MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON APRIL 25, 2019 7:00 P.M. AT PRINCETON CITY HALL

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

AGENDA ADDITIONS/DELETIONS

REYNOLDS MOVED TO APPROVE THE AGENDA. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of April 11, 2019

REYNOLDS MOVED TO APPROVE THE REGULAR MEETING MINUTES OF APRIL 11, 2019. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
B. Personnel
   1. Liquor Store – Accept resignation of Doug Hansen effective 4-25-19
   2. Liquor Store – approve hiring of Angela Bentley effective 4-24-19
   3. Police – Accept Retirement of Debbie Hoefi effective 6-30-19
C. Donations

ZIMMER MOVED TO APPROVE THE CONSENT AGENDA. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

OPEN FORUM

PUBLIC HEARINGS

A. CR 45 Roundabout Preliminary Assessment Hearing – Resolution 19-14

Brotzler stated that on March 28th, the City Council accepted the feasibility report for construction of the County Road 45 Roundabout Project and called for conducting a public hearing on April 25, 2019. The City is considering funding their share of the roundabout project through special assessments, and conducting a public hearing is required as part of the Chapter 429 requirements. A notice of the meeting was mailed to the benefitting property owners and published in the local paper two weeks prior to the public hearing as per state statutes.

Council is being asked to conduct the public hearing, close the public hearing, discuss the project and then consider ordering the project to use assessments to fund the City’s share to construct the roundabout.
Since the project has not been constructed yet, the total costs have yet to be finalized. If Council chooses the assessment option, final project costs will be determined prior to the final assessment hearing which will take place October 2019. Property owners will again be provided the required notification prior to this assessment hearing, which allows for the 30-day appeal process in order to meet the county’s deadline of November 30, 2019 to certify the assessments for including on the 2020 property tax rolls. If final projects are not determined by the October 2019 deadline, the final assessment hearing will take place at a predetermined time in 2020 to meet the deadline for including on the 2021 property tax rolls.

The intersection of Rum River Drive (County Road 45) at 125th Street / 9th Circle South has been identified by the City and local business owners with safety and operational concerns for several years. The local business owner group has worked in the past with the City and Police Department to discuss and review traffic concerns in the area.

In response to the identified safety concerns at this intersection, an intersection traffic study was completed in 2017 in partnership with Sherburne County, Baldwin Township, and the City of Princeton. This study justified that a roundabout at this intersection was an appropriate intersection control device to improve the safety and operation of the intersection. The findings of this report were presented at a public open house in the fall of 2017. Subsequent to the completion of this study, an application was submitted, and funding was awarded in the amount of $850,000 through the federal freight program.

The proposed improvement cost is estimated to be $1,350,000. Funding for the project will be provided through assessments to benefiting properties, grant funds, and participation through Sherburne County, the City of Princeton, and Baldwin Township.

The proposed funding breakdown for the project is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Freight Program Grant</th>
<th>Sherburne County</th>
<th>City of Princeton</th>
<th>Baldwin Township</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>County Road 45 Roundabout Project</td>
<td>$850,000</td>
<td>$250,000</td>
<td>$125,000</td>
<td>$125,000</td>
<td>$1,350,000</td>
</tr>
</tbody>
</table>

Staff recommends conducting the public hearing and ordering the project for the County Road 45 Roundabout project. State statute requires four-fifths vote to successfully order the project and authorize the ability to assess the City’s share of the project costs.

Edmonds asked if some of the franchise fees would be used towards the trail. Brotzler responded that some can be used to pay for the trail portion.

Schumacher stated that this Preliminary Assessment Public Hearing only allows the city to assess the project. Brotzler replied that was correct. The first step was to authorize the feasibility study and call for the hearing. The second step is to conduct an improvement hearing, and then this fall a final assessment hearing would be held. Because it is a city-initiated project, it does require a 4/5th vote. This allows the council time to consider whether the properties will be assessed or not.

Brotzler explained the 429-bond process.
Zimmer questioned how many years a bond is usually done. Jackson replied that typically an assessment bond is 10 to 12 years.

ZIMMER MOVED TO OPEN THE PUBLIC HEARING AT 7:18PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Erin Erdman, 1603 south 14th street. Stated that there seems to be some confusion. She asked if there are 2 separate roundabouts, or just one. If it is just one roundabout, she asked what the point is of this meeting if the project has already been approved and the construction appears to have begun.

Barbian said the project has not started yet, the piping near the site is for a water project that will be done in the same area. Sherburne County is leading the project and will be awarding the bid. The city has to come up with a way to pay their portion of $125,000. The Council needs to determined if they will be assessing a portion of that amount.

Rick Palmer, 1007 16th Ave. asked if the 1.35 million is the awarded bid. Brotzler responded that amount is based on an estimate. Palmer asked if that was based on prevailing wages. Brotzler responded that was correct.

