

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
JULY 10, 2017**

The meeting was called to order at 5:30 p.m. by Mayor Landmark. Members present: Terri Collins, Jack Evenson, Gary Landmark, Stephanie Heinzig & Lucas Olson. Members Absent: None. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Public Works Director Dan Gens, Police Chief Ian Hodge, Assistant City Attorney Ben Wilcox, Benson Power Employees Heidi Gandsey, June Skarsten, Brent Hill, Derek Loiland, Scott Larson, Senator Andrew Lange, Representative Tim Miller, Helen and Anita Flodstrom, Mark Anderson, William and Sandra Woodin, Jason Brisson with Upper Minnesota Valley RDC and Xcel Energy Employees Pat Cline, Jim Pearson, Mark Osendorf, Jim Zyduck and Jared Graham.

The Council recited the Pledge of Allegiance.

Mayor Landmark asked if there were any changes to the agenda to which there were none. It was moved by Collins, seconded by Evenson and carried unanimously to approve the agenda as presented.

It was moved by Evenson, seconded by Collins and carried unanimously to approve the following items on the Consent Agenda:

- June 19, 2017 City Council Minutes
- CVEC vs Glacial Plains Coop Information
- Red Rock Hydroelectric Project Update
- Minnesota State Demographic Center 2016 Population Estimate
- Prom Afterbash Request to Waive Rental Fee at Armory
- Tourism Budget
- Public Works Report

The Mayor asked for people with unscheduled business. Pat Bangsund addressed the Council for Pilgrim UCC Church. They would like to hold their 14th Annual Party in the Park on August 31, 2017 in Roosevelt Park. After discussion, it was moved by Evenson, seconded by Heinzig and carried unanimously to approve Pilgrim's use of Roosevelt Park for their annual fundraiser.

Wolfington introduced Pat Cline, Director with Community Relations and Jim Pearson, Manager State Government Affairs with Xcel Energy who are here to go over the process of Xcel buying Benson Power and what to expect with the grant agreement with the City. Jim Pearson talked about the legislative process and discussed the grant agreement and payment schedule to help the City transition on to future endeavors. Currently Xcel has filed a petition to purchase Benson Power with the Minnesota and North Dakota Public Utility Commission. This process will take until the end of the year for approval. Once this happens there is a signed agreement in place to take over the plant. All current contracts will be honored and Xcel will proceed in closing the plant. The City could see their first payment of \$4 million on June 1, 2018. The City will receive \$6,500,000 on June 1 2019, the same payment again on June 1, 2020 and final payment of \$3million on June 1, 2021 for a total of \$20 million. There is the possibility of North Dakota or Minnesota Public Utility Commissions not approving the sale, and there is always the legislature reversing the decision to pay the City of Benson from their Renewable Energy fund. Cline introduced Jim Zyduck General Manager of Power Generation and Jared Graham, Senior Manager of Maintenance Operations. They discussed the Operational Plan pre and post Xcel Ownership. Wolfington stated the City has been contacted by some interested parties in possibly repurposing the plant. Cline introduced Mark Osendorf, Manager, Community Relations. He will be our contact from Xcel through the process. Xcel plans to meet with Benson Power employers to talk employment and discuss the process with them. Wolfington asked Senator Andrew Lang and Representative Tim Miller to address the

Council. Senator Lang stated it was a process to come to where we are now, and feels we are in a good place and stated their main concern remains with the effected people of Benson Power closing along with the contracted individuals affected. Representative Miller gave kudos to Wolfington for all his time he put in fighting for Benson during the legislative process.

Next was discussion on the agreement with Xcel Energy. It was moved by Evenson, seconded by Olson and carried unanimously to accept the agreement with Xcel Energy, authorizing the Mayor to execute the agreement.

Wilcox approached the Council with three nuisance properties brought to the Council's attention last week. After inspecting the properties, nuisances do exist. After discussion, it was moved by Collins, seconded by Evenson and carried unanimously to set a public hearing for August 7, 2017 at 5:30 p.m. for the properties at 810 Kansas Avenue, 805 Kansas Avenue and 735 Kansas Avenue.

