

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
JULY 12, 2007, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Mayor Jeremy Riddle and Councilors Dick Dobson, Victoria Hallin, Lee Steinbrecher, and Paul Whitcomb. Staff present was Mark Karnowski, Steve Jackson, Jay Blake, Brian Payne, Tom Mismash, and Ann Bien. Also present were City Engineer Mike Nielson, WSB, and City Attorneys Dick Schieffer and Damien Toven.

AGENDA ADDITIONS/DELETIONS

IT WAS THE CONSENSUS OF THE COUNCIL TO ADD THE FOLLOWING ITEMS TO THE AGENDA:

Under Consent Agenda:

- B. Personnel
 - 2. Police Department
 - a. Police Sgt. Wages

Under Unfinished Business:

- C. Proposed Change Order

Under Miscellaneous:

- A. League of MN Cities Training for Police Officers
- B. Boys and Girls Club Update

IT WAS THE CONSENSUS OF THE COUNCIL TO DELETE THE FOLLOWING ITEM FROM THE AGENDA:

Under Reports of Officers, Boards, and Commissions

- A. Planning Commission
 - 3. Planning Commission Member

APPROVAL OF MINUTES OF THE REGULAR MEETING OF JUNE 19, 2007

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF JUNE 19, 2007, AS WRITTEN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

4. Consent Agenda

A. Permits and Licenses

- 1. Gambling Exemption Permit for MN Deer Hunters Assn. East Central Chapter – Raffle on Sept. 15, 2007, at Princeton Youth Hockey Arena, 511 Ice Arena Dr.
- 2. Excluded Bingo Permit for Siemers-Hakes VFW Post 10794 – Bingo at Mille Lacs County Fairgrounds from August 9-12, 2007

B. Personnel

- 1. Fire Department
 - a. Greg Johnson – Return to Active Service effective 07-01-07
 - b. John Sjoquist – Advance to Regular Firefighter effective 06-26-07
 - c. Gerald Rud – Advance to Regular Firefighter effective 06-26-07
- 2. Police Department
 - a. Joe Backlund – Increase Wage to \$23.73/hr. effective 06-19-07

C. Donations/Designations

- 1. Princeton VFW Auxiliary No. 6843 – Donation of \$1,500 for VFW Summer Baseball

STEINBRECHER MOVED TO APPROVE THE CONSENT AGENDA. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

OPEN FORUM

No one was present with comments.

PUBLIC HEARINGS: None

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Planning Commission

1. Building Height Ordinance Amendment

Blake explained there have been developers looking at building multi-family residential sties within the city. However, it has come up the zoning ordinance has a 30 foot building height restriction for multi-family structures, although it does allow commercial structures to exceed 30 feet. Building and fire codes allow higher buildings based on occupancy and in multi-family structures they also require sprinkling of structures with more than a certain number of units.

The Planning Commission held a public hearing on June 18, 2007, to consider height restrictions and recommends approval of multi-family structures exceeding 30 feet in height as measured to the eaves with a conditional use permit.

City Attorney Schieffer reported he and Blake reviewed the recommendation again today and they recommend some additional wordage changes, specifically only allowing up to 3 stories.

Steinbrecher asked if this should be considered for other buildings than multi-family. Blake stated he understood variances were granted for the hospital and Elim Home. It could be looked at, but the concern of the Fire Chief is if you go higher than three stories, there may be problems with fighting fires with their current equipment. At some-time in the future, there may be a need for longer equipment (ladders), but not at this time. Right now, the City of Princeton has to rely on neighboring fire departments with longer ladder trucks. Steinbrecher stated eventually the City will have to look at this issue better. Blake suggested the Planning Commission ask to discuss this with the Fire Chief.

Karnowski stated that at one time it was discussed to ask for a donation for a new ladder truck from those being granted a variance for a higher structure.

HALLIN MOVED TO APPROVE ORDINANCE #604, AN ORDINANCE AMENDING CITY ORDINANCE #538, CHAPTER V, ZONING DISTRICTS. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

2. Variance Denial at 107 9th Avenue South

Blake reported the Planning Commission held a public hearing on June 18, 2007, to consider the variance request of Mary Zilka, 107 9th Avenue South, to enclose her ground level patio. The ground level patio extends 5 feet into the ten foot side yard setback. Enclosing it would make it non-compliant . The Planning Commission denied the variance based on the fact that they did not consider this a hardship and Ms. Zilka had other options to her for an enclosed patio. No Council action was needed.

B. EDA

1. Draft Minutes of May 17, 2007

The above minutes were reviewed.

