CITY OF PRINCETON
Planning Commission
Agenda
November 20th, 2017
7:00 P.M., City Hall

1. Call to Order/Pledge of Allegiance

2. Approval of Minutes of Regular Meeting on October 16th, 2017 - Tab A

3. Agenda Additions/Deletions

4. Public Hearing:

   A. #17-05 Zoning newly annexed property to MN-1 Industrial District located at 12636 320th Ave. NW - Tab B

   B. #17-06 CUP to allow retail sales of products stored or manufactured on the site in a MN-1 Industrial District located at 12636 320th Avenue NW – Tab C

   C. #17-07 Rezoning from R-3 Multi-family Residential to B-2 Neighborhood Business District located at 501 Smith System Road – Tab D

   D. #17-08 Variance to allow the required rear yard minimum setback of 30 feet to 17' 10" feet for new construction in B-2 Neighborhood Business District located at 501 Smith System Road – Tab E

   E. #17-09 Rezoning of right-of-way to ES Essential Services Overlay District to allow a 190' foot cell tower – Tab F

5. Old Business: None

6. New Business:

   A. Casey’s Site Plan Review for 501 Smith System Road – Tab G

7. Communication and Reports:

   A. Verbal Report

      1) B-3 Zoning Ordinance – Handouts

   B. City Council Minutes for October, 2017 - Tab H

8. Adjournment
THE MEETING OF THE PLANNING COMMISSION HELD ON OCTOBER 16, 2017, AT 7:00 P.M.,
AT THE CITY HALL COUNCIL CHAMBERS

The meeting was called to order at 7:00 P.M., by Victoria Hallin. Members present were Dan
Erickson, and Jeff Reynolds. Staff present were Jolene Foss (Comm. Dev. Director) and Mary
Lou DeWitt (Comm. Dev. Assistant).

APPROVAL OF MINUTES OF REGULAR MEETING ON SEPTEMBER 18TH, 2017
REYNOLDS MOVED, SECOND BY ERICKSON, TO APPROVE THE MINUTES OF SEPTEMBER 18TH,
2017. UPON THE VOTE, THERE WERE 3 AYES, 0 NAYS. MOTION CARRIED.

AGENDA ADDITIONS / DELETIONS:
REYNOLDS MOVED, SECOND BY ERICKSON, TO APPROVE THE AGENDA. UPON THE VOTE,
THERE WERE 3 AYES, 0 NAYS. MOTION CARRIED.

PUBLIC HEARING: None

OLD BUSINESS:
A. RM-1 Residential Manufactured Housing
Community Development Director Memo:

In September 2017, THE Planning Commission reviewed the RM-1 Manufactured Homes
chapter of the Zoning Ordinance.

Some of the topics discussed at that meeting included the requirements for compound parking,
street width, and refuse screening.

Planning Commissioners and Staff determined that there is a need to continue to require the
lot to have compound parking spaces available within the lot. This is for overflow parking and
to discourage on-street parking.

The other requirements within the Ordinance seem to be reasonable to the Planning
Commission. If there is a circumstance where a Developer wants to do something that would
not meet the requirements for RM-1, there is an option to do a Planned Unit Development
(PUD).

This option has been used by the City of Princeton in the past. This gives the Developer, City
Engineer, and Staff the opportunity to address needs and requirements within a geographic
boundary that may have unique natural resources or existing structures.
Planning Commission Board
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It is Staff’s suggestion that we make no changes to the RM-1 Chapter of the Zoning Ordinance.

Foss said she will bring mini-storage at another meeting. She had not found out what the reasoning was for not allowing mini-storage units closer than 1,000 feet from another mini-storage facility. For the RM-1 Zoning she suggest to leave it as is. This is a sound Ordinance and meets the required need. A Planned Unit Development could be used. That could make adjustments to the RM-1 District.

Hallin said the extra parking spacing is in this current Ordinance.

Foss said yes it is. The compound parking is in there, but you could allow one side of the street where it is allowed. Changing the Zoning Ordinance she does not believe it needs to be changed. We were evaluating it just in case.

Reynolds said he is okay with that.

Foss said next month will be the Ted Bell (NorthStar Canoe) newly annexed property into the City where it will have a public hearing to zone it to MN-1 District. The Tax Abatement has been approved for 15 year tax abatement from 2019 through 2033.

NEW BUSINESS: None

COMMUNICATION AND REPORTS:

A. Verbal Report
Foss said she has taken another position with the St. Cloud Downtown Council. Her last day will be November 17, 2017.

B. City Council Minutes for September, 2017
The Planning Commission Board had no comments.

ERICKSON MOVED, SECOND BY REYNOLDS, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 3 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 7:25 P.M.

ATTEST:

Victoria Hallin, Chair

Mary Lou DeWitt, Comm. Dev. Assistant
REQUEST
Zoning of a newly annexed property to MN-1 Industrial District located at 12636 320th Avenue Northwest. Legal description is Lot 7, Block 1, Railside, Sherburne County, Minnesota, Section 4, Township 35N, Range 26W, PID #01-459-0135.

BACKGROUND
This is a newly annexed property owned by Ted Bell, Northstar Canoes. A new manufacturing facility is being constructed on site. This parcel is adjacent to MN-1.

Applicant Request
The Zoning Administrator is requesting the zoning for the purpose of creating additional industrial land.

ANALYSIS
Existing Conditions. The neighborhood in which this parcel is located contains industrial parcels to the north. This parcel is contiguous to MN-1 Industrial and Township property.

Future Land Use Plan (Comprehensive Plan). The City engaged in a Comprehensive Plan update back in 2009 that identified the long-range goals for development within the City. This zoning is compatible with future land uses.

Review Standards. The Zoning Ordinance does not list review standards for rezoning applications. However, many communities utilize the following factors as review standards in rezoning requests, which are being provided as information:

1. The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the official city comprehensive plan.
2. The proposed use is or will be compatible with present and future land uses of the area.
3. The proposed use conforms to all performance standards contained in this code.
4. The proposed use can be accommodated with existing public services and will not overburden the city's service capacity.
5. Traffic generation by the proposed use is within capabilities of streets serving the property.

CONCLUSION/RECOMMENDATION
City staff is in favor of providing industrial land in the City of Princeton and supports the new zoning.
REQUEST

Conditional Use Permit to allow retail sales of products stored or manufactured on the site in a MN-1 Zoning District. The property is located at 12636 320th Avenue Northwest. Legal description: Lot 7, Block 1, Railside, Sherburne County, Minnesota, Section 4, Township 35N, Range 26W, PID #01-459-0135.

BACKGROUND

Ted Bell has requested the opportunity to sell retail products as an accessory use at his new manufacturing facility.

ANALYSIS

MN-1 Industrial-Conditional Use Permit-Retail sales as an accessory use, provided that:

(a) Retail sales of products stored or manufactured on the site shall be allowed as an accessory use. A maximum of twenty percent (20%) of the floor area of the space occupied by the particular business, up to a maximum of eight hundred fifty (850) square feet, may be used for retail sales purposes. A single structure leased to more than five (5) tenants under separate leases shall have no more than ten percent (10%) of the total building area devoted to retail space as an accessory use. An accessory retail sales area of greater than eight hundred fifty (850) square feet per business may be approved by conditional use permit, provided that the maximum floor area percentages of this subsection are not exceeded.

(b) Parking as required for retail in this title shall be provided in addition to that required for the principal use.

(c) No sign or display in excess of four (4) square feet shall be placed on or off the property advertising the existence of the retail sales facility.

CONCLUSION/RECOMMENDATION

Ted bell has agreed to the conditions stated above. Staff would recommend approval of the CUP for retail sales as an accessory use in MN-1 Industrial.
REQUEST

Kiernan Johnson on behalf of Casey's Retail Company has submitted an application to rezone the property at 501 Smith Systems Road from R-3-Multifamily Residential, to B-2 Neighborhood Business District.

BACKGROUND

Kiernan Johnson, Supervisor of Store Development, on behalf of Casey's Retail Company, has submitted a site plan review application for the construction of a Convenience Store with Fuel Sales at US Highway 169 and South Rum River Drive. The property address is 501 Smith Systems Road.

The property is legally described as The Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota which lies Northwesterly of a line run parallel with and distant 75 feet northwesterly of the following described line: Beginning at a point on the north line of said Section 4, distant 347.3 feet east of the north quarter corner thereof; thence run southwesterly at an angle of 64 degrees 42 minutes, with said north line for a distance of 469.1 feet; thence deflect to the left on a 3 degrees 00 minutes curve, delta angle 26 degrees 48 minutes for a distance of 600 feet and there terminating.