Next there was discussion on the franchise agreement with Charter Communications. It is about to expire, and they have not opened negotiations with any cities this year. It was agreed to extend the agreement. Councilmember Evenson offered the following resolution:

**A RESOLUTION GRANTING CHARTER COMMUNICATIONS
A FRANCHISE EXTENSION TO DECEMBER 31, 2017
RESOLUTION NO. 2017-12**

WHEREAS, on or about July 14, 2003, the City of Benson, Minnesota ("City") granted a Cable Television Franchise Ordinance ("Franchise") to CC VIII Operating, LLC d/b/a Charter Communications ("Charter"); and

WHEREAS, the initial term of the Franchise expired on or about September 18, 2013; and

WHEREAS, the City adopted Resolution No. 2013-14 on August 19, 2013 extending the term of the Franchise through and including September 19, 2014; and

WHEREAS, Charter executed said Resolution No. 2013-14 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, the City adopted Resolution No. 2014-13 on September 8, 2014 extending the term of the Franchise through and including March 31, 2015; and

WHEREAS, Charter executed said Resolution No. 2014-13 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, the City adopted Resolution No. 2015-04 on March 2, 2015 extending the term of the Franchise through and including August 31, 2015; and

WHEREAS, Charter executed said Resolution No. 2015-04 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, the City adopted Resolution No. 2016-06 on February 22, 2016 extending the term of the Franchise through and including July 18, 2016; and

WHEREAS, Charter executed said Resolution No. 2016-06 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, the City adopted Resolution No. 2016-18 on July 18, 2016 extending the term of the Franchise through and including December 31, 2016; and

WHEREAS, Charter executed said Resolution No. 2016-18 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, the City adopted Resolution No. 2016-41 on December 19, 2016 extending the term of the Franchise through and including June 30, 2017; and

WHEREAS, Charter executed said Resolution No. 2016-41 and agreed to continue complying with the Franchise, as amended by the Resolution; and

WHEREAS, both the City and Charter desire to extend the term of the Franchise to facilitate renewal negotiations under state and federal law.

NOW, THEREFORE, the City Council of the City of Benson, Minnesota hereby resolves as follows:

1. The Franchise is hereby amended by extending the term of the Franchise from July 1, 2017 through the date on which Charter's Franchise is either renewed or until and including December 31, 2017.
2. Except as specifically modified hereby, the Franchise shall remain in full force and effect.
3. The City and Charter hereby agree that neither waives any rights either may have under the Franchise or applicable law.
4. This Resolution shall become effective upon the occurrence of both of the following conditions: (1) The Resolution being passed and adopted by the Benson City Council; and (2) Charter's acceptance of this Resolution.

Councilmember Olson seconded the foregoing resolution and the following vote was recorded: AYES: Collins, Heinzig, Olson, Evenson, Landmark. NAYS: None. Thereupon the Mayor declared Resolution 2017-12 duly passed and adopted.

Wolfington Informed the Council we received the Small Cities Grant we applied for. The total grant is for \$854,000. The City's portion is \$33,750. There are 5 commercial and 20 residential contracts. The grant will be good once the federal dollars are deposited into the State account.

Gens came before the Council to discuss the water service on the 500 block of 14th Street North. There have been two significant repairs made to the line in six months and the line is deteriorating rapidly. While there are repairs to the line and the street is open it makes sense to repair the sewer and storm sewer lines. This is not in the budget and estimates to repair it are \$66,375. After discussion it was moved by Evenson, seconded by Collins and carried unanimously to repair the services on the 500 block of 14th Street North.

Next was a pay request for cheese plant planning, gusty road work and water & wastewater infrastructure changes. It was moved by Evenson, seconded by Olson and carried unanimously to approve the pay request to Stantec in the amount of \$6,695.00.

There was a pay request from Nolan Baker Ford for a bucket truck for the Line Crew. It was moved by Collins, seconded by Evenson and carried unanimously to pay Nolan Baker Ford in the amount of \$55,595.97.

Next was a bid for asphalt work on Kansas & Minnesota Avenues. This is not a budgeted item but will be covered by additional funds from the State of \$30,731, that is to be used for street improvements. It was moved by Evenson, seconded by Heinzig and carried unanimously to approve the bid with Hardrives, Inc. in the amount of \$27,715.48.

There being no further business to come before the Council upon motion by Evenson, seconded by Collins and carried unanimously to adjourn the Council meeting at 6:37 p.m.

City Clerk

Mayor