

REGULAR MEETING – MARCH 22, 2011

The regular meeting of the Common Council of the City of Marshall was held on March 22, 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, Boedigheimer and Ritter. Absent: none. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Scott Truedson, Assistant Superintendent Wastewater Treatment Facility; Thomas M. Meulebroeck, Finance Director/City Clerk; Cathy Lee, Administrative Assistant; and Jane DeVries, Deputy City Clerk.

The Pledge of Allegiance was recited at this time.

APPROVAL OF AGENDA:

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

APPROVAL OF MINUTES:

Sanow moved, Doom seconded, that the minutes of the regular meeting held on March 8, 2011, the minutes of the special meeting held on March 15, 2011 and the minutes of the Council Retreat held on March 15, 2011 be approved as filed with each member and that the reading of the same be waived. All voted in favor of the motion.

PRESENTATION OF HUMAN RIGHTS POSTER WINNERS:

John Lind, Chair of the Marshall Human Rights Commission, was in attendance to present the winners of the Martin Luther King Poster contest sponsored by the Human Rights Commission. Mr. Lind indicated that the other members of the Human Rights Commission include: Andrea Swenson, Elena Grothe, Kenneth Wilson, Michele Larson and Andy Hedlin. The winners were as follows:

- 1st Place – James VanKampen, a 5th grader at Samuel Lutheran
- 2nd Place – Bethany Zeug, a 7th grader at Holy Redeemer
- 3rd Place – Andrew VanKampen, a 7th grader at Samuel Lutheran

APPROVAL OF CONSENT AGENDA – A. LG220 APPLICATION FOR EXEMPT PERMIT FOR BUFFALO RIDGE GOBBLERS FOR A RAFFLE ON APRIL 29, 2011 AT THE PRAIRIE EVENT CENTER; B. ANNUAL RENEWAL OF PLUMBERS LICENSES; C. LG214 PREMISES PERMIT APPLICATION FOR HOLY REDEEMER CHURCH; D. APPROVAL BILLS/PROJECT PAYMENTS:

Ritter moved, DeCramer 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 the Buffalo Ridge Gobblers for a raffle to be held at the Prairie Event Center, 1507 East College Drive, Marshall, Minnesota on April 29, 2011 and that the 30 day waiting period be waived.

The annual renewal of Plumbers Licenses for the period April 1, 2011 through December 31, 2011 at a fee of \$60.00 for the following applicants:

- Glenn Larson dba **Enviro Pump Plus, Inc.**
- Samuel Sahlstrom dba **Sahlstrom's Heating, Cooling and Refrigeration, Inc.**
- Michael Orthaus dba **Tri State Mechanical Inc.**

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 LG214 Premises Permit Application for Holy Redeemer Church, 503 West Lyon Street, Marshall, Minnesota.

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The following bills and project payments be authorized for payment: ACCOUNTS PAYABLE, Voucher No. 73726 through 73966.

All voted in favor of the motion.

WATER BUS ADDITION – A. CONSIDER RESOLUTION APPROVING THE FINAL PLAT; B. CONSIDER APPROVAL OF RESOLUTION FOR THE RURAL SERVICE DISTRICT:

Dennis Simpson, City Attorney, indicated that he has worked with the property owners regarding ownership clarification and transfers of property that will occur prior to filing the final plat of Water Bus Addition or immediately thereafter.

On March 8, 2011 the City Council moved to table the resolution approving the final plat for Water Bus Addition and approval of the resolution for the Rural Service District. Doom moved, Sanow seconded, to remove this request from the table. All voted in favor of the motion.

Doom moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3563, SECOND SERIES and that the reading of the same be waived. Resolution Number 3563, Second Series is a resolution Approving the Final Plat of Water Bus Addition. All voted in favor of the motion.

DeCramer moved, Ritter seconded, the adoption of RESOLUTION NUMBER 3564, SECOND SERIES and that the reading of the same be waived. Resolution Number 3564, Second Series is a resolution Transferring Parcel No. 27-603034-0 owned by Richard Blomme and Parcel No. 27-617002-0 owned by Violet E. Johnson Trust from the Rural Service District to the Urban Service District. All voted in favor of the motion.

CONSIDERATION OF ECONOMIC DEVELOPMENT SERVICE AGREEMENT WITH MARSHALL AREA CHAMBER OF COMMERCE:

Ben Martig, City Administrator, indicated that the City of Marshall had been pursuing the option to have a County Economic Development Authority until it was determined that the Townships would all have to “opt-in” in order to assess any County taxes on them for these services. This was presented at the budget meeting of November 3, 2010. At the meeting, Mr. Martig indicated that staff would be pursuing other options with an emphasis on partnering with the Chamber of Commerce which had been considered in 2009 but not fully pursued as the County economic development option appeared to be the preferred option. Mr. Martig did inform County Administrator Stomberg of the issue following the November meeting and election and he supported pursuit of the arrangement as the County was not interested at that time to continue discussions.

