

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
DECEMBER 16, 2013**

The meeting was called to order at 5:30 p.m. by the Mayor. Members present: Ben Hess, Gary Landmark, Mike Fugleberg, Paul Kittelson & Sue Fitz. Members Absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Public Works Director Elliot Nelson, Bob Lange, Stephanie Heinzig and Jack Evenson.

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

- December 2, 2013 City Council Meeting
- October 7, 2013 Planning Commission Meeting

It was moved by Hess, seconded by Fugleberg and carried unanimously to approve renewal of the following 2014 Cigarette Licenses: Amoco Food Shop of Benson, Holiday Station, Darold's Super Valu, Do-Mats Family Foods, Glacial Plains and Dollar Store.

It was moved by Fitz, seconded by Hess and carried unanimously to approve a Special Use Permit to allow disposing of septic tank sludge and holding tank sewage into the Benson Wastewater Facility for 2014 to Slaughter's Plumbing and Septic Service LLC.

The Mayor acknowledged overnight Travel to the MN State Hospital Association Trustee Conference January 10-11, 2014 by the City Manager. Also new Council Members Heinzig and Evenson will attend the League of MN Cities Newly elected Official Orientation January 31-February 1, 2014 along with the City Manager.

Next Bob Lange of Lange Associates presented 2014 estimated insurance premiums from our current general liability insurance company Travelers Insurance and the League of Minnesota Cities Insurance Trust (LMCIT). Lange outlined differences in coverage and presented a \$70,000 cost savings if the City switched to LMCIT. Lange noted switching to LMCIT would be a long term decision and changing insurance companies later could be difficult due to LMCIT being a "claims made" policy. Wolfington recommended changing insurance to LMCIT. Pederson concurred. Wolfington said he and Lange met with the City attorney on details of the terms of the policy. After discussion, it was moved by Fitz, seconded by Landmark and carried unanimously to discontinue insurance coverage with Travelers, and switch to LMCIT.

It was moved by Fugleberg, seconded by Hess and carried unanimously to appoint Jill Hedman to the Swift County-Benson Hospital Board with her term ending December 31, 2016.

It was moved by Fitz, seconded by Hess and carried unanimously to approve a project in the Benson Small Cities grant program in the amount of \$6,237.00.

It was moved by Fitz, seconded by Hess and carried unanimously to approve a project in the Benson Small Cities grant program in the amount of \$2,448.00.

It was moved by Hess, seconded by Fitz and carried unanimously to approve the 2014 Benson Area Tourism Budget.

Next Nelson approached the Council with quote results on the trickling filter distributor repairs at the wastewater facility. There were two quotes. KHC Construction, Inc. presented a total base bid of \$86,900.00. Gridor Construction, Inc. presented a total Base Bid of \$147,500.00. Tom Dye from Stantec Consulting Services reviewed the quotes and found them to be in order. After discussion it was moved by

Hess, seconded by Fugleberg and carried unanimously to award the bid to KHC Construction, Inc. in the amount of \$86,900.00.

Wolfington presented a letter from Bollig Inc. stating the City of DeGraff has hired them as their engineer consultant for their wastewater improvement project. Previous discussion with the City of DeGraff presented the possibility of them hooking on to our sewer system to dispose of their wastewater. Tying into the City of Murdock is also a possible solution. There will be more discussion in the near future.

Wolfington acknowledged a letter from the Minnesota Department of Commerce, Division of Energy Resources thanking the City of Benson for meeting their conservation goals the last four years. Wolfington credited efforts by MRES, staff and the local appliance businesses and electricians for promoting rebates to their customers.

The City Manager informed the Council that the LELS union members have approved a three year contract with an opener at the end of the 2nd year for health insurance. Also a 50 cent increase to all steps each year of the contract, adding a 5th step with 20 cents over the 4th step. He also stated there was language changes and a 50% cost share on any increases to family health insurance. It was moved by Landmark, second by Fitz and passed unanimously to approve the 2014 – 2016 LELS Union contract as presented.

