

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
OCTOBER 14, 2010, 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Mayor Jeremy Riddle called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Dick Dobson, Victoria Hallin, Lee Steinbrecher and Paul Whitcomb. Staff present was Administrator Mark Karnowski, Finance Director Steve Jackson, Community Developer Jay Blake, Fire Chief Jim Roxbury, Public Works Director Bob Gerold, Police Chief Brian Payne and City Clerk Katie Hunter. Also present: City Attorneys Damien Toven and Dick Schieffer.

**AGENDA ADDITIONS/DELETIONS**

It was the consensus of the council to add the following items to the agenda under New Business:

- 11. New Business**
  - D. PUC Refunding Bond
  - E. Blue Hill Township Request for Fire Coverage

**CONSIDERATION OF MINUTES OF THE REGULAR MEETING OF SEPTEMBER 23, 2010  
AND OF THE STUDY SESSION MINUTES OF OCTOBER 7, 2010.**

Councilor Paul Whitcomb brought to Clerk Katie Hunter's attention that in the September 23, 2010 minutes on page four (4), Steinbrecher was quoted as asking how many members the Planning Commission had before Haskamp resigned. Steinbrecher was not present at that meeting. It was Hallin who asked that question.

Also, in the minutes of the Study Session dated October 7, 2010, Mayor Jeremy Riddle both called the meeting to order and was listed as being absent. The Mayor was in fact present at the October 7 meeting.

WHITCOMB MOVED TO APPROVE THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 23, 2010 AND THE STUDY SESSION MINUTES OF OCTOBER 7, 2010 WITH THE TWO CORRECTIONS NOTED ABOVE. HALLIN SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**CONSENT AGENDA**

- A. Permits and Licenses**
- B. Personnel**
- C. Donations/Designations:**

**OPEN FORUM**

Sue Bican, with the Mille Lacs Tea Party Patriots, was present to invite the Council Members to a forum regarding Agenda 21 or Sustainable Development on Thursday October 21, 2010 at 7:00 PM at The Mille Lacs Historical Museum Depot. (A handout was put in each Council Member's packet.) Bican explained that the member's attendance is vital.

The City Council clarified to Bican that Thursday evenings were not a good night because not only do the Council Members have their regular Council Meetings on that night, but a

lot of them serve as liaisons for other boards, including the Economic Development Board which also meets on the third Thursday of the month. Bican hoped that they could re-schedule.

## **PUBLIC HEARINGS**

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

- A. Airport Board Minutes of September 7, 2010
- B. Fire Board Minutes of August 3, 2010
- C. Fire Board Minutes of September 7, 2010
- D. Fire Board Minutes of October 5, 2010
- E. Visionary Committee Minutes of September 13, 2010
- F. Parks and Recreation Board Minutes of September 27, 2010
- G. Planning Commission Meeting Minutes held September 20, 2010
- H. Princeton EDA Board Minutes held September 16, 2010

All of the above minutes were reviewed with no comment.

## **PETITIONS, REQUESTS, AND COMMUNICATIONS**

### **ORDINANCES AND RESOLUTIONS**

### **UNFINISHED BUSINESS**

### **NEW BUSINESS**

#### **A. Zoning Ordinance Amendment**

Mayor Riddle explained that the Council would first hear Community Developer Jay Blake on Zoning Ordinance Amendments, because he has a prior commitment to attend.

Blake reported that the Planning Commission has worked with Tina Goodroad from Bone-stroo on the updating of the City's Zoning and environmental ordinances over the past year. The last time the Princeton Zoning Ordinance was updated was in 2004. Funding was received from the Community Growth Options Grant from the 1000 Friends of Minnesota. The Planning Commission completed their review of the document and worked with the consultant to develop the proposed amendments to the Ordinance. The Commission then conducted a public hearing as required by Statutes on September 20, 2010 where some modifications to the text were made.

