

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON  
JANUARY 27, 2022 7:00 P.M.**

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**1. Call to Order - Roll Call**

**2. Pledge of Allegiance**

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

**3. Agenda Additions / Deletions**

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

**4. Consent Agenda**

- 4.1 City Council Meeting Minutes of January 13, 2022
- 4.2 PUC Agenda packet for January 26, 2022 Meeting
- 4.3 EDA Meeting Minutes of January 20, 2022
- 4.4 Approval to hire Justin Strom as a Police Officer, contingent on background check, psychological and medical examinations

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

**5. Open Forum**

Joseph O'Neil, 115 Unit A, Apache Sherburne Trailer Park said he has been a resident of the park for 15 years. Three to four years ago, there has been a strong decline in the management of the park when it comes to dealing with trash and junk. There is a vacant trailer next to him that has been empty for four years. He has been trying to get the manager to resolve the problem. Management did remove all the appliances, but left them in the front yard.

He saw an article about the proposed project for the adjacent properties, and wanted to caution the City about how the current park is being maintained. He also thinks all the residents of the park should be notified if the applicant submits their plans to expand.

Walker responded that the park is part of the city now, and the city's ordinances will need to be followed. O'Neil passed some photos to Brooks, and staff will send a letter to the property owner and park management.

**6. Old Business**

- 6.1 Ordinance 815, amendment for Permitted uses in B1 and B2 - FINAL READING  
McPherson advised that staff received a request from a bank in the B-1 Central Business District that would like to update their current pylon sign with an additional sign that would be a digital message board with changing graphics. The Sign Ordinance does not allow digital

message boards in the B-1 District. This type of signage is allowable in the B-2 Neighborhood Business District with restrictions that this site would conform with and is adjacent to the B-2 District.

The Sign Ordinance was amended in 2014 after extensive review by the Planning Commission and has worked very well with the guidelines. The bank suggested rezoning the site to B-2 District since they fit all the conditions necessary for allowing the signage. Staff reviewed the B-1 Central Business Zoning District and found discrepancies under permitted uses, and banks are listed, but does not identify drive thru service. It is traditional for a bank to have drive-thru service for the convenience of the customers and also with the current epidemic it is necessary wordage to be added. Drive thru language is also needed to be added under permitted uses with the coffee shop (with/without drive thru service).

In reviewing the B-2 Neighborhood Business Zoning District, the 2004 Zoning Ordinance had under permitted uses, any use permitted in B-1 District had been removed in amendments. It is unclear the intention of this removal, but assessing the allowable uses in the B-1 District would be a reasonable use in the B-2 District. Also, under permitted uses, professional office without drive thru is listed, and including financial institutions without drive thru service. The definition for financial institution encompasses a broad range of business operations within the financial services including banks, trust companies, insurance companies, brokerage firms, and investment dealers. The only business out of this description that would need drive thru service is banks, and staff is adding banks to the permitted use with/without drive thru service so there is no confusion in the future.

**B-1 Permitted Uses:** The Ordinance amended as follows (underline indicates additions; ~~strikethrough~~ indicates deletions):

In a B-1 Central Business District, unless otherwise provided in this ordinance, no building or land shall hereafter be erected, used, or structurally altered except for one of the following, as well as similar uses:

- \* Accessory building up to 800 sq ft;
- \* Adult uses-accessory (as regulated by Chapter VI, Performance standards);
- \* Coffee shop (**with/without drive thru service**) and bakeries- where products are sold on premise;
- \* Dry cleaners- pick up and laundry pick up stations including incidental repair but not including processing,
- \* Food services- grocery stores, fruit and vegetable markets, meat markets, supermarkets;
- \* Laundromats- self-service washing and drying, provided that the hours of operation are limited to 7 AM to 10 PM;
- \* Licensed child care;
- \* Professional services including **banks – (with/without drive thru service)**, medical clinics, funeral homes, offices;
- \* Personal services- barber, beauty shops, day spa, tanning salons, therapeutic massage
- \* Restaurants- with/without drive thru service;
- \* Retail businesses and services, except no outdoor storage shall be permitted;
- \* Shoe repair;
- \* Tailoring services.

