

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
JULY 18, 2016**

The meeting was called to order at 5:30 p.m. by Mayor Landmark. Members present: Terri Collins, Jack Evenson, Jonathon Pogge-Weaver, Gary Landmark & Stephanie Heinzig. Members Absent: None. Also present: City Manager Rob Wolfington, Police Chief Ian Hodge, Public Works Director Dan Gens, City Attorney Don Wilcox, Peggy & Kevin Bausman, Angie Lee, Dave, Lori and Darold Martin, Tim, Carol & Matt Mattheisen, Lynn Jacobson, Vyke & Laree Breen, Swift County-Benson Hospital CEO Kurt Waldbillig, Swift County-Benson Hospital CFO Dan Enderson, Benson Public Library Librarian Dawn Dailey and Pioneerland Library System Manager Lori Ortega.

Mayor Landmark Opened the Public Hearing at 5:30 p.m. Wilcox reviewed the tax abatement request from DoMat's for their new building project. Wilcox went on to tell the Council DoMat's qualifies for the abatement, and the Council needs to determine whether or not the public will benefit from the abatement. The abatement benefit must equal or be greater than the abated amount. Tim Mattheisen presented a rendering of the new building and gave a presentation and history of their business. He went on to clarify they are asking for a 15 year abatement on the value of the new building, and not the existing tax amount on the land. Dave Martin asked the Council to consider the competitive nature of the request and felt if granted it would be unfair. Collins felt the tenant, Fischer Eye Center would compete with the hospital eye surgeries. Lee stated competition is good for business. Wolfington gave a history of Tax Abatement as an economic development tool and the city's use of abatement and TIF. Mattheisen stated their two tenants will have a minimum of a 10 year lease, and they will be using as many local contractors during construction as possible. Wilcox gave a summary: the requested amount of abatement is between \$140,000-\$170,000, DoMat's meets the abatement requirements and the Council must make the decision whether to grant or deny the request. The Council directed staff and the City Attorney to bring a Findings of Facts back to the August 1, 2016 meeting for action.

Mayor Landmark asked for any additions to the agenda. Wolfington asked to add consideration of a resolution to extend the Charter Communications Franchise Agreement. No consent agenda items were moved to the regular agenda. A motion was made by Evenson, seconded by Heinzig and carried unanimously to approve the agenda. It was moved by Evenson, Seconded by Collins and carried unanimously to approve the following items on the Consent Agenda:

- July 5, 2016 City Council Minutes
- June 6, 2016 Planning Commission Minutes
- WAPPA Drought Adder Memo
- June 2016 Police Report
- July 18, 2016 Public Works Report

There was no one present with unscheduled business.

Next there was discussion on Widseth, Smith and Nolting's (WSN) proposal for work on a new City Hall. Wolfington stated he felt there were three possibilities: first to stay in the existing City Hall, second buy an existing building to move City Hall into, and third to build new. There was discussion on leasing a building for the Police to use and get them out of the basement of City Hall, or combining the Police and City Hall. It was moved by Collins, seconded by Evenson and carried unanimously to direct staff to set a special meeting with Reed Becker with WSN on facility planning to work through which option is best.

Dailey and Ortega approached the Council. Ortega stated Pioneerland Library System would like to share Daily with the Kerkhoven library as their head librarian. Currently the Big Stone Librarian is

coming to handle the duties at Kerkhoven, and she feels it makes more sense geographically for Dailey to take over these duties. She could handle most of her responsibilities from the Benson Library. After discussion it was moved by Collins, seconded by Pogge-Weaver and carried unanimously to approve sharing Daily as head librarian with Kerkhoven's library.

Pioneerland Library System is seeking a budget increase in the Benson budget for 2017. After discussion, it was moved by Evenson, seconded by Pogge-Weaver and carried unanimously to approve the 2% requested increase to the Pioneerland Library System budget for 2017.

Next was a conference call with attorney Brian Grogan from Moss & Barnett. They have been trying to help the City resolve the Charter Communications Franchise agreement. Grogan said we have been granting extensions since 2013. He gave a history of the renewal, and stated our issues are mostly around the fees. After discussion, Councilmember Evenson offered the following resolution:

**A RESOLUTION GRANTING CHARTER COMMUNICATIONS
A FRANCHISE EXTENSION TO DECEMBER 31, 2016
(RESOLUTION NO. 2016-18)**

WHEREAS, on or about July 14, 2003, the City of Benson, Minnesota ("City") granted a Cable Television Franchise Ordinance ("Franchise") 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, both the City and Charter desire to extend the term of the Franchise to facilitate renewal negotiations under state and federal law.

NOW, THEREFORE, BE IT RESOLVED, by 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 19, 2016 through and including December 31, 2016.
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 Heinzig seconded the foregoing Resolution and the following vote was recorded AYES: Collins, Heinzig, Landmark, Evenson, Pogge-Weaver. NAYES: None. Thereupon the Mayor declared Resolution 2016-18 duly passed and adopted.

Wolfington presented bids for the replacement of the diesel fuel tank at the Power Plant. The bids are as follows:

Name	Total Base Bid
Oday	\$144,649.60
Farabee FMI Mech	\$194,322.00

After discussion, it was moved by Heinzig, seconded by Collins to accept the bid from Oday in the amount of \$144,649.60.

The Council reviewed the June Budget Report

It was moved by Evenson, seconded by Heinzig and carried unanimously to approve the bills and warrants in the amount of \$319,794.20.

Next Waldbillig and Enderson approached the Council and gave a presentation on a request for financing from the City for their assisted living project. Enderson stated between the hospital's 2013 clinic debt, and 2017 refinanced debt, along with the hospital losing money, the hospital district is limited in how they can get funding and will require City and County financial support. They first hoped for GO Bonding for the project. If not they would like a guarantee from the City and County to pay for any financial losses related to the assisted living project until they are full and making a profit. Wolfington asked why they are not pursuing USDA funding, as that option will not put tax payers at financial risk. Waldbillig said it would take 9 months before they could obtain financing and they do not want to wait that long. There was discussion on options. Wolfington stated he feels waiting 9 months, and not rushing a project like this isn't an unreasonable amount of time. Pogge-Weaver asked what impact it would have on the City's future bonding ability if we went with GO Bonding. Wolfington said it would have to go to the Bond Council for an accurate answer, but felt it would impact our financial statement. The Council agreed to hold a special meeting with the County and the Hospital Board to discuss the final requests from the hospital and directed staff to set a date for the meeting. Enderson continued with his presentation.

Wolfington informed the Council he had a call from Northern Ag, owners of the remaining elevator in town, who is coming to Benson to negotiate a price for selling the elevator property to the City of Benson.

The Mayor inquired about using USDA financing to help fix some of the City's infrastructure.

There being no other business, a motion was made by Evenson, seconded by Pogge-Weaver and carried unanimously to adjourn the meeting at 7:56 p.m.

City Clerk

Mayor