

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL  
HELD ON APRIL 22, 2021 7:00 P.M.**

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Mayor Thom Walker called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Vicki Hallin, Jenny Gerold, and Jeff Reynolds. Others present: Administrator Michele McPherson, Finance Director Tracy Peters, Public Works Director Bob Gerold, Police Chief Todd Frederick, Community Development Manager Stephanie Hillesheim, Liquor Store Manager Nancy Campbell, Fire Chief Ron Lawrence, Wastewater Plant Manager Chris Klinghagen and Attorney Damien Toven. Absent was Councilor Jules Zimmer and Clerk Shawna Jenkins

**AGENDA ADDITIONS/DELETIONS**

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

**CONSENT AGENDA**

- A. City Council Minutes of April 8, 2021
- B. Approve Bill List
- C. Electric Vehicle Charger License Agreement
- D. Mayoral Proclamation Thursday, May 6th as the National Day of Prayer
- E. Coborn's Sale of Fireworks April 26 - July 8, 2021
- F. Walmart Inside Sale of Fireworks May 10 - July 8
- G. Approve Firehouse BBQ Food Vendor License for 5 days within 3 months to Park and Sell on Public Property; Pending Background Check
- H. Approve American Legion Application to Conduct Excluded Bingo during the County Fair Aug 11 - Aug 15
- I. Approve Gambling permit for Princeton Lion's Raffle June 13<sup>th</sup>
- J. Accept resignation from Firefighter from Bryan Haubenschild
- K. Splash Park Coordinator Job Description
- L. Recreation and Communications Intern

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

**OPEN FORUM**

**OLD BUSINESS**

**NEW BUSINESS**

- A. Local Board of Appeal and Equalization Meeting, Mille Lacs County Presentation

Mille Lacs County Assessor Daryl Moeller provided a report to the Council.

Diane Constant at 805 17<sup>th</sup> St N stated that she moved from Otsego in 2018. When they received their tax statement, they thought it was for both sides of the townhome. However, if they look at the value, it would likely to sell for that

Terrance Mason lives next door at 807 17<sup>th</sup> St N said he does not know why other properties have much lower taxes. He mentioned a petition that was signed and sent to the Assessor's Department in December.

Walker asked Moeller how the Townhomes in Northfield Commons compare to others in the City.

Moeller responded that he was talking with Ford Slaughter on this as well, so he had gathered some information. There were 23 residential townhome type sales. Before any adjustments, their market values were at about 91.45%, and they did make adjustments so they were updated to 93.95%

He gave an example of a property from that development that sold in March 2020. That property sold for \$267,000. With the state of MN cost adjustment to move that to the current time period, it would have been likely sold for \$277,437. The County currently has that property valued at \$272,900, which is 98.36% of market value.

For another example, one parcel had a value of \$273,700 in 2019, and they left it the same in 2020. Now in 2021, they lowered that slightly to \$272,900. When he first began working for Mille Lacs Assessor's office, the townhomes were undervalued by quite a bit, in the 80% range, so market values needed to be increased to be more accurate.

Comparing the Townhomes, the most expensive was the one mentioned above that the County had valued at \$272,900. The least expensive was one they had valued at \$106,900 which sold for \$112,500. The difference is they are much smaller at 840 square feet and built in 1987. The Townhomes in Northfield Commons and Shady Acres are 1476 to 1672 square feet and much newer. The sales in Northfield Commons and Shady Acres are in the \$255,000 to \$280,000.

Now that the values have been covered, he brought up that many residents are also questioning the actual tax rate. In talking with resident Ford Slaughter from Northfield Commons, he did some comparisons. For an example, If you look at the County, School and City combined, it is about 1.6% tax rate. If you look at a property valued the same in Greenbush Township, the tax rate there is 1.2%. The difference is due to the City's tax levy compared to the Townships. Cities are going to have bigger budgets than the Townships.

If you look at the tax amount for Constant's and Thompson's properties, their tax amount is \$4,416 per year. That property in Greenbush at the same value has a yearly tax amount is \$3,522.

Constant asked if the homes are classified the same. Moeller responded that they are all classified as single residential.

He added that the County has a master spreadsheet that includes all the properties. For the City of Princeton, there are only about 30 properties in the city that are valued more than 270k. These Townhomes are in that list of 30, so they are paying more taxes than some others in the City, as they are in the highest 30 properties in terms of value.

