

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, October 10, 2023**

The regular meeting of the Common Council of the City of Marshall was held October 13, 2023, at City Hall, 344 West Main 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, Amanda Schroeder, See Moua-Leske, and Steve Meister. Absent: John Alcorn and James Lozinski. Staff present included: Sharon Hanson, City Administrator; Peter Mikhail, Assistant City Attorney; Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Jim Marshall, Director of Public Safety; Karla Drown, Finance Director; and Steven Anderson, City Clerk.

The Pledge of Allegiance was recited at this time.

C.C. Ludwig Award Presentation

A short congratulatory video was played in honor of Mayor Byrnes for receiving the C.C. Ludwig Award from the League of Minnesota Cities. The award was established in 1962 and was named for Clarence C. Ludwig, who served as the League's executive director from 1935-1959. The C.C. Ludwig Award is the League's highest honor for elected city officials. Recipients are chosen for their vision, statesmanship, and unwavering commitment to the public good.

Consider Approval of the Minutes from September 26th

There were no amendments to the minutes.

Motion made by Councilmember Schroeder, Seconded by Councilmember Meister to approve the minutes from September 26, 2023. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Snow Removal Services at Tall Grass Liquor and MERIT Center for the 2023/2024 through 2024/2025 Winter Seasons - Consider Award of Proposal

Jason Anderson presented background information on the snow removal services. Proposals were received for snow removal services at Tall Grass Liquor and the MERIT Center on October 5, 2023. One bid was received from Action Company, LLC of Marshall in the amount of \$175.00/occurrence for Tall Grass Liquor and \$450.00/occurrence for the MERIT Center.

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to approve the bid received from Action Sports, LLC. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Approval of the Consent Agenda

There were no requests to remove any items from the consent agenda for further discussion.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the consent agenda as presented. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

- Consider Removing Special Assessments from City Financial Statements
- Consider Transferring Funds and Closing Capital Project Fund
- Consider Approval of a National Highway Safety Grant Agreement
- Consider Quote for Auditing Services for Year-Ends 2023 and 2024
- Consider Approval of 2023-2024 Equipment Breakdown Insurance Coverage
- Consider Approval for a Temporary On-Sale Liquor License for the Marshall Area Chamber of Commerce
- Consider Approval for an Off-Sale 3.2% Malt Liquor License for La Tapatia Grocery Store
- Approve Written Notice of Intent to Terminate Land Use Services Contract Effective December 31, 2023

- Consider Approval of the Bills and Contract Payments

Project ST-002-2023: Bituminous Overlay on Various City Streets - Consider Change Order No. 3 (Final) and Acknowledgement of Final Pay Request (No. 3)

Jason Anderson explained the project was Marshall's annual street mill and overlay that included ADA improvement at sidewalk ramp crossings. The items on Change Order No. 3 (Final Reconciling Change Order) for the project are the result of final measurements and changes in item quantities during construction. To stay on budget, work was done with the contractor to remove a few roads from the original project. Change Order No. 3 (Final) resulted in a contract decrease in the amount of (\$124,881.14) and a final contract amount was \$635,144.59. The original contract amount was \$887,990.20, for a net contract decrease of (\$252,845.61). Anderson noted Change Order #1 removed the ADM Truck Lane portion of the project for a contract decrease of (\$123,985.98). ADM preferred to have Duininck, Inc. bill them directly for the work that occurred in the ADM truck stacking lane. The 2023 capital budget included \$774,500 for this work as follows: \$625,000 in the Public Improvement Fund and \$149,500 in the Wastewater Fund.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to approve Change Order Number 3 and acknowledge Final Pay Request Number 3. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Project AP-003: Airport Snow Removal Equipment (SRE) Building - Federal Grant Pre-Application

Jason Anderson explained that the city has been working with TKDA to construct a new snow removal equipment (SRE) and maintenance equipment building at the Southwest Minnesota Regional Airport since early 2021. The existing buildings do not adequately accommodate all the airport maintenance storage and workspace needs. The new facility is planned to be constructed in Airpark East, the east building area of the airport. This facility was identified in the Airport Master Plan and the project had been identified on the airport capital improvement plan (CIP) since 2011. The timeframe to submit a grant initiation request to FAA had begun to notify both the State and Federal aviation offices of the City's intent to utilize federal funds for the project. If nothing was submitted for this grant initiation request, Marshall would be unable to utilize federal funds for a project in calendar year 2024. The city would still need Council authorization in the future to hire TKDA to complete bidding services for the re-bid of the project and would need future Council authorization to make grant applications for State and Federal funds.

