff recommends the City Council approve the execution of the Outdoor Recreation Grant Program contract, allowing for the process and construction to move forward.

**ZIMMER MOVED TO APPROVE THE EXECUTION OF THE OUTDOOR RECREATION GRANT PROGRAM CONTRACT AND ALLOWING THE PROCESS AND CONSTRUCTION TO MOVE FORWARD. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY**

**NEW BUSINESS**

A. Radiological Emergency Preparedness Program Contract renewal

Lawrence is asking for the contract for the Radiological Emergency Preparedness to be renewed for another 3 years.

**EDMONDS MOVED TO RENEW THE CONTRACT FOR RADIOLOGICAL EMERGENCY PREPAREDNESS FOR ANOTHER THREE YEARS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY**

B. Approve Purchase of Police Utility Vehicle

Frederick advised that Tenvoorde Ford in St. Cloud has received the state bid for purchasing police vehicles for 2020. The window to order a squad has opened and will close within a month. In the 2020 CIP, it is budgeted to purchase a squad for the department. The budgeted amount for the vehicle and equipment is 37 thousand dollars. The vehicle would be ordered within the week but we would not receive until approximately March of 2020. The payment for the vehicle would not occur until after the vehicle is received.

If the council is ok with this purchase, staff would like to proceed with this as soon as possible. We would purchase a new 2020 Ford Utility along with equipment for this vehicle. This vehicle would be a fully marked black and white squad.
With the state bid we will be under the budgeted amount from 2020.

ZIMMER MOVED TO APPROVE THE PURCHASE OF THE POLICE UTILITY VEHICLE THAT IS IN THE 2020 CIP. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

BILL LIST

ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF $153,901.15 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 79960 TO 80056 FOR A TOTAL OF $236,027.99. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

Barbian reported that there is a ground breaking for West Birch Estates on the 17th.

Hillesheim reported that the SOAR’s Woman’s Business conference was today. It was a great event and well attended. They are hoping to come back next year.

ADJOURNMENT

There being no further business:

REYNOLDS MOVED TO ADJOURN THE MEETING AT 8:07PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted, ATTEST:

________________________  _______________________
Shawna Jenkins Tadych Brad Schumacher, Mayor
City Clerk