

REGULAR MEETING – DECEMBER 17, 2013

The regular meeting of the Common Council of the City of Marshall was held on December 17, 2013 in the Professional Development 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 in attendance: Jennie Hulsizer, Larry Doom, Glenn Bayerkohler, Mike Boedigheimer, John DeCramer, and Ellayne Conyers. Absent: None. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Shane Waterman, Assistant City Engineer; Rob Yant, Director of Public Safety; Ilya Gutman, Building Official; Cathy Lee, Executive Assistant; Jane DeVries, Deputy City Clerk; and Thomas M. Meulebroeck, Finance Director/City Clerk.

The Pledge of Allegiance was recited at this time.

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

CONSIDER APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON DECEMBER 10, 2013:

Member (**Larry Doom**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'that the minutes of the regular meeting held on December 10, 2013 be approved as filed with each member and that the reading of the same be waived'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0** Abstain: **1**. The motion **Passed 6 – 0 – 1**, with Hulsizer abstaining.

CONSIDER APPROVAL OF CONSENT AGENDA:

Member (**Larry Doom**) moved, Member (**Mike Boedigheimer**) seconded to approve the **ORIGINAL** motion "that the council approve the following consent agenda items as presented'. Upon a roll call vote being taken, the vote was: Aye: **7** Nay: **0**. The motion **Carried 7 - 0**

To approve the Engagement Letter for Abdo Eick & Meyers, LLP to perform the audit services for the City of Marshall's 2013 Financial Statements.

The approval of a Temporary On-Sale Liquor License for the Marshall Amateur Hockey Association to use on January 18, 2014 at the Lyon County Fairgrounds, 500 Fairgrounds Road, Marshall, Minnesota.

That the Council approve of the specifications for the Street Department Truck Chassis and a Do-Al Box and Dump Truck/Snowplow.

The adoption of RESOLUTION NUMBER 3966, SECOND SERIES, which is a resolution authorizing the execution of Additional User Agreement between City of Marshall and CIS and authorizing immediate payment of \$22,944 by January 1, 2014.

That the following bills and project payments be authorized for payment: ACCOUNTS PAYABLE, Voucher No. 87015 through 87164.

CONSIDER ADOPTION OF AN ORDINANCE GRANTING BRIDGET'S OF MARSHALL, INC, DBA DICKEY'S BARBECUE PIT AN INTOXICATING MALT LIQUOR ON-SALE LICENSE:

Bridget's of Marshall Inc., dba Dickey's Barbecue Pit has applied for a Wine License and a 3.2 Malt Liquor Beverage License and are requesting that they be allowed to sell intoxicating malt liquors at on-sale as per State Statute 340A.404, Subd 5. This has previously been approved for the Hunan Lion, Inc.

Member (**Larry Doom**) moved, Member (**Ellayne Conyers**) seconded to approve the **ORIGINAL** motion 'the the adoption of ORDINANCE NUMBER 684, SECOND SERIES granting Bridget's of Marshall, Inc., dba Dickey's Barbecue Pit an intoxicating malt liquor on-sale license'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER THE REQUEST BY INREIT PROPERTIES, LLP (TITAN MACHINERY) FOR A VARIANCE ADJUSTMENT PERMIT TO HAVE BUSINESS SIGNAGE OF 121 SF IN EXCESS OF THE SIGNAGE AREA PERMITTED BY THE CITY CODE AT 1201 NORTH HIGHWAY 59:

Ilya Gutman, Building Official, reviewed the request from INREIT Properties, LLP (Titan Machinery) for a Variance Adjustment Permit to have business signage of 121 SF in excess of the signage area permitted by the City Code. The total sign area permitted by the City Code in I-2 General Industrial District for this property is 165 SF; it is based on the frontage of the property along North Highway 59. The requested sign area exceeds the total allowed area by about 73%. Regulations for signage can be found in Section 86-185. The variance regulations and procedures are found in Section 86-29.

Member (**John DeCramer**) moved, Member (**Mike Boedigheimer**) seconded to approve the **ORIGINAL** motion 'that the request from INREIT Properties, LLP (Titan Machinery) for a Variance Adjustment Permit to have business signage of 202 SF in lieu of 165 SF as permitted by the City Code and the "Titan Rental" sign not be installed'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 0 Abstain: 1. The motion **Passed 6 – 0 - 1**, with Doom abstaining.

