

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
JANUARY 13, 2022 7:00 P.M.**

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 Jeff Reynolds. Others present: Administrator Michele McPherson, Finance Director Tracy Peters, Public Works Director Bob Gerold, Wastewater Plant Manager Chris Klinghagen, Technology Services Manager Ed Yost, Liquor Store Manager Dylan Donner, Clerk Shawna Jenkins and Attorney Damien Toven. Absent was Police Chief Todd Frederick and Fire Chief Ron Lawrence

3. Agenda Additions / Deletions

HALLIN MOVED TO APPROVE THE AGENDA. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

4. Consent Agenda

- 1.1. City Council Meeting Minutes from December 21, 2021
- 1.2. City Council Study Session Minutes from January 6, 2022
- 1.3. Approve resignation of Firefighter James Ahner
- 1.4. EDA Minutes from December 16, 2021
- 1.5. Planning Commission Minutes from December 20, 2021
- 1.6. Airport Advisory Board Minutes of December 6, 2021

J Gerold stated that the heading of the January 6th Study Session includes an incorrect date. Jenkins will make that correction.

ZIMMER MOVED TO APPROVE THE CONSENT AGENDA WITH THE CORRECTION TO THE HEADING OF THE JANUARY 6TH MEETING MINUTES. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

5. Open Forum

6. Old Business

7. New Business

7.1 Ordinance 815 - Permitted uses in B1 & B2 - FIRST 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 hold a first reading to introduce Ordinance #815.

REYNOLDS MOVED TO INTRODUCE ORDINANCE 815. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.2 Ordinance 816 - Rezoning from B1 to B2 & Future Land use plan amendment for 209 Rum River Dr S - FIRST 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 introducing Ordinance #816 would be in order. (A resolution, along with the Ordinance, will be presented at the next Council meeting).

FUTURE LAND USE AMENDMENT AND ZONING MAP CHANGE:

The resolution for the Future Land Use Plan and Zoning Map will be presented at the January 27, 2022 Council meeting. This is informational only.

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 INTRODUCE ORDINANCE 816. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.3 Ordinance 817 - Fee schedule Amendment - Fire Department - FIRST READING

McPherson stated that the Fire Advisory Board met and determined that the Fire Department fees should be amended. This is the first reading that include their recommendations.

WALKER MOVED TO INTRODUCE ORDINANCE 817 AMENDING THE FIRE DEPARTMENT FEES ON THE FEE SCHEDULE. J GEROLD SECONDED THE MOTION

7.4 Resolution 22-01 - Annual Council Designations

Walker stated that this resolution is done yearly to specify the depositories, finance, newspaper, etc. McPherson added that she did make a small change to the Rules of Order. In the Rules of Order, she specified that if a meeting falls on the day of a holiday or community event, the meeting will be held the Tuesday of that week. Walker stated that it was a good idea to include that in the rules of order, so they do not need to be done ever year for those dates that always fall on a holiday.

HALLIN MOVED TO APPROVE RESOLUTION 22-01. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.5 Resolution 22-02 - Accept Donation to PFRD from John & Carol Hulett

J GEROLD MOVED TO APPROVE RESOLUTION 22-02. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.6 Appoint Board and Commission Members

WALKER MOVED TO APPPOING JOHN SAUTTER AND JACK EDMONDS TO THE AIRPORT BOARD. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

HALLIN MOVED TO APPOINT SHARON SANDBERG TO THE EDA. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ZIMMER MOVED TO APPOINT AARON GRUBER TO THE PARK BOARD. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

HALLIN MOVED TO APPOINT JON GEORGE TO THE PLANNING COMMISSION. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ZIMMER MOVED TO APPPOINT DAN ERICKSON TO THE PUC. HALLIN SECONDED THE MOTION.

REYNOLDS MOVED TO APPOINT CARRIED PETERSON TO THE PUC. J GEROLD SECONDED THE MOTION.

The Council discussed both applicants at length.

Toven stated that the council needs to act on the first motion which was to appoint Dan Erickson, and then on the second motion to appoint Carrie Peterson.

MOTION TO APPOINT DAN ERICKSON TO THE PUC. VOTE: 3:2. HALLIN, ZIMMER AND WALKER IN FAVOR, REYNOLDS AND J GEROLD OPPOSED. THE MOTION CARRIED

MOTION TO APPOINT CARRIE PETERSON TO THE PUC. VOTE: 2:3 REYNOLDS AND J GEROLD IN FAVOR, HALLIN, ZIMMER AND WALKER OPPOSED, THE MOTION FAILED.

Walker asked Hallin if she would like to serve on the Cable Commission. Hallin said she does not have time at this time.

7.7 Appoint Council Liaisons

The following is a list of the current Council liaison appointments for the City's boards and commissions. If the Council wishes, appointments should be made for 2022.

Board/Commission 2021 Appointments

Planning Commission	Jeff Reynolds
Park Board	Jules Zimmer
Airport Advisory Board	Thom Walker
Public Utilities Commission	Jules Zimmer
Economic Development Commission	Thom Walker & Vicki Hallin
Fire Advisory Board	Jenny Gerold
Housing & Redevelopment Authority	Vicki Hallin
Tree Board	Jeff Reynolds
Cable Commission	Vicki Hallin
Mille Lacs Co. Historical Society	Thom Walker
ECRDC Board	
Chamber of Commerce	Jenny Gerold

Walker asked the Councilors if they were all okay with continuing to be the liaisons on the Boards and Commissions that they have been. Everything will stay the same for 2022

7.8 Authorize Execution of Task Order 8 - Beacon Replacement at Airport

McPherson reported that the beacon at the airport is beyond the end of its useful life. Parts are difficult if not impossible to find and Public Works has gotten creative in keeping it operational.

