

WORK SESSION – SEPTEMBER 3, 2013

The special meeting of the Common Council of the City of Marshall was held on September 3, 2013 in the Community Room at Marshall Lyon County Library, 201 "C" 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, Bayerkohler, Conyers, and DeCramer. Absent: Boedigheimer. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; Kim Jergenson, Engineer Technician; Shane Waterman, Assistant City Engineer; Bob VanMoer, Wastewater Superintendent; Rob Yant, Director of Public Safety; and Thomas M. Meulebroeck, Finance Director/City Clerk. Others in attendance included: Deb Gau, Marshall Independent. Also, in attendance were: Brad Roos and Jeff Larson from Marshall Municipal Utilities and Bill Ziegenhagen, David Sturrock, and David Grong from Marshall Municipal Utilities Commission.

CONSIDER CHANGE ORDER NO. 2 FOR WEST LYON STREET / NORTH 7TH STREET RECONSTRUCTION PROJECT Z00:

Glenn Olson, Director of Public Works/City Engineer, indicated that at the August 27, 2012 Council meeting this change order was presented to the Council for approval. After discussion, the item was tabled for additional information. This project involves the replacement of watermain, sanitary sewer and storm sewer utilities and street reconstruction. The project reconstructs the street and described utilities on West Lyon Street from North 6th Street to Burlington Northern Railroad property and North 7th Street from West Main Street to West Marshall Street.

During televised inspection of the storm sewer pipe, after installation, it was found that there were extensive fine cracks in certain sections of the pipe. Alternatives for a fix were discussed with staff and the contractor including paying plan quantity, requiring removal or negotiating something in between. After review, it is recommended to accept the installation with no payment for any of the cost of the cracked pipe. Staff believes the pipes will last for the life of the project. Change Order no. 2 is a deduct for the entire cost of 18" RCP Storm Sewer Pipe including sales tax, for inferior pipe, not including installation.

DeCramer moved, Byrnes seconded, the approval of Change Order No 2 with Kuechle Underground, Inc., resulting in a contract decrease in the amount of \$2,456.24 and a total contract amount of \$848,525.56. There was a friendly amendment to the motion directing the City Attorney to draft an agreement with a two year warranty. Voting in favor of the motion were: Conyers, Byrnes and DeCramer. Voting no were: Bayerkohler, Doom and Hulsizer. The motion failed.

Doom moved, Bayerkohler seconded, that a change order be approved to split the cost of the pipe 50/50 between the City of Marshall and Kuechle Underground, Inc., that there be a warranty and inspection on full length of the pipe and that Dennis Simpson, City Attorney, be directed to draft the warranty agreement. All voted in favor of the motion.

2014 WASTEWATER AND STORMWATER RATE ANALYSIS:

Glenn Olson, Director of Public Works/City Engineer, reviewed the rate analysis summary for the 2014 Wastewater and Stormwater Analysis.

DeCramer moved, Doom seconded, that the Council consider a fee resolution for the approval of a 2% increase in the Wastewater rates for 2014 and no change to the Stormwater Fund rates for 2014 at the September 10, 2013 regular City Council meeting. Per Bob VanMoer, Wastewater Treatment Plant Superintendent, the major users were notified of the rate change and he has not received a response from any of those users. All voted in favor of the motion.

REVIEW PRELIMINARY BUDGET AND LEVY RESOLUTIONS FOR 2014 FROM THE AUGUST 20, 2013 MEETING:

Ben Martig, City Administrator, reviewed the Preliminary General Fund Budget and Levy for 2014. Mr. Martig indicated that the proposed General Fund budget includes expenditures of \$11,090,417 and revenues of \$10,298,520 resulting in a deficit of \$771,897. The proposed General Fund Budget reflects a levy of \$3,267,392. The total proposed levy for 2014 is increased by approximately 3%.

PRESENTATION OF THE 2014 SANDNES RAW WATER PROJECT (BRAD ROOS, MMU DIRECTOR):

Brad Roos, MMU Director, and Jeff Larsen, MMU Water Superintendent, along with Commissioners Bill Ziegenhagen, David Grong and David Sturrock were in attendance at the meeting to discuss the 2014 Sandnes RAW Water Project. The development of this project began in 1996. This project is 27 ½ miles in length and the expected bonding for this project is \$16,906,400. Mr. Roos was requesting the ability to bond for a portion of this cost in 2013 so that that portion of the bonds will be bank qualified. The bonding process is scheduled to begin in October, 2013.

Mayor Byrnes called for a 5-minute recess at 7:13 P.M.

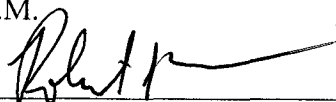
REVIEW 5-YEAR CAPITAL EXPENSES AND PROJECTS:

Ben Martig, City Administrator, lead the discussion on the 5-year Capital Improvement Plan. Rob Yant, Director of Public Safety, was in attendance to address the Capital Expenditures request primarily for 2014 for Public Safety related departments and Glenn Olson, Director of Public Works/City Engineer, addressed the Capital Expenditures requested for those departments associated with Engineering and Public Works.

REVIEW OF 2014 GENERAL FUND OPERATING BUDGET:

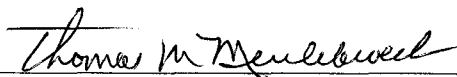
Ben Martig, City Administrator, provided a brief overview of the General Fund Budget and the budgeting process going forward.

The meeting was declared adjourned at 8:30 P.M.



Mayor of the City of Marshall

ATTEST:



Finance Director/City Clerk