

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
OCTOBER 22, 2020 7:00 P.M.**

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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, Police Chief Todd Frederick, Public Works Director Bob Gerold, Community Development Specialist Stephanie Hillesheim, Clerk Shawna Jenkins, Liquor Store Manager Nancy Campbell, Fire Chief Ron Lawrence, Wastewater Plant Manager Chris Klinghagen and Attorney Damien Toven.

**AGENDA ADDITIONS/DELETIONS**

Zimmer would like to delete item 12.3, in regard to Mayor Schumacher's income tax returns being reviewed by the City Attorney, as he does not believe it is city business.

Schumacher stated that is in response to what came up in the mayoral forum in regard to his place of residence. It has also been brought up on Social Media that he, his wife and children do not live in Princeton. His tax returns will show that he is not married, does not have children and lives in the City.

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

**CONSIDERATION OF MINUTES**

A. Regular Meeting minutes of October 8, 2020

J GEROLD MOVED TO APPROVE THE OCTOBER 8, 2020 REGULAR MEETING MINUTES. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**CONSENT AGENDA**

A. Permits and Licenses –

B. Personnel

1. Police Officer Shane Duncan Step Increase effective 11-6-20
2. Approve rehiring of Public Works GM1 Bob Blackwelder

J GEROLD MOVED TO APPROVE SHANE DUNCAN'S STEP INCREASE EFFECTIVE 11-6-20 AND THE REHIRING OF GM1 BOB BLACKWELDER. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

C. Donations and Designations

D. Trespass Reinstatements

1. Juvenile S.J. – Case #20003669, starting date 10-23-20
2. Juvenile C.H. – Case #20003669, starting date 10-23-20

ZIMMER MOVED TO REINSTATE TRESSPASSES FOR JUVENILE S.J. AND C.H. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**OPEN FORUM**

Hennagir asked the Council about the Study Session closed session regarding the City Administrator

Review and if they will provide a summary statement, and the closing motions and times. Schumacher said they will not be providing a summary.

Schumacher advised that there was an open forum email from Lee Steinbrecher regarding item 12.3, but that has been removed from the agenda.

Thom Walker, also submitted an open forum request and he was present at the meeting to speak. He also feels it is not appropriate for the City Attorney to review the Mayor's Tax Return to prove residency which has been a question of concern for some residents. He stated that it was assumed that he had a wife and children as there was a family photo on his website.

### **PUBLIC HEARINGS –**

**PRESENTATIONS / SPEAKERS** - None

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

- A. Planning Commission – First Street Apartments – Broadway Development - Verbal
- B. Community Development Report - Verbal
- C. Staff update on Wine and Spirits Grant Requests

### **PETITIONS, REQUESTS, AND COMMUNICATIONS - NONE**

### **ORDINANCES AND RESOLUTIONS**

### **UNFINISHED BUSINESS**

- A. CKW Developer proposal on Anderson property.

Barbian reported that he and Mayor Schumacher met with Shawn Williams Wednesday the 14th to hear his company's proposal to develop the Anderson property.

Shawn Williams with CKW has contracted to buy the Anderson property on West Branch Street. He has indicated that he would like to develop the property into two multiunit buildings. Attached you will find a concept drawing he has submitted. William's has indicated his purchase is dependent upon working out arrangements with the City. You will find his proposal attached.

Direction from the City Council on terms acceptable to the City Council will be a discussion item for the October 22nd meeting.

In reviewing the proposal, a couple questions exist on two terms proposed. As you will see in the proposal, he would like the special assessment of 20,144.06 plus interest of 9,510.00 be reestablished at 20,144.06 over the proceeding 10 years at 4%. This essentially be waving all back interest. The question being, should the City Council be agreeable can it be done? According to Shawn, the County treasure, Eric Bartusch, says it can. The second question, can a portion of the assessment be written off down the road should certain performance occur, such as covered in number 7 of the proposal? Research has been occurring.

The following is an excerpt from the City Attorney Toven email:

There is nothing in the statutory framework that specifically authorizes a waiver as you referenced. However, there is nothing that specifically prohibits it. The intent behind the statues is to ensure cities are reimbursed (in part) for improvements that benefit properties for public projects, as well as to protect property owner's rights to due process.

