

REGULAR MEETING – AUGUST 24, 2010

The regular meeting of the Common Council of the City of Marshall was held on August 24, 2010 in the Professional Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 5:30 P.M. by Mayor Byrnes. In addition to Byrnes, the following members were present: Hulsizer, Doom, Sanow, DeCramer, Boedigheimer and Ritter. Absent: none. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; and Thomas M. Meulebroeck, Finance Director/City Clerk.

The Pledge of Allegiance was recited at this time.

APPROVAL OF THE AGENDA:

It was the general consensus of the council that the agenda be approved as presented.

APPROVAL OF MINUTES:

Sanow moved, Doom seconded, that the minutes of the special meeting held on August 3, 2010; the minutes of the Joint City Council and Lyon County Commissioners meeting held on August 4, 2010; the minutes of the regular meeting held on August 9, 2010 and the minutes of the special meeting held on August 9, 2010 be approved as filed with each member and that the reading of the same be waived. All voted in favor of the motion.

AWARD OF BIDS PROJECT Y72: FLOOD RETENTION LEVEE & GABION IMPROVEMENTS PROJECT ON THE REDWOOD RIVER A. RESOLUTION OF DECLARATION OF OFFICIAL INTENT REGARDING THE REIMBURSEMENT OF EXPENDITURES WITH THE PROCEEDS OF TAX-EXEMPT BONDS; B. RESOLUTION ACCEPTING BID (AWARD CONTRACT):

Bids were received, opened and read for Project Y72 Flood Retention Levee & Gabion Improvement on the Redwood River on August 17, 2010. The bids received, opened and read were from:

R & G Construction Company
Marshall, Minnesota
\$177,075.00

Quam Construction Company Inc.
Willmar, Minnesota
\$245,906.00

DeCramer moved, Ritter seconded, to adopt the resolution Declaring the Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds and the resolution Accepting Bid (Award Contract) for the Flood Retention Levee & Gabion Improvement on the Redwood River. Council Member Boedigheimer requested that the City Council Members be given the opportunity to vote on each resolution separately, therefore the motion and second were rescinded.

DeCramer moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3455, SECOND SERIES and that the reading of the same be waived. Resolution Number 3455, Second Series is a resolution Declaring the Official Intent of Expenditures with the Proceeds of Tax-Exempt Bonds for Project Y72 – Flood Retention Levee & Gabion Improvement Project on the Redwood River. All voted in favor of the motion.

Boedigheimer moved, Sanow seconded, the adoption of RESOLUTION NUMBER 3456, SECOND SERIES and that the reading of the same be waived. Resolution Number 3456, Second Series is a resolution Accepting Bid (Award Contract) for Project Y72 – Flood Retention Levee & Gabion Improvement Project on the Redwood River. This contract was awarded to R & G Construction Company, Marshall, Minnesota in the amount of \$177,075.00. All voted in favor of the motion.

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It was the consensus that the requested Resolutions for Project Y84 Commencement Boulevard Improvement Project be considered later in the City Council meeting after the Bond Sales for G.O. Capital Improvement Plan Bond Series 2010A and the G.O. Utility and Improvement Bond Series 2010B have been approved.

CONSENT AGENDA- A. LG220 APPLICATION FOR EXEMPT PERMIT FOR SMSU FOR DECEMBER 8, 2010; B. LG220 APPLICATION FOR EXEMPT PERMIT FOR SW MN DUCKS UNLIMITED FOR SEPTEMBER 22, 2010; C. DECLARE VEHICLES AS SURPLUS PROPERTY FOR THE MARSHALL POLICE DEPARTMENT; D. APPROVAL BILLS/PROJECT PAYMENTS:

Per the request of City Council Member Boedigheimer item c, which is the authorization to declare vehicles as surplus property for the Marshall Police Department was removed from the consent agenda.

Doom moved, Sanow seconded, that the following consent agenda items be approved:

BE IT RESOLVED, that the proper City personnel be authorized to advise the State of Minnesota Charitable Gambling Control Board that they have approved the Application for Exempt Permit – LG220 for Southwest Minnesota State University Foundation for a raffle to be held at Southwest Minnesota State University Student Center, 320 North O'Connell, Marshall, Minnesota on December 8, 2010 and that the 30 day waiting period be waived.

BE IT RESOLVED, that the proper City personnel be authorized to advise the State of Minnesota Charitable Gambling Control Board that they have approved the Application for Exempt Permit – LG220 for the Southwest Minnesota Ducks Unlimited for a raffle to be held at the Landmark Bistro, 100 West College Drive, Marshall, Minnesota on September 22, 2010 and that the 30 day waiting period be waived.

The following bills and project payments be authorized for payment: ACCOUNTS PAYABLE, Voucher No. 71004 through 71198.

All voted in favor of the motion.

Council Member Boedigheimer requested that the Council receive the results of the on-line bidding of the vehicles. Boedigheimer moved, Ritter seconded, that authorization be granted to the Department of Public Safety to dispose of surplus City property – five (5) vehicles. These vehicles will be auctioned using the State's On-Line auction process. Those vehicles that don't receive the minimum bid will be taken to Alter Metal Recycling for disposal. All voted in favor of the motion.

