



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Steven Anderson
<b>Meeting Date:</b>	Tuesday, September 10, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Minnesota Energy Resources Repeal of Section 22-213 Purchase by City
<b>Background Information:</b>	<p>At the end of 2023 Minnesota Energy Resources (MER) had reached out to city staff about the possibility of providing services to a customer along North 7<sup>th</sup> Street. Staff had communicated to MER that a franchise agreement would need to be in place before any work could begin. In May of 2024 MER started up conversations again about implementing a Franchise Agreement so a service line could be put in place for Duinick, Inc.</p> <p>Staff worked with City Attorney Pamela Whitmore and Robert Vose of Kennedy &amp; Graven to model a Franchise Agreement for MER. After much back and forth and finally reaching an agreement with MER, on July 23, 2024, council had passed Ordinance 24-014 Granting a Franchise Agreement to Minnesota Energy Resources in a specified area around North 7<sup>th</sup> Street and ADM.</p> <p>Prior to signing the final certification after the ordinance was approved MER has now requested that Section 22-213 be removed from the ordinance. Per Mr. Vose that section was holdover language with Great Plains Natural Gas and was not a common provision in franchise agreements. Minnesota Energy Resources would like to begin construction this fall to begin service to Duinick spring of 2025.</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	To not recommend the repeal of Section 22-213.
<b>Recommendations:</b>	To recommend the repeal of Section 22-213 Purchase by City be introduced at the next regular council meeting.