The amendments address the following issues:

1. Update the Non-conforming Use Section to comply with recently adopted statutory changes.
2. Update Interim Use Permit procedural sections.
3. Modified the Business Zoning Districts to include a "Neighborhood Business" district as a more effective transition between General Commercial and Residential uses
4. Codified the Medical Office Residential (MOR) district.
5. Reduced lot sizes for the traditional residential neighborhoods surrounding the downtown and the Original Townsite plat.

At this time, the city has a traditional 66 foot by 148.5 foot lot size in the older portion of town. You currently cannot build on a lot that size. Now, if setbacks are met, residents will be able to build on a lot that size. In addition, it will make it easier to add on to people's homes, add decks, porches, etc, to make those homes more modern.

6. Reduced some setback requirements to allow additions to existing structures in the traditional residential neighborhoods.
7. Included performance standards for some commercial uses and reduced the number of conditionally permitted uses in the B-3 District as a result.
8. Simplified the landscaping requirements for the R-3, Industrial and Commercial districts.
9. Reworked the fence setback requirements for residential districts.
10. Reduced the repetitive nature of the Subdivision Ordinance.

Blake added that some items that were conditionally permitted were changed to make it easier for a business owner to start a business in the B3-zoned area of the city. There was a provision for one tree per 1,000 square feet and one shrub for every 300 feet. The new Zoning Ordinance reduces and simplifies that required amount. The city is making it easier for property owners to utilize their property. One way to look at it is that jobs are created by more buildings and not by more trees.

The proposed changes would be incorporated into a new Zoning Ordinance document. Publication would take effect upon publication of the amendments or the summary ordinance. This would be presented to the City Council at the next meeting.

The new Zoning Ordinance document would not change the zoning classification of any property within the City. Staff will be working with the Planning Commission to identify any potential zoning classification changes and notifying all property owners of a proposed change in their zoning. This will be done over the next six (6) months.

Dobson commented that he wanted to make sure he understands the changes on the fencing setbacks. As he interpreted it, if he were to put a fence up on his property and the adjoining home owner agreed with Dobson, and the property lines are agreed upon, a fence can be put up without hiring a surveyor. Blake added that the abutting home owner still has to agree, otherwise there will be a setback. In the newer parts of town, the lots are 66, 80 or 100 feet long and depending on the zoning of your property, different types of homes can be built on these wider lots. In fact, a resident can even build a three-car garage. In the older portion, the setback was thirty feet and it is being reduced to twenty feet. Some setbacks went even went down to five feet, as long as fire equipment can get through.

Karnowski put in that because of a recent court decision on variances, the city has a section proposed to be changed under administration and enforcement. Are we anticipating that the legislator will change that? Blake further explained that the Supreme Court had ruled on a garage in Minnetonka. It is almost impossible to grant a variance under the new rules. You have to be denied all use of your property in order to receive a variance. A variance used to be given after 'comparing' to everyone else in the neighborhood. The State Legislator may change the language a little bit. However, since the setbacks and lot sizes have already been reduced in the new ordinance, there won't be as many variances anyway. In the new ordinance, the city has tried to eliminate the need for a variance. They will come about on a case by case basis.

Dobson ended the discussion by saying he has had the privilege of attending the Planning Commission meetings and that the Commission is a good group of people. They have really ironed this project out with the help of Community Developer Jay Blake.

## **B. November Meeting Dates**

Karnowski explained that each year in December, the council ends up changing some meeting dates around in November due to the holiday Thanksgiving being on Thursday every year. In the past, the Council has combined the two meeting dates in November with another in case it's needed. Paul Whitcomb reminded Karnowski that in December, when a holiday falls on a weekend (such as Christmas falling on a Saturday this year), then the work day prior to the holiday is given as a holiday for the employees. Therefore, the December dates will stay the same.

Whitcomb said he will not be able to be present on the 23<sup>rd</sup> of November. Dobson cannot attend meeting on November 18<sup>th</sup>. Finally, Hallin will be at a conference on November 11<sup>th</sup>, although the Council most likely will move that date anyway.

