

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
MARCH 5, 2012**

The meeting was called to order at 5:30 p.m. by Mayor Kittelson. Members present: Paul Kittelson, Mike Fugleberg, Ben Hess, Gary Landmark and Sue Fitz. Members absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Director of Public Works Elliot Nelson, Fire Chief Mark Schreck, Fire Department Officers Bob Hoberg, Dave Ebert and Rob Lee, Shelly Eldridge from Ehlers and Associates, Rani Bezanson and Jess Chamberlain.

Rani Bezanson approached the Council stating she is working toward her Girl Scout Gold Award. Her Gold project is addressing racism. She presented the Council with a petition against racism for the Council to sign, and a rose made from different colored duct tape to represent the different colors of skin. Her goal is to obtain 1,000-2,000 signatures. She currently has 2,240 signatures. The Council agreed to sign the petition.

Mayor Kittelson acknowledged the death of Senator Gary Kubly and stated he would be missed.

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

- February 21, 2012 City Council Meeting
- February 23, 2012 EDA Meeting
- February 22, 2012 City Cemetery Board Meeting
- January 30, 2012 Swift County-Benson Hospital

Next Wolfington re-capped the discussion from the February 21st Council meeting concerning the RICE standards for our generators in the power plant. It was discussed Option 1 which only updates the 5 Caterpillar engines was the recommended option. Shelly Eldridge with Ehlers approached the Council and explained they could finance this option and the refinancing of the Pool bonds at a lower rate. Bonds are currently at an all time low. After discussion, there was a motion by Landmark, seconded by Fugleberg and carried unanimously to approve the modifications to the CAT generators at a cost of \$480,000.

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

**RESOLUTION DETERMINING THE NECESSITY TO ISSUE CAPITAL NOTES
FOR THE ACQUISITION OF EQUIPMENT
(RESOLUTION 2012-04)**

WHEREAS, Minnesota Statutes, Section 412.301 authorizes the issuance of equipment certificates or capital notes (the "bonds") within existing debt limits for the purpose of purchasing capital equipment; and

WHEREAS, the statute also provides that if the amount of the bonds to be issued to finance such equipment exceeds 0.25% of the market value of taxable property in the city, excluding money and credits, the bonds shall not be issued for at least ten days after publication in the official newspaper of the city of a council resolution determining to issue the bonds; and, if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election is filed with the city clerk, the bonds shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election; and

WHEREAS, the council contemplates issuing the bonds for said purpose in an amount which exceeds 0.25% of the market value of taxable property in the city, excluding money and credits; and

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Benson (the "City"), as follows:

1. Necessity to Issue the Bonds. It is necessary and expedient for the city council to issue the general obligation bonds, pursuant to Minnesota Statutes, Section 412.301 in the approximate amount of \$480,000 for the purpose of financing the purchase of pollution control equipment for the City's electric utility.

2. The Bonds are in Excess of 0.25% of Market Value. The amount of the bonds is hereby determined and declared to be in excess of 0.25% of the market value of the City, excluding money and credits.

3. Publication of Resolution and Days to Lapse Before the Bonds are Issued. The Clerk is authorized and directed to publish this resolution in the City's official newspaper and at least ten days shall elapse after publication before the bonds may be issued.

Council Member Landmark seconded the foregoing Resolution and the following vote was recorded: AYES: Kittelson, Fugleberg, Landmark, Fitz, Hess. NAYS: None. Thereupon the Mayor declared Resolution 2012-04 duly passed and adopted.

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

**Resolution Providing for the Sale of
\$1,160,000 General Obligation Bonds, Series 2012A
(RESOLUTION 2012-05)**

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 \$1,160,000 General Obligation Bonds, Series 2012A to refund for interest savings the remaining portion of the City's G.O. Swimming Pool Bonds, Series 2003A and to fund certain equipment for the electric utility; 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 Monday, April 2, 2012, for the purpose of considering sealed proposals for and awarding the sale of the Bonds.

4. 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 Hess seconded the foregoing Resolution and the following votes were recorded: AYES: Kittelson, Fugleberg, Landmark, Fitz, Hess. NAYS: None. Thereupon the Mayor declared Resolution 2012-05 duly passed and adopted.

Next Wolfington reviewed a meeting held with Brett Aamot from Conway, Dueth & Schmeising, Glen Pederson, and Mark Schreck about conducting a cost of service Audit for the Fire Department.

Current township fire contracts are due in the spring of 2013, which would be plenty of time to assess the audit.

Fire Chief Schreck presented specs for a new tanker for the Fire Department. After discussion it was moved by Fitz, seconded by Landmark and passed unanimously to go out for bids on the tanker. Bids will be brought back to the Council for approval.

The Upper Minnesota Valley Regional Development Commission (UMVRDC) submitted a contract for administrative services for the Benson DEED Grant #CDAP-10-0049-FY11. This is to allow them to administer the small cities grant duties. It was moved by Fitz, seconded by Hess and carried unanimously to sign the contract with the UMVRDC.

Wolfington presented information to the Council on the overhead to underground project to be started this spring along highway 12 west. Nelson noted they have gotten the permit from the State to cross the highway. This project should take most of the summer to complete.

Wolfington informed the City Council there will be a public hearing on March 19, 2012 to take arguments for or against adopting the Swift County All hazard Mitigation Plan.

Next was a request from Minnesota Valley Television (MVTV) to modify their television equipment on our water tower. After reviewing the modifications, it was moved by Landmark, seconded by Fitz and carried unanimously to approve modifications to the equipment on the water tower.

Next was a memo from Missouri River Energy Services (MRES) regarding the Western Area Power Administration (WAAPA) 2021 Power Marketing Initiative and the Reserve Contract. Their PMI contract can take several years to execute. There may be an interim Reserve Contract implemented while this agreement is developed. Wolfington stated there will be more information to come.

Nelson presented a pay request for the water treatment facility. It was moved by Hess, seconded by Fitz and carried unanimously to approve the pay request from KHC Construction in the amount of \$228,559.00.

Nelson brought a bid to the Council for Tree Removal. He stated there were specs sent out to several tree removal companies. There was discussion on the bid that was returned. It was moved by Landmark, seconded by Hess and pass unanimously to accept the Carr's Tree Service bid for 2012-2013 as presented.

Pederson presented a request to sell an old printer we no longer use. It was moved by Fitz, seconded by Fugleberg and passed unanimously to sell the old AS400 printer.

There was discussion on establishing a storm sewer utility and ordinance. Wolfington said he and Nelson had been working on developing a budget. Some items that would be included in the budget would be ditch cleaning, road repairs, curb and gutter work. Wolfington asked to table the item until the next meeting as he was still contacting colleagues with some questions. It was the consensus of the council to table this decision until the next meeting.

Councilmember Fitz stated she had several complaints about snow removal after the last snow event. Nelson stated the snow was very wet and heavy and hard to move. The snow began to melt, then the temperature dropped and froze the slush hard in the street.

There being no other business, a motion was made by Hess, seconded by Landmark and carried unanimously to adjourn the meeting at 6:15 p.m.

Mayor

City Clerk