

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, May 11, 2021**

The regular meeting of the Common Council of the City of Marshall was held May 11, 2021, at the Minnesota Emergency Response and Industrial Training (MERIT) Center, 1001 West Erie Road. 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, Steve Meister, Don Edblom, John DeCramer, Russ Labat and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Annette Storm, Director of Administrative Services; Jim Marshall; Director of Public Safety; Preston Stensrud, Parks Superintendent; Ilya Gutman, Plan Examiner/ Assistant Zoning Administrator; Amy Acquard, Administrative Assistant and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

There was a consensus to operate under the current agenda.

Staff Introduction

City Administrator Sharon Hanson introduced Amy Acquard, Community Services Administrative Assistant. Administrator Hanson commented that Ms. Acquard will be splitting time between the Community Services Department and Administration. Ms. Acquard introduced herself and is looking forward to her time with the City of Marshall.

Consider approval of the minutes of the regular meeting held on April 27, 2021.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer that the minutes of the regular meeting held on April 27, 2021 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 Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

1107 Slate St. – 1) Public Hearing regarding a home property tax abatement request 2) Consideration of a resolution approving home property tax abatement.

On April 27, 2021 a public hearing was called for and to be held on May 11, 2021 regarding a home property tax abatement request. Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement. The property is located at 1107 Slate St. with an estimated market value of \$245,400 with the difference of improvement being \$210,400. The approximate amount of assistance is \$1,247 a year or \$2,494 over a maximum period of 2 years as a Homestead.

Motion made by Councilmember Edblom, Seconded by Councilmember DeCramer to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Motion made by Councilmember DeCramer, Seconded by Councilmember Labat to approve Resolution Number 21-035, a resolution approving home property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

512 Continental St. – 1) Public Hearing regarding a home property tax abatement request 2) Consideration of a resolution approving home property tax abatement.

On April 27, 2021 a public hearing was called for and to be held on May 11, 2021 regarding a home property tax abatement request. Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement. The property is located at 512 Continental St. with an estimated market value of \$323,900 with the difference of improvement being \$288,200. The approximate amount of assistance is \$1,753 a year or \$3,506 over a maximum period of 2 years as a Homestead.

Councilmember Lozinski asked the City Attorney to comment if this action is a conflict of interest for Mayor Byrnes as the applicant and homeowner.

City Attorney Dennis Simpson discussed the action item and that policies set by the council, such as land use, special assessments, tax abatement, condition use permits, interim use permits, apply for all to all property owners including council members. When the implementation and enforcement of a policy affect a council member personally, that councilmember has the obligation to step back and abstain from any action regarding that particular request.

Attorney Simpson added that the tax abatement policy was established on July 24, 2018 and that it is not a conflict to participate in an established program for the Mayor or any Council member as long as that member abstains when it personally affects you.

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to close the public hearing. Voting Yea: Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Abstaining: Mayor Byrnes. The motion **Passed. 6-0-1**

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to approve Resolution Number 21-036, a resolution approving home property tax abatement. Voting Yea: Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Abstaining: Mayor Byrnes. The motion **Passed. 6-0-1**

Project Z80: T.H. 23/Independence Park Sewer Realignment Project - Consider Resolution Accepting Bid (Awarding Contract).

This project consists of the following: Installation of storm sewer adjacent to the stormwater pond north of Runnings, adjacent to Trunk Highway 23 including a manhole and check valve. This project also includes installation of sanitary sewer adjacent to Trunk Highway 23 and along Nwakama Street.

On May 5, 2021, bids were received for the above-referenced project. Four bids were received as shown on the Resolution Accepting Bid. The apparent lowest responsible bid was from D&G Excavating, Inc. of Marshall, Minnesota, in the amount of \$189,448.50. The engineer's estimate was approximately \$188,552.

"Resolution Accepting Bid" awarding the contract to D&G Excavating, Inc. of Marshall, Minnesota, in the amount of \$189,448.50.