It was moved by Hess, seconded by Fugleberg and carried unanimously to approve the following Public Utilities Bad Debts List as of December 31, 2013:

ACCT. NO.	NAME	ELEC	WATER	SEWER	TAX	GARB	PEN	ST SWR	TOTAL
101-0025-00-07	Jose Salnias	101.34	114.03	240.10	0.00	17.65	0.00	0.00	473.12
101-0025-00-09	Shawn Citrowski	48.97	57.46	61.40	9.56	27.57	10.62	5.02	220.60
101-0030-00-09	Megan Sampson	74.01	32.53	32.67	0.00	4.88	0.00	0.00	144.09
101-0031-00-06	Anthony Rojas	154.13	30.70	110.25	0.00	0.00	0.00	0.00	295.08
104-0095-00-11	Mike Reinert	148.98	92.10	114.74	21.57	51.52	28.72	9.37	467.00
104-0143-05-20	Katlyn Reinke	107.07	0.00	0.00	0.00	0.00	0.00	0.00	107.07
104-0143-10-15	Kathalina Habeck	150.96	0.00	0.00	5.35	0.00	0.00	0.00	156.31
104-0143-14-30	Melissa Payne	170.32	0.00	0.00	0.00	0.00	0.00	0.00	170.32
104-0143-21-06	Sandra Straton	86.42	0.00	0.00	0.00	0.00	0.00	0.00	86.42
104-0143-24-05	Jeremy Cook	11.34	0.00	0.00	0.00	0.00	0.00	0.00	11.34
104-0159-00-05	William/Serena Herman	514.04	0.00	0.00	0.00	0.00	0.00	0.00	514.04
104-0180-05-08	Jordan Krosch	82.04	26.76	33.41	6.70	15.00	3.26	2.73	169.90
201-0021-00-08	Lacie Wonnell/D.Mesik	233.99	70.27	43.47	0.00	5.41	0.00	0.00	353.14
201-0053-00-03	Alexandra Herrington	114.02	56.13	91.28	14.85	32.55	10.00	5.92	324.75
201-0093-00-02	State Line Properties	0.00	15.12	19.14	1.88	8.59	0.00	1.56	46.29
201-0100-00-05	Chauntel Smith	65.66	51.74	57.45	10.53	29.79	10.08	2.99	228.24
202-0035-00-03	Angela Hood	9.81	12.73	17.82	2.33	8.00	0.00	1.45	52.14
202-0063-00-04	Sarah Wold	344.94	83.80	117.60	21.09	44.00	0.00	0.00	611.43
202-0083-00-01	Bob Wilson	758.27	0.00	188.65	70.13	293.70	87.62	17.40	1415.77
202-0097-02-07	Jossiline Wipper	13.27	0.00	0.00	0.00	0.00	0.00	0.00	13.27
205-0413-00-24	Michael Medina	90.23	0.00	0.00	0.00	0.00	0.00	0.00	90.23
205-0413-00-26	Brianna Raveling	189.63	0.00	0.00	13.04	0.00	24.59	0.00	227.26
205-0511-00-13	Jamie Huffman	249.30	0.00	0.00	11.00	0.00	0.00	0.00	260.30
205-0530-00-05	Rochelle Shepersky	265.55	0.00	0.00	17.82	0.00	0.00	0.00	283.37
205-0552-00-03	Nikki Larson	404.27	0.00	0.00	23.39	0.00	44.40	0.00	472.06
205-0612-00-05	Faith Zak-Dobbins	241.94	0.00	0.00	12.90	0.00	0.00	0.00	254.84
301-0101-00-01	Stewart's Clothing Con	422.84	0.00	0.00	67.40	0.00	0.00	0.00	490.24
302-0068-00-01	Christopher Bratsch	82.42	2.49	24.50	0.00	0.00	0.00	0.00	109.41
302-0097-00-01	Neil Wells	202.14	11.84	24.50	0.00	0.00	0.00	0.00	238.48
302-0114-00-12	Don Jones	784.50	77.55	69.67	26.84	27.16	0.00	0.00	985.72
303-0021-00-04	Elizabeth Giese	342.18	23.55	24.50	0.00	8.31	0.00	0.00	398.54
303-0021-00-06	Brad Erickson	253.62	36.18	28.95	7.73	13.00	19.57	2.36	361.41

