

**MINUTES – BENSON CITY COUNCIL – REGULAR MEETING
OCTOBER 23, 2006**

The meeting was called to order at 5:00 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, City Attorney Don Wilcox, Dan Enderson, and Rod Ellingson.

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. September 25, 2006 Regular Benson City Council Meeting
- b. October 2, 2006 Special City Council Meeting
- c. September 13 and September 21, 2006 Benson EDA Meetings
- d. September 13, 2006 Prairie Country RC & D Council Meeting
- e. August 28, 2006 SCBH Board Meeting
- f. September 21, 2006 Pioneerland Library System Board Meeting
- g. August 21, 2006 UMVRDC Meeting
- h. September 13, 2006 Benson HRA Meeting

The City Manager reviewed the following correspondence:

- a. MMUA dated October 2, 2006
- b. WCEC dated September 29, 2006
- c. Western Minnesota Prairie Waters dated August 9, 2006. It was moved by Claussen, seconded by Westrum and carried unanimously to approve a \$3,500 donation for 2007. The donation will come out of the Lodging Tax Fund and EDA Fund with each paying \$1,750.
- d. Prairie Five Community action Council dated September 28, 2006. It was moved by Claussen, seconded by Fitz and carried unanimously to approve a \$500 donation for the Reach Out for Warmth Program.
- e. Southwest Initiative Foundation RE: Open House
- f. Fibrominn dated October 10, 2006

It was moved by Westrum, seconded by Claussen and carried unanimously to approve a gambling license to the Ducks Unlimited for a raffle on November 18, 2006.

Dan Enderson reviewed the Golf Club annual report with the Council. A combination of memberships down, unexpected expenses and trying new things that generated little or no income contributed to a negative balance. He is requesting that the Council consider increasing the borrowing limit from \$95,000 to \$100,000 and contribute \$10,000 towards the Club's operations. This should help them cash flow. It was moved by Landmark, seconded by Fitz and carried unanimously to approve increasing the Club's borrowing limit from \$95,000 to \$100,000 and contribute \$10,000 towards the Club's operations.

The City Attorney and City Manager briefed the Council on the purchase of land in the Benson Industrial Rail 2nd Addition by North American Fertilizer, LLC. Council Member Claussen offered the following Resolution and moved its adoption:

**RESOLUTION
(RESOLUTION NO. 2006-26)**

WHEREAS, the Economic Development Authority in and for the City of Benson has

approved a loan of \$100,000.00 to be made to North American Fertilizer, LLC to partially finance the construction of a plant in the Industrial Rail Second Addition to the City of Benson to handle and manufacture fertilizer from waste ash produced by the Fibrominn plant; and,

WHEREAS, the City of Benson has approved the EDA loan and, in connection therewith, has entered into a Business Subsidy Agreement with North American Fertilizer, LLC; and,

WHEREAS, the City of Benson has determined that the proposed North American Fertilizer, LLC facility constitutes economic development which serves a valid public purpose and that it is in the best interests of the City of Benson and its citizens to provide support thereto; and,

WHEREAS, the proposed location for the facility is a parcel of land containing 9.67 acres, owned by the County of Swift and located in Industrial Rail Second Addition to the City of Benson; and,

WHEREAS, the County of Swift has proposed a sale of said parcel to the City of Benson for a price of \$106,370.00 and North American Fertilizer, LLC is willing to purchase said parcel from the City of Benson for same price; and,

WHEREAS, it appears that the City's purchase and sale of the property is the most expedient means by which to make the property available to North American Fertilizer, LLC.

NOW THEREFORE, BE IT HEREBY RESOLVED that the City of Benson purchase, from the County of Swift, the 9.67 acre parcel located in Industrial Rail Second Addition for a price of \$106,370.00 and that thereafter the City sell said parcel to North American Fertilizer, LLC for the same price.

BE IT FURTHER RESOLVED that the sale of property to North American Fertilizer, LLC be conditioned on its use of the property for construction of the facility described in its loan application to the Economic Development Authority in and for the City of Benson and in the Business Subsidy Agreement and subject to a right reserved by the City of Benson to repurchase the property from North American Fertilizer, LLC, at a price of \$11,000.00 per acre if construction of a fertilizer manufacturing facility has not reached substantial completion by October 23, 2011 or to repurchase any undeveloped portion of said property that is offered for sale prior to October 23, 2011.

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. 2006-26 duly passed and adopted.

The City Manager informed the Council that the City was unsuccessful in obtaining a road improvement grant to improve the gravel road at the east end of Pacific Avenue commonly referred to as "Gusty's Road".

