

REGULAR MEETING – FEBRUARY 8, 2011

The regular meeting of the Common Council of the City of Marshall was held on February 8, 2011 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 and Ritter. Absent: Boedigheimer. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; Thomas M. Meulebroeck, Finance Director/City Clerk; and Jane DeVries, Deputy 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 was approved with the addition of item number 11a, which is MN/DOT's request for approval of a Resolution authorizing the Mayor and City Clerk to execute real estate documents; a Quit Claim Deed and Temporary Construction Easement for property along East College Drive.

APPROVAL OF THE MINUTES:

Sanow moved, Doom seconded, that the minutes of the regular meeting held on January 25, 2011 and the minutes of the work session held on January 25, 2011 be approved as filed with each member and that the reading of the same be waived. All voted in favor of the motion.

PUBLIC HEARING ON THE MODIFIED TIF PLAN FOR REDEVELOPMENT PROJECT:

This was the date and time set for a public hearing on the Modified TIF Plan for Redevelopment Project No. 1 and Project No. 2. Terri Heaton, Springsteds, was in attendance at the meeting to review the proposed Modification Tax Increment Financing Plan for Redevelopment Project No. 1 and Project no. 2. Ms. Heaton indicated that the purpose of the proposed modification of the project areas and tax increment districts is to increase the budgets of existing districts for the annexation of land to be annexed by the City and to modify the Project Area boundaries to include the new property.

Mr. Martig, City Administrator, indicated that approximately \$5.6 million in TIF revenue is projected from the redevelopment areas through 2014. The proposed updates for planned TIF use include projects like the stormwater retention and public utilities work in the industrial park area, and about \$738,000 to cover acquisition and infrastructure costs in the Parkway II development.

Mark Goodenow, Lyon County Commissioner, requested the breakdown of percentage of the TIF between the City, school and county. Ms. Heaton indicated that 36% of the TIF is county money and 28% is Marshall school district money.

Council Member Sanow indicated that he attended a meeting last week with Marshall developers regarding the use of TIF for loan costs in the Parkway II Addition. Sanow indicated that he was not in favor of using these funds to pay for a decision that the City had made for Parkway II Addition development. Sanow indicated that the City is also proposing to reduce prices on the lots in this addition and did not feel this was fair to the local developers.

Council Member DeCramer indicated that at the time the decision was made for the development of Parkway Addition II and to utilize the funding sources there was a need for the low cost housing. Parkway addressed a need for low-cost housing.

DeCramer moved, Doom seconded, that the public hearing be closed. All voted in favor of the motion.

Sanow moved, Hulsizer seconded, to approve the modified TIF plan, provided the Parkways

REGULAR MEETING – FEBRUARY 8, 2011

II costs were not included. Voting in favor of the motion were: Sanow and Hulsizer. Voting no were: Ritter, DeCramer, Byrnes and Doom. The motion failed.

DeCramer moved, Doom seconded, the adoption of RESOLUTION NUMBER 3545, SECOND SERIES and that the reading of the same be waived. Resolution Number 3545, Second Series is a resolution Relating to the Modification of the Tax Increment Financing Plans for Tax Increment Financing Districts Located within Housing and Redevelopment Project No. 1 and Housing and Redevelopment Project No. 2. This resolution includes the elimination of \$170,000 for the acquisition and demolition of 109 & 111 A St. as staff utilized another source of funding from the 1996-1997 construction bonds and an increase to the Parkway Addition funding from \$624,240 to \$738,437.92 in order to provide the ability to include the Parkway Addition obligations. All voted in favor of the motion except Sanow and Hulsizer who voted no.

AWARD OF BIDS FOR CITY OF MARSHALL ENERGY EFFICIENT LIGHTING PROJECT:

Ben Martig, City Administrator, indicated that on May 24, 2010 the City of Marshall applied for an energy efficient grant under the Facility Cost-Share Grant Program funded by the American Reinvestment and Recovery Act (AARA) and Minnesota Laws 2009 Chapter 138. On July 14, 2010 the City was awarded the grant. There were several buildings that qualified for the grant. They were: City Hall, Municipal Liquor Store, Park Maintenance, Street Department, MERIT Center, City Airport, Wastewater, and North Ambulance.