Mr. Martig explained that over the past few months he has been working with Chamber Director, Cal Brink, to develop a proposed service agreement that would outline specifically how a partnership may be formed. This included a review of other similar arrangements including Mankato. The EDA was provided a draft at their February meeting with this most current version reviewed and recommended for approval at their April meeting that was held on March 16. Martig has informed the Council at their meetings that the EDA has been trying to work out the details with a formal recommendation to come to the City Council. The proposed agreement is customized to Marshall but takes pieces from arrangements done elsewhere.

The contract would have the Chamber of Commerce provide staff to lead the marketing, recruitment and retention for economic development with the City. The EDA would continue to exist and have authority over remaining dollars as it does now. The Chamber Board has no direct involvement with economic development and their funding remains separate other than they are collecting the fee for

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service and providing staff and general administrative expenses. The City Administrator would remain as the Executive Director and work in concert with the Chamber as outlined in detail in the agreement. The EDA Assistant's employment with the City would be terminated and she would be hired by the Chamber of Commerce. The wage was calculated to be consistent with the current position.

Mr. Martig would expect the transition to be seamless with Cal Brink in the leadership role. The Chamber has come a long way under Cal's leadership and the EDA activities can start immediately upon the agreement being executed. Cal is active already in economic development through the involvement in EDA meetings, Chamber Industrial Development Committee and the overall coordinator of the Business Expansion and Retention plan that is nearing completion. There will be some learning curve of economic development financial tools and strategy but Mr. Martig will continue to be active when the City gets to the point of a deal being proposed or more seriously pursued. Mr. Martig has a strong confidence in Mr. Brink's leadership and ability to effectively implement this partnership.

Mr. Martig highlighted the value of the City EDA and Chamber partnership as follows: alignment of our business development organizations for common location and cooperative strategy to promote business growth; cost effective approach by leveraging private and public dollars through shared staffing; and laying the groundwork for expanded regional economic development effort by having an independent entity with capacity to expand for additional service contracts beyond Marshall city borders.

This agreement has been reviewed by City staff Meulebroeck, Dubs and City Attorney Simpson. Their feedback has been incorporated into this document.

The EDA legally has the authority to execute the agreement as it is within their powers as adopted by the enabling resolution, bylaws and consistent with state statutes. The funding is also within the budgeted funds of the City EDA. However, the EDA and City staff agree that this substantial change in service should be reviewed and support provided by a majority vote of the City Council. EDA believes this is a good arrangement and if the Council needs more time to review and understand they would be open to that in lieu of a vote at this time. The value of the partnership is more important than getting quick action. However, if the Council is supportive the EDA is ready to move forward.

If supported by Council, the EDA would meet to approve the contract subject to verifying final operational transition details. The Chamber also has to approve the agreement and they have a meeting at the end of March in which they could consider approval if supported by Council. The contract and working relationship will be continued to be evaluated. The agreement is set to expire in December of 2011 and also includes a 30-day termination clause.

The monthly contract of \$6,181.17 proposed in the draft would include the following:

\$4,000.00/month = Executive Director

\$1,881.17/month = Assistant (20-hr/wk)

\$ 300.00/month = general administrative expense (copies, phone, etc.).

This service agreement would cost the EDA approximately \$74,174 compared to actual staffing costs alone in 2009 of \$121,370. This is an annual savings of \$47,196 from the proposed to actual of 2009.

Martig offered three alternative models to provide economic development including a County EDA, a Development Corporation or another Joint Powers format. He explained that a County EDA requires all local jurisdictions including cities and townships to "opt-in" to pay for the funding. Martig felt it was unlikely for any townships to participate and maybe some cities and therefore questioned whether the County should take a lead role if only the cities were to proceed.

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Martig explained that the Development Corporation format has been used in Lyon County and would not require an “opt-in” for the County to participate financially. Martig suggested that if this were pursued that a formula should be used to determine appropriate fees and possibly similar to the tax capacity breakdown used for the County EDA format.

Martig also mentioned that under joint powers agreement laws other unique arrangements with the County or other cities could be pursued.

Martig concluded that the EDA, staff and Chamber support the model presented. However, he did offer an alternative recommendation to table for more discussion or to bring back to the County to determine their interest to participate in a county-wide effort.