**B-2 Permitted Uses** The Ordinance amended as follows (underline indicates additions; ~~strikethrough~~ indicates deletions):

In a B-2 Neighborhood Commercial District, unless otherwise provided in this ordinance, no building or land shall hereafter be erected, used or structurally altered except for one of the following, as well as similar uses:

\* **Any use permitted in B-1 District:**

- \* Accessory building up to 800 sq ft;
- \* Coffee shop, deli or restaurant without drive-thru service;
- \* Convenience stores of 3,000 square feet or less in gross floor area and not associated with gas station;
- \* Food services including specialty grocery store or meat market, bakeries whose products are sold on premise;
- \* Health clubs of 3,000 square feet or less in gross floor area;
- \* Multi-tenant structures-office, retail with 3,000 square feet or less gross floor area;
- \* Prepared food: delivery and/or take out only, no interior seating;
- \* Professional office including financial institutions (without drive-thru), **banks (with/without drive thru service)**, medical uses and general office users;
- \* Personal services- barber, beauty shops, day spa; tanning salons, therapeutic massage
- \* Public buildings and facilities;
- \* Specialty schools and learning centers.

**Amendment Review Standards:** The Zoning Ordinance does not outline specific factors upon which a proposed amendment should be considered; therefore, staff is providing the following factors, which are common review standards from other ordinances:

1. The proposed action has been considered in relation to the specific policies and provisions 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 with 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:** The Planning Commission held a public hearing on December 20, 2021 and moved to recommend the City Council. The City Council's introduction of ordinance 815 was t the January 3th meeting.

ZIMMER MOVED TO APPROVE ORDINANCE 815. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

## 6.2 Ordinance 816, amendment of zoning map - FINAL READING

McPherson advised that First Bank & Trust have applied for rezoning of their property located at 209 Rum River Drive South (PID #24-041-0500) that is currently zoned as B-1 Central Business District and to rezone the site to B-2 Neighborhood Business District.

In 1977 the property was purchased and a bank was built on the land and has been operating as a bank ever since. The site is on the corner of 3rd Street South and Rum River Drive South. South of the site is Taco John's that has the B-2 Neighborhood Business zoning designation.

The reasoning behind the rezoning change request is to update their current pylon sign with an additional sign that will be a digital message board with changing graphics. The Sign Ordinance does not allow that type of signage in the B-1 Zoning District, but is an allowable sign in the B-2 Zoning District. The City of Princeton supports business upgrades that encourage modern technology yet maintains the neighboring commercial destination.

Analysis: Currently, the B-2 Zoning Ordinance does not identify banks as a permitted use. It does allow professional office including financial institutions (without drive thru). It is traditional for banks to have drive-thru windows and was allowable at the time it was built. In the B-1 Central Business District banks are a permitted use, but it does not identify drive thru service. The Planning Commission is holding a public hearing on amending the B-1 and B-2 District Zoning Ordinance at tonight's meeting. The City Council will have final decision on the B-1 Central Business District to add additional wordage in permitted uses for banks to read; with/without drive thru service, and in the B-2 Neighborhood Commercial District under permitted uses; to allow any use permitted in B-1 Central Business District and also adding banks with/without drive thru service. The approval of the zoning change to the B-2 District would be a condition where banks with/without drive thru would be a permitted use.

It is the intent of the B-1 Central Business District to create an area which will serve as the focal point of community interest and as a focal point of commercial, financial, office, entertainment, and governmental activity.

While it is the intent of the B-2, Neighborhood Commercial 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.

Rezoning Review Standards: 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 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 with 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 servicing property.

Conclusion / Recommendation: The Planning Commission held a public hearing on December 20, 2021 for the rezoning of the property site located at 209 Rum River Drive South (PID #24-041-0500) from B-1 Central Business District to B-2 Neighborhood Business District and forward the recommendation to the City Council to hold a first reading January 13, 2022 with the following conditions:

1. The City Council approval of the Ordinance amending B-1 Central Business District to add additional language in permitted uses for banks to read as; with/without drive thru service, and in the B-2 Neighborhood Commercial District under permitted uses to allow any use permitted in B-1 Central Business District and allowing banks with/without drive thru service language in the professional office including financial institutions.

If the Council sees fit, a motion approving Ordinance #816 would be in order.

HALLIN MOVED TO APPROVE ORDINANCE 816. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 6.2.1 Resolution 22-03 - approving amendment to zoning map

McPherson stated that Resolution 22-03 is to approve the amendment to the zoning map.

