

**MINUTES – BENSON CITY COUNCIL – REGULAR MEETING
SEPTEMBER 11, 2006**

The meeting was called to order at 7:00 p.m. by Mayor Paul Kittelson. Members present: Sue Fitz, Lee Westrum, Bob Claussen, Gary Landmark, and Paul Kittelson. Members absent: None. Also present: City Manager Rob Wolfington, Finance Director Glen Pederson, Public Works Director Elliot Nelson, and Hospital Administrator Frank Lawatsch.

There was no one present with unscheduled business to come before the Council.

It was moved by Landmark, seconded by Claussen and carried unanimously to approve the following minutes on the consent agenda:

- a. August 28, 2006 Benson City Council Meeting
- b. July 31 and August 14, 2006 Hospital Board Meetings
- c. August 9, 2006 Prairie Country RC & D Council Meeting
- d. August 24 and August 31, 2006 Benson Area Tourism Board Meetings
- e. August 28, 2006 Benson Planning Commission Meeting

The City Manager brief the Council on a letter from Chippewa Valley Ethanol Co. dated September 1, 2006 regarding two shareholder meetings.

It was moved by Westrum, seconded by Fitz and carried unanimously to approve a gambling application from the Chippewa Valley Chapter of the Minnesota Deer Hunters Association for a raffle event on December 11, 2006.

It was moved by Fitz, seconded by Claussen and carried unanimously to approve a gambling application from Northern Lights Trails for a raffle event on December 1, 2006.

Frank Lawatsch, Hospital Administrator, came before the Council to review drawings of the proposed hospital expansion and parking lot construction.

At 7:15 p.m. the Mayor opened the Public Hearing for proposed electric and sewer rate increases. There was no one present for the hearing. The City Manager reviewed the proposed electric rate increase with the Council. The City Manager informed the Council that a resident expressed concern that the increase may be hard on young families. After discussion, Council Member Claussen offered the following Resolution and moved its adoption:

**RESOLUTION AMENDING ELECTRIC RATES
(RESOLUTION NO. 2006-18)**

WHEREAS, a public hearing was held on Monday, September 11, 2006, at 7:15 p.m. in the City Council Chambers to explain proposed electric rate changes; and,

WHEREAS, notice of the hearing has been duly published in the legal publication for the city of Benson.

NOW THEREFORE BE IT RESOLVED that the rates be amended as follows:

ELECTRIC RATE	Effective 10/01/06	Effective 01/01/08
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Residential		
Monthly Customer Charge	\$8.00	\$8.50
Energy Charge per KWH	0.063	0.071
Commercial		
Monthly Single-phase Customer Charge	12.00	13.00
Monthly Three-phase Customer Charge	18.00	19.00
Energy Charge per KWH	0.065	0.073
Large Power		
Monthly Customer Charge	32.00	35.00
Demand Charge per KWH	8.80	9.50
Energy Charge per KWH	0.029	0.034
Interruptible Rate		
Energy Charge per KWH	0.035	0.038
Monthly Controlled Water Heating Credit	3.00	3.00
Monthly Security Lighting		
100 Watt	5.75	5.75
150 Watt	7.25	7.25
250 Watt	11.50	11.50
400 Watt	14.50	14.50
1,000 Watt	27.00	27.00
Street Lighting		
Energy Charge per KWH	0.10	0.12
Power Cost Adjustment Base per KWH	0.034	0.037

Council Member Westrum seconded the foregoing Resolution and the following vote was recorded: AYES: Claussen, Westrum, Fitz, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2006-18 duly passed and adopted.

The Finance Director reviewed the proposed sewer rates with the Council. After discussion, Council Member Westrum offered the following Resolution and moved its adoption:

**RESOLUTION AMENDING SEWER RATES
(RESOLUTION NO. 2006-19)**

WHEREAS, a public hearing was held on Monday, September 11, 2006, at 7:15 p.m. in the City Council Chambers to explain proposed sewer rate changes; and,

WHEREAS, notice of the hearing has been duly published in the legal publication for the city of Benson.

