

**MINUTES - BENSON CITY COUNCIL REGULAR MEETING
CITY HALL
DECEMBER 6, 2021**

The meeting was called to order at 5:30 p.m. by Mayor Collins. Members present: Terri Collins, Mark Schreck, Jack Evenson, Jon Buyck and Lucas Olson. Members Absent: None. Also Present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Police Chief Ian Hodge, Public Works Director Dan Gens, CEDA Representative Hillary Tweed, Swift County Monitor Editor Reed Anfinson, Swift County-Benson Health Services CEO Dan Enderson, Police Officer Brennden DeHaan, Rachel Wiebold, Ashlie Wubben, Julie Loen, Julie Motzko, Chuck Koenigs, Tom Traen, Maggie Boese, Mr. & Mrs. Al Mabry, Joyce Nokelby and Melissa Brehmer-Hamblin.

The Council recited the Pledge of Allegiance.

The Mayor asked for any changes to the agenda. A resolution accepting Local Fiscal Recovery Funds and the UMRDC Small Cities Grant Administration contract were added. It was moved by Evenson seconded by Schreck and carried unanimously to approve the amended agenda.

It was moved by Schreck, seconded by Buyck and carried unanimously to approve the following items on the consent agenda:

- November 15, 2021 City Council Minutes
- MRES 2022 S-1 Rates 5% Decrease
- Equipment Going to Auction
- Cigarette Licenses - 2022
- Electronic Transfers:
 - Payroll: November 18, 2021 - \$85,717.95
 - December 2, 2021 - \$101,740.47
 - Journal Entries: September 2021 - \$2,924,864.48
 - October 2021 - \$1,873,807.64
- LandTeam Pay Request Gusty's Road - \$20,766.24 Balance to Finish \$19,112.96

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

Mayor Collins opened the Truth in Taxation Hearing at 5:31 p.m.

Mayor Collins said she met with the City Manager and Wubben from Countryside Public Health on the Up-N-Smoke Cigarette License application. She asked the Council to deny the application for their vape shop. She is aware similar products are sold at Benson businesses. Considering Up-N-Smoke's primary products are vaping she feels they would be marketing products in an aggressive manor. She asked the Council to support denying the license. It was moved by Olson, seconded by Schreck. The following vote was taken: AYES: Olson, Schreck, Collins, Buyck. NAYS: Evenson. The motion passed to deny the cigarette license to Up-N-Smoke.

Enderson approached the Council to submit a City appointment of Hillary Tweed to the Swift County-Benson Health Services (SCBHS) Board of Directors. A term is three years, and she can serve 2 consecutive terms. It was moved by Schreck, seconded by Buyck and carried unanimously to approve Hillary Tweed to replace Tom Anderson as the City representative to the SCBHS Board of Directors beginning January 1, 2022 – December 31, 2024.

Enderson updated the Council on how busy they are. The clinic, hospital and physical therapy are busy with business as usual. COVID-19 testing averages 120-140 per week with a positivity rates running between the teens and 30 percentiles. They typically do not keep COVID patients as the hospital does not have advanced support often needed with very ill patients. Placing these patients in a higher level care facility is very tricky. He said the ER renovations are moving along and is hoping they will be done by the end of the year. He said included in the renovations is a mental health exam room. The ER is currently located in the patient entrance area. As for projects for 2022 they hope to reroof another section of the roof and replace another HVAC system. With all the renovations over the past few years, he feels the hospital buildings will be set for ten years. He noted tomorrow some Board members and CentraCare will be meeting to discuss the management agreement expiring the end of 2022 and where to go from there. He gave a brief update on the CARES Act money the Hospital received. He thanked the City and County for all the support and financing over the years.

Traen from the Benson Golf Club approached the Council to give a year-end report and request continued funding in the City's 2022 budget. He said they predict a profit of \$2,200 at the end of the year versus a loss of \$14,000 at the end of 2020. He then said he is here today to ask for the \$34,100 budgeted for the Golf Club for 2021. Wolfington reminded the Council the Golf Club received a budgeted amount of \$25,900 earlier this year for equipment purchases. It was moved by Evenson, seconded by Olson and carried unanimously to approve \$34,100 to the Golf Club for operating and capital uses. Traen thanked the Council for their support.

The City Manager and Pederson gave a presentation describing the purpose of the Truth in Taxation meeting, 2022 proposed property tax levy, the General Fund summary for 2021, revenue sources and proposed budget for 2022. Being there were no comments from the public, it was then moved by Schreck, seconded by Evenson and carried unanimously to close the Truth in Taxation Hearing at 6:17 p.m.

Next Pederson presented an on-sale wine license application for the DeMarce Theater. With this license they can sell strong beer also. The application isn't complete as of now as they are not open. The only part of the application missing is the liquor liability certificate of insurance which they will need their start date for. After discussion, it was moved by Schreck, seconded by Buyck and carried unanimously to approve the wine license application to the DeMarce Theater pending receipt of all necessary paperwork.

