

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
DECEMBER 22, 2009, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Mayor Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were Jeremy Riddle, Paul Whitcomb, Victoria Hallin, Dick Dobson and Lee Steinbrecher. Staff present was Mark Karnowski, Steve Jackson, Jay Blake, Bob Gerold, Brian Payne, Joe Backlund, and Katie Hunter. Also present was City Attorney Damien Toven.

**AGENDA ADDITIONS/DELETIONS**

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

**4. Consent Agenda**

**A. Permits and Licenses**

2. Northern Attitudes On-Sale Sunday Liquor License; contingent upon background check
3. Moose Lodge 3.2 On-Sale Liquor License; contingent upon background check

**B. Personnel**

1. Skating Rink Attendants
  - a. Anthony DeMarco at \$7.25 an hour
  - b. Bob Goodell at \$8.00 an hour

**10. Unfinished Business**

- A.** Liquor License Ordinance Amendment

**11. New Business**

- A.** Call Public Hearing for Housing Tax Increment Financing; Res #09-53
- B.** Police Vehicle Maintenance Contract Consideration
- C.** Waste Water Treatment Plant Permit Update
- D.** Blue Hill Fire Contract Modification

**APPROVAL OF MINUTES OF THE REGULAR MEETING OF DECEMBER 10, 2009**

WHITCOMB MOVED TO APPROVE THE REGULAR CITY COUNCIL MINUTES OF DECEMBER 10, 2009. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

**CONSENT AGENDA**

**A. Permits and Licenses**

1. Jim's Mille Lacs Recycling Facility License #10-01
2. Northern Attitudes On-Sale Sunday Liquor License; contingent upon background check
3. Moose Lodge 3.2 On-Sale Liquor License; contingent upon background check

**B. Personnel**

1. Skating Rink Attendants
  - a. Anthony DeMarco at \$7.25 an hour
  - b. Bob Goodell at \$8.00 an hour

**C. Donations/Designations: None**

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

**OPEN FORUM** - There were no presenters

**PUBLIC HEARINGS** - No one

**REPORTS OF OFFICERS, BOARDS, AND COMMITTEES**

**A. Board/Commission Appointments**

**Planning Commission**

Lee Steinbrecher expressed his interest in being reappointed to the Planning Commission. He has been on the board for the past Nine (9) years. Steinbrecher did point out that if he is reappointed to the Planning Commission that he will most likely need to resign next year since he is not planning on running for re-election to the City Council. The Council would then have to appoint someone for the Planning Commission next year in his place.

Dobson reported that applicant Dave Thompson apologized that he could not be present but mentioned that he feels that being on both the Planning Commission and working for the Public Utilities Commission is an asset to the planning of the city. The PUC's input is there for when utilities need to be discussed.

**Economic Development Authority**

The City Council decided to fill only one of the openings for the Economic Development Authority Board that evening. Cindy Riddle's position is open and she has applied to be reappointed. Dobson has attended some of the EDA meetings and stated that Cindy has good input and her real estate job is an asset to the board as well. Another EDA position may become open; but the Council decided to hold off filling that position until January of 2010.

**Park Board**

Dobson reported that both applicants, Scott Suhsen and Cheryl Goetz, are an asset to the Park Board currently. Scott has been on a long time and Cheryl is very interested in the park board and both like to be re-appointed.

**Airport Advisory Board**

Duane Kruse applied to be reappointed for the Airport Advisory Board. He stated that he has been on the board for two (2) years and even attended the meetings prior to being appointed.

**Public Utilities Commission**

George Freichels has applied for reappointment on the Public Utilities Commission. Dobson explained that Freichels had a prior commitment and could not attend that evening's

meeting. Dobson noted that Freichels has been on the board for 30 years and does an outstanding job. Hallin stated that having a member of community on the PUC is an asset.

### **Housing and Redevelopment Authority**

Dobson reported that applicant Betty Meyer attends all of Housing and Redevelopment meetings and has a lot of input. He recommends her for reappointment.

### **Cable Commission**

Victoria Hallin reported that in the last couple of years, the Cable Commission has been becoming more active by trying to get a hold of cable companies across the board. She is currently the acting president and wishes to be reappointed.