2. Sale of Property to Anoco Metal Services

Blake reported Dean Powell of Anoco Metal Services is interested in purchasing part of Lot 1, Lots 2 and 3, and part of Lot 4, Block 3, Princeton Industrial Park Third Addition. Anoco Metal Products is currently located in Columbia Heights and because of a City sponsored redevelopment district, he is looking for a new location to move and expand his business. He currently has 20 employees, 10 of whom will move with him, and plans to hire 10 employees from this area. He is working with R. W. Builders of Princeton to build a 17,500 sq. ft. industrial facility with room for expansion. Mr. Powell understands he cannot build an airplane hanger on this property because it is not part of the airport although it is located next to the airport. The EDA agrees with purchase price of \$100,00 plus assessments and recommends approval of the sale to Anoco Metal Services based on the following:

1. The proposed use is consistent with the current zoning, surrounding land uses, and the Comprehensive plan.
2. The proposed use will add to the local jobs base.
3. The proposed building will be placed on property that is proposed for JOBZ designation.
4. The remaining tract of land will provide an adequate building site for an additional industrial use.
5. The easements along the internal lot lines are being considered for vacation by the Planning Commission in July.

Steinbrecher asked if the sale funds will go to the EDA. Jackson stated he would recommend the assessment portion be used to repay the assessment fund and the remaining funds could go to the EDA.

STEINBRECHER MOVED TO APPROVE RESOLUTION #07-34, A RESOLUTION APPROVING THE SALE OF PART OF LOT 1, LOTS 2 AND 3, AND PART OF LOT 4, BLOCK 3, PRINCETON INDUSTRIAL PARK THIRD ADDITION TO ANOCO METAL SERVICES CONTINGENT UPON EASEMENTS BEING REMOVED. WHITCOMB SECONDED THE MOTION.

Dobson asked when construction would begin and Blake answered Powell is ready to start immediately.

ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

C. Park Board

1. Minutes of May 21 and June 25, 2007

The above minutes were reviewed.

Blake reported the purchase agreement has been signed and accepted by the Martin Riebe family for their 5 acres and buildings. Blake is continuing to work on the donation of the 22 acres owned by Lloyd Riebe. Groundbreaking is proposed for September 22, 2007.

D. Airport Advisory Board

1. Draft Minutes of June 11, 2007

The above minutes were reviewed.

E. Fire Advisory Board

1. Minutes of June 5, 2007

The above minutes were reviewed.

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Request to Close Fairway Drive for “Block Party”

Ken and Marlene Trebesch were present to request permission to close Fairway Drive on September 8, 2007, for a few hours in the late afternoon and early evening for a “Block Party”. This has become an annual event for their neighborhood. They will take care of providing the barricades.

STEINBRECHER MOVED TO APPROVE THE CLOSING OF FAIRWAY DRIVE ON SEPTEMBER 8 FOR A FEW HOURS IN THE LATE AFTERNOON AND EARLY EVENING, WITH A RAINOUT DATE OF SEPTEMBER 15, 2007. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

B. WAC and SAC Financing Request

Karnowski reviewed his memo explaining how staff calculated the SAC and WAC charges. He stated that upon a re-review of the rules, it appears staff miscalculated the fee in 1994 and should have charged the grocery store a total of 5 units, rather than 1. Now in calculating for a “weekly worship school”, the number of units for this building should be a total of 11. However, staff is not recommending the City increase the number of units over 3 as originally quoted.

Bruce Lacher, representing Trinity Lutheran Church, explained their issue is with the use of 17,680 square feet to determine the number of SAC and WAC units required since the school will only use about 6,000 square feet. Lacher stated they have already paid for one fee and asked to split the two remaining SAC and WACS since they will have a lesser use than the grocery store. He explained they will only be using the school approximately 9 months of the year, with only 55 students.

David Smart, vice president of the church, suggested one other way to look at it is to look at the Met Council’s ranking based on their 11 fixtures. He stated he does not feel it is fair to call it a school.

Steinbrecher clarified that they proposed to pay for the three fees over a period of 2 years and now they are asking to reduce the number and Lacher answered yes.

Karnowski explained the Met Council has determined units for different uses and if the City strays from their policy, it would have to come up with their own. He further explained the City’s Code of Ordinance includes some of the uses, but it doesn’t address the number of fixtures. He stated he does not believe the City should start changing it’s ordinance since the amount of water used will normally for each use will be used regardless of the number of fixtures. He stated the church is also renting a portion of the building to the School District. Staff is also concerned with treating various situations differently and recommends a policy be adopted if the Council desires to the avoid perception that it depends on who you are.

Smart asked if the School District leaves and the use is dramatically reduced can they get a rebate. Karnowski stated that is something that also needs to be determined by the Council. Smart stated that is why he would like to see fixtures used to calculate rather than use since fixtures will not change. Steinbrecher stated he understands staff is not taking the School District use into calculations.