Walker stated that the Council as the Board of Appeal can only change their value, and if they did that, they would have to change everyone's values. Looking at the sales, the properties are valued correctly.

J Gerold said it is really a seller's market right now, but for those that are not planning on sell-

ing, those sales do cause all values to go up, which increases taxes.

Walker said if they want to participate in the budget meetings, they usually start in September, with the final Truth in Taxation meeting being held at the first regular meeting in December.

Reynolds appreciates that residents were able to voice their concerns. It is the council's job to use the tax dollars very wisely, and they take that very seriously.

Moeller added that it is his job to assess every property fairly and ethically. He believes commercial values are a little on the light side, and he has increased those values slightly. He has been in this job for a long time, and he suspects commercial and industrial properties will go up in value more, which will cause the residential taxes to go down slightly, unless Budget's went crazy. Moeller stated that the whole City went up about 11%, so residential should see a slightly lower tax impact. County wide, values went up about 6%. They do not know what budgets will be until they begin seeing the preliminary levies in the fall.

HALLIN MOVED TO MAKE NO CHANGES TO THE VALUE FOR THE 2 PROPERTIES DISCUSSED. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### B. Community Garden Update

McPherson reported that Randy Hatch, Chairman of the Board of Gardeners will be present to provide an update on the Community Garden. He submitted the following written update that he will go over at the meeting:

The community garden group (Board of Gardeners) has meet twice via ZOOM this year and discussed numerous items regarding community gardening and our relationship with the Princeton community.

Sadly they have not seen fit to replace the "Chairman" of the board of gardeners and it remains Mr. Randy Hatch.

Brief rundown of items discussed:

- Adding additional "little Library" at Oak Knoll garden (similar to what was installed by Mille Lacs county Master Gardeners at the Depot Gardens)
- Grass mowing and a set schedule for attending to the issue. (Garden Volunteers)
- Need for garden expansion at Oak Knoll.
- No till gardening concept.
- Additional tool sheds.
- Additional water location (expansion area only)
- Apiary. (progress report)
- Signage at the Gardens
- Princeton Business expo. (The Gardens participation and relationship)
- Porta pottie
- Official opening date and when gardens can be accessed.

C. Resolution 21-20 - accept donation from Fire Department from Monsanto

Lawrence advised that he is asking the council to accept a donation to the Fire Department from Monsanto America's Farmers Grow Communities donation, sponsored by Bayer Fund on behalf of Shelly Farms. This donation is \$2500.00. He is recommending this donation be used to purchase new flashlights for the firefighters.

HALLIN MOVED TO APPROVE THE RESOLUTION 21-20 ACCEPTING A DOAN-TION FROM SHELBY FARMS FOR THE FIRE DEPARTMENT. J GEROLD SE-CONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

D. Wine and Spirits Grant Request from American Legion for Fireworks

McPherson stated that the City has received a request from the American Legion to donate to the July 4<sup>th</sup> fireworks.

HALLIN MOVED TO APPROVE A \$2500 WINE AND SPIRITIS GRANT REQUEST FOR JULY 4<sup>TH</sup> FIREWORKS AS HAS BEEN DONE IN THE PAST. REYNOLDS SE-CONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

E. Ordinance 805 - Amend Fee Schedule; Knox Boxes - FIRST READING

Lawrence advised that he recently placed an order for Knox Boxes and found out the prices increased since the last order. He is suggesting an amendment to increase the cost to cover the City's cost. The cost that is being recommended is the cost of the Knox Box and shipping.

HALLIN MOVED TO INTRODUCE ORDINANCE 805. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

F. Appoint City Administrator and Finance Director

McPherson advised that PMA Financial Network, on behalf of the League of Minnesota Cities, manages the group of 4M investments. Currently, authorized account managers of the City's account are former City Administrator Karnowski and former Finance Director Jackson.

In order to remove the current account managers, PMA Financial Network requires a copy of the City Council meeting minutes with a motion that APPOINTS the City Administrator and Finance Director. Instead of finding the meeting minutes, it is easier to have the Council move the appointments effective to the start dates of each staff person to fulfill the requirements of PMA.

**Recommendation:**

Motion to appoint Michele McPherson as the City Administrator effective March 8, 2021 and to appoint Tracy Peters as the Finance Director effective January 4, 2021.

