Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Robert Barbian, Finance Director Steve Jackson, Clerk Shawna Jenkins, Police Chief Todd Frederick, Wastewater Plant Manager Chris Klinghagen, Liquor Store Manager Nancy Campbell, Fire Chief Ron Lawrence, and Attorney Kelli Bourgeois and Damien Toven. Absent was Public Works Director Bob Gerold

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of May 10, 2018

EDMONDS MOVED TO APPROVE THE REGULAR MEETING MINUTES OF MAY 10, 2018. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
   1. Mille Lacs County – Carson & Barnes Circus June 12, 2018
   2. Mille Lacs County Fair Temporary 3.2% malt liquor permit
   3. Food Vendor License for Eric Strandberg – E & J’s Sweet Treats
   4. Annual Transient merchant license for Amber Endicott, Edward Jones Financial

B. Personnel
   1. Public Works Nicholas Nelson Step 3 increase effective 6-11-18
   2. James Ahner & Mark Ellington from Probationary Firefighter to Regular Firefighter
   3. Public Works Seasonal – Lake Glaser & Owen Mason
   4. Transfer of Dan Pierce from Public Works GMII to Wastewater

C. Donations

D. Miscellaneous
   1. CDBG Loan for Sewer backup

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

OPEN FORUM

Al Davis asked the Council if they would provide a letter of support to replace the damaged headstones of the Veteran’s in Oak Knoll Cemetery. He has met with the American Legion and will be meeting with the VFW as well. He has been informed that if he is able to get support from the city and Veteran’s groups in the area, it usually helps the project to get approved. There is no cost the city.

Edmonds asked about the cost of cement work. Davis replied that he hopes to have volunteers assist in doing the cement work.

Walker asked what type the monuments would be. Davis said he believes they are marble and replicas of the that era. Reynolds asked how many stones need to be replaced. Davis said he has not taken an inventory of the cemetery. He would like to see how long the process takes for the first one.
Charlie and Carol Ossell spoke about the vacant store fronts downtown. There are 20 store fronts that are currently empty. They are doing what they can to promote the downtown, but sees that area being less and less important. They were instrumental in getting the Design Team in here. There is no curb appeal downtown and there needs to be if we are going to attract new business.

Barbian commented that the City is working on a few things and wants the community to know that the Downtown area is important. There are some CDBG funds available that could be used in some cases, and staff is looking at ways to try and bolster those funds. Carol Ossell said she was not aware that the City staff was looking at some options and asked if the city can get the word out to the business owners. Charlie Ossell would like to see the traffic downtown increased.

PUBLIC HEARINGS

A. Development District 7 and TIF 7-1

Whitcomb opened the public hearing at 7:22 pm

Tammy Omdal reported that TIF 7-1, was originally established in 2016 but never certified to the and approved. It has been sent to the County and School District, and no comments were received. The number of units is still estimated to be 16. The biggest change is what is estimated in TIF Revenue. The council could use those funds for additional affordable housing in the future if they so choose.

The other action is a resolution authorizing the advance of up to $130,00 in legally available city funds to pay the Special Assessments, which will allow the city to reimburse itself for special assessments. Barbian added that this is a great way for the city to recoup their costs.

WALKER MOVED TO CLOSE THE PUBLIC HEARING AT 7:29. ZIMMER SECONDED THE MOTION

1. Resolution 18-29

WALKER MOVED TO APPROVE RESOLUTION 18-29 ADOPTING MODIFICATION OF DEVELOPMENT DISTRICT 7 AND MODIFICATION OF TAX INCREMENT FINANCING DISTRICT AND THE ADOPTION OF THE MODIFIED DEVELOPMENT PROGRAM AND THE MODIFIED TAX INCREMENT FINANCING PLAN RELATING TO THERETO. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

2. Resolution 18-31 inter-fund loan Assessment Repayment

WALKER MOVED TO APPROVE RESOLUTION 18-29 AUTHORIZING INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING DISTRICT NO 8-3. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Development District 8 and TIF District 8-3
Whitcomb opened the public hearing at 7:31 pm

Barbian advised that this TIF relates to Aero business park. Staff was doing this for a particular purchaser, but they are not ready to buy a lot at this time. However, since the process had been started, staff decided to continue with the process in case it could be used for another buyer.

Omdal said because there is not a specific project at this time, a modification could be done if another buyer was interested. One limitation is that the city has 5 years for an obligation to be made. If 5 years were to pass and no projects moved forward, the Council would be able to establish a new TIF district in the future. Barbian added that another project in the 5,000-10,000 square feet may come forward in the necessary time frame to modify this TIF.

