

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, June 11, 2019**

The regular meeting of the Common Council of the City of Marshall was held June 11, 2019 in the Professional Development Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 5:30 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Steven Meister, Glenn Bayerkohler John DeCramer, Russ Labat and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Annette Storm, Director of Administrative Services; Director of Public Works/City Engineer; Jim Marshall, Director of Public Safety; Scott VanDerMillen, Director of Community Services; Sheila Dubs, Human Resource Manager; Preston Stensrud, Parks Superintendent and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

There was a consensus to operate under the current agenda.

Consider approval of the minutes of the regular meeting held on May 28, 2019.

Motion made by Councilmember Meister, Seconded by Councilmember Labat to approve the minutes of the regular meeting held on May 28, 2019 be approved as filed with each member and that the reading of the same be waived. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Approval of Consent Agenda

Councilmember Bayerkohler requested that item number 6, Consider Amendments to the Fund Balance Policy and item number 7, City of Marshall Abatement Policy – Proposed Changes, be removed for further discussion.

Motion made by Councilmember Decramer, Seconded by Councilmember Labat the following consent agenda items be approved as presented. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Approval of a Service Agreement between SMSU and Studio 1 TV.

Approval of Project Z74: Huron Road/Superior Road Reconstruction Project – Acknowledgement and Agreement of Services with American Engineering Testing, Inc. (AET Project No. 13-20316).

Approval of a LG220 Application for Exempt Permit for Holy Redeemer Church for September 28, 2019.

Approval of the bills/project payments.

Consider Amendments to the Fund Balance Policy.

Staff propose amendments to the Fund Balance Policy. During the long-term financial plan study conducted by AEM, it was recommended to reduce the City's fund balance policy from 50 to 40 percent of next year's budgeted expenditures to start funding capital improvements using cash instead of bonding. Information was gathered from 4 of Marshall's comparable cities on what their fund balance

policy states. The fund balance policies ranged from 30 to 60 percent.

The Office of the State Auditor's Office recommends unrestricted fund balances of approximately 35 to 50 percent.

With this fund balance policy change, the City can begin to finance capital improvement projects using available cash and avoid interest and fees associated with bonding.

This policy is being brought for final approval by the Council after recommendation by the Ways and Means Committee.

Councilmember Bayerkohler pulled the item for review. Member Bayerkohler asked for additional language to be considered and recommended that it return to the Ways and Means Committee for additional review.

Motion made by Councilmember Decramer, Seconded by Councilmember Meister to send the agenda item back to Ways and Means for review. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

City of Marshall Abatement Policy – Proposed Changes

Based upon feedback from City Council and now that we have went through the process of our first granted abatement (Harrison Truck Centers), staff has two recommendations for modifications to the tax abatement policy. The policy was initially adopted by City Council on January 8th, 2019.

The two proposed changes can be found in III. Qualification Standards section A. Minimum Required Standards and are as follows:

The first proposed change is under #2 – remove language of “The developer must demonstrate that the project is not financially feasible “but for” the use of tax abatement.” This is not required by statute. The proposal is to remove this item altogether – as council ultimately votes on the merits of any request that comes forward.

The second proposed change is #4 – to add “may be required” in regard to financial guarantees. So, depending upon the size of the project, financial guarantees, assessment agreements, letters of credit, etc. may be required, but they are not necessary in all cases. This should be a case by case determination.

Councilmember Bayerkohler pulled the item for further discussion. Member Bayerkohler requested that the “but for” language remain in the policy. Members; Schafer, Lozinski, Labat, Meister and DeCramer spoke in support of the removal the language from the policy.

Motion made by Councilmember Decramer, Seconded by Councilmember Lozinski accept the proposed updates to the Tax Abatement Policy. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

Acceptance of “Our Courts. Our Future.” Award for Basketball Court Refurbishment at Independence Park from the Minnesota Timberwolves.

