

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, May 23, 2023**

The regular meeting of the Common Council of the City of Marshall was held May 23, 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, Steve Meister, Amanda Schroeder, John Alcorn, See Moua-Leske and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Pamela Whitmore, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Preston Stensrud, Park and Recreation Superintendent; Amanda Beckler, Community Education Coordinator; Ilya Gutman, Plans Examiner; and Steven Anderson, City Clerk.

The Pledge of Allegiance was recited at this time.

There was a consensus to operate under the current agenda.

Acknowledgement of Visit Marshall Donation for Legion Field Improvements

Cassi Weiss, Convention and Visitors Bureau Director, presented Preston Stensrud with a donation of \$40,000 for improvements to Legion Field. The parks department and Confluence Architecture have begun discussions on Legion Field improvements and Preston and the City of Marshall are appreciative of the donation and continued support on numerous projects on city parks.

Consider Approval of the Minutes from the Regular Meeting Held on May 9, 2023

There were no amendments to the minutes.

Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to approve the minutes from the regular meeting held on May 9, 2023. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Project ST-003: South 1st Street/Greeley Reconstruction Project – 1) Public Hearing on Assessment; 2) Consider Resolution Adopting Assessment

Jason Anderson gave background information on Project ST-003. The project consisted of reconstruction and utility replacement on South 1st Street from George Street to Greeley Street, on Greeley Street from West College Drive to West Saratoga Street, and on Williams Street from West Maple Street to George Street; sanitary sewer, watermain, and storm sewer was replaced. The project also included new curb & gutter, new 5-ft. sidewalk on one or both sides of the streets, driveway aprons, water services, and sewer services to the right-of-way. Funding was broken down as follows:

Wastewater Fund	\$379,680
MMU	\$689,719
Surface Water Management Utility	\$105,927
City Participation (Ad Valorem)	\$343,181
Assessed to Property Owners	\$385,637
Total Project Amount	<u>\$1,904,144</u>

Per the current Fee Schedule, the assessment interest rate is calculated using the most recent bond interest rate and adding 2% for administrative costs. The term of the assessment repayment is proposed by staff to be 8 years with a 4.1% interest rate.

No one from the public made any comment.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Motion made by Councilmember Alcorn, Seconded by Councilmember Schafer to approve Resolution 23-041 adopting the assessments for Project ST-003. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. Voting Nay: Councilmember Meister. The motion **Carried. 6-1.**

Project ST-004: Halbur Road Reconstruction Project – 1) Public Hearing on Assessment; 2) Consider Resolution Adopting Assessment

Jason Anderson gave background information on Project ST-004. The project consisted of reconstruction and utility replacement on Halbur Road from Michigan Street to Erie Road (CR 33), sanitary sewer and storm sewer replacement and concrete paved surfacing. This project also included new curb & gutter, driveway aprons, and sewer services to the right-of-way. Funding was broken down as follows:

Wastewater Fund	\$275,407
MMU	\$20,181
Surface Water Management Utility	\$291,210
City Participation (Ad Valorem)	\$356,769
Assessed to Property Owners	\$358,773
Total Project Amount	<u>\$1,302,340</u>

Per the current Fee Schedule, the assessment interest rate is calculated using the most recent bond interest rate and adding 2% for administrative costs. The term of the assessment repayment is proposed by staff to be 8 years with a 4.1% interest rate.

No one from the public made any comment.

Councilmember Schafer commented on how well the project went and that he believes this will be a well utilized road that should last for years to come.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to approve Resolution 23-042 adopting the assessments for Project ST-004. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Project ST-023: W. Lyon Street (College to 1st) Reconstruction Project – 1) Public Hearing on Assessment; 2) Consider Resolution Adopting Assessment

Jason Anderson gave background information on Project ST-023. The project included street and utility reconstruction of W. Lyon Street from College Drive to N. 1st Street including street, sidewalk, curb and gutter, driveways, water main, sanitary sewer, and sewer and water service lines to the right of way. Funding was broken down as follows:

Wastewater Fund	\$68,939
MMU	\$131,349
Surface Water Management Utility	\$14,7178

City Participation (Ad Valorem)	\$190,778
Assessed to Property Owners	\$61,499
Total Project Amount	<u>\$467,283</u>

Per the current Fee Schedule, the assessment interest rate is calculated using the most recent bond interest rate and adding 2% for administrative costs. The term of the assessment repayment is proposed by staff to be 8 years with a 4.1% interest rate.

No one from the public made any comment.

Councilmember Lozinski commented on the excellent condition of our roads compared to other communities.