The 2022 CIP includes a line item for the beacon replacement; this expense is eligible for funding and will be funded 90 percent by the FAA, five percent by state funds and five percent by the city. Estimated project cost is \$100,000.

In order to make the FAA grant deadline, the design work, construction documents and bidding needs to be completed by the April 2022 grant deadline. A task order is attached for the Council's review.

Recommendation:

Staff recommends that the City Council authorize execution of Task Order 8 for replacement of the beacon at the airport.

HALLIN MOVED TO AUTHORIZE THE EXECUTION OF TASK ORDER 8 FOR REPLACEMENT OF THE BEACON AT THE AIRPORT. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.9 WWTP Valve Exerciser CIP Purchase request

Klinghagen reported that the Wastewater treatment plant is in need of a valve exerciser. The purchase was planned for in the 2022 Capital Improvement purchases at a cost of \$4,900.

Staff requested quotes for this part and received two.

Ferguson Waterworks' quote came in at \$409500

Core & Main's quote came in at \$4,100.00

Staff recommends approval to purchase the Valve exerciser from Ferguson Waterwork's for \$4,095.00 using the part of the \$4,900 Capital Improvement funds that were set aside for this purchase.

HALLIN MOVED TO APPROVE THE PURCHASE OF THE VALVE EXERCISER FROM FERGESON WATERWORKS FOR \$4,095.00 WITH THE CIP FUNDS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.10 Approve Fire Department to begin hiring process

Lawrence requested permission to start the hiring process and hire up to 5 new firefighters for the upcoming year. We are currently at 37 members. With the anticipated retirement in 2023, I would like to hire five new firefighters and have them trained before next year. With our increasing call volume and Public Relations events, it is a benefit for our communities that we serve and department to have an adequate number of firefighters.

HALLIN MOVED TO APPROVE THE HIRING PROCESS TO HIRE UP TO 5 NEW FIREFIGHTERS. J GEROLD SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.11 Bill List

J Gerold asked for clarification that the Bond and CGMC payments should be coded to the Wastewater Plant. Peters confirmed that was correct.

ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$375,922.73 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 84146 TO 84246 FOR A TOTAL OF \$983,217.43. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

7.12 City Administrator Bi-weekly Report

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

ARPA Funds

The Final Rule has been issued with the creation of a "standard allowance" option which assumes a city experienced a revenue loss equal to the lesser of their full ARPA distribution

or \$10 million. This opens the door for jurisdictions to spend their dollars on projects outside of broadband, infrastructure or protection of health care workers.

Development Projects

We continue to work on various requests for information from developers, both residential and commercial. There will likely be another request at the January 27 meeting for the use of tax abatement for the ex-tension of utilities for a residential development.

Grants

We are still waiting on the results from our grant application to the Federal EDA for the Business Park infrastructure. Per Darrin Fleener, federal staff person, the application is still under review. We have been advised by Jim Gruber, WSB, who is familiar with the grant process, that we can begin the design work on the street and utilities, so expect a scope of services on an upcoming meeting for approval.

Infrastructure

7th Avenue/County Road 4

Our preliminary application to the Small Cities Development Program has been deemed "marginally competitive" which allows us to submit a full application. Jen Edison, Jim Gruber (WSB), Kevin Schultz with Mille Lacs County, and Public Works Director Gerold and I met on January 10 to go over the work needed to complete the application due March 11, 2022.

Upcoming tasks include:

- Letter of Support from Mille Lacs County (street)
- Letter of Support from Princeton Public Utilities (water)
- Public Hearing by the City Council

We will also be looking for other grant opportunities, if not for this project, then for others.

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.

Liquor Store Operations

The Liquor Store was closed January 10 and 11 for the redoing of the floors. Prior to that, Finance Director and I assisted with inventory on January 1; the auditor will be giving the city a minor finding which is an improvement over 2020's moderate finding. Only one item was off; ironically it was an item that was counted by a vendor. We will likely need to research a new inventory system, the current one has had is-sues from day one and all of the data collected prior to and on the day of the audit the system erased for no apparent reason.

In addition to inventory, I assisted in cleaning out the former manager's office and packing product to re-move it from the floor. I will be assisting for four hours on January 12 to return product to the floor.

We have implemented the following effective January 1:

- Checks are no longer accepted; cash, credit or debit card only
- Discount for Veterans, active military on Tuesdays

Personnel

Ed Yost, Technology Services Manager started January 10 and jumped right into learning the various systems, equipment, touring the various building sites. His early conversations with staff lead us to believe that he will be working diligently to consolidate equipment and software that will ultimately lead to cost savings for the city. He will be introduced to the Council at the January 13 meeting.

I am participating on the interview panel for the selection of the new police officers. Ten candidates for interview have been selected and there are five on the panel. Interviews were/will be conducted January 11 and 13.

Upcoming Meeting/Event Reminders

- January 14 – I will be out of the office attending the MN Federation of County Fairs Annual Convention, available by phone and text
- January 17 – Offices closed in observance of the Martin Luther King holiday
- January 24 – Heather Brooks, Community Development Manager starts

J Gerold added that she stopped at the Liquor store and wanted to say the staff is working really hard and it looks great.

8. Committee Reports

Zimmer reported that he is part of the Police Hiring Committee. They have been doing some interviews and have some very good candidates.

9. Adjournment, there being no further business:

HALLIN MOVED TO ADJOURN THE MEETING AT 8:36 PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

Shawna Jenkins Tadych
City Clerk

Thom Walker,
Mayor