

**CITY OF MARSHALL  
CITY COUNCIL MEETING  
M I N U T E S  
Tuesday, June 22, 2021**

The regular meeting of the Common Council of the City of Marshall was held June 22, 2021, at the Minnesota Emergency Response and Industrial Training (MERIT) Center, 1001 West Erie Road. 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: Don Edblom, John DeCramer, Russ Labat and James Lozinski. Absent: Craig Schafer and Steve Meister. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Karla Drown, Finance Director; Lauren Deutz, Economic Development Director; Bob VanMoer, Wastewater Treatment Facility Superintendent; Jessie Dehn, Assistant City Engineer and Jasmine DeSmet MERIT Center Training Facility Coordinator.

The Pledge of Allegiance was recited at this time.

Mayor Byrnes requested that item number 11, Consider Approval of a Comprehensive Plan Task Force, be removed from the agenda. There was a consensus to operate under the amended agenda.

**Consider approval of the minutes of the work session and regular meeting held on June 8, 2021.**

Motion made by Councilmember DeCramer, Seconded by Councilmember Edblom That the minutes of the work session and regular meeting held on June 8, 2021 be approved as filed with each member and that the reading of the same be waived. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

**Consider Approval of the Consent Agenda.**

Councilmember Labat requested that item number 5, Consider Resolution Calling for a Public Hearing to Establish a TIF District, be removed for further discussion.

Motion made by Councilmember Lozinski, Seconded by Councilmember Edblom to approve the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

Approval of the Wastewater Treatment Facilities Improvement Project – Consider Payment of Invoice 0269525 to Bolton & Menk, Inc.

Approval of Resolution Number 21-048, a resolution to Apply for the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act (ARPA)

Approval of a Temporary On-Sale Intoxicating Liquor License for VFW Post 742 for August 12-15, 2021.

Approval of the bills/project payments

**Consider Resolution Calling for a Public Hearing to Establish a TIF District.**

Gabe Olsen, owner of L2A LLC (Suite Liv'n), has requested Tax Increment Financing for the development of two new apartment complexes located on Village Drive. Olsen, along with partner Jeff Huston, currently own seven complexes in Marshall located on Birch Street and Village Drive.

Applicant is proposing to develop new workforce apartments with each building providing a total of 24 dwelling units in a mix of one- and two-bedroom units. The 24-unit apartment building proposed at 501 Village Drive would be an addition to 70 units in three buildings that are existing on the property. The 24-unit apartment building proposed at 406 Village Drive would be the only development on the property, replacing an existing single-family home.

Per TIF requirement, 40 percent of the units will be occupied by individuals whose incomes are 60 percent or less of the area median income.

Increments from a TIF housing district may only be used to finance a "housing project" or public improvements that are directly related to the project, as well as the authority's administrative expenses. The cost of a project includes items such as acquisition, construction, or rehabilitation of the housing, planning, engineering, and architectural services, and related financing costs. Public improvement or infrastructure costs must be directly related to the project.

Staff is working with Baker Tilley to analyze the projects proforma, evaluate the value of the development, and determine a reasonable TIF plan for the project.

L2A LLC aims to begin construction in the Summer of 2021 with completion in the Summer of 2022.

Councilmember Labat asked a clarifying question regarding the location of the public hearing. Administrator Hanson commented that the next meeting will be at City Hall.