CONSIDER ADOPTION OF ORDINANCE FOR THE MAYOR AND CITY COUNCILMEMBER'S SALARIES:

Ben Martig, City Administrator, indicated that in accordance with the City of Marshall Charter, Section 2.07, the Mayor and City Councilmember's should discuss salary wage rate increase at the first council meeting in July. Mr. Martig indicated that based on some historical – but not absolute - past practice of the City Council, the Mayor and Council Member's annual salaries were increased based on the percent used for the current year. The employees received a 1% wage adjustment in January 2010. Therefore, the Mayor and City Council may consider a similar adjustment. At the City Council meeting on Tuesday, July 13th there was a motion to introduce an ordinance that would reduce the Mayor and Council Members salary by 1%. There may have been some confusion on the motion at the meeting as there were some comments that were heard stating that the proposal was a 1% increase. Staff clarified the next morning to the Mayor and Council as well as the media to correct the error in the Marshall Independent that the motion was to decrease by 1%. At the City Council meeting on Tuesday, July 27, 2010 the ordinance to decrease their salary by 1% was reviewed and approved with a motion by Ritter, seconded by DeCramer and approved with Ritter, DeCramer, Byrnes and Sanow voting in favor

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of the motion and Boedigheimer and Hulsizer voting in opposition to the motion. Council Member Doom was absent. At the City Council meeting on Monday, August 9, 2010 Council Member Sanow moved to reconsider the ordinance approved at the July 27 meeting. The ordinance passed at the July 27, 2010 meeting is the current active ordinance that would go into effect January 1, 2011 if no new ordinance is approved. This ordinance would decrease the City Council wages 1% from the current 2010 rate. The motion to reconsider passed and was placed on the agenda under "Old Business" for discussion. After some discussion, there was a motion by Boedigheimer and seconded by Doom to introduce an ordinance Amending the Salaries and Compensation of the Mayor and Council Members and revoking Ordinance Number 625, Second Series. This ordinance would provide for an increase of 1% based on the current wage effective January 1, 2011. Voting in favor of the motion were Boedigheimer, Sanow, Doom and Hulsizer. Voting no were: Ritter and Byrnes. DeCramer was absent.

Boedigheimer moved, Doom seconded the adoption of an Ordinance to increase the salaries and compensation by 1% for the Mayor and Council Members. Voting in favor of the motion were Boedigheimer and Doom. Voting no were: Hulsizer, Sanow, Byrnes, DeCramer and Ritter.

Sanow moved, Hulsizer seconded, to rescind Ordinance Number 625, Second Series. Ordinance Number 625, Second Series is an ordinance decreasing the salaries and compensation for the Mayor and Council Members by 1% effective January 1, 2011. If this ordinance is rescinded the salaries and compensation for the Mayor and Council Members will remain as adopted in Ordinance Number 604, Second Series on December 15, 2008. Voting in favor of the motion were: Boedigheimer, Byrnes, Sanow and Hulsizer. Voting no were: Ritter, DeCramer and Doom.

CONSIDERATION OF DOCUMENTS RELATED TO BOND SALE – A. CONSIDER RESOLUTION AWARDING THE SALE OF BONDS FOR GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2010A; B. CONSIDER RESOLUTION AWARDING THE SALE OF BONDS FOR GENERAL OBLIGATION UTILITY AND IMPROVEMENT BONDS, SERIES 2010B; C. CONSIDER AMENDMENT TO ADDENDUM A OF AGREEMENT FOR CONTINUING DISCLOSURE SERVICE; D. CONSIDER AMENDMENT TO ADDENDUM B OF AGREEMENT OF ARBITRAGE AND REBATE MONITORING:

Terri Heaton, Springsted, Inc., reviewed the bids that were received for the \$1,150,000 G. O. Capital Improvement Plan Bonds, Series 2010A and for the \$6,175,000 G. O. Utility and Improvement Bonds Series 2010B. Ms. Heaton also provided a brief review of the City of Marshall's AA- Bond Rating from Standard and Poors. Ms. Heaton indicated some of the factors that worked in Marshall's favor included its tax base, a healthy level of reserves, and a moderate amount of debt paid back quickly.

Ms. Heaton also reviewed the Amendment to Addendum A of Agreement for Continuing Disclosure Services and the Amendment to Addendum B of Agreement for Arbitrage and Rebate Monitoring.

Boedigheimer moved, Sanow seconded, the adoption of RESOLUTION NUMBER 3457, SECOND SERIES and that the reading of the same be waived. Resolution Number 3457, Second Series is a resolution Awarding the Sale of \$1,150,000 General Obligation Capital Improvement Plan Bonds Series 2010A, Fixing Their Form and Specifications, Directing Their Execution and Delivery, and Providing for Their Payment. The bonds were sold to Northland Securities at a price of \$1,148,306.75; net interest cost of \$248,934.64 and a true interest rate of 2.6770%. All voted in favor of the motion.

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Boedigheimer moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3458, SECOND SERIES and that the reading of the same be waived. Resolution Number 3458, Second Series is a resolution Awarding the Sale of \$6,175,000 General Obligation Utility and Improvement Bonds Series 2010B, Fixing Their Form and Specifications, Directing Their Execution and Deliver, and Providing for Their Payment. The bonds were sold to M&I Marshall & Ilsley Bank at a price of \$6,281,054.30; net interest cost of \$703,088.51 and a true interest rate of 1.9117%. Due to the favorable interest rate received on the bonds it was suggested that the interest rate on the special assessment projects included in the bond issue be four percent (4%). All voted in favor of the motion.