Here, the City will ultimately be paid the property's fair share of the project costs as assessed, and the property owner is in agreement with the changes. Therefore, we feel the city may move forward with a waiver of interest (assuming bond counsel does not express concern).

We feel it would be very important to have a detailed developer's agreement that outlines the terms and that we perhaps have the new owners execute a consent to the new assessment. It may also be prudent to have the council pass a resolution approving the developer's agreement and amended assessment.

CKW proposal:

- 1) Anderson's sell property direct to CKW Developers LLC / PA Signed
- 2) City agrees to include 17' of alley on west end of property to CKW Developers LLC property
- 3) CKW Developers LLC is going to try and work out an agreement with west end of property land owner to obtain all of alley for future development
- 4) Closing costs will be paid for by CKW Developers LLC
- 5) CKW Developers LLC agrees to pay special assessment \$20,144.06 with new Amortization Schedule dated 12/31/2020 at 4% with a final payment due 12/31/2030 as previously scheduled.
- 6) City agrees to provide 1065 cubic yards of fill from Cemetery location. This is determined by WSB & Associates. CKW Developers LLC will pay to import fill to property.
- 7) West Branch Street Storm Sewer Extension needs to be discussed. Value of work \$6,950.00 - Estimate provided by Paul Johnson West Branch Construction

Council consensus was to have this come back to the Study Session for discussion in a closed session.

#### B. Sylva Lease Agreement

Barbian advised that there has just been a small change to the current lease in regard to notification if the lease being terminated.

EDMONDS MOVED TO APPROVE THE SYLVA LEASE AGREEMENT. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### C. Taxiway Grant Application Consideration

Barbian reported that the FAA's recent decision to not to fund the Princeton Taxiway Rehabilitation

project in the 2020 grant cycle due to a COVID-19 shortfall in their discretionary account, which was the original source for the project funding, lead to the project not being awarded this summer. With the additional funding offered by the CARE'S Act, other airports decided to move their projects forward straining the discretionary account which ultimately led to the inability to fund the taxiway. This project still has the support of the FAA and MnDOT.

The taxiway pavement is currently 32 years old and has a PCI value ranging from 58 to 72 (2014). The pavement has reached the end of its useful life. There are numerous longitudinal and transverse cracks. Patching has been completed to address larger cracks. The projected PCI is as low as 50 in year 2021.

Major reconstruction and lights are necessary to extend the useful life of the taxiway. The unanticipated shortfall of the grant funding for construction leaves the City with a set of plans that cost approximately \$270,000 with a limited useful time to be put to use. The plans will become obsolete within three years. The total estimated cost for this construction project is \$1,785,000 with \$127,376 estimated as the local share in addition to approximately \$10,000 to rebid the project in the spring.

The FAA requires that a Grant Request be completed for upcoming projects to obtain federal dollars. This year a request for federal funding to complete the parallel taxiway reconstruction at the Princeton Municipal Airport in 2021 is needed. This is the final phase of the airfield reconstruction project that was started in 2017.

KLJ requests that the Grant Request be approved to request FAA and MnDOT Aeronautics funding for the construction costs of the parallel taxiway rehabilitation project.

ZIMMER MOVED TO APPROVE THE GRANT REQUEST FOR THE PARALLEL TAXIWAY REHABILITATION PROJECT TO BE DONE IN 2023 IF APPROVED. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

D. Capital Improvement Plan

Jackson briefly went over the new items that have been added to the Capital Improvement Plan. The CIP will be on the agenda for the Study Session as well.

E. Approval for purchase of 2 AED's with CARE Funds

Lawrence stated he is asking for council consideration to purchase two AED's with Wall cabinets with CARES money. These AED'S will be placed at the Public Works Building and at the Waste Water Treatment Plant. The cost for these two AED's will be approximately \$4000.00. I would maintain them annually when I do the fire dept's, city hall and liquor store AED's.

J GEROLD MOVED TO APPROVE THE PURCHASE OF 2 AED'S WITH CARE FUNDS. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**NEW BUSINESS**

A. Resolution 20-62 – TIF Decertification

Jackson advised that this is to decertify Tax Increment Financing District No. 1-2. Unspent tax

increments of \$12,892.42 shall be returned to the County Auditor of Mill Lacs County for distribution to the affected tax jurisdictions in accordance with Minnesota Statutes, Section 469.176, Subd. 2.

