

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, June 14, 2022**

The regular meeting of the Common Council of the City of Marshall was held June 14, 2022, 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, Russ Labat, John DeCramer, and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Sheila Dubs, Human Resource Manager; Jim Marshall, Director of Public Safety.

The Pledge of Allegiance was recited at this time.

Consider approval of the minutes from the regular meeting held on May 24, 2022.

Motion made by Councilmember Schafer, seconded by Councilmember Meister that the minutes from the regular meeting held on May 24, 2022 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 DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0**

Award of Quotation for Street Department Cold Storage Building Heating, Insulation and Overhead Garage Doors

Public Works Director Jason Anderson presented information on a request to insulate the Street Department cold storage building. The 2022 Capital Budget included \$75,000 for insulation and heating of the existing cold storage building. The scope of work included furnishing all of the labor, materials, and equipment needed to fully insulate and heat the existing 120' x 70' x 16' cold storage building and install two new, insulated overhead garage doors. The purpose of the project is to provide more climate-controlled storage space for critical City equipment. One quote was received for the project from Sussner Construction, Inc. of Marshall, Minnesota.

After reviewing the proposed work plan with the Building Department, staff determined that we needed to increase the amount of insulation to meet Minnesota Building Code requirements. The increased insulation needed, along with higher construction prices in 2022, resulted in the base bid amount coming in over-budget at \$89,700.

In addition to the base bid, the City asked for two add-alternates to this quote. Alternate 1 included the addition of sheet metal around the lower 10-FT of the building to cover and protect the insulation. This alternate would cost an additional \$13,200. Alternate 2 included CO detectors and building ventilation of 0.75 CFM per building square foot. This alternate would cost an additional \$23,000. The Contractor identified a deduction of \$15,725 for the removal of the two, new insulated overhead garage doors. By removing the garage doors, we are able to complete the building insulation and heating for a total cost of \$73,975.00. Council discussion occurred on the need for the insulation in relation to the equipment stored in the building.

Motion made by Councilmember Schafer, seconded by Councilmember Lozinski, that the Council award the quotation for heating, insulation and overhead garage doors to Sussner Construction of

Marshall, Minnesota in the amount of \$89,700.00 and directing staff to ensure the overage of the budgeted amount comes from within the Street Department 2022 budget. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Lozinski. Voting Nay: Councilmember Labat. Abstain: None. The motion **Carried. 5-1-0.**

Consider Approval of the Consent Agenda

Motion made by Councilmember Meister, seconded by Councilmember Labat, to approve the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0**

- Consider Approval of Red Baron Arena Sponsorship renewal with Ace Hardware.
- Consider Request of Southwest Minnesota State University for Homecoming Parade (Saturday-October 1, 2022).
- Wastewater Treatment Facilities Improvement Project – Consider Payment of Invoice 0290306 to Bolton & Menk, Inc.
- Consider Grant of Driveway/Access Easement with Marshall ISD #413 (Lots 1 & 2, Block One, Mosch Addition).
- Preliminary Plat of CDI Addition - Introduce Plat and Call for Public Hearing.
- Surplus Item - Street Department Vehicle Hoist.
- Consider authorization to declare vehicles as surplus property for the Marshall Police Department.
- Consider authorization to declare bicycles as surplus property for the Marshall Police Department.
- Consider approval of the bills/project payments- Date Range: 05/27/2022 - 06/14/2022.

Aquatic Center Update

Administrator Hanson provided a project update. With key support from our local legislators, Senator Dahms and Representative Swedzinski have put forth special legislation that would enable Marshall to extend the current sales tax at the current rate of 0.5% equaling 50 cents for every \$100 dollars spent on sales taxable items. Unfortunately, the Legislature adjourned in May of 2022 without passing a tax bill that would have included Marshall's special sales tax legislation. This means that Marshall will need to delay the construction of a new aquatic center until the Legislature passes a tax bill in the future to secure sales tax revenue.

Mayor and staff have reviewed financing options with Baker Tilly. Although other bonding options are available, the property tax levy would be the main source of revenue and at a level that may not be fiscally prudent.

Flaherty and Hood Senior Lobbyist Marty Seifert joined the meeting and provided an update on legislative action from the 2022 Legislative Session related to the aquatic center and that a special session seemed unlikely.

In the meantime, staff have developed a Frequently Asked Questions (FAQ) document that can be shared with the community giving background, and the status of the project.

Presentation of the 2021 City of Marshall Audit

Nancy Schulzetenberg from the audit firm of BerganKDV presented the 2021-year end audit as well as comparable financial data and analysis. Ms. Schulzetenberg reported that the City of Marshall's 2021 audit was an unmodified audit, meaning that the financial statements are fairly stated in their compliance with generally accepted accounting principles.

Motion by Councilmember DeCramer, seconded by Councilmember Lozinski. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0**

Renewal of Bird Scooter Program in City of Marshall

Bird Rides, Inc. initial Memorandum of Understanding (MOU) was effective through May 31, 2022. Since then, the City has been cooperating with Bird Rides, Inc. under a good faith arrangement until formal action by City Council. The proposal by Bird Scooters is to amend the original MOU to allow for renewal and successive renewals. The MOU allows for 30 days written notice of termination.

