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, and Jeff Reynolds. Others present: Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Public Works Director Bob Gerold, Development Director Jolene Foss, Clerk Shawna Jenkins, Fire Chief Ron Lawrence, Engineer Andy Brotzler, and Attorney Damien Toven. Absent was Jules Zimmer.

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of June 7, 2017

WALKER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF JUNE 7, 2017. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
   1. Peddling permit for RG Enterprises – Kirby Vacuums
      d. Kasey Altenhofen  e. Jasmine Reddell
   2. Fireworks for sale – 505 19th Ave S

B. Personnel

C. Donations/Designations

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

OPEN FORUM

PRESENTATIONS

A. City Audit Presentation

Jackie Knowles with BerganKDV reported on the City’s 2016 Audit.

Their opinion on the City’s basic financial statements is unmodified and has the highest level of assurance. No reported items on the Minnesota Legal Compliance.

In regard to government auditing standards, there is one carryover internal control comment in regard to segregation of accounting duties, and one new comment regarding donated playground equipment, which was adjusted.

They have provided some management recommendations with the liquor inventory process and test counts, negative fund balances and inactive funds.

Fund revenues, expenditures and balances have remained fairly consistent over the last few years.

EDMONDS MOVED TO APPROVE 2016 AUDIT. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
PUBLIC HEARINGS

A. Crystal Cabinets Business Subsidy

Foss reported that Crystal Cabinets Works has requested the assistance of the City of Princeton in the application for both a MN Investment Fund (MIF) and a Job Creation Fund (JCF) loan from the State of MN Department of Employment and Economic Development (DEED).

These loans will be used for a large expansion of their current operations. The expansion will include construction of a new building, new machines and this will facilitate the creation of 20-40 new jobs that meet wage requirements.

These loans are a way for businesses to expand with a low interest loan that is secured through the local unit of government. The City has successfully participated in loan applications like this in the past. When the borrowing entity pays back the loan funds, $100,000 gets paid directly back to the City to be used in a Revolving Loan Fund (RLF) account, while the remainder gets returned to DEED. Crystal is not asking for additional tax incentives, but the State of MN prefers to see a local government commitment. Staff is suggesting that we forgive $1000 per full time job created with a maximum of 40. That would mean that if all 40 jobs were created, $60,000 would be the amount returned to the City of the RLF.

The MIF loan will be for the amount of $450,000. The JCF loan application will be in the amount of $150,000. This amount is less than 10% of the total project cost.

The City Council has identified economic (tax base) growth and job creation as priorities for the City of Princeton. This is a way the City can show its support for businesses and job creators.

Staff is asking for the approval of Resolutions of Support #17-30 and #17-31 contingent on Financial and Attorney review for the application of these loan funds.

WHITCOMB OPENED THE HEARING AT 7:18

There were no comments

EDMONDS MOVED TO CLOSE THE PUBLIC HEARING AT 7:18. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Resolution 17-30 – Support of a job creation fund application

WALKER MOVED TO APPROVE RESOLUTION 17-30 IN SUPPORT OF A JOB CREATION FUND APPLICATION IN CONNECTION WITH CRYSTAL CABINETS. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

WALKER MOVED TO APPROVE RESOLUTION 17-31 IN SUPPORT OF A MINNESOTA INVESTMENT FUND PROGRAM APPLICATION IN CONNECTION WITH CRYSTAL CABINET WORKS. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Planning Commission Minutes of May 22, 2017

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Wine and Spirits Grant Request – Fairview Scrubby Bear Committee

Karnowski advised that the Fairview Scrubby Bear Committee is requesting a Wine and Spirits Grant request of $100 or more to provide stuffed animals for their pediatric patients.

Edmonds was asking if they can sponsor a hole in their golf tournament. Walker stated if we sponsored a hole, the city’s name is out there more. He said it seems like a great program.

WALKER MOVED TO APPROVE $150 WINE AND SPIRITS GRANT TO SPONSOR A HOLE IN THE SCRUBBY BEAR GOLF TOURNAMENT. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. City Council Action Request for Claire Bear 5k Run/Walk

Karnowski reported that Jaime Grant with New Life Church would like to hold their 3rd Annual “Claire Bear 5k Run/Walk” on August 26th. The route has been approved by the Police Department.

