

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
DECEMBER 6, 2010**

The meeting was called to order at 5:30 p.m. by Mayor Paul Kittelson. Members present: Sue Fitz, Ben Hess, Bob Claussen, Gary Landmark, and Paul Kittelson. Members absent: None. Also present: City Manager Rob Wolfington, Finance Director Glen Pederson, and Public Works Director Elliot Nelson.

There was no one 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. November 15, 2010 Regular City Council Meeting
- b. October 21, 2010 Benson EDA Meeting
- c. November 10, 2010 Safety Committee Meeting
- d. October 25, 2010 SCBH Board Meeting

It was moved by Fitz, seconded by Hess and carried unanimously to approve a small cities owner occupied residential grant in the amount of \$18,750.

It was moved by Hess, seconded by Claussen and carried unanimously to approve a Gambling Permit to the Chippewa Valley Chapter of Minnesota Deer Hunters for a raffle on February 4, 2011 at the Benson Bowler.

The next item was a request from the Benson Golf Club for \$10,000 to assist with year-end financing. After discussion, this item was tabled until such time that the Golf Club is available to give a year-end financial report to the Council.

The Mayor informed the Council that he will be traveling to Nisswa to serve on a panel for the Newly Elected Officials Conference on January 7, 2011.

Member Fitz informed the Council that the Planning Commission considered a request from Sydney Laumeier, 2065 Prairie View Circle, for a *Caution Children at Play* or *Watch for Children* sign in the Prairie View Circle cul-de-sac. The Planning Commission referred this item to the City Council with no recommendation. After discussion, there was consensus of the Council to deny the request and notify Ms. Laumeier of the decision. It was mentioned that it is understood that drivers are to be looking out for children in a residential area, does a sign really do much good, and children need to be aware of vehicles in the street.

The Public Works Director reviewed a time line for the Water Treatment Plant No. 2 Improvements. It was moved by Landmark, seconded by Claussen and carried unanimously to approve publishing the legal notice regarding the public comment period and to discuss the project and accept any public comments during the January 3, 2011 Council meeting.

The City Manager informed the Council that the Fire Department has been awarded a grant for a new Hurst tool. The grant is for \$47,000 with a 5% match from the City. He also informed the Council that they have not heard anything about a grant application for a tanker. This was informational with no action taken.

It was moved by Fitz, seconded by Hess and carried unanimously to appoint Heather Nord to the Benson Tourism Board with her term expiring December 31, 2012.

The City Manager informed the Council that the Cities of Benson, Clontarf, Danvers, and DeGraff have submitted a joint application for a Minnesota Department of Public Safety Efficiency Grant. The grant will study ways of increasing efficiency and/or cost savings of shared fire and rescue services. The grant is for \$25,000 with \$3,675 in local matching funds.

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

**RESOLUTION ADOPTING SEWER RATES
(RESOLUTION NO. 2010-30)**

WHEREAS, the sanitary sewer rates were analyzed through a Sewer Rate Study; and

WHEREAS, the City Council has determined that the current sewer rates are not adequate to meet the current fixed costs due to the G.O. Water and Sewer Revenue Bonds of 2009A and increased operating costs.

NOW THEREFORE BE IT RESOLVED that the following sanitary sewer rates are adopted effective January 1, 2011:

Minimum Charge:	\$24.50 per month
Unit Service Charge:	\$4.90 per 100 cu. Ft. (one unit) of water usage

Councilmember Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Claussen, Hess, Fitz, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-30 duly passed and adopted.

At 6:00 p.m. the Mayor opened the Truth in Taxation Public Hearing. There was no one in attendance for the hearing. The City Manager gave a presentation on the 2011 budget, 2010 Accomplishments, and the 2011 Bucket List.

Missouri River Energy Services has informed the City of the following:

1. Northern Cities Group Transmission Rate Increase
2. Notice of January 1, 2011, S-1 Rates
3. Changes to Midwest Independent Transmission System Operator Market Implementation Agreement Exhibits B & C

Member Landmark presented an amendment to the Gambling/Bingo Ordinance that would require licensed gambling organizations to spend 80% or greater of their gross profits derived from lawful gambling within the trade area of Benson. After discussion, it was moved by Landmark, seconded by Hess and carried unanimously to approve the First Reading of an Ordinance to Amend Title XI: Business Regulations of the Code of Ordinances by Adding Section 111.10 Use of Profits. Staff will notify the local licensed gambling organizations about the amendment.