Motion made by Councilmember Labat, Seconded by Councilmember Lozinski to Approve Resolution Number 21-046, a Resolution Calling for a Public Hearing to Establish a TIF District. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

**Consider approval of Resolution Number 21-047 Approving the Issuance of Public Utility Revenue Refunding Bonds, Series 2021C and Taxable Public Utility Revenue Refunding Bonds, Series 2021D, and Authorizing Certain Other Actions to be Taken by the Marshall Municipal Utilities (MMU) Commission with Respect to the Issuance of the Series 2021C Bonds and the Series 2021D Bonds.**

Pursuant to Section 13.04, subdivision 8 of the Charter, the MMU Commission may authorize the issuance and Sale of Bonds, subject to applicable laws of the State of Minnesota and subject to approval by the Council of the City. At the June 15, 2021 MMU Commission meeting, the Commission approved Resolution 191, Authorizing the Issuance and Sale of Public Utility Revenue Refunding Bonds, Series 2021C, in the Proposed Aggregate Principal Amount of \$3,420,000, and Taxable Public Utility Revenue Refunding Bonds, Series 2021D in the Proposed Aggregate Principal Amount of \$2,715,000, of the City of Marshall, Minnesota.

Here is a summarization of the two issues:

**\$3,420,000 Public Utility Revenue Refunding Bonds, Series 2021C** – The issuance of the Series 2021C Bonds is being conducted as a current refunding in which the proceeds will be used within ninety (90) days of settlement to redeem the callable maturities of the Series 2009A Bonds and Series 2010C Bonds. The Commission will use the proceeds of the 2021C Bonds to redeem the outstanding principal and accrued interest of the 2009A and 2010C bonds.

**\$2,715,000 Taxable Public Utility Revenue Refunding Bonds, Series 2021D** – the issuance of the Series 2021D Bonds is being conducted as an advance refunding and is therefore, issued as a taxable obligation. On the settlement date of August 18, 2021, the Commission will deposit the proceeds, along with excess debt service reserve funds estimated to be \$744,885. These investments are structured to pay the interest due on January 1, 2022 on the Series 2013B bonds and on the call date of July 1, 2022, the funds deposited in the escrow account, plus the interest earned by the securities will be used to redeem the callable maturities of the Series 2013B bonds. A verification agent will be retained to verify the sufficiency of the deposited proceeds and performance of purchase securities in the escrow account, confirming cash flow requirements are satisfied.

This Agenda Item Report discusses two separate documents: 1) A Pre-sale Summary of Issuance of Bonds from Baker Tilly Municipal Advisors, LLC, MMU's financial consultant, and 2) Resolution Number 21-047, prepared by Kennedy & Graven, Chartered, MMU's Bond Counsel.

There is no Fiscal Impact to the City of Marshall. With the approval of the refunding of MMU's bond series, MMU rate payers are projected to save \$134,000 on the 2009A and 2010C Bond Series current refunding's and \$171,000 on the 2013B advanced taxable refunding, for a combined projected cost savings of \$305,000. This will help with inflationary pressures on our future electric and water rates.

Motion made by Councilmember DeCramer, Seconded by Councilmember Edblom to approve Resolution Number 21-047, a resolution approving the Issuance of Public Utility Revenue Refunding Bonds, Series 2021C and Taxable Public Utility Revenue Refunding Bonds, Series 2021D, and Authorizing Certain Other Actions to be Taken by the Marshall Municipal Utilities (MMU) Commission with Respect to the Issuance of the Series 2021C Bonds and the Series 2021D Bonds. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

#### **Lyon County Landfill Leachate Agreement Renewal.**

The Wastewater Treatment Facility currently has an agreement with Lyon County for disposal of leachate from their landfill near Lynd. This is a 5-year agreement set to expire on August 31, 2021. Currently, Lyon County is trucking all leachate generated at the landfill to the Marshall WWTF for disposal.

In order to keep costs down for the County and generate City revenue, City staff has been working with the Lyon County Environmental Administrator and the MPCA to create an updated agreement and monitoring schedules to ensure the protection and compliance of the wastewater treatment facility while accepting leachate.

There is a comprehensive sampling schedule with limits on all pollutants of concern in the agreement.

The City has the right to discontinue accepting the leachate at any time.

The City Attorney has reviewed the proposed leachate agreement and will provide any comments and answer any legal questions at the City Council meeting.

