MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON NOVEMBER 10, 2016 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, and Victoria Hallin. Others present: Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Development Director Jolene Foss, Public Works Director Bob Gerold, Clerk Shawna Jenkins, Engineer Mike Nielson, and Attorney’s Kelli Bourgeois and Damian Toven. Absent was Jules Zimmer

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of October 27, 2016

HALLIN MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 27, 2016. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
B. Personnel
   1. WWTP Manager Chris Klinghagen Step Increase to $61,880yr effective 11-22-16
   2. Police Ryan Vandenhuevel Step Increase to $59,302yr effective 11-15-16
   4. Accept Resignation of PT PW Employee Caleb Scharber
C. Donations/Designations
   1. Resolution 16-56 accepting donation for Christmas Lighting

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

OPEN FORUM

PUBLIC HEARINGS

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Planning Commission Meeting of October 17, 2016

PETITIONS, REQUESTS, AND COMMUNICATIONS

ORDINANCES AND RESOLUTIONS

A. Resolution 16-57 – Canvas Election Results

Karnowski advised that the Council needs to canvas the City’s election results.

The City of Princeton held an election for the office of Mayor and two Council Members on Tuesday, November 8, 2016, during the General Election with approximately 2275 persons voting, including absentee votes.
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Paul Whitcomb 1740 (97.37%) Jack Edmonds 941 (29.35%)
Write-In 47 (2.63%) Jeffrey Reynolds 812 (25.33%)
Susan Bialka 718 (22.40%) Victoria Hallin 707 (22.05%)
Write-in 28 (0.97%)  

HALLIN MOVED TO APPROVE RESOLUTION 16-57 CANVASSING THE ELECTION RESULTS WITH PAUL WHITCOMB AS MAYOR AND JACK EDMONDS AND JEFFREY REYNOLDS AS COUNCIL MEMBERS. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. TED Grant Denial

Foss reported that the City of Princeton had received a Transportation and Economic Development (TED) grant for the amount of $689,500.00 from the Department of Employment and Economic Development (DEED) to extend water and sewer services to the west. The original plan when applying for the TED Grant was to create a new industrial park on the 200 acres of industrial land to the west of County Road 31. This is no longer an option. The 200 acres has been sold to another party and they do not intend to use it for industrial purposes. This project was going to require proposed assessments of approximately $429,000 to the property owners (of which the majority are currently township properties) and a local match of $295,500.

The opportunity became available to put an option to buy on an adjacent 40 acre parcel but must be followed up with the willingness to actually buy the land. The City may be able to apply for and receive additional grant money from the Federal EDA program, but that would require us to purchase the 40 acres. If the City received Federal EDA money, it could be used to offset the assessments and the local match portion.

Purchasing the land and putting in the infrastructure without a developer or project lined up could lead the City into a situation similar to that which the City is facing in Aero Business Park. Although active economic development efforts have been in place, aggressive recruitment for a data center, manufacturer or distributor for this location has not occurred. Active economic development tactics were postponed until after the proposed services were installed in hopes of making the property more readily available for development.

At this time Staff does not see a reasonable way to take advantage of the TED grant for the water/sewer extension. It isn’t in the best interest of the City to own property to sell. Surrounding land owners do not want to feel that they’re competing with local government in land sales.

Due to the risk of using taxpayers’ dollars to secure this project, Staff is recommending we return the portion of the grant for the sewer/water extension to the west of 21st Ave in the amount of $689,500.

Staff is requesting a motion to respectfully decline the award of $689,500.00 from the Department of Employment and Economic Development for the water/sewer extension.
WALKER MOVED TO RESPECTFULLY DECLINE THE TED GRANT AWARDED FOR $689,500 FROM THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT FOR THE WATER/SEWER EXTENSION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Timber Trails Transit Agreement

Karnowski advised that the Council discussed this at a previous meeting and requested staff draft an agreement. That agreement has been drafted and reviewed by the City Attorney.

Whitcomb asked if the agreement was for one year. Foss responded that it is for the rest of 2016, 2017 and 2018.

HALLIN MOVED TO APPROVE THE TIMBER TRAILS TRANSIT AGREEMENT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

C. 2017 Budget Meeting dates

Jackson stated that staff is hoping to set aside an hour or so to further discuss the 2017 budget. The council could meet an hour earlier at their next council meeting on the 22nd, or meet on November 29th. Then if there are additional questions, they can be discussed at the December Study Session. Walker stated that the 29th works for him. Whitcomb said he may not be able to make it on the 29th.

DOBSON MOVED TO APPROVE A BUDGET MEETING BE HELD NOVEMBER 29TH AT 4:30PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Dobson mentioned that we should check with Zimmer to see if he can be here that night. Staff will check with Councilman Zimmer.

NEW BUSINESS

A. Data Practices Policy

Karnowski reported that the League of Minnesota Cities recently notified its member cities of a legislative change in the state’s Data Practice’s laws. Accordingly, they prepared a recommended policy and suggested that all cities consider adopting it.

Amazingly, the policy the city had only needed a couple of minor tweaks to bring us into compliance. Those changes were, primarily, in the section outlining what the city could charge for copies.

WALKER MOVED TO APPROVE THE DATA PRACTICES POLICY. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

A. Main Lift Station Pay Voucher #5

Karnowski reported that Eagle Construction has requested Pay Voucher #5 for $107,574.53 for
the Main Lift Station project.