The project cost estimate was estimated to be 4 million dollars. The current estimate identified a local cost of \$800,000, but it was a draft estimate and a local cost of \$1,000,000 would be more practical. TKDA would work to identify a greater use of federal funds where possible to help reduce the state funding request with the goal of ensuring a funding package that is acceptable to both MnDOT and FAA. The City would need to bond locally for all project costs, including the federal and state share to ensure that the project could be bid early in the year and to ensure that a contractor can begin work right away, unimpeded by funding schedules. With federal budget uncertainty, the FAA was not expecting to issue federal funds until Fall 2024. State grants are not typically awarded until spring/summer 2024. By bonding locally for all project costs, the City can be assured that funds will be available for project payments. Later, grant funds can be used to assist with bond payments. Councilmember Schafer added that the Airport Commission had met and discussed this project extensively and recommended that the project move forward to council. Councilmember Meister asked if the grant funds were not awarded to Marshall what position would the city be in for payments. Anderson stated that with assistance from TKDA and as part of the pre-application process some assurances would be built in and these grant funds would be earmarked for the City of Marshall

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to authorize the submittal of the Federal Grant Pre-Application for Project AP-003. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Award of Proposal for Professional Services for 2022 Active Transportation (AT) Infrastructure Project

Anderson informed city council that the City of Marshall was awarded \$360,381 in Active Transportation (AT) Infrastructure Program grant funds for construction of several city-wide pedestrian improvement projects including a Rectangular Rapid-Flashing Beacon (RRFB) at US Hwy 59/A Street, a shared use trail along US Hwy 59 between Boyer Drive & Windstar, and the re-alignment of the Camden Trail at County Road 7 along with an enhanced crossing in the form of an RRFB. The projects would need to adhere to State Aid standards and require approval from the District State Aid Engineer. During the meeting on December 27, 2022, the City Council adopted Resolution 22-107, "Resolution of Support" for the project and authorized Bolton & Menk, Inc. and City staff to submit a grant application. City staff proposed to hire BMI if a grant was offered and return to the City Council for consideration of an engineering contract with BMI for project design. BMI in response to the City of Marshall's request has submitted a proposal for developing construction plans including preliminary and final design engineering services to ready the improvement project for competitive bidding for the project in the amount not-to-exceed \$48,000.00. The estimated construction cost would be covered by the grant. Engineering costs are not grant eligible and would be funded with local funds in an amount not-to-exceed \$48,000. City staff would propose to pay for engineering costs, as well as any construction costs that go above grant amount, with municipal state aid street (MSAS) funds. Because the City is in an advanced status with our MSAS account, we will need to request for a funding advance in early 2024 to ensure that we secure funds for this project.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to award the proposal for Professional Services to Bolton & Menk, Inc of Mankato for the development of construction plans to ready the improvement project for competitive bidding for the 2022 Active Transportation Infrastructure Project in the amount not-to-exceed \$48,000. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Consideration of Development Agreement for Sanitary Sewer Extension to Serve Outlot B of Moose Addition

City staff was approached by Dan Hisken, owner of Hisken Construction, Inc., regarding access to city sanitary sewer facilities at his shop location at 200 South 8th Street. The nearest city manhole was located a little over 300-FT to the east of the shop location. The shop was served by city water and electric but does not have access to sanitary sewers. Upon reviewing the area and through discussion, Mr. Hisken had agreed to extend the city public sewer to the west by over 300-FT to provide sanitary sewer access at his shop facility. The project would be completed per City design and to City standards, and at time of successful completion, the sanitary sewer would become a public sanitary sewer. Mr. Hisken was agreeable to paying all the costs for the sewer extension, along with costs for City engineering staff time for design and inspection. City staff would be responsible for ensuring that Mr. Hisken's contractor installs the sanitary sewer piping system in accordance with City standards. Councilmember Schafer asked if in the future other properties wanted to connect to the sewer would Mr. Hisken be compensated. Anderson clarified that since the sewer would become a public utility and would follow city policy for new connections and Mr. Hisken would not be compensated.

Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to approve the development agreement for sanitary sewer extension to serve Outlot B of Moose Addition. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Consider Farm Lease Proposals

E.J. Moberg, Director of Administrative Services, explained that all existing farm leases expire at the end of 2023. A request for proposals for rental of approximately 446.1 acres of city owned agricultural property was issued on August 24th, with sealed proposals received until 11 AM on September 21st for leases from 2024 through 2026. The following language would be included in the lease for parcel #12 (land near Wastewater): Biosolid application: Lessor shall provide, and Lessee shall accept, wastewater biosolids for application on parcel 12 (82.27 acres). Lessee shall pay \$50 to \$100 per acre (sliding rate based on cost of fertilizer and nutrient quality of biosolids) per year for the biosolid application. Lessor shall provide and apply biosolids. Biosolids application shall occur at such time after harvest has occurred so as to not interfere with Lessee's crop production and harvest. Lessee shall pay for biosolid application within 30 days of the date of application.

Lessor shall provide verified information the biosolid nutritional composition and shall verify the total number of acres to which the biosolids have been applied.

The existing renter was given the opportunity to match the high proposal for parcels #2 and #4. The City chose to offer that option to save on the costs of surveying and staking the properties, potential costs of an additional field approach, the irregular parcel widths, possible access issues, and previous experience with the farmer of those properties near the airport. Finally, some items of interest we disclosed during the proposal process: Some parcels may NOT have access to a public road or right of way so the responder may need to request and obtain approval from an adjacent property owner to access the City property. The acres available for lease could change yearly, especially for parcels within areas marketed for development. The city may terminate any farm lease for any reason up to 60 days' notice to the tenant. The city intends to provide such notice on or before mid-January each year. Rent will be due on or before April 1 each year. Rental income of \$121,800.95 would be collected each year with the current bids.

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to accept the farm lease proposals. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Use of Airport Lot for Temporary Gravel Storage as Part of Pending Future Development

Sharon Hanson informed the city council that staff had been in discussion with a prospective developer on private hangar development at Airport East lot locations. The developer has a draft lease agreement from the city and draft building plans. In preparation for the development and his immediate need to store/retain gravel from an existing site he owns, the developer has requested storage of gravel at the Airport East lot. City staff were agreeable to this and have consulted with Kennedy and Graven for terms for the preliminary storage as well as recourse if development does not occur. Councilmember Meister asked if there would be any issues from the FAA for the stored gravel. Anderson said it wouldn't be an issue. Hanson also added that the Airport Supervisor has been in contact with the developer and gravel contractor to ensure that no issues would arise.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to approve the temporary gravel storage of Airport East lot locations. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Commission/Board Liaison Reports

Brynes	No report.
Schafer	Airport Commission discussed the same items that were already brought up. The Airport Commission was very grateful to the Street Department for the crack sealing and maintenance that was done.
Meister	No report.
Schroeder	No report.
Alcorn	Absent.
Moua-Leske	The DEI Commission hosted Welcoming Week and that was well attended by roughly 500 attendees. DEI also discussed the City of Marshall succession of the Juneteenth Celebration. The Library Board met and approved a preliminary levy of 3.9%.
Lozinski	No report.

Councilmember Individual Items

Mayor Byrnes announced that the Adult Community Center was celebrating their 35th anniversary on October 13, 2023.

City Administrator

The Community Services Advisory Board met and had a lively discussion about cannabis in parks and city facilities. The hope was to make a recommendation to the Legislative and Ordinance Committee before they met on October 31. The Southwest Initiative Foundation awarded the City a grant of \$2,700 to help fund the activities of Welcoming Week.

Director of Public Works/City Engineer

MnDOT Aeronautics would be hosting one of five meeting sessions in Marshall to present the 2022 Minnesota State Aviation System Plan. Project updates were given on the Legion Field Pond, and the Lyon and Third project.

City Attorney

No report.

Administrative Brief

There were no questions on the Administrative Brief.

Information Only

There were no questions on the Information Only items.

Upcoming Meetings

There were no questions on the Upcoming Meetings.

Adjourn

At 6:15 PM Motion made by Councilmember Schroeder, Seconded by Councilmember Moua-Leske to adjourn the meeting. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Attest:

Steven Anderson, City Clerk

Robert Byrnes, Mayor