

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING  
NOVEMBER 17, 2014**

The meeting was called to order at 5:30 p.m. by the Mayor. Members present: Paul Kittelson, Mike Fugleberg, Jack Evenson, Stephanie Heinzig & Sue Fitz. Members Absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Director of Public Works Dan Gens, Assistant City Attorney Ben Wilcox, Sally Jones, Police Chief Ian Hodge, Shelly Eldridge, Marion McGovern, Patty Schreck, Beth Schlangan, Tim Essig, Anita Flodstrom, Mark Anderson, Coreen Miller, Ron Vadnais, Bill Dethloff, Brian Samuelson and Kathy Dolan.

It was moved by Fitz, seconded by Heinzig and carried unanimously to approve the following minutes:

- November 3, 2014 City Council Meeting
- October 2, 2014 Special EDA Meeting

There was a memo from the Minnesota Department of Commerce with direction on correct information to provide customers in reference to the cold weather rule.

Wolfington reviewed a letter from Western Area Power Administration, announcing Western's Upper Great Plains Region has signed a membership agreement enabling it to join the Southwest Power Pool regional transmission organization as a transmission owner. This application is before the Federal Energy Regulatory Commission for approval. The concern is if this is approved, our rates will go up. There is a comment period and some meetings that may be attended on this possible agreement.

Next the Council discussed the request for partnership on a walking track that could be added to the new gym the Benson School District is hoping to build. The City's share would be \$620,000. After discussion, it was moved by Fitz, seconded by Evenson and carried unanimously not to participate in the new gym addition with the Benson School District.

Wilcox came forward and reviewed the Municipal Utilities Franchise Ordinance. Wolfington reminded the Council the franchise fees would generate revenue for street repairs. The Council agreed this is a fairer way of funding. It was moved by Heinzig, seconded by Evenson and carried unanimously to approve a 2<sup>nd</sup> Reading of the Benson Municipal Utilities Franchise Ordinance.

Councilmember Fitz offered the following resolution:

**A RESOLUTION ADOPTING A SCHEDULE OF  
ELECTRIC UTILITY FRANCHISE FEES  
FOR THE CITY OF BENSON, MINNESOTA  
(RESOLUTION NO. 2014-18)**

WHEREAS, the City of Benson has approved a Franchise ordinance for the Municipal Electric Utility, and

WHEREAS, the City Council for the City of Benson has determined the fairest method for funding street repairs be in the form of a fee on each utility bill.

Whereas, the following fees are hereby adopted to be collected monthly on each type of utility bill:

Residential	\$ 3.00 per month
Commercial	\$10.00 per month
Commercial Demand	\$20.00 per month
Large Power	\$40.00 per month

NOW, THEREFORE BE IT RESOLVED that the City Council authorizes these franchise fees to be effective with the adoption of the Franchise Ordinance and until such time that it is changed.

Council Member Fugleberg seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Heinzig, Fugleberg, Fitz, Evenson. NAYS: None. Thereupon the Mayor declared Resolution 2014-18 duly passed and adopted.

Next was discussion on changing the gas energy franchise fee rates with Centerpoint Energy. With the increase in fees, it will generate an additional \$16,750 to assist the Utility Franchise fees for street repairs. It was moved by Heinzig, seconded by Evenson and carried unanimously to approve the 1<sup>st</sup> Reading Amending Special Ordinance 202 An Ordinance Implementing a Gas Energy Franchise Fee on Centerpoint Energy Minnesota Gas ("Centerpoint Energy") for Providing Gas Energy Service Within The City Of Benson, Minnesota.

Shelly Eldridge from Ehlers and Associates approached the Council to discuss the pre-sale report for the \$1,445,000 General Obligation Bonds, Series 2014A.

Mayor Kittelson opened the public hearing on the City's Five Year Capital Improvement Plan for Financing Purposes under Chapter 475 at 6 p.m.

Mayor Kittelson also opened the floor for comments at 6 p.m. from the public for feedback on the proposed Blight Ordinance.

There was discussion on the CIP bond for the public works building. The Mayor called for public comment on this bond, to which there was none.

Next the Mayor discussed and took comment from those in attendance on the blighted property ordinance. One suggestion was to use Chapter 97: Dangerous or Substandard Buildings and not create a new Chapter 98. There were comments for and against the new ordinance. The Council came to the conclusion to leave the comment period open until December 31, 2014, and people are to bring their written comments into City Hall for compilation.

The Mayor closed the public hearing on the Five Year Capital Improvement Plan at 7:13 p.m.