PROJECT Z17: BITUMINOUS OVERLAY PROJECT – CONSIDER CHANGE ORDER NO. 2 (FINAL) AND ACKNOWLEDGEMENT OF FINAL PAY REQUEST NO. 2:

Shane Waterman, Assistant City Engineer, reviewed the milling and bituminous overlay project for various streets throughout the city. The budgeted amount includes both milling and overlay and bituminous chip sealing which was done under a separate contract. During the construction year, it was decided to reduce the chip seal project by eliminating the chip seal project at the pool parking lot and replacing it with a partial overlay. This reduced the chip seal by approximately \$20,000.00 and increased the overlay project by approximately \$11,000.00 resulting in a net decrease to the total bituminous overlay work.

Member (**John DeCramer**) moved, Member (**Mike Boedigheimer**) seconded to approve the **ORIGINAL** motion 'that the Council approve Change Order No. 2 with McLaughlin & Schulz, Inc. of Marshall, Minnesota for a contract increase in the amount \$3,302.69 and

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acknowledgement of final payment in the amount of \$13,616.44'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

SCHWAN'S CORP I ADDITION – CONSIDER RESOLUTION ADOPTING THE FINAL PLAT:

Shane Waterman, Assistant City Engineer, reviewed the Final Plat of Schwan's Corp I Addition and the Final Plat Checklist. The preliminary plat was approved at the December 10, 2013 City Council meeting. The owner of the property is requesting to plat the area presently described with multiple lots and blocks requiring many separate tax parcel identifications and separate tax statements. This subdivision will combine these parcels resulting in fewer taxable parcels while retaining the ability to subdivide the newly created lot areas. Copies of the proposed subdivision have been sent to the local utility companies for their review and comment and those comments/requirements, if any, have been incorporated into the plat. The south portion of Block One on the preliminary plat has been eliminated on the final plat due to property description discrepancies, and if these discrepancies are cleared up, a separate final plat would come forward for that area at a future time. Documentation has been located that describes the 12-ft. alley dedication in Block Three and has been included in this final plat. It is intended that the alley be vacated and a utility easement retained for the communications cable that exists at the southeast side of the existing alley requiring an additional 5 ft. utility easement for that communication line. The vacation of this alley may come forward at some future date.

Member (**Larry Doom**) moved, Member (**Jennie Hulsizer**) seconded to approve the **ORIGINAL** motion 'that the Council adopt RESOLUTION NUMBER 3967, SECOND SERIES, which is the Resolution Approving the Final Plat of Schwan's Corp I Addition, contingent upon City Attorney review and approval'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER APPROVAL OF WORKERS COMPENSATION INSURANCE RENEWAL:

Thomas M. Meulebroeck, Finance Director/City Clerk, provided a recap of the Workers Compensation Insurance rates and premium for 2014 in comparison to 2013. The experience modification has increased from .79 in 2013 to .94 in 2014. The experience modified is based on the claims for the previous three years (2010 - 2012). The renewal effective January 1, 2014 with the League of Minnesota Cities reflects the deductible remaining at \$5,000.

Member (**Larry Doom**) moved, Member (**Ellayne Conyers**) seconded to approve the **ORIGINAL** motion 'to renew the City's Workers Compensation Insurance with the League of Minnesota City Insurance Trust for 2014 at an estimated premium of \$214,517'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER ADOPTION OF 2014 BUDGET AND TAX LEVY:

Ben Martig, City Administrator, briefly reviewed the 2014 budget. Mr. Martig indicated that the budget is consistent with the recommendations previously presented at the tax hearings and during the final budget planning. Mr. Martig indicated that because of changes in the sales tax law the City of Marshall will now be tax exempt. This will provide for a substantial savings for the City.

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There were no comments from the public. Mayor Byrnes thanked Ben, Tom and all of the staff for their work on the budget.

Motion #1

Member (**Mike Boedigheimer**) moved, Member (**Larry Doom**) seconded to approve the **ORIGINAL** motion to 'adopt RESOLUTION NUMBER 3968, SECOND SERIES, which is a resolution Adopting the 2013 Tax Levy Collectible in 2014'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

Motion #2

Member (**John DeCramer**) moved, Member (**Larry Doom**) seconded to approve the **NEW** motion 'to adopt RESOLUTION NUMBER 3969, SECOND SERIES, which is a resolution Adopting the 2014 budget'.

Motion #3

Glenn Bayerkohler moved, Mike Boedigheimer seconded, to amend the motion to include the following items: that the Southwest Regional Amateur Sports Center be accounted for as an Enterprise Fund in the FY 2014 Budget and that the MERIT Center be accounted for as an Enterprise Fund in the FY 2014 Budget.

