

REGULAR MEETING – OCTOBER 27, 2015

The regular meeting of the Common Council of the City of Marshall was held October 27, 2015 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: David Sturrock, Ellayne Conyers, John DeCramer, Glenn Bayerkohler, Larry Doom and Craig Schafer. Absent: none. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Assistant City Engineer; Ilya Gutman, Plan Examiner; Harry Weilage, Director of Community Services; Marc Klaith, Fire Chief; several firemen; Jane DeVries, Deputy City Clerk and Thomas M. Meulebroeck, Finance Director/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 presented.

CONSIDER APPROVAL OF THE MINUTES OF THE REGULAR MEETING HELD ON OCTOBER 13, 2015, AND THE MINUTES OF THE WORK SESSION HELD ON OCTOBER 20, 2015:

Member (**Craig Schafer**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'that the minutes of the regular meeting held on October 13, 2015, and the minutes of the work session held on October 20, 2015 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: 7 Nay: 0. The motion **Carried 7 - 0**

PUBLIC HEARING AND CONSIDERATION OF RESOLUTION GIVING HOST APPROVAL ON THE ISSUANCE OF A HEALTH CARE FACILITIES REVENUE NOTE (WESTERN MENTAL HEALTH PROJECT):

Ben Martig, City Administrator, indicated that Western Mental Health Center (WMHC) has requested conduit financing that would include the issuance of a tax-exempt note, the proceeds of which will be used to construct a new building addition to its current facility located at 1212 East College Drive in Marshall. This project will result in a combined building comprising of 20,740 square feet. The tax-exempt note proceeds will also be used to refinance various taxable indebtedness, which has been previously incurred to finance WMHC activities. Finally, a small amount of the note proceeds will pay the costs of issuance of the note. The City of Marshall was previously approached to be the issuer of the tax-exempt note, but due to the City pushing issuing more than \$10 million of tax-exempt debt in 2015, the note would not have been a "bank qualified" debt. Bank qualified debt is more attractive to bank investors, resulting in lower interest rates, so if a host jurisdiction does not have bank-qualified capacity, it is very common for a borrower to seek out alternative bond issuers. This was done in this case and the City of Canby, which is also home to a WMHC facility, agreed to issue the note. Canby has bank-qualified capacity for 2015 as well. Canby approved this conduit revenue financing at its City Council meeting on October 21, 2015. Federal tax regulations require the host jurisdiction for the financing to also hold a public hearing and give "host approval" to the project. There is no financial impact of any kind to the City of Marshall.

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Sarah Ackerman, Executive Director of Western Mental Health Center and Steven Fenlon, Esq were in attendance at the meeting on behalf of Midwest Health Care Capital (MHC) and Western Mental Health Center (WMHC).

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

Member (**Larry Doom**) moved, Member (**Craig Schafer**) seconded to approve the **NEW** motion 'to adopt RESOLUTION NUMBER 4208, SECOND SERIES, which is a Resolution Giving Host Approval on the Issuance of a Health Care Facilities Revenue Note (Western Mental Health Project)'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER AWARD OF PROPOSAL FOR PROFESSIONAL SERVICES FOR ARCHITECTURAL SERVICES FOR STREET DEPARTMENT VENTILATION IMPROVEMENTS:

Jason Anderson, Assistant City Engineer, reviewed the proposal for professional services for architectural services for the Street Department Ventilation Improvements. The project scope consists of a new ventilation/make-up air system, localized exhaust for a welding station, and CO2/NO2 detection system for the existing shop/garage. This project has been defined as necessary for the improvement of air quality within the working environment of the shop/garage area. The 2015 adopted budget for capital equipment includes \$125,000.00 for expenses related to this improvement. The estimated cost of the improvement is \$85,000.00, plus architectural work and any required testing. This is a professional services contract and is being executed in accordance with the current City Purchasing Policy.

Member (**John DeCramer**) moved, Member (**David Sturrock**) seconded to approve the **ORIGINAL** motion 'that the Council award the proposal for Professional Services for Architectural Services for Street Department Ventilation Improvements to TSP, Inc. of Marshall, Minnesota, including design, construction documents, and bidding for a lump sum of \$15,700.00 with construction phase services on an hourly rate basis'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER APPROVAL OF CONSENT AGENDA:

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

That the proper city personnel be authorized to advertise for bids for towing and storage of vehicles. These bids are to be received by 10:00 A.M. on November 13, 2015.

