

REGULAR MEETING – JUNE 12, 2018

The regular meeting of the Common Council of the City of Marshall was held June 12, 2018 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 Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Steven Meister, Glenn Bayerkohler, John DeCramer and James Lozinski. Absent: David Sturrock. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; Jason Anderson, Assistant City Engineer/Zoning Administrator; Karla Drown, Finance Director; Rob Yant, Director of Public Safety; Scott VanDerMillen, Director of Community Services; Preston Stensrud, Parks Superintendent; Ilya Gutman, Plan Examiner/Assistant Zoning Administrator; Fire Chief, Quentin Brunsvold; Tara Onken, Economic Development Director MACC and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

Approval of Agenda.

Member **Steven Meister** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'approve agenda'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried. 6 - 0**

Recognition of Marc Klaith for his 31 years of service on the Marshall Fire Department.

Marc Klaith, Fire Chief for the Marshall Fire Department retired from the Marshall Fire Department on June 3, 2018.

Mayor Byrnes introduced retired Fire Chief Marc Klaith with a plaque in recognition for his 31 years of service.

Consider approval of the minutes of the special meeting held on May 22, 2018, the minutes of the regular meeting held on May 22, 2018 and the minutes of a special meeting held on May 29, 2018.

Member **James Lozinski** Moved, Member **Steven Meister** Seconded to approve the **ORIGINAL** motion 'that the minutes of the special meeting held on May 22, 2018, the minutes of the regular meeting held on May 22, 2018 and the minutes of the special meeting held on May 29, 2018 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**

Project Z50-2018: Bituminous Chip Sealing Project -- Consider Resolution Accepting Bid (Awarding Contract).

Bids were received on June 5, 2018 for the above referenced project. Two bids were received as shown on the attached resolution awarding contract.

Director of Public Works/City Engineer Glenn Olson presented the item to Council.

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'that the Council adopt RESOLUTION NUMBER 4516, SECOND SERIES which is the "Resolution Accepting Bid (Award Contract)" for Project Z50-2018: Bituminous Chip Sealing on Various City Streets to Caldwell Asphalt Co., Inc. of Hawick, Minnesota, in the

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amount of \$93,288.33.'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 0. The motion **Carried. 6 - 0**

Project Z67: Michigan Road/Superior Road Reconstruction Project -- 1) Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds; 2) Resolution Accepting Bid (Award Contract).

This project consists of the following: Reconstruction and utility replacement on Michigan Road between Hahn Road and Superior Road and on Superior Road between Michigan Road and Ontario Road. All utilities will be replaced, including watermain, sanitary sewer, and storm sewer. On June 6, 2018, bids were received for the above referenced project. Two bids were received as shown on the attached resolution awarding contract. The above-referenced project, or a portion thereof, may be financed by the sale of bonds with repayment coming from assessments and Debt Service Fund Levy. It is required that action be authorized by City Council via Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax Exempt Bonds. For approval is the resolution accepting bid awarding the contract to D&G Excavating, Inc. of Marshall, Minnesota, in the amount of \$1,022,427.60. The engineer's estimate was \$1,179,000.00.

Director of Public Works/City Engineer Glenn Olson presented the item to Council. There was further discussion by Council.

Member **Steven Meister** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'that the Council adopt RESOLUTION NUMBER 4517, SECOND SERIES which provides for Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds for Project Z67: Michigan Road/Superior Road Reconstruction Project.'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 0. The motion **Carried. 6 - 0**

Member **Craig Schafer** Moved, Member **Glenn Bayerkohler** Seconded to approve the **NEW** motion 'that the Council adopt RESOLUTION NUMBER 4518, SECOND SERIES which provides for the Resolution Accepting Bid (Awarding Contract) and authorizing entering into an agreement with D&G Excavating, Inc. of Marshall, Minnesota, in the amount of \$1,022,427.60 for Project Z67: Michigan Road/Superior Road Reconstruction Project. '. Upon a roll call vote being taken, the vote was: Aye: 5 Nay: 0 Abstain: 1. The motion **Passed. 5 - 0 - 1** with DeCramer abstaining.

Approval of Consent Agenda.

Council member Lozinski requested that item number 12, Consider approval of a Transient Merchant License for Julia Politseva, Southwestern Advantage, be removed for further discussion.

Member **Steven Meister** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion '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**

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Approval of RESOLUTION NUMBER 4519, SECOND SERIES authorizing transfer of funds from Fund 260 to Debt Service Funds 368 and 370.

Approval of the 2019 Regular City Council Dates, Time and Location

Approval of RESOLUTION NUMBER 4520, SECOND SERIES Authorizing Closure of Capital Project Fund 458

Approval of the bills/project payments

Declared equipment surplus from the Parks Department.

Consider approval of a Transient Merchant License for Julia Politseva, Southwestern Advantage.

This Transient Merchant License is for Julia Politseva, Southwestern Advantage, to sell educational books. Ms. Politseva is requesting a license fee of \$31.50 which was granted to her predecessor by Council in 2017.

Council member Lozinski commented on fee being charged and asked how much the normal fee is. City Clerk, Kyle Box provided information on the item.