It was moved by Fitz, seconded by Claussen and carried unanimously to approve transferring a 1999 transit vehicle that hasn't been used for about a year-and-a-half to the DAC.

The City Manager informed the Council that staff was planting trees in Railroad Park when two administrative employees stopped to check the progress when an OSHA inspector cited the two administrative employees for not wearing safety vests. The City should hear in a week or two what the fine will be.

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

**POLICE OFFICER DECLARATION
(RESOLUTION NO. 2006-27)**

WHEREAS, the policy of the State of Minnesota as declared in Minnesota Statutes 353.63 is to give special consideration to employees who perform hazardous work and devote their time and skills to protecting the property and personal safety of others; and

WHEREAS, Minnesota Statutes Section 353.64 permits governmental subdivisions to request coverage in the Public Employees Police and Fire plan for eligible employees of police departments whose position duties meet the requirements stated therein and listed below.

BE IT RESOLVED that the City Council of the City of Benson hereby declares that the position titled Part-Time Police Officer, currently held by David C. Myrom, meets all of the following Police and Fire membership requirements:

1. Said position requires a license by the Minnesota peace officer standards and training board under sections 626.84 to 626.863 and this employee is so licensed;
2. Said position's primary (over 50%) duty is to enforce the general criminal laws of the state;
3. Said position charges this employee with the prevention and detection of crime;
4. Said position gives this employee the full power of arrest, and
5. Said position is assigned to a designated police or sheriff's department.

BE IT FURTHER RESOLVED that this governing body hereby requests that the above-named employee be accepted as a member of the Public Employees Police and Fire Plan effective the date of this employee's initial Police and Fire salary deduction by the governmental subdivision.

Council Member Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Westrum, Fitz, Landmark, Claussen, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2006-27 duly passed and adopted.

The Public Works Director informed the Council that staff solicited for fuel bids for the City's fuel needs from November 1, 2006 to November 1, 2008. The only bid submitted was from Glacial Plains Cooperative as follows:

Super Unleaded (Ethanol) Self Service	\$1.718 per gallon
Unleaded Gasoline Self Service	\$1.718 per gallon
E-85 Fuel Self Service	\$1.334 per gallon
#2 Diesel Fuel Self Service	\$2.019 per gallon
#1 Diesel Fuel Self Service	\$2.258 per gallon
#2 Premium Diesel Fuel	
Full Transport Bulk	\$2.018 per gallon
One-Half Transport Bulk	\$2.018 per gallon

It was moved by Landmark, seconded by Claussen and carried unanimously to authorize staff to enter into a contract with Glacial Plains Cooperative to furnish the City's fueling needs from November 1, 2006 to November 1, 2008.

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

**A RESOLUTION AMENDING
EQUIPMENT RENTAL RATES
FOR THE CITY OF BENSON, MINNESOTA
(RESOLUTION NO. 2006-28)**

WHEREAS, on March 27, 2006, the City passed Resolution No. 2006-08 adopting a

schedule of fees and charges for various services, licenses and permits.

WHEREAS, a number of equipment rental fees were listed at a per day charge and should have been listed at a per hour charge.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Benson, Minnesota hereby amends the following equipment rental rates:

Vermeer Wood Chipper	\$40/hour-MRES Member \$50/hour-Non MRES Member
Ford Super Duty Small Bucket Truck	\$40/hour-MRES Member \$80/hour-Non MRES Member + \$.50/mile Member & Non Member
Ford F800 Hi Ranger	\$40/hour-MRES Member \$80/hour-Non MRES Member + \$.50/mile Member & Non Member
Case Trencher	\$40/hour-MRES Member \$50/hour-Non MRES Member
Freightliner Versa Lift	\$40/hour-MRES Member \$80/hour-Non MRES Member + \$.50/mile Member & Non Member
Vermeer Vac Machine	\$40/hour-MRES Member \$80/hour-Non MRES Member

Council Member Westrum seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Westrum, Claussen, Landmark, Kittelson. NAYS: None. ABSENT: None. Whereupon the Mayor declared Resolution No. 2006-28 duly passed and adopted.

There was a review of the budget report for the month ended September 30, 2006.

It was moved by Landmark, seconded by Fitz and carried unanimously to approve bills and warrants in the amount of \$404,695.18.

Staff reported a successful six-month review on Mike Jacobson, Building Official, and recommended increasing his salary from \$47,500 to \$48,000. It was moved by Landmark, seconded by Westrum and carried unanimously to increase the Building Official's salary to \$48,000.

The City Manager informed the Council he will be on vacation from October 24 to November 1.

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

Mayor

Attest: _____
City Clerk