

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL  
AND SHERBURNE COUNTY BOARD OF APPEAL AND EQUALIZATION  
HELD ON MAY 5, 2016 4:30 P.M.**

\*\*\*\*\*

Mayor Paul Whitcomb called the meeting to order. Council member present was Thom Walker. Staff present, Administrator Mark Karnowski, Finance Director Steve Jackson, Public Works Director Bob Gerold, Police Chief Todd Frederick, Fire Chief Jim Roxbury, Community Development Director Jolene Foss, Clerk Shawna Jenkins, and Engineers Jeff Row and Mike Nielson. Absent was Dick Dobson, Jules Zimmer, Victoria Hallin and Steve Jackson.

**Mille Lacs County Board of Appeal and Equalization**

Heim reported that they visited 105 13<sup>th</sup> Ave South yesterday to review the property. They brought the grade from 6.5 down to 5.5, and did a 5% adjustment on the foundation. There were a few areas on the older home that had holes in the foundation. The total reduction in value they are suggesting is \$8,100.

John Zupan at 304 9<sup>th</sup> Ave South requested them to review his property as well. They reduced the grade from 6 to 5.5. Also, a portion of house was garage and not living quarters as their records indicated. They also adjusted the year built from 1982 to 1978. The property also does not have any central heating. They have adjusted the value from \$84,600 to 78100, which is a reduction of \$23,900 total they are suggesting.

Luther Door at 308 south 6<sup>th</sup> Ave was unable to attend because of work but he has requested an option to keep it open for County meeting. He plans to meet with the assessor's office to discuss his property.

Heim reported that Princeton had 70 sales from October 2014 to September 2015. It has been a good market throughout a lot of the county. On the 21 month study they see a 6.75% growth.

Hallin asked for more details on 304 9<sup>th</sup> Ave South. Heim explained that there was an 8' x 15' foot section that was originally thought as living space, but it was garage area. They made that adjustment.

DOBSON MOVED TO APPROVE MILLE LACS COUNTY ASSESSORS RECOMMENDATIONS. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**Princeton Police 2015 Year End Report**

Frederick asked if the council had any questions regarding the 2015 year-end report that has been provided to them. The Council did not have any questions and were pleased with the information contained in the report.

**Squad Car Replacement**

Frederick asked for council authorization to dispose of a 2010 Ford Crown Victoria Police Interceptor (unmarked) with approximately 106,000 miles on it. The vehicle that is being disposed of is within the normal replacement plan with the police department.

He added that he is attempting to negotiate the sale of the squad car to the Mille Lacs County Animal Control Officer. If, he cannot reach a satisfactory sale price, he would like to take it to Auction. In past history we have been averaging approximately \$2,000.00 at auctions. The sale of this squad car to the animal control officer would fulfill their needs in re-

gards to their rotation schedule and acquiring a cage to separate animal from driver. He is still trying to be cognitive of getting the most out of the police department's used equipment.

HALLIN MOVED TO APPROVE THE DISPOSITION OF THE 2010 FORD CROWN VICTORIA. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **Siren Replacement update**

Roxbury reported that last fall the Federal Thunderbolt warning siren located at the PUC light plant was struck by lightning.

That model of the Federal Thunderbolt siren was last produced in 1990 and parts are no longer available to repair it.

A claim was put in to the League of MN Insurance Trust for the siren. The League has approved the claim for \$16,954.99 less the cities deductible of \$9,565.49.

The quotes that we have are as follows:

1. Federal siren for \$16,612 for a siren without battery back-up. (net: \$7,046.51)
2. Federal siren for \$17,832 for a siren with battery back-up. (net: \$8,266.51)  
(Federal sirens have a 6 to 8 week delivery time)
3. Whelen siren for \$16,321 for a siren with battery back-up (net: \$6,755.51)  
(Whelen sirens have a 5 to 6 week delivery time)

He said believe that the battery back-up is a critical component of a warning system in that, should a storm take out the power and another storm comes in, the siren would still work.

There are both Federal and Whelen sirens in Princeton and in his opinion that both brands are a good quality siren and have a good support system.

The last siren was replaced with a Whelen.

He is requesting that the city replace the damaged siren with the Whelen siren from Front Line Plus.

Walker asked for clarification on the insurance claim and deductible. Jackson explained that the City has a deductible of \$10,000. The maximum deductible for the city is \$20,000 which has been hit for the year, so the deductible for each instance will be \$1000 from here on.

WALKER MOVED TO APPROVE THE PURCHASE OF A WHELEN SIREN FOR \$16,321. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **Park Board – amphitheater**

Karnowski mentioned the April Park Board meeting minutes that were distributed for review. The relevant opinions noted in those minutes were that:

1. There are concerns that the city would be on the hook for the maintenance costs. With no source of income to off-set those costs.
2. While there's value to the project, for its size, what could the city do instead?
3. Suggestions that rental fees and damage deposits could be adjusted if they weren't covering the city's maintenance costs could reduce the number of rentals, resulting in no net gain in revenue off-sets.
4. The idea that the amphitheater would be a money maker has maybe been oversold by the PAVC.
5. The PAVC's 'business plan indicates that if an alternative venue was necessary because of weather or flooding issues, locating an alternative venue would be the responsibility of the party using the facility. That concept might also work against getting the necessary rentals to off-set ongoing maintenance costs.
6. At your January meeting, the Council was advised that the new cost for the amphitheater is now \$290,000. Also provided was the following list of donors:

Initiative Foundation	\$ 10,000
Otto Bremer Grant	\$ 45,000
Gala 2011	\$ 11,000
Greenbush Twsp	\$ 2,000
Knife River	\$ 2,050
Individuals	\$ <u>3,000</u>
	\$ 73,050

Some of those dollars have already been spent and we're advised that some other contribution have also come in.

