

**MINUTES - BENSON CITY COUNCIL WORK SESSION
CITY HALL
MARCH 1-2, 2024**

The meeting was called to order at 5:30 p.m. by Mayor Evenson. Members present: Jack Evenson, Chris Carruth, Mark Schreck, Dan Enderson and Nancy Maanum. Members Absent: None. Also present: City Clerk Valerie Alsaker, Director of Finance Lisa Kent, City Manager Kyle Harris, Police Chief Ian Hodge, Public Works Director Elliot Nelson, CEDA Representative Hillary Tweed and Reed Anfinson.

The Council recited the Pledge of Allegiance.

The Mayor had the Council watch a video and reviewed the agenda for today and tomorrow.

Update on Armory

Tweed gave the history of the current project, expenses, scope of work and proposal of services for the project. The timeline of the project from 2021 through today was given. It was agreed Engan and Associates will come to the March 4, 2024 meeting.

Liquor Store Discussion

Harris spoke to the Minnesota Beverage Association on how to determine the need for a new liquor store. They said if their sales are \$600/sq', that is a good marker. Harris presented an estimate from Marcus Builders from last fall for a 5,250 sq. ft. building with a cost of \$852,450. Enderson asked if there had been a proforma on the project. Tweed said they can use a company called "Krackerjack" which could give a market analysis. The City asked for a proforma before we move forward with project consideration. Enderson volunteered to work on the proforma.

Housing Incentives

Tweed said Cody Nelson met with her and Harris on President's Day and is looking at Phase III of a building project and what it will look like. He would like to move forward by 2028 with a multi-family development. The housing study the City participated in with the County said the City of Benson needs 40 single family homes and 20 market rate rental units within the next 5 years. She will share the housing study when it is finished with the Council.

The Mayor recessed the Council at 8:30 p.m. until tomorrow morning at 8:00 a.m.

The Mayor reconvened the Council work session at 8:00 a.m.

Floodwall

Tweed reviewed the grant received for this project which is \$1.4 million. Our cost is 20%. In June 2023, the numbers are looking to be \$2.6 million for the project, and the City's share will be \$515,000. Costs associated with the project not covered by the project are \$100,000 to bury the electrical, there is an old diesel tank buried on the property that will need to be removed at a possible cost of \$80,000. Originally Stantec was the architect on the project, but the Feds wanted a different architect to do the project. Bolton & Menk picked up where Stantec left off. They have incurred an additional \$112,000 in engineering over the last year. Previous engineering totaled \$212,000. There was discussion that whether we need a

floodwall at the wastewater plant. There was discussion on the wastewater plant will need to be rehabbed to the estimated cost of \$15-20 million, and that project will mean destroying this flood wall. There was discussion on more engineering fees if we move forward with the bidding process. Nelson said the City has a major issue with I & I into the sewer system and he said he feels we have better use of our money addressing other issues at the plant than the flood wall. There was discussion on how this project morphed and all the engineering costs involved with the project. After further discussion it was agreed upon by Council to go out forbids to see where the project lands, and place this action item on the March 4, 2024 agenda.

Discussion on Utilities

Nelson discussed our water wells and the processing of water through the plant. He discussed possible expansion in the future at the water plant. He informed the Council on the newly required Lead Report project all municipalities must complete and the large amount of time and expense of completing it. He discussed issues with I & I and the costs to repairs to the current wastewater system, in particular to pipes moving waste from building to building and how they are at the end of their life. Harris ended with a recap on the electric utilities over head to underground project.

Assessments

Harris reviewed the “Special Assessment Tool Kit” from the League of Minnesota Cities. He said he was going to check and see if the City has a Special Assessment Policy, as the City hasn’t done any assessments in several years.

South Industrial Park

Tweed recapped the grant process, and is asking if they can shift the floodwall grant dollars to the South Industrial Park project. Jim from WSB is asking the Feds. DEED can fund BDPI for this type of project, up to 50% of \$2 million. Tweed went on to say this type of grant is a rolling grant which means no hard deadline. She said there are some questions to raise before going out for the BDPI Grant. First are we interested in information on a business incubator at the South Industrial Park. Do we want to make this a regional project to include Swift County. Fund availability – DEED BDPI funds need \$2 million grant match available within two years. Do we want to bring back TIF or assessments? Tweed said she would like to bring information to the Council what industrial park land sells for.

Airport

Harris gave a quick recap on the upcoming airport improvements as well as the battle to hold the 4,000’ runway we currently have with the resurfacing project.

There being no further business to come before the Council a motion was made by Schreck, seconded by Maanum and carried unanimously to adjourn the Council meeting at 12:16 p.m.

Mayor

City Clerk