Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Mark Karnowski, Finance Director Steve Jackson, Police Chief Todd Frederick, Public Works Director Bob Gerold, Development Director Jolene Foss, Clerk Shawna Jenkins, Fire Chief Ron Lawrence, and Attorney’s Damien Toven and Kelli Bourgeois.

**AGENDA ADDITIONS/DELETIONS**

**CONSIDERATION OF MINUTES**

A. Regular Meeting Minutes of July 27, 2017  
B. Study Session Meeting Minutes of August 3, 2017

WALKER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF JULY 27, 2017 AND THE STUDY SESSION MEETING MINUTES OF AUGUST 3, 2017. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**CONSENT AGENDA**

A. Permits and Licenses  
   1. Princeton Lion’s Club Gambling permit raffle for October 16, 2017  
B. Personnel  
C. Donations/Designations

ZIMMER MOVED TO APPROVE THE CONSENT AGENDA. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

**OPEN FORUM**

Pamela Voss lives at 908 West Branch and spoke about the problem she has with semi-trucks coming into Town and using their “Jake Brakes”. She asked if some signs could be put up, as it causes her whole house to shake. Gerold replied that there is a sign on the Town’s vehicle noise ordinance on Highway 95 just prior to 21st Ave heading East, and one heading West just prior to the bowling alley.

Voss asked what size the signs are, as she has not noticed them. Gerold could not remember the size, but believes they are big enough that the truck traffic should notice them. Voss said she will take a look at the signs.

**PRESENTATIONS**

**PUBLIC HEARINGS**

**REPORTS OF OFFICERS, BOARDS, AND COMMITTEES**

A. Planning Commission Minutes of July 20, 2017  
B. EDA Board Minutes of July 20, 2017  
C. Fire Advisory Board Minutes of August 1, 2017

**PETITIONS, REQUESTS, AND COMMUNICATIONS**

A. Block Party Concerns – Roxy Hayes of Haye’s K9 Grooming
Roxy Hayes said she has been in business in Princeton for 12 years. They are not notified of street closures when there is an event, and she is tired of all the garbage that is left in front of her store. With the recent Block party, the streets were closed at 11:30am, when they thought it was going to be at 4pm. She cannot run a business with the streets being closed and these events are causing a problem for her and her clients. She questioned why these events are not held in the mall parking lots.

Whitcomb did mention to Hayes that the Block Party is not a city event. It is also not the first complaint he has heard about the event, so he will talk to those putting on the Block Party and require them to notify the businesses of the event and closures. He will also require them to address any concerns that city staff and business owners have, or they will not be able to continue having the event.

B. Wine and Spirits Grant Request from Elim Care and Rehab

Karnowski advised that the Elim Care and Rehab Center is looking for a Wine and Spirits Grant request. They are asking if the City would like to be a sponsor of this year’s Princeton Elim Golf Classic. The funds raised at this year’s tournament will be put towards the new.

Whitcomb confirmed that the city did approve a grant to them about a year ago when they had a donor that would match any donations.

Walker wanted to suggest to just donate the funds, instead of sponsoring a hole at the golf tournament so the entire amount goes towards the bus.

**ZIMMER MOVED TO APPROVE THE GRANT REQUEST BY ELIM CARE AND REHAB FOR $1000 TO GO TOWARDS THEIR BUS FUNDRAISER. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY**

C. Rum River Drive / 125th Roundabout open house August 23

Foss reported that Sherburne County is holding an open house on August 23rd from 4pm to 5:30pm

**ORDINANCES AND RESOLUTIONS**

A. Resolution 17-38 – Walmart’s “Night to Unite” contribution

Karnowski reported that the Princeton Wal-Mart store provided a $1,500 grant to the PFRD and Police Department to help support our “Night to Unite” program for the Princeton Public Safety and Community interaction.

That event allows the Princeton Fire Dept. and Princeton Police Dept. to interact with the public as a means to improve communications and community relationships. We used the funds to supply the bouncy houses, and cook hotdogs and supply chips, and water for the public to enjoy during this event.

There were four (4) separate locations this year: Mark Park and Rainbow Park in the city, and Wyanett Town Hall and a Blue Hill Township in the outlying fire service contract area.
WALKER MOVED TO APPROVE RESOLUTION 17-38 ACCEPTING THE DONATION FROM WALMART FOR THE “NIGHT TO UNITE” EVENT. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Proposed Knox Box Ordinance

Karnowski stated that most commercial buildings in the City of Princeton are secured when the building is not open for business. The PFRD’s concern is that many of those buildings do not have key access for the Fire and Police Department to gain access in the case of an emergency without damaging the door to gain access. Some of the commercial and multi-unit residential buildings in the city have already installed Knox Boxes that allow police and firemen to access the building using a key.