Member **James Lozinski** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'the approval of a Transient Merchant License for Southwestern Advantage to sell educational books in the City of Marshall contingent upon receipt of the license fee of \$31.50 and the bond in the amount of \$5,000'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried. 6 - 0**

Lyon County Historical Society Museum Presentation.

The Lyon County Historical Society (LCHS) plan to apply for a large legacy grant (final deadline is July 20) for exhibit and lighting implementation. The LCHS is raising a cash match to put on the grant application. Cash matches are favorable for large legacy projects, which are very competitive. This project was legacy funded and the museum consultant is Museology, based out of Minneapolis, MN.

Executive Director, Jennifer Andries and President of the Board, Andrea Hess presented the item to Council. Director Andries discussed the Legacy Grant the Museum is applying for. Director Andries commented that to date Lyon County has committed \$50,000 and the City of Cottonwood has committed \$2,500. The Lyon County Historical Society Museum is requesting \$25,000 to \$26,000 from the City of Marshall for its portion of county representation. Director Andries asked for a commitment by July 20th.

There was further discussion by Council.

Member **Craig Schafer** Moved, Member **Robert Byrnes** Seconded to approve the **ORIGINAL** motion 'commit up to a \$25,000 match towards the Lyon County Historical Society Museum legacy grant.

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There was discussion by Council and Staff on a funding source.

Member **James Lozinski** Moved, Member **Steven Meister** Seconded to approve the **SUBSTITUTE** motion 'to table this item for two weeks until the June 26, 2018 regular City Council meeting.'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried. 6 - 0**

Consideration of request for Prairie Home Hospice to host Light Up the Night event at Independence Park.

Prairie Home Hospice (PHH) recently hosted the inaugural 'Light Up the Night' event on the SMSU campus. The event was largely successful. PHH believes Independence Park may be a more ideal location.

City Administrator Sharon Hanson introduced the item to Council. Prairie Home Hospice CEO, Pat Mellenthin and Marketing & Development Director, Tara Plante, presented the item Council.

There was further discussion by Council and Staff on developing a contract with Prairie Home Hospice and figuring out the logistics of having an event at Independence Park.

Member **Steven Meister** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'to allow staff to develop a contract with Prairie Home Hospice for a "Light up the Night" event at Independence Park.'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried. 6 - 0**

Community Planning Division Annual Update.

Assistant City Engineer/Zoning Administrator, Jason Anderson and Plan Examiner/Assistant Zoning Administrator, Ilya Gutman, will provide an update for the Community Planning Division.

Plan Examiner/Assistant Zoning Administrator Ilya Gutman presented the item to Council via power point.

Project Z64 / SAP 139-111-006: Saratoga Street Reconstruction Project -- Consider Resolution for Municipal State Aid Street System (MSAS) 2018 Advance Funds.

The City intends to utilize MSAS for Project Z64 / S.A.P. 139-111-06: Saratoga Street Reconstruction Project. A previous application was submitted and the State approved a payment to the City in the amount of \$2,073,844. After review by Mn/DOT, they recommend that the City revise the resolution to include construction costs of the State Aid eligible items, plus engineering (16%) and administration costs (4%) on those items. The maximum MSAS advance, set by Minnesota Commissioner of Transportation is five (5) times the City annual construction apportionment. The 2018 City of Marshall annual construction apportionment is \$770,043.00, resulting in an available MSAS advance of up to \$3,850,215.00. This resolution is required to allow additional MSAS advance funding.

Director of Public Works/City Engineer Glenn Olson presented the item to Council.

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Council member DeCramer discussed the state aid amount.

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'that the Council adopt RESOLUTION NUMBER 4521, SECOND SERIES which is the "Resolution for Municipal State Aid Street Funds Advance" requesting an additional advance of Municipal State Aid System (MSAS) funding in the amount of \$2,716,384.50, resulting in a total advance of up to \$3,754,442.31.'.

Council member Lozinski questioned the time line of this project and future projects that require state aid. Director Olson discussed municipal state aid and its allocation to qualifying projects.

Upon a roll call vote being taken, the vote was: Aye: 4 Nay: 2. The motion **Passed. 4 - 2** with Meister and Lozinski voting no.

To consider and approve Resolution 4522, Second Series regarding amendments to special assessment policy for City of Marshall.

City Attorney Dennis Simpson presented the item to Council. City Council met in work session on February 15, 2018. One of the policies under consideration involved the thorough discussion of the City of Marshall special assessment policy. Issues addressed included the corner lot/side street special assessment issues related to properties not abutting public improvement. Council Members also discussed a deferral of payment policy and other matters related to the special assessment policy. Additionally, there was considerable discussion related to the development of a special assessment policy which would include a calculation of property value into the consideration of special assessment to be levied against properties receiving benefit from project. There are two changes being recommended to Council. The first is a 50/50 cost share on residential driveway replacements not included driveway expansion. Second is the removal of off street assessments.

Council member Lozinski discussed the side yard assessment. Director Olson commented that any project will be assessed to the property directly adjacent to that project. Member Lozinski commented that this will be an addition to the City's levy in ad valorem taxes. Member Lozinski also commented that the special assessment policy should be revisited to provide relief for commercial properties in the future.