Gens presented a cost estimate and plans for Gusty's road improvements from LandTeam Inc. He said the cost estimate is higher than they hoped at \$465,791.15. Gens explained the plans to the Council. He said it will be a gravel road and will be useable year around with proper drainage, and road construction. Gens attributed the high cost to needing a lot of material hauled in. He said there will be extra tree work not included in this bid. After discussion, it was moved by Evenson, seconded by Schreck and carried unanimously to approve plans for Gusty's Road and to go out for bids on the project.

Next was to consider the proposal from DGR Engineering to study the City of Benson's electrical system. Olson said this proposal was reviewed by the Utility Board. The last time this was done was 2006, and this study will help us understand our current load and capacity as well as to plan for the future, especially with Nature Energy coming to Benson. It was then moved by Olson, seconded by Buyck and carried unanimously to approve the proposal from DGR Engineering for \$25,000 to conduct an electric system study and capital improvements plan update as presented.

Next Chief Hodge approached the Council with a capital authorization request for a 2021 F-150 K-9 vehicle and equipment in the amount of \$56,730.05. He said this vehicle will be better outfitted for K-9 officer Kane. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve the purchase a Ford F-150 truck to be outfitted for K-9 as presented.

Wolfington presented a Liability Coverage Waiver Form from the League of Minnesota Cities Insurance Trust. There is a statutory tort limit for liability for cities that purchase liability insurance from them. We have the option to waive the limit and purchase a higher liability policy from them. After discussion it was moved by Evenson, seconded by Schreck and carried unanimously to not waive the monetary limits on municipal tort liability established by Minn. Stat. §466.04.

Pederson said in 2019 he reviewed sewer and water rates. He did not have a 2022 increase slated for water at that time, and asked the Council to consider the following water rate increases:

PROPOSED 2022 RATE INCREASE

	Current	2022 Proposed
Residential		
Service Charge	\$24.00	\$25.00
Consumption		
0-3 Units	\$2.00	\$2.10
4-7 Units	\$2.25	\$2.35
Over 7 Units	\$2.60	\$2.60
Commercial		
Service Charges		
5/8 - 1" Meter	\$29.00	\$30.00
1 1/4 - 2" Meter	\$41.00	\$42.00
Larger than 2"	\$74.00	\$75.00
Consumption	\$2.25	\$2.35

After discussion it was moved by Schreck, seconded by Olson and carried unanimously to approve the rate increases as proposed.

Councilmember Evenson offered the following resolution:

**RESOLUTION TO APPROVE TRANSFER FROM LIBRARY ENDOWMENT FUND
(RESOLUTION NO. 2021-36)**

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 \$270.47 in interest during 2021, and

WHEREAS, the City Council has budgeted to transfer interest earnings in an amount of \$400.00.

NOW, THEREFORE BE IT RESOLVED that the \$270.47 interest earned be transferred from the Library Endowment Fund to the operating Library Fund to help cover the costs of capital equipment.

Councilmember Buyck seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-36 duly passed and adopted.

Councilmember Schreck offered the following resolution:

**RESOLUTION TO APPROVE BUDGETED TRANSFERS
(RESOLUTION NO. 2021-37)**

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 2021 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	1,600	1,308
From General Fund to Concrete Projects	30,000	30,000
TOTAL	31,600	31,308

Councilmember Evenson seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-37 duly passed and adopted.

Councilmember Olson offered the following resolution:

**RESOLUTION TRANSFERRING AMOUNT DESIGNATED FOR FUTURE
CAPITAL OUTLAY TO THE GENERAL CAPITAL OUTLAY FUND
(RESOLUTION NO. 2021-38)**

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 2021 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:

City Hall	30,000
Police Department	40,000
Fire Department	35,000
Street Department	200,000
Park	40,000
Armory	40,000
Airport	20,000

TOTAL **\$405,000**

Councilmember Schreck seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-38 duly passed and adopted.

Councilmember Evenson offered the following resolution:

RESOLUTION TRANSFERRING \$45,513 FROM THE EDA FUND AND \$12,151 FROM THE REVOLVING LOAN FUND TO THE GENERAL FUND (RESOLUTION NO. 2021-39)

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 \$45,513 from the EDA Fund and \$12,151 from the Revolving Loan Fund to the General Fund.

Councilmember Olson seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-39 duly passed and adopted.