Motion made by Councilmember Edblom, Seconded by Councilmember DeCramer that the Council authorize execution of the updated leachate agreement between the City of Marshall and Lyon County Landfill for controlled disposal of leachate from the landfill to the City of Marshall Wastewater Treatment Facility. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

### **Independence Park Trail Replacement and Stormwater Pond Expansion Project.**

Community Services staff has been in discussion with the Engineering Department regarding the replacement of the shared use trails in Independence Park. The shared use paths have served their useful life and are in need of replacement throughout the entire park.

As part of the cost estimating and project scoping process, city staff took some time to review the existing trail culvert crossing at the south end of the park where the small pond forebay crosses under the trail and into the larger pond. The culverts at this location are in poor condition and they are undermining the existing trail. Further, the pond forebay area is very small and should be considered for expansion. If sized properly, a pond forebay can facilitate solids settlement in the forebay area which can reduce the pond area that must be regularly dredged.

To facilitate a trail crossing, staff is proposing a new pedestrian bridge that would be located further north than the location of the existing culvert crossing. If desired, existing grades would allow for a roughly 2-FT elevation drop from the proposed expanded pond forebay area to the water surface elevation of the remaining pond surface. This grade differential may be used to create a small 'waterfall' feature adjacent to the proposed new bridge. If there is a desire to maintain the waterfall at all times during warm weather months, a recirculating pump station may be required.

City staff has completed some preliminary work toward scoping this trail replacement project. To ensure clarity in the project cost estimate, we've separated costs that are related to the shared use trails, bridge, pond expansion, and recirculating lift station. City staff is looking for feedback and direction from the Council regarding this improvement.

City staff has submitted for a DNR trails grant to help cover trail replacement costs. City staff expects to receive notice of grant awards in the month of July. The maximum grant award would be \$250,000. Further, Community Services staff has indicated that Prairie Home Hospice may be prepared to donate funds to the trail replacement project. The grant and donations are both displayed in the proposed cost estimate. If these funds do not materialize, the city would be required to cover the funding gap.

The park trail and new bridge is estimated to cost \$772,500. The pond expansion, waterfall feature, and recirculation pump are estimated to cost \$267,750.

No impact until time of construction award. If the Council wishes to push forward with the entire concept as presented, including the added walk bridge, pond expansion, and waterfall feature, city staff would like to move forward with design services from a consulting engineer.

**Commission/Board Liaison Reports**

Byrnes No Report

Edblom No Report

DeCramer Marshall Municipal Utilities Commission met and reviewed the action taken by Council at this meeting.

Economic Development Authority met and reviewed the action taken by Council at this meeting

Labat Adult Community Center met and reviewed project updates at the center. Contributions from seniors 86,000 City 117,000.

Convention & Visitors Bureau moving their office to the Red Baron. Youth sports and concert in the fall of 2022.

Library Board met and discussed the steady increase in visitors with the reopening of branches relaxation of COVID regulations.

Marshall Area Transit Committee met and discussed bus shelter graphics.

Lozinski City Hall Committee met and will likely receive a temporary certificate of occupancy within the week and that the next City Council meeting will be held at the new building.

**Councilmember Individual Items**

Councilmember DeCramer discussed the resignation of Cathleen Amick, UCAP Transportation Director.

**City Administrator**

City Administrator Sharon Hanson discussed the opening of City Hall and future events surrounding the opening.

**Director of Public Works**

Director of Public Works/ City Engineer Jason Anderson discussed featured adds for water softener adjustments. Public Works staff will meet with the Downtown Business Association with a future improvement projects located in downtown.

**City Attorney**

No Report

**Information Only**

There were no questions on the information items.

**Upcoming Meetings**

There were no questions on the upcoming meetings.

**Adjourn**

At 6:18 P.M., Motion made by Councilmember Lozinski, Seconded by Councilmember Labat to adjourn. Voting Yea: Mayor Byrnes, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 5-0**

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Mayor

Attest:

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City Clerk