

**MINUTES - BENSON CITY COUNCIL REGULAR MEETING
CITY HALL
SEPTEMBER 18, 2023**

The meeting was called to order at 5:30 p.m. by Mayor Evenson. Members present: Jack Evenson, Chris Carruth, Dan Enderson, Mark Schreck, Nancy Maanum. Members Absent: None. Also present: Director of Finance Lisa Kent, City Clerk Valerie Alsaker, City Manager Kyle Harris, Police Chief Ian Hodge, CEDA Representatives Hillary Tweed, and Celia Simpson, Assistant City Attorney Stephan Kowal, Public Works Director Dan Gens, Bernice Robinson with UMRDC and Reed Anfinson. Telephonically: Jon Buyck.

The Council recited the Pledge of Allegiance.

The Mayor asked for any additions to the agenda to which there were none. It was moved by Schreck, seconded by Carruth and carried unanimously to approve the agenda.

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

- September 5, 2023 City Council Minutes
- July 10, 2023 Planning Commission Minutes
- Charter Communication's Channel Changes
- New Pioneerland Librarian – Chris Yard
- Electronic Transfers:
Payroll: September 7, 2023 - \$119,600.62

Mayor Evenson asked for anyone with unscheduled business, to which there was no one.

Mayor Evenson opened the Public Hearing on the Small Cities Grant at 5:31 p.m. Robinson approached the Council to state this is the required second public hearing for the Small Cities program. She said this is the third year of the grant which runs August of 2021 through August of 2024. She said to date, of the \$1,035,000 budget, \$723,282.98 has not been spent yet. Out of the 20-project goal of owner-occupied properties, 9 are pending, 11 proceed to work, 1 complete for a total of 21 projects. On the Commercial side out of a goal of 10 projects, 4 are pending, 2 are proceeding to work 3 are complete for a total of 9 projects. She said both owner-occupied and commercial projects are progressing nicely. She asked for any questions to which there were none. The Mayor thanked Simpson for her work. The Mayor then closed the public hearing at 5:39 p.m.

Harris said at the last City Council meeting, the Council approved obtaining the tax forfeited property at the east end of Pacific Avenue and presented a resolution for Council consideration. Councilmember Carruth offered the following resolution:

**CITY OF BENSON
COUNTY OF SWIFT
STATE OF MINNESOTA
(RESOLUTION 2023-25)**

**RESOLUTION AUTHORIZING THE CITY OF BENSON
TO ACQUIRE TAX FORFEITED LANDS FOR THE PURPOSE OF PRESERVING
A PUBLIC RIGHT-OF-WAY WITHIN THE CITY OF BENSON, MINNESOTA**

WHEREAS, pursuant to Minn. Stat. §282.01, the County of Swift notified the City of Benson of tax forfeited land within the City of Benson, and

WHEREAS, some of said land known as Parcel Identification Number 23-1447-075 is vacant, and overlapping on a public road right of way within the City, and

WHEREAS, the City of Benson wishes to retain, maintain and preserve the public road right-of way, and

WHEREAS, Minn. Stat. §282.01, Subd. 1a(e) provides that non-conservation tax forfeited land held in trust favoring the taxing districts may be conveyed by the commissioner of revenue in the name of the State to a governmental subdivision for an authorized public use, and

WHEREAS, the City of Benson desires to acquire the tax forfeited property within the City of Benson for a public use and purpose, and

WHEREAS, the property known as Parcel Identification Number 23-1447-075 is part of a road right-of-way within the City of Benson.

NOW, THEREFORE BE IT RESOLVED BY THE BENSON CITY COUNCIL:

1. The City Clerk is hereby authorized to submit a “Conditional Use Deed Supplement” to the Swift County Auditor for the parcel of land known as Parcel Identification Number 23-1447-075.
2. The City Clerk is hereby directed to notify Swift County, in writing, that the City of Benson intends to acquire the property known as 23-1447-075.
3. The City of Benson respectfully requests the Swift County Board to favorably recommend to the State of Minnesota that the property known as Parcel Identification Number 23-1447-075 be deeded to the City of Benson as tax forfeited property.
4. The City of Benson certifies that the property known as Parcel Identification Number 23-1447-075 will be used for a public purpose, to benefit an indefinite segment of the public, to physically use and enjoy, as a road right-of-way within the City of Benson.

**ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BENSON,
SWIFT COUNTY THIS 18TH DAY OF SEPTEMBER, 2023.**

Councilmember Schreck seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-25 duly passed and adopted.

Harris presented dues from the League of Minnesota Cities. First is the annual membership dues. It was moved by Maanum, seconded by Schreck and carried unanimously to approve the League of Minnesota Cities annual dues running September 2023 through August 2024 in the amount of \$4,378. It was then moved by Carruth, seconded by Maanum and carried unanimously to approve the Minnesota Mayors Association membership September 2023 – August 2024 in the amount of \$30.