On May 31st Marshall was selected as one of four sites for the program by the Minnesota Timberwolves. The press release is shown below:

TIMBERWOLVES ANNOUNCE WINNERS OF COURT REFURBISHMENT PROGRAM “OUR COURTS. OUR FUTURE.” PRESENTED BY U.S. BANK

Minneapolis-St. Paul – The Minnesota Timberwolves announced the winners of the fan voting for the “Our Courts. Our Future.” court refurbishment program presented by U.S. Bank.

Fans voted for one court in each of four designated regions. One court from each region, four in total, will be refurbished with new all-season courts using modular sports flooring. The new courts will keep kids outside playing basketball this summer and for years to come. Below are the winning courts from each region: North: Bill LaFave Park, 402 3rd Street E, Thief River Falls, MN 56701 Central: Lindbergh Elementary, 101 9th Street SE, Little Falls, MN 56345 South: Independence Park, East Lyon Street, Marshall, MN 56258 Twin Cities: Madsen Park, 73rd Ave NE & Jackson Street NE, Fridley, MN 55432

The team will visit one court per month from June-September to create an NBA style court for the community to enjoy. Following the refurbishments, each city will be treated to a celebration from the team as the court officially reopens. This is the third year of the court refurbishment program for the foundation. Last year, the program refurbished courts in Hastings, Hibbing, St. Cloud and St. Paul.

Staff will continue to work with the Timberwolves, US Bank, and C&C Sports Inc. to bring this enhancement to Independence Park. More info will be provided as details emerge. There will be a community unveiling at the court this August.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski Accept designation and allow staff to proceed with refurbishment for community unveiling in August. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Resolution Number 4622, Second Series, A Resolution Creating the 2020 City of Marshall Complete Count Committee.

The U.S. Constitution (Article I, Section 2) mandates a headcount every 10 years, of everyone residing in the United States: in all 50 states, Puerto Rico, and the Island Areas. This includes people of all ages, races, ethnic groups, citizens, and noncitizens. The first census was conducted in 1790 and has been carried out every 10 years since then.

The population totals from the 2020 census will determine the number of seats each state has in the House of Representatives. States also use the totals to redraw their legislative districts.

Minnesota is once again at risk for losing a seat in the House of Representatives from 8 to 7. This would result in over 100,000 more Minnesotan’s in each district.

About \$675 billion is distributed to the state and local governments each year based of census data. In Fiscal Year 2016, \$15,459,175,947 was allocated to Minnesota to be distributed. Roughly, \$1,532 per person is allocated by the federal government to Minnesota or \$15,320 over a decade.

Staff will create hybrid system of mayoral appointments and an application process to create our Complete Count Committee (CCC). The CCC will work throughout the entire City with focus on hard to count areas.

City Clerk Kyle Box presented the background information to Council.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to approve Resolution Number 4522, Second Series, a Resolution Creating the 2020 City of Marshall Complete Count Committee. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Resolution Number, 4623, Second Series, A Resolution Authorizing Execution of Mn/DOT Airport Maintenance & Operation Agreement No. 1033583 (SFY 2020-2021).

This is a Resolution to Authorize to Execute Mn/DOT Grant Contract No. 1033583 and a copy of the Grant Agreement for Airport Maintenance and Operation funding from Mn/DOT-Office of Aeronautics. The agreement has been provided to the City Attorney for his review and comment.

Motion made by Councilmember Schafer, Seconded by Councilmember Labat. that the Council adopt RESOLUTION NUMBER 4623, which is the Resolution of Authorization to Execute Minnesota Department of Transportation Grant Contract No. 1033583 for Airport Maintenance and Operation, contingent upon City Attorney review and approval. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Runway 12/30 Crack Fill and T-Hangar Apron Seal Coating Project at the Southwest Minnesota Regional Airport -- Consider Resolution Authorizing Execution of Mn/DOT Agreement.

Per Mn/DOT-Aeronautics, due to special circumstances they are able to move our SFY 2020 Runway 12/30 Crack Fill and T-Hangar Apron Seal Coating Project with an estimated total cost of \$50,000.00 into SFY 2019.