Mr. Martig indicated that on July 20, 2010 the City sent letters to local electricians along with posting it on the City website requesting proposals for lighting for the City. Retrofit had solicited the city for lighting upgrades when the grant application was made available and offered to inventory and complete the energy calculations at no charge; therefore the city also requested a proposal from them. Retrofit chose not to re-submit a new proposal and instead agreed to hold their proposal active from when they completed it in April. The City received three proposals; they were from Retrofit Companies, Meier Electric and Coleman Electric. Coleman Electric did not provide a proposal for City Hall or Wastewater. Therefore, their bid was considered an incomplete proposal. The committee decided not to include the Liquor Store in the award proposal. After the proposals were received, the City was made aware that the contractors for the project must include Federal wage rates under the Davis Bacon Act. After award of the contract, a change order would be necessary to accommodate the Davis Bacon Act and eligibility for grant funds.

The Equipment Review Committee met on January 11, 2011 to discuss the proposals on the lighting project for the City of Marshall, which included the Federal wage rates under the David Bacon Act. It was requested of staff to find a more accurate way to review the proposals that were received. There was a concern that the kilowatt hours were not consistent. It was decided that staff would ask three companies to present their proposals to the committee. Coleman Electric proposal came in late and they did not submit a proposal for one facility so they were not considered for the project.

On January 20, 2011 the Equipment Review Committee met with the Retrofit Companies, Meier Electric and Budget Lighting. In attendance at the Equipment Review Committee meeting were the following employees: Public Works Director Olson, Administrator Martig, Building Official Ilya Gutman, MMU Electric Employee Mark Antony, Building Maintenance Supervisor Greg St. Aubin, and Administrative Assistant Cathy Lee. There was substantial discussion regarding the proposals, cost and payback provisions. The unanimous support was to hire Retrofit Companies for the professional service agreement. The primary reason was the significantly lower electrical usage and related future savings.

REGULAR MEETING – FEBRUARY 8, 2011

Mr. Martig indicated that the total project cost to the City is \$50,581.00. This is about 37% less than the estimated project cost. The city has received documentation of grant funds in the amount of \$9,595.00 through the State Department of Commerce that originated from a Federal Stimulus grant. City staff will need to submit final energy calculations to determine the final grant amount. Utility rebates are projected to be of \$10,470.00. The remaining amount of \$30,516.00 was planned to be paid for from the capital reserve account from the general fund and from available money within the respective funds. The operating payback based on energy calculations excluding maintenance savings and the grant ranges from 3-6 years except the airport is estimated at a payback of just under 11 years.

Sanow moved, Ritter seconded, that the bid for City of Marshall Energy Efficient Lighting Project be awarded to The Retrofit Company of Owatonna, Minnesota in the amount of \$50,581 and that the proper city personnel be authorized to enter into an agreement with Retrofit Company for the Marshall Energy Efficient Lighting Project. All voted in favor of the motion.

CONSENT AGENDA – A. CONSIDERATION OF RENEWAL OF GROUP SELF-INSURED ACCIDENT PLAN FOR VOLUNTEERS; B. PROJECT Y89: ELM STREET RECONSTRUCTION PROJECT -- CONSIDER RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT; C. APPROVAL BILLS/PROJECT PAYMENTS:

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

Approve the renewal of the Group Self-Insured Accident Plan for Volunteers with the League of Minnesota Cities Insurance Trust for January 1, 2011 through January 1, 2012 at a premium of \$1,430.00.

The adoption of RESOLUTION NUMBER 3546, SECOND SERIES and that the reading of the same be waived. Resolution Number 3546, Second Series is a resolution Ordering Preparation of Report on Improvement for Elm Street Reconstruction Project Y89.

The following bills and project payments be authorized for payment: ACCOUNTS PAYABLE, Voucher No. 73188 through 73341.

All voted in favor of the motion.

CONSIDER RESOLUTION FOR INTERFUND LOAN RELATED TO ACQUISITION OF 805 WEST MAIN STREET:

Ben Martig, City Administrator, indicated that the City Council authorized the acquisition of property located at 805 West Main Street subject to contingencies of receiving MN/DOT approval of access. The intent of the source of funds was the use of existing pooled TIF Funds. Mr. Martig indicated that he along with Bob Byrnes and Glenn Olson attended a meeting in Willmar with MN/DOT to discuss access off of Highway 59/68 to this property. At the present time MN/DOT is working on a geometric layout for this area. Per discussion with the owner of 805 West Main Street the consensus is to not proceed with the purchase of this property at this time. Ritter moved, Sanow seconded, that the Purchase Agreement for the property located at 805 West Main Street be terminated. All voted in favor of the motion.

