

REGULAR MEETING – JANUARY 26, 2016

The regular meeting of the Common Council of the City of Marshall was held January 26, 2016 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: Larry Doom, David Sturrock, John DeCramer, Craig Schafer, and Glenn Bayerkohler. Absent: Ellayne Conyers. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; Rob Yant, Director of Public Safety; Harry Weilage, Director of Community Services; Sheila Dubs, Human Resource Coordinator; Preston Stensrud, Parks Supervisor; Jane DeVries, Deputy City Clerk; and Thomas M. Meulebroeck, Finance Director/City Clerk. Others in attendance included: Darin Rahm, Convention & Visitor's Bureau Director.

Mayor Byrnes acknowledged several Boy Scouts from Troup 320 and asked them to come forward to lead the Pledge of Allegiance. The Pledge of Allegiance was recited at this time.

INTRODUCTION OF MICHELE LEININGER, LIBRARY DIRECTOR:

Ben Martig, City Administrator, took this opportunity to introduce the new Library Director Michele Leininger.

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 WORK SESSION HELD ON JANUARY 12, 2016 AND THE MINUTES OF THE REGULAR MEETING HELD ON JANUARY 12, 2016:

Member (**Craig Schafer**) moved, Member (**John DeCramer**) seconded to approve the **ORIGINAL** motion 'the minutes of the work session held on January 12, 2016 and the minutes of the regular meeting held on January 12, 2016 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. The motion **Carried 6 - 0**

AUTHORIZATION TO PURCHASE SCOREBOARDS FOR INDEPENDENCE PARK:

Preston Stensrud, Parks Supervisor, indicated that the current Independence Park scoreboards were acquired by the City in 1993 and are in need of replacement due to deterioration and parts availability. Each scoreboard has a power consumption of 3,280 watts due to the use of incandescent light bulbs. This purchase will replace the existing scoreboards with a new LED lighting system with significantly extended life, ease of replacement and a power consumption of only 150 watts each. In accordance with the Minnesota Service Cooperative Contract #AEPA IFB #012-H and the Southwest/West Central Service Cooperative, athletic scoreboards have been included in a competitive bidding process and are available for cities to utilize.

The lowest bid for the athletic scoreboard, per the specifications is from Daktronics in the amount \$10,947.00. Delivery costs for the unit were estimated at \$700.00. Because of the Daktronics proximity to Marshall, Parks Department personnel plan to pick up the unit and deliver it to Marshall, thereby saving the delivery costs.

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The 2016 Parks Department budget includes \$12,000.00 for these units funded from Account #401-70276-5530 (Capital Fund-Parks-Improvements other than Buildings). An additional appropriation is to come from Marshall Municipal Utilities estimated at \$945.00 for lighting retrofit savings. City staff also recommends replacing the wood telephone poles the existing scoreboards are mounted on with I-beams for an estimated cost of \$1,400.00. The Marshall Area Youth Baseball Association (MAYBA) has agreed to donate 50% of the costs of this project to the City. Total cost for replacement of scoreboards and I-beams is \$12,347.00 less the \$945.00 rebate would be \$11,402.00. The net cost to the City would be \$5,701.00 after MAYBA's participation in the project.

Member (**Larry Doom**) moved, Member (**David Sturrock**) seconded to approve the **ORIGINAL** motion 'that the Council authorize the purchase of the scoreboards for Independence Park from Daktronics of Brookings, SD in the amount of \$10,947.00; the purchase of the I-beams in the amount of \$1,400.00 and the rebate of \$945.00 from MMU for a total cost of \$11,402.00 and recommend Council declare the existing scoreboards at Independence Park as surplus equipment. MAYBA will donate 50% of the costs for this project'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried 6 - 0**

CONSIDER PURCHASE SCOREBOARDS FOR RED BARON ARENA & EXPO:

Harry Weilage, Director of Community Services, indicated that the arena will include two new scoreboards in the main arena/expo. A quote was received from Daktronics in the amount of \$34,163.00. The signage will be included in the sports arena project fund. The signage is part of the South Central Service Contract of which the City is a member.

The secondary rink is planned to have scoreboards re-located from the existing Lockwood Ice Arena.