DOBSON MOVED TO REAPPOINT LEE STEINBRECHER AND DAVE THOMPSON TO THE PLANNING COMMISSION FOR THREE YEAR TERMS EXPIRING 12-31-12. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0; ABSTAINED - STEINBRECHER. THE MOTION CARRIED.

DOBSON MOVED TO REAPPOINT CINDY RIDDLE TO THE ECONOMIC DEVELOPMENT AUTHORITY FOR A SIX YEAR TERM EXPIRING 12-31-15. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED.

STEINBRECHER MOVED TO REAPPOINT SCOTT SUHSEN AND CHERYL GOETZ TO THE PARK BOARD FOR THREE YEAR TERMS EXPIRING 12-31-12. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED (DOBSON ABSTAINED).

STEINBRECHER MOVED TO REAPPOINT DUANE KRUSE TO THE AIRPORT BOARD FOR A THREE YEAR TERM EXPIRING 12-31-12. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED.

HALLIN MOVED TO REAPPOINT GEORGE FREICHELS TO THE PUBLIC UTILITIES BOARD FOR A THREE YEAR TERM EXPIRING 12-31-12. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED.

DOBSON MOVED TO REAPPOINT BETTY MEYER TO THE HOUSING AND REDEVELOPMENT BOARD FOR A FIVE YEAR TERM EXPIRING 12-31-15. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED.

STEINBRECHER MOVED TO REAPPOINT VICTORIA HALLIN TO THE CABLE COMMISSION. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 4; NAYS - 0. THE MOTION CARRIED (HALLIN ABSTAINED).

Steinbrecher commented that often some of the committees struggle to have a quorum. That can be a problem especially if there are public hearings. If a board member misses up to three of the meetings, they can be released from the position. Steinbrecher stressed the importance of showing up to the meetings even if you are volunteering for the position.

Steinbrecher noted that the Planning Commission faces this problem on a regular basis and it becomes a problem for citizens as well.

**PETITIONS, REQUESTS, AND COMMUNICATIONS** – None

**ORDINANCES AND RESOLUTIONS**

**A. Ordinance #638, Outdoor Wood Burner**

Karnowski reviewed Ordinance #638 Outdoor Wood Burning as the second and final reading.

He noted that, if the Council agrees and adopts the ordinance as outlined in the memo, staff would then prepare a zoning ordinance amendment for consideration by the Planning Commission. Because OWBs will be allowed only by Interim Use Permit (which is a zoning issue), the ordinance would then facilitate the process mandated by the proposed ordinance.

Karnowski explained that the Planning Commission would have to set a required public hearing to consider adding the use of burners as an Interim Use in areas of the city zoned for agricultural use and adopt both standards for installation and identify specific identifiable conditions whereby the Interim Use Permit would be terminated. The Planning Commission would then make a recommendation to the Council regarding consideration of the proposed ordinance.

Steinbrecher questioned if any residents had made calls to the city regarding the new law on outdoor wood burners. Karnowski replied that no residents called, but some distributors from as far away as Illinois have called him. On the distributor's own websites, they talk about the setbacks and the stack height. It would be difficult to obtain the setbacks that they are recommending.

Hallin questioned exactly how an interim use permit is reviewed. Karnowski explained that the interim use permit is allowed to operate that way until a certain identifiable point when it becomes null and void. Unlike a conditional use permits which run with the property forever.

The Council stated that they have full confidence in staff and the Planning Commission that the setback and stack concerns would be addressed during the consideration of an interim use permit.

STEINBRECHER MOVED TO APPROVE ORDINANCE #638 AS WRITTEN. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

**B. Resolution 09-54 Damer Donation**

Blake explained that the Damer property has been previously subdivided. In negotiations with family, they agreed to contribute some upland and the entire lowland (river floodplain) area in lieu of a cash park donation. They also have an additional twenty-acre piece of land that they are donating.

Blake said that, over the years, the city has acquired a fairly large woodland and low land wildlife area. In fifty years, that may be an important open area to the community for public open space use. Resolution #09-54 simply accepts the Damer land donation.