Boedigheimer moved, Sanow seconded, the approval of the Amendment to Addendum A of Agreement for Continuing Disclosure Services with Springsted Incorporated. This addendum adds the \$1,1500,000 General Obligation Capital Improvement Plan Bonds Series 2010A and the \$6,175,000 General Obligation Utility and Improvement Bonds Series 2010B to the original agreement. There is no additional fee for the Disclosure Services. All voted in favor of the motion.

Sanow moved, Boedigheimer seconded, the approval of the Amendment to Addendum B of Agreement for Arbitrage and Rebate Monitoring with Springsted Incorporated. This addendum adds the \$1,1500,000 General Obligation Capital Improvement Plan Bonds Series 2010A and the \$6,175,000 General Obligation Utility and Improvement Bonds Series 2010B to the original agreement. All voted in favor of the motion.

PRESENTATION OF BOND RATING UPGRADES:

At this time, Terri Heaton from Springsted, Inc., bond counsel for the City of Marshall, presented the City of Marshall with a plaque acknowledging the City of Marshall's Bond Rating being upgraded in 2009 to AA- from Moody's.

**PROJECT Y84: COMMENCEMENT BOULEVARD IMPROVEMENT PROJECT –
A. RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING
PREPARATION OF PROPOSED ASSESSMENT; B. RESOLUTION FOR HEARING ON
PROPOSED ASSESSMENT; C. RESOLUTION OF DECLARATION OF OFFICIAL
INTENT REGARDING THE REIMBURSEMENT OF EXPENDITURES WITH THE
PROCEEDS OF TAX-EXEMPT BONDS; D. RESOLUTION ACCEPTING BID (AWARD
CONTRACT):**

Glenn Olson, Director of Public Works/City Engineer, indicated that the City is engaged with the construction of a pedestrian underpass beneath T.H. 23 between the university and high school areas. This project includes the construction of the underpass and also a short section of Commencement Boulevard. This project will extend Commencement Boulevard from the eastern edge of the current project development northeasterly to Tiger Drive to the main entrance to the high school.

Mr. Olson indicated that this project involves continuation of Commencement Boulevard being constructed from the eastbound lane of T.H. 23 to the end of the Bike/Pedestrian Underpass structure. The segment of street to be constructed on this project is approximately 450 feet long and will connect to Tiger Drive across from the main entrance of the Marshall High School. The cross section of the street will consist of two 13-foot wide driving lanes with 8-foot wide shoulders on one side to accommodate future turning lanes. The two driving lanes will be separated with an 18-foot wide median. The bike/pedestrian trail will be extended to Tiger Drive along the north side of the street and then southerly along Tiger Drive to the existing bike trail.

Boedigheimer moved, Doom seconded, the adoption of RESOLUTION NUMBER 3459, SECOND SERIES and that the reading of the same be waived. Resolution Number 3459, Second

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Series is a resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment for Commencement Boulevard Improvement Project Y84. This resolution provides for the assessment to be paid over a 10 year period at an interest rate of 4%. All voted in favor of the motion.

Boedigheimer moved, Sanow seconded, the adoption of RESOLUTION NUMBER 3460, SECOND SERIES and that the reading of the same be waived. Resolution Number 3460, Second Series is a resolution Calling for a Hearing on the Proposed Assessment for Commencement Boulevard Improvement Project Y84. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3461, SECOND SERIES and that the reading of the same be waived. Resolution Number 3461, Second Series is a resolution Declaring the Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds for Commencement Boulevard Improvement Project Y84. All voted in favor of the motion.

Bids were received, opened and read on August 19, 2010 for Commencement Boulevard Improvement Project Y84. The bids received, opened and read were from:

D & G Excavating, Inc.
Marshall, Minnesota
\$256,846.43

R & G Construction Co.
Marshall, Minnesota
\$266,856.94

Quam Construction Co., Inc.
Willmar, Minnesota
\$297,305.14

Doom moved, Sanow seconded, the adoption of RESOLUTION NUMBER 3462, SECOND SERIES and that the reading of the same be waived. Resolution Number 3462, Second Series is a resolution Accepting Bid (Award Contract) for Commencement Boulevard Improvement Project Y84. This contract was awarded to D & G Excavating, Inc., Marshall in the amount of \$256,846.43. All voted in favor of the motion.

CONSIDER APPROVAL OF UPDATE TO THE 2007 WASTEWATER TREATMENT FACILITIES FUND & SURFACE WATER MANAGEMENT FUND ANALYSIS WITH SPRINGSTED, INC:

Ben Martig, City Administrator, briefly reviewed the final report on the 2007 Wastewater Treatment Facilities Fund and Surface Water Management Fund Analysis that Springsted Inc., prepared. Mr. Martig also reviewed the November 2009 Wastewater Utility Rate Evaluation prepared by Bolton & Menk, Inc. This study was conducted to review capacity issues of the plant, evaluate the detailed calculation of wastewater fees, and lastly to update previous numbers from the 2007 Springsted study to verify revenues needed going forward.