If this is possible; it will also assist in getting a better airport repainting work, as the repainting is also on this year's rotation to be painted by Mn/DOT.

To receive a State airport improvement grant, the City needs to meet the following conditions before Mn/DOT can encumber the funds for this project, and Mn/DOT needs to be able to encumber these funds prior to June 16, 2019:

- New policy will not allow State Airport Funds money to be used for any work completed prior to a State Grant Contract being fully executed. If the City wants funding to be eligible for reimbursement, the City cannot authorize work to begin until a Grant Contract is executed.
- These funds have been identified for the project described and cannot be transferred to another project on the City's airport.
- The funds are available only during SFY 2019 (July 2018-June 2019). If the City decides NOT to enter into an agreement during this time period, the City must notify Mn/DOT ASAP, so they can move this project back on

to the SFY 2020 priority list. To execute this project, Mn/DOT will need the following documentation submitted prior to encumbrance:

- A written grant request letter, along with pertinent information (quotes, bid tabulations, copy of consultant agreement, etc.), must be submitted to Mn/DOT by 6-14-2019.

Mn/DOT apologizes for the rush, but if Mn/DOT can get it encumbered under 2019 dollars, we all will benefit from this project being taken care of early in the season.

This project has been included in the 2019 Airport budget. The agreement provides for project costs not to exceed \$50,000.00. Funding participation of 70% State (\$35,000.00) and 30% local (\$15,000.00) for the total project funding of \$50,000.00 from Account #401-60364-5530 (Capital Projects Fund-Airport-Improvements other than Buildings).

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to adopt RESOLUTION NUMBER 4624, SECOND SERIES, which is the Resolution to Authorize to Execute Mn/DOT Agreement No. _____ (forthcoming from State) / State Project A4201-___ for Crack Filling Runways, Taxiways and Apron Areas at the Southwest Minnesota Regional Airport for project costs not to exceed \$50,000.00. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider approval of labor agreements between the City of Marshall and LELS Local No. 245.

The existing labor agreement with LELS Local 245 expired on December 31, 2018. Tentative agreement with the union on contract terms for a new three-year agreement (2019-2021) has been reached.

Summary of contract amendments:

- 1) Duration (Cover page and Article 28)—3-year contract---January 1, 2019 – December 31, 2021
- 2) Union Security (Article 5)—technical change relating to the payment of dues by union members; language was proposed by the City as recommended by our labor attorney
- 3) Insurance (Article 12)—reflect contract years—2019, 2020, 2021.
- 4) Uniforms (Article 13)—addition of Appendix B—Equipment List. Every item on the list has been standard issue for employees working in the Sergeant position.
- 5) Vacation (Article 15)—deletion of a clause that restricted new employees from using their vacation accruals in the first six months of employment. This amendment is consistent with the Patrol Officer’s agreement. Language is proposed that requires an employee to provide a 2-week notice prior to resignation or retirement to be eligible to receive accumulated vacation pay at retirement/resignation.
- 6) Severance Pay (Article 17)—This amendment terminates each new employee’s eligibility for severance pay effective 01/01/2022. This provision is consistent with the Personnel Policy manual pertaining to non-union employees and the AFSCME agreement language.
- 7) Leaves of Absence (Article 20)— added reference to three laws that may be applicable to employees requesting a leave of absence; the consideration for approval or denial of employee leaves will continue to be administered in accordance with both state and federal laws.
- 8) Overtime (Article 22)—these amendments eliminate the Sergeant’s eligibility to accrue compensatory time. All overtime will be paid on a bi-weekly basis.
- 9) Wages (Article 25 and Appendix A):
 - 25.1 (Appendix A) --2% general wage increase for 2019 plus a \$0.60 market adjustment added to each step; 3.25% general wage increase for 2020, and 3.25% general wage increase for 2021.
 - Increase in shift differential from \$0.30 to \$0.50 per hour.