ZIMMER MOVED TO CLOSE THE PUBLIC HEARING AT 7:36. REYNOLDS SECONDED THE MOTION

WALKER MOVED TO APPROVE RESOLUTION 18-30 APPROVING MODIFIED DEVELOPMENT DISTRICT NO 8 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT 8-3. THEREIN AND APPROVING THE TAX INCREMENT FINANCING PLAN THEREFORE. ZIMMER SECOND-ED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

Engineer Brotzler provided an update on the roundabout. The Contractor is on, if not slightly ahead of schedule. They are aware of the July 4th events, so they hope to be completed.

He added that staff has worked out a different detour route to use during Rum River Fest so the traffic is kept out of downtown.

They are working on final design on Great northern trail with Sherburne County. Last year Sherburne County was successful with receiving a grant towards that roundabout. An RFP has been issued and the designing will begin soon. Sherburne will be coordinating the grant and they plan on having both the trail and roundabout be constructed in 2019.

Brotzler stated that staff is in the process of developing public information on the franchise fees for publication on the website. They are close to the final stages of the Franchise Fee Park Plan. Additional improvements are being identified. The Splash Park and Riverside Park are both on that list.

Reynolds mentioned the Stop sign that is at the Hwy 95 and Hwy 169 onramp, as he has seen several close calls. Frederick replied that the stop signs were adjusted yesterday, so they should be more visible to motorists.

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. 32nd Annual Elim Fest Road Closure Request for August 26, 2018

Whitcomb stated that as they have for many years, Elim Care and Rehab Center is requesting the ability to close off 8th Ave (to the West of Elim’s Block) on Sunday, August 26th for their 32nd Annual Elim Fest. They are asking if Public works can drop off barricades sometime prior to the
event so they can set them up at around 1:30pm. They will remove them at, or before 8pm after cleanup from the event. They will keep a path open for emergency vehicles. They would also like to borrow the city’s portable generator.

ZIMMER MOVED TO ELIM’S REQUEST TO CLOSE THE PORTION OF 8TH AVE ON AUGUST 26 FROM ABOUT 1:30PM TO 8PM AND TO USE THE CITY’S PORTABLE GENERATOR. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Firehouse BBQ request to sell liquor at Liquor Store

   Firehouse BBQ has asked permission to locate their enterprise in the liquor store parking lot from 2 PM until 7 PM on Fridays.

   They, apparently, will continue to locate in the downtown public parking lot during the lunch hour during the week but want to try marketing for supper in our lot.

   They have the appropriate licensure to locate on private property and Nancy feels it would probably be a good thing as it may draw additional customers to the liquor store.

   Staff feels the final decision should be made by the City Council. If the Council feels allowing the food truck to locate in the liquor store parking lot on Friday afternoons/early evening, then a motion to that effect would be in order. Firehouse BBQ also asked for permission to do this last year, and it went well.

ZIMMER MOVED TO APPROVE FIREHOUSE BBQ TO LOCATED AT THE LIQUOR STORE TO SELL ON SOME SUMMER FRIDAYS. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Princeton Golf Course Noise Ordinance Variance request for June 9, 2018

   Dylan Donner from the Princeton Golf Course is requesting a Variance for a band to play outside from 8pm to 12am on June 9th. It is for their 3rd summer celebration and it is free and open to the public.

ZIMMER MOVED TO APPROVE THE GOLF COURSE’S REQUEST TO HAVE A BAND PLAY UNTIL 12AM FOR THEIR 3RD SUMMER CELEBRATION, AS LONG AS THEY POSITION THE STAGE TO MINIMIZE THE NOISE TO THE SURROUNDING HOMES. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Fairview Scrubby Bear Golf Tournament Request

   Staff advised that the City received this request again this year. Last year, the city sponsored a hole in the tournament for $150.

WALKER MOVED TO SPONSOR A HOLE IN THE FAIRVIEW SCRUBBY BEAR GOLF TOURNAMENT WITH WINE AND SPIRITS GRANT FUNDS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
ORDINANCES AND RESOLUTIONS

A. Ordinance 764, rezoning 601 6th Ave N from B-2 to R-3 – FIRST READING

Barbian advised that the Planning Commission Board approved the Rezoning request at 601 6th Avenue North, from B-2 Neighborhood Business District to R-3 Multi-family Residential, contingent that the City Attorney makes a ruling on if the setbacks need to be met for the R-3 Zoning District.