Administrator Hanson and Bird Rides, Inc. representative Kylee Floodman presented staff discussions related to changes to usage within the City of Marshall with the following changes being implemented:

- Reduced speed to 10 MPH in City Parks
- Reduced speed to 10 MPH in Downtown/Main Street areas
- Elimination of rides within Memorial Park
- Placement of Scooters to not be concentrated solely on Main Street

Council discussion on speed on trails and the age of the user and possible enforcement of underage use. City Attorney Simpson stated that Minnesota Statute §169.225 Subd. 3 provides that no person under the age of 12 years may operate a motorized foot scooter and that Bird Scooters' restriction to the age of 18 years and above would have to be enforced by Bird Scooters.

Bike Shop Owner/General Manager Chad Kulla expressed his concern about safety of sidewalk pedestrians, including customers of Main Street businesses. He urged the Council to restrict usage of Bird Scooter to not allow usage on Main Street.

Motion by Councilmember Lozinski, seconded by Councilmember Meister to approve renewal of the Bird Scooter Program in City of Marshall by approving the extension amendment dated as of June 14, 2022 is entered into by and between Bird Rides, Inc. and the City of Marshall that amends that certain Memorandum of Understanding (MOU) dated as of May 26, 2021 by and between Company and City and noting the right to terminate the MOU by providing a 30-day written notice to terminate. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0**.

Request for Conditional Use Permit Hope Harbor 219 North High Street

Assistant Planning and Zoning Administrator Ilya Gutman presented a request by Hope Harbor, for a Conditional Use Permit to provide service for 8 persons in a residential facility. Hope Harbor provides residential, custodial care for teens. The ordinance allows residential facilities serving 6 or fewer

people as a permitted use, but facilities serving more than 6 people are allowed only as a conditional use. Requirements for R-1 One Family Residence District are in Section 86-97. Conditional use requirements can be found in Section 86-46 through 86-49.

At the Planning Commission meeting on June 8, 2022, during the public hearing neighbors brought up concerns about parking in the area. The Planning Commission recommended approval with conditions listed.

City Attorney Simpson commented on his desire to review language in condition #3 “cause or create negative impacts to existing or future properties” and to review the legal implications of that language as well as to clarify language in #4 related to “on their side of the street”.

Motion by DeCramer, seconded by Lozinski that the Council approve the conditional use permit request from Hope Harbor to provide service for 8 persons in a residential facility with the following conditions and with review of language in #3 and #4 being reviewed and approved with Attorney Simpson approval:

1. That the regulations, standards, and requirements as set forth in the City Code and as pertains to the Class of District which such structure is located therein shall be conformed with.
2. That the City reserves the right to revoke the Conditional Use Permit in the event that the applicant has breached the conditions contained in this permit provided first, however, that the City serve the applicant with written notice specifying items of any such default and thereafter allow the applicant a reasonable time in which to cure any such default.
3. That the owner maintains the structure to conform with the Zoning Ordinance, Building Code, and not cause or create negative impacts to existing or future properties adjacent thereto.
4. That staff and volunteers park on the property or overflow parking lot at nearby churches and visitors park in front of the Hope Harbor property and on their side of the street only.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

Adopt Resolution 22-060 Authorizing Execution of Mn/DOT Grant Agreement No. 1050944 (S.P. A4201-105) for Taxiway Crack Fill w/ Seal Coat at the Airport

The City received notification from Mn/DOT-Aeronautics that MML has been identified as a recipient of a State grant (State participation rate of 70% / 30% local) for Taxiway Crack Sealing at the Airport. The Mn/DOT-Aeronautics Capital Improvement Program (CIP) for the Airport includes this project in the amount of \$75,000. This project is included in the Airport CIP in the amount of \$75,000 with participation rates of 70% State (\$52,500.00) / 30% local (\$22,500.00).

It is the intent to utilize City staff and crack sealing equipment, and bill labor and materials for reimbursement from the grant in lieu of hiring a contractor.

Motion by Schafer, seconded by DeCramer that the Council adopt RESOLUTION NUMBER 22-060, which is the Resolution of Authorization to Execute Mn/DOT Grant Agreement No. 1050944

(S.P. A4201-105) for Airport Improvement Excluding Land Acquisition for Taxiway Crack Fill w/ Seal Coat at the Airport. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

MPCA Chloride Reduction Grant – Water Softener Optimization/Rebate Program

Director Anderson reported that at the April 12, 2022 meeting, the City Council authorized staff to spend \$15,625 of Wastewater Department funds to finance our portion of a grant match and to enter into an agreement with Bolton & Menk to execute an MPCA Chloride Reduction Grant. The grant is a \$250,000 grant that is split between the cities of Worthington and Marshall.