Edmonds asked if they were looking for a police assistance. Frederick responded that they usually have their people out in vests assisting the runners, but he will likely provide a couple police reservists to help. He said he will also contact the sheriff's office to notify them of the race.

REYNOLDS MOVED TO APPROVE THE ROUTE AND REQUEST FOR THE CLAIRE BEAR 5K RUN/WALK ON AUGUST 26TH, 2017. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. City Council Action Request for Princeton Block Party

Karnowski stated that Scott Berry is requesting a road closure, barricades and use of the City's generator for the 8th Annual Block Party on July 28th.

Whitcomb said he did hear from a business downtown that is concerned about the streets closing down when they are open during the day. He asked that they work with the downtown businesses to keep access open for those customers for as long as possible.

Frederick asked what time the event starts. Cyndy Miller responded that it begins at 4pm, but they would like to close the road at noon to get vendors set up.

Frederick asked if they will be serving any alcohol. Miller responded that the VFW may fence off a section in front of their location and serve, but they have not gotten back to her as of yet.

Frederick asked Miller if they could set up the side street first to keep Rum River Drive open as long as possible. Frederick and Gerold discussed the best way to detour the traffic.
WALKER MOVED TO APPROVE THE ROAD CLOSURE FOR THE BLOCK PARTY ON JULY 28 AND USE OF BARRICADES AND THE CITY’S GENERATOR. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. City Council Action Request for Summer Bash Dash

Karnowski reported that Mary Beth Torberg with Christ Our Light Church is requesting a Three mile Run Walk from the Fairgrounds main entrance out 14th Ave N, to First Street and following the sidewalk back to the Fairgrounds main entrance. They would like a Police Reserve at the intersection of First Street and 21st Ave South from about 10:30am until the run/walk is complete.

REYNOLDS MOVED TO APPROVE THE ROUTE FOR CHRIST OUR LIGHTS SUMMER BASH DASH ON AUGUST 19TH. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ORDINANCES AND RESOLUTIONS

UNFINISHED BUSINESS

A. Drug Task Force Update

Frederick an update and timeline in regards to creating a position with the Sherburne County Drug Task Force as well as the hiring of a new officer to fill the position vacated for the task force spot.

- 06-30-2017 - Finalize job description for the drug task force position.
- 07-15-2017 – Complete question and answer for officers regarding position with Sgt. of Sherburne County Drug Task Force.
- 09-01-2017 – Start training requirements for Drug Task Force Officer.
- 10-01-2017 – Start hire processes for new officer.
- 12-01-2017 – New Drug Task Force Officer Start job shadow with Sherburne (1 week).
- 01-01-2018 – Position starts with Sherburne County.

Along with the timeline, he provided a more detailed financial / budget for the position. This includes items that will need to be purchased new, or items that will come out of the department’s yearly budget along with a budget increase though out the years.

- Purchase of a vehicle (civilian) and equipment. Approximately $12,000.00
- Training before position. These classes (3) will be absorbed into the current budget.
- Cell phone. $45.00 a month as well as the purchase of the phone for a total of approximately $650.00
- Overtime budget for DTF Officer. An increase of approximately $5,500.00 a year.
- “Buy Money” $5000.00 a year will be set aside for the use in drug investigations.
• Purchase of a duty weapon (Handgun) $500.00 for new officer.
• Uniform and equipment purchase for new officer.
• Salary increase of DTF officer. $0.60 an hour.
• Addition of new officer Salary.

Walker questioned if the purchase of the vehicle and equipment would be a yearly cost. Frederick responded that their thought was to cycle them through with the officer, so every 3 years. They are thinking of using a forfeited vehicle, but if they cannot find a good one, they will talk to Princeton auto to see if they can help out.

B. Airport Taxiway asphalt cost update

Karnowski advised that at a previous meeting there was a request from one of the Airport Hangar users (Rick Hoffman) for the city to asphalt the gravel area connecting the old airport runway (currently being used by the public safety folks as a roadway) to the main taxiway to reduce the amount of gravel that ends up on that taxiway. The Council directed staff to get an estimate on the cost for that unbudgeted improvement.