Council Member Boedigheimer indicated that he thought Mr. Martig was exploring the possibility of working with the Chamber, but according to the paper it was a done deal. Boedigheimer indicated that he has spoken to three County Commissioners and they have expressed an interest in meeting with the city again.

Council Member Sanow indicated that he was not sure the townships would opt out of a County wide EDA position.

Council Member Doom indicated that he wasn't against the agreement with the Chamber but he would like to meet with the County Commissioners to discuss this.

Boedigheimer moved, Sanow seconded, that consideration of the Economic Development Service Agreement with the Marshall Area Chamber of Commerce be tabled until the second regular City Council meeting in April, 2011. They would like a joint meeting scheduled with Lyon County to discuss the possibility of a Lyon County EDA. Voting in favor of the motion were: Boedigheimer, Sanow, Doom and Hulsizer. Voting no were: Ritter, DeCramer and Byrnes.

Cal Brink, Marshall Area Chamber of Commerce, was concerned that in working with the County it may take more time and not go anywhere. He indicated that in southwest Minnesota cities need to be either growing or dying. Marshall needs to be growing. Mr. Brink indicated that the Chamber would support whatever decision the City made.

Mayor Byrnes indicated that a meeting with Lyon County Commissioners needs to be scheduled as soon as possible.

CONSIDERATION OF MAINTENANCE ELECTRICIAN INSPECTION AGREEMENT:

Ben Martig, City Administrator, indicated that several City employees do routine and emergency electrical work as part of their job duties. The Department of Labor and Industry requires any employer doing electrical maintenance for the City on the City premises needs to be registered with the State of Minnesota as an “Unlicensed Maintenance Electrician” and have the work inspected by a Master Electrician. The Wastewater Department has a very good working relationship with Meier Electric; therefore they worked with them exclusively to provide this service. David Meier has agreed to do the supervision and inspection for the registered City employees on an hourly rate as needed to ensure the work meets the National Electric Code. At this time there are seventeen employees that would need to be registered annually at \$25.00 each. This would offset the cost of hiring an electrician for all the work currently done by staff.

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Council Member Ritter asked why there are no employees from the Fire Department and Parks Department included on the list. Mr. Martig indicated that these were the names submitted by staff but more names could be added at a later date.

Council Member DeCramer indicated that the employees on the list could cover other departments. Council Member Boedigheimer asked why there are 11 employees on the list from the Wastewater Department. Scott Truedson, Assistant Superintendent for the Wastewater Treatment Facility, indicated that with rotating shifts they need to make sure that an employee that is working is included on the list.

Ritter moved, DeCramer seconded, the proper city personnel be authorized to enter into an Unlicensed Maintenance Electrician Inspection Agreement for two years with Meier Electric. All voted in favor of the motion.

APPROVAL OF AGREEMENTS WITH TOWNSHIPS FOR FIRE PROTECTION SERVICES:

Ben Martig, City Administrator, indicated that Marc Klaith, Fire Chief, has reviewed the agreements for fire protection services with the surrounding townships. These contracts are only for one year to allow time for discussion on how the rates are determined. Chief Klaith and City Administrator Martig have been working on a formula based fee for this service. Mr. Martig indicated that staff will present the fee calculation summary to Ways and Means at their next meeting. Any change to a formula would be recommended for 2012-2013 at the earliest. The rate for 2011-2012 is proposed to increase \$5.00 per section.

Doom moved, Ritter seconded, the approval of the Agreements with Townships for Fire Protection Services for 2011-2012 at a rate of \$190.00 per section. All voted in favor of the motion.

2011 FARM RENTAL CONTRACT MOSCH/BLADHOLM PROPERTY:

Dennis Simpson, City Attorney, indicated that proposals were received, opened and read at 11:00 A.M. on March 16, 2011 for the rent of approximately 66.64 acres, which is the former Mosch/Bladholm property. The proposals received, opened and read were from:

RJC Inc., % Richard Carrow Marshall, Minnesota \$207.00 per acre	Gary & Corey Crowley Marshall, Minnesota \$176.00 per acre	E. Bossuyt Family Farms Marshall, Minnesota \$230.00 per acre
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Ritter moved, Doom seconded, that the Farm Lease be awarded to E. Bossuyt Family Farms for one year beginning March 16, 2011 through December 31, 2011 at a rate of \$230.00 per acre. The rent for this farm lease is due by April 16, 2011. All voted in favor of the motion.