The City Manager informed the Council that the AFSCME union members have approved a one year contract with a 1% wage increase on January 1 and 1% on July 1, and some insurance increases: premiums and out of pocket expenses. He recommended that the Council

approve the agreement. It was moved by Claussen, seconded by Landmark and carried unanimously to approve the 2011 AFSCME Union contract as presented.

The Finance Director reviewed the budget report through October 2010 with the Council.

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

**RESOLUTION TRANSFERRING AMOUNT DESIGNATED FOR FUTURE
CAPITAL OUTLAY TO THE GENERAL CAPITAL OUTLAY FUND
(RESOLUTION NO. 2010-31)**

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 2010 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:

Police Department	40,000
Fire Department	38,600
Street Department	200,000
City Hall	23,000
Park	35,000
Armory	5,000
Airport	7,000
TOTAL	348,600

Councilmember Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Fitz, Hess, Claussen, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-31 duly passed and adopted.

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

**RESOLUTION TO APPROVE TRANSFER FROM LIBRARY ENDOWMENT FUND
(RESOLUTION NO. 2010-32)**

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 \$462.60 in interest during 2010, 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 \$450.00 interest earned be transferred from the Library Endowment Fund to the operating Library Fund to help cover the costs of capital equipment.

Councilmember Claussen seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Claussen, Fitz, Hess, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-32 duly passed and adopted.

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

**RESOLUTION TRANSFERRING \$7,722 FROM THE EDA FUND AND
\$14,470 FROM THE REVOLVING LOAN FUND TO THE GENERAL FUND
(RESOLUTION NO. 2010-33)**

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 \$7,722 from the EDA Fund and \$14,470 from the Revolving Loan Fund to the General Fund.

Councilmember Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Claussen, Hess, Fitz, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-33 duly passed and adopted.

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

**RESOLUTION TRANSFERRING \$30,000 FROM
THE LIQUOR FUND TO THE GENERAL FUND
(RESOLUTION NO. 2010-34)**

WHEREAS, the City of Benson owns and operates a Municipal Liquor Store, and

WHEREAS, the City Council has budgeted to transfer \$30,000 from the Liquor fund to the General Fund for calendar year 2010.

NOW, THEREFORE BE IT RESOLVED that the City Council authorized the transfer of \$30,000 from the Liquor Fund to the General Fund.

Councilmember Claussen seconded the foregoing Resolution and the following vote was recorded: AYES: Landmark, Claussen, Fitz, Hess, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-34 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. 2010-35)**

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 2010 Budget, and

WHEREAS, the City Council as part of its 2010 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 \$138,670 from the Utility Fund to the General Fund.

Councilmember Fitz seconded the foregoing Resolution and the following vote was recorded: AYES: Hess, Fitz, Claussen, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-35 duly passed and adopted.

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

**RESOLUTION TO APPROVE BUDGETED TRANSFERS
(RESOLUTION NO. 2010-36)**

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 2010 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	2,500	2,500
From General Fund to Concrete Projects Fund	15,000	15,000
From General Fund to Storm Water Fund	10,000	10,000
From General Fund to Fire Relief Fund	7,421	7,421
TOTAL	34,921	34,921

Councilmember Hess seconded the foregoing Resolution and the following vote was recorded: AYES: Claussen, Hess, Fitz, Landmark, Kittelson. NAYS: None. Whereupon the Mayor declared Resolution No. 2010-36 duly passed and adopted.

At 6:34 p.m. the Mayor closed the Truth in Taxation Public Hearing. The Council will adopt the 2011 operating budget and 2011 property tax levy at their December 20, 2010 meeting.

It was moved by Landmark, seconded by Claussen and carried unanimously to adjourn the meeting at 6:35 p.m.

 /s/ Glen Pederson
City Clerk

 /s/ Paul Kittelson
Mayor