NOW THEREFORE BE IT RESOLVED that the rates be amended as follows:

EFFECTIVE JANUARY 1, 2007

Sewer Service Charges:

Unit Rate	\$ 3.90 per 100 cu. ft.
Minimum Charge	\$19.50 per month

Council Member Claussen seconded the foregoing Resolution and the following vote was recorded: AYES: Westrum, Claussen, Fitz, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2006-19 duly passed and adopted.

The Mayor closed the public hearing at 7:40 p.m.

The City Manager informed the Council that we should hear in the next 30 days if the City's grant application to improve the east side of Pacific Avenue commonly referred to as "Gusty's Road" is approved. The grant amount is a maximum of \$500,000. There was also mention of the need to have a detailed survey and boring done on the road. There was a consensus of the Council to proceed if the grant is approved.

The City Manager informed the Council that the Homewood 8th and Hawleywood 4th Subdivision Development Agreements have been signed.

The Public Works Director updated the Council on the following projects: 1) subdivisions, 2) armory parking lot, and 3) Minnesota Avenue sewer extension.

The Public Works Director presented the following electric department capital authorization request:

Qty		Description	Amount
2	-	500 KVA Transformers	\$14,300.00
1	-	1000 KVA Transformer	\$10,350.00
4	-	Grounding Elbows	\$ 5,019.94
7500'	-	Electrical Cable	\$18,675.00
	-	Innerduct	<u>\$ 6,264.00</u>
			\$54,608.94

It was moved by Landmark, seconded by Westrum and carried unanimously to approve the Electric Department capital authorization request in the amount of \$54,608.94.

It was moved by Westrum, seconded by Fitz and carried unanimously to approve a pay request from Bonestroo, Rosene, Anderlik and Associates for professional services from July 2, 2006 to August 12, 2006 for the WWTP Improvements in the amount of \$9,117.75.

There was a consensus of the Council to place a stop sign at the 14th Street and Ada Avenue intersection to stop westbound Ada Avenue traffic.

Member Fitz mentioned that she has received complaints about coyotes in residential yards in the Homewood Addition.

The City Manager informed the Council that the Benson Area Tourism Board is recommending approval of the by-laws and budget that were included in the packet. It was moved by Fitz, seconded by Claussen and carried unanimously to approve the Benson Area Tourism Board budget and by-laws.

Council Member Westrum offered the following Resolution and moved its adoption:

**RESOLUTION ADOPTING PROPOSED 2006 PROPERTY
TAX LEVY, COLLECTIBLE IN 2007
(RESOLUTION NO. 2006-20)**

BE IT RESOLVED by the City Council of the City of Benson, County of Swift,

Minnesota that the following proposed sums of money be levied for the current year, collectible in 2007, upon the taxable property in the City of Benson, for the following purposes:

General Fund Levy	\$400,861
Claussen Properties II Abatement	11,000
Library Fund Levy	81,529
G.O. Library Bonds of 2002 Refunding	26,350
G.O. Fire Equipment Certificates of 2002	50,100
G.O. Capital Street Equipment 2006	<u>36,080</u>
Total	\$605,920

BE IT FURTHER RESOLVED that the following sum of money be levied for the current year, collectible in 2007, based upon the market value of the taxable property in the City of Benson, for the following purpose:

G.O. Fire Equipment of 2002 Refunding	\$15,810
G.O. Swimming Pool	<u>82,082</u>
Total	\$97,892

BE IT FURTHER RESOLVED that the City Council will hold its Truth in Taxation Hearing on Monday, December 11, 2006 at 7:00 p.m. in the Benson City Council Chambers. A continuation hearing, if necessary, will be held at the same time and location on Monday, December 18, 2006.

Council Member Claussen seconded the foregoing Resolution and the following vote was recorded: AYES: Westrum, Claussen, Fitz, Landmark, Kittelson. NAYS: None. ABSENT: None. Whereupon the Mayor declared Resolution No. 2006-20 duly passed and adopted.

Council Member Westrum offered the following Resolution and moved its adoption:

**RESOLUTION CERTIFYING THE PROPOSED OPERATING BUDGET
FOR THE CALENDAR YEAR 2007 FOR THE CITY OF BENSON, MINNESOTA
(RESOLUTION NO. 2006-21)**

BE IT RESOLVED, that the proposed Operating Budget for the City of Benson, Minnesota, for the fiscal year beginning January 1, 2007 and ending December 31, 2007 is hereby approved.