The Public Works Director, Bob Gerold, advises that the estimated cost would be somewhere between $1,200 and $1,500. At this week’s Airport Advisory Board there appeared to be support for that improvement.

The police department has reported that with the new signage, the amount of traffic driving through there has dropped off drastically.

Whitcomb asked how large of an area. Gerold responded that it was measured at 9 feet wide x 145 feet long. They salvaged some milling from a previous project, and it will be about an inch and a half thick.

Walker stated that he does not know if it will increase traffic through the area, but he is in support for the safety of the pilots.

EDMONDS MOVED TO APPROVE PUBLIC WORKS TO PAVE THE 9’ X 145’ AREA ON THE GRAVEL SECTION BETWEEN THE PUBLIC SAFETY BUILDING AND AIRPORT. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

A. Elimfest Request

Karnowski advised that Elim Care and Rehab Center is requesting the ability to close off 8th Ave (to the west of Elim’s block) on Sunday, August 20th for their 31st Annual Elim Fest. For nineteen years, they have used 8th Avenue and hope to again use it because of its proximity to Elim and ease of use for their rehab center and Caley House residents.

If their request is approved, they are asking if the Public Works Department can drop off barricades on the boulevard sometime before the event and they will set them up at both ends of the block at around 1:30pm, and they will remove them at or before 8pm after cleanup from the event. As in the past, they will keep a path open on the north side of the street for ambulance and other emergency vehicle access. They would also like to use the city’s portable
generator if possible.

WALKER MOVED TO APPROVE THE STREET CLOSURE OF 8TH AVENUE AND THE USE OF THE CITYS BARRICADES AND PORTABLE GENERATOR FOR THE EVENT ON AUGUST 20TH. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Elk River Lucas Units Contribution

Lawrence stated that on behalf of the Princeton Fire & Rescue Department, he is respectfully asking the city council to approve a donation of two Lucas devices from Elk River Ambulance to the PFRD.

These units provide mechanical CPR for patients in Cardiac Arrest, freeing the first responders to do other treatment. Elk River Ambulance is only asking that a letter of release of liability be signed.

WALKER MOVED TO APPROVE THE DONATION OF TWO LUCAS DEVICES WORTH APPROXIMATELY $7000 EACH USED FROM ELK RIVER AMBULANCE TO THE PRINCETON FIRE AND RESCUE DEPARTMENT AND FOR STAFF TO DRAFT THE APPROPRIATE LIABILITY OF WAIVER. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

C. New Sewer Camera quote consideration

Karnowski stated that public works received estimates for a new sewer camera. The lower of the two estimates is $32,312.00 with an additional $592 for a pneumatic wheel set.

In addition to the quote, Gerold is planning on spending an additional $4,500 for a new trailer for that new equipment as the current camera has suffered from being transferred from its storage spot at the public works building to various trucks. That said, even with the proposed additional cost of the trailer, he will still be under budget for the total package.

Walker asked what type of trailer they are looking to buy. Gerold replied that they were originally looking at a trailer mounted system, but they determined they could set up a trailer themselves for less money.

WALKER MOVED TO APPROVE THE PURCHASE OF SEWER CAMERA WITH PNEUMATIC WHEEL FOR $32,904. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

D. Kwik Trip Development Agreement

Foss advised that Scott Teigen, VP Real Estate Kwik Trip, is proposing to enter into an agreement with the City of Princeton regarding the development of a city street located at 8th Avenue South, behind Shopko, to facilitate ingress/egress at the proposed new construction of a Kwik Trip Convenience Store and Car Wash.

City Attorney, Paul Dove, has drafted a Development Agreement regarding the design standards and construction of the new City Street. This draft is a standard development agreement,
with the exception of the specific language included that acknowledges that the storm sewer system along Northland Drive which was installed in the early 90’s does not meet a 10-year storm event design.

The Planning Commission held a site plan review and with the guidance of the City Engineer, has determined that approval of the site plan would be in order. The Planning Commission agrees that although the storm sewer is at capacity, the City will allow the addition of the 8th Ave South drainage, with the understanding there may be some localized street flooding during certain rain events. If there were a larger rain event, overland overflow routes are present that will provide flood protection. Planning Commission does not see this possibility as an issue that would prevent the project from completion.