7. In the end the Park Board (on a 4-2 vote) adopted a motion that was fairly vague but appears to suggest that the amphitheater is not a priority project for the park board and that they'll put it on the back burner until such time that the PAVC advises that they have the \$290,000 committed for the project.

There is a concern amongst some Park Board members that they have been spending an inordinate amount of time discussing the proposed amphitheater when there are more pressing needs in the park system and, specifically, in Riverside Park. For instance, there's a real need to upgrade the bathroom facilities.

The Park Board is hoping the Council will concur its motion and clearly state that, while the amphitheater would be a nice addition to Riverside Park, that it is not a priority when compared to other park needs and that the city encourages the PAVC to continue their quest for funding but that the \$90,000 set aside for the amphitheater in 2012 is no longer available.

For perspective, the Council first discussed the proposed amphitheater was at the July 6 Study Session in 2006.

It may also be noteworthy that the Council Priorities for 2016: ranked the amphitheater as #34 of 36 projects. In 2007 it ranked #11 of 23 projects.

Hallin agreed with the Park Board and said she would rather see that money go towards bathrooms at Riverside Park. Whitcomb said he agrees as well

Walker asked if the bathrooms were rebuilt, could that go towards the matching requirement for a grant. Foss responded that it depended on the grant that was applied for.

Karnowski stated that Mark Oleen is now the president of Bremer and he seems anxious to assist with a grant to do something in the city, so that is an option for future projects

Walker stated that he just wants to make sure that the \$90,000 earmarked for Riverside Park is used there. He added then when Carol Ossell was at the EDA meeting, she seemed to understand the idea of using those funds for the bathrooms as they would need to be done if the amphitheater was ever built.

Karnowski commented that 10 years after the idea was originally discussed, he does not sense the general public is as enthused about an amphitheater as he thought they may be. The ongoing expense and staff for it would be an issue and an additional cost which many are concerned about.

Another concern Dobson has heard, is that an amphitheater would pull music in the park from the Depot. The PAVC decided right away that they did not want to do that.

Frederick stated that Chris Pruitt from the Park board had a lot of good comments based on his experiences in planning weddings. He had stated that it would take a lot of time in planning, booking and managing an amphitheater, especially for the first year.

### **Airport Entitlement Grant Loan Recommendation**

Karnowski reported that at the May 2<sup>nd</sup> Airport Advisory Board Meeting, there was then an extended discussion regarding a practice employed by other Minnesota airports where the city "loan's" unused entitlement funds to other airports for a limited period of time. The airport engineer advised that there are advantages to airports that do that as then an airport can acquire more than the maximum \$600,000.

The engineer noted that, in 2020 (or later) the city plans on doing a full re-hab of the main runway at an estimated cost of \$1.62 million. While additional funding through the FAA is possible, the city may want to begin doing the 'loan' program for part of our annual entitlement funds and building our account so we can reduce the amount of extra funding we will need for that project. So the engineer advised that there is no cost to do the program as SEH does all the paper work pro bono as a service to the airports they work with.

Based on the ensuing discussion, the Airport Board voted unanimously to recommend that the City Council approve a "loan" of up to \$50,000 in FAA entitlement funds to either the Tower Airport or the Fergus Falls Airport for a period not to exceed 1 year.

Therefore the question on whether to participate in the loan program lies with the City Council.

He asked how the Council wished to proceed.

Whitcomb asked for clarification on whether the FAA deems money loaned out as being used. Karnowski responded that when the loan is paid back, it is considered "new" funds.

Whitcomb asked if it was normal to charge interest. Karnowski stated yes, but usually a minimal amount. He explained that the FAA funds our airport receives comes from a fee that they collect from each airline ticket that is sold.

DOBSON MOVED TO APPROVE THE AIRPORT AND CITY TO TAKE PART IN THE PROGRAM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Karnowski also mentioned a State of MN Program that will provide a no interest loan to the city money to build T hangers. The airport board was talking about it Monday. If the city borrowed X number of dollars, the lease rates could possibly pay that loan back. The Airport Board may be discussing it further. It will need to be determined what it would cost, how long with the loan be for, etc. Walker questioned if more T hangers were needed, as he believed some of the current ones are currently vacant. Karnowski replied that the T Hangers were full 6 months ago, but he is trying to sell them as condo's, and raised the rent which caused a few to pull out.

DOBSON MOVED TO ADJOURN THE MEETING AT 5:18PM. HALLIN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

---

Shawna Jenkins  
City Clerk  
ATTEST:

---

Paul Whitcomb, Mayor