DOBSON MOVED TO APPROVE MAIN LIFT STATION PAY VOUCHER #5 FOR $107,574.53
HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. City Hall Phone System upgrade

Jackson reported that with the recent remodeling of city hall, some of the negatives of our current phone system became much more apparent. It is very difficult to make changes to, and Midco (now Windahl) who originally put the system in many years ago, no longer services it and staff was unsuccessful in finding another company who could service it.

Staff spoke to the School District, the Police Department and did some research on various systems.

It seemed that a “Shoretel” system was a favorite by many, and both the Police and School District use that system as well.

It is a computer based system, and has a lot of features that would be a benefit to City employees and the city residents. One very nice feature is the ability to transfer calls to other phone numbers. We get quite a few phone calls for the PUC, and Public Works. Currently, we have to give the caller the other phone number and they need to hang up and dial again. This system will allow us to simply click and drag the call on the screen to another number to transfer them, whether it be to PUC, Public Works, a county office, or any number they may be looking for.

We requested quotes from AGC (who put in the School’s new system) Loeffler (installed the Police Department’s system) and a local company named Dennison Technology located in Elk River.

AGC was the first to visit City Hall and provided a demo of the system to Jackson and Jenkins.

The bids on the Shoretel system:

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGC</td>
<td>with “Connect” software</td>
<td>$13,581.77</td>
</tr>
<tr>
<td>Loffler</td>
<td></td>
<td>$11,698.19</td>
</tr>
<tr>
<td>Dennison Technology</td>
<td></td>
<td>$ 7,494.30</td>
</tr>
</tbody>
</table>

Gary Brevig at Dennison did email after the quote was sent and did recommend an additional server instead of using our own, as then it would be covered under the maintenance and if it went down, it would be a Shoretel Issue and not ours. The cost of that server is $1500.

Bringing the bid to a total of $8,994.30

Staff contacted 2 cities and 1 County that that Dennison services (Farmington, Alexandria and Mille Lacs County) and received glowing reviews on the system and Dennison’s service.

Loffler did also provide a bid for a standard NEC telephone system which is similar to what the city has now. That bid came in at $8,692.87
Staff is recommending Council approval for the Shoretel System with Dennison Technology for $8,994.30

WALKER MOVED TO ACCEPT THE QUOTE OF $8,994.30 FROM DENNISON TECHNOLOGY FOR THE PHONE SYSTEM UPGRADE TO CITY HALL. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Aero Business Park Lots

Foss reported that due to the lack of interest in developing the parcels in Aero Business Park Staff is recommending offering the parcels for the cost of $1 plus the cost of the remaining assessments.

Although the parcels near Aero Business Park are also for sale, a developer taking advantage of this discounted price in land may spur development in the entire Rivertown Crossing area.

Additional incentives to develop this land can include tax incentive financing or tax abatement.

The possibility of creating a new Mixed-Use District may also encourage development as it would allow for a variety of uses.

Benefits of mixed-use development include:

- greater housing variety and density, more affordable housing (smaller units), life-cycle housing (starter homes to larger homes to senior housing)
- reduced distances between housing, workplaces, retail businesses, and other amenities and destinations
- better access to fresh, healthy foods (as food retail and farmers markets can be accessed on foot/bike or by transit)
- more compact development, land-use synergy (e.g. residents provide customers for retail which provide amenities for residents)
- stronger neighborhood character, sense of place
- walkable, bike-able neighborhoods, increased accessibility via transit, both resulting in reduced transportation costs

Staff is asking for motion to request that the Planning Commission research the benefits of mixed use developments and evaluate the benefits and drawbacks to rezoning Aero Business Park.

WALKER MOVED TO APPROVE THE COST SCHEDULE AS SUGGESTED. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Whitcomb feels that the assessment cost should be set at what the current assessment is so people don’t wait them out until they drop or entirely go away.

DOBSON MOVED TO HAVE THE PLANNING COMMISSION INVESTIGATE THE BENEFITS OF A MIXED USE. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
E. Joint Fire Act Grant Request

Karnowski reported that last year the five Fire Departments involved in the shared services study also applied for a regional Fire Act Grant for a burn training facility which would be located in Milaca on city owned land.

Recent rule changes put in question how much longer any fire department will be allowed to do training burns on old buildings. The need to train on live fire is vital to train our members.

The proposed facility would have allowed us to continue with practicing with live burns. Sadly, our grant application was not funded. But, with recent changes in the grant program, it appears we have a better chance of getting the grant this year. The total cost of the project is $382,700 includes a 5% match from the departments.

Staff anticipates Princeton’s share of the match, $6,900.00, would come from other grants, donated funds or our budget.

The application will be submitted and administered by the city of Milaca.

Staff is requesting council approve that the city be part of this grant application.

Dobson thinks this type of facility would be very beneficial to our department and others as well.

DOBSON MOVED TO APPROVE THE JOINT FIRE ACT GRANT APPLICATION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

F. Surplus Office Equipment disposition

Karnowski reported that with the remodel of City Hall, there is some various office furniture, shelving and miscellaneous items that are no longer needed. Other Departments have removed any items they will be able to utilize.

Staff is requesting approval to disposition the remaining items via online auction with Jenson Sales.

WALKER MOVED TO APPROVE THE DISPOSITION OF SURPLUS OFFICE EQUIPMENT VIA AUCTION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

Dobson congratulated Jeff Reynolds and Jack Edmonds on being elected to the City Council and offered condolences to Vicki Hallin.

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 $76,902.25 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 74503 TO 74627 FOR A TOTAL OF $351,401.71. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT
There being no further business:

WALKER MOVED TO ADJOURN THE MEETING AT 7:20 PM. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,                                             ATTEST:

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Shawna Jenkins                                                      Paul Whitcomb, Mayor
City Clerk