

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL
AND REGULAR AIRPORT ADVISORY BOARD MEETING HELD ON
MAY 10, 2007, 5:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Chair Jack Edmonds called the meeting to order. Council members present were Mayor Jeremy Riddle and Councilors Dick Dobson, Victoria Hallin, Lee Steinbrecher, and Paul Whitcomb. Airport Advisory Board members present were Jack Edmonds, John Mezera, Gene Stoeckel, Jeff Dotseth, and Duane Kruse. Staff present was Mark Karnowski and Ann Bien. Also present were City Engineers Joel Dresel and Kaci Gavic, SEH, Sherburne County Commissioner John Rieble, and Joe Glenn.

APPROVAL OF MINUTES OF APRIL 9, 2007

DOTSETH MOVED TO APPROVE THE MINUTES OF APRIL 9, 2007, AS WRITTEN. MEZERA SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

A. Discussion with City Council

3. Airport Layout Plan - Proposed Revisions and Updates

Karnowski explained the purpose of this joint meeting is to discuss the future of the airport, i.e. crosswind runway, runway extension, location, and pros and cons for having an airport.

Joel Dresel and Kaci Gavic, SEH, were present. Dresel explained the largest issue right now is the relationship of the City with the FAA. He stated the FAA can put a hold on the Federal entitlement funds at any time and they feel Princeton is not in compliance with the "through the fence" agreement. Other issues for discussion include updating the ALP and getting off-airport items resolved. They are currently working on getting other building areas and hope to move the north end hangars. Dresel stated that although other issues to discuss tonight are crosswind runway and extension of runway, he recommends no decision be made tonight. He stated he will talk about ways to get a 5,000 foot runway, although the City does not qualify at this time with the FAA. The purpose is to look ahead as insurance companies require 5,000 feet for certain aircraft including corporate jets.

Dresel reviewed maps of the existing airport layout, the ALP, the proposed crosswind runway, a 1,100' extension to north, to the south, and equally, divided. He stated the Council should decide what they want the Princeton airport to be.

He gave examples of how an airport can affect whether a corporate business comes to town or not; i.e. a Wal-Mart distribution center went to Mankato rather than another city because of the airport. He stated extending the runway to the north would be more difficult because of the existing church; the south looks better but land acquisition may be more difficult. A federal Environmental Assessment will be required for either option.

Riddle asked what if the city shifted the runway further to the southeast and cut some off the north. He suggested the same approach with the crosswind. Dresel replied it is very viable, the biggest concern is a transportation plan.

Karnowski noted that an east west route (an extension of Rum River Drive) was recommended in the city's Comp Plan along with a north south connection between the industrial park and Hwy. 95. Dresel stated he does not think the FAA will allow both a road through the RPZ and runway. The FAA will allow which ever is built first – the road or runway extension.

Edmonds asked what qualified for a 5,000 foot runway. Dresel answered arguing for it with the FAA. It is based on the number aircraft using the runway right now.

Edmonds asked about the Meadow View Estates property owned by John Peterson. Peterson clarified his property is in a restricted area. He also asked about flying over a wetland. Dresel answered that wetland mitigation cannot be built after the fact.

Whitcomb asked if the city extends the runway, would the city have to have a longer crosswind? Karnowski stated a shorter crosswind should still be adequate for smaller planes. Dresel stated the ALP should reflect what we would ultimately like to do and then do it in stages. He stressed that it is important to have a plan.

Steinbrecher asked, in light of where the airport sits, its affect on development property, and the cost to buy out the church. Has the Airport Board considered moving the airport further away from the city? Dresel replied yes, Willmar actually moved. Glencoe and Glenwood have also been contacted by Alexandria to build new airport. It is not a new concept, but it doesn't usually happen.

Steinbrecher asked if the FAA is interested in airport relocation. He noted that commercail and industrial development should happen faster than airport development, so a plan needs to include future development. He stated, as it sits now, Princeton may become another situation like Crystal where development surrounded the airport. Dresel said the difference is that Princeton has zoning in place, so building won't happen at the end of the runway. Steinbrecher noted that this topic was discussed five years ago and nothing has changed.

Karnowski stated he came to same conclusion in 2003, that it made more sense for us to move the airport and possibly work jointly with Milaca. However, he could get no one at the FAA to agree. Dresel stated two airports were relocated over the last few years, but it is politically tough with both citizens and funding.

Dotseth thought it would be a good time to start discussing road options with township. Karnowski stated he will be visiting with Sherburne County to discuss possible roads. The Prairie Restoration property may also be developed as industrial if a road is built.

Riddle said he has been told by other city officials that an airport is an asset. Dresel stated it is important to buy land now, rather than just plan.

Karnowski stated there is an urgency to making a decision. Dresel explained step 1 is getting the funding flow coming from the FAA; the City has to get the "through the fence" issue resolved, the ALP needs to be revised; the City needs to get reimbursed for the "Westling" building purchase; get a building area update; and push forward with ALP visioning. He stated he feels the Council is more interested in the economic driver rather than a small airport.

Whitcomb said he feels it is important to get a road from the industrial park to Hwy. 95. He is concerned with the location of the wetlands and the problems that creates. Hallin agreed.

