

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
AUGUST 19, 2019**

The meeting was called to order at 5:30 p.m. by Mayor Collins. Members present: Jack Evenson, Terri Collins, Jon Buyck, Mark Schreck & 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, Molly Hanson of Hanny's Bar & Grill, Liz Wefel with the Coalition of Greater Minnesota Cities (CGMC) and Roxy Lewis.

The Council recited the Pledge of Allegiance.

Mayor Collins asked for any changes or additions to the agenda. To which there were none. It was moved by Evenson, seconded by Schreck and carried unanimously to approve the agenda.

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

- August 5, 2019 City Council Minutes
- Donations:
 - SW Initiative Fund – Fire Dept. Turn-out Gear - \$5,500.00
 - Rec – T-Shirts Beautify Benson - \$84.00
 - Brightmark Energy – Beautify Benson - \$1,000.00
 - Library Patrons - \$35.32
 - Ruth Plackner – Library - \$20.00
- Electronic Transfer to Payroll: August 15, 2019 - \$101, 088.26
- Electronic Transfer Journal Entries: July 2019 - \$1,363,684.40

The Mayor asked for anyone with unscheduled business to which there was none.

Hanson approached the Council and introduced herself. She said Hanny's Bar & Grill, Inc. is planning a Grand Opening event for August 31, 2019. Weather permitting they would like to hold part of the celebration out in their parking lot. They will have food and entertainment, and plan to fence off the area. She is requesting the use of the public sidewalk in order to get their patrons from the building out to the parking lot. They will fence the sidewalk from the door to the east parking lot, which will also have a fence around it. She said they plan on having music until 11:30 p.m., and are currently obtaining an outdoor event food license from Countryside Public Health. There was discussion on quiet time. Chief Hodge said they will patrol the area like they do for the Kid Day street dance. After discussion, it was moved by Schreck, seconded by Olson and carried unanimously to approve Hanny's Bar and Grill to use the public right of way sidewalk to enable patrons to travel to the outdoor Grand Opening Event.

Liz Wefel from the Coalition of Greater Minnesota Cities approached the Council and discussed the 2019 Legislative Update. She thanked the Council for their continued support.

Wolfington shared with the Council the owner of 501 – 16th St. S. has had a settlement with their insurance company after a fire destroyed the house. He said the City has received their contingency payment in the amount of \$30,000 through City Attorney Wilcox. He went on to say the utilities are all being disconnected and he presented a proposal for demolition. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve the demolition proposal for 501 – 16th St. S. from T & K Kennedy Excavating in the amount of \$29,188.00.

Wolfington informed the Council of the Missouri River Energy Services Policy Makers Dinner September 5, 2019 in Alexandria, MN. Three Council members expressed interest. It was noted a Quorum of the Council will be advertised for this meeting.

The Benson Women of Today sent correspondence asking to use the Armory for their 17th Annual Holiday Expo in October. After discussion, it was moved by Olson, seconded by Schreck and carried unanimously to approve waiving the rental fee at the Armory for the Benson Women of Today's Holiday Expo on October 19, 2019.

Wolfington presented the Ziegler Power Systems Level 3 Cooling System Service Agreement for the power plant engines. After discussion, it was moved by Schreck, seconded by Buyck and carried unanimously to approve the customer support agreement with Ziegler Power Systems in the amount of \$54,425.00

Next Wolfington discussed staff is in the process of renewing the air permit at the power plant. Emission testing is a requirement of the air permit. A proposal for professional services was reviewed. After discussion, it was moved by Evenson, seconded by Buyck and carried unanimously to accept the proposal for professional services from Comprehensive Emission Services at a cost of \$1,500 for travel and \$2,150 per engine.

Wolfington received a memo from Moss & Barnett regarding the summary of the Federal Communications Commission 621 order outlining the impact on franchise fees received by the City. This order will hopefully trigger an agreement with Charter soon.

Next Wolfington presented reference material for discussion. The Xcel property tax statement was reviewed. Of the taxes they pay approximately 55% goes to the City, 18% to the School and 25% to the County. There were two agreements; first a draft agreement between the City and the Civic Center Board, the other was a draft lease agreement between the Civic Center Board and the School. Both agreements were for the north end of the Civic Center. The agreements have the Civic Center Board making improvements to the north end of the Civic Center, and the School then leasing it. Next he said if the City purchases the Fibrominn land, and Brightmark Energy isn't simultaneously ready to purchase, the City will inherit a large tax burden for taxes payable in 2020. TIF on this land was discussed. When the demolition of the Xcel Power Plant is finished, we will lose roughly 25% of our tax capacity. Wolfington then asked the Council to give direction for the 2020 budget and direction on the agreement with the Civic Center Board to renovate the north end of the Civic Center. There was discussion on whether to share the two payments in lieu of taxes and if so how to distribute it.

First was discussion on the distribution of the Payment in lieu of taxes. The lease spells out the school would make annual payments of \$50,000 for 5 years and two balloon payments at \$125,000 each, totaling \$500,000 which is the cost to renovate the area. The School could use their share of the Xcel payment to put toward the agreement, or they could use the funds for something else. The Civic Center Board will have \$15,000 in expenses annually, leaving \$35,000 to reimburse to the City. After discussion, it was moved by Evenson to distribute the payment in lieu of taxes to the School and County based upon the taxes payable on the property for the last full tax year prior to removal. It was seconded by Olson. The following vote was recorded: AYES: Olson, Evenson, Collins, Buyck NAYS: Schreck. The motion carried.

Next was discussion on the draft agreement between the City and Civic Center Board. It was moved by Evenson to approve the agreement to advance the Civic Center Board \$500,000 for renovation of the north end of the civic center provided that they enter into the lease with the school. It was seconded by Olson and the following vote was recorded: AYES: Olson, Buyck, Evenson, Collins NAYS: Schreck. The motion carried

The CGMC's 2020 dues for the City of Benson were presented. It was moved by Schreck, seconded by Evenson and carried unanimously to approve the 2020 CGMC dues in the amount of \$5,855.

Wolfington also presented the request for support of the Voluntary Assessment for Environmental Action Fund, which helps to continue funding for a proactive environmental program. After discussion, it was moved by Evenson, seconded by Schreck and carried unanimously to approve the 2020 Voluntary Assessment for Environmental Action fund in the amount of \$954.

The Council reviewed the July Budget Report. Pederson noted the entire first half of the LGA payment was received.

It was moved by Evenson, seconded by Schreck and carried unanimously to approve the bills and warrants in the amount of \$556,051.06.

Upcoming City Council meetings were discussed. The next regular City Council Meeting will be on Tuesday, September 3, 2019. There will be a Special City, County Swift County-Benson Healthcare Services meeting on Monday, September 9, 2019. Wolfington suggested there be a change in the following regular Council meeting date from September 15, 2019 to September 23, 2019. After Discussion, it was moved by Schreck, seconded by Olson and carried unanimously to move the regularly scheduled meeting on September 16 to September 23, 2019.

There being no further business to come before the Council upon motion by Evenson, seconded by Schreck and carried unanimously to adjourn the Council meeting at 6:27 p.m.

Mayor

City Clerk