The proper City personnel be authorized to enter into a rental agreement with the City of Moorhead for the Southwest Minnesota Chemical Assessment Team (SWMN CAT) to use their training trailer for team training.

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Authorization be granted to the Department of Public Safety to dispose of surplus City Property – one (1) vehicle. This vehicle will be auctioned on-line at the state site or will be taken to Alter for disposal.

That the following bills and project payments be authorized for payment: ACCOUNTS PAYABLE, Voucher No. 95733 through 95943.

APPROVAL OF ITEMS PULLED FROM CONSENT - CONSIDER ADOPTION OF RESOLUTION ADOPTING ASSESSMENT FOR ICE AND SNOW REMOVAL:

Council Member Bayerkohler indicated that the ordinance should be referred to the Legislative and Ordinance Committee for clarification.

Member (**Craig Schafer**) moved, Member (**Larry Doom**) seconded to approve the ORIGINAL motion 'the adoption of RESOLUTION NUMBER 4209, SECOND SERIES Adopting the Assessment for Ice and Snow Removal'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

APPROVAL OF RESOLUTION AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE THE FOLLOWING DOCUMENTS: THIRD AMENDMENT TO TRANSFER OF MEMBERSHIP AGREEMENT BETWEEN THE CITY OF MARSHALL, AVERA MARSHALL AND AVERA HEALTH; FIRST AMENDMENT TO 2009 SPECIAL TRUST AGREEMENT BETWEEN THE CITY OF MARSHALL, AVERA MARSHALL AND AVERA HEALTH; AND SPONSORSHIP AGREEMENT BETWEEN THE CITY OF MARSHALL, AND AVERA MARSHALL:

The City Council held a work session on October 20, 2015 with Mary Maertens, President and Sharon Williams, CFO of Avera Marshall Regional Medical Center, to discuss the proposed agreements between Avera and the City of Marshall.

Council Member Bayerkohler directed several questions to Sharon Williams. He indicated that he was not in favor of the agreements.

Member (**Larry Doom**) moved, Member (**John DeCramer**) seconded to approve the ORIGINAL motion 'to adopt RESOLUTION NUMBER 4210, SECOND SERIES, which is a Resolution Authorizing the Proper City Officials to Execute the Following Documents: Third Amendment to Transfer of Membership Agreement Between the City of Marshall, Avera Marshall and Avera Health; First Amendment to 2009 Special Trust Agreement Between the City of Marshall, Avera Marshall and Avera Health; and Sponsorship Agreement Between the City of Marshall, and Avera Marshall'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 1. The motion **Passed 6 – 1** with Bayerkohler voting no.

CONSIDER 2015 FIRE RELIEF ASSOCIATION CONTRIBUTION:

Ben Martig, City Administrator, indicated that the City Council in recent history has reviewed the annual Fire Pension Benefit levels. On November 4, 2014, the City passed a motion for a "\$250 increase to the fire relief association pension effective for 2015 and with annual baseline adjustment thereafter to coincide with employee pay adjustments." There was discussion there could be reasons or requests to vary from this but generally to consider this practice in 2016 and

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beyond unless there was compelling information to consider varying from this practice. The personnel committee met on October 19, 2015 and unanimously recommended approval. This is consistent with the direction given by the City Council in 2014.

Member (**Craig Schafer**) moved, Member (**Ellayne Conyers**) seconded to approve the **ORIGINAL** motion 'to approve the January 1, 2016 Fire Relief Association lump sum contribution in the amount of \$5,665'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

CONSIDER APPROVAL OF SPECIAL ASSESSMENT RELATED TO VARSITY PUB PROJECT:

Ben Martig, City Administrator, briefly reviewed the development agreement that addressed the special assessment for the Varsity Pub Project. Ben indicated that they would have the opportunity to either pay in full before November 15, 2015 and in conjunction with the closing and transfer of property or alternatively the City will assess the property then complete the closing and sale of property.

