

**MINUTES - BENSON CITY COUNCIL - REGULAR MEETING
SEPTEMBER 5, 2017**

The meeting was called to order at 5:30 p.m. by Mayor Pro-Tem Heinzig. Members present: Terri Collins, Jack Evenson, Stephanie Heinzig & Lucas Olson. Members Absent: Gary Landmark. Also present: City Manager Rob Wolfington, Director of Finance Glen Pederson, Police Chief Hodge, Anita Flodstrom, Mark Anderson, Gene Doscher, Sandra & William Woodin, Police Sergeant Paul Larson, Assistant City Attorney Ben Wilcox and Marty Siefert from the Coalition of Minnesota Cities.

The Council recited the Pledge of Allegiance.

Mayor-Pro Tem Heinzig asked if there were any changes to the agenda. Wolfington asked to add sending Reed Anfinson to testify before the State Public Utility Commission. Heinzig asked to move the public nuisance up in the agenda to before unscheduled business. It was moved by Evenson, seconded by Collins and carried unanimously to approve the agenda as amended.

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

- August 21, 2017 City Council Minutes
- July 10, 2017 Planning Commission Minutes
- August 7, 2017 Airport Minutes
- Benson Schools Homecoming Activities
- CVEC's Annual Shareholder Meeting 9/14/2017
- MRES Red Rock Hydroelectric Project Update
- Public Works Report

It was moved by Evenson, seconded by Collins and carried unanimously to deny donating a pool pass to the Auxiliary of Glacial Ridge Hospital.

Sergeant Larson and Wilcox approached the Council to discuss progress by the homeowner at 735 Kansas in removing public nuisance items from their property. Larson stated they have come a long way. He presented pictures of the property today and stated there are other items that still need to go. Mark Anderson asked to address the Council and stated he feels he is being harassed as Sergeant Larson keeps finding items to clean up. Heinzig suggested issuing a Citation, have the City finish cleaning up the property and bill the homeowner or give the homeowner one more week to finish cleaning up the property. Olson suggested going by the original nuisance issued, adding the deteriorating boat must go. Larson stated the oil is cleaned up. Wilcox said the Council needs to decide if a public nuisance still exists. After discussion, it was moved by Evenson the homeowner has fulfilled his public nuisance abatement obligation, directing Police to work with the homeowner to remove the boat. The motion was seconded by Collins and carried unanimously.

The Mayor Pro-Tem asked for people with unscheduled business to which there were none.

Marty Siefert from Flaherty and Hood with the Coalition of Greater Minnesota Cities approached the Council and gave a presentation on the Coalition, where they are focusing their efforts to benefit the cities they represent, their activities and their future projects. He reminded the Council of the Coalition's Fall Conference in Alexandria, MN November 16-17, 2017.

Wolfington said at the noon Planning Commission meeting today, the Conditional Use Permit submitted by the Swift County Benson Hospital was approved with the following conditions recommended by the Planning Commission:

1. The plans presented during the public hearing are approved and may not be altered without an amendment to this conditional use permit.
2. On street parking plans must be constructed according to the plan presented in the permit application and must be maintained by the applicant.
3. All construction building plans and specifications must be reviewed and approved by the appropriate government oversight agency prior to the start of construction.
4. State and local permits must be approved prior to construction.
5. All overhangs and awnings supporting the main entrance must be constructed high and wide enough to accommodate the city bus and emergency vehicles.

After discussion, it was moved by Evenson, seconded by Collins and carried unanimously to approve the Conditional Use Permit to Swift County Benson Hospital with the recommended conditions placed by the Planning Commission.

Next Wolfington presented three agreements from Don Atwood with Competitive Ventures. These all relate to the buying of Fibrominn by Xcel Energy. City Attorney Wilcox's opinion was reviewed. The first agreement is the water supply agreement. After discussion, it was moved by Collins, seconded by Evenson and carried unanimously to approve the Consent to Assignment of the Amended and Restated Water Supply Agreement dated December 1, 2004 between the City of Benson and Fibrominn LLC, as assigned to Benson Power, LLC a Delaware limited liability company on August 20, 2015.

The next agreement was for electrical purchase and sale with NSP. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve the Consent to Assignment of the Amended and Restated Improvement Agreement dated December 1, 2004 by and between the City of Benson, and Fibromin LLC, as assigned to Benson Power, LLC, and Delaware limited liability Company on August 20, 2105.

The final agreement is for back-up electrical service. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve the Consent to Assignment of the Agreement for Backup Service dated April 12, 2004 by and between the City of Benson, and Fibrominn LLC, as assigned to Benson Power, LLC, a Delaware limited liability company on August 20, 2017.

Next Gene Doscher, Airport Commission Chairman and Public Works Director Dan Gens approached the Council to discuss the contract the City has with Lynch Lake Flying Club as managers of the airport. Doscher stated the Airport Commission has recently reorganized and would like to terminate the contract with Lynch Lake. There are only three members left in the Flying Club. They used to mow the airport and remove snow as well, but the City employees have ended up taking over these duties. Doscher stated his son at Jed-Air aviation has been helping out at the airport as well. Gens stated the DAC is currently cleaning the lounge area. Gens also presented the Maintenance and Operation contract at the Airport with the State of Minnesota. It is time to renew the contract.