INTRODUCTION OF ORDINANCE AMENDING SECTION 42-89 RELATING TO LOUD NOISES; ADDING SECTION (C) EXCESSIVE VEHICLE NOISES AND CALLING FOR A PUBLIC HEARING:

The Legislative and Ordinance Subcommittee of the Marshall City Council asked the City Administrator and City Attorney to review local noise ordinances for the purpose of consideration of Ordinance Amendment related to excessive vehicle noises. Current City Ordinance Section 42-89 does address loud noises in general, but does not contain a specific provision dealing with excessive vehicle noises. Various Council members have been approached by city residents regarding excessive vehicle noise commonly referred to as “Jake Braking”. “Jake Braking” is a process used by trucks to slow the vehicle down without applying brakes. It does create loud noise that some individuals find excessive or offensive. As a result of that request, research was done and ordinances from other communities were reviewed. The L&O Committee reviewed the proposed ordinance and heard concerns from Rob Yant, Director of Public Safety, and Dennis Simpson, City Attorney, in regard to the enforcement of this ordinance and the determination of what level of noise is excessive. However, L&O Committee members believe that introduction of ordinance would not make the situation any worse than it presently is and believes that introduction of the ordinance would alleviate the problem to some extent.

Sanow moved, Ritter seconded, the introduction of an Ordinance Amending Section 42-48 Relating to Loud Noises: adding Section (C) Excessive Vehicle Noises and call for a public hearing to be held on February 22, 2011. All voted in favor of the motion.

PROJECT Y60 – MADRID STREET BRIDGE PROJECT – A. CONSIDER APPROVAL OF PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS; B. CONSIDER SUPPLEMENTAL AGREEMENT NO. 1 WITH TKDA:

Glenn Olson, Director of Public Works/City Engineer, indicated that on February 10, 2009 the City Council authorized entering into a Professional Services Agreement with TKDA to provide engineering services for design and construction inspection for the Madrid Street Bridge Project Y60 in the amount of \$48,400. At the March 9, 2010 meeting, City Council authorized Supplemental Agreement No. 1 to the Professional Services Agreement with TKDA for an additional contract amount of \$6,400 and a total contract amount not to exceed \$54,800. At the regular meeting of the Marshall Airport Commission held on February 1, 2011 they reviewed and recommended approval to the City Council of Supplemental Agreement No. 2 with TKDA. This Supplemental Agreement expands the existing contract with TKDA to include bidding and construction phase services for the Madrid Street Bridge project. The agreement includes construction material testing review. The contract is for an estimated \$113,600 including permits, material testing and plant review, reproduction and miscellaneous costs. Since the engineer has no control over the contractor’s operation this contract does not include the provision that the cost cannot exceed this contract amount. However, the contract will include penalties which are intended to cover any additional engineering costs due to the contractor going past the completion date.

James Denzer, Airport Commission Chairperson, was in attendance at the meeting and indicated that the Airport Commission is in full support of this project.

Ben Martig, City Administrator, indicated that the City has received Notification of State Grant Award Offer for State FY2011 that this project has been selected for funding for an estimated project total of \$975,000 at a funding rate of 70% State (\$682,500) and 30% local (\$292,500). Mr. Martig indicated that this was not included in the 2011 budget as it was anticipated for funding in 2012 at the earliest. However, the State has authorized the funding earlier. City staff is currently reviewing possible TIF funding to be included in the modification of the TIF plan. This is the recommended funding source. Other alternative funding could include

borrowing for the funds through debt service. The estimated contract construction amount is \$695,000. Total engineering expenses are expected to be \$168,400. Total project costs are estimated to be below the estimated \$975,000 project cost. Council Member Sanow indicated that he was not in favor of moving forward with this project since the City is not sure how they will pay their share.

Council Member Doom indicated that project is an investment for the future development of the airport. Council Member DeCramer indicated that if the City does not proceed they would lose the grant from the State of 70%.

Doom moved, Ritter seconded, approval of plans and specifications and authorized advertisement for bids for the Madrid Street Bridge Project and that the proper city personnel be authorized to enter into Supplemental Agreement No. 2 to the Madrid Street Bridge Project Professional Services Agreement with TKDA for an additional contract amount of \$113,600 and a total contract amount of \$168,400. Voting in favor of the motion were: Byrnes, Doom, Ritter and DeCramer. Voting no were: Sanow and Hulsizer.

Mayor Byrnes called for a 5-minute recess at 7:00 P.M.