Councilmember Schreck offered the following resolution:

RESOLUTION TRANSFERRING \$400,000 FROM THE GENERAL UNASSIGNED FUND BALANCE TO THE GENERAL CAPITAL OUTLAY FUND (RESOLUTION NO. 2021-40)

WHEREAS, the City of Benson has approved a policy establishing guidelines to maintain an adequate level of Fund Balance for cash flow requirements and contingency needs, and

WHEREAS, the policy establishes a minimum unassigned General Fund Balance goal of 40% of the annual budget, and

WHEREAS, the current goal amount of 40% of a budget of \$3,185,983 equals \$1,274,393, and

WHEREAS, the beginning 2021 Unassigned General Fund Balance of \$1,720,571 exceeded this amount by \$446,358.

NOW, THEREFORE BE IT RESOLVED that the City Council authorized the transfer of \$400,000 from the General fund to the General Capital Outlay Fund to be used for street construction projects.

Councilmember Evenson seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-40 duly passed and adopted.

Councilmember Olson offered the following resolution:

**RESOLUTION AUTHORIZING TRANSFER OF XCEL ENERGY GRANT DOLLARS FOR
ECONOMIC DEVELOPMENT PURPOSES
(RESOLUTION 2021-41)**

WHEREAS, the City Council of the City of Benson, County of Swift, State of Minnesota, received grant dollars from Northern State Power (Xcel Energy) as part of the Benson Power LLC biomass plant closing, and;

WHEREAS, these grant dollars are limited in use for the purposes of economic development, and;

WHEREAS, the Council has determined that Sanitary Sewer Collection and treatment improvements qualify as an economic development purpose, and;

WHEREAS, the following project is authorized use of grant dollars:

Name	Budget	Transfer Out
2020 Deferred Maintenance	\$985,210.00	\$54,227.98

NOW, THEREFORE, BE IT RESOLVED that \$54,227.98 as itemized on the attached invoices to be

Councilmember Buyck seconded the foregoing resolution and the following vote was recorded:
AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-41 duly passed and adopted.

Councilmember Schreck offered the following resolution:

**A RESOLUTION TO ACCEPT THE CORONAVIRUS LOCAL FISCAL RECOVERY FUND
ESTABLISHED UNDER THE AMERICAN RESCUE PLAN ACT
(RESOLUTION NO. (2021-42))**

WHEREAS, since the first case of coronavirus disease 2019 (COVID-19) was discovered in the United States in January 2020, the disease has infected over 32 million and killed over 575,000 Americans (“Pandemic”). The disease has impacted every part of life: as social distancing became a necessity, businesses closed, schools transitioned to remote education, travel was sharply reduced, and millions of Americans lost their jobs;

WHEREAS, as a result of the Pandemic cities have been called on to respond to the needs of their communities through the prevention, treatment, and vaccination of COVID-19.

WHEREAS, city revenues, businesses and nonprofits in the city have faced economic impacts due to the Pandemic.

WHEREAS, Congress adopted the American Rescue Plan Act in March 2021 (“ARPA”) which included **\$65 billion in recovery funds for cities across the country.**

WHEREAS, ARPA funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and in their efforts to contain COVID-19 in their communities, residents, and businesses.

WHEREAS, \$332,545.86 has been allocated to the City of Benson (“City”) pursuant to the ARPA (“Allocation”).

WHEREAS, the United States Department of Treasury has adopted guidance regarding the use of ARPA funds.

WHEREAS, the City, in response to the Pandemic, has had expenditures and anticipates future expenditures consistent with the Department of Treasury’s ARPA guidance.

WHEREAS, the State of Minnesota will distribute ARPA funds to the City because its population is less than 50,000.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BENSON, MINNESOTA AS FOLLOWS:

1. The City intends to collect its share of ARPA funds from the State of Minnesota to use in a manner consistent with the Department of Treasury’s guidance.
2. City staff, together with the Mayor and the City Attorney are hereby authorized to take any actions necessary to receive the City’s share of ARPA funds from the State of Minnesota for expenses incurred because of the Pandemic.
3. City staff, together with the Mayor and the City Attorney are hereby authorized to make recommendations to the City Council for future expenditures that may be reimbursed with ARPA funds.

Councilmember Evenson seconded the foregoing resolution and the following vote was recorded: AYES: Schreck, Collins, Olson, Evenson, Buyck. NAYS: None. Thereupon the Mayor declared Resolution 2021-42 duly passed and adopted.

Tweed presented a contract for professional services with the UMVRDC for the 2022 Small Cities Grant administration. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve the agreement as presented.

Mayor Collins said the personnel committee has met to discuss options for hiring a City Manager. They are recommending to hire a firm to do the search. She presented proposals from Bakertilly and David Drown. She said she reached out to various cities that had used the firms to get their perspective on their experience with each firm. After discussing the findings of the interviews, it was moved by Schreck, seconded by Evenson and carried unanimously to engage with David Drown to conduct the City Manager search. Mayor Collins said she would reach out to the firm to start the process.

There being no further business to come before the Council a motion was made by Evenson seconded by Schreck and carried unanimously to adjourn the Council meeting at 6:57 p.m.

Mayor

City Clerk