

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL HELD ON
DECEMBER 6, 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, Thom Walker, Paul Whitcomb and Victoria Hallin. Staff present was Administrator Mark Karnowski, Finance Director Steve Jackson, Community Development Director Carie Fuhrman, Public Works Director Bob Gerold, Police Chief Brian Payne, Fire Chief Jim Roxbury, Attorney Dick Schieffer and City Clerk Shawna Jenkins.

Resolution 12-70 – approving removal of Mille Lacs Historical Society Deferred Assessments

Schieffer stated that he has put together the Resolution assisting the Historical Society with the assessment as was discussed at the last Council Meeting. As requested, he included a clause that if the Historical Society is ever sold, the City would be reimbursed for the payments and interest. If the council does not want to include that language, it can be changed.

HALLIN MOTIONED TO APPROVE THE RESOLUTION 12-70, REMOVING MILLE LACS HISTORICAL SOCIETY DEFERRED ASSESSMENTS. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Resolution 12-71 – Removal of Earl Brooks Sign Easement

Fuhrman reported that Earl Brooks's family has decided now that they do not want the sign on their property, so the easement needs to be cancelled.

HALLIN MOTIONED TO APPROVE THE RESOLUTION 12-70, REMOVING MILLE LACS HISTORICAL SOCIETY DEFERRED ASSESSMENTS. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Consideration of Authorization letter supporting a shop at the Airport.

Karnowski said Jason Erickson, who operates the Ascend Aviation Flight School at the City's Airport is looking to start a small scale maintenance facility out of his hangar at the airport.

Erickson has advised that the proposed Maintenance shop would:

- A. have the necessary insurance required by the State of Minnesota.
- B. have 1 maybe 2 aircraft a week to start
- C. be used primarily for Inspections and not so much for rebuilds. Erickson indicated there would be no dismantled aircraft stored outside their hangar.

Karnowski stated that Erickson requested the Airport Board's support of his proposal and a motion of support urging the City Council to authorize the requisite letter indicating city support for the project was passed unanimously.

Karnowski added that the consensus of the Board was that there was already similar work going on in other hangars at the airport and that Erickson has demonstrated that he is a

very conscientious person and would likely run a good operation.

Karnowski said if the Council agrees with the Airport Board, a motion directing staff to write the appropriate letter to the State is recommended.

Hallin asked if the shop would have any runoff like a mechanical shop does. Karnowski said they would likely be doing maintenance on one plane at a time, which is done in some other hangars out there, but he will check into that.

WALKER MOTIONED TO APPROVE AUTHORIZE STAFF TO DRAFT A LETTER OF SUPPORT FOR A SHOP AT THE AIRPORT, PENDING INFORMATION ON ANY HAZARDOUS CHEMICAL USEAGE. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Approval to hire Lori Akers Part-time for the liquor store

Karnowski said normally this would be under consent agenda at a Regular Council meeting. The Council just needs approval for hiring.

DOBSON MOTIONED TO APPROVE THE HIRING OF LORI AKDERS PART-TIME AT THE LIQUOR STORE. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Consideration of Pay Estimate #4 - MN Native Landscapes

Karnowski reported that they may be one more payment after this pay estimate #4 for a total of \$32,926.05.

HALLIN MOTIONED TO APPROVE PAY ESTIMATE #4 TO MN NATIVE LANDSCAPES FOR \$32,926.05. WALKER SECONDED THE MOTION.

Walker asked if the project is under budget. Karnowski confirmed that it was.

THE MOTION CARRIED UNANIMOUSLY

WWTP Pond Decommissioning Bid Consideration

Nielson reported that bids have been received for the Waste Water Pond Decommissioning project on Friday November 30 where they were opened and read aloud. Four Bids were received. The bids were checked for mathematical accuracy and tabulated. The low bidder was DRT Biodolids of Bloomer Wisconsin in the amount of \$801,401.00. The other bids were Veit Specialty Contracting and Waste Management at \$1,161,792.00, Synagro Central, LLC at \$1,230,365.00 and Eagle Construction for \$1,916,900.00. The Engineers Estimation of Cost was \$994,460.00.

Nielson said he recommends that the City Council consider these bids and aware a contract in the amount of \$801,400.00 to DRT Biodolids, contingent on approval by Rural Development, based on the results on the bids received.

Walker stated that he spoke with someone at Veit and their concern was that there may not be enough acreage to deal with the dewatering process. Nielson responded that the contractor is responsible for acquiring the land and disposing of the bio solids. They are required to get their own permits and talk to the property owners to get their approval. He added that he did speak to the low bidder directly, and they said they are aware of the requirements as they do this nationally. He said he did speak with someone at Veit and relayed the information to them. One thought was to use the second pond to hold some of the water and slowly pump it into the plant so as to not overwhelm the new plant.

