

REGULAR MEETING – JUNE 26, 2018

The regular meeting of the Common Council of the City of Marshall was held June 26, 2018 in the Professional Development Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 5:33 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Glenn Bayerkohler, John DeCramer and James Lozinski. Absent: David Sturrock and Steven Meister. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Glenn Olson, Director of Public Works/City Engineer; Karla Drown, Finance Director; Rob Yant, Director of Public Safety; Preston Stensrud, Parks Superintendent and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

Approval of Agenda.

There was a general consensus to operate under the current agenda.

Consider approval of the minutes from the special meeting held on June 12, 2018 and the minutes of the regular meeting held on June 12, 2018.

Member **Craig Schafer** Moved, Member **James Lozinski** Seconded to approve the **ORIGINAL** motion 'that the minutes of the special meeting and regular meeting held on June 12, 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: **5** Nay: **0**. The motion **Passed. 5 - 0**.

Project Z51-2018: Bituminous Resurfacing Project on Various City Streets -- 1) Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds; 2) Resolution Accepting Bid (Award Contract).

Bids were received on June 19, 2018 for the above referenced project. Duininck, Inc. of Prinsburg, Minnesota, was the sole bidder. The State requires any projects that constitute reconstruction, including mill and overlay projects, must bring ramps for crosswalks up to current ADA Standards. The cost for those adjustments alone were \$82,401.50. The actual mill and overlay cost is \$307,589.60. The above-referenced project, or a portion thereof, may be financed by the sale of bonds with repayment coming from 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. The "Resolution Accepting Bid" awarding the contract to Duininck, Inc. of Prinsburg, Minnesota, in the amount of \$389,991.10.

Director of Public Works/City Engineer Glenn Olson provided information on the item.

Member **John DeCramer** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'that the Council adopt Resolution Number 4523, Second Series, which is the "Resolution Declaring Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds" for Project Z51-2018: Bituminous Overlay on Various City Streets.

Member Lozinski commented on the budgeted amount of \$350,000 and the amount being recommended, \$389,991.10.

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Upon a roll call vote being taken, the vote was: Aye: **4** Nay: **1**. The motion **Passed. 4 - 1** with Lozinski voting no.

Member **James Lozinski** Moved, Member **Glenn Bayerkohler** Seconded to approve the **SUBSTITUTE** motion 'that the Council adopt Resolution Number 4524, Second Series, which is the "Resolution Accepting Bid (Award Contract)" for Project Z51-2018: Bituminous Overlay on Various City Streets to Duininck, Inc. of Prinsburg, Minnesota, up to the amount of \$350,000.00. '. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Approval of Consent Agenda.

Council member Lozinski requested that item number 9, Consider approval of an Off-Sale 3.2 Percent Malt Liquor License for Kuay Loo Klay, 300 East College Dr., Marshall, MN, be removed for further discussion.

Member **John DeCramer** Moved, Member **James Lozinski** 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: **5** Nay: **0**. The motion **Carried. 5 - 0**

Authorization to receive State and Federal surplus property and for Rob Yant and Tessa DePestel to be authorized to be on the signature card with e-mail notifications for surplus state properties.

Approval of Resolution Number 4525, Second Series, Authorizing Transfer of Surplus Funds and Closure of Debt Service Fund 361

Approval of Resolution Number 4526, Second Series, Authorizing Transfer of Surplus Funds and Closure of Debt Service Fund 396

Approval of a LG220 Application for Exempt Permit for the MN Chapter National Wild Turkey Federation/Buffalo Ridge Gobblers for September 15, 2018.

Approval of the bills/project payments

Consider approval of an Off-Sale 3.2 Percent Malt Liquor License for Kuay Loo Klay, 300 East College Dr., Marshall, MN.

Council member Lozinski pulled the item to confirm the location of the applicant.

Member **James Lozinski** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'the approval of an Off-Sale 3.2 Percent Malt Liquor License for Kuay Loo Klay, 300 East College Dr., Marshall, MN.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Lyon County Historical Society Museum.

