Mayor Paul Whitcomb called the meeting to order. Council members present was Thom Walker, Jack Edmonds, Jules Zimmer and Jeff Reynolds. Staff present, Administrator Robert Barbian, Finance Director Steve Jackson, Public Works Director Bob Gerold, Police Chief Todd Fredrick, Community Development Specialist Stephanie Hillesheim, Clerk Shawna Jenkins, Wastewater Plant Manager Chris Klinghagen, Liquor Store Manager Nancy Campbell, Fire Chief Ron Lawrence, Attorney Damien Toven, and Engineer Andy Brotzler.

**Princeton Public Utilities and SMMPA**

Connie Wangen introduced Dave Geschwind, Chief Executive Officer of SMMPA and Chris Schoenherr, Chief External Affairs Officer.

Geschwind and Schoenherr provided history of when and how SMMPA was formed. They talked about the electric generation resources, transmissions assets, current and projected debt service, the cost of power and energy to members and the support that is provided to members. In 2017, SMMPA provided $114,000 in rebates to Princeton and saved 804,124 kWh.

Electric is sold wholesale to member cities, and all at the same price. Then the local municipality increases that to cover the distribution costs. Rates will vary with each city depending on energy, peak demand and projects.

Walker asked about the Economic Development Support. Schoenherr responded that is a new program that will be starting in January. Wangen added that the PUC Board is aware of this new program and will be looking at implementing something as well.

Wangen added that Princeton Public Utilities is also passing along the 4% decrease on to the customers, and they are planning on a decrease in water costs as well. Schoenherr stated he believes Princeton is the only city that is passing along that whole decrease to the customers.

Zimmer asked how the process works if we use our plant here. Schoenherr responded that they would fund the staff and fuel to run that machine. The great benefit of having one here, is if transmission lines went down, the PUC’s plant could provide power to the City.

**Fire Relief Benefit – Resolution 18-68**

Lawrence advised that the Fire Relief Association have been keeping track of investment’s and they are currently 145% over funded. Membership is looking at raising to a $3800 benefit, which would not go into effect for 5 years because we recently switched to PERA and there is a waiting period.

Whitcomb questioned if the amount could be lowered, in case the market was to crash in those 5 years. Lawrence stated they are prepared to decrease that amount if needed. Barbian added that he is not sure if it can be decreased. Jackson also does not think it could be lowered, but it may be able to during that 5-year waiting period.

Walker asked why they were requesting a raise in the benefit, if it would not go into effect until the 5 years was over. Lawrence responded that the Relief Association felt it would be better to do small increases, instead of one much bigger one after the 5 years.
Walker stated he is concerned about the city needing to come up with the difference if the market were to crash. Lawrence added that the Fire Relief Association had decided to look at it yearly, keeping that 110% that the city is comfortable with.

Barbian said if the Council wishes to increase the amount, staff can bring the resolution forward. Whitcomb would like to find out if the amount could be decreased if necessary.

**Airport Grant**

Barbian reported that the 2019 Airport Project has a bidding date in the spring, construction will start late summer, and projected to be done in the fall. The runway will be reconstructed and a new lighting system installed. The total project cost is about 2.1 million, with the city’s share being just under $122,000.

**Industrial Park Infrastructure**

Hillesheim advised that with the Erdman Automation Expansion, they are looking at moving a fire hydrant closer to the building, as it was placed in an inconvenient location. The city has agreed to share the cost with the PUC and the Contractor.

**Squad Carry over**

Frederick advised that the department had ordered a squad from Hibbing Ford back in March of 2018. Last week we were notified that are squad was finally located by Ford motors and that they hope to have it shipped out by the end of January 2019. We had budgeted 37 thousand dollars for the purchase of the squad and equipment to replace a 2014 Ford with 92 thousand miles (squad 526). I am asking the council if we could carry over the budgeted monies to 2019 to purchase this squad. Ford Motors has acknowledged that they made an error and are sending a 2019 instead of a 2018 squad for the same price quoted in March.

A K9 squad in 2019 is budget for 2019 as well. The department k9 squad is a 2012.

Officer Cederburg has picked up the Departments New K9. Rony is his name, which he will be keeping. Rony is a Dutch Sheppard cross, and is currently about 70lbs at 14 months. Her has a very high drive. We got the first draft pick. Rony passed all Veterinary stuff today, and has received his passport. Kvisto Veterinary is changing the medical coverage from Skar to Rony.

**Final Budget**

Jackson stated that he was asking for approval to add some additional costs to the CIP for some safety additions to City Hall. There was originally about $50,000 in the CIP for the City Hall remodel, which came in to be about $25,000.

There was a situation this week, where a resident issued some statements that could be considered threatening.
Frederick had suggested some security updates during the remodel, but they were not done. Staff has decided it is time to do some of those security updates if the Council is willing to use some CIP funds to go so. It will not create a change in the Tax Levy.

Zimmer said first and foremost, the door should be locked, instead of propped open. Jackson said that will be done, and a buzzer of some sort will be added so the door could be opened without getting up.

Whitcomb said employees are very important, and we need to do what is needed. Frederick added that the School is also making some of these safety updates, so the city may be able to purchase items with them to save some money.

CLOSED SESSION – Great Northern Trail Land Acquisition

Whitcomb stated this portion of the properly noticed meeting of the Princeton City Council will be closed pursuant to Minnesota Statutes under the attorney/client communication exception to the Minnesota Open Meeting Law.

The need for confidentiality outweighs the purposes served by the open-meeting law in this case based on the following:

Confidentiality is necessary to protect the City’s interests with respect to land acquisition for the Great Northern Trail.

• The purpose of the closed meeting is not to make a decision behind closed-doors, but instead is to determine what actions are appropriate with respect to the proposed land acquisition for the Great Northern Trail
• The only business to be discussed in this portion of the meeting is the negotiation of land negotiation and what action, if any, should be taken.

I will now entertain a motion to close this portion of the meeting.

EDMONDS MOVED TO CLOSE THE MEETING AT 6:11PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

The Council will now go into a closed session. The time is 6:11PM

Only the officials and consultants of the Council who reasonably require access to this data may be in attendance at any portion of the meeting for this agenda item.

The minutes of this portion of the meeting should reflect only that a meeting was held with its date, time and location; who was present at the meeting; and the purpose of the meeting.

Members of the Council, I will now ask the Mr. Barbian to begin our discussion on this matter.

Members of the Council, following the completion of our business, we will now adjourn into open session, and I will entertain a motion to adjourn the closed portion of the meeting and go back into open session.
ZIMMER MOVED TO ADJOURN INTO OPEN SESSION AT 6:51PM. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**Adjournment**

ZIMMER MOVED TO ADJOURN THE STUDY SESSION AT 6:52PM. WALKER SECONDED THE MOTION. MEETING ADJOURNED

Respectfully Submitted,

_________________________
Shawna Jenkins  
City Clerk

_________________________
ATTEST:

_________________________
Paul Whitcomb, Mayor