REQUEST
Nicholas and Tonia Anderson have submitted an application to rezone their property from B-2 Neighborhood Business to R-3 Multiple Family Residential located at 601 6th Avenue North.

BACKGROUND
This property started as a residential home years ago and then changed into a church and had sold for business use with a zoning changed to B-2, Neighborhood Commercial in 2012. The use was a two unit Garden Supply Store and Dog Grooming Shop. Only the west side of the building is seen from Rum River Drive where the front of the building faces 6th Avenue North.

The new owner would like to bring this building back to a two unit residential rental site with built in garages that were originally there, separating the two units. A site plan of what is intended for renovation is included for your review. The renovation will be to the inside of the building, and exterior. The setback requirements for the B-2 and R-3 Districts are the same except for the front yard setback and maximum lot coverage. The property owner would need to follow the R-3 Zoning Ordinance if the rezoning were approved. The owner has spoken to the City of Princeton Building Inspector on building codes to renovate this back to a residential site and understands a building permit would need to be approved prior to any renovations.

Water, Sewer, and Electrical Hook-up
Currently there is one connection for water, sewer, and electrical to the building. The owner will install separate connections for all utilities where the two units will have their own meters.

Addressing
The proposed addressing will stay as 601 6th Avenue North with the east side of the building being Suite B and the west end labeled Suite A.

Existing Land Uses
The neighborhood contains a variety of land uses from commercial to single family home to multi-family homes. The commercial uses, with the exception of “Neighbors on the Rum”, are located on the southwest side of Rum River Drive, which is the same side of the road the subject property is located on.

Future Land Use Plan (Comprehensive Plan)
The Future Land Use Plan designates the entire half block southwest of Rum River Drive between 6th Street North as Commercial/Residential mixed. In 2012, the neighboring site at 605 Rum River Drive North requested to be rezoned from the R-3 Multiple Family Residential District to B-2 Neighborhood Business District because they were selling the site that was used for business and too small to build a residential home on. The Future Land Use Plan and Comprehensive Plan support the proposed use for residential.
RECOMMENDATION
Based on the above analysis, staff recommends the Planning Commission recommend to the Council approval of the rezoning of the property at 601 6th Avenue North, based on the following findings of fact:

1. The proposal complies with the Mixed Residential use since the site is adjacent to neighborhoods.

2. The Mixed Residential is compatible with present and future land uses of the area.

The City Council approval of the rezoning from B-2 Neighborhood Commercial to R-3 Multiple Residential to be subject to the following conditions:

1. The applicant shall follow all building codes and the Zoning Ordinance for the renovation of the building and a Building Permit be submitted and approved prior to renovation.

2. Each unit will have separate utility meters.

Whitcomb said the Planning Commission has held the public hearing. He spoke to Paul Long last night at length about this.

Long presented a petition from some of the neighbors that do not want this to be changed to multi-family residential. He lives directly across the street from this property. It has been a business use for about 30 years. He stated he does not want to see the neighborhood impacted by the kind of tenants that some rental properties usually attract. He would like to have a conversation with the developer and come up with some ideas on how to make the property more appealing to the neighborhood. Also, he thinks there could be several uses for that property and feels that this should be tabled at this time.

Whitcomb thanked Long for the comments and stated that anything they do with the property needs to meeting building code. He added that from the sounds of it, Anderson is going to be putting about $120k into renovating the property, so it should be a big improvement to the building's current condition.

Owner Nicholas Anderson said he understands the current exterior does not look very good. They are putting new siding on and installing new windows. He currently owns 6 other properties in town and has zero vacancy. He uses a property management company, and complete backgrounds and financial checks are done on all tenants. They get good renters into their property and have very little turnover.

Walker asked how they will do the external work if the building is on the property line. Nicholas replied that the lot lines are close to the one building to the north. However, the contractor that owns that building is a friend of his, so there shouldn’t be any issues completing that work. Everyone else is across the street from the property.

Edmonds said it sounds like with the improvements being made the property will look much better than it does now. Zimmer added that affordable housing is always needed.

ZIMMER MOVED TO INTRODUCE ORDINANCE 764 REZONING 601 6TH AVE N FROM B-2 TO R-3. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
UNFINISHED BUSINESS

NEW BUSINESS

A. Aldi’s temporary sign and construction easement

Barbian advised that Aldi’s is proposing a pylon sign that they have submitted a permit for. This agreement is to provide an easement and has been reviewed by Paul Dove.