The Lyon County Historical Society has requested one-time funding for a large legacy grant (final deadline is July 20) for exhibit and lighting implementation. They are raising a cash match

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to put on the grant application. Cash matches are favorable for large legacy projects, which are very competitive.

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'to remove this item from the table for discussion.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Council member Craig Schafer commented on a funding source in the regular revenue funds.

Council member Bayerkohler discussed that this project funding may be better suited from the capstone endowment fund. Member Bayerkohler commented that he'd like to see both the Museum and Memorial Park projects paid out of the endowment fund in the amount of \$25,000 and \$30,000, respectively, now and over the next couple years. There was further discussion by Council.

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **NEW** motion 'To approve one-time funding in the amount of \$25,000 to Lyon County Historical Society for legacy grant with funds taken from the City's unanticipated fund balance increases in 2017. '.

Council member Bayerkohler discussed that this project funding may be better suited from the capstone endowment fund. Member Bayerkohler commented that he'd like to see both the Museum and Memorial Park projects paid out of the endowment fund in the amount of \$25,000 and \$30,000, respectively, now and over the next couple years. There was further discussion by Council.

Upon a roll call vote being taken, the vote was: Aye: **1** Nay: **4**. The motion **Failed. 1 - 4** with Schafer, Bayerkohler, Byrnes and Lozinski voting no.

Member **James Lozinski** Moved, Member **Craig Schafer** Seconded to approve the **SUBSTITUTE** motion 'To approve one-time funding in the amount of \$25,000 to Lyon County Historical Society for legacy grant with funds taken from the City's Capstone Endowment Fund.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Mayor Byrnes, with Council approval, moved item number 15, Memorial Park Veteran Memorial, to the next item.

Memorial Park Veteran Memorial.

Funding for the City Memorial Park Veteran Memorial was initially proposed via bonding in the amount of \$80,000. This funding mechanism was not approved as a previous Council meeting. Mayor as requested a discussion on funding for this project.

Council member DeCramer commented on the donations to the project. Marc Klaith, a volunteer with the project, provided information on the item. Mr. Klaith commented that the amount of money raised is the amount put into the project.

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Member **Craig Schafer** Moved, Member **James Lozinski** Seconded to approve the **ORIGINAL** motion 'Approve funding in the amount of \$30,000 from the Capstone Endowment Fund.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Consider Resolution awarding the Sale of General Obligation Series 2018A Bonds.

The City of Marshall authorized the issuance of bonds for various projects at the May 22nd meeting. Springsted has conducted the proper bond bidding procedures for final Council consideration. Springsted will be in attendance to present the results of the bond bids for the Series 2018A bonds. Attached is the template of the resolution for review purposes. The final resolution will be presented at the meeting and discussed by Springsted. Attachments may be updated prior to the meeting.

City Administrator Sharon Hanson introduced the item to Council. Terri Heaton of Springsted provided the information on the item.

Member **John DeCramer** Moved, Member **Craig Schafer** Seconded to approve the **ORIGINAL** motion 'to adopt the Resolution Number 4527, Second Series, awarding the sale of General Obligation bonds, Series 2018A, fixing their form and specifications, directing their execution and delivery, and providing for their payment.'. Upon a roll call vote being taken, the vote was: Aye: **4** Nay: **1**. The motion **Passed. 4 - 1** with Bayerkohler voting no.

Presentation of the 2017 year end audit report for the City of Marshall.

Kyle Meyers of Abdo, Eick and Meyers, LLC presented the item to Council.

Council member Lozinski commented on the surplus of over \$550,000 and that the City debt decreased \$5 million in 2017.

Member Bayerkohler commented that the slide showing the decrease in total city debt does not take into consideration the fact that the city will be borrowing money in future years for new city projects.

Member DeCramer asked if there are any funds that are not designated within the City. Mr. Meyers confirmed that all funds are assigned.

Member Bayerkohler commented on the weaknesses listed from the Bond Rating Company. Member Bayerkohler also discussed the liquor store operations are only up \$2,000 from 2016 to 2017 while operating income is down approximately \$35,000.