Member (**John DeCramer**) moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'that the Council authorize the purchase of scoreboards, goal lights and other equipment for the Red Baron Arena & Expo from Daktronics in the amount of \$34,163.00'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **1**. The motion **Passed 5 – 1** with Bayerkohler voting no.

CONSIDER APPROVAL OF RED BARON ARENA & EXPO LED VIDEO DISPLAY, EQUIPMENT AND INSTALLATION WITH DAKTRONICS:

Harry Weilage, Director of Community Services, indicated that staff has been analyzing possible scoreboards and video board options with Daktronics dating back to June of 2015. The details were put on hold due to timing of the project and clarification of other decisions. Staff has been working to further define the scope and met with Daktronics in the last few months as it relates to both the scoreboards (separate agenda item) and the proposed video board. A quote was received on Wednesday, January 12 and presented to staff. Daktronics had not finalized several components and the complete package was received on Saturday, January 23rd in the amount of \$427,306.00. The videoboard display and components will allow for high quality production for hockey and expo events appropriate to the seating areas of the facility. The vision is for the SMSU and MPS students to be participating in this production for various events. The videoboard was included with the City commitment in the sponsorship agreement with Avera.

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Member (**Larry Doom**) moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'that the Council authorize the purchase of a LED Video Display, equipment and installation, with Daktronics in the amount of \$427,306.00 for the Red Baron Arena & Expo'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **1**. The motion **Passed 5 – 1** with Bayerkohler voting no.

CONSIDER APPROVAL OF CONSENT AGENDA:

Member (**Craig Schafer**) moved, Member (**John DeCramer**) 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: **6** Nay: **0**. The motion **Carried 6 - 0**

The adoption of RESOLUTION NUMBER 4238, SECOND SERIES, approving the Data Practices Policy for Members of the Public and the Data Practices Policy for Data Subjects.

The approval of a Temporary On-Sale Liquor License for Marshall Area Chamber of Commerce to use at Keller Williams Preferred Realty, 311 South O'Connell Street, Marshall, Minnesota on February 24, 2016.

The approval of a Tobacco License for Marshall Golf Club, 1400 Country Club Drive, Marshall, Minnesota to expire on December 31, 2016.

BE IT RESOLVED, that the City Council hereby (1) grants local unit of government approval to the Shades of the Past to hold a raffle on June 4, 2016 at Running's Store, 1101 East Main Street, Marshall, Minnesota, (2) acknowledges the receipt of LG220 Application of Exempt Permit, (3) waives the 30-day waiting period, and (4) authorizes and directs the appropriate city personnel to complete and sign the LG220 Application for Exempt Permit on behalf of the City of Marshall.

The approval of a Temporary On-Sale Liquor License for Marshall Area Chamber of Commerce to use at A & B Business Solutions, 200 O'Connell Street, Marshall, Minnesota on March 1, 2016.

That the following bills and project payments be authorized for payment, ACCOUNTS PAYABLE, Voucher No. 96950 through 97160.

CONSIDER APPROVAL OF THE RESOLUTION APPROVING AMENDMENTS RELATING TO THE MRES POWER SALE AGREEMENT S-1. THE RESOLUTION, SCHEDULE A TO THE S-1 AGREEMENT, AMENDMENT 2 TO THE S-1 AGREEMENT AND THE RESTATED POWER SALE AGREEMENT S-1 ARE EFFECTIVE JANUARY 2, 2017:

Council Member (**John DeCramer**) made a motion, which was seconded by Council Member (**David Sturrock**) to adopt RESOLUTION NUMBER 4239, SECOND SERIES to approve amendments relating to the MRES Power Sale Agreement (S-1), including the Amendment 2 to the Missouri Basin Municipal Power Agency Power Sale Agreement (S-1), the Missouri Basin Municipal Power Agency Power Sale Agreement (S-1) (as amended and restated effective January 2, 2017), and Schedule A to the S-1 Agreement.