Walker stated he does not have any issues with the easement agreement, as it seems reasonable. He does not want to see a lot of pylon signs, so would be in favor with Aldi’s sharing a sign with the liquor store.

WALKER MOVED TO APPROVE THE EASEMENT AGREEMENT WITH ALDI’S. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Edmonds asked if there is a distance required between signs. Barbian replied that he would have to look into that. However, where they are proposing their pylon sign is quite a way from the current liquor store pylon sign.

B. Public works / Parks Lawn mower purchase

Jackson advised that the Park and Recreation 2018 CIP budget includes $90,000 for the purchase of lawn mowers. Staff is proposing that the city purchase 2 Toro Master 7500 72” Deck 37HP Yanmar diesel mowers. This mower is on the State Bid, and staff is looking to purchase these from Princeton Rental.

ZIMMER MOVED TO APPROVE THE PURCHASE OF THE 2 LAWN MOWERS FOR A TOTAL OF $43,367.68 AS REQUESTED. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. 2018 Sealcoating Bid Award

Jackson reported that staff advertised for Sealcoating bids with a deadline of 11am on Monday, May 21nd 2018. The Bid was advertised on the City website, in the Finance and Commerce Magazine and the Union Eagle.

The following bids were received.

**Pearson Brothers**  
11079 Lamont Ave. N.E.  
Hanover MN 55341  
763-391-6622  
Contact: Jack or Russ Pearson  
Email: chris@pearsonbrosinc.com  
$.84 per square yard

**Allied Blacktop**  
10503 89th Ave. N.  
Maple Grove MN 55369  
$.91 per square yard
Caldwell Asphalt
24060 175th St. N.E
Hawick MN 56273
320-243-4023
Contact: Troy Caldwell

$1.00 per square yard

Staff was surprised that the bids came in where they did, so we will be adjusting the roads that will be done this year.

EDMONDS MOVED TO AWARD THE SEAL COATING TO PEARSON BROTHERS AT $.84 PER SQUARE YARD, AND FOR ROADS TO BE DONE UP TO THE BUDGETED AMOUNT. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Robert Barbian Step 3 increase

Whitcomb advised that Barbian and himself sat down last week and had an evaluation based on the forms that the Councilors and Supervisors filled out.

WHITCOMB MOVED TO APPROVE A STEP 3 INCREASE TO ROBERT BARBIAN. WALKER SECONDED THE MOTION.

Barbian thanked the council and staff for the support he has received.

Walker said in the initial contract there was a moving allowance to be paid after the 6-month re-view. Jackson said that will be processed.

THE MOTION CARRIED UNANIMOUSLY

E. Advertising for Community Development Director

Whitcomb would like to re-advertise for the Community Developer Director position. He would also like one other council member to be a part of the applicant review process.

ZIMMER MOVED TO APPROVE ADVERTISING FOR THE COMMUNITY DEVELOPMENT DIRECTOR’S POSITION. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

F. Abandonment of Mille Lacs County Ditch #1

Barbian reported that he has been informed that there are quite a few people that are very concerned about this. He was asked if the City would write a letter of objection. It is believed the Princeton airport and West Branch of the Rum River would be impacted by an abandonment of this ditch.
Edmonds added that if this ditch was closed, the lake would rise and be very detrimental to the Southwest side of the City.

Walker asked what will happen if the ditch was abandoned. If it would be closed. Barbian responded that he has been told that each property owner could do what they wanted with the ditch.

WALKER MOVED TO HAVE STAFF DRAFT A LETTER OF OPPOSITION TO THE DITCH BEING ABANDONED. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

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 $132,127.05 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 77445 TO 77500 FOR A TOTAL OF $237,534.74. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CLOSED SESSION

A. Cingular Wireless, Negotiations
B. Flushable Wipes Litigation

Whitcomb announced that the agenda items for this meeting is to discuss Cellular Wireless negotiations and the flushable wipes litigation.

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 the litigation in question.

- 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 the sale of the property.
- The only business to be discussed in this portion of the meeting is the flushable wipes litigation and what action, if any, should be taken.

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

EDMONDS MOVED TO CLOSE THE MEETING AT 8:33 PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ZIMMER MOVED TO ADJOURN THE CLOSED SESSION OF THE MEETING AT 9:00PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
ZIMMER MOVED TO ACCEPT THE SETTLEMENT ON THE FLUSHABLE WIPES LITIGATION. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT
There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 9:00PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

__________________________
Shawna Jenkins
City Clerk

ATTEST:

__________________________
Paul Whitcomb, Mayor

City Clerk