Palmer asked if there were any plans for improvement to the road that goes into the Industrial Park. Brotzler responded that there were not any plans at this time.

Palmer questioned if the 1.35 million includes WSB fees. Brotzler responded that Sherburne County is the lead on the project, so their engineer is doing the plan. Palmer asked if there are any needed underground utility improvements needed while the area is opened. Brotzler replied that Princeton Public Utilities is realigning their water line.

Patty Pelzer, 1607 south 12th asked if the assessment is paid in one year, or spread out over several years. Brotzler replied that it will be looked at in the final assessment process. However, there is a 30-day period where the assessment can be paid in full without any interest.

EDMONDS MOVED TO CLOSE THE PUBLIC HEARING AT 7:29PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

EDMONDS MOVED TO APPROVE RESOLUTION 19-14. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Mille Lacs County Board of Appeal and Equalization

Al Heim and Dave Vidgal gave a brief update on the Princeton assessments

J GEROLD MOVED TO OPEN THE PUBLIC HEARING AT 7:32PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Joel Whitcomb 616 4th Ave South is contesting his value. His value went from $154,200 to $159,000. His calculations come to $128 square foot value for his townhome. Other properties appear to be valued quite a bit lower than that. One just sold for $89 per square foot. He does not understand how his can be worth more than $140,000.
Vidgal stated he met Whitcomb on Wed, April 10th. He went through the property, and did not see any deficiencies or problems with the current assessments. It is similar to other units, with the exception of one end unit that has a basement, and Whitcomb’s unit has a deck, which the other units do not have.

Schumacher asked if the Council opted to change the value of Mr. Whitcomb’s property, would the other units be changed as well. Vidgal responded that was correct.

Heim stated that in both the cities of Princeton and Milaca, single family homes went up 13% and twins and townhomes went up 16%.

They look at years of depreciation, and use a square footage value. Vidgal stated that their calculation is $115 per square foot, and he is not sure how Whitcomb calculated it at $128.

Heim added that they grade homes on the quality of construction, and the scale is used county wide. The local market does vary, with the best market being in the City of Princeton and Princeton Township. The range they need to fall in is between 90% and 105%. The City of Princeton was below the required 90%. There were 105 sales from October 2017 through September 2018. They expanded their study area a little to get a full view. If they were able to find something that would allow them to adjust the value, they would report that. They do not see a reason to lower the value.

Edmonds wondered why Whitcomb is coming up with a different square footage value. The assessors have been doing this for a long time.

Vidgal added that no one else has contacted him about the value on Twin homes or Townhomes.

Heim stated they did receive a call regarding Betty McAlpine’s property, which is PID # 24-160-0110, he visited with her, reviewed the property and has a recommendation.

Vidgal visited McAlpine’s property on the 23rd. The roof was good and has some foundation cracking, but the interior is not in great shape. There has been water intrusion into the kitchen, has cracking and pealing plaster on the ceiling and walls, and a non-working bathroom upstairs. According to their records, the lower level was half finished, which was not correct as it was very minimally finished with some functional layout issues. He put a 30% functional reduction and removed half basement finish, which totally a $50,500 reduction. They are recommending the original value of $196,200 be amended to $145,700.

ZIMMER MOVED TO CLOSE THE PUBLIC HEARING AT 8:14PM. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

EDMONDS MOVED APPROVE THE RECOMMENDED REDUCTION ON PID 24-160-0110 TO $145,700. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Edmonds asked if Whitcomb can still appeal to the County if the Council denied his request. Heim responded that he could come to the County, and go to the Tax Court if he so chose.

EDMONDS MOVED TO ACCEPT THE ASSESSORS RECOMMENDATION OF NO CHANGE TO JOEL WHITCOMBS PROPERTY, GIVING WHITCOMB THE ABILITY OF MOVING FORWARD WITH AN APPEAL TO THE COUNTY IF HE WOULD LIKE. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.
C. Resolution 19-15 – Nuisance Abatement at 303 Rum River Drive South

Toven reported on the problem at 303 Rum River Drive South that has been an issue for a few years. The City has followed the process in trying to work with the tenant and landlord but the issue has not been resolved, so they had to be prosecuted criminally. He has obtained a conviction against the tenant, but the criminal case against the owner has not been resolved as of yet. The owner was successful in obtaining eviction against the tenant. The owner has been making very good process in cleaning up the property, but he would like to follow through with this process in case it is not cleaned up properly. The appropriate letters have been sent, and now a public hearing needs to be held so they can appeal to the Council. Then the case can be filed in District Court.

ZIMMER MOVED TO OPEN THE PUBLIC HEARING AT 8:24PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Barbian added that staff has spent many hours on this issue. This Resolution shows the City’s intent to make sure this is resolved. We would like to have the property cleaned up as soon as possible.