J GEROLD MOVED TO APPOINT MICHELE MCPHERSON AS THE CITY ADMINISTRATOR EFFECTIVE MARCH 8, 2021 AND TRACY PETERS AS THE FINANCE DIRECTOR EFFECTIVE JANUARY 4, 2021. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

G Approve Scope of Services - Industrial Park Plat

Hillesheim advised that City staff have been working to move forward with the industrial park project, in preparation to sell the land for industrial development. Staff is working on compiling a dedicated timeline for the project. A necessary step forward includes having the land surveyed and the final plat completed by the City's engineer. City staff recently requested the engineer to provide a proposal for surveying services and for producing the preliminary and final plat.

The proposal, provided by WSB, outlines the tasks including the: Preliminary Plat, Topography Survey, and Final Plat. Costs are not to exceed \$18,410. Costs will be covered through proceeds gained from the sale of the land, which is has been priced at \$50,000 per acre. Recommendation: City staff recommends the Council accept the scope of work and approve the expenditure, not to exceed \$18,410, due to it being a necessary expense to move forward with marketing and selling the property.

HALLIN MOVED TO APPROVE THE PROPOSED SCOPE OF WORK WITH THE INDUSTRIAL PARK PLAT FOR NOT MORE THAN \$18,410. DUE TO IT BEING A NECESSARY EXPENSE TO MOVE FORWARD WITH MARKETING AND SELLING THE PROPERTY. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

H. City Administrator Bi-Weekly Report

McPherson provided an update to the Council:

**Chamber of Commerce:** Kim Young, Executive Director of the Chamber, called to inform me that the Chamber is vacating their space at City Hall. They will be renting space from the new owners of the old First Street Antiques space. She wanted me to express to the Council the Chamber's gratitude for allowing them to occupy the City Hall space at no charge for all these years. They begin occupying their new space May 1 and have invited the Council and staff to attend their open house on May 13 at 11 am.

**Airport:** We met with KLJ, the FAA and MNDOT regarding the release of parcels 2, 10, 11, and 18 in preparation of completing the 19th/21st Avenue connection. FAA determined a work-around to accomplish what we need to do in order to get the road built without going through a lengthy review and release process with the FAA. The solution will be to grant easements over parcels 2, 10 and 18 for street, drainage and utility purposes from the City as the Airport Sponsor to the City. The City as the Airport Sponsor will deed all of parcel 11 to the City in fee title. The City will deed Outlot C of Air Park Addition to the Airport. This moves the project back into 2021 instead of delaying to 2022. While this is good news for the road project, it did not help staff identify the process for the potential release of the parcel that the

Flight Service Station (FSS) is located on. Staff met with Jeff Watkins of Inline Packaging regarding the FSS; they are going to be adding a third production line and need an additional 30,000 square feet of warehousing to move the materials that are located in the area of the proposed line. Staff will be assembling information regarding the FSS and will schedule another meeting with Mr. Watkins.

A daytime flight inspection for the runway was completed on April 15 for purposes of commissioning the lights. Only the northbound approach lights were commissioned. The southbound approach lights are currently not commissioned as there is interference from trees located on the adjacent farmstead. Baffles to eliminate this interference will need to be installed. A nighttime flight inspection has been scheduled for April 20 between 9 and 11 pm, weather conditions permitting.

Also on April 15, I spent some time with the KLJ planner to discuss the various options for the AWOS. There are a number of options that will be reviewed at a high-level basis before a detailed scope of work is presented to the Council for approval.

**Development Projects Industrial Park:** Staff met with WSB to review the consultant needs for the industrial park. The land needs to be rezoned and platted prior to lots being sold. WSB is providing a scope of services for approval by the City Council. Staff met with representatives from Palmer Bus Company regarding a parcel in the industrial park. They would like to construct a new office/bus garage in spring 2022.

**Residential Development:** Staff met with local developers regarding a potential residential development. They are interested in annexation. We have some research to do on both sides and will be meeting again in two weeks to review the information gathered.

**Sherburne County:** I met with Sherburne County Administrator Bruce Messelt, Assistant County Administrator Dan Weber, and Sherburne County Commissioner Lisa Fobbe in a meet-and-greet. They are open to working with the City on a number of issues and will share any information on ARPA funding as soon as they have developed their policies and programs. In Stephanie's absence, I attended virtually the Sherburne County EDA meeting on April 15.