Councilmember Maanum offered the following resolution:

**RESOLUTION AUTHORIZING TRANSFER OF XCEL ENERGY GRANT DOLLARS FOR
ECONOMIC DEVELOPMENT PURPOSES
(RESOLUTION 2023-26)**

WHEREAS, the City Council of the City of Benson, County of Swift, State of Minnesota, received grant dollars from Northern State Power (Xcel Energy) as part of the Benson Power LLC biomass plant closing, and;

WHEREAS, these grant dollars are limited in use for the purposes of economic development, and;

WHEREAS, the Council has determined that water treatment improvements qualify as an economic development purpose, and;

WHEREAS, the following projects are authorized use of grant dollars:

Name	Budget	Transfer Out
2020 Clear Well Project	\$2,644,805.00	\$799,330.21

NOW, THEREFORE, BE IT RESOLVED that \$799,330.21 as itemized on the attached invoices to be transferred from the NSP Grant Fund to the Water Fund.

Councilmember Enderson seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-26 duly passed and adopted.

Councilmember Enderson offered the following resolution:

**RESOLUTION AUTHORIZING TRANSFER OF XCEL ENERGY GRANT DOLLARS FOR
ECONOMIC DEVELOPMENT PURPOSES
(RESOLUTION 2023-27)**

WHEREAS, the City Council of the City of Benson, County of Swift, State of Minnesota, received grant dollars from Northern State Power (Xcel Energy) as part of the Benson Power LLC biomass plant closing, and;

WHEREAS, these grant dollars are limited in use for the purposes of economic development, and;

WHEREAS, the Council has determined that Sanitary Sewer Collection and treatment improvements qualify as an economic development purpose, and;

WHEREAS, the following project is authorized use of grant dollars:

Name	Budget	Transfer Out
2020 Deferred Maintenance	\$1,442,600	\$50,025.69
Flood Wall	\$ 415,000	\$ 74,752.64

NOW, THEREFORE, BE IT RESOLVED that \$124,778.33 as itemized on the attached invoices to be transferred from the NSP Grant Fund to the Sewer Fund.

Councilmember Schreck seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-27 duly passed and adopted.

Councilmember Schreck offered the following resolution:

**RESOLUTION AUTHORIZING TRANSFER OF XCEL ENERGY GRANT DOLLARS FOR
ECONOMIC DEVELOPMENT PURPOSES
(RESOLUTION 2023-28)**

WHEREAS, the City Council of the City of Benson, County of Swift, State of Minnesota, received grant dollars from Northern State Power (Xcel Energy) as part of the Benson Power LLC biomass plant closing, and;

WHEREAS, these grant dollars are limited in use for the purposes of economic development, and;

WHEREAS, the Council has determined that the East Pacific Avenue road reconstruction project qualifies as an economic development purpose, and;

WHEREAS, the following project is authorized use of grant dollars:

Name	Budget	Transfer Out
Gustie's Road	\$650,000	\$24,082.00

NOW, THEREFORE, BE IT RESOLVED that \$24,082.00 as itemized on the attached invoices to be transferred from the NSP Grant Fund to the General Capital Outlay Fund.

Councilmember Carruth seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-28 duly passed and adopted.

Councilmember Carruth offered the following resolution:

**RESOLUTION TRANSFERRING \$271,973 FROM THE EDA FUND TO THE GENERAL FUND
(RESOLUTION NO. 2023-29)**

WHEREAS, the City of Benson is active in economic development, and

WHEREAS, the Economic Development Authority owns the property formally occupied by the Fibrominn power plant, and,

WHEREAS, a condition of the purchase of this property was a payment from the previous owner to pay an amount equal to one year's property taxes, and,

WHEREAS, the loss of valuation for property tax purposes resulted in a reduced property tax levy for the City, and,

WHEREAS, the City desires to use 1/3 of these funds over the next three years to supplement the tax levy in the hope that a new business will be built in the near future.

NOW, THEREFORE BE IT RESOLVED that the City Council authorized the transfer of \$271,973 from the EDA Fund to the General Fund.

Councilmember Maanum seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-29 duly passed and adopted. Kent noted 2024 will be the last year we will have available to transfer payment in lieu of taxes from Xcel.