Council Member Bayerkohler indicated that Enterprise Funds are used to account for activities for which a fee is charged to external users (general public) for goods and services. The following are characteristics of Enterprise Funds:

1. They are considered a non-expendable fund, which means that the capital equity is retained permanently rather than being expended each period.
2. They are self-sustaining funds and are operated similar to profit-seeking organizations or companies (should not need funds from outside source) (sustained by their own profits).
3. They are required to use the accrual basis method of accounting.
4. Expense accounts are used instead of expenditures.
5. They are required to record depreciation expense.

Mayor Byrnes indicated that these are good comments but neither facility will be operational in 2014. Byrnes suggested that this change be considered for the 2015 budget.

Council Member Bayerkohler indicated that the MERIT Center is already operating as a Special Revenue Fund and that the Sports Facility is receiving revenue from the sales tax.

Council Member Boedigheimer indicated that he agrees with Bayerkohler.

Ben Martig, City Administrator, indicated that staff is not prepared to discuss this option at this time. Ben indicated that when this was originally discussed with the Auditors and Springsted's it was decided to set these up as Special Revenue Funds. Ben indicated that there are pros and cons to setting these up as Special Revenue Funds or Enterprise Funds. Ben suggested that this discussion take place after the first of the year.

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Council Member Boedigheimer indicated that these should be Enterprise Funds, but that it will take time to set them up.

Mayor Byrnes indicated that the original motion is to adopt the budget and that there is not affect on how these projects would be set up.

Mr. Martig indicated that Bayerkohler and Boedigheimer understand the pro and cons, but that the other Council Members need time to understand them.

Council Member DeCramer is not in support of this change at this time.

Council Member Bayerkohler indicated that he would be willing to withdraw his amendment, which is motion #3 with the understanding that a Work Session be held early in 2014. Boedigheimer withdrew his second.

Motion #4

Member (**Glenn Bayerkohler**) moved, Member (**Mike Boedigheimer**) seconded for discussion purposes, the following motion:

Whereas, in the proposed FY 2014 Budget the plan is to transfer \$200,000 from the Wastewater Treatment Fund to the General Fund, and, whereas the plan is to transfer \$134,010 from the Surface Water Management Fund to the General Fund.

- a. That the Wastewater Treatment Fund transfer-out \$200,000 to the General Fund shall be reduced by \$100,000 and the General Fund transfer-in from the Wastewater Treatment Fund shall be reduced by \$100,000.
- b. The 2014 expenditures of the General Fund shall be reduced by \$100,000
- c. The goal for the future is to phase-out over a three-year period the amount of transfers to the General Funds from both the Wastewater Treatment Fund and the Surface Water Management Fund.

Upon a roll call vote being taken, the vote was: Aye: **2** Nay: **5**. The motion **Failed 2 – 5**, with Bayerkohler and Hulsizer voting yes and Conyers, DeCramer, Doom, Boedigheimer and Byrnes voting no.

Council Member Boedigheimer called the question on Motion #2.

Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **1**. The motion **Passed 6 – 1**, with Bayerkohler voting no.

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 December 12th.

Hulsizer No report.

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Doom Equipment Review Committee met.

Bayerkohler Planning Commission met on December 11th.

DeCramer Utilities Commission met with City of Marshall personnel to discuss the Partnership Agreement.

Boedigheimer No report.

Conyers No report.

COUNCILMEMBER INDIVIDUAL ITEMS:

There were no additional comments from the Council Members.

STAFF REPORTS:

Ben Martig, City Administrator, requested Council Members input on items that should be discussed in 2014. Ben indicated that Lyon County voted to withdraw from the Plum Creek regional library system effective July 1st.

Dennis Simpson, City Attorney, indicated that EDA will be meeting on December 18th and will finalize the Action Manufacturing documents.

PENDING ITEMS:

City Administrator Martig indicated that he needs to update this list.

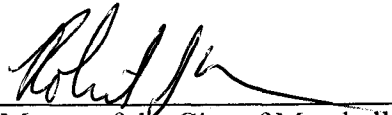
INFORMATION ONLY:

There were no questions on the information items.

UPCOMING MEETINGS:

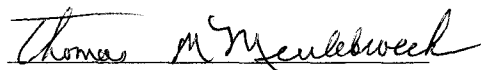
There were no questions on the upcoming meeting list.

Member (**Larry Doom**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'Adjourn meeting'. Upon a roll call vote being taken, the vote was: Aye: 7
Nay: 0. The motion **Carried 7 - 0**



Mayor of the City of Marshall

ATTEST:



Finance Director/City Clerk