303-0023-00-01	Charles Holmquist	0.00	0.00	0.00	10.31	106.00	77.80	19.27	213.38
303-0058-00-11	Christopher Heuer	58.12	45.04	50.23	8.94	23.40	0.00	4.26	189.99
303-0061-00-11	Jesse Monson	44.19	18.25	52.96	2.01	6.03	0.00	1.10	124.54
305-0044-00-08	Nathan Thorson	77.70	0.00	0.00	0.00	0.00	0.00	0.00	77.70
305-0048-00-27	Ashley Wroblewski	133.26	0.00	0.00	0.00	0.00	0.00	0.00	133.26
305-0058-00-03	Korey Molden	85.95	0.00	0.00	0.00	0.00	0.00	0.00	85.95
305-0085-00-02	Kimberly Clark	362.58	0.00	110.58	0.00	0.00	0.00	0.00	473.16
305-0217-00-05	Jennifer Coil	66.49	0.00	0.00	4.57	0.00	2.17	0.00	73.23
305-0226-00-03	John Tibbs	92.62	0.00	0.00	0.00	0.00	0.00	0.00	92.62
305-0227-00-09	Glenda Flores	149.27	0.00	0.00	0.00	0.00	0.00	0.00	149.27
305-0228-00-03	Josephine Florew	115.60	0.00	0.00	0.00	0.00	0.00	0.00	115.60
401-0076-00-04	Craig/Amanda Iverson	204.67	21.59	32.67	0.00	0.00	0.00	0.00	258.93
402-0029-00-08	Jared McVinua	298.68	71.66	49.50	19.21	26.00	25.06	4.00	494.11
402-0159-00-06	Jesse Gocha	169.05	75.49	87.43	8.40	19.47	10.00	2.81	372.65
402-0175-00-03	Anthony Toth	137.11	127.17	209.84	22.34	79.93	43.70	14.53	634.62
402-0185-00-08	Brad Smith	323.22	24.64	50.23	0.00	0.00	0.00	0.00	398.09
403-0016-00-10	Jim Lien	73.45	0.00	0.00	0.00	0.00	0.00	0.00	73.45
403-0016-00-12	Brady Erdman	44.29	0.00	0.00	3.04	0.00	5.01	0.00	52.34
403-0054-02-04	Nils Njus	34.70	0.00	0.00	8.35	0.00	0.00	0.00	43.05
501-0022-00-03	T & S Construction	81.89	67.50	73.50	20.57	0.00	0.00	0.00	243.46
501-0022-00-04	T & S Construction	258.85	96.36	98.00	24.01	0.00	48.73	0.00	525.95
501-0023-00-03	T & S Construction	0.00	123.94	730.10	0.00	0.00	0.00	0.00	854.04
501-0023-00-04	T & S Construction	84.31	156.26	98.00	16.09	0.00	37.79	31.50	423.95
501-0055-00-02	Chets Gently Used Furn	163.63	165.90	279.30	22.67	0.00	18.35	8.40	658.25
502-0093-00-11	Merrilee Ascheman	411.26	0.00	0.00	0.00	0.00	0.00	0.00	411.26
TOTALS		10189.09	1788.78	3222.44	514.62	847.96	507.47	134.67	17205.03

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

**RESOLUTION ADOPTING FINAL 2013 PROPERTY
TAX LEVY, COLLECTIBLE IN 2014
(RESOLUTION NO. 2013-24)**

BE IT RESOLVED by the City Council of the City of Benson, County of Swift, Minnesota that the following sums of money be levied for the current year, collectible in 2014, upon the taxable property in the City of Benson, for the following purposes:

General Fund Levy	\$578,921
Claussen Properties II Abatement	20,000
Wages and Benefits of Police Personnel	616,260
Library Fund Levy	<u>106,800</u>
TOTAL	1,321,981

BE IT FURTHER RESOLVED that the following sum of money be levied for the current year, collectible in 2014, based upon the market value of the taxable property in the City of Benson, for the following purpose:

G.O. Swimming Pool	<u>\$70,896</u>
Total	\$70,896

BE IT FURTHER RESOLVED that \$64,530.38 is irrevocably appropriated from the Utility Fund to the equipment portion of the \$1,130,000 G. O. Bond, Series 2012A Fund to cover that portion of the 2014 tax levy.

The City Clerk is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Swift County, Minnesota.

Member Fitz seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-24 duly passed and adopted.

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

**RESOLUTION CERTIFYING THE FINAL OPERATING BUDGET
FOR THE CALENDAR YEAR 2014 FOR THE CITY OF BENSON, MINNESOTA
(RESOLUTION NO. 2013-25)**

BE IT RESOLVED, that the Final Operating Budget for the City of Benson, Minnesota, for the fiscal year beginning January 1, 2014 and ending December 31, 2014 is hereby approved.

BE IT FURTHER RESOLVED, that the General Fund Budget is summarized as follows:

Revenues

Taxes - General Fund	1,215,181
Taxes – Library	106,800
State Grants and Aids	1,197,577
Other Revenues	<u>1,135,479</u>
Total Revenues	3,655,037

Expenditures

General Government	632,700
Public Safety	1,044,750
Highways, Streets and Roads	590,650
Parks and Recreation	383,050
Public Transit	187,000
Library	109,250
Capital Outlay	453,000
Other Expenditures	<u>204,583</u>
Total Expenditures	3,604,983

Excess (Deficiency) of Revenues over Expenditures **50,054**

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

Member Fitz seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-25 duly passed and adopted.

It was moved by Fugleberg seconded by Fitz and carried unanimously to approve the General Capital Outlay Budget.

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

**RESOLUTION TRANSFERRING AMOUNT DESIGNATED FOR FUTURE
CAPITAL OUTLAY TO THE GENERAL CAPITAL OUTLAY FUND
(RESOLUTION NO. 2013-26)**

WHEREAS, the Benson City Council has established a fund known as the General Capital Outlay Fund, and

WHEREAS, the Council desires to track all capital outlay purchases for the General Fund through this fund, and

WHEREAS, there are monies appropriated in the General Fund 2013 Budget for this purpose.

NOW, THEREFORE, BE IT RESOLVED that the following amounts be transferred from the General Fund Appropriated Fund Balance to the General Capital Outlay Fund for:

Administration	30,000
City Hall	20,000
Police Department	50,000
Fire Department	40,000
Street Department	175,000
Park	72,000
Transit	15,000
Airport	<u>10,000</u>
TOTAL	412,000

Member Hess seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-26 duly passed and adopted.

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

**RESOLUTION TO APPROVE TRANSFER FROM LIBRARY ENDOWMENT FUND
(RESOLUTION NO. 2013-27)**

WHEREAS, the City of Benson established the Library Endowment Fund in March of 1995 with excess dollars left over from the new building construction, and

WHEREAS, the interest earned in this fund is available for the purchase of capital equipment, and

WHEREAS, the fund has earned \$396.69 in interest during 2013, and

WHEREAS, the City Council has budgeted to transfer interest earnings in an amount up to \$450.00.

NOW, THEREFORE BE IT RESOLVED that the \$396.00 interest earned be transferred from the Library Endowment Fund to the operating Library Fund to help cover the costs of capital equipment.

Member Hess seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-27 duly passed and adopted.

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

**RESOLUTION DESIGNATING ECONOMIC DEVELOPMENT FUNDS
FOR OPERATING CAPITAL INVESTMENT
(RESOLUTION NO. 2013-28)**

WHEREAS, the City of Benson operates an Economic Development Fund to finance economic development projects and investments.

