



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Steven Anderson
Meeting Date:	Tuesday, October 8, 2024
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider Approval of an Ordinance to Repeal Section 22-213 of the Minnesota Energy Resources Franchise Agreement
Background Information:	<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 7th 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 Duininck, Inc.</p> <p>Staff worked with City Attorney Pamela Whitmore and Robert Vose of Kennedy & 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 7th Street and ADM.</p> <p>Prior to signing the final certification after the ordinance was approved MER has 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 Duininck spring of 2025.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	To adopt Ordinance 24-018 Repealing Section 22-213 of the Minnesota Energy Resources Franchise Agreement and authorize its summary publication.