The estimated total project cost including 5% allowance for contingencies and 16% for engineering and administrative costs is \$230,748.27. This project is identified in the 2021 CIP.

Motion made by Councilmember DeCramer, Seconded by Councilmember Edblom that the Council adopt RESOLUTION NUMBER 21-037, which provides for the Resolution Accepting Bid (Awarding Contract) and authorizing entering into an agreement with D&G Excavating, Inc. of Marshall, Minnesota, in the amount of \$189,448.50 for Project Z80. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Approval of the Consent Agenda.

Councilmember Labat requested that item number 13, Consider Approval of Resolution Authorizing Transfer of Funds from Fund 101 (General Fund) to Capital Project Fund, for further discussion.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Approval for the request to close city streets from the Marshall Downtown Business Association for Crazy Days (Thursday-July 15, 2021).

Approval for Sounds of Summer - Call for Public Hearing for Private Use of Public Streets and Parking Lots for Sounds of Summer – August 19-23, 2021.

Approval of the Wastewater Treatment Facilities Improvement Project – 1) Consider Application for Payment No. 22 to Magney Construction, Inc.; 2) Consider Payment of Invoice 0267813 to Bolton & Menk, Inc.

Approval to set Public Hearing Date for MS4 Permit Program Summary of the 2020 Activities.

Approval for an out of State Travel Request.

Approval of the Resolution Number 21-038 a resolution for the Declaration of Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds.

Approval of a Temporary 3.2 Percent Malt Liquor Licenses for the Marshall Baseball Association.

Approval of a Temporary On-Sale Intoxicating Liquor License for Knights of Columbus for May 21, 2021.

Approval of a Temporary On-Sale Intoxicating Liquor License for SMSU Foundation.

Approval of a LG214 Premises Permit Application for the Marshall Amateur Hockey Association.

Approval of the bills/project payments.

Consider Approval of Resolution Authorizing Transfer of Funds from Fund 101 (General Fund) to Capital Project Fund.

Councilmember Labat asked a clarifying question regarding the amount being transferred from fund 101 to a capital project fund. The agreement amount states \$193,200 but the total amount being transferred is \$250,000.

Director of Administrative Services, Annette Storm commented that the request to increase the amount was requested by City Administrator Sharon Hanson.

Administrator Hanson discussed future expenses related to the aquatic center will be needed such as contracting with a private firm to conduct a community survey assessment, a scientific survey to get the public to weigh in on financing options to fund the aquatic center and to build support.

Director Storm discussed that any expenses related to the project will be coded to the corresponding capital project fund, similar to the City Hall project.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve Resolution Number 21-039, a Resolution Authorizing Transfer of Funds from Fund 101 (General Fund) to Capital Project Fund with the additional language, "WHEREAS, there may be other incidental expenses regarding the pool project; and". Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Lozinski. Voting Nay: Councilmember Labat. The motion **Passed. 6-1**

Adoption of Ordinance amendments related to placement shipping containers within the City and other minor miscellaneous Ordinance revisions.

Ilya Gutman, Plan Examiner/ Assistant Zoning Administrator provided an overview of the changes made by council at the previous meeting. There was a consensus from the Council that the changes made accurately reflect the action taken at the previous meeting.

There was no additional action taken by council regarding Ordinance Number 21-002 an Ordinance amending the placement of shipping containers within the City and other minor miscellaneous Ordinance revisions.

Consider Joint Funding Agreement with US Geological Survey (USGS) for Redwood River Gaging Station near Marshall, Minnesota.

In 2010, the City of Marshall was notified that the Department of Natural Resources (DNR) would be discontinuing funding of the stream gage just west of the City of Marshall.

The USGS relocated and constructed a new gage at no cost to the local entities but requires funding for 50% of the operational costs.