HALLIN MOTIONED TO APPROVE MEETING DATES IN NOVEMBER FOR A BUDGET MEETING ON NOVEMBER 4, 2010 AT 4:30, A REGULAR CITY COUNCIL MEETING AT 7:00 PM ON THURSDAY, NOVEMBER 18, 2010 AND A REGULAR CITY COUNCIL MEETING AND BUDGET MEETING ON TUESDAY, NOVEMBER 23, 2010 ALSO AT 7:00 PM, KNOWING THAT COUNCIL MEMBERS WILL NOT BE AVAILABLE FOR TWO OF THE DATES. WHITCOMB SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

## **C. CenterPoint Franchise Agreement and Ordinance 657**

Karnowski explained that the city's natural gas agreement expired at the end of September. Ordinance 657 was drawn up and has been passed between staff, CenterPoint Energy and the City Attorney. There was language removed about franchise fees being collected by the city as a tax. However, the chances of the city to collect franchise fees, and put on the bill as a tax are slim. Not everyone in the city uses natural gas to heat their homes, so most cities find that a franchise fee doesn't hit everybody equally and is not equitable.

HALLIN MOTIONED TO APPROVE ORDINANCE 657. DOBSON SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

## **D. Public Utilities Commission (PUC) Refunding Bonds**

Karnowski introduced George Eilertson, Senior Vice President of Northland Securities, to explain two PUC bonds to be refunded. Karnowski reminded the Council that the Public Utilities Commission doesn't have authority and all bonding has to go through the City Council.

Refunding Bond issue is issued to refund the following bond issues:

- 1) To current refund the \$2,645,000 Public Utility Revenue Bonds, Series 2002
- 2) To current refund the \$2,270,000 Public Utility Revenue Refunding Bonds, Series 2003.

The overall final bond size is \$3,040.00. Eilertson said that the existing debt is being shortened. The interest rate will be reduced. The bonds being sold are revenue bonds, not general obligation bonds.

As noted in the packet, the average interest rate for the 2002 bond drops from 5.35 percent to 3 percent with a \$144,138.00 savings. For the 2003 bond, it will be issued from a 4.43 percent to a 2.49 percent with a \$58,931.00 savings. The total net debt service reduction will be \$203,069.00. These two bonds are approximately 85 percent electric, with the remainder being water related.

The City Council shall consider Resolution 10-47 approving for the sale of the Refunding Bonds. Then, on Friday, October 15, 2010, the PUC shall consider a resolution approving the sale.

DOBSON MOTIONED TO APPROVE RESOLUTION 10-47 FOR PUC TO REFUND THEIR BONDS FROM 2002 AND 2003. WHITCOMB SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**E. Blue Hill Township Request for Fire Coverage**

Karnowski said for the past year, Blue Hill Township has been looking at switching Fire Departments that would cover a portion of their township. The township decided that they would like for the City of Princeton to cover their entire township. The switch would be become effective the first of January 2011. Based on the current fire contracts we have with townships that we serve, the Blue Hill Township bill will be increased some and the other township's contract amounts will be decreased a little.

HALLIN MOTIONED TO APPROVE THE CITY OF PRINCETON FIRE AND RESCUE COVERING THE ENTIRE BLUE HILL TOWNSHIP AREA. WHITCOMB SECONDED THE MOTION. CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

Karnowski added that the 2 percent money that the Relief Association receives from the State of Minnesota is based on the areas covered. Therefore, that money will increase as well.

Hallin asked if a new contract will be drawn up between the city and Blue Hill Township. Karnowski said that the current contract will be modified.

**BILL LIST – \$594,516.09**

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL VOUCHER BILL LIST FOR A TOTAL OF \$77,758.56 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 63119 TO 63207 FOR A TOTAL OF \$516,757.53. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

**ADJOURNMENT**

There being no further business:

DOBSON MOVED TO ADJOURN THE MEETING AT 8:35 PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (5 AYES, 0 NAYS).

Respectfully Submitted,

Katie Hunter  
City Clerk

ATTEST:

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Jeremy Riddle, Mayor