

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL HELD ON
MARCH 1, 2012, 4:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Jeremy Riddle called the meeting to order. Council members present were Dick Dobson, Paul Walker and Thom Walker. Staff present was Finance Director Steve Jackson, Public Works Director Bob Gerold, City Clerk Katie Hunter, Administrator Mark Karnowski, Community Developer Carie Fuhrman, Fire Chief Jim Roxbury and Police Chief Brian Payne. Also present: City Attorney Dick Schieffer.

USE OF RAILROAD TIF DISTRICT FUNDS DISCUSSION

Fuhrman said that the Steve Jackson had advised that there were surplus funds available in the old "Railroad Tax Increment Financing District" fund. After some checking with Bond Counsel, while those funds cannot be used to directly buy down the property tax levy, the funds can be used for certain projects that could reduce the need for tax levy support in the future.

Jackson said that there is a total of \$325,000.00 available. Jackson said one option would be to use some of the funds to help cover the deficit in the EDA fund. On the other hand, funds like this do not come along very often, and to offset a project would be another good avenue to take.

Karnowski mentioned that staff did a mini brainstorming session on items that the money could be used for, but that it is not an exhausted list. Also, it is not a decision that has to be made today. At least, staff wanted to put it on the table and give the City Council some time to think about it.

The options suggested by staff, but not limited to, are:

- Revitalization/ Building Renovations/ Façade Improvements in Downtown Princeton
- Marketing Campaign for the City of Princeton
- East Birch Estates Water Main
- 21st Avenue Extension (City's portion for EDA Grant)
- Smith System Road/Old Highway 18
- Civic Center Remodeling
- Amphitheater Project in Riverside Park
- Great Northern Depot Restoration Efforts
- Trail Construction
- Industrial Park Stormwater Improvements
- Rum River Drive Redevelopment (north of Casey's)
- Add Funding to Economic Development Authority's Revolving Loan Fund
- Referral Fee for referring new businesses to Princeton
- Airport Hangar Acquisition (north side)
- 5th Ave N and Rum River Drive Intersection
- Comprehensive Park and Trail Plan
- Purchase Additional Land for Industrial Park Expansion
- Highway 95 and 21st Ave Intersection

Walker asked if it were possible to use these funds to pay for upfront costs that could later be recouped in assessments with a future bond sale. Then, the city could have cash available for engineering costs that could be recouped later and put back in a fund. That way, certain people aren't benefitting from a certain project that normally should have to pay for the project. In other words, someone isn't getting a freebee. Walker would like to see that added to the list as well.

Dobson asked if Walker's example was different than revolving loan.

Jackson stated that with a revolving loan fund, after the one that is under consideration now, is close to being exhausted with about \$30,000 or \$40,000 left.

Dobson asked Fuhrman to expand on the Rum River Drive redevelopment project. Fuhrman said that topic is referring to the buildings on the west side of Rum River Drive, there are buildings with graffiti. There has been discussion of purchasing the Bergstrom property with leftover Neighborhood Stabilization Program (NSP) funds. Karnowski added that money could be put in an EDA fund and used to buy a property with intention of reselling.

Dobson said that the people that live behind Bergstroms have mentioned in the past of being interested in purchasing the property if it ever came up for sale. Dobson has not ever spoke with the neighbors directly though. Fuhrman said she has spoken with the Rose's and they are willing to look at different options. AS a side note, if the city purchases the home with Neighborhood Stabilization Program funds, the property cannot be developed.

Whitcomb said he had mentioned to Jay Blake in the past and would still be interested in seeing funding toward the East Birch Estates Water Main looping project.

Dobson said that the amphitheatre for Riverside Park is another project where the funding could be used. In a grant that was applied for, the total is up to \$500,000 and it would have to have a donation of about \$200,000, the Visionary Committee was just informed. Dobson said the watermain relocation alone is \$100,000.00.

After discussion ceased, Karnowski asked if staff should bring the topic back to City Council in a month and the Council agreed.

PLASTIC PRODUCTS – RESOLUTIONS 12-16 AND 12-17

Schieffer explained that in 1981, the City of Princeton sold property to Plastic Products Company Inc. The transaction was done via a contract for deed.

Plastic Products paid off the CD in 1999, but apparently failed request that the final paperwork be completed. Plastic Products has since transferred ownership of the property to Ms. Marlene Smith (the owner of Plastic Products). Resolution 12-16 will convey the property to Marlene Smith.

Walker asked if the City should acquire any documentation from Plastic Products stating that this is the right thing to do, in giving the deed to Marlene Smith. Schieffer said he did the title work and Plastic Products did assign the deed to Marlene Smith, so that connection has been made.