Member DeCramer added conversation from the Way and Means Committee.

Member Bayerkohler discussed the credit and assessments to corner lots. Director Olson stated that Corner lots will be assessed the same as any regular lot. Member Bayerkohler was concerned with the lack of language defining corner lots in the policy. There was further discussion by Staff and Council.

Member Meister asked when commercial assessments would be addressed. Director Olson provided information on previous commercial assessments and that the Council has the option to waive or reduce those assessments as they are presented. Director Olson mentioned that many projects in commercial and industrial areas are very unique to those industries.

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Member DeCramer commented that any reduction in special assessments to commercial and industrial projects could be significant increases in the levy.

There was further discussion by Council.

Member **John DeCramer** Moved, Member **James Lozinski** Seconded to approve the **ORIGINAL** motion 'To consider and approve RESOLUTION NUMBER 4522, SECOND SERIES which amends the special assessment policy for the City of Marshall.'

Council Member Bayerkohler indicated that he is generally in favor of the amendments to the special assessment policy but will be voting NO on the resolution because he believes the proposed changes do not adequately address the assessment of corner lots.

Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **1**. The motion **Passed. 5 – 1**, with Bayerkohler voting no.

Statement of Performance Evaluation for the City Administrator.

In accordance with the personnel policy on Employee Performance Reviews (Policy 4.6) and the employment agreement between the City and Administrator Sharon Hanson, she should receive an evaluation of job performance after six months of employment, and annually thereafter, based upon the date of hire anniversary date, which is November 16, 2017. On June 12, 2018, the City Council held a closed meeting in accordance with Minnesota statute 13D.05, subd.3(a) to evaluate the first six months of performance of Administrator Hanson. In accordance with Minnesota law, the Council is required to summarize the conclusions of the evaluation and present a summary at the next open meeting.

Mayor Byrnes presented the item to Council and provided a summary of the performance evaluation for City Administrator, Sharon Hanson.

Member (**Steven Meister**) Moved, Member (**James Lozinski**) Seconded to approve the **ORIGINAL** motion 'motion to accept the six-month performance evaluation.'. Upon a roll call vote being taken, the vote was: Aye: **6** Nay: **0**. The motion **Carried. 6 - 0**

Commission/Board Liaison Reports

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| Byrnes | <u>Regional Development Commission</u> will meet on Thursday, June 14, 2018. |
| Schafer | <u>Library Board</u> met on Monday, June 11, 2018 and discussed maintenance issues within the building.

<u>Southwest Minnesota Amateur Sports Commission</u> is surveying area hotels and businesses to see how they can enhance an experience in Marshall. |
| Meister | No Report |

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Bayerkohler Public Housing Commission met on Monday, June 11, 2018 and elected new officers. Member Bayerkohler also provided an update on new washer and dyers.

DeCramer Utilities Commission is working on the automated metering system.

Economic Development Authority is working towards a sale plan in the Parkway Addition owned by the City.

Lozinski No Report

Councilmember Individual Items

Council member Schafer discussed the County's decision to create a tax abatement for new construction and questioned if the City should follow.

Council member Bayerkohler discussed the lots for sale in the Parkway Addition. City Attorney Dennis Simpson commented that there are 46 lots for sale and the EDA will be auctioning 35 lots in a seal bid auction in groups of three, four, or five with a minimum price of \$10,000 per lot. Member DeCramer provided further requirements for purchasing and constructing the lots.

Council member Lozinski thanked the Marshall Police Department on their presence at the Marshall High School Graduation. Member Lozinski commented on the building growth in the City of Marshall as well as the increased activity at the MERIT Center.

Council member DeCramer thanked Alex Peterson, Media Communications Specialist, for his work on the sounds system at the band shell.

Mayor Byrnes commented on the Sounds of Summer event. Byrnes discussed activity with Tru Shrimp and the EDA. Byrnes also discussed a funding source for Memorial Park. Mayor Byrnes commented on a hosting a joint meeting with the County Board in the future.

City Administrator

City Administrator Sharon Hanson, discussed the City Hall project. Administrator Hanson commented that there will be a planning session with the MERIT Center to discuss the bonding dollars.

Director of Public Works

Director of Public Works/City Engineer Glenn Olson, mentioned that construction on Saratoga Street will begin next week and that MN/Dot will be placing reflective tape around the signal lights at intersections Hwy 23 and Hwy 19 as well as Hwy 23 and US Hwy 59.

City Attorney

City Attorney Dennis Simpson, discussed that there will be additional work on subsequent agreements regarding the new apartment complex. Attorney Simpson also provided a recap of City of Marshall's prosecutor's schedule.

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Pending Items

There were no questions on the pending items.

Information Only

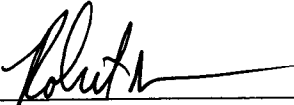
There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meeting list

Adjourn Meeting

At 7:32 PM, Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'Adjourn Meeting'. Upon a roll call vote being taken, the vote was: Aye: 6 Nay: 0. The motion **Carried. 6 - 0**



Mayor

Attest:



City Clerk