Mr. Martig indicated that staff is suggesting to have Springsted update their 2007 analysis with current numbers as well as to complete 5-year future projections. They will review the information completed by Bolton & Menk and also take information from city staff regarding current and future projects planned or potentially to be completed. Mr. Martig indicated that some of the Council Members had requested a more thorough review of the wastewater and stormwater fund during the budget process. Staff feels that this update will be important for proper planning and evaluation of revenue needs in the context of planned work. Staff has also requested Springsted to provide the city with ownership of the spreadsheets upon completion of this updated study. This will allow for internal analysis including the ability to complete impact of scenarios if there were changes to expenditures of operations or capital projects proposed.

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Glenn Olson, Director of Public Works/City Engineer, expressed his support to enter into an agreement with Springsted for them to assist with future planning and budgeting.

Ritter moved, Sanow second, to approve the proposal with Springsted, Inc., to update the 2007 Wastewater Treatment Facilities Fund & Surface Water Management Fund Analysis. All voted in favor of the motion.

CONSIDERATION OF AGREEMENT WITH BREMER TRUST, N.A. INVESTMENT MANAGEMENT AGENCY:

Ben Martig, City Administrator, briefly reviewed the investment options that were brought before the Ways and Means Committee. Mr. Martig indicated that they have also received an investment option from Birath Wealth Management which he reviewed with the council. Since the proposal from Birath Wealth Management did not add any substantial benefits it was the consensus to not consider it at this time.

DeCramer moved, Hulsizer seconded, that the proper city personnel be authorized to enter into an agreement with Bremer Trust, N. A. Investment Management Agency for the management of the City proceeds from the Avera Marshall Hospital sale and privatization process. All voted in favor of the motion.

CONSIDER RESOLUTION AMENDING RESOLUTION CALLING FOR A HEARING ON THE PROPOSED ASSESSMENT – A. PROJECT Y65: RANCH AVENUE/SOUCY DRIVE AREA RECONSTRUCTION PROJECT – RESOLUTION NUMBER 3446, SECOND SERIES; B. PROJECT Y33 / 139-132-02: CLARICE AVENUE FROM SUSAN DRIVE TO T.H. 23 IMPROVEMENT PROJECT – RESOLUTION NUMBER 3448, SECOND SERIES; C. PROJECT Y28: BASELINE ROAD AND SUSAN DRIVE IMPROVEMENT PROJECT – RESOLUTION NUMBER 3450, SECOND SERIES:

Glenn Olson, Director of Public Works/City Engineer, indicated that at the July 27, 2010 meeting the City Council adopted resolutions calling for proposed assessment hearings to be held on August 24, 2010. Per Minnesota Statute §429.061, subd. 1, publication and mailing of the hearing notice shall be no less than two weeks prior to the hearing. Further review of the proposed assessments did not permit compliance with the publication and mailing statute requirements and requires rescheduling of assessment hearings.

Ritter moved, Doom seconded, the adoption of RESOLUTION NUMBER 3463, SECOND SERIES and that the reading of the same be waived. Resolution Number 3463, Second Series is a resolution Amending Resolution Number 3446, Second Series Calling for a Hearing on Proposed Assessment for Ranch Avenue / Soucy Drive Area Reconstruction Project Y65. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

Doom moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3464, SECOND SERIES and that the reading of the same be waived. Resolution Number 3464, Second Series is a resolution Amending Resolution Number 3448, Second Series Calling for a Hearing on Proposed Assessment for Clarice Avenue Improvement Project from Susan Drive to T.H. 23 Project Y33 / 139-132-02. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3465, SECOND SERIES and that the reading of the same be waived. Resolution Number 3465, Second Series is a resolution Amending Resolution Number 3450, Second Series Calling for a Hearing on Proposed Assessment for Baseline Road and Susan Drive Improvement Project Y28. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

ORDERLY ANNEXATION – MMU ELECTRICAL SUBSTATION AREA – A. ADOPTION OF ORDINANCE REVOKING ORDINANCE NUMBER 594, SECOND SERIES; B. JOINT RESOLUTION FOR ORDERLY ANNEXATION WITH LAKE MARSHALL TOWNSHIP:

Glenn Olson, Director of Public Works/City Engineer, indicated that on May 19, 2008 the City Council adopted Ordinance Number 594, Second Series annexing the MMU Electrical Substation Area Property. The ordinance was submitted to the Office of the Administrative hearings, Minnesota Boundary Adjustments for approval. After the review by the Office of the Administrative Hearings, Minnesota Boundary Adjustments, they have indicated that the process for the annexation of this property should be annexed by a Joint Resolution for Orderly Annexation in accordance with the Joint Resolution of the City of Marshall and the Township of Lake Marshall designating certain areas as in need of orderly annexation pursuant to Minnesota Statutes, Section 414.0325. Therefore, Ordinance Number 594, Second Series needs to be revoked and a resolution needs to be adopted.

Doom moved, DeCramer seconded, the adoption of ORDINANCE NUMBER 627, SECOND SERIES and that the reading of the same be waived. Ordinance Number 627, Second Series is an Ordinance of the City of Marshall Revoking Ordinance Number 594, Second Series, an Ordinance of the City of Marshall Annexing Land Located in the Town of Lake Marshall, Lyon County, Pursuant to Minnesota Statutes, Section 414.033, Subdivision 2(3), Permitting Annexation by Ordinance. All voted in favor of the motion.