WHITCOMB MOVED TO APPROVE RESOLUTION 12-16 A RESOLUTION AUTHORIZING CONVEYANCE OF REAL PROPERTY TO MARLENE A. SMITH. WALKER SECONDED THE MOTION. ALL IN FAVOR, MOTION CARRIED. (4 AYES, 0 NAYS.)

Schieffer went on to say that Plastic Products purchased the property from the city in 1981, they did construction from the site, they placed the driveway and utility lines on neighbor's property. This was discovered in 1980's, so neighboring property deeded 15 feet to city. They authorized the city to 'have' and receive a deed from them, so the city and Plastic Products jointly own this 15 feet of land. Vertiflow (the company whose land it was) took an easement back on top of the transferred land. When the deeds were drafted, only the city received a deed; Plastic Products failed to receive a deed. So, at this point, the city essentially owns the 15 foot strip where Plas-

tic Products has access. This Resolution 12-17 will complete the 1986 transaction and put Plastic Products in title for that 15 foot strip. Marlene Smith did not get an assignment of those rights to Plastic Products in this case.

WALKER MOVED TO APPROVE RESOLUTION 12-17, A RESOLUTION AUTHORIZING CONVEYANCE OF REAL PROPERTY TO PLASTIC PRODUCTS, INC. WHITCOMB SECONDED THE MOTION. ALL IN FAVOR, MOTION CARRIED. (4 AYES, 0 NAYS.)

PRINCETON FIRE AND RESCUE DEPARTMENT 6X6

Karnowski said that the Fire Department is anticipating a busy grass fire season. In fact, already this winter in January, the Fire Department has responded to several grass fires; which is pretty much unheard of for January.

As you might recall, the Department has had a 6x6 grass rig in the Capital Improvement Plan budget for a few years. They held off ordering the equipment as they were concerned about the total budget impact.

But, given the recent \$2,500 contribution from Monsanto, Chief Roxbury believes it's time to acquire that new equipment for use against wild grassland fires, rescues and searches.

The best bids received were as follows:

2012 Polaris Ranger 6X6 (Bristows, St. Cloud, MN)	\$13,994.43
Kimtek FDH12 Firefighting Skid Unit (Fire Safety U.S.A, Rochester, MN)	\$ 7,350.00
8016AL Aluminum Trailer (B&L Custom Trailers Princeton, MN)	\$ 3,390.00

The above three vendors have given a three week estimated delivery time.

Second best three bids were:

2011 Polaris Ranger 6X6 (Midamerican, Sioux Falls, SD)	\$13,947.00
M&T Firefighting Skid Unit (M&T Fire SafetyVolga, SD)	\$ 7,739.00
A16 Aluminum Trailer (DCT, Inc Dell Rapids, SD)	\$ 3,650.00

The second combination could not give the same short delivery time that is important with the upcoming fire season. Also, the first set of prices is for a 2012 6X6 and the second is for a 2011 6X6, if still available.

Dobson said that this would be a good piece of equipment that the Fire Department could definitely use. It will go where pickups trucks will not go. Roxbury said that the rig will be used primarily for grass fires, for searches and rescues. Although, it can also be used to help the Police Department for parades. The rig can hold a basket or stretcher on the back as well.

Roxbury went on to say that a few things are not included such as emergency lighting, but Fire Department members have already volunteered to do the wiring and some other upgrades.

The Department was lucky to receive the grant. Brian Orton had chosen the Princeton Fire Department as one party for the \$2,500.00. He was to pick his favorite nonprofit organization.

Dobson said he liked that if a deer hunter were to fall out of a deer stand, now there will be an easy, quick way to get into the woods and personnel will not have to carry the individual out of

the woods.

Whitcomb asked if this piece of equipment could be converted to a track wheel. Roxbury said they did a lot of research and it could be converted to a track wheel, but the six-wheeler has better maneuverability. These are better for getting into swamps and for the majority of what Princeton Fire does, a six-wheeler would work. Walker added that there would seem to be less maintenance with a six-wheeler than a track as well.

Dobson asked if the low bid of \$3,390.00 will give the Department what they needed as far as the trailer goes. Roxbury said a landscape; 16-ft trailer with a wood bed and short aluminum sides is included. A toolbox for \$140.00 can also be purchased to go in the front of the trailer, which is not listed in the price.

Jackson added that Monsanto would like to do a presentation down the line on the \$2,500.00 grant but because of their timeline, the City Council would need to accept or deny the donation this evening.

DOBSON MOVED TO APPROVE RESOLUTION 12-18, A RESOLUTION ACCEPTING THE \$2500 DONATION FROM THE AMERICA'S FARMERS GROW COMMUNITIES PROJECT SPONSORED BY MONSANTO FUND TO THE FIRE DEPARTMENT. WALKER SECONDED THE MOTION. ALL IN FAVOR, MOTION CARRIED. (4 AYES, 0 NAYS.)