EXCEPTING THEREFROM: That part of Princeton Crossings according to the plat thereof on file or of record in the office of the County Recorder, Sherburne County, that lies within the Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota.

ANALYSIS

Existing Conditions. The neighborhood in which the parcel is located contains mostly public buildings, Princeton High School, and general neighborhood business.

The property is currently zoned R-3. The Rezoning application is being submitted with the Site Plan Review application. The Property is being requested to be rezoned from R-3 Multi-family Residential to B-2 Neighborhood Business District. The purpose of the B-2, Neighborhood Business District is to provide for the establishment of highly limited scale neighborhood commercial centers and uses in existing commercial nodes that offer basic, convenience-type goods and services to the immediately surrounding areas in which they are located.
Review Standards. The Zoning Ordinance does not list review standards for rezoning applications. However, many communities utilize the following factors as review standards in rezoning requests, which are being provided as information:

1. The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the official city comprehensive plan.
2. The proposed use is or will be compatible with present and future land uses of the area.
3. The proposed use conforms to all performance standards contained in this code.
4. The proposed use can be accommodated with existing public services and will not overburden the city’s service capacity.
5. Traffic generation by the proposed use is within capabilities of streets serving the property.

CONCLUSION/RECOMMENDATION

Staff would recommend approval of the rezoning request from R-3 to B-2, based on the following findings:

1. The request is consistent with the Comprehensive Plan and the Future Land Use Plan.
2. The request to rezone this property would not be greatly affect the integrity of the neighborhood.
Casey’s Retail Company
Project Narrative

Casey’s Retail Company is proposing the construction of a convenience store with gasoline sales in Princeton, Minnesota, located at 501 Smith System Road. The proposed development would include a one-story building consisting of 4,810 square feet, 5 double-sided fuel pumps, a 24’ x 136’ canopy over the fuel pumps, and two underground fuel storage tanks.

The proposed Casey’s General Store will have operating hours of 6 am – 11 pm, with possible extended hours of 5 am – 12 am, if permitted. The store will employ 20-25 employees, both part time and full-time, and include management opportunities. There are 19 designated parking spaces, in addition to 10 available spaces at the fuel pump. Included in the parking is 1 handicap parking space.

The building materials for the proposed Casey’s General Store consist of stone veneer, brick and stucco.

The signage for the proposed Casey’s General Store will include a 3 product pylon sign and a number of signs on the building and canopy. The 3 product pylon sign will be a total of 35’ in height. The product sign will be located on the southeast corner of the parking lot.

The proposed Casey’s General Store will not have any outdoor storage.

Construction is expected to start in the spring of 2018 with construction ending in the fall of 2018.
MEMORANDUM

TO: Planning Commission
FROM: Jolene Foss, Community Development Director
SUBJECT: Variance for rear yard setback
DATE: November 20th, 2017

BACKGROUND
Kiernan Johnson on behalf of Casey’s Retail Company, has applied for a variance for rear yard setback of 17 feet 10 inches. The required rear yard setback is 30 feet. The proposed construction would be located 12 feet 2 inches from the rear property line. The property address is 501 Smith Systems Road.

The property is legally described as The Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota which lies Northwesterly of a line run parallel with and distant 75 feet northwesterly of the following described line: Beginning at a point on the north line of said Section 4, distant 347.3 feet east of the north quarter corner thereof; thence run southwesterly at an angle of 64 degrees 42 minutes, with said north line for a distance of 469.1 feet; thence deflect to the left on a 3 degrees 00 minutes curve, delta angle 26 degrees 48 minutes for a distance of 600 feet and there terminating. EXCEPTING THEREFROM: That part of Princeton Crossings according to the plat thereof on file or of record in the office of the County Recorder, Sherburne County, that lies within the Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota.

ANALYSIS
The site is located north of Caribou and McDonald’s. It is south of Frontier Steakhouse. The site includes one parcel that is 1.29 acres in size. The project includes the construction of a 4,810 square foot, one-story building with 5 double sided fuel pumps, a 24’ by 136’ canopy over the fuel pumps and 2 underground fuel storage tanks. The building meets all height requirements. Access will be off of Smith Systems Road from the north side of the site. An application for rear setback is included with the site plan review application.

VARIANCE
A variance request was submitted for a rear yard setback of 17’ 10” instead of the 30’ required setback. The reason for this request is that the lot is longer north to south than it is east to west. To meet the 30’ required rear yard setback would significantly reduce the buildable space on the lot to the east and impact the space available for parking and drainage. The west side of the lot is backed up to a paved trail and tennis courts owned by the High School. Casey’s has agreed to put in additional natural screening in the form of landscaping to help buffer the visual impacts of the rear of the building being located closer to the west property line and the high school property.

GENERAL VARIANCE REVIEW STANDARDS
Subsection 3.B of Chapter IV outlines the standards for review of a Variance:

1. Is the variance in harmony with the general purposes and intent of the zoning ordinance?
   Comment: Yes-The variance is in harmony with the general purposes and intent of the zoning ordinance.

2. Is the variance consistent with the Comprehensive Plan?
   Comment: Yes-It appears the variance will remain consistent with the Comprehensive Plan.
3. Does the property owner propose to use the property in a reasonable manner not permitted by the zoning ordinance?
   \textcolor{red}{Comment:} Yes-he property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance.

4. Are there circumstances unique to this property not created by the landowner?
   \textcolor{red}{Comment:} Yes-There are circumstances unique to this property not created by the landowner.

5. Will the issuance of the variance maintain the essential character of the locality?
   \textcolor{red}{Comment:} Yes-Such variance will not alter the essential character of the district in which it is located or the property for which the variance is sought.

6. Does the alleged practical difficulty involve more than economic considerations?
   \textcolor{red}{Comment:} Yes-The request for this variance is due to the unique shape of the lot. The granting of the variance will allow Casey's to maximize space and is the appropriate land use.

It is Staff's recommendation to \textbf{approve} the variance request.
MEMORANDUM

TO: Planning Commission
FROM: Jolene Foss, Community Development Director
SUBJECT: Essential Services Overlay District
DATE: November 20th, 2017

REQUEST

The City of Princeton Zoning Administrator has requested an essential services overlay district to be placed in the right of way.

BACKGROUND

There has been a need for Public Safety communication improvement for the City of Princeton for an extended time. A tower of adequate height is required to amend this problem. An essential services overlay district will allow for a tower of this type to be constructed in the right of way north of Highway 95 that will meet the communications needs for the entire community.

The property is described as a right-of-way located between B-2 Neighborhood Business District and R-2 Residential District on a portion of Sixth Street North to ES Essential Services Overlay District to allow a 190’ foot cell tower for public safety communication located between parcels; Original Townsite, Block 33, Lot 7 and parcel Original Townsite, Block 41, Lot 12, Section 28, Township 36, Range 26.

ANALYSIS

Existing Conditions

The City of Princeton is in need of an adequate communications tower. See attached memos.

Review Standards. The Zoning Ordinance does not list review standards for rezoning applications. However, many communities utilize the following factors as review standards in rezoning requests, which are being provided as information:

1. The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the official city comprehensive plan.
2. The proposed use is or will be compatible with present and future land uses of the area.
3. The proposed use conforms to all performance standards contained in this code.
4. The proposed use can be accommodated with existing public services and will not overburden the city’s service capacity.
5. Traffic generation by the proposed use is within capabilities of streets serving the property.

CONCLUSION/RECOMMENDATION

Staff would recommend approval of the zoning of an essential services overlay district.
To: Jolene Foss and the Princeton City Council

From: Chief Todd Frederick

Date: 11/03/2017

Regarding: Tower for Simulcast System – Public Safety

The City of Princeton Public Safety Departments has been working on finding a solution on an issue regarding the communication with the 800 mhz system. Departments such as Police, Fire, Medical Services, Public Works and Public Utilities are unable to communicate on a consistent basis via the portable radios when officers, fire personnel and workers are inside some of the buildings within the city of Princeton. This is an unsafe situation for all City of Princeton employees and other public safety personnel and workers that operate in the area with hand held portables. This tower would be the start of the processes to correct this issue by allowing public safety and other departments to install a simulcast system on the tower in the near future. If you have any questions please feel free to call me.