DeCramer moved, Doom seconded, the adoption of RESOLUTION NUMBER 3466, SECOND SERIES and that the reading of the same be waived. Resolution Number 3466, Second Series is a resolution in the Matter of Joint Resolution of the City of Marshall and the Township of Lake Marshall Designating Certain Areas as in Need of Orderly Annexation Pursuant to Minnesota Statutes Section 414.0325. This resolution provides for the annexation of the MMU Electrical Substation Area Property and a small piece of agricultural land south of T.H. Hwy 23 right-of-way and north of the south line of the southwest quarter of Section 8, Township 111 North, Range 41 West. All voted in favor of the motion.

PROJECT Y32: (139-131-03) WINDSTAR STREET FROM T.H. 59 TO CLARICE AVENUE / (139-132-01) CLARICE AVENUE FROM WINDSTAR STREET TO SUSAN DRIVE – CONSIDER RESOLUTIONS ADOPTING DEFERRED ASSESSMENTS:

Glenn Olson, Director of Public Works/City Engineer, reviewed Project Y32 (139-131-03) Windstar Street from T.H. 59 to Clarice Avenue / (139-132-01) Clarice Avenue from Windstar Street to Susan Drive. He indicated that the improvements under this project include street construction including granular base, asphalt base, asphalt surfacing, sanitary sewer, watermain, storm sewer, storm water detention pond, sidewalk and miscellaneous work associated with street construction.

Mr. Olson indicated that at the June 8, 2010 meeting the City Council adopted a Resolution Adopting Assessment for this project. As the project is a Municipal Aid minor arterial street, a portion located adjacent to the south city limit, the improvement may not be beneficial to adjacent property owners at this time for assessment purposes.

DeCramer moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3467, SECOND SERIES and that the reading of the same be waived. Resolution Number 3467, Second Series is a resolution Adopting A Deferred Assessment. This resolution provides for the Assessment for Parcel No. 27-420-008-0 in the amount of \$20,361.94 to be deferred until the following conditions occur:

- A. Water Assessment – time of connection \$3,738.27
- B. Sanitary Sewer Assessment – time of connection \$16,623.67

At the time that the Owners have accomplished any or all of the conditions shown above, the City will then terminate the deferral of said portion of the assessment and shall have a right to collect said assessment. Once the conditions for assessment indicated above have been affected by the

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Owners or their successors and assigns, said assessment shall be spread in equal principal installments over a period of ten (10) years and shall bear interest at a rate of five and eight-tenths percent (5.8%) from the date of the occurrence of the event qualifying the assessment above. No interest shall be charged on said assessment until notice of termination of the deferred assessment has been served on the Owners of the above described property by the City. If connection to either the water or sanitary sewer has not been affected within 20 years of the date of this resolution, these assessments will be spread as per the conditions described above. All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3468, SECOND SERIES and that the reading of the same be waived. Resolution Number 3468, Second Series is a resolution Adopting A Deferred Assessment. This resolution provides for the Assessment for Parcel No. 09-015-001-0 in the amount of \$67,940.91 be deferred until the following conditions occur:

- A. Sanitary Sewer Assessment – time of connection - \$67,940.91

At the time that the Owners have accomplished any or all of the conditions shown above, the City will then terminate the deferral of said portion of the assessment and shall have a right to collect said assessment. Once the conditions for assessment indicated above have been affected by the Owners or their successors and assigns, said assessment shall be spread in equal principal installments over a period of ten (10) years and shall bear interest at a rate of five and eight-tenths percent (5.8%) from the date of the occurrence of the event qualifying the assessment above. No interest shall be charged on said assessment until notice of termination of the deferred assessment has been served on the Owners of the above described property by the City.

This assessment will be spread as per the conditions described above if:

- A. Annexation and connection has been made within 20 years of the date of this resolution.
- B. Annexation has been completed within 20 years of the date of this resolution and connection has not yet been made.
- C. If greater than 20 years of the date of this resolution, assessment is spread upon annexation.

All voted in favor of the motion.

Boedigheimer moved, Sanow seconded, the adoption of RESOLUTION NUMBER 3469, SECOND SERIES and that the reading of the same be waived. Resolution Number 3469, Second Series is a resolution Adopting A Deferred Assessment. This resolution provides for the Assessment for Parcel No. 09-015-001-0 in the amount of \$198,459.96 be deferred until the following conditions occur:

- A. Storm Sewer Assessment – time of storm sewer connection or access to Windstar Street - \$38,571.07
- B. Street Assessment – upon access to Windstar Street - \$159,888.89

At the time that the Owners have accomplished any or all of the conditions shown above, the City will then terminate the deferral of said portion of the assessment and shall have a right to collect said assessment. Once the conditions for assessment indicated above have been affected by the Owners or their successors and assigns, said assessment shall be spread in equal principal installments over a period or ten (10) years and shall bear interest at a rate of five and eight-tenths percent (5.8%) from the date of the occurrence of the event qualifying the assessment above. No interest shall be charged on said assessment until notice of termination of the deferred assessment has been served on the Owners of the above described property by the City.