PROJECT Y76 – TRAVIS ROAD EXTENSION PROJECT (WATER PLANT ENTRANCE ROAD) – CONSIDER RESOLUTION RECEIVING REPORT AND CALLING FOR HEARING ON IMPROVEMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed Project Y76 Travis Road Extension Project (Water Plant Entrance Road). This project involves the reconstruction of the Water Plant entrance road with a concrete surface. This project also includes grading, aggregate base and drainage construction. This project begins at the southerly right-of-way of T.H. 23 and ends approximately 300 feet southerly.

Ritter moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3547, SECOND SERIES and that the reading of the same be waived. Resolution Number 3547, Second Series is a resolution Receiving Feasibility Report and Calling for a Hearing on Improvement for Project Y76 Travis Road Extension Project (Water Plant Entrance Road). The public hearing will be held at 5:30 P.M. on February 22, 2011. All voted in favor of the motion.

PROJECT Y90 – SARA CIRCLE RECONSTRUCTION PROJECT –CONSIDER RESOLUTION RECEIVING REPORT AND CALLING FOR HEARING ON IMPROVEMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed Project Y90 Sara Circle Reconstruction Project. This project involves the replacement of watermain and sanitary sewer, and street reconstruction. The proposed project will reconstruct Sara Circle and described utilities north of and including the Elaine Avenue intersection. Council Member Hulsizer asked if sidewalks were included in this project. Mr. Olson indicated that they will be considered.

Doom moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3548, SECOND SERIES and that the reading of the same be waived. Resolution Number 3548, Second Series is a resolution Receiving Feasibility Report and Calling for a Hearing on Improvement for Project Y90 Sara Circle Reconstruction Project. The public hearing will be held at 5:30 P.M. on February 22, 2011. All voted in favor of the motion.

PROJECT Y73 – PEARL AVENUE RECONSTRUCTION PROJECT – CONSIDER RESOLUTION RECEIVING REPORT AND CALLING FOR HEARING ON IMPROVEMENT:

Glenn Olson, Director of Public Works/City Engineer, reviewed Project Y73 Pearl Avenue Reconstruction Project. This project involves the replacement of watermain and sanitary sewer, and street construction. The proposed project will reconstruct Pearl Avenue and described utilities southerly from Country Club Drive.

DeCramer moved, Doom seconded, the adoption of RESOLUTION NUMBER 3549, SECOND SERIES and that the reading of the same be waived. Resolution Number 3549, Second Series is a resolution Receiving Feasibility Report and Calling for a Hearing on Improvement for Project Y73 Pearl Avenue Reconstruction Project. The public hearing will be held at 5:30 P.M. on February 22, 2011. All voted in favor of the motion.

PROJECT Y80 – WALKER LANE / PARK AVENUE RECONSTRUCTION PROJECT – CONSIDER RESOLUTION RECEIVING REPORT AND CALLING FOR HEARING ON IMPROVEMENT:

Glenn Olson, Director of Public Safety/City Engineer, reviewed Project Y80 Walker Lane / Park Avenue Reconstruction Project. This project involves the replacement of watermain and sanitary sewer, and street reconstruction. The proposed project will reconstruct Walker Lane and Park Avenue and described utilities from East Redwood Street to East Marshall Street.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 3550, SECOND SERIES and that the reading of the same be waived. Resolution Number 3550, Second Series is a resolution Receiving Feasibility Report and Calling for a Hearing on Improvement for Project Y80 Walker Lane / Park Avenue Reconstruction Project. The public hearing will be held at 5:30 P.M. on February 22, 2011. All voted in favor of the motion.

CONSIDER MN/DOT'S REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE REAL ESTATE DOCUMENTS; A QUIT CLAIM DEED AND TEMPORARY CONSTRUCTION EASEMENT FOR PROPERTY ALONG EAST COLLEGE DRIVE:

Dennis Simpson, City Attorney, indicated that MN/DOT is requesting approval of a resolution authorizing the Mayor and City Clerk to execute real estate documents relating to a project along East College Drive.