Sincerely,
Chief Todd Frederick
Princeton Police Department
To: Jolene Foss and City Council

Date: 11/03/2017

From: Fire Chief Ron Lawrence

Regarding: Tower for Public Safety and Simulcast System

The City of Princeton has a public safety issue regarding communications. We are unable to communicate via radios when we are in some of the buildings inside the city. This is a detrimental issue for Fire and Police. This tower will be very important in starting to correct this issue by allowing public safety to install a simulcast radio system on this tower in the future. It will benefit public safety, city employees, and the citizens of Princeton to communicate inside buildings, keeping public safety employees safer. It will also benefit public works employees and everyone else who uses the 800 mhz radio system. This tower is a step in the right direction for public safety for the City of Princeton.
MEMORANDUM

TO: Princeton Planning Commission
FROM: Community Development Director
SUBJECT: Casey's General Store Site Plan Review and Variance
DATE: Nov 20th, 2017

BACKGROUND
Kiernan Johnson, Supervisor of Store Development, on behalf of Casey's Retail Company, has submitted a site plan review application for the construction of a Convenience Store with Fuel Sales at US Highway 169 and South Rum River Drive. The property address is 501 Smith Systems Road.

The property is legally describec as The Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota which lies Northwesterly of a line run parallel with and distant 75 feet northwesterly of the following described line: Beginning at a point on the north line of said Section 4, distant 347.3 feet east of the north quarter corner thereof; thence run southwesterly at an angle of 64 degrees 42 minutes, with said north line for a distance of 469.1 feet; thence deflect to the left on a 3 degrees 00 minutes curve, delta angle 26 degrees 48 minutes for a distance of 600 feet and there terminating.

EXCEPTING THEREFROM: That part of Princeton Crossings according to the plat thereof on file or of record in the office of the County Recorder, Sherburne County, that lies within the Northwest Quarter of the Northeast Quarter of Section 4, Township 35, Range 26, Sherburne County, Minnesota.

REZONING
The property is zoned R-3. The Rezoning application is being submitted with the Site Plan Review application. The Property is being rezoned from R-3 Multi-family Residential to B-2 Neighborhood Business District. The purpose of the B-2, Neighborhood Business District is to provide for the establishment of highly limited scale neighborhood commercial centers and uses in existing commercial nodes that offer basic, convenience-type goods and services to the immediately surrounding areas in which they are located.

VARIANCE
Casey's is applying for a Variance for rear yard setback. The Variance Application is being submitted with the Site Plan Review.

PARKING
The proposed 20 parking stalls meet the Ordinance standards for stall sizes and aisle widths. The proposed parking plan includes 19 standard stalls, 1 handicapped stalls and 10 available spaces at the fuel pumps.

LANDSCAPING
Proposed landscape plan includes all required components including details of all proposed vegetative landscaping materials, non-vegetative landscaping and screening materials, planting and construction schedule. All areas disturbed during construction shall be restored as soon as possible. Seeding and/or sodding shall occur according to code.
SIGNAGE
Prepoded signage has not yet been thoroughly examined. Proposed signage will be evaluated at the time of sign permit application. Any proposed signage must meet ordinance requirements and a sign permit must be applied for.

BUILDING MATERIALS
The exterior of the building is to be constructed with stone veneer, brick and stucco. Building elevations are provided.

CITY ENGINEER The City Engineer has reviewed the site plan application and submitted comments via a memo dated xxxxx in regards to the Smith Systems Road and Rum River Drive Traffic Analysis, grading and erosion plan, utility plan, SWPPP, and storm water management. All of the comments will need to be addressed by Casey’s Retail Company. Upon satisfaction of the Engineer requests, building permits can be applied for.

FIRE INSPECTOR
The Fire Inspector has reviewed the site plan application and he found no concerns with this plan.

CONCLUSION
Based upon the above review standards, city staff would recommend approval of the site plan review for the proposed Casey’s General Store and Fuel Sales, subject to the following conditions:

1. XXXXX
Casey's Retail Company

Project Narrative

Casey's Retail Company is proposing the construction of a convenience store with gasoline sales in Princeton, Minnesota, located at 501 Smith System Road. The proposed development would include a one-story building consisting of 4,810 square feet, 5 double-sided fuel pumps, a 24' x 136' canopy over the fuel pumps, and two underground fuel storage tanks.

The proposed Casey's General Store will have operating hours of 6 am – 11 pm, with possible extended hours of 5 am – 12 am, if permitted. The store will employ 20-25 employees, both part time and full-time, and include management opportunities. There are 19 designated parking spaces, in addition to 10 available spaces at the fuel pump. Included in the parking is 1 handicap parking space.

The building materials for the proposed Casey's General Store consist of stone veneer, brick and stucco.

The signage for the proposed Casey's General Store will include a 3 product pylon sign and a number of signs on the building and canopy. The 3 product pylon sign will be a total of 35' in height. The product sign will be located on the southeast corner of the parking lot.

The proposed Casey's General Store will not have any outdoor storage.

Construction is expected to start in the spring of 2018 with construction ending in the fall of 2018.
Figure 2 – Proposed Site Plan

Source: Design Tree Engineering
Memorandum

To: Ms. Jolene Foss, Community Development Director, City of Princeton

From: Andy Brotzler, PE, City Engineer

Date: November 09, 2017

Re: Preliminary Site Plan Review Comments – Casey’s General Store
WSB Project No. R-010945-000

We have completed a review of the preliminary site plan which was received on October 31, 2017 for the proposed Casey’s General Store site located at 501 Smith System Road. This review was completed for the submitted site plan including sheets AL-101, C3.0, and C4.0.

Utilities:

- Based on the record plan, the site appears to be served with a 6-inch sanitary sewer service in the approximate location shown on the plan. The final location and elevation of the service will need to be verified during construction which is noted on the plan. A cleanout is also provided at the connection location.
- Based on record plan information provided by the PUC, the existing water service to the site is only a ¾-inch service. The existing service should be removed, and capped at the main. The proposed 2-inch service will need to be open cut and wet tapped in accordance with PUC requirements. The proposed 2-inch water service for the site should be reviewed by the Building Official/Fire Marshal for adequacy if fire suppression is required.

Stormwater Management:

- The proposed storm sewer pipe size and material information needs to be provided for the pipe from CB-5 to the existing manhole in Smith System Road. A traffic control plan is required to be submitted for review and approval by the City Engineer prior to any construction within the Smith System Road right-of-way. A note shall also be provided for the bituminous patch in this area to match the existing section with bituminous lifts being placed in no more than 2-inch lifts.
- Detailed design calculations for all storm sewer pipes need to be provided. Including the header system on the west side of the building collecting the roof runoff.
- The stormwater treatment pond should have minimum side slopes of 3:1. It appears that some of the slopes on the north side of the basin are less than 3:1 (between 969 & 970 contour).
- A wet basin is proposed for stormwater management. With type A soils, a pond liner will be required to prevent infiltration below the pond outlet.
- A 10:1 bench is required on a wet sedimentation.
- Stormwater Management Study
  - Atlas 14 rainfall depths for Princeton are incorrect.
    - 2-Year, 24-Hour Event – 2.78"
    - 10-Year, 24-Hour Event – 4.1"
    - 100-Year, 24-Hour Event – 6.6"
  - The proposed discharge rate for the 10-year event is larger than the existing rate. Please meet or reduce the proposed rate to the existing rate.
  - Label the contours in the Existing Watershed Exhibit.
  - Label the contours in the Proposed Watershed Exhibit.
  - Show routing diagram for HydroCAD model.
Stormwater Management Study has used incorrect data and is incomplete. A revised report needs to be submitted for review.

**Site Plan:**

- Truck Circulation through the site should be documented. Specifically, a truck entering and exiting the site and accessing the gas tanks.
- There is a driveway to the property on the north side of Smith System Road. The driveway for Casey's should line up with the existing driveway.