This assessment will be spread as per the conditions described above if:

- A. Annexation and access has been made within 20 years of this resolution.
- B. Annexation has been completed within 20 years of the date of this resolution and access has not yet been made.

- C. If greater than 20 years of the date of this resolution, assessment is spread upon annexation.

All voted in favor of the motion.

CONSIDER JOINT FUNDING AGREEMENT WITH US GEOLOGICAL SURVEY (USGS) FOR REDWOOD RIVER GAGING STATION NEAR MARSHALL, MINNESOTA:

Glenn Olson, Director of Public Works/City Engineer, indicated that the City of Marshall was notified that the Department of Natural Resources (DNR) will be discontinuing funding of the stream gage just west of the City of Marshall. The US Geological Survey (USGS) has previously operated this stream gage in conjunction with 50/50 funding with the DNR. This is an extremely important gage for not only flooding but several other informational issues, including the following items:

- 70 years of continuous streamflow record
- Unregulated flow record important for assessing trends
- Site is part of National Streamflow Information Program
- Gage data used in USGS water-quality studies
- Flood forecasting and warning
- Water-quality & aquatic life assessments
- Wastewater permits tied to streamflows

The USGS has estimated that the operations cost for 2010 to be \$15,870.00. The City of Marshall will be the local project sponsor of the 50% match of this gage (approximately \$8,000). The USGS indicated that they would relocate and construct a new gage at no cost to the local entities, but required funding for 50% of the operational costs.

Mr. Olson indicated that they have sought interest and funding participation from various agencies regarding keeping this stream gage operational including Archer Daniels Midland Company, Redwood-Cottonwood Rivers Control Area (RCRCA), Minnesota DNR, Lyon County Emergency Management, Lyon County Soil & Water Conservation, National Weather Service and the US Army Corps of Engineers. All entities that the City requested participation from have denied participation at this time, except ADM, which is actively reviewing their potential participation. The City of Marshall will be requesting funding from these entities on an annual basis.

Ritter moved, Sanow seconded, that the proper city personnel be authorized to enter into a Joint Funding Agreement with US Geological Survey (USGS) for Redwood River Gaging Station near Marshall, Minnesota. The City of Marshall will be billed \$7,935 on an annual basis, and the local participation will be paid from the Surface Water Management Utility. The dates in the agreement were October 1, 2009 to September 30, 2010. Mr. Olson offered to verify the dates in this agreement. All voted in favor of the motion.

CONSIDER THE REQUEST OF TURKEY VALLEY FARMS, LLC FOR A VARIANCE ADJUSTMENT PERMIT FOR A REAR YARD OF LESS THAN REQUIRED BY CITY CODE AT 220 SOUTH 6TH STREET:

Glenn Olson, Director of Public Works/City Engineer, reviewed the request of David Hoefer of Turkey Valley Farms LLC, for a Variance Adjustment Permit to construct additions to the existing cooling shed with a rear yard of 15 feet in lieu of 25 feet as required by City Code, Section 86-107. The existing building is located in an I-2 General Industrial District. The existing shed was built in 1999 within 15 feet from the rear property line on the basis of the Variance Adjustment Permit issued on November 15, 1999. No specific conditions were attached to that permit. The City Code Section 86.107 (e) (4) requires rear yards having a depth of not less than 25% of the lot depth or a maximum of 25 feet. However, this is the only way to add to the existing shed and this property is unique because it abuts railroad right-of-way on the rear. Therefore, having a 15 foot rear yard will not adversely affect the adjacent property or the neighborhood.

Per the recommendation of the Planning Commission Doom moved, Ritter seconded, the approval of the request of David Hoefer of Turkey Valley Farms LLC for a Variance Adjustment

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Permit to construct additions to the existing cooling shed with a rear yard of 15 feet in lieu of 25 feet as required by City Code, Section 86-107 at 220 South 6th Street. All voted in favor of the motion.

2010 CUL-DE-SAC RECONSTRUCTION PROJECT (PROJECT Y63: LAWERENCE COURT/PROJECT; Y64: BRUCE CIRCLE/PROJECT AND Y75 PELTIER STREET) – A. RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT; B. RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed the 2010 Cul-de-sac Reconstruction Projects – Lawrence Court Project Y63; Bruce Circle Project Y64; and Peltier Street Project Y75. Lawrence Court Project Y63 involves the reconstruction of the bituminous pavement and aggregate base and installation of train tile. Bruce Circle Reconstruction Project Y64 involves the replacement of watermain and sanitary sewer and street reconstruction. Peltier Street Improvement Project involves the partial reconstruction and new construction of the westerly end of Peltier Street, including improvements to drainage along the Burlington Northern Railroad Tracks.

Boedigheimer moved, Doom seconded, the adoption of RESOLUTION NUMBER 3470, SECOND SERIES and that the reading of the same be waived. Resolution Number 3470, Second Series is a resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment for the 2010 Cul-de-sac Reconstruction Projects – Lawrence Court Project Y63, Bruce Circle Project Y64, and Peltier Street Project Y75. This resolution provides for the assessment to be paid over ten (10) years at an interest rate of four percent (4%). All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3471, SECOND SERIES and that the reading of the same be waived. Resolution Number 3471, Second Series is a resolution Calling for a Hearing on the Proposed Assessment for the 2010 Cul-de-sac Reconstruction Projects – Lawrence Court Project Y63, Bruce Circle Project Y64, and Peltier Street Project Y75. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

PROJECT Y74: NORTH 5TH STREET/WEST LYON STREET/WEST REDWOOD STREET RECONSTRUCTION PROJECT – A. RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT; B. RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed the North 5th Street / West Lyon Street / West Redwood Street Project Y74. This project involves the replacement of watermain, sanitary sewer and storm sewer and street reconstruction.