Tweed approached the Council to discuss the Armory. City Council directed Tweed to complete an alternate scope of work and possible demolition of the building. As a review, in August of 2021, The City received a CDBG-CV grant in the amount of \$678,000. The Council pledged \$600,000 worth of matching funds, bringing the total project budget to \$1.2 million. Project bids came in at \$1,828,425. Council then rejected the bids and asked for an alternate scope of work. These estimates came in as follows:

- Company A
 - Option One – Demolition of only the west end of the building, building a new one-story addition with new restrooms and main entry, and renovation of the rest of the existing building.
 - Cost Estimate **\$3,870,134 to \$5,069,707**
 - Option Two – Demolition of the entire structure and building new on the current site.
 - Cost Estimate **\$3,314,834 to \$3,654,529**
- Company B
 - Option One – Demolish west end of the building, new precast structure would replace west end, existing gym and vehicle bay would be renovated
 - Cost Estimate **\$3,285,000**
 - Option Two – Retain only vehicle bay portion of structure. Demolish the remaining structure and build a new precast structure.
 - Cost Estimate **\$6,437,000**
- Company C
 - Option One – Demolition of the west end of the building, replace with parking lot and new main entrance, renovate the existing gym area.
 - Cost Estimate **\$715,500**

Estimates were discussed. Enderson asked what the next steps are. Tweed asked Council not to pick a contractor tonight as we are not at that stage, but only indicate a yes or no on the project tonight. If Council decides to proceed, we will then need to decide on what scope of work to move forward with. Then she will have to submit the plans to the State as they have to approve the new scope of work to ensure the project we are doing meets the grant specifications. It was moved by Enderson to move forward with the Armory project and authorize Tweed to move forward with the least costly new scope of work. It was seconded by Maanum. The following vote was taken: Ayes: Carruth, Evenson, Enderson, Maanum. NAYES: Schreck. The motion carried. Schreck stated he voted no because he was under the impression there would be a work session, and there are too many unknowns and not enough information for him to make an informed decision.

Tweed discussed the South Industrial Park. After the last Council meeting there was an informational work session. She is looking for direction on whether to move forward or not with the project. After discussion, it was moved by Carruth, seconded by Maanum and carried unanimously to

direct Tweed to move forward with researching funding options for the next steps of the development of the South Industrial Park.

It was moved by Schreck, seconded by Carruth and carried unanimously to approve bills and warrants in the amount of \$433,950.34.

Harris presented the proposed 2023 property tax levy to be collected in 2024. Harris said he is presenting a proposed 10.5% increase. He explained proposed expenses and presented a worksheet with taxable market values and estimated increases on various properties. Enderson said he isn't comfortable with this large of a levy increase and is looking for some revision before the final levy is set in December. Councilmember Enderson offered the following resolution:

**RESOLUTION ADOPTING PROPOSED 2023 PROPERTY
TAX LEVY, COLLECTIBLE IN 2024
(RESOLUTION NO. 2023-30)**

BE IT RESOLVED by the City Council of the City of Benson, County of Swift, Minnesota that the following proposed sums of money be levied for the current year, collectible in 2024, upon the taxable property in the City of Benson, for the following purposes:

General Fund Levy	\$455,046
Police Personnel	942,580
Library Fund Levy	138,447
G.O. CIP Bonds 2014 - Street Garage	71,595
G. O. CIP Bonds 2017 - Police Department	83,029
G.O. Equipment Bond 2023 – Police Department	<u>14,889</u>
Total	\$1,705,586

BE IT FURTHER RESOLVED that the City Council will hold its Truth in Taxation Hearing on Monday, December 4, 2023 at 6:00 p.m. in the Benson City Council Chambers. Comments may be made by calling 320-843-4775, email to staff@bensonmn.org or by postal mail to 1410 Kansas Avenue, Benson, MN 56215.

Councilmember Carruth seconded the foregoing resolution and the following vote was recorded: AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared Resolution 2023-30 duly passed and adopted.

Next the Council reviewed the proposed general fund budget for 2024. Councilmember Enderson offered the following resolution:

**RESOLUTION CERTIFYING THE PROPOSED GENERAL FUND OPERATING BUDGET
FOR THE CALENDAR YEAR 2024 FOR THE CITY OF BENSON, MINNESOTA
(RESOLUTION NO. 2023-31)**

BE IT RESOLVED, that the proposed Operating Budget for the General Fund of the City of Benson, Minnesota, for the fiscal year beginning January 1, 2024 and ending December 31, 2024 is hereby approved.

BE IT FURTHER RESOLVED, that the budget is summarized as follows:

<u>Revenues</u>	
Taxes - General	\$1,397,626
Taxes - Library	138,447
State Grants and Aids	1,578,347
Other Revenues	<u>1,149,633</u>
Total Revenues	\$4,264,053

<u>Expenditures</u>	
General Government	\$438,025
Public Safety	1,580,756
Highways, Streets and Roads	868,550
Parks and Recreation	549,775
Public Transit	10,000
Public Library	141,247
Capital Outlay	366,000
Other Expenditures	<u>309,700</u>
Total Expenditures	\$4,264,053

Excess (Deficiency) of Revenues over Expenditures **\$0**

Councilmember Carruth seconded the foregoing resolution and the following vote was recorded:
 AYES: Evenson, Schreck, Enderson, Maanum, Carruth. NAYES: None. Thereupon the Mayor declared
 Resolution 2023-31 duly passed and adopted.

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 6:18 p.m.

 Mayor

 City Clerk