Councilmember Evenson offered the following resolution:

**AUTHORIZATION TO EXECUTE
MINNESOTA DEPARTMENT OF TRANSPORTATION
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT
(RESOLUTION 2017-15)**

It is resolved by the City of Benson as follows:

1. That the state of Minnesota Contract Number 1028962, "Airport Maintenance and Operation Grant Contract," at the Benson Municipal Airport is accepted.
2. That the Mayor Pro-Tem and City Manager are authorized to execute this Contract and any amendments on behalf of the City of Benson.

Councilmember Collins seconded the foregoing Resolution and the following vote was recorded: AYES: Collins, Heinzig, Evenson, Olson. NAYES: None. Thereupon the Mayor Pro-Tem declared Resolution 2017-15 duly passed and adopted.

It was moved by Collins, seconded by Evenson and carried unanimously to terminate the Lynch Lake Flying Club contract with the City giving them 60 days notice of termination.

Wolfington stated Bill Radio will be conducting the Council's strategic planning session in January 2018.

Next Wolfington discussed the progress of the Small Cities Grant program, noting on September 7th, there will be a meeting for interested residential applicants at 5:30 p.m. and commercial applicants at 6:30 p.m.

Wolfington discussed the Minnesota Highway Freight Program grant application, and said it was submitted last week. This grant is for Gustie's Road and will be for \$1.6 million. The City match is \$415,000. If the City decides to run sewer and water, it is an additional \$265,000. Also 4.3 acres of right of way acquisition is anticipated. Wolfington stated he will be applying for another grant in October in relation to this project.

Next was the general fund draft budget and preliminary levy information. The Council was reminded they could set a maximum levy of 12.9% and lower it in the final budget and levy resolutions later in the year, but they cannot set the levy and then raise it later. Wolfington said the Council could consider levying for the hospital assisted living project building permit which is \$130,000 as there may be a request to waive the permit fee. \$90,000 will have to be recovered for sewer and water improvements also. The budget and levy must be set at the September 18, 2017 City Council Meeting.

Benson Golf Course is asking for the same \$60,000 in aid as last year for 2018. They are asking for additional expense help as well.

Pederson approached the Council to discuss issuing bonds to finance the police department building. He said he would like to refinance the electric bonds for the Caterpillar generators at the same time. It will be for years 2017 – 2021. A public hearing for the police department bonds is required. After discussion Councilmember Evenson offered the following resolution:

**RESOLUTION CALLING PUBLIC HEARING ON
THE INTENTION TO ISSUE GENERAL OBLIGATION CAPITAL
IMPROVEMENT PLAN BONDS AND THE PROPOSAL TO
ADOPT A CAPITAL IMPROVEMENT PLAN FOR 2017 THROUGH 2021
UNDER MINNESOTA STATUTES, SECTION 475.521
(RESOLUTION 2017-16)**

A. WHEREAS, pursuant to Minnesota Statutes, Section 475.521 the City of Benson, Minnesota (the "City") may issue bonds to finance capital expenditures under its capital improvement plan (the "Plan") without an election provided that, among other things, prior to issuing the bonds the

City adopts the Plan after a public hearing thereon and publishes a notice of its intention to issue the bonds and the date and time of a hearing to obtain public comment on the matter; and

B. WHEREAS, the City Council will hold a public hearing on its intention to issue general obligation capital improvement plan bonds (the "Bonds") and to adopt the Plan therefor pursuant thereto on October 2, 2017; and

NOW, THEREFOR, BE IT RESOLVED by the City Council of the City of Benson, Minnesota, that the City Council hereby calls for a public hearing on its intent to issue the Bonds and to adopt the Plan therefor, such hearing to be held on the date and time set forth in Exhibit A attached hereto. The City Council is hereby directed to cause the notice to be published at least 14 but not more than 28 days before the hearing in the official newspaper of the City or a newspaper of general circulation in the City.

Councilmember Collins seconded the foregoing Resolution and the following vote was recorded: AYES: Collins, Heinzig, Evenson, Olson. NAYES: None. Thereupon the Mayor Pro-Tem declared Resolution 2017-16 duly passed and adopted.

Next was fiber optic work for the police department building. Pederson stated it is for internet services as well as their crime network. The plan is to bury the fiber from the Swift County Highway garage west on Hall Avenue, then bore under the street to the police station. We have a quote from a company that does underground work and more knowledgeable in fiber work, which would also allow our line crew to stay on their jobs. A quote from H & D Underground Inc. was reviewed. It was moved by Collins, seconded by Evenson and carried unanimously to approve a quote from H & D Underground Inc. to run fiber optic for the police station at a cost of \$21,500.

The Council reviewed the July budget report.

Wofington said the City is asked to testify at the Energy Commission of the State of Minnesota on September 14, 2017 on the progress of the Fibrominn closing. He said he is at a meeting in Sioux Falls that day and has recommended Reed Anfinson go to the State in his place. After discussion, it was moved by Evenson, seconded by Olson and carried unanimously to approve Reed Anfinson to testify in front of the Energy Committee.

There being no further business to come before the Council upon motion by Evenson, seconded by Olson and carried unanimously to adjourn the Council meeting at 5:56 p.m.

Mayor Pro-Tem

City Clerk