Doom moved, Boedigheimer seconded, the adoption of RESOLUTION NUMBER 3472, SECOND SERIES and that the reading of the same be waived. Resolution Number 3472, Second Series is a resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment for North 5th Street / West Lyon Street / West Redwood Street Project Y74. This resolution provides for the assessment to be paid over ten (10) years at an interest rate of four percent (4%). All voted in favor of the motion.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3473, SECOND SERIES and that the reading of the same be waived. Resolution Number 3473, Second Series is a resolution Calling for a Hearing on the Proposed Assessment for North 5th Street / West Lyon Street / West Redwood Street Project Y74. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

PROJECT Y40: "C" STREET RECONSTRUCTION PROJECT – A. RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT; B. RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed the "C" Street Reconstruction Project Y40. This project involves the replacement of watermain and sanitary sewer reconstruction. This project will reconstruct "C" Street and the dedicated street portion of Progress Addition through the new library entrance and described utilities from East Main Street to South Saratoga Street.

DeCramer moved, Boedigheimer seconded, the adoption of RESOLUTION NUMBER 3474, SECOND SERIES and that the reading of the same be waived. Resolution Number 3474, Second Series is a resolution Declaring Cost to be Assessed and Ordering Preparation of Proposed Assessment for "C" Street Reconstruction Project Y40. This resolution provides for the assessment to be paid over 10 years at an interest rate of 4%. All voted in favor of the motion.

DeCramer moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3475, SECOND SERIES and that the reading of the same be waived. Resolution Number 3475, Second Series is a resolution Calling for Hearing on the Proposed Assessment for "C" Street Reconstruction Project Y40. This public hearing will be held at 5:30 P.M. on September 28, 2010. All voted in favor of the motion.

COUNCIL MEMBER COMMISSION / BOARD LIAISON REPORTS:

Reports by the Mayor and Council Members of the various Boards and Commissions were presented at this time:

Byrnes No report.

Hulsizer No report.

Doom Planning Commission met and their items were acted on earlier in the meeting.

Sanow No report.

DeCramer Utilities Commission received the electric/water rate study and is being reviewed by the Utilities staff.

Boedigheimer No report.

Ritter No report.

STAFF REPORTS:

Ben Martig, City Administrator, indicated that the Sounds of Summer Celebration was successful. Mr. Martig is preparing information on the budget for the August 31st meeting.

Glenn Olson, Director of Public Works/City Engineer, indicated that the SMSU Students are back and there is a noticeable impact with traffic near the college and the high school.

Mr. Olson indicated that T.H. 19 will be open to traffic on August 25th.

Dennis Simpson, City Attorney, is working on real estate issues.

COUNCIL MEMBER INDIVIDUAL ITEMS:

Other items brought forth by the Mayor and Council Members included Council Member Hulsizer who indicated the Coalition of Minnesota Cities is standing strong against LGA cuts to cities

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and they are promoting a new web site. Council Member Boedigheimer requested that the Public Improvement/Transportation Committee meet to discuss dry ponds – no fence, no signage, no warning. Airport zoning is waiting for a response from Fairview Township. There was a question on who has authority to put signs out on streets (i.e. for pedestrian crossing).

REVIEW OF PENDING AGENDA ITEMS:

There were no questions on the pending agenda items.

INFORMATION ONLY:

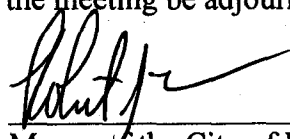
The following building permits previously approved by the Building Official were confirmed:

| | Applicant | Location Address | | | | Description of Work | Valuation |
|-----|----------------------------------|------------------|-------|------------|------------|---------------------------------------|-----------|
| 1. | Brian Schramm Drywall | 501 | East | Main | Street | Install Window | \$1,000 |
| 2. | Dennis Lozinski Construction | 704 | North | 5th | Street | Reroof (asphalt) | \$7,000 |
| 3. | Mike Buysse Construction Inc. | 505 | South | 2nd | Street | Reroof (asphalt) | \$3,000 |
| 4. | Mike Buysse Construction Inc. | 201 | | Lucille | Street | Reroof (asphalt) | \$4,000 |
| 5. | James Lozinski Construction Inc. | 1009 | | Silvervine | Drive | Reroof (asphalt) | \$6,000 |
| 6. | Rick Slagel Construction Inc | 311 | South | O'Connell | Street | Interior Remodel Office | \$40,000 |
| 7. | CAB Quality Construction LLC | 504 | | Donita | Avenue | Reroof (asphalt) | \$4,500 |
| 8. | CAB Quality Construction LLC | 801 | | Lawerence | Court | Reroof (asphalt) | \$8,200 |
| 9. | CAB Quality Construction LLC | 706 | | Viking | Drive | Reroof (asphalt) | \$6,300 |
| 10. | David Lukkarinen | 611 | | Adobe | Circle | Reroof porch (asphalt) | \$600 |
| 11. | Steven Louwagie | 901 | | Cheryl | Avenue | Install Window | \$1,000 |
| 12. | Dennis Lozinski Construction | 901 | | Silvervine | Drive | Reroof (asphalt) | \$6,500 |
| 13. | James Lozinski Construction Inc. | 103 | | Whitney | Circle | Reroof (asphalt) | \$7,500 |
| 14. | James Lozinski Construction Inc. | 104 | | Whitney | Circle | Reroof (asphalt) | \$10,000 |
| 15. | Kevin Lanoue Construction | 103 | | F | Street | Reroof (asphalt) | \$4,500 |
| 16. | Steven Otto | 104 | West | Maple | Street | Install Window | \$800 |
| 17. | Dennis Boerboom | 1103 | South | 2nd | Street | Reroof (asphalt) | \$10,000 |
| 18. | Scott Kuecker | 704 | | Huron | Road | Addition | \$288,500 |
| 19. | Servicemaster Clean | 100 | North | | Highway 59 | Install Sign | \$500 |
| 20. | James Lozinski Construction Inc. | 1100 | | Cheryl | Avenue | Reroof (asphalt) Repair Foundation | \$10,000 |
| 21. | Layle French Construction Inc. | 403 | | Williams | Street | Remodel Laundry | \$1,500 |
| 22. | True Value Home Center | 1114 | | Skyline | Drive | Reroof (asphalt) | \$7,000 |
| 23. | Arthur M. Olson | 1100 | | Jefferson | Avenue | Install Door | \$3,500 |
| 24. | Geske Home Improvement Co. | 121 | | E | Street | Patio door | \$2,200 |

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| | | | | | | |
|-----|------------------------------------|------|---------------|--------|----------------------------------|----------|
| 25. | Michelle R. Bossuyt | 803 | Cheryl | Avenue | Reroof (asphalt) | \$6,700 |
| 26. | Scott VanOverbeke Construction LLC | 300 | North Hill | Street | Reroof (asphalt) | \$8,000 |
| 27. | James Lozinski Construction Inc. | 205 | North 5th | Street | Reroof (asphalt) | \$8,500 |
| 28. | Kevin Lanoue Construction | 602 | Kennedy | Street | Reside (vinyl) | \$3,000 |
| 29. | Jeff Gladis Construction | 1000 | Cheryl | Avenue | Reroof (asphalt) | \$8,000 |
| 30. | Scott VanOverbeke Construction LLC | 404 | Viking | Drive | Reroof (asphalt) | \$7,000 |
| 31. | Vanleeuwe Construction LLC | 521 | Fairgrounds | Road | Reroof (asphalt) | \$13,400 |
| 32. | Mike Buysse Construction Inc. | 207 | East Lyon | Street | Reroof (asphalt) | \$4,000 |
| 33. | Martin Marthaler | 103 | G | Street | Reroof (asphalt) | \$8,500 |
| 34. | Mike Buysse Construction Inc. | 310 | Carrow | Street | Reroof (asphalt) | \$4,800 |
| 35. | Albert R. Eggermont, Jr. | 302 | West College | Drive | Install Window | \$500 |
| 36. | Scott VanOverbeke Construction LLC | 206 | Lucille | Street | Reroof (asphalt) | \$6,000 |
| 37. | Loretta Penske | 230 | London | Road | Reroof (asphalt) & Siding Repair | \$7,500 |
| 38. | James & Joyce Leach | 507 | Washington | Avenue | Reroof (asphalt) | \$7,500 |
| 39. | Schlenner Construction Co. | 604 | West Redwood | Street | Reroof (asphalt) | \$6,800 |
| 40. | Jeff Gladis Construction | 609 | Viking | Drive | Reroof (asphalt) | \$9,500 |
| 41. | James Lozinski Construction Inc. | 708 | Brian | Street | Reroof (asphalt) | \$5,900 |
| 42. | Jag Properties | 1210 | East College | Drive | Interior Remodel Office | \$2,000 |
| 43. | Mike Buysse Construction Inc. | 200 | North A | Street | Reroof (asphalt) | \$5,000 |
| 44. | Terry & Betty Zinnel | 306 | East Main | Street | Reroof (asphalt), Replace Deck | \$4,000 |
| 45. | Jeff Gladis Construction | 612 | West James | Avenue | Reroof (asphalt) | \$6,200 |
| 46. | Alicia Engler | 405 | South Whitney | Street | Kitchen Remodel | \$800 |
| 47. | Jeffrey & Debra Pieschke | 801 | Elaine | Avenue | Reroof (asphalt) | \$6,500 |
| 48. | Layle French Construction Inc. | 313 | Jean | Avenue | Reroof (asphalt) | \$9,300 |
| 49. | Justin Christensen | 611 | Donita | Avenue | Reroof (asphalt) | \$6,500 |
| 50. | Richard & Debra Miller | 1103 | Washington | Avenue | Reroof (asphalt) | \$8,400 |
| 51. | Eric Wallen | 311 | East Lyon | Street | Shed | \$1,000 |

Sanow moved, Doom seconded, that the meeting be adjourned. All voted in favor of the motion.


Mayor of the City of Marshall

ATTEST:


Finance Director/City Clerk