WHITCOMB MOTIONED TO MOVE AHEAD WITH THE PURCHASE OF THE 6X6 GRASS RIG INCLUDING THE \$140 COMPARTMENT FOR THE TRAILER. DOBSON SECONDED THE MOTION. ALL IN FAVOR, MOTION CARRIED. (4 AYES, 0 NAYS.)

AIRPORT ISSUES DISCUSSION

Karnowski said that he and Mike Nielson met with the Airport Planner; Kaci Nowicki, last week regarding the plans surrounding the airport property. The topic at hand was specifically, the 21st Ave extension and storm water improvements for the Industrial Park.

Ms. Nowicki has advised that in order to go through with the 21st extension if the construction of the crosswind runway is still something the city both wants and can afford, one of two things will probably need to happen:

1. Apply for a **Concurrent Use Request** with the FAA, but we would need to prove that there is no aeronautical need for the property where the road is going to go. This option may only work if the crosswind runway were removed from the Airport Layout Plan (ALP).
2. Apply for a **Land Release** with the FAA. The crosswind runway would need to be taken off the ALP or shifted west.

A Master Plan Study for the airport would probably also need to be completed for either of the above options. This would help determine whether or not there is a need for the crosswind runway and if so, if it can be shifted to the west so that both the 21st Ave extension and the crosswind runway can co-exist.

That Study could cost between \$80,000-100,000. There is grant funding available for the Study with a 90/10 match requirement.

- Gordon should be brought up to speed with the status of the extension of 21st Ave.
- There has been some recent scrutiny in our region on justification for crosswind runways. If the Master Plan Study indicates that a crosswind runway would likely never be funded, the FAA may be convinced that it is not needed.

If the city were to decide the crosswind runway is no longer feasible, the Airport Layout Plan would need to be updated, which would then go to the MnDOT Aeronautics and Federal Aviation Administration for approval. Direction is needed from the Airport Engineer and Planner in regards to whether or not a Master Plan Study is actually required to remove the crosswind runway from the Airport Layout Plan.

In order to proceed planning for the 21st Avenue extension project, staff is requesting Council schedule a joint meeting with the Airport Advisory Board for the April Study Session in order to discuss the crosswind runway. The Airport Engineer and Planner will be in attendance at the study session in April.

There is a difference of opinion between the Federal Aviation Administration and the Engineer whether or not the two are compatible. The Airport Engineer thinks the Crosswind Runway and the 21st Avenue project could be compatible, some of the staff at the FAA disagrees with that. That may be part of the discussion in April as well.

Whitcomb thought he remembered everything being approved with the Airport Layout Plan and Riddle said it was. Karnowski said that since that time, the Federal Aviation Administration has looked over the results again and it doesn't mean they will give you permission.

Karnowski went on to add that any decision that is made, there will be an expense. It is a matter of where the Council wants to put their money. It would make most sense to determine what course the Council wishes to pursue and that would help determine staff what kind of studies will have to be done. Even though the Federal Aviation Administration funding package got approved, the grant is being switched from a 95%-5% to 90%-10% grant, with the city paying \$10,000.00.

Dobson said it has been three or four years since the Council and the Airport Board have sat down, so either way it will be good. Dobson said there are some new members on the Board as well. Perhaps the board will be in favor of other projects once they see what the money could be used for.

Karnowski said the Airport Board would like to extend the runway 5,000 feet to accommodate corporate jets. Supposedly, a corporate jet can land on a 4,000 foot runway (which the Princeton Municipal Airport is currently), but if anything should happen, insurance will not cover the issue.

A grant may be available to either build the extra 1,000 feet on the runway or to purchase additional easements to make the clear zones larger, but not for both. There are environmental issues that go along with the work.

Dobson said he believed that the 21st Avenue extension would benefit more citizens than work at the airport would. He would rather see the money be spent on 21st Avenue.

Walker asked how much it would cost to purchase additional easements west of 21st Avenue. Karnowski replied that it was a couple years back that those costs were calculated and property values are different now than what they were then. That can be discussed at the meeting held

with the Airport Board and the Airport Engineers.

Walker added that possibly it would be easier to spend money on a study before we spend money on actually purchasing property that we may not even need.

When the City Council meets in April, Karnowski said he will have a comprehensive packet of information to help the discussion. Riddle said that sounded superb.

ADJOURNMENT

There being no further business:

DOBSON MOVED TO ADJOURN THE MEETING AT 5:32 PM. WHITCOMB SECOND-
ED THE MOTION. THE MOTION CARRIED UNANIMOUSLY (4 AYES, 0 NAYS).

Respectfully Submitted,

Katie Hunter
City Clerk

ATTEST:

Jeremy Riddle; Mayor