BE IT FURTHER RESOLVED, that the budget is summarized as follows:

<u>Revenues</u>	
Taxes - General Fund	\$324,771
Taxes - Library Fund	81,529
State Grants and Aids	1,296,623
Other Revenues	<u>986,795</u>
Total Revenues	\$2,689,718

<u>Expenditures</u>	
General Government	\$530,520
Public Safety	773,921
Highways, Streets and Roads	493,280

Parks and Recreation	338,668
Public Transit	146,890
Public Library	87,529
Capital Outlay	185,000
Other Expenditures	<u>133,910</u>
Total Expenditures	\$2,689,718

Excess (Deficiency) of Revenues over Expenditures **\$0**

BE IT FURTHER RESOLVED, that the City Manager shall cause the entire Proposed Operating Budget to be printed and filed in the City Office for inspection and reference by the public.

Council Member Claussen seconded the foregoing Resolution and the following vote was recorded: AYES: Westrum, Claussen, Fitz, Landmark, Kittelson. NAYS: None. ABSENT: None. Whereupon the Mayor declared Resolution No. 2006-21 duly passed and adopted.

The City Manager informed the Council that the land swap with Burlington Northern is not going smoothly. He has nothing in writing yet but he continues to work on it.

Council Member Fitz offered the following Resolution and moved its adoption:

**MOTOR VEHICLE SALES TAX
CONSTITUTIONAL AMENDMENT RESOLUTION
(RESOLUTION NO. 2006-22)**

WHEREAS, a well planned and well funded Minnesota transportation system is essential to the flow of goods and people throughout the state;

WHEREAS, the state of Minnesota's highway and transit needs continue to be under funded each year while construction costs continue to increase;

WHEREAS, the Minnesota transportation system should be funded by a comprehensive plan that benefits the entire State-not a piecemeal approach;

WHEREAS, the Motor Vehicle Sales Tax (MVST) constitutional amendment is not a solution to Minnesota's transportation funding problems and will generate less than 18% of the state's \$1.7 billion in estimated yearly transportation needs;

WHEREAS, the proposed constitutional amendment does not guarantee any funding for highways-only transit funding is guaranteed;

WHEREAS, legislators already have the authority to use the sales tax on cars for transit or highways without a constitutional amendment and are more likely to pass a first-rate, comprehensive transportation funding plan if the MVST amendment is not adopted-legislators and the Governor should do their job;

WHEREAS, the MVST constitutional amendment will leave a \$300 million hole in the general fund which could result in a cutback in spending on education, health care and property tax relief and/or an increase in taxes;

WHEREAS, state government has not proposed any revenue sources to fill the \$300 million hole MVST would leave in the general fund;

WHEREAS, the proposed constitutional amendment will mislead the voters into thinking 60% of the revenues are constitutionally guaranteed for highways-the voters should not be misled by the ballot language or the constitutional amendment;

NOW, THEREFORE, Be It Resolved that the City of Benson opposes the Motor Vehicle Sales Tax constitutional amendment and urges the next legislature and Governor to do its job and pass a comprehensive transportation funding package.

Council Member Westrum seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Westrum, Claussen, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2006-22 duly passed and adopted.

It was moved by Westrum, seconded by Claussen and carried unanimously to approve the bills and warrants in the amount of \$716,016.49.

The Council was reminded to let staff know if they will be able to attend the October 3, 2006 League of Minnesota Cities Regional Meeting in Benson.

The Council was informed that the October 9 Council meeting falls on Columbus Day and City Hall is not open that day. After discussion, there was a consensus to wait and see if there is a need for a meeting at that time. If not, the only meeting in October will be the 23rd.

Member Fitz and the City Manager brought up a nuisance issue at 214 – 11th Street North. A letter was sent in the past with only an abandon vehicle being removed. The property has junk, debris, etc. on the premises. It was moved by Landmark, seconded by Fitz and carried unanimously to proceed with correcting the nuisance and schedule a public hearing on October 23, 2006 at 7:00 p.m. if the nuisance is not corrected.

It was moved by Landmark, seconded by Claussen and carried unanimously to adjourn the meeting at 8:21 p.m.

Mayor

Attest: _____
City Clerk