- Deletion of Field Training Office clause—Sergeants oversee the FTO training program, they do not act as Field Training Officers.

10) Memorandum of Understanding—identifies the effective dates of the proposed wage schedule for the term of the agreement (effective 1st day of the pay period that includes January 1).

- The 2% general wage increase in 2019 is the same as that approved for the non-union, AFSCME, and LELS Patrol unit increases, as well as the 2019 budget approved by the Council.
- The general wage increase package over the 3-year contract duration (2019-2021) is the same as that approved by the Council for AFSCME and LELS Patrol employee groups across the same duration.
- In 2019, the proposed \$0.60 market adjustment has an estimated cost impact of \$2,955.26.
- The estimated cost impact of the shift differential increase is \$170.00 per year.
- Fiscal savings: eliminating an employee’s eligibility to accrue compensatory time results in a cost savings to the department, as no additional overtime will be paid to an employee to replace coverage while a Sergeant is utilizing comp time.
- Fiscal savings: elimination of the severance pay benefit for employees hired after 12/31/2021.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to adopt RESOLUTION NUMBER 4625, SECOND SERIES approving a collective bargaining agreement, memorandum of understanding, and memorandum of agreement between the City of Marshall and LELS Local 245 and authorizes proper City officials to sign the agreements. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Appointments to the Various Boards, Commissions, Bureaus and Authorities.

The City of Marshall has various openings on the Boards, Commission, Bureaus and Authorities. Interviews were conducted on Tuesday, May 28 and Tuesday June 11, 2019 with the City Council. Mayor Byrnes recommended the following:

Economic Development Authority – Tawny Schotzko for an unexpired term set to expire 5/31/25

Planning Commission – Cathy Lee and Amanda Schroeder for unexpired terms set to expire 5/31/22

Motion made by Councilmember Lozinski, Seconded by Councilmember Labat the appointments to the various boards, commissions, bureaus and authorities. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Commission/Board Liaison Reports

Byrnes No Report

Schafer No Report

Meister Community Services Advisory Board met regarding discussion on the pool.

Bayerkohler Public Housing Commission met, there is an invitation for a future webinar on July 8 at 3:30 PM at the Parkview Apartments to go over the funding changes that were made regarding public housing in Minnesota.

DeCramer Economic Development met for discussion on the sale of eight lots in Parkway II Addition. Race Equity Cohort – Member DeCramer provided an update on the group’s effort so far.

Labat Library Board met and discussed the 2020 budget, provided their new Calendar of Events for June, July and August. There was also discussion on the condition of the building, now 10 years old, and items that need to be addressed.

Lozinski No Report

Councilmember Individual Items

Councilmember Lozinski thanked the Assessing Department for the professional work they do.

Councilmember Labat wanted to review a City wide clean up event as well as vehicle parking enforcement.

Councilmember DeCramer commented on a City wide clean up event.

Councilmember Schafer discussed property clean up and education to property owners and have the Legislative and Ordinance Committee review related ordinances.

Councilmember Bayerkohler discussed complaints brought to his and staff’s attention and that those items were addressed and taken care of. Member Bayerkohler also mentioned he would not be in attendance at the June 25 regular council meeting.

Mayor Byrnes commented that a Code of Conduct review should happen at the Council, Committee and Staff level. Mayor Byrnes listed the remaining openings on for Boards, Commissions and Authorities.

City Administrator

No Report

Director of Public Works

Director of Public Works/City Engineer, Glenn Olson provided an update on construction projects.

City Attorney

City Attorney, Dennis Simpson provided an update on several items; EDA’s meeting to approve the sale of eight lots in Parkway II, US Army Corps. Of Engineer approval of the HRA’s land sale to Action Manufacturing and continued work on the Cable Franchise Agreements.

Administrative Report

There were no questions about the administrative report.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings

Adjourn Meeting

At 7:03 P.M., Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to adjourn.
Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember Decramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**