Motion made by Councilmember Lozinski, Seconded by Councilmember Meister to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to adopt Resolution 23-043 accepting the assessments for Project ST-023. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Approval of the Consent Agenda

No requests were made to pull an item from the consent agenda for further discussion.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the items on the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion carried 7-0.

- Sounds of Summer - Call for Public Hearing for Private Use of Public Streets and Parking Lots for Sounds of Summer (August 18-20, 2023)
- Introduction of Ordinance Amending Section 86-104 B-3 General Business District and Call for Public Hearing
- Consider Amendment to Article 30-II Surface Water Management of the City Code of Ordinances – Introduction of Ordinance
- Request for Map Amendment by First Premier Bank at 1420 East College Drive
- Request for Map Amendment MN State Amory Building Commission at 1103 Michigan Road
- Set Public Hearing Date for MS4 Permit Program Summary of the 2022 Activities
- Consider Approval for a LG230 Gambling Permit for the American Legion at the Red Baron Arena
- Consider Approval for a Contract Between Southwest Sanitation and the Red Baron Arena & Expo
- Consider Approval of the Red Baron Arena & Expo Sponsorship Agreement with SMSU
- Acceptance of Funding from SWCD for Pollinator Program
- Resolution Approving the Petition and Waiver Agreement with Knochenmus Enterprises and Delegating Authority for Final Resolution and Execution of the Agreement
- Consider Approval of Memorandums of Agreement Between the City and the Unions Approving Juneteenth as a Holiday Effective in 2023
- Consider Approval of an Amendment to the Personnel Policies Adding Juneteenth as a Holiday Effective in 2023
- Consider Approval of the Bills/Project Payments

2023 Legislative Session Update

Marty Seifert from Flaherty & Hood gave an update on the 2023 legislative activity. Items included the approval of the city request for extension of the current local sales tax regarding the Aquatic Center. The planned referendum vote

would be on November 7, 2023. Local government aid funding was increased, and the formula has been updated. The MERIT Center request was also approved albeit for about half of the requested amount.

Councilmembers thanked Mr. Seifert for his work and efforts for the City of Marshall.

City Attorney Whitmore covered items that were passed under the cannabis bill. Whitmore mentioned that 14 types of licenses will be issued by the Office of Cannabis Management. The retail license is the most pertinent to the city. The OCM will process all applications and will forward potential applicants to cities to comment if the retail location will meet local zoning regulations. Cities are allowed by ordinance to regulate distances to schools (within 1000ft) and daycares, treatment facilities, and parks that have attractions for minors (within 500ft). For every 12,500 population one license must be granted if an application is received. Personal use of cannabis goes into effect of August 1, 2023, the Office of Cannabis Management will be established July 1, 2023, and needs to go through a rule making phase. Whitmore recommended that the council repeal the current THC moratorium ordinance in June and place a new interim ordinance to delay manufacturing/distribution and retail sales until the OCM is better established and can answer questions. There is an exception in place that allows the lower dosage cannabis products to be sold in liquor stores as soon as the governor signs the bill.

Councilmember Schafer asked for clarification on the population limit on licenses. Schafer also commented that a lot of thought went into the bill and wishes that the council will take a step back and make methodical decisions that steer the city in the best direction possible. Lozinski mentioned that the Legislative & Ordinance Committee recommended repealing the moratorium and giving Tall Grass Liquor the opportunity to sell lower dosage products.

Whitmore clarified that it was the wish of the council to repeal the current moratorium and the draft interim ordinance would cover all products with an exception for the liquor store. The council at any point would be able to repeal the interim ordinance once they feel the OCM has enough rules in place to make informed decisions on licenses.

Block 100 Right-of-Way Encroachment Agreement

Jason Anderson explained that the Block 100 apartment building being constructed at the corner of W. Lyon Street and N 1st Street is nearing completion. The contractor has approached City staff with a request to move the sidewalk adjacent to the building to be located directly behind the curb instead of right against the building at the property line. Because the building has apartments at ground level, the developer wishes to move the sidewalk away from the building and to install landscaping between the building and the sidewalk. To accommodate this request, City Attorney Whitmore worked with City staff to propose a right-of-way encroachment agreement. The purpose of the agreement is to ensure that both parties recognize that the developer will be landscaping on City right-of-way and that the City has the right to utilize this space as it deems necessary, and that the City is not responsible for damage to the landscaping area.