Lacher stated he does not feel the school will use nearly as much as the grocery store. Karnowski explained in talking with the Met Council, they explained they do not use how much water is used over a week's period, but rather the potential peak amount which could be used since the water towers and wastewater treatment plant has to be built to accommodate that load. PUC General Manager Thompson has reported they can 30,000 gal. of water per day per person.

Steinbrecher stated that in the past the Council has taken the stand that it does not negotiate SAC and WAC fees, and he is agreeable to make payment arrangements.

STEINBRECHER MOVED TO ENTER INTO AN AGREEMENT WITH TRINITY LUTHERAN CHURCH TO ALLOW THEM TO PAY \$10,817.79 TOWARDS THE BUILDING PERMIT FEE OF \$25,177.69, AS STATED IN THEIR LETTER OF JUNE 28 AND ALLOW THEM TO PAY THE REMAINDER (\$14,359.99) IN FOUR EQUAL INSTALLMENTS (\$3,589.99) EVERY SIX MONTHS OVER THE NEXT TWO YEARS. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

ORDINANCES AND RESOLUTIONS: None

UNFINISHED BUSINESS

A. Liquor Store Contribution Policy

Karnowski reviewed the proposed Grant Funding Request form outlining the criteria for receiving a donation from the Liquor Store fund. Steinbrecher suggested the form include the number of people who will be affected positively by the amount given. Karnowski explained #6 regarding restricting youth access to alcohol and the responsible use of alcohol by adults is added since it is liquor funds and the City is trying to be responsible.

IT WAS THE CONSENSUS OF THE COUNCIL TO APPROVE THE GRANT FUNDING REQUEST FORM.

B. Water Resource Management Plan Open House

Blake informed the Council an open house to discuss the water resource management plan with citizens is scheduled for July 18 at 6:00 p.m. at City Hall.

C. Change Order – 2nd Street South/10th Avenue Project

Nielson explained change order #1 is for a sidewalk on the west side of 10th Avenue, which the Mille Lacs County Historical Society is requesting.

STEINBRECHER MOVED TO APPROVE CHANGE ORDER #1. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

A. Agreement with Mille Lacs County for Public Health Services

Karnowski explained this agreement with Mille Lacs County is for cleanup of clandestine drug labs and chemical dump sites. Police Chief Payne recommends entering into the agreement.

WHITCOMB MOVED TO APPROVE ENTERING INTO AN AGREEMENT WITH MILLE LACS COUNTY FOR CLEANUP OF CLANDESTINE DRUG LAB AND CHEMICAL DUMP SITES. HALLIN SECONDED THE MOTION.

Dobson asked if the City Attorney had looked at the agreement. Toven stated it is a fairly standard agreement and he is checking to see that the County will not try to recoup funds from the City. Karnowski stated the Council could approve contingent upon final approval of City Attorney

HALLIN AND WHITCOMB AGREED TO A FRIENDLY AMENDMENT. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

B. Board of Review Training

Karnowski reported the Mille Lacs County Assessor's Office will be providing Board of Review training again. Councilors Hallin and Dobson have been trained and recommend the training for all councilors. Staff will check on the date of the training.

C. Finance Department – 2007 Second Quarter Update

Jackson presented the second quarter 2007 budget update. Steinbrecher asked if the Liquor Store was doing what was expected. Jackson stated it does not show much in this report since it only contains 3 weeks of new store. However, from discussions with the liquor manager, sales have gone up quite a bit.

MISCELLANEOUS

A. League of MN Cities Training

Hallin explained a training program for police officers through the League of MN Cities.

B. Boys and Girls Club

Hallin reported she and Dobson have been attending meetings with the Boys and Girls Club. The next meeting is July 30th at 6:30 p.m. at Belle Haven and discussion will be with architects on how current buildings can be remodeled.

13. Bill List

A. Bill List Correction

DOBSON MOVED TO CORRECT THE BILL LIST OF JUNE 19, 2007, REMOVING THE HAMPTON INN PAYMENT OF \$505.14 AND REPLACING IT WITH A PAYMENT TO HOLIDAY INN FOR \$430.53. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

HALLIN MOVED TO APPROVE MANUAL CHECKS NUMBERING 56862, AND 56976- 56985 FOR A TOTAL OF \$276,325.83 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST, WHICH WILL BE CHECKS NUMBERING 56986-57119, FOR A TOTAL OF \$502,897.86 AS SHOWN ON THE BILL LIST. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

There being no further business, STEINBRECHER MOVED TO ADJOURN AT 8:10 P.M. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,
Ann Bien
Deputy City Clerk

ATTEST:

Jeremy Riddle, Mayor