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On January 12, 2016, MMU General Manager Brad Roos presented to the Council, the information relative to the proposed amendments to the Power Sale Agreement (S-1) existing between MRES and MMU. The MMU Commission has previously approved the amendments to the S-1 agreement and Schedule A. The Marshall City Charter requires that the Marshall City Council approve contracts exceeding 10 years in length. The S-1 agreement currently extends through 2046, and the amendments propose to extend that agreement to January 2, 2057. Therefore, it is necessary for the Marshall City Council to approve the amendments to the S-1 Power Sale Agreement. The amendments to the S-1 Power Sale Agreement recognize the new economic realities of the municipal power business. The present S-1 Agreement deals with the purchase and delivery of electrical power as an integrated product and service. The amendments to the S-1 Power Sale Agreement recognize that the power purchase business is now a financial transaction and the amendments recognize the future financial arrangements for the purchase of electrical power, which are separate from the delivery of such power. The S-1 Agreement deals with the acquisition of “supplemental power” from MRES during the term of the agreement. The City has a firm power contract with the Western Area Power Administration (WAPA), with all supplemental power in excess of WAPA firm power allocation provided by MRES. The S-1 Agreement amendments as proposed relate to the interrelationship among the Midcontinent Independent System Operator (MISO) Regional Transmission Organization (RTO), the Southwest Power Pool (SPP) RTO, and Missouri River Energy Services (which is a member of both MISO and SPP), for the acquisition and delivery of electrical power. The acquisition and delivery of electrical power is an intertwined and complicated process. City staff believes that the business relationship between the City of Marshall/MMU and MRES is of financial benefit to the City, and as such, staff is recommending that the S-1 amendment and associated documents be approved.

Following discussion of the Resolution and the amendments to the underlying agreements, the vote was called. Upon a roll call vote being taken, the vote was: Aye: unanimous, Nay: 0. The motion Carried 6 – 0, and the Mayor declared the RESOLUTION NUMBER 4239, SECOND SERIES adopted.

CONSIDER RESOLUTION AUTHORIZING UTILITY RE-FUNDING BOND ISSUE:

Brad Roos, General Manager Marshall Municipal Utilities, and Terri Heaton, Springsteds Inc., were in attendance at the meeting. The MMU Commission has determined that the City of Marshall should issue the Public Utility Revenue Refunding Bonds, Series 2016A to refund three outstanding bond issues of the City’s Public Utility. The Springsted summary document provides information relative to the proposed issuance. It is anticipated that the proceeds of the bond sales would be received on or about April 21, 2016. That a portion of the bond proceeds would be paid on May 26, 2016 to redeem existing 2006A bonds. The remainder of the bond proceeds would be used for the redemption of the 2007A and 2007B bonds on or about July 1, 2016. The 2006A bonds were used to finance various improvements to the electrical distribution component of the electric and water utility system of MMU and to fund a deposit to the debt service account. The 2007A bonds were used to finance various improvements to the City’s electric system, specifically the Southwest substation project and to fund a deposit of the Debt Service Reserve Account. The 2007B bonds were used to refund the City’s Public Utility Revenue Refunding Bonds, Series 1998A dated April 8, 1998. The current Debt Service Reserve Fund and the resolution for the bonds requires that a Debt Service Reserve Fund be funded by an amount equal

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to the lesser of (i) maximum annual debt service on the outstanding Parity bonds and the bonds, or (ii) 125% of the average annual debt service on the outstanding Parity bonds and the bonds. The projected debt service reserve requirement is estimated to be \$4,270,305.09 which is equal to 125% of the average annual debt service on the existing Parity bonds and the bonds. The Commission currently has \$4,878,656.67 in the debt service reserve fund. The difference between those two balances is equal to \$608,351.58, and will be applied as a source of funds in the refunding of the 2006A, 2007A, and 2007B bonds. In consultation with the Utility, the bonds have been structured to provide approximately uniform savings with the same terms as the prior bonds. Based on current interest rate estimate, the refunding is projected to result in a future value savings of approximately \$615,225 with a net present value benefit of \$538,792. These estimates are net of all costs of issuance and the cash contributions from prior debt service funds and excess debt service reserve funds.