Currently, when the PFRD reviews the plans for new commercial or multi-family buildings, we make the recommendation that a Knox Box be installed. But the PRFD would like the council to consider adoption of an ordinance that would actually require all new commercial and multi-family buildings and similar buildings undergoing significant remodeling to install Knox Boxes near their front door to allow Fire and Police to gain access with a secured key.

The cost to the city for a surface mount Knox Box is approximately $310.00 and it can installed by city employees at no additional cost to the building owner. The cost of the box is passed on to the building owner. We currently charge exactly what we pay for a Knox Box.

The Fire Department has to order the Knox Boxes keyed such that only the PFRD and have the key to open the box. The building manager/owner has to contact public safety to have a key put inside the box.

In conjunction with adoption of an ordinance, Chiefs Frederick and Lawrence plan to send personal letters to all existing buildings in the city that do not yet have a Knox Box and strongly urge them to add a Knox Box to their building.

Staff is asking the Council for approval to draft the appropriate ordinance for Council consideration.

Lawrence said there have been incidents where they have had to break down the door to get in. A Knox Box would be of great assistance to both the Fire and Police Departments.

Edmonds asked staff knows which businesses have one. Lawrence responded that there is a list from 2014 of businesses that had them.

Walker asked Lawrence if he has any businesses that say absolutely not to a knox box. Lawrence said he has not had that issue yet, but the state fire code says the fire chief can require it one.

Lawrence said he spoke to 2 apartment building owners last week and they were not even aware there was such a thing, and they immediately gave the okay for the fire chief to order knox boxes for their sites.
Walker stated that if the fire or police departments need to use a knox box, he would like to see a letter drafted and sent to the property owner that the knox box was used and for what reason.

EDMONDS MOVED TO APPROVE HAVE STAFF DRAFT A KNOX BOX ORDINANCE. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Ordinance 754 – amending fee schedule – FIRST READING

Karnowski stated that the ordinance changing the SAC and WAC fees has been drafted. Staff is also including a proposed Annual License late fee. Even though letters are sent one or 2 months prior to the application deadline, it seems we still get them in late. Imposing a late fee may prompt those to get their applications in on time.

WALKER MOVED TO INTRODUCE ORDINANCE 754 AMENDING THE FEE SCHEDULE IN REGARD TO SAC AND WAC FEES, AND TO ADD AN ANNUAL LICENSE LATE FEE. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Resolution 17-37 – accepting final payment from It Starts Here Challenge

Foss advised that this is the final step to receive the final payment from Faith Goenner on the It Starts Here Challenge.

WALKER MOVED TO APPROVE RESOLUTION 17-37 APPROVING THE FINAL PAYMENT OF THE IT STARTS HERE CHALLENGE. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

E. Resolution 17-40 – accepting Walmart Donation for Public Safety Day

Karnowski advised that the Princeton Police Department received a check for $1500.00 dollars from the Walmart Foundation. This check is a donation from a grant written by the Princeton Public Safety Day Committee (Princeton Police, Princeton Fire, Princeton Public Works and Princeton Public Utilities). This donation will be used for the Princeton Public Safety Day to assist in covering expenses for that Day. The event will be held on Saturday September 9th 2017.

EDMONDS MOVED TO APPROVE RESOLUTION 17-40 ACCEPTING THE DONATION FROM WALMART FOR THE “PUBLIC SAFETY DAY” EVENT. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. Proposed City / FAA AFSS Building lease

Karnowski reported that in approximately 1985, the city of Princeton entered into an agreement with the FAA to construct a 10,000 Ft2 building to be used as an automated flight service station. The idea was sold to the city by the FAA as a facility that would be the site of dozens of high paying jobs and that those employees would build quality houses in the area
and, generally, be a great thing for Princeton’s economy. The FAA convinced the city to offer a 20 year lease for that new building for $1/yr. When the original lease expired and the city realized that the high paying jobs, the new homes and the economic benefits to the city were oversold, the city entered into a new lease (FAA Lease No. DTFAGL-06-L-00049, PNM) with the FAA in 2006 at a cost of $65,000/yr. On October 4, 2005, the FAA closed 58 AFFS operations nationwide, but (we believe because the Princeton AFSS was located in Congressman Oberstar’s district, the Princeton AFSS stayed open. Then, in January of 2014 the Princeton AFSS operations ceased but the FAA decided to continue to lease 2,328 Ft2. That FAA Supplemental lease agreement (dated August 8, 2014):

1. Reduces FAA space from 10,000 Ft2 to 2,328 Ft2.
2. Gas, electric, water and sewer and janitorial transferred from Lockheed Martin to FAA eff. 8/1/2014.
3. Rental reduced to $1,261.00 per month or $15,132.00 per year.