Member **Glenn Bayerkohler** Moved, Member **James Lozinski** Seconded to approve the **ORIGINAL** motion 'to approve the 2017 year end audit report for the City of Marshall.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Consider approval for a Transient Merchant License for Sweet Kettle Madness, LLC.

City Clerk, Kyle Box presented a Transient Merchant License from Sweet Kettle Madness, LLC to sell kettle corn during Marshall Crazy Days and Marshall Sounds of Summer. Sweet Kettle

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Madness, LLC. is asking for a reduced license fee for two dates, July 19 and August 18, 2018 instead of the remaining year.

There was discussion by Council to approve the license at a reduced cost and have the Legislative and Ordinance Committee review a Food Vendor License.

Member **Craig Schafer** Moved, Member **James Lozinski** Seconded to approve the **NEW** motion 'to approve a Transient Merchant License for Sweet Kettle Madness, LLC in the amount of \$31.50, to operate for one month.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Project Y44: Legion Field Road Improvement Project – Consider Redistributing Assessments.

Due to the platting of a portion of Legion Field Road Second Addition, various parcels were split into multiple parcel numbers. Therefore, the outstanding remaining assessments on the properties require redistribution. Redistribution of assessments requires Council action via resolution.

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'that the Council adopt RESOLUTION NUMBER 4528, SECOND SERIES, which is the Resolution Redistributing Assessments for Project Y44 – Legion Field Road Improvement Project.'. Upon a roll call vote being taken, the vote was: Aye: **4** Nay: **0** Abstain: **1**. The motion **Passed. 4 - 0 - 1** with Lozinski abstaining.

Consider Appointment to the Marshall Municipal Utilities Commission.

Jeff Haukom, term set to expire 5/31/20

Member **Craig Schafer** Moved, Member **John DeCramer** Seconded to approve the **ORIGINAL** motion 'approve appointment to the Marshall Municipal Utilities Commission.'. Upon a roll call vote being taken, the vote was: Aye: **5** Nay: **0**. The motion **Carried. 5 - 0**

Commission/Board Liaison Reports.

Byrnes Regional Development Commission met and MnDot District 8 provided a 10-year construction schedule. Byrnes was elected the Co-Chair.

Schafer Library Board met and discussed the Library budget.

Bayerkohler No Report.

DeCramer Economic Development Authority met and opened the process for bidding on the Parkway II addition.

Utilities Commission is working on the automated metering system.

Lozinski No Report.

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Councilmember Individual Items.

Council member Schafer commented and the City's response to provide mutual aid to the City of Slayton.

Council member Bayerkohler provided conversation from a Marshall resident and his street assessments prior to the street assessments policy being changed.

Council member Lozinski discussed the importance of contractor and residence communication on street construction projects.

Council member DeCramer discussed a conversation with a resident on special assessments.

Mayor Byrnes commented on the passing of Bob Hirmer, a former Council member. Byrnes mentioned the Redwood River and the flood protection for the City. Mayor Byrnes also provided a report from the Minnesota Council of Latino Affairs.

City Administrator.

City Administrator Sharon Hanson, provided information on the long-term debt study and the progress of the 2019 budget. Administrator Hanson commented on the EDA review of a home tax abatement policy.

Director of Public Works.

Director of Public Works/City Engineer Glenn Olson, discussed the Redwood River. MnDot will also be providing 70% of funding for a \$40,000 project designated for the Marshall Airport.

City Attorney.

City Attorney Dennis Simpson, discussed the Parkway II lot bids. Attorney Simpson provided an update on the developing contract with Prairie Home Hospice for the Light up the Night Event.

Pending Items.

There were no questions on the pending items.

Information Only.

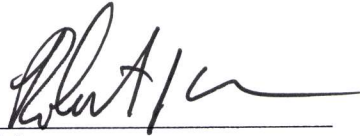
There were no questions on the information items.

Upcoming Meetings.

There were no questions on the upcoming meeting list.

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At 7:08 PM, Member **Craig Schafer** Moved, Member **James Lozinski** 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