**Traffic:**

- Copies of the traffic counts should be provided, including the date and time of the count.
- The analysis did include looking at the AM and PM peak hours. The afternoon school peak hour was documented to be in conjunction with the school dismissal time of 2:45 pm. This time should also be analyzed specifically to document the potential backup blocking the new site access.
- An explanation on why the overall AM LOS in the 2019 no-build is better than the existing condition.
- During the PM peak hour the EB left turn changed from existing LOS B / 10.8 sec delay to 2019 no-build LOS D / 30.8 sec delay. Although this is considered acceptable levels, documentation that this would not be any worse during the school dismissal time should be provided.
- Additional details on how the traffic distribution from the site was determined should be provided. It appears that a large amount (57% in the AM and 63% in the PM) of traffic exiting the site is shown to be distributed to the west on Smith System Road, not impacting the CSAH 29 intersection. This does not seem realistic and should be re-evaluated.
- Additional details on how the pass-by and diverted trips were included in determining the build traffic volumes. The figures in the appendix are not clear on how these calculations are being used.
- The 2019 build traffic volumes shown on page 10 shows very low through traffic (1 eastbound and 3 westbound) during the PM peak hour at the site entrance. It is assumed that this is a result of the “High” pass-by percentages. This does not seem realistic and should be re-evaluated.
- For each analysis, the available queue storage should also be provided and included in the tables to document that there is no impact.
- Based on the above comments the traffic analysis should be revised.
- Based on ITE Traffic Generation rates, the site is anticipated to generate approximately 1,350 daily trips, 65 AM peak hour trips, and 85 PM peak hour new trips. As indicated in your original e-mail, this may impact the operations of the Smith System Road/CSAH 29 intersection.
- The existing intersection of Smith System Road/CSAH 29 does currently have a northbound and eastbound left turn lane. Based on the anticipated increase in traffic volumes, a southbound right turn lane on CSAH 29 may need to be considered. This will need to be coordinated with Millie Lacs County.
- The traffic control at the intersection is currently side street stop control. A review of traffic control options should be considered.
- A traffic analysis of the intersection of Smith System Road/CSAH 29 and the proposed access location should be conducted to document the impacts from the site to determine the needed lane configuration and traffic control for the intersection and proposed access location.

**General Comments:**

- Extending the existing concrete sidewalk along CSAH 29 west along the south side of Smith Systems Road should be considered.
- The grading plan show grading out into the R.O.W. of CSAH 29 (S. Rum River Drive). Permitting for grading in the R.O.W. will need to be done through Millie Lacs County for this work.
- Driveway should be constructed per City of Princeton Standard Plate STR-03.
- Label the contours on the Utility Plan.
- The information provided on Sheet AL-101 is for R-3. The application is requesting that the property be re-zoned to B-2, Neighborhood Business. Zoning information in the plans should reflect this.
- Sheet C3.0 calls out a 15-inch RC apron at the pond inlet, but sheet C4.0 shows the inlet to the pond as 12-inch RCP. Please correct the conflicting notes.
- Final site grading, utility, and erosion control plans will need to be submitted for review prior to construction.
City of Princeton
RE: Casey’s Station
From: Loren Kohnen Fire Marshal
Nov. 7, 2017

I have reviewed the proposed site for Casey’s regarding Fire Code. I find no problems with the site or use. Two Fire Hydrants are available.

[Signature]

Loren Kohnen
Fire Marshal, City of Princeton
MINUTES OF A SPECIAL JOINT MEETING OF THE PRINCETON CITY COUNCIL AND
MILLE LACS COUNTY BOARD AND STAFF
HELD ON OCTOBER 3, 2017 5:30 P.M.

Mayor Paul Whitcomb called the meeting to order. City Council members present was Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Staff present, City Administrator Mark Karnowski, Finance Director Steve Jackson, Community Development Director Jolene Foss, Clerk Shawna Jenkins, and Engineer Andrew Plowman.

Mille Lacs County Board and Staff: County Board Chair Roger Tellinghuisen, Commissioners David Oslin, Phil Peterson, Genny Reynolds and Tim Wilhelm. Staff present, County Administrator Pat Oman, Assistant County Administrator Holly Wilson, and County Engineer Bruce Cochran

Co Rd 157 & TH95 Roundabout funding discussion

Whitcomb advised that the City Council passed Resolution 17-32 at the July 13:2017 meeting. The resolution highlights the traffic counts of CR 157, that Princeton encompasses less than 1% of the total land of Mille Lacs County but accounted for over 15% of the property tax revenue, and the County recently approved a local option sales tax to be collected for a 10 year period collecting between 13 and 15 million dollars to pay for seven road improvement projects not fundable using County State Aid funds.

Oman responded that the County Board received the resolution the day it was sent and it was reviewed at a study session. The County Board and Staff is looking to gather some information only, so there will be no action taken tonight. They will review it again at a work session in 2 weeks.

Edmonds asked the following questions to help begin discussions.
1. Why is the City responsible for the local share of this project.
2. County Road 157 is a connector road between CSAH 1 and MN Truck Highway 95
3. It is a bordering road between the City of Princeton and Princeton Township, so it is not exclusively in the City limits.
4. Only 25% of the proposed Roundabout is in the City limits.
5. Mille Lacs County has two sources of revenue to fund the local share of this project. Those being the Local Option Sales Tax and the wheelage tax.

Edmonds stated he was not on the Council when the project was originally planned. He is not sure how the city became the source of the local funding.

The county has a local option sales tax, and a wheelage tax for funding sources. He would like to suggest using the city's portion of the sales tax and wheelage tax towards the project. He said he thinks it is safe to say that the City would generate the project's local portion in a pretty short time. Karnowski stated that he did some investigating and about 1/3 of the local option sales tax revenue comes from Princeton. Genny Reynolds asked where Karnowski got that
number. Karnowski responded that he got that information from the MN Department of Revenue.

Oman stated that the City receives about $276,000 in wheelage tax on average. Edmonds does not think it is out of line to ask that the revenues that come from the City, be used towards this project.

Oman commented that the signed agreement does state that the City shall pay the local portion of the project. In the feasibility study, it stated that the local share would be assessed and some levied for. When the local option sales tax was discussed, it was advertised and public hearings held. County Road 157 was not added to the list when it was being discussed. Edmonds responded that it should be revisited, as boards, commissions and things have changed.

Karnowski reported that this intersection was originally planned as a stop light intersection. He added that Cochran would probably agree that a roundabout would be a much better configuration for this intersection. In terms of assessments, the court has made it mandatory that the city provide proof that the property being assessed will be increased in value by the assessed amount. The original local share estimate would have likely met that requirement, but the new estimate may not. Which is one of reasons the city is reaching out to the county for assistance in the project. This is a county road, and a lot of funds raised with the local option sales tax is coming from the City. He feels the County has some responsibility to assist.

Edmonds added that he does not believe the local option sales tax and wheelage taxes were in place when this project was originally looked at. It would be fairly easy to amend the projects those funds are being used for.

Roger Tellinghuisen asked Engineer Cochran to give the criteria used to pick the roads that would be improved with those funds. Cochran replied that they looked at gravel roads, high traffic counts, roads that would spur development and those that were a source of complaints.

Oman stated that the wheelage tax is for highway equipment, so it would be an inappropriate to use it for road improvements. The County Board did look at raising the wheelage tax by $10, but they did not wish to do so.

Karnowski said he challenges any commissioner or staff, to find another road in the county that was improved using money other than county funds. He feels this would be the only case where a road was improved using city funds. Cochran's predecessor did mark it as a state aid road temporarily to help in the past. The county does not have any funds into the improvements made several years ago. If you look at the total cost of the roundabout and what the city has already spent on improving that road, he thinks in the interest of fairness the county has some responsibility to participate in that road's improvement. Especially given the amount of local option sales tax dollars that are generated by the current businesses that are accessed by that road, and the future businesses that will be put in soon. He feels it would be an injustice if the county does not contribute to the intersection improvement.

Oman responded that the County contributed to that previous improvement as they lost those state aid funds from another road when that was done. He suggested a tax increment district, as that would be an additional funding mechanism the city could use. There is even a deferred
transportation loan fund. The county board and staff are here as they do care about the city and he understands what Karnowski is saying.

Whitcomb admitted that he thought of the road as 21st Avenue, and not County Road 157 so it did not occur to him right away to go to the County for assistance. However, the city has a county commissioner that represents the city. It is a county road and the city is asking for assistance with the local portion of the improvement.

Cochran and City Engineer Plowman worked on the new numbers and updated the information for the local portion of the construction. The total local portion in construction, engineering and right of way is $478,002.41. Cochran added that Federal funds require a 20% match.

Wilson stated that this is a different amount than what was originally relayed to the County. Plowman responded that the design engineering saw increases, and a phase 1 and 2 contamination study were required. The right-of-way negotiations were slight higher as well, as well as a couple over-runs of what was provided in the feasibility study.