J GEROLD MOVED TO CLOSE THE HEARING AT 8:26PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ZIMMER MOTIONED TO APPROVE RESOLUTION 19-15 ORDERING THE ABATEMENT OF THE PUBLIC NUISANCE AT 303 RUM RIVER DRIVE SOUTH. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Verbal Report of local area Board / Commission Pay as requested
B. Planning Commission Board Minutes of April 15, 2019
C. Airport Board Minutes of March 4, 2019

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. City Council request for Princeton to become a Yellow Ribbon City

Tom Bolduc is requesting that Princeton become a Yellow Ribbon City to show support to the Veteran’s. He has submitted the step process and is asking for the Council’s support. Hillesheim said she lives in a Yellow Ribbon City and it is mostly volunteer.

Edmonds said he cannot imagine the Legion and VFW would not be very interested and want to be involved in the process. Schumacher added he could see a Council member volunteering, and feels the City could provide meeting space.

Zimmer feels the City Council and city residents would be very supportive of this.
ORDINANCES AND RESOLUTIONS

A. Resolution 19-12 – MnDOT Airport agreement 1033937, Project A4802-29

Barbian advised that the City has received the grant for the new fuel facility system. The Airport Board has agreed to raise the city’s portion of the funds.

EDMONDS MOVED TO APPROVE RESOLUTION 19-12. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Resolution 19-13 – MnDOT Airport Agreement 1033538 for maintenance

Barbian advised that this is the standard yearly grant that we receive for maintenance of the airport.

REYNOLDS MOVED TO APPROVE RESOLUTION 19-13. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. Sewer Rates for Ag Society

Barbian advised that at the April 11th City Council meeting Council Member Jack Edmonds brought up a request by the Fair Board to be charged a lower sewer rate during the off-season months when very little water or sewer is being consumed.

Information was to be brought back to the Council for further consideration.

The sewer charges are based upon a “Policy” whereby water usage reading taken and billed in December, January and February are to set the sewer bill for the year. This is followed 99% of the time although there are a few exceptions. For example, the fair board usage charge is based upon the monthly water usage. The bill is calculated monthly. When there is limited or no usage a minimum usage charge applies. The categories are residential with a 21.00 minimum, small commercial and industrial with a 42.00 minimum. This is for reporting basis for water and sewer.

In June of 2018 the City considered and granted a couple other exceptions. They follow:

The Hockey Center sewer usage & bill: Currently the hockey center monthly sewer bill uses to be based upon the average water usage occurring in January, February, and March. They requested that the usage be based upon an average annual usage due to the high usage occurring in the winter month. In addition, they requested that a reduction be allowed for the 1” of rink ice disposed of outside at the end of the season due to the water not going to the sewer. For the two rinks this has been estimated at 15,702 gallons. The calculation for usage now occurs annually based upon the prior year’s usage.

Billings for nonprofits and churches: In the past sewer and water billings to nonprofits and churches were set to be at residential rates. The Public Utilities changed in the recent past to have churches and nonprofits billed at commercial rates. For sewer billing the rate for
commercial and residential is the same except when it is a minimum bill. In this case residential is 21.00 and commercial is 42.00 per month. There are three of the 10 that are consistently at minimal sewer usage. They are Princeton Panty, Bethany Lutheran Church and First Congregational Church. The Council decided the minimum residential rate for these three be charged.

Edmonds wondered if it could be classified as residential.

ZIMMER MOVED TO CLASSIFY THE FAIRGROUNDS AS RESIDENTIAL FOR WATER AND SEWER BILLING. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Mille Lacs County meeting update

Schumacher reported that staff is working on setting up a meeting with the County. He contacted them about street sweeping, and he was told they would be here to sweet Tuesday April 30.

C. WWTP Addition

Klinghagen advised that the Council has approved an addition to the wastewater plant to be used as a breakroom. There is $70,000 in the CIP for this addition.

Unfortunately, there have been some unforeseen costs. There were pipes located underground where the addition will be built, which requires some additional Engineering and excavation to move the pipes

Quotes received:
  Building, $57,425
  electrical $9,300
  Engineering $3,000 (approved at 2-28-19 meeting)
  Pipe Excavation $9,200
  Gas Line Move $<1,000
  Total $79,925

Staff is requesting to use the remaining funds left in the CIP from when the tractor was purchased. The remaining balance is $8,720.

The CIP also includes $7,000 to replace the Countertops in the old office. With the new breakroom, they do not feel the need for new countertops, and would like approval to also use those funds to offset the additional cost.