Member (**John DeCramer**) moved, Member (**David Sturrock**) seconded to approve the **ORIGINAL** motion 'the adoption of RESOLUTION NUMBER 4240, SECOND SERIES, Authorizing Utility Re-Funding Bond Issue. This Resolution authorizes the Public Utility Revenue Refunding Bonds, Series 2016A in the amount of \$7,545,000. The MMU Commission approved the recommendation for the issuance of said bonds at its meeting on Wednesday, January 20, 2016'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried 6 - 0**

CONSIDER APPROVAL OF THE INFORMATION SECURITY POLICY:

Sheila Dubs, Human Resource Coordinator, reviewed the proposed Information Security Policy. On January 11, 2016, the Personnel Committee reviewed and unanimously approved recommendation of the policy to the Council. Councilmember DeCramer discussed concerns related to employee awareness, compliance, and the potential for unintentional mistakes which may result in security risks to the system. These concerns were addressed by staff at the committee meeting. In September, 2015, Ben Martig was invited by MMU to participate on MMU's Data Security Committee. Ben designated Human Resource Coordinator, Sheila Dubs, to also sit on the committee. The committee is working towards completion of a multi-year Technology Action Plan. The proposed Information Security Policy, will serve to fulfill one of the goals of the Technology Action Plan. The proposed policy mirrors the MMU policy that has already been adopted by the Marshall Municipal Utility Commission. In developing the policy, MMU worked with a consultant, RSM (formerly McGladrey). City staff made no substantive edits to the original policy. The purpose of the Information Security Policy is to safeguard physical and electronic information assets owned by the City and MMU---these include but are not limited to: desktop computers, laptop computers, tablets, servers, projectors, printers, and software. There are several goals that this policy seeks to accomplish---to summarize: 1) Ensure legal compliance 2) Ensure confidentiality, integrity, and availability of information/data 3) Provide employees with parameters in order to minimize the risk of security incidents 4) Ensure continuity of operations if a security incident occurs 5) Ensure a stable/reliable technology infrastructure MMU and RSM have also finalized, and MMU has adopted, a series of 12 IT procedures that complement the Information Security Policy. City staff made no substantive edits to the original procedures. If the Information Security Policy is approved by the Council, these procedures will be approved by the City Administrator, and formatted as part of the City's Administrative Procedures manual. The procedures address the following: ♣ Passwords ♣

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Acceptable Use of Technology Assets ♣ E-mail ♣ Virtual Private Networking (VPN) ♣ Approved Applications ♣ Antivirus ♣ Remote Access ♣ Acceptable Encryption ♣ Removable Media ♣ Information Classification ♣ Wireless Communications Procedure ♣ Cloud Computing MMU hosts the City's server and acts as the City's Network Administrator. It is recommended by Staff that the City share in the responsibility of ensuring overall information security by approving this policy. If approved by the City Council, the Information Security Policy will be included in the City's Administrative Policies and staff will initiate training with all employees.

Member (**Larry Doom**) moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'that the Council approves the Information Security Policy'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried 6 - 0**

MARSHALL LIQUOR STORE - CONSIDER CHANGE ORDER NO. 5 WITH SALONEK CONSTRUCTION & CONCRETE, INC. FOR THE LIQUOR STORE PROJECT IN THE AMOUNT OF \$2,526.79:

Member (**Larry Doom**) moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'to approve Change Order No. 5 for Salonek Construction & Concrete, Inc. for the liquor store project in the amount of \$2,526.79'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **1**. The motion **Passed 5 – 1** with Bayerkohler voting no.

PROJECT BP4: IRRIGATION WATER LINE FOR MARSHALL HIGH SCHOOL FOR SOUTHWEST MINNESOTA REGIONAL AMATEUR SPORTS CENTER BALLPARK PROJECT - CONSIDER CHANGE ORDER NO. 1:

Glenn Olson, Director of Public Works/City Engineer, indicated that the original project bid included the construction of a 6-inch irrigation waterline and associated control wiring from the existing pump station at the Southwest Minnesota Regional Amateur Sports Ballpark to the Marshall High School. The purpose of the project is to provide water from the detention pond to the high school facilities in lieu of municipal water, when available. The original bid was based upon project plans and specifications supplied by the consultant, ATS&R, and their sub consultant, Stantec. After review of the project with the School District, it was determined that the watermain tie in to the existing irrigation system at the high school did not need to connect inside the building but, instead, could tie in to the existing water irrigation system several feet outside of the building reducing the costs of access to the building. In addition, the electrical control lines to operate the irrigation to the high school ball fields was not necessary and could be controlled by wireless remote access thereby eliminating those costs as well. The City developed a revised set of plans in conjunction with the high school making those revisions and simplifying the location of the proposed watermain, eliminating crossings with existing storm sewer mains. All of the original contract items have been eliminated and replaced with estimated individual contract items to help more specifically identify individual costs and potential reduced cost.

Member (**Larry Doom**) Moved, Member (**Craig Schafer**) seconded to approve the **ORIGINAL** motion 'that the Council approve Change Order No. 1 with D&G Excavating, Inc. of Marshall, Minnesota for Project BP4 Irrigation Water Line for Marshall High School resulting in a contract decrease in the amount of \$23,300.00'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried 6 - 0**

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COMMISSION/BOARD LIAISON REPORTS:

Byrnes Fire Relief Association held their annual meeting on January 12, 2016; Regional Development Commission met on January 14, 2016.

Schafer No report.

Doom EDA met on January 13, 2016; Personnel Committee item acted on earlier in the meeting.

Bayerkohler No report.

DeCramer EDA reviewed their annual report.

Sturrock No report.

COUNCILMEMBER INDIVIDUAL ITEMS:

Council Member Sturrock indicated that there was a Transportation meeting to discuss HWY 68.

CITY ADMINISTRATOR:

Ben Martig, City Administrator, provided updates on the following:

Acknowledged all of the work that Terri Heaton does for the City

Studio 1 relocated to SMSU

There was a meeting on the HWY 23 study

Personnel issues include – reorganization of Public Works; Director of Community Services succession planning; and Finance Department reorganization.

Financing plans for sports center - additional bonding

Trail Grant Application (Camden Trail)

DIRECTOR OF PUBLIC SAFETY:

Rob Yant, Director of Public Safety, indicated that his department has arrested a 2nd burglar; provided an update on the MERIT Center and the Drivers Training Program. No date has been set for an open house for the MERIT Center yet – maybe the end of March.

DIRECTOR OF PUBLIC WORKS:

Glenn Olson, Director of Public Works/City Engineer, provided updates on the following:

Trunk Highway 23

FEMA – flood protection

The issue with lot lines in the area of South 2nd Street.

CITY ATTORNEY:

Dennis Simpson, City Attorney, provided updates on the following:

Independence Park Bond Project

Public Nuisance / Junk Ordinance

Building enforcement issues

Cable TV Franchise

South 2nd Street lot lines

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PENDING ITEMS:

There were no questions on the pending items.

INFORMATION ONLY:

There were no questions on the information items.

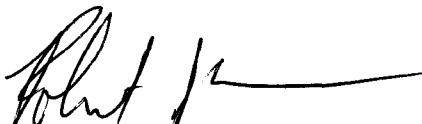
CONSIDERATION TO MOVE TO CLOSED SESSION TO DISCUSS POTENTIAL SALE OF PROPERTY (A PORTION OF LOT 1, BLOCK 1 TALL GRASS ADDITION) AND TO ALSO DISCUSS THE PURCHASE OF PROPERTY (PROPERTY OFF HIGHWAY 68 AND TOWNSHIP ROAD):

Member (**Craig Schafer**) moved, Member (**Larry Doom**) seconded to approve the **ORIGINAL** motion 'approved to closed session'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried 6 - 0**

The Council went into closed session at 6:55 P.M. Those present at the closed session included: Byrnes, Schafer, Doom, Bayerkohler, DeCramer and Sturrock. Staff present included: Ben Martig, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer and Thomas Meulebroeck, Finance Director/City Clerk.

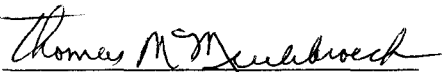
The Council came out of closed session at 7:17 P.M.

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



Mayor of the City of Marshall

ATTEST:



Finance Director/City Clerk