Edmonds added that the city just found another grant to apply for, so the local portion may go down if the grant is approved. Plowman replied that he is not sure on the timeline of when the grants will be awarded. However, we should have a better idea of the project costs as the project is being bid on October 31st.

Plowman stated that the grant that is being applied for is the “LRIP”. Oman asked how much the city is requesting. Plowman responded that they are not sure at this point, but they will likely apply for the entire local share.

Oman asked the council how much they are requesting from the County. Edmonds replied that he would like to see the entire local share of the construction cost, but any amount would be nice. Karnowski believes Cochran put together a number at one point showing how much of the intersection would be considered the county portion. Cochran said they have better numbers now, and with the bids coming in soon, they will have a much more accurate cost.

David Oslin asked for clarification on the timing of the project. Plowman replied that the bids are going out in October, with construction starting in the spring after school gets out.

Oman asked what funds they are looking for to cover the local share. Karnowski replied that staff is looking at a few other things, possibly rolling some into a bond for another project, borrow from an enterprise fund, a portion levied and a portion would be assessed.

Genny Reynolds asked about a low interest loan through MnDOT. Cochran responded that for a city with a population of 5000 or less, the interest is about 1% lower than the bond rate.

Karnowski stated that this meeting was to discuss why the County will not contribute to the road improvement.

Genny Reynolds responded that she does not feel there has been good communication between the city and county. She agrees it is a county road, but does not agree that it needs to be
improved. She asked if the project includes a trail. Plowman responded that it did, and Walker
and Foss estimated the amount for the trail at about $90,000.

Genny Reynolds asked where he got the number of 15% of property taxes come from the City
of Princeton. Karnowski stated he got his numbers on the property tax and sales option tax
numbers from the MN Department of Revenue and the County Auditor.

Oslin said it appears the City has looked at several funding options, and the city has provided
the county some ideas as well. He doesn’t feel the decision has been made to assist in the cost
of the project as of yet. He appreciates being here and the discussion that the City and County
has had.

Edmonds stated that there are still some unknowns and some variables. Maybe the County and
City could convene again once we have some more accurate numbers. Oslin agreed.

Edmonds and Whitcomb both agreed and are thankful for the opportunity to meet tonight.

WALKER MOVED TO ADJOURN THE STUDY SESSION AT 6:26PM. ZIMMER SECONDED
THE MOTION. MEETING ADJOURNED

Respectfully Submitted,

______________________________
Shawna Jenkins
City Clerk

ATTEST:

______________________________
Paul Whitcomb, Mayor
MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL
HELD ON OCTOBER 5 2017 4:30 P.M.

Mayor Paul Whitcomb called the meeting to order. Council members present was Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Staff present, Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Community Development Director Jolene Foss, Public Works Director Bob Gerold, Clerk Shawna Jenkins, Liquor store manager Nancy Campbell, Fire Chief Ron Lawrence, and Princeton Fire Relief Association President Adam Cook.

Safe Routes To School

Karnowski reported that the school district was going to come to the council to request some financial assistance on a Safe Routes to School grant, but if they receive the grant it will be several years before they receive the funds.

However, Espe did talk to staff about painting some new crosswalks, so staff will be doing that as well as put some signage up.

Fire Relief Association

Lawrence advised that Phil Coleman from PERA would like to discuss their program. Karnowski added that the Relief Association is not a city organization, is a fire department organization. The Relief Association is a retirement program for firefighters. They receive 2% from property insurance premiums, which the state distributes to the various Relief Associations.

Currently the Relief Association has been using Wells Fargo to invest those funds. If the Council agrees with the Fire Relief Associations vote, the money would be transferred from Wells Fargo to PERA. This transfer would actually save the city and the relief association some money.

Coleman reported that PERA has been managing the state pension system for a very long time, and they have 142 departments under their umbrella. The audits that the Relief Association has to pay for now, will not have to be done as PERA is a tax qualified program. GASBE will be handled by them as well.

When departments come in to PERA, they usually see an increase in their return. Right now, there is about 53 million in the state wide system. The funds are pooled for investments, but balances are kept separate. Their 5 year average is 7-8% return. In the event of a shortfall, the statute says the cities are given about an 18 month notice, and a 10 year time frame to pay the amount due.

The benefit level is an agreement between the City and Fire Department. PERA will do a cost analysis when the Association is determining whether to increase their benefit. They encourage the City and the Fire Relief to contact other cities using PERA to see how it has worked for them.
Whitcomb asked if the benefit amount could be reduced in the event of a shortfall. Coleman responded that the benefit cannot be reduced.

Karnowski stated that one of the reasons that the department was reluctant to change to PERA in the past, is once you were in the PERA plan, you could not take it out. Coleman responded that there was a bill that would have changed that, but the governor opted to veto that bill because it was attached to something else that the governor was very vocal on. They feel it will likely be passed at some point.

Whitcomb questioned if the council increased the benefit, would that go into effect on day 1 if someone retired. Coleman replied that a person would have to be vested for 5 years to get the PERA benefit. However, sometimes the council opts to increase the benefit prior to the 31st of the year, so that rate is locked in right away.

Walker questioned if someone had been on the fire department for 25 years, and retired next year, would they get the higher benefit. Coleman responded that they would get the benefit that was set by the City Council, not the higher PERA amount until they had been vested for 5 years.

Edmonds asked Lawrence if he is aware of any firefighters that are retiring soon. Lawrence responded that there are 2 waiting to see what happens with this decision, and another 2 or 3 that will likely retire in 2 or 3 years. This is also a good retention tool, as many will want to try to get those 5 years.

Lawrence added that the other benefit is that they have a hard time getting people to join the relief association, so this may be a good recruiting tool as well.

Karnowski advised the Council that the Relief Association has 2 funds. One is for retirement, and the other is a general fund which they use to fund some of their events. They even bought a fire truck for the city a few years ago with those funds.

Edmonds commented that it usually makes sense to go into a bigger pool, as the benefits are usually better.

Zimmer asked how PERA handled things when the hard times hit a few years ago. Coleman replied that they are still recovering from that. Their plan has 26 million in assets and they are seeing a return of investment at about 15.5%. The majority of Fire Departments are very happy with how they handle the accounts. He is not convinced they will have a banner year of enrollments, but they had about 30 join last year.

Walker asked Lawrence and Cook how close the vote was. Lawrence and Cook responded they only heard 2 or 3 against changing to PERA.

Lawrence said the Relief Association also voted to slightly increase their benefit amount. Coleman provided the numbers. The current benefit is $3075 per year. At $3100 per year, the funding ration would be at 111%, at $3400 – 101%, $3200 – 108%, and $3300 – 109%. Lawrence stated that he recently spoke to the State Auditor and the Relief Association should be receiving a check for about $70,000 that is not figured into those calculations.
Karnowski asked what the Relief Association wanted to maintain, and asked Coleman what the average was. Coleman responded that they have one Department at 200% and they have not made any changes to the benefit for several years. Most departments like to be at about 120%.

Walker asked staff how long it took to recover when we saw the shortfall. Jackson responded that it took about 3-4 years. At that time, the city was not as highly funded as we are now, and the fire department did assist the city by reducing their hourly rate to help out. With PERA, the city would have 10 years to recover, which would be very helpful if it were to happen again.

Zimmer questioned how much the yearly audit costs the Association. Lawrence and Cook responded that it costs about $8,000 per year.

Walker asked how much the City contributes yearly. Jackson replied that it is about $19,000.

Lawrence advised that the Relief Association had voted to increase the benefit level to $3200 per year, prior to going into PERA.

Walker responded that he would be comfortable with the $3200 at this point.

Coleman added that the IRS code really protects Fire Retirement funds well.

Zimmer questioned what some of the objections were. Lawrence replied that it was the fact that you cannot leave once you were in, and the other was that the benefit amount could not be raised right away. Everyone he has talked to from other Fire Departments have been very happy with the program.

Coleman stated that they have a deadline of November 9th, which allows them to do the necessary paperwork and get everyone transferred over by January 1st.

EDMONDS MOTIONED TO MOVE THE FIRE RELIEF INVESTMENTS TO PERA AS REQUESTED BY THE FIRE RELIEF ASSOCIATION. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

WALER MOTIONED TO INCREASE THE YEARLY BENEFIT FROM $3,075 TO $3,200 AS REQUESTED BY THE FIRE RELIEF ASSOCIATION. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**Pine Technical College**

Foss advised that she spoke to someone from Pine Tech and they are looking to provide scholarships to high school students in the various cities.