Mr. Simpson indicated that the City of Marshall recently conveyed formal City owned property to Weiner Memorial Medical Center, as part of the sale of hospital transfer. Included in those transfer documents was the property located at the intersection of South Bruce Street and East College Drive, which houses the Avera Home Health Services/Equipment Products. Apparently that intersection requires some minor work for the relocation of stoplight and relocation of sidewalk. MN/DOT has requested and has obtained Deeds from Weiner Memorial Medical Center regarding Access Easement and Temporary Construction Easement. MN/DOT is also requesting that the City of Marshall execute a Quitclaim Deed regarding the same property so as to authorize MN/DOT to proceed with construction. The request for Quitclaim Deed is done for title purposes only. The Quitclaim Deed covers 0.01 acres for permanent transfer and also includes a small portion of property for Temporary Construction Easement.

MN/DOT is also requesting approval of a Temporary Construction Easement for the "Liquor Store Property".

REGULAR MEETING – FEBRUARY 8, 2011

Doom moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3551, SECOND SERIES and that the reading of the same be waived. Resolution Number 3551, Second Series is a resolution Authorizing the Mayor and City Clerk to Execute Real Estate Documents. All voted in favor of the motion.

Doom moved, Ritter seconded, the proper city personnel be authorized to execute a Quit Claim Deed and Temporary Easement for the Avera home Health services/Equipment Products property. All voted in favor of the motion.

Doom moved, DeCramer seconded, the proper city personnel be authorized to execute a Temporary Construction Easement for the Liquor Store Property. 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 Regional Development Commission met on February 3rd; Regional Radio Board meeting was canceled due to weather.

Hulsizer No report.

Doom Community Services Advisory Board met last week; Planning Commission meets on Wednesday, February 9th.

Sanow Cable Commission minutes are included in the agenda packet; Marshall Area Transit does not meet this month.

DeCramer No report.

Ritter Equipment Review Committee met on January 20th.

STAFF REPORTS:

Ben Martig, City Administrator, indicated that Tom Polfliet has retired as Parks Superintendent. The reorganization of several departments within the Public Works Division is being worked on. Preston Stensrud will be taking over some of Tom's duties on a temporary basis effective February 14, 2011. A Council Work Session is tentatively scheduled for March 15, 2011 from 5:30 P.M. to 8:30 P.M. One item to be discussed is the current library building. Mr. Martig and Mayor Byrnes will be attending the Coalition of Greater Minnesota Cities Legislative Conference on February 9, 2011.

Glenn Olson, Director of Public Works/City Engineer, reviewed sidewalk compliance in regard to snow removal. He also talked about snow on roofs and homeowners clearing snow away from vents.

Dennis Simpson, City Attorney, indicated that the litigation between the City of Marshall, Western Community Action, Southwest Minnesota Housing and Joe Bot has been finalized. He indicated that the City should be able to start condemnation of the hotel.

REGULAR MEETING – FEBRUARY 8, 2011

COUNCIL MEMBER INDIVIDUAL ITEMS:

Council Member Hulsizer questioned a letter sent to Judge Bush in regard to the Charter Commission. Mr. Martig indicated that the Charter Commission is required to hold an annual meeting and submit an annual report.

Council Member Ritter was concerned with parking along the curve in front of the church located on North "A" Street.

Council Member DeCramer indicated that there are still 10 Small Cities Residential Owner Occupied Grants available.

Mayor Byrnes indicated that there is a Redistricting meeting scheduled for Friday, February 11, 2011 at the Lyon County Court House. Mayor Byrnes also indicated that he along with Mr. Martig provided a power point presentation to the Marshall Leadership Academy.

REVIEW OF PENDING AGENDA ITEMS:

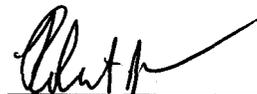
There were no questions or concerns on the pending agenda items:

INFORMATION ONLY:

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

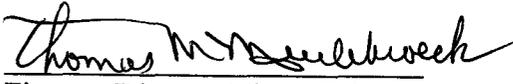
	Applicant	Location Address	Description of Work	Valuation
1.	Kim Stephens	502 Windstar Street	Basement Bathroom	\$5,000
2.	Astar-Hess Property Management LLC	900 East Fairview Street	Basement Remodel	\$4,500
3.	James Lozinski Construction Inc.	603 Kennedy Street	Replace Garage door & Entry Door	\$1,500
4.	Business Properties of Marshall LLC	240 West Main Street	Interior Remodel Retail	\$180,000
5.	Sussner Construction, Inc.	1310 East College Drive	Remodel Service Area	\$15,000

Ritter moved, Doom seconded, the meeting be adjourned at 7:45 P.M. All voted in favor of the motion.



Mayor of the City of Marshall

ATTEST:



Finance Director/City Clerk