WHITCOMB MOVED TO APPROVE RESOLUTION #09-54 AS WRITTEN. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

## **UNFINISHED BUSINESS**

### **A. Liquor License Ordinance Amendment**

Karnowski said the Council had previously received comments from one of liquor license holders asking for some accommodation by city on the payment of the annual liquor license fee. The direction given to the city attorney was to draft an ordinance amendment that would change the effective date for a license from January 1 - December 31 to July 1 - June 30. Staff's concern after speaking with one of the liquor license holders was whether there would be enough time for the license holders to adjust their liquor insurance. In addition, other liquor license holders are concerned that with the Dunn and TH95 bridge work this summer that business might not be as good over the summer which would make a June payment date more difficult.

The party that asked for the modification had done so to coincide with cash flow opportunities; and currently doesn't have events scheduled until March of 2010. Karnowski noted that there is a provision in our current liquor ordinance that allows for a prorated license.

Therefore, an establishment could let their license expire and then, in February, request a 10 month license which would save them 2 months of fees. The downside could be that if a customer called and wanted to do a booking "next week", it may be difficult to arrange insurance and necessary documentation to process the licensing quickly. Business could be lost in this case too.

Karnowski stated that he tried to get a hold of the owner of Stevens Restaurant to get his input; but he wasn't available.

Mayor Riddle suggested getting the four main liquor license holders together for a meeting to get their input. Maybe an agreement could be made which would help them manage their cash flow. The Council concurred. The liquor licensing will be left as is for the year of 2009 and Karnowski will try to set up a meeting soon.

## **NEW BUSINESS**

### **A. Call Public Hearing for Housing Tax Increment Financing Resolution #09-53**

Jay Blake explained the assisted living project is being considered and this past Monday's meeting with the developer went very well. The Economic Development Authority is waiting for additional information; but at this time the next step is to call a Public Hearing. Staff is asking for a March 11, 2010 Public Hearing Date for the consideration of proposed Housing Tax Increment Financing as stated in Resolution #09-53.

DOBSON MOVED TO APPROVE RESOLUTION #09-53 AS WRITTEN. STEINBRECHER SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

**B. Police Vehicle Maintenance Contract Consideration**

Karnowski advised that the initial contract with Rum River Automotive will expire at the end of 2009 so the city, again, went out for Request For Proposals (RFPs). While there were a couple of parties interested, we only returned a proposal.

The good news is that the sole proposal we have is, again, from Rum River Automotive. The better news is that some of the quoted prices are actually lower than they were for the last contract.

Karnowski stated that the city has been very happy with Rum River Automotives' work for the past two years. At first, the cost for that contract exceeded what we'd spent in previous years. But, once they got the vehicles into a routine, the cost came down and now is costing us less than the previous program.

The staff recommendation is to approve the Fleet Maintenance contract between Rum River Automotive and the city for 2010 and 2011 pending review by the City Attorney.

HALLIN MOVED TO APPROVE ANOTHER TWO YEAR CONTRACT WITH RUM RIVER AUTOMOTIVE PENDING REVIEW BY THE CITY ATTORNEY. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

**C. Update on WWTP**

Karnowski reviewed that the Minnesota Center for Environmental Advocacy (MCEA) filed a petition with the Federal Environmental Protection Agency (EPA) objecting to the way the Minnesota Pollution Control Agency (MPCA) deals with phosphorus trading policies. Because Princeton was the only permit listed on the MCEA's petition that did not yet have a permit, there was concern that the EPA would hold up the MPCA's issuance of our permit.

Because the EPA is a federal agency, staff contacted Congressman Oberstar's office and requested that the congressman intervene on behalf of Princeton and advised that the Princeton Permit was - to the best of our knowledge – the first Minnesota municipal plant that will implement non-point phosphorus trading to actually improve the quality of the Rum River.

The Congressman met with Mayor Riddle, Councilmember Whitcomb and city staff on November 11<sup>th</sup> and explained our situation. Staff subsequently provided the Congressman and his staff the pertinent information regarding our proposal.