HALLIN MOTIONED TO AWARD THE CONTRACT IN THE AMOUNT OF \$801,400.00 TO DRT BIODOLIDS OF BLOOMER WISCONSIN. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Public Safety Building Update

Karnowski reported the good news is that the preliminary estimate of our consulting construction management company, Greystone Construction, indicates that the city should be able to build the proposed structure for \$2,055,717, which is just over the 2 million budgeted for the project.

Greystone's Jeff Hensel discussed some of the issues that still need some clarification. Those include:

1. **Civil Engineering** – Hensel said he has a civil engineer that could do the necessary work and sign off on the building plans. He said he will get a quote from him and then the city could ask the city engineer (WSB) if they can match or beat that estimate.
2. **Knox-box** – the City will need to get a Knox-Box from the Fire Department for the building. The cost of that amenity (\$300) was not including in their estimate because they didn't know if the city could supply it and, if so, what the cost would be.
3. **WAC/SAC Fees** –The current WAC charge is \$3,825/unit and the SAC charge is \$4,202/unit. The city building inspector estimates that number of units is for the proposed structure is 6+. It appeared to make sense to pay the PUC for the WAC charges, but the City Council needs to determine whether it makes sense to take money out of one pocket and put it in another for the SAC charges.
4. **Landscaping/irrigation** – The Committee plans to landscape (trees, sod & irrigation) on the east (street side) and north sides of the buildings and leave the storm water pond area "as is" as well as the back yard which will be the road and ditch area. The plan will need to be reviewed by the Planning Commission.
5. **Monument/Sign** – The Committee recommends not installing a free standing monument sign outside the building but agreed to have conduit to a future location. Basic signage will go on the building itself.
6. **Casework/Furniture/Lockers** –The departments will have to produce an inventory of what existing office furniture, shelving, lockers, that can be scavenged from the current buildings and reinstalled in the new building. It was noted that there were several good quality desks and stackable chairs available at the state surplus place in New Brighton that

we had a “hold” on. The group opted to let go of the desks but to get the chairs since, if the building isn’t built, those could be used in the Council Chambers or at the Civic Center.

7. Roof Access – The Committee recommends that the proposed tower be bid as an alternate. If it is built, access to the roof would be through the hose tower. Otherwise, because the height of some of the roof is under 16’, the group decided to just use a ladder for access and not a “ships ladder”. There will be a permanent mounted ladder between the low and high parts of the building.

8. Flag Pole – The group recommends to forego the cost of a flag pole and see if one of the local veteran’s service organizations might be interested in working with the city to install one.

9. Low Voltage/Temp Control – It’s noted that the cost estimate does not include any low voltage wiring. We still need to determine whether to relocate the existing police department phone system and/or expand it to include the fire department.

Hensel added that as proposed, if the project goes to bid, the Committee recommends that at least four separate alternatives included in the bid process. Those alternatives include:

Alternative #1: Bituminous paving of the rear (west side) parking and driveway area (estimate: \$50,000).

Alternative #2: Underground roof drainage system to outfall at the existing storm water pond to the south of the building. (estimate \$8,000)

Alternative #3: 12’ by 19’ hose tower on north wall of structure. The Committee recommends that if the hose tower is not constructed, that accommodations for it to be added in the future will be included in the plans. (estimate: \$80,000)

Alternative #4: Another 15’ bay to house the various trailers so a stand-alone cold storage garage would not have to be constructed (which also moves the proposed hose tower to the west wall of the structure). The cost for the extra bay is \$80,000-\$90,000. Originally the committee was looking at a standalone 4 bay garage which we understand would cost about as much. There are sufficient funds for this alternative if the Council opts to use the current PFRD building fund).

Hensel said it should be noted that the \$2,055,717 does not include: design fees, subsurface investigation and/or soil corrections (much was done with the construction of 21st), dewatering, furniture/fixtures/equipment, exterior door card access.

Karnowski said the plan continues to be on track to go out for bids in January/February with an estimated ground breaking in early May.

Karnowski added that we also hope to have an update from Northland Securities on the revenue bond concept and see if that’s changed to any significant degree. It is noted that many of the liquor suppliers at the Muni suggest that, with the opening of Wal-Mart, the revenue generated by the liquor store will be greatly enhanced. Still, the committee prefers to take a more conservative approach and plan on the funds estimated without a Wal-Mart impact.

Karnowski stated that the City Council will be asked to take the next step and authorize the preparation of plans and specifications with the intent of going out for bids in January for a May construction start.