Background: The Future Land Use Plan of the Comprehensive Plan designates the subject property as Commercial. Because this parcel is directly adjacent to the Commercial/Residential Mix, staff believes this change would be appropriate with residential adjacent to the west.

A mixed-use building which has commercial on the first floor and housing on upper levels would create a larger customer base for downtown businesses and could be designed in a way that reestablishes the feeling of the old downtown.

Conclusion / Recommendation: The Planning Commission held a public hearing on December 20, 2021 and was in favor of recommending approval to the City Council to have final approval of the Future Land Use Plan of the Comprehensive Plan and zoning map amendment at their January 27, 2022 where a resolution will be presented for approval.

HALLIN MOVED TO APPROVE ORDINANCE 816. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 6.3 Ordinance 817 - Fee Schedule Amendment for Fire Department Fees - FINAL READING

McPherson reported that these amendments are what Fire Advisory Board is recommending to make things easier.

HALLIN MOVED TO APPROVE ORDINANCE 817. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

### **7. New Business**

#### 7.1 Park Advisory Board Applicant

McPherson advised that Andrea Gerrard has applied to serve on the Park Board.

ZIMMER MOVED TO APPOINT ANDREA GERRARD TO THE PARK BOARD. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

## 7.2 Authorize Execution of Scope of Services for Completion of a Small Cities Development Program Grant Application

McPherson reported that staff has submitted a preliminary application to the Small Cities Development Program; the application was for \$600,000 to assist with infrastructure improvements in 7<sup>th</sup> Avenue/County Road 4. The application was found to be marginally competitive which allows the City to submit a full application.

### **Analysis:**

Given the newness of staff, other ongoing projects, and the need to prepare a thorough application to give it the best chance for award, staff requested a scope of services from WSB to prepare the application. That scope is attached. Mr. Gromberg is well-versed with these applications and brings significant experience to the table in assisting the City in preparing a complete application.

The cost will be attributed to the 2022 CIP for the infrastructure improvement, see attached budget sheet.

Edison added that Hillesheim did a great job getting our application in the door, now its time to really sell the project.

### **Recommendation:**

Staff recommends authorization of the attached scope of services for development of the SCDP application.

HALLIN MOVED TO APPROVE THE SCOPE OF SERVICES NOT TO EXCEED \$5000, ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

## 7.3 Authorize Execution of Scope of Services, Pavement Management Plan

In preparation for prioritizing replacement of the City's infrastructure, one of the components is a pavement management plan. This plan will be used alongside the Transportation and Sewer Plans.

### **Analysis:**

Staff reviewed the attached scope of services from WSB and find it comprehensive. Work will begin once the snow is gone, and the weather improves. Staff will request a detailed schedule once this occurs for the Council's information.

The cost will be attributed to the 2022 CIP for the infrastructure improvement, see attached budget sheet.

### **Recommendation:**

Staff recommends authorization of the attached scope of services for preparation of a pavement management plan.

Walker stated that it will be really good to have a condition on all the roads in the City.

HALLIN MOVED TO AUTHORIZE THE EXECUTION OF SCOPE OF SERVICES FOR THE PAVEMENT MANAGEMENT PLAN. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 7.4 Authorize Execution of Scope of Services, Transportation Plan

McPherson advised that in preparation for prioritizing replacement of the City's infrastructure, one of the components is a Transportation Plan. This plan will be used alongside the Pavement Management and Sewer Plans.

**Analysis:**

Staff reviewed the attached scope of services from WSB and finds it comprehensive. Work will begin once the scope has been approved.

In 2008, as part of the Comprehensive Plan update, it was recommended that a full transportation plan be completed, but one was never authorized. As we near the "magic" population number of 5,000, preparation of this plan is timely as that population number will allow the City to access funding available under the MN State Aid program. The plan will also allow the City to better negotiate with both Mille Lacs and Sherburne counties as they consider turning back county roads to the City.

The cost will be attributed to the 2022 CIP as identified in the Development department, see attached budget sheet. The amount is slightly over the \$30,000 budgeted; the additional funds can be moved from the 2022 CIP for Infrastructure as the Pavement Management Plan is underbudget.

**Recommendation:**

Staff recommends authorization of the attached scope of services for preparation of a transportation plan.