That supplemental lease agreement acknowledges the transfer of utilities to FAA but did not provide anything further. Therefore, Paul Dove argues that the agreement for a $1,261.00 per month lease payment obligates the FAA to pay for utilities.

On January 1 of this year, the FAA sent a letter proposing a new lease agreement that proposes:

1. A total Leased area of 1712 Ft2
2. A base rent at $927.33 per month
3. Pro-rated operating costs at $256.80 per month
4. Pro-rated utilities at $355.24 per month
5. A total rent payment per month: $1,539.37 or $18,472.44 per year

CURRENT STATUS:
The city received an email from the FAA’s Teresa Emmons on July 11 stating that he FAA expects a signed lease by August 1, 2017 whereby the city would be responsible for all utilities. That email also stated that since 2014 the FAA has paid an estimated $75,000 toward the utilities associated with the use of the entire 10,000 Ft2 building while the FAA only occupied 1,712 Ft2.

In response, staff noted the FAA occupied the building rent free for approximately 20 years, (noting that the FAA did pay utilities). Plus the fact that the FAA, on its own accord, reduced the amount of space under the original Lease that provided for rental of the entire 10,000 Ft2.

The proposed ‘new’ lease requires that the city be responsible for the $2,500 cost to determine the building’s structural condition, a radon assessment and an asbestos assessment. The FAA representative did state that the FAA would be willing to reimburse the city for those costs, but no additional sums and added that, at this time, neither those nor any additional inspections are warranted.

INCOME AND COST ANALYSIS:
The approximate income for the FAA building from both the DNR and the FAA Leases would be $2,706.03 per month. ($1,539.37 from FAA and $1,166.66 from DNR).

The estimated costs per month for that building are:

Average electric per month $1,826.90
Average gas per month $ 191.94
Average sewer & water $ 60.00
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Total Utilities $2,078.84

That means the city’s net margin (Rent income less utility costs) is $627.19 per month.

Staff’s concern is that, in addition to the cost of utilities, there should be an additional component of the rent which would allow for the accumulation of funds to cover the expenses for future repairs and replacements as they become necessary.

Options and analysis:

Based upon the numbers, Dove’s recommendation would be to either:
1. Either insist upon a higher rent from the FAA, or
2. Not enter into another lease with the FAA and attempt to find a different tenant to lease the open space.

However, Dove cautions that there could be some legal issues involved with regard to evicting the FAA if they don’t voluntarily vacate the premises which could result in the portion of the building used by the FAA sitting for a long period of time with rental income that is substantially less than the cost of operation together with the necessity of engaging in an expensive process in order to recover possession.

One other factor to consider is that the FAA has made the statement that in order for it to relocate its operation it would need funding in an estimated sum of one million dollars. Under the current circumstances that funding may not be easy to procure. Perhaps that potential cost factor could change the position of the FAA regarding what it is willing to pay for rent.

Karnowski stated he and Dove are requesting that the City Council provide some feedback on how the Council would like staff to proceed.

Edmonds asked if the DNR was interested in leasing the rest of the building. Karnowski responded that they basically only use it in the spring and fall. He spoke to them about moving their full Cambridge office to this site. Another option was if the FAA could relocate, this building could possibly be taken off the airport and used by Inline packaging since they are interested in expanding.

Edmonds asked what the FAA has in the building. Karnowski said he believes it is “switching” station, and they have 2 staff members on site that keep an eye on the equipment.

Karnowski added that he has contacted Congressman Rick Nolan’s office to see if they can offer some assistance with the issue, but they likely cannot help.

Walker said they are offering almost nothing for a lease. Karnowski stated that he will simply go back and inform them that the City Council turned down their offer.

WALKER MOVED TO REJECT THE FAA’S LEASE OFFER. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Amended Comprehensive Plan Questionnaire
Foss reported that staff has made the requested changes to the questionnaire and asked the Council for their approval.

Walker stated that he likes the 2 changes.

ZIMMER MOVED TO APPROVE THE COMPREHENSIVE PLAN QUESTIONNAIRE THAT IS GOING TO BE SENT OUT TO THE RESIDENTS WITH UTILITY BILLS. REYNOLDS SECOND-ED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

C. Resolution 17-39 & Purchase Agreement with Habitat for Humanity

Foss advised that the purchase agreement has been reviewed by both the city attorney and Habitat for Humanity.

REYNOLDS MOVED TO APPROVE RESOLUTION 17-39 AND THE PURCHASE AGREEMENT WITH HABITAT FOR HUMANITY. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

MISCELLANEOUS

BILL LIST
ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF $135,959.40 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 75976 TO 76046 FOR A TOTAL OF $205,892.32. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT
There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 7:50PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,                              ATTEST:

_________________________________________________
Shawna Jenkins                                            Paul Whitcomb, Mayor
City Clerk