Karnowski said the early thoughts were to build a stand-alone 4 car garage to store a trailer or 2 and other items that can be kept in cold storage. However, the determination was that the cost to add an additional bay would be similar to putting a slab down and adding the additional garage. So, it makes more sense to have it all in one building so all the trailers can be stored inside the heated buildings.

Hensel said when they were originally given the drawing to look at cost estimates; it came to over 3 million. Instead, a design team was put together to come up with plans that would meet the requirements of the departments and meet the 2 million dollar budget.

Hensel stated that the costs for lockers may come down a bit as they estimated them to be about \$16,000 and will probably be closer to the \$10,000 to \$12,000 range.

Riddle stated he built a 3 car garage for approximately \$12,000 in materials, so does not see a 4 car garage with labor costing more than about \$25,000. Karnowski added that another issue with a stand-alone garage is that it would be difficult to access without backing in both sides, as the site is not very large.

Karnowski said this will need to come to the Planning Commission for approval.

Walker asked how many of the alternatives are they looking at. Karnowski replied that the committee agreed that the drainage system would be a good idea, and the paving could be done in the future. He added that in the past fire hoses were made out of canvas and they need to be drained and dried, hence the reason for hose towers. Since the new hoses are no longer canvas, they do not need to be drained and dried. However the tower would be useful as a training tower and could be lined with shower heads for the Relocation Program.

Roxbury stated that the extra bay to store their trailer is far more important to them than the hose tower. If a hose tower was added, it would likely be a long way down the road. He added that if the design work was more than a few thousand to have it on the plans, he doesn't recommend spending that money at this time to even include it in the design.

Walker confirmed that the council is looking at alternatives 2 and 4. Karnowski confirmed two and 4 and eventually alternative 1, with number 4 a long time down the road if it was ever done.

Payne commented that originally the offsite cold storage was for them to also store some of their items and bicycles that they have to keep for a period of time. Karnowski replied that with the additional bay added, there will be room for the Fire Departments 3 trailers and the Police Departments one.

Riddle questioned if there are funds available to EDA for the land. Karnowski responded that the land cost is not figured in. but, with the expected increase in sales at the liquor store, it may be possible to repay the EDA for the land down the road.

Karnowski said the council is not obligated to take any action tonight, but if we are going to move forward and try to get it built next building season, we will want to approve the specifications of the design.

Hallin questioned if there would be an showers available for the Relocation program if the tower was not put in. Karnowski stated that Roxbury has spoken to someone with the Relocation Program and temporary showers and screens are available if needed.

WALKER MOTIONED TO AUTHORIZE THE PLANS AND SPECIFICATIONS, INCLUDING ALTERNATIVE NUMBERS 1, 2 & 4. HALLIN SECONDED THE MOTION.

Dobson said he does not believe the Planning Commission will have anything major they will want to change on the plans. Fuhrman agreed and stated there could be some minor changes requested, but doesn't think they will be an issue.

THE MOTION CARRIED UNANIMOUSLY

Continued 2013 Budget Discussion

Jackson said the only thing tabled was the decision on the Tax Levy. He has the numbers from the Counties that the Council had requested.

Jackson stated the Council needs to determine if they want to leave the tax levy at the level amount, or reduce the levy amount so the tax would be the same.

Hallin asked if reducing it slightly would still mean an increase in Commercial and Industrial. Jackson stated it would still be an increase, but less than it would be if we did not reduce it as discussed. Any increase or decrease would be because of property tax values.

Dobson said he would like to do anything they can to help the commercial and industrial properties since they took such a big hit last year.

Walker asked if the budget will still work if the levy was reduced by 1.4%. Jackson said things get tighter, but we can make it work. Riddle commented that his value outside of the City stayed the same, but his taxes are going up \$1000, with most of the increase from the School District.

Walker said he is a little concerned that if the City had an emergency we wouldn't have enough funds if the levy was reduced. Jackson responded that baring something unforeseen; the City should be okay with the reduction of 1.4%.

WALKER MOTIONED TO APPROVE REDUCING THE CITY'S 2013 LEVY BY 1.4%. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Jackson said the Tax Informational Meeting will be held at the December 13th Council meeting.

Approve Bill List

HALLIN MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS

AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$70,833.43, AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 67164 TO 67205 FOR A TOTAL OF \$181,304.65. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Hallin said the East Central Cable Commission has extended their franchise negotiations deadline from March 2013 to November 2013. This will allow new representatives to become familiar with the organization, role and duties. . Right the agreement is that the Cities receive 5%. She said that the City of Braham is now Treasurer. The next Cable Commission meeting is in February.

ADJOURN

DOBSON MOTIONED TO ADJOURN THE MEETING AT 5:30. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins

ATTEST:

Jeremy Riddle, Mayor