The Congressman subsequently met with the EPA and the city was advised earlier today that the EPA agreed to allow the MPCA to issue the city's WWTP permit if the City agreed to some additional language relating to the phosphorus trade agreement with the Metropolitan Council's Environmental Services division (MCES) and will require this preparation and submittal of an annual report on the success of that trade.

The other issue is that the additional language will lock the city into the more strict phosphorus limit required by the WWTP permit (1862 k/yr.) as opposed to the limit in the trade agreement the city has with the MCES (2267 k/yr) which is a difference of about 22%.. That being said, that's the limit we were targeting anyway, but, without that language, we would have some flexibility between the permitted phosphorus limit and what we've agreed to..

The opinion of Nancy Burke (the specialist attorney we've had working on the permit issue) and engineer Tracy Ekola is that the proposed new language is workable and should not create any significant unanticipated issues. The new permit language reads as follows:

*2.9. The Permittee shall comply with the conditions of the Phosphorus Trade Agreement, including the reductions of phosphorus from nonpoint sources called for by the agreement. The Permittee shall submit to the MPCA, an annual certification of compliance with its obligations under the Phosphorus Trade Agreement. In addition, the Permittee shall submit a copy of the Permittee's most recent annual report to MCES on its nonpoint source reduction programs as required by section 3.04 [and any information submitted to MCES under section 3.05] of the Phosphorus Trade Agreement. The submittals required by this paragraph 2.9 shall be due to MPCA by December 31 of each year following issuance of the permit.*

If the Council agrees to accept the new language, Karnowski stated that he will contact the MPCA tomorrow and we could have our WWTP permit by the end of next week.

The Council was advised that, if they agreed to have the new language inserted in the permit, the city might have our permit by the end of next week.

Hallin asked that once we get permit can we start to build. Karnowski said that the City already has the phosphorus trade agreement with the MCES but that we might have to have them modify it a bit because of the timetable.

The City already has the phosphorus facility built and according to Bob Gerold, it is operating quite well and doing what it's supposed to do. The city can direct SEH to move forward with plans and specifications since the funding loan/grant is already in place. The Council also has the option of setting up a bidding process for engineers, although SEH is certainly knowledgeable and has a leg up because they know Princeton's situation.

HALLIN MOVED TO APPROVE THE NEEDED ADDED LANGUAGE TO OBTAIN THE WASTE WATER TREATMENT PLANT PERMIT. WHITCOMB SECONDED THE MOTION.

Hallin suggested that if the agreement is in place, the Council requests an annual report on the treatment plant.

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

#### **D. Blue Hill Fire Contract Modification**

Karnowski explained that at their regular meeting last week, the Blue Hill Township Board voted to request that the Princeton Fire & Rescue Department cover their entire township. Apparently about 10% of it was previously being covered by the Zimmerman Fire Depart-

ment. The city will be receiving a formal letter requesting that the change be made effective beginning January 1, 2010. The Fire Advisory Board has been aware of the possibility for a few months and the Princeton Fire Department is in support of expanding our coverage into Blue Hill.

Accordingly the staff recommendation is to adopt a motion concurring with the request of Blue Hill Township and, effective January 1, 2010, accept the responsibility of providing fire and rescue coverage to all of Blue Hill Township.

Karnowski added that Blue Hill Township likes the response that they have been getting from Princeton Fire and Rescue. They have also mentioned they like the way the City bills as opposed to other parties they work with.

The only impact to the city will be that the cost will go down a little for each of the other entities and the 2% money for the Relief Association will be increased a little bit with the bigger territory.

DOBSON MOVED TO APPROVE PRINCETON FIRE AND RESCUE DEPARTMENT COVERING ALL OF BLUE HILL TOWNSHIP UPON RECEIPT OF A LETTER OF REQUEST. WHITCOMB SECONDED THE MOTION. ON THE VOTE: AYES – 5; NAYS – 0. THE MOTION CARRIED UNANIMOUSLY.

**MISCELLANEOUS:** None

**BILL LIST – \$267,062.10**

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$94,630.49 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 61731 TO 61806 FOR A TOTAL OF \$172,431.61. 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 8:00 P.M. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,

Katie Hunter;  
City Clerk

ATTEST:

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Jeremy Riddle, Mayor