Member (**John DeCramer**) moved, Member (**Larry Doom**) seconded to approve the **ORIGINAL** motion 'the adoption of RESOLUTION NUMBER 4111, SECOND SERIES, which is a Resolution Adopting the Assessment for Project Z34: Block 11 Sidewalk and Parking Lot Improvement Project'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 0 Abstain: 1. The motion Passed **6 - 0 - 1** with Bayerkohler abstaining.

CONSIDER THE REQUEST BY ZIEGLER CAT FOR A VARIANCE ADJUSTMENT PERMIT TO INSTALL SIGNAGE EXCEEDING THE MAXIMUM SIZE PERMITTED BY CITY ORDINANCE:

Jason Anderson, Assistant City Engineer, reviewed the request from Ziegler Cat for a Variance Adjustment Permit to install signage exceeding the maximum size permitted by City Ordinance. The total sign area permitted by the City Code in I-2 General Industrial District for this property is 154 SF; it is based on the frontage of the property along North Highway 59. With the new sign requested by owner, total signage area for this property will be 249 SF. Similar property with the same use across the highway received a variance in 2013 for 202 SF of signage in lieu of 165 SF allowed which amounted to about 22% overage. This overage seems reasonable and the staff suggests doing the same for this request. Therefore, total signage area of 190 SF is supported by staff.

Member (**Larry Doom**) moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'that the Council approve a request for a Variance Adjustment Permit for installing signage exceeding the maximum size allowed by City Ordinance by 31% to a total of 202 S.F. at 1200 North Highway 59'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

**SOUTHWEST MINNESOTA REGIONAL AMATEUR SPORTS CENTER (SMASC) –
CONSIDER CHANGE ORDERS: 1) CHANGE ORDER NO. 2 (3100/3300.002) FOR
CONTRACT #3100/3300 EARTHWORK & SITE UTILITIES WITH R&G
CONSTRUCTION CO.; 2) CHANGE ORDER NO. 5 (0990.005) FOR CONTRACT #0990
PAINTING/COATINGS WITH STEINBRECHER PAINTING, INC:**

Jason Anderson, Assistant City Attorney, reviewed the proposed change orders for the Southwest Minnesota Regional Amateur Sports Center.

Member (**Larry Doom**) moved, Member (**Ellayne Conyers**) seconded to approve the **SUBSTITUTE** motion 'approve Change Order No. 2 (3100/3300.002) for Contract #3100/3300 Earthwork & Site Utilities with R&G Construction Co. of Marshall, Minnesota, for a contract decrease in the amount of \$3,000.00 and Change Order No. 5 (0990.005) for Contract #0990 Painting/Coatings with Steinbrecher Painting, Inc., for a contract decrease in the amount of \$1,080.00'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

**SALT/SAND STORAGE FACILITY – ACKNOWLEDGEMENT OF FINAL PAYMENT
APPLICATION NO. 7 TO SUSSNER CONSTRUCTION, INC:**

Jason Anderson, Assistant City Engineer, indicated that the Salt/Sand Storage Facility replaces the existing storage area with a new 65 ft. wide x 80 ft. long salt/sand storage facility with three reinforced concrete walls, an open front, and a clear span fabric roof structure. All the work has been completed in accordance with the specifications. The City's consultant, TSP, has recommended approval for final payment. The original contract amount was \$173,500.00 and there were no change orders on the project.

Member (**Larry Doom**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'that the Council acknowledge Final Pay Request (No. 7) in the amount of \$8,675.00 to Sussner Construction, Inc. of Marshall, Minnesota for the Salt/Sand Storage Facility for the Public Works Department'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

APPROVAL OF APPOINTMENT TO THE CONVENTION AND VISITORS BUREAU:

Per the recommendation of Mayor Byrnes Member (**Craig Schafer**) moved, Member (**Larry Doom**) seconded to approve the **ORIGINAL** motion 'approval of appointments to the Convention and Visitors Bureau and Community Services Board'. Upon a roll call vote being taken, the vote was: Aye: 7 Nay: 0. The motion **Carried 7 - 0**

Convention and Visitors Bureau – Carol Purrington be appointed to an unexpired term to expire on December 31, 2018

Community Services Board – Jennifer Andries be appointed to an unexpired term to expire on February 28, 2016

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COMMISSION/BOARD LIAISON REPORTS:

- Byrnes Fire Relief Association met on October 21st – they reviewed the status of the funds; Regional Development Commission will meet on November 5th.
- Schafer No report.
- Doom EDA approved combining 5 Parkway Addition II Lots into 4 lots; Legislative and Ordinance Committee reviewed the Liquor ordinance; Personnel Committee – items were acted on earlier.
- Bayerkohler No report.
- DeCramer Utilities Commission is working on their budget and salary increases for their employees.
- Sturrock No report.
- Conyers No report.