They are asking the individual cities to donate $1,000 to their $2,500 so they can award a $3,500 grant to one student in each city.
Foss said they have a board that determines which student receives the grant. They review the applications and take recommendations from teachers as well.

WALKER MOTIONED TO APPROVE $1,000 FROM THE WINE AND SPIRITS GRANT FUND TO GO TOWARDS THE GRANT FROM PINE TECHNICAL COLLEGE. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ZIMMER MOVED TO ADJOURN THE STUDY SESSION AT 5:18PM. WALKER SECONDED THE MOTION. MEETING ADJOURNED.

Respectfully Submitted,

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Shawna Jenkins
City Clerk

ATTEST:

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Paul Whitcomb, Mayor
MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
OCTOBER 12, 2017 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS

Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Public Works Director Bob Gerdol, Development Director Jolene Foss, Clerk Shawna Jenkins, Fire Chief Ron Lawrence, Engineer Andy Brotzier, and Attorney’s Damien Toven and Kelli Bourgeois.

AGENDA ADDITIONS/DELETIONS

Jackson would like to add the employment agreement for Council Administrator Selection Robert Barbian to Unfinished Business.

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of September 28, 2017
B. Special Meeting Minutes of October 3, 2017

Whitcomb noticed a correction needed to the motion made on page 9 of the September 28, 2017. Jenkins will make that correction.

REYNOLDS MOVED TO APPROVE THE REGULAR MEETING MINUTES OF SEPTEMBER 28, 2017 WITH THE CORRECTION TO PAGE 9 AND SPECIAL MEETING MINUTES OF OCTOBER 3, 2017. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
B. Personnel
   1. Jolene Foss Step Increase from $65,955 to $68,325 effective 10-23-17
C. Donations/Designations
   1. Resolution 17-48 – Donation to Parks from West Branch Construction

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

OPEN FORUM

PRESENTATIONS

PUBLIC HEARINGS

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Planning Commission Minutes of September 18, 2017
B. EDA Board Minutes of September 21, 2017

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Wine and Spirits Grant request from ACT Princeton

Foss reported that Act on Alzheimer’s is asking for a $1,000 grant to help Princeton become a dementia friendly community. They will provide education through speakers and written materials to help community members understand what dementia is and ways to support those living with the disease and their caregivers.
Whitcomb added that this is a very worthwhile group and they are doing a great job even though they are very new. There will be a lot of people that will need housing and assistance in the near future, and they are doing a great job preparing for that.

ZIMMER MOVED TO APPROVE THE GRANT REQUEST OF $1,000 FROM ACT PRINCETON. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ORDINANCES AND RESOLUTIONS

A. Ordinance 756 – WAC and SAC Adjustments

Karnowski advised that with the recent change in how SAC and WAC is calculated, all of the calculations can be removed from the ordinance. There has been no changes since the first reading.

EDMONDS MOVED TO APPROVE ORDINANCE 756 AMENDING TITLE 9 (SEWER AND WATER) CHAPTER 900 (WAC AND SAC CHARGES) OF THE CITY OF PRINCETON CODE OF ORDINANCES. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Ordinance 757 – Amending the zoning map for 609 Old Hwy 18

Foss advised that this will rezone the Habitat Humanity Home site from MN-1 to R-3. Resolution 17-43 to rezone the property was approved at the last meeting.

WALKER MOVED TO APPROVE ORDINANCE 756 AMENDING THE ZONING MAP OF THE CITY OF PRINCETON BY REZONING FROM MN-1 TO R-3 MULTI-FAMILY RESIDENTIAL DISTRICT AT 609 OLD HIGHWAY 18. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. Main Sanitary Lift Station Final Pay Request

Brotzler reported that this is the final pay request for the main sanitary lift station project. All work has been completed and inspected.

Walker asked if this was the project where there was some additional work needed. Brotzler replied that there was a change order with the project, but he cannot recall at this moment what the details were.

Karnowski added that when the plant was upgraded staff knew that the lift station would need to be updated as well. We had some grant funds left after the plant was finished and they allowed those funds to be used for this Lift Station improvement.

WALKER MOVED TO APPROVE THE FINAL PAY REQUEST FOR $15,742.52 AND TO APPROVE THE CERTIFICATE OF COMPLETION. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
B. Airport 2017 Crack seal Project Payment request

Karnowski advised that the 2017 crack sealing project at the airport has been completed and inspected. Struck & Irwin are requesting payment of $25,813.00. The main runway and some of the taxiways were crack sealed.

Edmonds asked if the entire amount is paid for with the Federal Funds we receive. Karnowski replied that the city is required to pay a small portion, usually about 5%.

Walker stated that he had heard some complaints about the work at the last airport board meeting, so he brought a friend out to the airport with him tonight to take a look at the work. His friend is experienced with that type of work and said the work was not great, but adequate and functional.

Walker reported that the main complaints were that the sealing went over some new striping and the runway had a lot of debris on it. He said he did not notice any debris on the runway and asked Gerold if it was recently swept. Gerold responded that they do not usually sweep the runway, and has not been an issue in the past.

Edmonds asked Gerold what he thought about the quality of the work. Gerold replied that the runway is aging, so it is tough to tie into and get a good seal, but he feels it will serve its purpose.

Karnowski and Gerold believe it is scheduled in the CIP to be redone in two or three years.

Zimmer asked if the striping that was covered will be redone. Karnowski responded that the company that does the striping for the FAA was informed that a crack sealing project was scheduled and they said they would wait if they could. They apparently could not rearrange their schedule so it was done shortly before the crack sealing.

WALKER MOVED TO APPROVE THE PAY REQUEST FOR $25,813.00 TO STRUCK & IRWIN PACING, INC. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

C. Employment Agreement with Administrator Selection Robert Barbian.

Jackson advised that this is the same contract that was used when Karnowski was hired. Barbian will be starting with 2 weeks of leave, and he did request moving expenses. Jackson said he told him he would bring the request to the council.

Whitcomb suggested putting a stipulation on the moving expenses, that he does not receive it until he has been here for 6 months and that he needs to reside in city limits.

Walker questioned what amount Barbian requested. Jackson responded that he had requested $3000, and also brought up that it could be a stipulation that he reside in city limits.

Edmonds asked if moving expenses have ever been provided in the past. Staff did not believe it had. Karnowski asked Bourgeois and Toven if city residency could be required. Bourgeois responded that it cannot be a condition of employment, but could be a condition on the moving expense request.
Zimmer stated that he feels it is viewed differently when an Administrator lives in the city.

Reynolds questioned if the amount of $3,000 was a bit high. Walker asked how much should it be lowered. Jackson said he believes Barbian has a current lease he needs to buy out, and he may not be able to get into a permanent residence right away.

Edmonds was curious if Barbian would hold off on purchasing a property until the 6 month review.

Walker said he does not feel that $3,000 is out of line.

ZIMMER MOVED TO APPROVE THE EMPLOYMENT AGREEMENT WITH ROBERT BARBIAN. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

WALKER MOVED TO APPROVE $3,000 FOR MOVING EXPENSES, PAYABLE AT COMPLETION OF 6 MONTH REVIEW AND WITH THE CONDITION THAT HE RESIDES IN CITY LIMITS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

A. Subordination Agreement – Troy and Paula Minske Trustees

Foss advised that this is for a loan that they received through the Small Cities Development program. They are now refinancing and asking the city to sign off.

REYNOLDS MOVED TO APPROVE SUBORDINATION AGREEMENT FOR TROY AND PAULA MINSKE, TRUSTEES. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Minn Pace Information

Foss advised that Milles Creek Commissioner Reynolds provided this at the last EDA meeting and asked that it be relayed to the city council. Property Assessed Clean Energy (PACE) is an innovative finance solution for building owners interested in energy efficiency and renewable energy upgrades. The PACE structure overcomes financial challenges that hinder the adoption of energy efficiency projects by eliminating upfront costs, providing low-cost, long-term financing and making it easy for building owners to transfer payment obligations to tenants, as well as new owners in the case of a sale.

If the Council has any other questions, they can contact staff.