NOW, THEREFORE BE IT RESOLVED that the City Council authorizes a committed fund balance in the Economic Development fund of \$300,000 for the purchase of industrial property and industrial property investments.

Member Fugleberg seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-28 duly passed and adopted.

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

**RESOLUTION TO APPROVE BUDGETED TRANSFERS
(RESOLUTION NO. 2013-29)**

WHEREAS, the City of Benson has maintained the following funds, and

WHEREAS, the City Council has determined that it is prudent to make transfers in 2013 in order to fund certain projects or programs.

NOW, THEREFORE BE IT RESOLVED that the following amounts be transferred from the following funds:

	Budgeted	Transferred
From Cemetery Perpetual Care to General Fund	1,650	1,432
From General Fund to Concrete Projects Fund	15,000	15,000
TOTAL	16,650	16,432

Member Fitz seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-29 duly passed and adopted.

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

**RESOLUTION TRANSFERRING 25% OF THE NET PROFIT
OF THE UTILITY FUND TO THE GENERAL FUND
(RESOLUTION NO. 2013-30)**

WHEREAS, the City charter allows for the transfer of no more than 25% of the net profit from the Utility Fund to any other fund in any one year provided that a ten year Capital Improvement Program has been studied and implemented and that the fund does not need this money to fulfill its Improvement Program, and

WHEREAS, the City Council has adopted a ten year Capital Improvements Program as part of its 2013 Budget, and

WHEREAS, the City Council as part of its 2013 General Budget included a transfer of 25% of the net profit of the Utility Fund be transferred to the General Fund.

NOW, THEREFORE BE IT RESOLVED that the City Council transfers \$153,728 from the Utility Fund to the General Fund.

Member Fugleberg seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-30 duly passed and adopted.

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

**RESOLUTION TRANSFERRING \$4,770 FROM THE EDA FUND AND \$13,078 FROM THE REVOLVING LOAN FUND TO THE GENERAL FUND
(RESOLUTION NO. 2013-31)**

WHEREAS, the City of Benson is active in economic development, and

WHEREAS, the Economic Development Authority makes loans to local businesses in order to create jobs, and

WHEREAS, these loans are administered by personnel within the General Fund, and

WHEREAS, a 1% management fee on the beginning asset balance of these Funds is a reasonable fee to charge for this administration.

NOW, THEREFORE BE IT RESOLVED that the City Council authorized the transfer of \$4,770 from the EDA Fund and \$13,078 from the Revolving Loan Fund to the General Fund.

Member Hess seconded the foregoing motion and the following vote was recorded: AYES: Hess, Fitz, Fugleberg, Kittelson, Landmark. NAYS: None. Whereupon the Mayor declared Resolution No. 2013-31 duly passed and adopted.

It was moved by Fitz, seconded by Hess and carried unanimously to approve the 2014 Exempt wages as follows:

Name	Title	Current 2013	Proposed 2014	Increase	
Glen Pederson	Director of Finance	71,000.00	73,000.00	2.8%	2,000.00
Elliot Nelson	Public Works Director	67,500.00	69,500.00	3.0%	2,000.00
Ian Hodge	Police Chief	65,280.00	66,000.00	1.1%	720.00
Tim O'Connor	Liquor Store Manager	40,000.00	40,500.00	1.3%	500.00
Valerie Alsaker	Admin. Asst.	19.50	20.00	2.6%	\$.50
Paul Larson	Sergeant	25.76	26.46	2.7%	.70
Michael Jacobson	Building Official	27.73	28.23	1.8%	.50

It was moved by Landmark, seconded by Fitz and carried unanimously to approve bills and warrants in the amount of \$394,375.55

At 6:15 p.m., Mayor Kittelson called a recess in order to conduct the City Manager's review.

At 6:28 p.m., the meeting was called to order. It was noted the City Manager's review was satisfactory, and the Council agreed upon a 2% raise for 2014.

There being no other business, a motion was made by Landmark, seconded by Fugleberg and carried unanimously to adjourn the meeting at 6:29 p.m.

Mayor

City Clerk