COUNCILMEMBER INDIVIDUAL ITEMS:

Council Member Bayerkohler made reference to a memo summarizing the costs of the Red Baron Arena & Expo construction costs being 23.5% more than the voters were told at the time of the election approving the project. Council Member Sturrock made reference to the EPA Ground Water lawsuit. Mayor Byrnes was a guest on Council Member Conyers weekly TV show. The Workforce Summit will be held at SMSU on October 28th.

CITY ADMINISTRATOR:

Ben Martig, City Administrator, indicated that Marty Seifert is working with the Coalition of Greater Minnesota Cities conference to be held in Alexandria in November. Glenn Olson is at the Conference for Engineers. The punch list for the Liquor store is being worked on, they hope to open on November 16th. SW Minnesota Administrators luncheon will be held in Marshall on October 29th.

DIRECTOR OF PUBLIC WORKS:

Jason Anderson, Assistant City Engineer, provided updates on the current projects.

CITY ATTORNEY:

Dennis Simpson, City Attorney, indicated that EDA approved the sale of 5 lots in Parkway II Addition.

PENDING ITEMS:

There were no questions on the pending items.

INFORMATION ONLY:

There were no questions on the information items.

DETERMINATION TO GO INTO CLOSED SESSION PURSUANT TO MINNESOTA STATUTE 13D.03 RELATED TO UNION CONTRACTS.

Member (**Craig Schafer**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'approved going into closed session pursuant to Minnesota Statute 13D.03 related to Union Contracts'. Upon a roll call vote being taken, the vote was: Aye: **7** Nay: **0**. The motion **Carried 7 - 0**

The closed session was called to order at 6:52 P.M. by Mayor Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Larry Doom, Glenn Bayerkohler, John DeCramer, David Sturrock and Ellayne Conyers. Staff present included: Ben Martig, City Administrator and Thomas M. Meulebroeck, Finance Director/City Clerk.

The Council came out of closed session at 7:17 P.M.

CONSIDER EMPLOYER CONTRIBUTION TO 2016 EMPLOYEE GROUP HEALTH INSURANCE PLAN:

Ben Martig, City Administrator, indicated that per discussion at the last closed session, staff recommended averaging the current employer single and family insurance contribution to one rate for 2016. Additionally, staff indicated they would be proposing the total cost to the employer to increase 3% from the total for 2015. The proposed rates are as follows:

Single Employer Contribution \$7,219.11

Family Employer Contribution \$16,711.42

For a total cost to the City for 2016 to be estimated at \$1,280,359 (+3% from 2015 \$37,080.52 for all funds).

Schafer moved, Sturrock seconded, the approval of group health plan employer 2016 single contribution of \$7,219.11 and employer family contribution of \$16,711.42 All voted in favor of the motion.

CONSIDER EMPLOYER CONTRIBUTION TO 2016 EMPLOYEE GROUP DENTAL INSURANCE PLAN:

Ben Martig, City Administrator, reviewed the proposal for Dental Insurance with the increased deductible plan. Staff is recommending to keep the current 80% city / 20% employee contribution levels.

Doom moved, Schafer seconded, to approve the employer single dental contribution of \$34.00 per month and the employer family dental contribution of \$94.48 per month; which includes the increase in deductible to \$50.00 per individual and \$150.00 for family. All voted in favor of the motion.

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UPCOMING MEETINGS

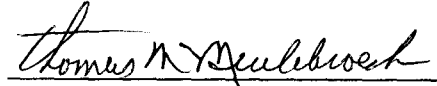
There was no questions on the upcoming meeting list.

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



Mayor

ATTEST:



Finance Director/City Clerk