Staff is requesting approval of Development Agreement for construction of 8th Avenue South. The development agreement should be ready for next week. Walker asked for clarification that the development agreement is currently being reviewed by the attorney. Foss replied that was correct.

WALKER MOVED TO APPROVE THE KWIK TRIP DEVELOPMENT AGREEMENT CONTINGENT ON ATTORNEY AND STAFF APPROVAL. EDMONDS SECONDED THE MOTION.

Edmonds asked why they are looking at that location, as in his opinion it seems to be an odd location because of where the entrance would be. Foss said they are working with Shopko, McDonalds and Caribou to redo that entrance, so it will be much improved.

Whitcomb said he feels it will be a welcome addition to the city.

THE MOTION CARRIED UNANIMOUSLY

E. Small Cities Development Program – Mille Lacs County Historical Society

Foss reported that Mr. Barry Schreiber, on behalf of The Mille Lacs County Historical Society, is requesting $15,000 of the Small Cities Development Program funds to use in conjunction with a donated gift of $25,000 for energy improvements, accessibility improvements and code violation corrections.

The Small Cities Development Program allows commercial and residential property owner the opportunity to use funds for necessary improvements, with the potential for the funds to become a forgivable loan after a period of ten years. When previous awardees have sold the property before the 10 year time frame, the returned funds go into a separate budget for reuse.

There is currently approximately $34,000 remaining in the returned fund account.

The Historical Society is requesting the funds in the form of a 10 year, 0% interest loan, reducible by 10% of the original loan amount each year the building is owned by the MLCHS and used for public purposes.

The specific projects that will be completed include: Main entry door upgrade to ADA standards, depot bathroom upgraded to ADA standards, asbestos abatement from depot basement, dry pipe, in ceiling sprinkler system in Amdall room, and ceiling insulation.
Walker questioned if the Small Cities Development program is a forgivable loan. Foss replied that it is a forgivable loan.

Edmonds asked where it originated from. Foss replied that it funnels through from Lakes and Pines. If a property is sold before the time frame is up, the loan is repaid and goes back into a fund to use for future forgivable loans.

WALKER MOVED TO APPROVE THE SMALL CITIES DEVELOPMENT LOAN TO THE MILLE LACS COUNTY HISTORICAL SOCIETY. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

F. Proposed WWTP Telemetry Improvements

Karnowski advised that staff has received a proposal from In-Control to provide the materials and services to improve the reliability, diagnostics and alarm management of the existing city sewer lift stations’ telemetry system.

The new system will monitor lift station pumping operations and provide an alarm system for City staff. Our current system is an isolated system that is not connected to the plant’s SCADA system. In addition, some current station locations currently have difficulty with reliable communications. The current radio modules are obsolete and replacements are no longer available.

The proposed telemetry improvements will integrate lift station monitoring and alarming into the existing sewer plant SCADA system which will provide a common alarm notification system for City staff. New radio modules and antennas will provide increased toughness, enhance security, new communication status alarming and also offers future capabilities for remote lift station control or coordination.

The new system will operate at 900 MHz with frequency hopping data encryption / authentication technology and will not require FCC licensing. Two new telemetry locations on PUC water towers will act as repeaters between the city’s lift stations and the WWTP.

The city has $100K budgeted in the CIP but we will need more than what the proposal indicates because of the need to hire an electrician to do some of the work. Gerold will have an estimate for the electrician work before the Council meeting.

Note that the city did not get a second quote because In-Control was the company specified in the recently completed main lift station upgrade. Because of the need to make sure the entire lift station monitoring system is compatible, In-Control was selected for this project.

Gerold stated that the additional electric work is estimated to be around $15,000. With the electrical work needed, the entire project will likely slightly exceed the amount budgeted for. The biggest variable is if we can use the antenna at city hall, or if they need to use the water tower.

WALKER MOVED TO APPROVE THE BID AS PRESENTED FROM IN CONTROL. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
MISCELLANEOUS

BILL LIST
REYNOLDS MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF $135,877.88 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 75756 TO 75810 FOR A TOTAL OF $231,404.34. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT
There being no further business:

EDMONDS MOVED TO ADJOURN THE MEETING AT 7:54PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted, ATTEST:

Shawna Jenkins Paul Whitcomb, Mayor
City Clerk