**Building/Fire Inspection:** Dollar General has structural damage and per the Fire Chief's order, no public will be allowed access until the repairs have been made. The order was issued based on a structural engineer's inspection and report of the damage. Upcoming Meeting/Event Reminders

- April 30 – Plastic Products 40th Anniversary Celebration, 2 pm
- May 6 – Joint Meeting with the Princeton PUC
- May 13 – Chamber Ribbon Cutting/Open House, 11 am
- May 21 – Marv's 55th Anniversary Celebration, 1 pm
- June 3 – Study Session, Annexation

## **COMMITTEE REPORTS**

Hallin reported that the East Central Cable Commission will be setting up a meeting soon. She is part of the Friends of the Library and they are going to let her know as well when the next

meeting will be.

The East Central Cable Commission sent some documents that need to be signed. Hallin said the Chamber would like to see the City continue to participate in ribbon cuttings and other events.

Walker said downtown seems to be doing well.

McPherson asked J Gerold if she wanted to update the Council on the meeting with the School District on the Community Center / Fieldhouse. J Gerold said they talked a lot about ideas, and Barton stated that he has reached out to some of the various fitness centers in the City to get their thoughts on their idea as well, maybe even allowing them to be a partner and have some space there to use. There was a lot of ideas tossed around. There were two people in attendance that spoke about the construction side of things and they estimate it to be about a 15 - 20 million addition to the referendum they are already asking for, which is estimated to be 49-60 million. McPherson added that she had received the numbers from Ehlers on the project and Referendum Question #1 is \$52,862.138 and Question #2 for the Fieldhouse and Community Center addition would be an additional \$14,470.00.

J Gerold said there was discussion on who may want to partner on the project. Possible partners of the School, City, and Fitness Centers were discussed.

J Gerold said she had asked what the estimated Operation costs would be, and she was told they were estimated at about \$58,000 per year, which she feels is low. McPherson responded that she did find out that Barton had reached out to PUC Manager Butcher, the Mora Center Manager and that estimate does seem to be fairly accurate. It would depend on the size of the building and hours it was open.

J Gerold said they estimated labor including custodial at about \$100,000 a year. She questions that amount, as a Community Center Manager could be paid that a year. They had not figured in any administration or other employees. I think the School District was hoping Community Ed would take that it.

J Gerold at the very end of the conversation, the construction person has asked what dollar figure the city was committed to putting into the project. She said she had responded to him that the City is not committed to putting in any funds. She feels they are rushing this through to get it on the ballot for this year. She said she told him that at this point, she didn't feel the City could offer anything except support, as the Budget and CIP is set. She added that Peters had asked Barton if they had gone to the Townships to request funds from them. Barton responded that they would be paying for it on their taxes if the referendum was passed. J Gerold said yes, as would the City residents, so they would essentially be paying twice if the City also contributed to the project. Barton said he had not thought of that. At the very end, the Community Ed employee had commented that in most places, the City runs the Community center.

McPherson said her and Barton met and went over some additional information and the tax impact that was received from Ehler's. Barton had spoke with the School District Attorney's and they can legally bring in a For Profit contractor as a partner. It would include some type of joint powers agreement, memorandum of understanding, Contract for service. He did indicate from a capital standpoint; he would be perfectly happy not having the City contribute. They

crunched some more numbers and operational costs would likely be in the \$400,000 per year range.

He wanted to invite everyone to a large-scale community meeting on May 12<sup>th</sup> from 6-7pm at the PAC, or you can attend virtually. Some of the things talked about from scheduling, it would depend on the referendum, probably a year of design and program discussions through 2022. They are just looking for support and that the City continue to be involved in the meetings.

Hillesheim stated that with Zimmer not here to speak for the Park Board, she wanted to let everyone know that the Chamber Parks Challenge is still going on. The Chamber, Park Board herself and Susan from Crossfit Beyond Sport put together the Parks Challenges for the year. This month was the Kickoff, and in May it will be basketball and Pickleball. The City has Pickleball courts at the Civic Center and there is equipment to rent. Each month, they can get a water bottle sticker from City Hall saying they participated in the City's park Challenge.

#### ADJOURNMENT

There being no further business:

J GEROLD MOVED TO ADJOURN THE MEETING AT 8:35PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

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Shawna Jenkins Tadych  
City Clerk

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Thom Walker,  
Mayor