The grant requires a 25% match which would require a \$31,250 investment from each community. The \$31,250 local match for Marshall is being split between Marshall Municipal Utilities (MMU) and the City of Marshall Wastewater Department. Below is a proposed chloride reduction program and cost outline recommended by Bolton & Menk:

- Rebates or other incentives--\$100,000 for each community
- Preparation of rebate program and tracking (Engineering)--\$50,000
- Preparation of educational information (Engineering)--\$50,000
- Final reporting to MPCA--\$12,500

On June 7th, City staff met with Bolton & Menk, MMU, City of Worthington, Minnesota Water Quality Association, MPCA, and local water quality companies with all local water quality companies and local plumbers being invited to ensure that any contractor that would be interested in receiving rebates from the City could be informed of the basis of our proposed program.

With City Council approval, staff would propose to begin executing a rebate program that focuses primarily on two aspects of chloride reduction: existing water softener adjustment/optimization and replacement of outdated water softeners. The general concept of the program is that the City will pay a \$50 rebate for softener optimization and at least \$500 for softener replacement.

The 2022 Wastewater budget has adequate funding available in line item 602-49500-58180 Refunds & Reimbursements. As identified in the project background, the City will be responsible for making all payments upfront, totaling \$156,250, with the ability to submit for monthly grant reimbursements that total \$125,000. The remaining \$31,250 will be split evenly between MMU and the Wastewater Department.

Director Anderson noted that the rebate program would be effective June 15, 2022 and not retroactive to the new water plant being brought on-line. Council discussion occurred on previous residents who adjusted their softener without the rebate program being in place at the time of water softener adjustments being encouraged by the City. Councilmember DeCramer inquired about including residents who performed previous water softener adjustments. Despite this, Council discussed the promise of incentives rather than reward in order to encourage water softener adjustments.

Motion by Councilmember Lozinski, seconded by Councilmember Schafer that the Council authorize City staff to execute the softener optimization and rebate program, not retroactively, and as

presented. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

Consider approval of the non-union employee wage schedules for 2022-2024

Human Resources Manager Sheila Dubs presented the proposed non-union wage schedules for 2022-2024 for the non-union employees, which include: fulltime, part-time, and paid-on-call positions. The schedules reflect the same general wage increases that the Council approved for the LELS 190 and LELS 245 unions and would maintain the City’s internal wage pattern for these years. The general wage increases proposed are as follows: 2% for 2022, 3% for 2023, and 3% for 2024. Staff propose an implementation date of the first day of the pay period that includes January 1, which is consistent with the approved 2022-2024 LELS190 and LELS245 agreements. Motion by Councilmember Schafer, seconded by DeCramer to approve the 2022, 2023, and 2024 non-union wage schedules to be effective on the first day of the pay period that includes January 1st. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

Consider Appointments to the Various Boards, Commissions, Bureaus and Authorities

Mayor Byrnes reported on recent interviews for various openings on the Boards, Commission, Bureaus, and Authorities. Motion by Councilmember Schafer, seconded by Councilmember Labat to approve the following appointments to the various boards, commissions, bureaus, and authorities:

- Brent Snodgrass, Airport Commission, New (5/31/25)
- Bryce Gorder, Convention and Visitors Bureau, New (12/31/2022 - Filling an unexpired term)
- John Rickgarn, Public Housing Commission, Reappointment (5/31/25)

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

Commission/Board Liaison Reports

- Byrnes Provided update on Regional Development Commission meeting.

- Schafer Reminder that the community is invited to attend the Town Hall meeting at the MERIT Center on Wednesday, June 15, 2022.

- Meister No report.

- DeCramer Public Housing Commission updates on maintenance agreements, future energy audit, and damage caused by storms.

- Labat CVB planning an industry site with their social media page, craft beer festival was a success, Fairbanks Ice Dogs returning to Marshall, Prairie Jam for SMSU Homecoming, and re-establishing boundaries due to difficulty in obtaining a quorum. Library had a joint City/County meeting on June 10 where the Library Director provided budgetary options. Library continues to see increase in visits.

Lozinski No report.

Councilmember Individual Items

Councilmember Lozinski requested that residents limit energy use during extremely hot days to conserve power.

Councilmember Schafer commented that residents and industry should always conserve energy, but that this is not just a local issue. Further commented that R&G, Hess, and City staff are doing a great job in the Rose Lot.

Mayor Byrnes commented on a meeting is scheduled on emergency management related to the potential and scope of rolling blackouts this summer on industry and residential properties. 150th Planning Committee continues to host events, which started with bingo at the arena, attended by approximately 400 people. Construction of the art piece has begun at Independence Park, which will involve community participation. The 150th events will culminate with our Sounds of Summer celebration in August, and a book release in September.

City Administrator

Administrator Hanson reported on the Audit, HRA action to follow this meeting, and commented on the impact of rising fuel prices to the current budget.

Director of Public Works

Director of Public Works/ City Engineer provided an update on Independence Park project, Rose Parking Lot improvements, and the Halbur Road project.

City Attorney

City Attorney reported that the Block 11 project is closed and provided an update on the Helena site.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings.

Adjourn

At 7:44P.M., Motion made by Councilmember Meister, seconded by Councilmember Lozinski to adjourn.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 6-0.**

Attest:

Mayor

City Clerk