Councilmember Schafer asked about snow plowing and how the agreement would affect that. Anderson stated that was also a concern for staff and asked that the sidewalk be 8ft instead of 5ft to accommodate the landscaping.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the Block 100 Right-of-Way Encroachment Agreement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Consider Agreement for the Transfer of Airport Federal Entitlement Funds to Dodge Center (TOB) and Authorize Execution and Filing of FAA Form 5100-110

Anderson gave a brief background on the entitlement funds. The municipal airport receives \$150,000 annually in FAA entitlement funding. Those funds may be accumulated for up to four years. This caps the availability of federal entitlements at \$600,000 unless entitlement transfers are utilized. The funds were originally planned to be used for the SRE building project this year but because of high costs that project was not pursued. As the SRE Building is not proceeding this fiscal year, Marshall will have \$150,000 in expiring 2020 entitlements that need to be transferred

elsewhere. Per TKDA, since there was already a previous transfer agreement in place with Dodge Center and they have a need for additional funds to fully fund their planned project this year, TKDA proposed transferring the expiring \$150,000 in 2020 entitlements from Marshall to Dodge Center to be used on Dodge Center's FFY 2023 Project and receive repayment from Dodge Center in FFY 2024 in the amount of \$150,000.

Councilmember Meister inquired if there was any interest in the temporary transfers and if there was risk that whomever we transfer our funds to temporarily mis-manage and are unable to transfer the money back.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to approve the transfer agreement with Dodge Center and to authorize the transfer of FAA Entitlement Funds and the filing of FAA Form 5100-110. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Consider Resolution Awarding the Sale of General Obligation Bonds, Series 2023A

E.J. Moberg informed council that the bond sale took place the morning of May 23 at 10:00 am and resulted in a premium that lowered the bond par amount to \$4,790,000. Moberg introduced Mikaela Huot from Baker Tilly who gave a presentation on the bond sale and credit rating process.

Mayor Byrnes commented that the interest rate and sale price was much more favorable than thought to have been 6-9 months ago.

Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to authorize awarding the sale of GO Bond Series 2023A. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Proposed 2024 Budget Timeline

Moberg reviewed budget timelines used in recent years and proposed dates and times for work sessions and a special meeting relating to the 2024 budget.

The proposed dates and times include:

- July 25 at 4:00 pm – work session
- August 22 at 3:00 – work session
- October 10 at 4:00 pm – work session
- November 28 at or after 7:00 pm – work session
- December 5 at 6:00 pm – special meeting for truth-in-taxation meeting

The council discussed the timelines and conflicts with schedules.

Commission/Board Liaison Reports

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| Byrnes | <u>SWRDC</u> : Held their meeting in Ivanhoe and the local workforce center gave a presentation that was very well received. |
| Schafer | No report. |
| Meister | No report. |
| Schroeder | <u>EDA</u> : UCAP presented to the EDA about grants and the possibility of giving/selling lots. Main Street Revitalization grant applications are due June 1 and QuikTrip plans to demo both sites this summer. |

Planning Commission: Discussed rezone requests for 1420 E College Dr., 1103 Michigan Rd and amendments to Ordinance Section 83-104 B-3 General Business District.

Alcorn MMU: Held a presentation on their audit results. The MMU Commission wished to thank Scott Saugstad for his service on the commission for the past 10 years.

Moua-Leske CVB: The Fairbanks Ice Dogs and MAHA are in negotiations for a partnership to held curb costs and the CVB is also looking into hiring a sales contractor.

DEI: Juneteenth celebration will be at Justice Park on June 19.

Library: The daycare outreach position is being discussed to become a volunteer position. A preliminary budget is in the works with a request from the County to lower the amount.

Lozinski No report.

Councilmember Individual Items

Councilmember Schafer wanted citizens to know that ATV/UTVs are required to be permitted when driven within City Limits.

Councilmember Moua-Leske reminded that the Gruffalo Walk by the United Way is currently ongoing with the Police Department narrowly ahead of the Fire Department.

Mayor Brynes requested that an item be added for an appointment to the Planning Commission. Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to add an item to Appointment to a Board/Commission. By voice vote all voted in favor of adding the additional item. The motion **Carried. 7-0.**

Appointment to a Board/Commission

Interviews were conducted prior to the meeting and Mayor Brynes recommended that Moshood Agboola be appointed to the Planning Commission with a term expiring 5/31/2026.

Motion made by Councilmember Schroeder, Seconded by Councilmember Lozinski to affirm the recommendation that Moshood Agboola be appointed to the Planning Commission. By voice vote all voted in favor. The motion **Carried. 7-0.**

City Administrator

No report.

Director of Public Works/City Engineer

Gave a brief update on the 3rd/Lyon Street project.

City Attorney

No report.

Information Only

There were no questions regarding the Information Only items.

Upcoming Meetings

There were no questions regarding the Upcoming Meetings.

Adjourn

At 7:52 PM Motion made by Councilmember Meister, Seconded by Councilmember Lozinski to adjourn the meeting.
Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder,
Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Attest:

City Clerk

Mayor