J GEROLD MOVED TO DECERTIFYING TAX INCREMENT FINANCING DISTRICT NO. 1-2 AND RETURNING TAX INCREMENTS TO THE MILLE LACS COUNTY AUDITOR. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Light up Princeton at Riverside Park

Hillesheim reported that the Princeton Area Chamber of Commerce and downtown businesses have previously held a light parade through downtown on Small Business Saturday as a way to increase activity downtown and as a way to boost local economic development for the holiday shopping season. 2020 has been an interesting year for everyone and the original goal was to revive the light parade in downtown Princeton, but due to social distancing procedures this event was not feasible. Thinking of ways to promote community, positivity and put Princeton on the map for regional visitors, and hopefully increase holiday shoppers, the Light-up Princeton event was de-vised. The plan is for this event to become an annual tradition for the City of Princeton and the community.

In conjunction with the Riverside Park light display (including lighting the trees along Rum River Drive) and event, local businesses will be encouraged to participate by lighting up their windows and buildings while participating in a lighting contest to run. The theme for this year's event will be focused on the Grinch. A map will be created with all of the participating businesses identified for visitors to view. This map will also include the locations of the PUC lighting contest entrants. As part of the Small Business Saturday the Chamber is also hosting a Shop Local QR Code Scavenger Hunt, as another incentive and push to encourage people to shop in Princeton this holiday season.

The lighting ceremony will take place around 6pm on Saturday November 28th with special visitors: Santa and the Grinch. The display will Light-up Princeton every night through Jan 1, 2021.

The total budget for the event is estimated to be approximately \$14,000. We have just started requesting donations and volunteers form area organizations as a way to help cover costs and some of the manpower necessary. We have received a generous donation of \$1,000 from Princeton Insurance for the event. The plan is to make more community requests from other local organizations and businesses who have a will to make this event a success. Though this may seem like a steep cost, it is an initial in-vestment that will create a new tradition for years to come, in a year where the community is in need of some positivity. The costs in years forward will be less substantial and can be budgeted for as an addition to the Beautification Committee (flowers and holiday street light) expenditures.

Additionally, the City of Princeton residents and visitors have shown their love for the Riverside-Riebe Park project improvements and the park has truly become a community asset and source of pride. This event would provide the city another opportunity to capitalize on the unique sense of place Princeton has created.

From a Community Development standpoint, events like this are essential to helping create a community worth visiting and even moving to. A recent study from the U of MN Extension has found that in rural Minnesota it is not only jobs that are attracting new residents and families, but due to the nature of transportation opportunities, families are choosing to live where they see the pace of life and community they desire. Though these kinds of events may seem frivolous or unnecessary they truly help com-munities grow and increase commercial sales and visits.

City staff recognize this event was not previously budgeted for, but in addition to the funds donated by Princeton Insurance, have left over funding in the Community Development – Community Promotion line item to cover \$4,000 of the costs to put on the event. The Chamber of Commerce has also received funds from Explore MN to promote an event like this to include newspaper ads and outreach to the local and neighboring communities, maps of the contest entrants, as well as signage (not included in the total budget).

In discussions with the PUC, they have provided us with a rebate program to help cover the cost of the LED lights we purchase for the project, which can cover up to 50% off (depending on the number of bulbs, costs, etc.).

Conversations regarding plowing of the park road, potential vandalism and other issues have occurred at a previous supervisor meeting.

City staff recommend moving forward with this project in some fashion (as the council sees fit) as a way to bolster the local economy and encourage community togetherness.

ZIMMER MOVED TO HAVE STAFF PROMOTE AND SEEK DONATIONS FOR THE LIGHT UP PRINCETON, AND THAT THE CITY WILL MATCH UP TO \$5,000 IN DONATIONS. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

~~C. As stated in Mayor Forum – Mayor Schumacher volunteers to have the City Attorney review his personal income tax returns for 2018 and 2019 and provide a written statement regarding his home listed on the tax returns from both years.~~

### **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 \$504,913.14 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 81925 TO 81991 FOR A TOTAL OF \$457,175.33. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **MISCELLANEOUS**

#### ADJOURNMENT

There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 8:50PM. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

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Shawna Jenkins Tadych  
City Clerk

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Brad Schumacher, Mayor