MISCELLANEOUS

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 $111,692.20 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 76260 TO 76331 FOR A TOTAL OF $218,896.12. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY
ADJOURNMENT
There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 7:33PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk

ATTEST:

Paul Whitcomb, Mayor
MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON OCTOBER 26, 2017 7:00 P.M. IN THE CITY HALL COUNCIL CHAMBERS

Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Public Works Director Bob Gerold, Development Director Jolene Foss, Clerk Shawna Jenkins, Fire Chief Ron Lawrence, Engineer Andy Brodtzer, and Attorney's Damien Toven and Kelli Bourgeois.

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

A. Study Session Meeting Minutes of October 5, 2017
B. Regular Meeting Minutes of October 12, 2017

WALKER MOVED TO APPROVE THE STUDY SESSION MEETING MINUTES OF SEPTEMBER 28, 2017 THE REGULAR MEETING MINUTES OF OCTOBER 12, 2017 EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
B. Personnel
   1. Police Officer Shane Duncan Step 4 increase to $27,18 effective 11-6-16
   2. Accept resignation of Jolene Foss effective 11-17-17
C. Donations/Designations

WALKER MOVED TO APPROVE THE CONSENT AGENDA. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

OPEN FORUM

PRESENTATIONS

PUBLIC HEARINGS

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

A. Planning Commission Minutes of October 16, 2017
B. Fire Board Minutes of October 3, 2017
C. Park Board Minutes of October 23, 2017

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Wine and Spirits Grant request from Ruff Start Rescue

Karnowski reported that Ruff Start rescue is preparing for their 7th Annual online silent auction which supports their program in many ways. The letter that was received stated that Ruff Start Rescue takes in many cats and dogs from the Princeton Impound. They supply these animals with needed veterinary care and refuge in foster homes until they are adopted. Since inception in 2010, they have taken in 93 animals from Princeton Impound, not including those that were born in rescue. They also helped 139 Princeton residents with surrendering their animals when they could no longer care for them.
They have also received 5 grants since 2014 that have provided reduced cost or free spay/neuter services for community owned and feral barn cats.

Whitcomb said as much as he believes Ruff Start does, he does not know if they truly benefit the residents of the City. Walker and Edmonds both believe it is a worthy cause.

WALKER MOVED TO APPROVE THE GRANT REQUEST OF A $50 GIFT CARD TO HELP IN THEIR ONLINE SILENT AUCTION. EDMONDS SECONDED THE MOTION.

Zimmer asked Chief Frederick if he feels they are benefitting the city. Frederick stated that if a stray dog or cat gets picked up, Ruff start usually assists the vet clinic in adopting out those animals. Frederick stated that other municipalities and the County uses Princeton Vet Clinic, so he does not know how many of the numbers are from directly from the City.

VOTE: 4:1 WHITCOMB OPPOSED. THE MOTION CARRIED

ORDINANCES AND RESOLUTIONS

A. Resolution 17-49 certifying past due utility bills

Karnowski advised that this is the yearling certification of past due utility bills so they can be collected by the county with the property taxes.

WALKER MOVED TO APPROVE RESOLUTION 17-49 CERTIFYING THE PAST DUE UTILITY BILLS TO THE COUNTY FOR COLLECTION. REYNOLDS SECONDED THE MOTION.

Edmonds asked if a renter does not pay the bill, does it go to the property owner. Wangen responded that they try to collect from the renter for quite some time before going to the property owner and certifying the bill to the County.

THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. TAP Grant funding options

Karnowski reported that Princeton is a recipient of a Transportation Alternative Program (TAP) grant to construct the proposed Great Northern Trail (GNT) which will result in a significant addition to the city’s bike and walking trail system. A copy of the proposed project’s map is attached.

The project proposes to construct a 10’ wide trail some 9,500 feet long (just short of 2 miles) from near the PUC’s southernmost well house to Mark Park with a spur that goes close to Coborns’ grocery store.

The estimated total cost of the proposal is $994,163 with $509,691 in TAP grant funds which leaves the need for a local contribution at an estimated $484,472. The project is slated for construction during the 2019 construction season. So, for the sake of this discussion, we’ll set the proposed fee at $500,000.

Funding Options: The city has two options for funding the local share of the TAP grant.
Property Tax Option: The first option would be a general (special) tax levy against all properties in Princeton. Under this approach, the city would propose to generate the necessary $500,000 (plus interest) through collection of a property tax increase over all properties in the city. Through this approach, the highest value properties end up paying the largest share of the costs.

Note that properties utilizing Tax Abatement or located in a TIF District would not contribute to the program funding. Neither would tax exempt properties such as churches, schools and other non-profits. The $500,000 would be added to the property tax bill as a line item labeled “Bike Trail Funding” or something to that effect.

Franchise Fee Option: The second option is the implementation of a franchise fee. Under Minnesota Statute (216B.36 – copy attached), cities can impose a fee on utility companies that use the public rights-of-way to deliver service.

A franchise fee would be charged to the electric service providers within the city (note that some cities also charge a franchise fee against the natural gas suppliers to a city as well (which is also an option the Council could consider). The electric providers would then pass that cost on to their customers as a fee listed on their monthly bill. The franchise fee is a tax increase and Staff suggests that, if adopted, the city should inform residents that the collected funds will be used solely for parks and trails funding.

The City can determine the amount, structure and use of franchise fees. Generally, they are structured in one of two ways:

- A flat rate per utility account OR
- A percentage of consumption used by each utility account

Staff is suggesting the “flat rate” fee which would remain constant rather than one based on consumption which would vary each month. Generally the fees are collected based on one fee per utility account and not on a per meter basis.

What are the Pros and Cons of Franchise Fees: When comparing franchise fees as a revenue source to property taxes...

Some potential advantages include:

- No increase in the property tax levy
- Collects from all potential users of the proposed bike path including schools and non-profits whose users often live outside the city but use the city's bike paths.
- Cover a wider base than property taxes
- Will diversify the City's revenue sources
- Collects fees from renters and other actual users of the bike paths rather than the property owner.
- Reliable source of revenue (not subject to loss of State Aid)

A flat-rate franchise fee would be the same for each property, making it easy to administer. New construction would contribute immediately, which would eliminate the one to two-year lag for the City to receive property taxes for property owners receiving municipal services.

Some potential disadvantages include:
Everyone must pay since electricity is used by all unlike a cable franchise fee where only subscribers choosing to receive the service are subject to paying the fee.

A flat-rate franchise fee would be the same for all homes, regardless of their value.

Franchise fees are not tax deductible.

Requires public outreach to describe the fee and process.

At the Council’s September 28th meeting the Council reviewed a memo suggesting that a franchise fee could be the funding source for the local share of the Transportation Alternative Program (TAP) grant and would be charged against the companies that provide electrical service to the city of Princeton. Those companies are:

Princeton Public Utilities (PUC), 907 1st Street in Princeton.
East Central Energy (ECE), 412 Main Ave. N., Braham, MN 55006
Connexus Energy, 14601 Ramsey Blvd. N.W., Ramsey, MN 55303

The proceeds from the franchise fee would go into a special dedicated fund that would be identified as the ‘Parks & Trails Capitol Improvement Fund’ and would be used solely for projects like the Great Northern Trail or other future projects like the proposed bridge linking Riverside Park to Riebe Park.

Again, one fee would be charged against each electric account as opposed to one fee being charged against each electric meter. The amount of the fee would be determined by the amount of the ‘loan’ (self-funded or bonded) needed to fund the local share of the TAP grant divided by the length of time the city decides to pay off that debt.

For example, in Elk River they collect the fee according to the following criteria:

Residential Property Owners: Pay monthly charge of $5 on their electric bill.

Commercial/Industrial Properties: Pay monthly charge according to the following schedule:
- Small Commercial/Industrial: Non Demand $25
- General Commercial/Industrial: Demand $70
- Large Commercial/Industrial: >1 MW Demand - $100

If the city opted to pursue the franchise fee concept, he suggests that city staff work with the PUC (and other electric providers) to see what the revenue level should be (using a concept similar to Elk River) to pay off the debt over various lengths of time.

Staff suggests that, if the Franchise Fee approach is adopted, that a $500,000 franchise fee be charged to the electric service providers that service Princeton. The electric providers would then pass this cost on to their customers as a ‘City Franchise Fee’ that would be listed on their customers’ monthly bill.