This is an extremely important gage for not only flooding but several other informational issues, including the following items:

- 75 years of continuous streamflow record
- Unregulated flow record important for assessing trends
- Site is part of National Streamflow Information Program
- Gage data used in USGS water-quality studies

Flood forecasting and warning
Water-quality & aquatic life assessments
Wastewater permits tied to stream flows

The USGS has estimated that the operational cost for federal FY2021 to be \$17,190 with a local cost of \$8,610. The City of Marshall will be the local project sponsor of the 50% match of this gage (approximately \$8,610/year). Prior agreements have been for a five-year period. USGS is proposing a one-year agreement for federal FY2021, with five-year agreement to follow for federal FY2022-2026.

Since the initial agreement, ADM has continued to partner with the City in funding 50% of the annual operational costs, which City staff invoices annually to ADM. At the time of the initial agreement, the City of Marshall sought interest and funding participation of 50% of the \$7,935 federal FY2010 amount. Various agencies were contacted regarding keeping this stream gage operational, including Archer Daniels Midland Company, Redwood-Cottonwood Rivers Control Area (RCRCA), Minnesota DNR, Lyon County Emergency Management, Lyon County Soil & Water Conservation, National Weather Service, and the US Army Corps of Engineers. At that time, all entities, except ADM, denied participation at this time, except ADM, who participated.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer that the Council authorize entering into the Joint Funding Agreement with US Geological Survey (USGS) for Redwood River Gaging Station near Marshall, Minnesota, for federal FY2021 in the amount of \$8,610 for the one-year agreement period. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Sub-Lease of FBO Agreement at the Airport.

Our airport Fixed Base Operator (FBO) has moved the aerial spraying portion of the business from Midwest Aviation into an entity named Midwest Aerial Ag, LLC. The MN Department of Aeronautics requires a letter from the airport owner to grant permission to Midwest Aerial Ag, LLC to operate from our airport prior to issuing the commercial operator certificate to this new entity.

In reviewing the lease agreement with our FBO and in coordination with our City Attorney, city staff has identified that a sublease agreement is required for Midwest Aerial Ag, LLC to operate from facilities currently being leased for Midwest Aviation. The sublease has been prepared by our City Attorney's office and is included in the Council packet.

City staff is proposing to approve the requested sublease for our FBO, subject to the terms and conditions of the FBO lease agreement and the new sublease agreement. The space that will be sublet will likely be used by Midwest Aerial Ag for a period of 3-4 months every year when spraying demand is high. The FBO will still utilize some of the hangar space that is being proposed to be sublet.

At the Airport Commission meeting on May 5, 2021, the Airport Commission voted unanimously to recommend approval of the sublease agreement to the City Council.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer that the Council approve the Sub-Lease of a Portion of a Leased Premises Subject to the Terms and Conditions of the City of Marshall Commercial Lease and Fixed Base Operator's Agreement with Southwest Aviation, Inc. Voting Yea: Mayor

Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Resolution Awarding the Sale of General Obligation Bonds, Series 2021A

Director of Administrative Services, Annette Storm, and Terri Heaton, with Baker Tilly Municipal Advisors, will present the findings from the bond sale and the initial draft of the resolution awarding the sale of the Bonds, which is to be considered by the City Council of the City of Marshall, Minnesota on May 11, 2021. After the sale of the Bonds, Kennedy & Graven (Bond Council) will update the Award Resolution with the post-sale information received from Baker Tilly and circulate an updated version in advance of the meeting that evening.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer to approve Resolution Number 21-040 , a Resolution Awarding the Sale of General Obligation Bonds, Series 2021A. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Lozinski. Voting Nay: Councilmember Labat. The motion **Passed. 6-1**

Consider Resolution Awarding the Sale of General Obligation Bonds, Series 2021B

Director of Administrative Services, Annette Storm, and Terri Heaton, with Baker Tilly Municipal Advisors, will present the findings from the bond sale and the initial draft of the resolution awarding the sale of the Bonds, which is to be considered by the City Council of the City of Marshall, Minnesota on May 11, 2021. After the sale of the Bonds, Kennedy & Graven (Bond Council) will update the Award Resolution with the post-sale information received from Baker Tilly and circulate an updated version in advance of the meeting that evening.