HALLIN MOVED TO AUTHORIZE THE SCOPE OF SERVICES FOR PREPARATION OF A TRANSPORTATION PLAN. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 7.5 Authorize Execution of Scope of Services, Design and Bid Services, Princeton Business Park

McPherson stated that the Princeton Business Park plat includes the construction of a road and installation of water and sewer. There are interested parties in several lots; in order to accommodate sale of the lots, work needs to begin on design, bidding and installation of the infrastructure.

**Analysis:**

WSB has prepared the attached scope of services to design and bid the project. Staff is still waiting for word from the Federal EDA as to whether the cost will be 50 percent funded by them via the grant application submitted last fall. An announcement is expected to come soon. The full estimated amount is included in the 2022 CIP in the Development department, budget sheet attached.

**Recommendation:**

Staff recommends authorization of the attached scope of services for preparation of the construction and bidding documents for the Princeton Business Park infrastructure.

HALLIN MOVED TO AUTHORIZE THE SCOPE OF SERVICES FOR PREPARATION OF THE CONSTRUCTION AND BIDDING DOCUMENTS FOR THE PRINCETON BUSINESS PARK INFRASTRUCTURE. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.6 Ordinance 818 Establishing Assessment for Collection of Fees for Service, Fire and Medical Response, FIRST READING

McPherson reported that dating back to 2008, the City has a total of close to \$39,000 in unpaid bills for fire calls. In order to collect these unpaid bills and future bills going forward, staff has prepared the attached ordinance allowing the bills to be assessed to real property.

**Analysis:**

Staff prepared a memo to the Fire Advisory Board on the issue. The FAB discussed the issue at their January 4 meeting and moved to recommend to the City Council that they adopt any method necessary to collect unpaid bills. The City Attorney assisted in the drafting of the ordinance which will also include medical service requests.

**Recommendation:**

Staff recommends that the City Council hold the first reading of Ordinance 818 establishing the assessment for collection of unpaid fire and medical response requests.

HALLIN MOVED TO INTRODUCE ORDINANCE 818. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.7 Request for Letter of Support, East Central Regional Development Commission

McPherson advised that this is a letter of support of a grant application from the ECRDC for funding to create a new small business revolving loan fund.

WALKER MOVED TO APPROVE THE LETTER OF SUPPORT FOR THE EAST CENTRAL REGIONAL DEVELOPMENT COMMISSION. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.8 Request for Qualifications, Airport Engineer

McPherson reported that we are required every 5 years to solicit proposals for qualifications of airport work. We could split it into 2 parts, planning services for the AWOS relocation, and engineering. The engineering period KLJ ends in August, but wanted to do both now. She will send it out to several other airport engineers

HALLIN MOVED TO APPROVE THE REQUEST FOR QUALIFICATIONS FOR AIRPORT ENGINEER. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.9 Great Northern Trail - Request to Fund Proportionate Share of Master Planning Costs

The Great Northern Trail Partnership Committee (the Committee) has solicited proposals for master planning, public engagement, and Greater Minnesota Regional Parks and Trails designation application. Proposals were scored and ranked by the Committee and the top scoring proposal came from Damon Farber.

Based on the MOU entered into by all partner agencies, the Committee discussed a fair cost sharing model to recommend to respective Boards and Councils. The recommendation for this project is based on percentage of trail owned by each LGU. In addition, the share for

Mille Lacs County was split equally between Sherburne County and the Cities of Princeton, Zimmerman, and Elk River:

Sherburne	0.3084	\$4,704.03	\$14,198.43	18,902.46
Mille Lacs	0.4087	n/a	n/a	n/a
Princeton	0.1264	\$4,704.03	\$5,819.33	10,523.36
Elk River	0.1041	\$4,704.03	\$4,792.66	9,496.69
Zimmerman	0.0524	\$4,704.03	\$2,412.44	7,116.48
Total Project Cost				46,039.00

McPherson said Zimmer and her spoke this afternoon, and there is a concern about the Mille Lacs County piece so it is suggested to table this.

HALLIN MOVED TO TABLE THIS UNTIL THE NEXT MEETING. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 7.10 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 \$45,918.30 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 84253 TO 84315 FOR A TOTAL OF \$258,548.65. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

#### 7.11 City Administrator Bi-Weekly Report

McPherson had the following observations and information to share from the last two weeks:

##### **Business News**

I met with a local business owner January 19 who expressed concern that the City was licensing food trucks who offered food similar to local businesses and also allowed them to park in the vicinity of local businesses.