Staff suggests that the franchise fee option is preferable to increasing in property taxes to cover the city’s share of the TAP grant. A breakdown of the estimated taxes verses a franchise fee payable by different value homes and commercial industrial properties is depicted in the following graphic. The graphic shows what the annual fee (based on $3/month) would be from each property in order to generate the needed $500,000 in revenue versus the annual cost if the city levied $100,000 per year for several years (note that the franchise fee figures for the commercial/industrial properties are estimates).
<table>
<thead>
<tr>
<th></th>
<th>100k</th>
<th>200K</th>
<th>300k</th>
<th>1mil</th>
<th>5mil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Levy</td>
<td>$21.50</td>
<td>$54.00</td>
<td>$86.50</td>
<td>$576</td>
<td>$2,370</td>
</tr>
<tr>
<td>Franchise Fee</td>
<td>$36.00</td>
<td>$36.00</td>
<td>$36.00</td>
<td>$257</td>
<td>$1,029</td>
</tr>
</tbody>
</table>

*The actual tax levy impacts are based on current net tax capacity for 2017.*

<table>
<thead>
<tr>
<th>Elk River’s Rates</th>
<th>Princeton’s Rate Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Rate (per account):</td>
<td>$ 5</td>
</tr>
<tr>
<td>Small Com./Ind. - Non Demand</td>
<td>$25</td>
</tr>
<tr>
<td>General Com./Ind. - Demand</td>
<td>$70</td>
</tr>
<tr>
<td>Large Com./Ind. - &gt;1 MW Demand</td>
<td>$100</td>
</tr>
</tbody>
</table>

Based on the state demographer’s April, 2016 numbers, if a $5 electric franchise fee was adopted, the following revenue would be raised from residential property alone...this does not include any commercial/industrial properties:

| Sherburne Co. Households: (20) | | | | |
|---------------------------------|-------|-------|-------|
| Per Month:                      | $ 60  | $ 80  | $100  |
| Per Year:                       | $ 720 | $ 960 | $1,200|

<table>
<thead>
<tr>
<th>Mille Lacs Co. Households: (1,947)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Month:</td>
<td>$ 5,841</td>
<td>$ 7,788</td>
<td>$ 9,735</td>
</tr>
<tr>
<td>Per Year:</td>
<td>$70,092</td>
<td>$93,456</td>
<td>$116,820</td>
</tr>
</tbody>
</table>

Annual Total: $70,812 $94,416 $118,020

According to the Minnesota State Auditor, as of 2014 357 of the 853 cities in Minnesota imposed a franchise fee. Of those 357 cities, 163 cities have a population under 2,500 and 256 cities are located in outside the 7-county metropolitan area.

If the Council opts to move forward with the franchise fee proposal, the next step would be to draft a franchise ordinance and call a public hearing on the proposal. Communications with the public would be integral through this process. The process would culminate with the adoption of an ordinance and notification made to the utility companies. The entire process could take a few months.

He does not have all the numbers yet in terms of commercial accounts, but these will provide a general idea on funds that can be collected.

Walker asked what the logic was with having a different industrial rate. Karnowski replied that usually residential properties will all use a similar amount of electric. A big industrial company will likely use a very large amount, so could pay a slightly higher amount due to their usage. If the council wants to charge the same amount for all properties, that can be done as well.

Edmonds said he had some questions, but the memo has answered many of them. This is just preliminary discussion, and the details can be worked out. Karnowski stated that he has looked into the process and it will take a lot of work to get it into a final form and implemented. He wanted to get the Council’s thoughts on it before spending a lot of time working out those details. He can set the ground work if the Council wants to pursue a franchise fee. The First step would be to talk with the electric suppliers. Connexus is likely used to having franchise fees, East Central may not have any, and PUC does not.
Edmonds said he feels this project needs to be moved forward, but he is against increasing the levy. He is in favor of a franchise fee, and interested in seeing if there are other funding options as well.

Walker said it is not important how it is packaged. A franchise fee, or a levy increase is still a tax in one way or another.

Karnowski said part of the logic is that courts have ruled that this is not a tax per se, so the franchise fee would also be charged to many nonprofits. The logic for that, is that only 25% of students that go to the school district reside in the city, so if the school district was paying a franchise fee, in essence you are collecting funds from the township in a way.

A local option sales tax would also be an option, as there will be a lot more people than the city residents that will be using the trail.

Reynolds agrees that he would like to see it spread out over a larger portion of people. Mark said he would have to check, but he thought there was a moratorium on local option sales tax. Walker said if they are worried about a franchise fee being tough, he is sure a local option sales tax would be very difficult.

Jules said he this it make sense to pursue something like this. Not knowing what to charge per customer, but would like to move forward.

Mark said if there is a desire to continue the franchise fee, it could also be used for the bridge over the river to Riebe Park. His first experience with a franchise fee was in Mounds View. The money was to be earmarked for park purposes only. If there is a budget shortfall, the park funds are usually the first thing to be cut back on.

Zimmer said people are more apt to agree with something like this, when they are able to see things happen before their eyes.

Walker said when Jules was talking about parks, if we were to do that, we would have to make a verbal commitment, but this should be used to augment the current park budget, not to replace it.

Walker said this will be tied up into trails for a long time. He is in favor of moving this along.

THOM motioned to continue the process to enact a franchise fee. JULES second.

B. Public Safety Building ceiling fans

Lawrence advised the City Council had approved the purchase and installation of ceiling fans for both the police and fire bays in the 2017 CIP. Staff requested quotes from approved electricians and a bid has been received that is under the CIP amount. Staff is moving forward with the plans to have the fans installed.

NEW BUSINESS

A. Proposed Airport CIP
Karnowski reported that the major improvements at the airport are funded by the FAA. The advisory board reviews the necessary projects and prioritizes them. This is the CIP for the airport entitlement funds. Coming up in 2 years, is to rip up and replace the runway. It is the original runway and even the FAA agrees it needs to be replaced. The CIP is to begin the planning process, which is paid for by the grants. The FAA will make a special allocation to pay 90% of the cost. It will be a special grant, and the state may pick up 5% as well. This is the CIP plan for 2018 and beyond. It outlines the projects that the airport and FAA agree that should be done. Recommendation is to radify the CIP as recommended by the airport board.

Edmonds asked if the larger projects would be held off until funds are received. Mark said the FAA keeps this CIP on their website and he is understanding that they are planning for the project.

Thom said that additional funds are more than the 150k we get every year.

Jack asked about 2020, replacing the tractor. Was it purchased new in 2002? Gerold said it can be pushed out, but they try to monitor it as these tractors are known to have issues after about 10 years. Mark stated that the tractor can only be used at the airport.

B. Lights on After School

Karnowski reported that the Council has been acknowledging this event for a few years. The Family Pathway’s Teen Center has an event that everyone is invited to.

MOVED TO PROCLAIM OCTOBER 26, 2017 AS NATIONAL LIGHTS ON AFTER SCHOOL. SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Road Name Changes

Karnowski stated that it has been suggested that the City Council consider changing the street names of Smith System Road and Veri-Flow Lane since both were named for the businesses that were, but are no longer, on those two streets.

One suggestion is that Smith System Road be renamed to “Tiger Trail” because it bi-sects the high school property and that Veri-Flow Lane be re-named “Plastic Products Circle”.

If the Council wishes to move forward with that naming concept (or some other names) staff can prepare the requisite documents for your first meeting in November.

He asked how the Council wished to proceed.

Doctor, would like to name it after Dr. Jensen. Highlight letter

Whitcomb said it gets pretty difficult when you start naming streets after a person. Edmonds said he is totally in favor of dedicating something to Dr. Jensen, but agree a street naming is not even worthy of him. Possibly a housing development, or something similar.

Mark said the council is not obligated to make a decision tonight. Jack said he thinks that short little street would be fitting as Tiger Trail.
Thom said he thinks if we were to name a street after a person, we would have to look at many other streets and people that may be very worthy. He would rather if you wanted to do something like this, we have to look at several people and streets.

Jules said he thinks tiger trail, and it encompasses the whole community. Maybe the hospital should look at something for Doctor Jensen. Doctor... said they would not do that, as they are a corporation.

Thom said he would like to put this off for a bit. Jules confirmed to him that they are not disagreeing with anything he said.

Mark said he can check with other cities, that have created a policy on street naming. If a council decides they are going to start naming streets after people, is there a policy or criteria.

**MISCELLANEOUS**

**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 $128,001.24 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 76333 TO 76384 FOR A TOTAL OF $140,847.19. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**ADJOURNMENT**
There being no further business:

MOVED TO ADJOURN THE MEETING AT 7:33PM. SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk

ATTEST:

Paul Whitcomb, Mayor