Motion made by Councilmember DeCramer, Seconded by Councilmember Edblom Approve Resolution Awarding the Sale of General Obligation Bonds, Series 2021B. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Edblom, Councilmember DeCramer, Councilmember Lozinski. Voting Nay: Councilmember Meister, Councilmember Labat. The motion **Passed. 5-2**

Approve Amendment to Agreement to Deferred Special Assessment. Pay Water Assessment, \$8,469.77. Continue Deferral of Sanitary Sewer Assessment, \$8,821.19.

In 2008 City of Marshall concluded improvement Project Y42, Club 59 Improvement Project. Said project included the installation of water service and sanitary sewer service for recently annexed Club 59 Addition to the City of Marshall. At that time, it was agreed that there was no present value for the improvement received by property owners Paul R. Thooft and Karen L. Thooft, husband and wife. Property legally described as Lot 4, Block 1, Club 59 Addition to the City of Marshall. At that time water assessment \$8,469.77 and sanitary sewer assessment \$8,821.19 were deferred. Special assessment deferred total \$17,390.66. An agreement for deferred assessment was recorded in the office of the Lyon County Recorder.

Property owners Paul R. Thooft and Karen L. Thooft have requested that they be allowed to access the waterline installed. Accessing the waterline would now indicate that the previously deferred assessment should be now assessed against the property and that the property owners can either pay the assessment in full or that matter can be spread out over a 10-year period of time. Principal payment \$8,469.77 plus interest of 6.1% will be collected as part of the property owners' annual real estate tax payments.

The remaining sanitary sewer assessment \$8,821.19 will continue to be deferred. The proposed amendment to the agreement for deferred assessment previously recorded has been prepared and has been signed by property owners. Property owners are responsible for the water assessment, as well as paying for the installation of a service line to bring water from the main line to their property. Property owners are also responsible for payment of the \$46.00 recording fee to record the Amendment to The Agreement for Deferred Assessment.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer that the City approve the amendment and authorize signature for the collection of the water assessment and the continued deferral of sanitary sewer special assessment. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Resolution Authorizing Execution of MnDOT Detour Agreement No. 1045776 for TH 59 Resurfacing Project (S.P. 4208-60).

MnDOT will be performing a concrete maintenance project this summer on US 59 in Marshall. The project will extend from MN 23 to a location south of town, just north of County Road 6. The repair work will consist of minor concrete panel replacement or rehab work and diamond grinding the surface of the pavement. The project is anticipated to occur in and around Marshall as early as late August and the work should be completed within 3-5 weeks.

To offer a safe work zone, MnDOT is proposing to detour highway traffic west on County Road 6, and north on County Road 35/Saratoga Street.

For review is a Detour Agreement between the City of Marshall and MnDOT. Because MnDOT will utilize Saratoga Street for its detour, they are proposing to pay the City for consumed road life and detour maintenance costs estimated at \$983.93. MnDOT determines the amount of payment through use of an established formula used statewide. The City will receive an estimated payment of \$983.93 for use of Saratoga as a detour route this summer for 3 weeks.

There was continued discussion by council regarding the vehicle and pedestrian safety of the detoured route.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer that the Council adopt RESOLUTION NUMBER 21-042, which provides for the Resolution Authorizing Execution of MnDOT Detour Agreement No. 1045776 for the TH 59 Resurfacing Project (S.P. 4208-60 / S.P. 5105-26). Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Edblom, Councilmember DeCramer. Voting Nay: Councilmember Meister, Councilmember Labat, Councilmember Lozinski. The motion **Passed. 4-3**

There was a consensus from the council to have staff share the safety concerns along the detoured route with MnDOT.

Consider Resolution Authorizing Execution of MnDOT Grant Agreement No. 1046769 for Federal Airport Expenses Reimbursement under the CRRSAA.