<table>
<thead>
<tr>
<th>CIP</th>
<th>$70,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIP Tractor Balance</td>
<td>$8,720</td>
</tr>
<tr>
<td>CIP Counter Tops</td>
<td>$7,000</td>
</tr>
</tbody>
</table>

**Total CIP Funds** $85,720

If the CIP Tractor balance and CIP Countertop funds are approved, it would cover the costs of the addition and leave $5,795 that could be used towards furnishing the breakroom.
Edmonds asked for information on the underground pipe issue. Klinghagen responded that they thought they could cut it off and cap it, but one is pressurized, so that cannot remain under a building.

Schumacher asked when the project will begin. Klinghagen responded that he will make the call tomorrow.

**Zimmer** moved to approve the use of the remaining tractor CIP balance, and counter top CIP for the building addition, with any balance left to be used to furnish the breakroom, and to award the. **Reynolds** seconded the motion. The motion carried unanimously.

**D. Splash Park Manager Service Agreement**

Barbian reported that he spoke with Rhonda Pierce and the contract has been agreed on. He is looking for the Council to approve the contract.

**Zimmer** moved to approve the splash park manager service agreement with Rhonda Pierce. **Edmonds** seconded the motion. The motion carried unanimously.

**E. Council Review and approval of Council Tablets / Laptops**

Jackson reported that prior to the meeting, he passed around the proposed laptop. Unless there are objections, he would like a motion to purchase them for the council.

Schumacher added that these will have the ability to transmit to the TV’s in the Council room. He suggested some type of case be ordered to provide some additional protection.

**Reynolds** moved to approve the purchase of the proposed laptops for the council. **J Gerold** seconded the motion. The motion carried unanimously.

**NEW BUSINESS**

A. **Approve Police Secretary / support staff job description and advertisement**

Frederick stated that has the Council approved in the consent agenda, Debbie Hoeft is retiring. The job description is quite outdated, so staff went over it and are recommending approval of the updated job description, and approval to list the job opening. They would also like to do some cross training, so both positions are covered if someone is out.

**J Gerold** moved to approve the amended job description and to cross train both positions. **Zimmer** seconded the motion. The motion carried unanimously.

B. **Roundabout Cost Share**
Schumacher provided a short PowerPoint showing the differences between the cost sharing on the Hwy 95 / 21st Ave Roundabout, and the upcoming project on the south side of town. He would like to add this back to the agenda for discussion in a month.

**MISCELLANEOUS**

**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 $141,706.66 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 79173 TO 79234 FOR A TOTAL OF $211,489.64. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

*** CLOSED SESSION *** possible purchase of airport land – statute 13D.05, Subd.3

The agenda item for this meeting is to discuss and negotiate a possible airport hangar purchase.

This portion of the properly noticed meeting of the Princeton City Council will be closed pursuant to Minnesota Statutes under the attorney/client communication exception to the Minnesota Open Meeting Law. The need for confidentiality outweighs the purposes served by the open-meeting law in this case based on the following:

Confidentiality is necessary to protect the City’s interests with respect to a possible purchase of an airport hanger:

- The purpose of the closed meeting is not to make a decision behind closed-doors, but instead is to determine what actions are appropriate with respect to a possible purchase of an airport hanger.
- The only business to be discussed in this portion of the meeting is the proposed to a possible purchase of an airport hangar and what action, if any, should be taken.

I will now entertain a motion to close this portion of the meeting.

REYNOLDS MOVED TO CLOSE THIS PORTION OF THE MEETING AT 9:21 PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

The Council will now go into a closed session. The time is 9:21PM

Only the officials and consultants of the Council who reasonably require access to this data may be in attendance at any portion of the meeting for this agenda item. The minutes of this portion of the meeting should reflect only that a meeting was held with its date, time and location; who was present at the meeting; and the purpose of the meeting.

REYNOLDS MOVED TO ADJOURN THE CLOSED PORTION OF THE MEETING AT 9:32PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Toven summarized that the Council came to consensus to approve the land purchase contract for the hanger owned by James and Vivian Hanson.

REYNOLDS MOTIONED TO ENTER INTO PURCHASE AGREEMENT WITH JAMES AND
VIVIAN HANSON FOR THE SOUTH 60 FEET OF THE NORTH 670 FEET OF THE TEAST 75 FEET OF THE WEST 200 FEET OF THE SOUTHWEST QUARTER OF THE NORTH-EAST QUARTER OF SECTION 32, TOWNSHIP 36, RANGE 26, MILLE LACS COUNTY, legal description, IN THE AMOUNT OF $70,000, WITH DONATION OF $22,000, PURCHASE OF $48,000 SECONDED BY EDMONDS. THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT
There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 9:35PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,                                    ATTEST:

_________________________                                     ________________________
Shawna Jenkins Tadych                                     Brad Schumacher, Mayor
City Clerk

Mayor

City Clerk