Councilmember Evenson offered the following resolution:

**RESOLUTION GIVING PRELIMINARY APPROVAL TO THE ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS IN AN AMOUNT NOT TO EXCEED \$600,000 AND ADOPTING THE CITY OF BENSON, MINNESOTA, CAPITAL IMPROVEMENT PLAN FOR THE YEARS 2015 through 2019 (RESOLUTION 2014-19)**

A. WHEREAS, the City Council of the City of Benson, Minnesota (the "City") proposes to issue its general obligation capital improvement plan bonds (the "Bonds") and adopt the City of Benson, Minnesota, Capital Improvement Plan for the Years 2015 through 2019 (the "Plan"); and

B. WHEREAS, the City has caused notice of the public hearing on the intention to issue the Bonds and on the proposed adoption of the Plan to be published pursuant to and in accordance with Minnesota Statutes, Section 475.521; and

C. WHEREAS, a public hearing on the intention to issue the Bonds and on the proposed Plan has been held on this date, following published notice of the public hearing as required by law; and

D. WHEREAS, in approving the Plan, the City Council considered for each project and for the overall Plan:

1. The condition of the City's existing infrastructure, including the projected need for repair and replacement;
2. The likely demand for the improvement;
3. The estimated cost of the improvement;
4. The available public resources;
5. The level of overlapping debt in the City;
6. The relative benefits and costs of alternative uses of the funds;
7. Operating costs of the proposed improvements; and
8. Alternatives for providing services more efficiently through shared facilities with other local governmental units; and

E. WHEREAS, the City Council has determined that the issuance of general obligation capital improvement plan bonds in the aggregate principal amount of up to \$600,000 is the best way to finance the capital improvements identified in the Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Benson, Minnesota, that the City hereby adopts the Plan and authorizes the issuance of up to \$600,000 aggregate principal amount of general obligation capital improvement plan bonds.

Council Member Fugleberg seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Heinzig, Fugleberg, Fitz, Evenson. NAYS: None. Thereupon the Mayor declared Resolution 2014-19 duly passed and adopted.

Councilmember Fitz offered the following resolution:

**RESOLUTION PROVIDING FOR THE SALE OF  
\$1,445,000 GENERAL OBLIGATION BONDS, SERIES 2014A  
(RESOLUTION 2014-20)**

- A. WHEREAS, the City Council of the City of Benson, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$1,445,000 General Obligation Bonds, Series 2014A (the "Bonds"), to finance various projects and equipment purchases in and for the City; and
- B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the Bonds and is therefore authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Benson, Minnesota, as follows:

1. Authorization; Findings. The City Council hereby authorizes Ehlers to solicit proposals for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 5:30 P.M. on December 15, 2014, for the purpose of approving the sale of the Bonds and establishing a pricing committee. The pricing committee shall meet at 2:00 p.m. on December 17, 2014 for the purpose of considering proposals for and awarding the sale of the Bonds.

3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Council Member Evenson seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Heinzig, Fugleberg, Fitz, Evenson. NAYS: None. Thereupon the Mayor declared Resolution 2014-20 duly passed and adopted.

It was moved by Fugleberg, seconded by Evenson and carried unanimously to approve a Small Cities grant payment in the amount of \$2,396.00

It was moved by Fugleberg, seconded by Evenson and carried unanimously to approve a Small Cities grant payment in the amount of \$6,726.00

Next Wolfington presented a list of equipment the Street Department no longer uses and would like to sell. Following is a list of surplus property:

- Futura Sand Blaster Pressure Washer 16 hp Briggs & Stratton 2500 psi
- Power Flame burner for boiler
- Omega telescoping hydraulic transmission jack 1000 lb. capacity
- 2 – Fairbanks and Morse 40 hp 3 phase electric motors
- OTC Hydraulic lift dual wheel dolly 1500 lb capacity
- 2- Aurora 600 gpm centrifugal pumps
- 8” gate valve
- 8” electric water flow meter
- Beuthling B100 packer 11 hp Briggs & Stratton
- Approximately 6,500’ of 5” sock tile

It was moved by Fitz, seconded by Heinzig to approve the sale of the surplus property. The following vote was recorded: AYES: Fitz, Heinzig, Kittelson, Fugleberg. NAYS: None ABSTAIN: Evenson. The motion carried.

There was a pay request from Benson Community Education for administration of the 2014 Summer Recreation Program. It was moved by Fugleberg, seconded by Evenson and carried unanimously to approve a pay request to Community Education in the amount of \$18,430.99

Next the Council reviewed the October 2014 budget report.

It was moved by Evenson, seconded by Fugleberg and carried unanimously to approve the bills and warrants in the amount of \$405,574.42

Wolfington announced Bev Herfindahl, our regional transit operations manager will be at the next Council meeting.

There being no other business, a motion was made by Heinzig, seconded by Evenson and carried unanimously to adjourn the meeting at 7:17 p.m.

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Mayor

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City Clerk