The City of Marshall has received an Airport Coronavirus Response Grant Program (ACRGP) Grant under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act). The amount of grant funds

received is \$23,000. The purpose of the grant is to reimburse eligible airport expenses at our airport. The grant will be administered, and oversight will be provided by the Federal Aviation Administration (FAA).

In order for the City of Marshall to receive reimbursements under the CRRSA program, MnDOT and the City need to execute the included Agency Agreement. The Agency Agreement augments the FAA grant and allows the Office of Aeronautics to make payments under the FAA grant per the channeling arrangement. The funds may be used by the airport for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister that the Council adopt RESOLUTION NUMBER 21-043, which provides for the Resolution Authorizing Execution of MnDOT Grant Agreement No. 1046769 for Federal Airport Expenses Reimbursement under the CRRSAA. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Approve Service Agreement for Concessionaire at Amateur Sports Complex

Since 2018, the City has staffed the concession stand at the Amateur Sports Complex. No concessions were provided during the 2020 season due to COVID and MN Dept of Health guidelines. Staffing the facility for concessions has become increasingly difficult and City staff believes utilizing a concessionaire for services at the Amateur Sports Complex will be beneficial for the facility. Several discussions have been had in the past regarding concessionaires at the Amateur Sports Complex but ultimately no agreements were agreed to, leading to City staff operating the concession stand in 2018 and 2019. Jordan Handeland, from the Hitching Post, approached City staff earlier this spring expressing his interest in providing services on a trial basis for this upcoming season.

Jordan and staff will provide concession services for each event hosted at the complex throughout the upcoming season.

City Attorney, Dennis Simpson has reviewed the pending agreement.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the Service Agreement for Concessionaire at Amateur Sports Complex with The Hitching Post of Marshall, MN. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Call for a Public Hearing Regarding Proposed Property Tax Abatement at 309 Brussels Ct.

Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer to call for a public hearing for the proposed property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Commission/Board Liaison Reports

- Byrnes Southwest Regional Development Commission will meet on May 13, 2021 to conduct a public hearing on its upcoming levy. As of May 6, 2021, the SRDC has loaned all but \$3,300 of the \$1.48 million received for its COVID relieve revolving loan fund.
- Schafer Joint LEC Management Committee met to review upcoming repairs and general maintenance to the LEC.
- Meister No Report
- Edblom No Report
- DeCramer Economic Development Commission met to approve the sale of a lot.
Diversity, Equity, and Inclusion Commission met and will be holding a session on micro aggression and scheduling a world café event.
- Labat No Report
- Lozinski No report

Councilmember Individual Items

Councilmember Lozinski congratulated Wayne Ivers on his 38 years with the Marshall School District and wished him well on his retirement.

Councilmember Schafer reminded everyone that this week is Law Enforcement Appreciation week.

Councilmember Meister that the Marshall Police Department for their response and presence at Avera Marshall.

Councilmember Edblom requested that board, commission, and authority minutes be included in future council packets.

Mayor Byrnes commented on sales tax increase from February 2020 to February 2021 is up 27.3%.

City Administrator

City Administrator Sharon Hanson provided an overview of the City Hall Project; interior finishes are being completed and a walk through of the building was conducted and noted punch list of items yet to complete. Administrator Hanson discussed the Popup Park that will be constructed on the former Marshall Hotel site. Administrator Hanson introduced Preston Stensrud, Park Maintenance Superintendent to provide additional information and commented that Mr. Stensrud will take a leadership role with this popup park.

Superintendent Stensrud provided an overview of the design of the park provided by Engan Associates.

Administrator Hanson also commented that she has had a few meetings with Avera Marshall on local issues.

Director of Public Works

Director of Public Works, City Engineer Jason Anderson provided a construction overview and update on local construction projects.

City Attorney

No Report.

Administrative Brief

There were no questions on the administrative brief.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings.

Adjourn

At. 7:14 P.M., Motion made by Councilmember Schafer, Seconded by Councilmember Meister to adjourn.
Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom,
Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Mayor

Attest:

City Clerk