DISCUSSION REGARDING PROCESS TO DISPOSE OF CITY OWNED PROPERTY AT 304 SOUTH 1ST STREET:

Dennis Simpson, City Attorney, indicated that through court proceedings in Lyon County District Court the City of Marshall has obtained title to property located at 304 South 1st Street. This property was deemed to be hazardous and was abandoned by the former owners. The City of Marshall acquired title to the property and demolished the structures previously located on the property. Mr. Simpson indicated that some type of public bidding process be initiated similar to what the City has successfully used for the lease of City owned farm property. The City could request written bids be received, with the opportunity to raise the bids at the time of bid opening. The sale of this property can only occur by ordinance. It was the general consensus of the council that the proper city personnel be authorized to advertise for proposals for the sale of the City owned property located at 304 South 1st Street. Council Member Boedigheimer

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requested that a summary of the expenses for the acquisition of this property be provided to the City Council.

CONSIDER APPOINTMENTS TO BOARDS AND COMMISSIONS:

Per the recommendation of Mayor Byrnes, Doom moved, Ritter seconded, and it was unanimously approved that the following appointments be made to the Community Services Advisory Board:
Krista Bjella be reappointed for a 3-year term to expire on February 28, 2014
Ellayne Conyers be appointed for a 3-year term to expire on February 28, 2014
Amie Ascherman be appointed for a 3-year term to expire on February 28, 2014

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 Downtown Design Committee met.

Sanow Marshall Area Transit met.

DeCramer Utilities Commission met, but DeCramer was not able to attend.

Boedigheimer None

Ritter EDA items were discussed earlier.

STAFF REPORTS:

Ben Martig, City Administrator, provided an update on the spring flooding. Mr. Martig indicated that sandbags are filled and an advisory was posted reminding residents to remove their sump pumps from discharging into the sanitary sewer. He also indicated that the Wastewater Treatment Facility is close to peak capacity. The City of Marshall website has a link to information on flooding.

Mayor Byrnes indicated that the web site provides information on the gauge on the Redwood River. He indicated that the gauge located in Russell has been increasing and this will eventually come through Marshall.

Mr. Martig indicated that work is continuing on resolving how to pay off the loans for the Parkway Addition. There is a League of Minnesota Cities Legislative Conference on Thursday, March 24th, which Mr. Martig plans on attending.

Dennis Simpson, City Attorney, is continuing to work on contract review and land acquisition.

Mayor Byrnes called for a 5-minute recess at 7:05 P.M.

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COUNCIL MEMBER INDIVIDUAL ITEMS:

Council Member Sanow indicated that the fees for building inspections should be reviewed.

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.	Shane Carlson	312 East Lyon Street	Reroof, Replace Windows, Replace Front Step, Adding Back deck, 2 Egress Windows	\$19,300
2.	Kesteloot Construction, Inc.	305 North 5th Street	Ceiling Repair	\$1,500
3.	Layle French Construction Inc.	607 Cougar Court	Finish Basement	\$16,500
4.	Space Development Co. of Marshall	425 West Main Street	Roof Repair	\$25,000

DETERMINATION TO GO INTO CLOSED SESSION PURSUANT TO MINNESOTA STATUTE 13D.05 SUBD. 3(C)(3) TO CONSIDER OFFER AT 103 WEST LYON STREET:

Sanow moved, Boedigheimer seconded, that the Council go into closed session at 7:09 P.M. pursuant to Minnesota Statute 13D.05 Subd 3(c)(3) to consider offers at 103 West Lyon Street. All voted in favor of the motion.

Those present at the closed session included: Byrnes, Hulsizer, Doom, Sanow, DeCramer, Boedigheimer and Ritter. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney and Thomas M. Meulebroeck, Finance Director/City Clerk.

The council came out of closed session at 7:20 P.M.

DETERMINATION TO GO INTO CLOSED SESSION PURSUANT TO MINNESOTA STATUTE 13D.05 SUBD. 3(C)(3) TO ESTABLISH PRICING RELATED TO REAL PROPERTY ACQUISITION AND SALE OF SONSTEGARD SUBDIVISION I – LOT 4, BLOCK 1.


Doom moved, Sanow seconded, that the Council go into closed session at 7:22 P.M. pursuant to Minnesota Statute 13D.05 Subd 3(c)(3) to establish pricing related to real property acquisition and sale of Sonstegard Subdivision I – Lot 4, Block 1. All voted in favor of the motion.

Those present at the closed session included: Byrnes, Hulsizer, Doom, Sanow, DeCramer, Boedigheimer and Ritter. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney and Thomas M. Meulebroeck, Finance Director/City Clerk.

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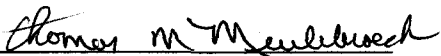
The council came out of closed session at 7:53 P.M.

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



Mayor of the City of Marshall

ATTEST:



Financial Director/City Clerk