Karnowski reported that Jay Blake is working on a Tax Increment Financing (TIF) district to provide funds for a buyout of the north end hangars. He also reported the City has two hangar sites that are unbuildable because electrical pedestals (which could be moved) are on those sites. The extension of 21st Avenue south from 1st Street past the old hangars has also created a problem of planes mixing with vehicles.

Steinbrecher stated his concern regarding the intended use of the airport. He suggested that if the city wants to be more attractive to businesses then airport development should move in that direction. If the airport is intended for general aviation/recreational use, then it should be left as is. He noted that the cost of a crosswind runway would not be paid happily by the taxpayers.

Dresel asked about getting money for purchase Prairie Restoration. Steinbrecher thought it would be received better than a crosswind runway for general aviation because it would be perceived as helping to bring business to the City.

Mezera stated if we had a flight school operating out of the airport, they would use crosswind runway daily, but it could be a grass strip rather than paved.

Dresel stated he thinks the revised ALP should be more specific. If the road connecting the industrial park and 1st is built, he does not think the City could then win an argument for a crosswind runway.

Dotseth asked if the crosswind runway could be moved further to the west, allowing Peterson to develop his property. Dresel answered yes, but there is a pretty good sized wetland in the way and existing road to the west.

Karnowski stated Peterson bought his property with the airport zoning already on it. If we shifted the crosswind runway to the west, we might have to rezone and possibly buy other land and/or easements.

Dresel stated if the Council is serious about a north south road, the road should be built and then work to get it through the RPZ.

Peterson stated he and partner are flyers and Karnowski is right that the land was overlaid with airport zoning before they bought it. He explained their hope is to move the process along and find out how long the City should hold developable land for some maybe future use.

Karnowski explained as long as the crosswind runway remains on the ALP, it remains a possibility. He liked the idea of building the road and then arguing later if a crosswind runway is wanted.

Dresel stated the FAA does not trust the City to do what it says it will do. He stated he thinks the City should buy land now if it may extend the runway in the future.

Karnowski warned that would be committing \$150,000/year far into the future and that expenditure would impact the viability of other CIP projects at the airport. Dresel stated the State may be able to help with some additional funding for the crosswind runway.

Steinbrecher left approximately 7:15 p.m.

Bob Pontious informed the Council and Board he's owned his property longer than the airport has been at its present location and before it was zoned. He said his land is worthless because he cannot build in zone A and that was a "taking". He threatened to get an attorney unless he gets a fair shake. He said his land is very valuable without the airport.

Dresel stated MNDOT's position is that the City cannot get State or Federal money to pay Pontious because MnDOT has determined that a re-zoning is not a "taking".

Pontious stated they had an attorney but he wanted 1/3rd of the settlement and he and his wife were not that much in a hurry at that time to sell. Now they want to sell. He said he wants the city to decide if the City is going to pay him for the taking; he's not going to wait too much longer. He explained he bought it a month before Edmonds sold his land for the airport. Pontious said he knew the airport was going to be renovated in 1976 but he didn't think it would affect the Butler property (the property he purchased).

Dresel stated the Feds and MNDOT have taken the position they will back state zoning but they do not recognize re-zoning as a taking and will not pay. Right now the City could not buy them out even if they wanted to because they have no money and have no way to get funding.

IT WAS THE CONSENSUS OF THE COUNCIL TO BUILD THE NORTH SOUTH ROAD (21ST AVENUE) AND BRING BACK CONCEPTION PLANS AND COST ANALYSIS TO EXTEND THE RUNWAY SOUTH.

Karnowski reminded the Council that it is important for them to keep in mind the city's priorities; Hwy. 95 vs airport funding from Oberstar. He stated he thinks the Planning Commission and staff will be asking to modify the comp plan and discuss funding from federal and/or state,

There being no further Council items, IT WAS THE CONSENSUS OF THE COUNCIL TO ADJOURN AT 7:40 P.M.

The Airport Advisory Board meeting continued. Council Dick Dobson remained.

1. T-Hangar

Karnowski reported the building permit was issued today. The hangar will be condo type.

2. a. Kruse

Karnowski reported he met with Duane Kruse, who wants to continue working with North Ambulance. Staff has also met with North Ambulance about the Westling building, but they do not want to own any building and prefers to lease. If the EDA leases the land, funding could not be recovered from the FAA. The Council agreed that keeping helicopters at the airport is important.

Kruse said he is also interested in selling his land and then leasing it back from the City; or having the City buy the lot and building and reselling it, like Westling's. Staff is working on getting an appraisal. Kruses are receptive to getting the access issue solved.

Kruse stated he would like to sell the property and hangar and lease another space from the airport and rebuild.

b. Old Hangar Area

Karnowski reported Jay Blake is working on setting up a TIF district.

6. EAA

Mezera reported they will be towing an airplane in the parade on June 7th, and handing out candy and coloring books. They will be giving rides on the 10th; in 2004 they gave 49 rides. On the 16th, EAA member will be serving chili to the public at the A/D building. Karnowski suggested they contact the Lion's to coordinate the event on the 10th.

7. Manager's Report (Fuel Report)

Fuel was down according to the February report.

There being no further business, KRUSE MOVED TO ADJOURN AT 8:00 P.M. MEZERA SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,

Ann Bien
Deputy City Clerk

ATTEST:

Jack Edmonds, Chair