##### **Development Projects**

Projects continue to be discussed, but are essentially in a holding pattern. The Park Board met January 24 with a local developer working with the School District.

Public Works Director Gerold and I along with Water Superintendent Schmidt met January 19 with a property owner who is exploring the feasibility of pulling water and sewer across Highway 95.

##### **Economic Development Authority**

I attended the January 20 special meeting of the Authority to facilitate the discussion on the "Pulse of Princeton" survey on strategic planning. There is a QR code to link to the survey a link will be posted on the website as well as via Facebook soon.

##### **Finance**

Finance Director Peters and Accountant Hodges successfully completed all of the required tax forms over the last two weeks. These include the W-2s, 1095s and 1099s. Especially complicated are the W-2s which required printing massive reports, data entry and more data

entry. Hopefully, the new finance software will make this process much less cumbersome. And require the killing of few trees.

Finance Director Peters and Technology Services Manager Yost have started the process to evaluate new finance software. The software we currently use has two newer versions and we will be demoing the most robust version as it has all of the components (accounting, payroll, timecards, asset management) in one package. It even includes a utility billing component, so the demonstration will include PPU General Manager Butcher.

### **Grants**

We are still waiting on the results from our grant application to the Federal EDA for the Business Park infrastructure. Heather is working on reviewing grant opportunities as they come across her desk.

### **Infrastructure**

Multiple items regarding infrastructure were on the regular agenda.

#### **Radio Simulcast Equipment**

No further work has been done for this project since my last update; with the change in the ARPA final rule, there may be a larger opportunity to fund this project with those dollars from other jurisdictions. Administrator's Bi-Weekly Report January 25, 2022 Page 2

### **Library**

Public Works Director Gerold and I met with the Assistant Director of the library system and the librarian on January 21. I felt the need to establish communication protocols and expectations as a result of some recent email communications between library and public works staff. They also agreed that an alarm for burglary is not required, but we are exploring adding security cameras as part of the camera package we are installing in other facilities.

### **Liquor Store Operations**

Work in the Liquor Store is mostly complete from the customer's viewpoint. Manager Donner has made the move to the new office at the front of the store and work will commence on the remaining part of the breakroom. The warehouse area is still a bit of a disaster, but once the breakroom furniture can get moved, staff will be able to straighten and reorganize it as well.

The online ordering function has been cancelled. This will reduce operating costs. In addition, staff will be moving the Liquor Store website under the umbrella of the City's website further reducing costs.

### **Personnel**

Heather Brooks, Community Development Manager, started on Monday, January 24 and will be in attendance at the meeting for introductions. She attended the Park Board meeting on Monday and will be attending the PUC meeting with me on Wednesday. We met with Crystal Cabinets on Tuesday and she will meet Kim Young, PACC Executive Director on Wednesday. She also received a tour of the city from Public Works Director Gerold.

### **Technology Services**

Technology Services Manager Yost continues to evaluate all things technology. The first action item to be implemented is a shift to government pricing for email and office licenses. See the attached breakdown of what is being eliminated; the cost is slightly more than what we would pay for the year, but it is an amount we can absorb in the budget.

Additional items he is currently researching:

- Consolidating the phone system(s) under one vendor umbrella (currently provided by Loeffler and Dennison)
- Consolidating the phone service under one provider umbrella (currently provided by Midco and Windstream)
- Consolidating alarm monitoring for the Library and Liquor Store under one provider umbrella
- Negotiating with InControl to reduce the cost for the SCADA upgrade

The goal is to obtain improved services for the same or lower cost by bundling services. In between the above, he has been working to assist staff with miscellaneous issues.

#### **Upcoming Meeting/Event Reminders**

- CGMC Legislative Action Day – March 2, 2022; registration is now open for those Councilors interested

### **8. Committee Reports**

J Gerold reported that the Chamber is very busy planning their summer events. There may be a war memorial coming to Princeton as well. There online auction is up and running if everyone would like to check out the items that are being sold.

Zimmer advised that the Park Board had a presentation from a Real Estate Agent and Developer about a possible residential development near the schools on the north side of town.

Zimmer added that the PUC has approved a 3% rate reduction for those paying with ACH.

**9. Adjournment**, there being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 8:22PM PM. HALLIN  
SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

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Shawna Jenkins Tadych  
City Clerk

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Thom Walker,  
Mayor