

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, January 25, 2022**

The regular meeting of the Common Council of the City of Marshall was held January 25, 2022, at City Hall, 344 West Main 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, Steve Meister, Don Edblom, John DeCramer, and Russ Labat. Absent: James Lozinski. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Annette Storm, Director of Administrative Services; Jim Marshall, Director of Public Safety ;Lauren Deutz, Economic Development Director; Karla Drown, Finance Director; Sheila Dubs, Human Resource Manager; Ilya Gutman, Plan Examiner/ Assistant Zoning Administrator, and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

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

Consider approval of the minutes from the work session and regular meeting held on January 11, 2022.

That the minutes from the work session and regular meeting held on January 11, 2022 be approved as filed with each member and that the reading of the same be waived. Motion made by Councilmember Meister, Seconded by Councilmember DeCramer. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

311 Brussels Ct. – 1) Public Hearing regarding a home property tax abatement request 2) Consideration of a resolution approving home property tax abatement.

On January 11, 2022 a public hearing was called for and to be held on January 25, 2022 regarding a home property tax abatement request. Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement. The property is located at 311 Brussels Ct. with an estimated market value of \$257,200 with the difference of improvement being \$243,200.

The approximate amount of assistance is \$1,352 a year or \$2,704 over a maximum period of 2 years as a Homestead.

Motion made by Councilmember Meister, Seconded by Councilmember Labat to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Motion made by Councilmember Edblom, Seconded by Councilmember DeCramer to approve Resolution No. 22-015, a resolution approving a home property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

1204 Stockholm Ave. – 1) Public Hearing regarding a home property tax abatement request 2) Consideration of a resolution approving home property tax abatement.

On January 11, 2022 a public hearing was called for and to be held on January 25, 2022 regarding a home property tax abatement request. Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the

abatement. The property is located at 1204 Stockholm Ave. with an estimated market value of \$235,300 with the difference of improvement being \$224,700.

The approximate amount of assistance is \$1,231 a year or \$2,462 over a maximum period of 2 years as a Homestead.

Councilmember Labat asked a clarifying question from the developer as to when the project will be completed. The developer commented that property will be complete within the next couple of months.

Motion made by Councilmember Schafer, Seconded by Councilmember Labat to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to approve Resolution No. 22-016 a resolution approving home property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

1304 Stockholm Ave. – 1) Public Hearing regarding a home property tax abatement request 2) Consideration of a resolution approving home property tax abatement.

On January 11, 2022 a public hearing was called for and to be held on January 25, 2022 regarding a home property tax abatement request. Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement. The property is located at 1304 Stockholm Ave. with an estimated market value of \$268,900 with the difference of improvement being \$257,500.

The approximate amount of assistance is \$1,443 a year or \$2,886 over a maximum period of 2 years as a Homestead.

Motion made by Councilmember DeCramer, Seconded by Councilmember Schafer to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer to approve Resolution No. 22-017 a resolution approving home property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Public Hearing Regarding Proposed Commercial Property Tax Abatement at 1604 E. College Dr.

Per M.S 469.1813 sub 5 The governing body of the political subdivision may approve an abatement under sections 469.1812 to 469.1815 only after holding a public hearing on the abatement.

The amount of assistance is \$7,262.00 over a maximum period of 4 years.

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom,

Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to approve Resolution No. 22-018 a resolution approving commercial property tax abatement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Awards of Bids for Ash Tree Removals in Various Parks

As Emerald Ash Borer continues to get closer to Marshall and it's potentially devastating change to the landscape of Marshall, the city needs to be prepared for the potential costs associated with removing Ash Trees as well as continue to plant new trees to allow them time to grow before EAB get to Marshall, helping us diversify our trees species and populations.

This fall a grant was received thru the MN DNR to provide \$93,390 in funding to be used for removing Ash trees in our parks and replacing each Ash tree with 2 new trees. The first step of this grant is to mark ash trees and bid for removal within the parks of Independence, Legion Field, Victory, Freedom and Channel Parkway Softball Complex.

On January 20, 2022, quotes were received for this work – 5 contractors submitted proposals for the work at each park. Staff is recommending the approval to the respective low bidder for each park.

This grant requires a 25% match via cash match (\$15,090) and/or in-kind match (\$8,960) bringing the total project to \$117,440.00 and the City's contribution to \$24,050. The project deadline for completion is June 30, 2023.

All expenses for the project will need to be paid by the city and then reimbursed by the MN DNR. Total costs for removals if awarded to each respective bidder is \$55,226.00 with a deadline of April 1, 2023, to complete the removals. \$72,000 was budgeted in the grant for tree removals. Parks Superintendent, Preston Stensrud, would like to utilize the remaining funds for additional removals not to exceed the \$72,000 total as budgeted per that grant agreement to capitalize on the full amount of grant funding.

\$55,226.00 is current total cost with project total for removals not to exceed \$72,000 per the Grant agreement. This will be paid out of Parks Department Budget 101- 45200-53425 and the city being reimbursed by MN DNR in the amount of \$61,500 after the removals are complete for a net cost to the City of Marshall of \$10,500.

Motion made by Councilmember DeCramer, Seconded by Councilmember Labat Award bids for Ash Tree Removals for Independence Park to Brian's Tree Service, Legion Field to Scott's Tree Service, Victory Park to Action Company LLC, Channel Parkway Softball Complex to TSL Tree Service, and Freedom Park to Herigon's Tree Service. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Consider approval of the Consent Agenda.

Councilmember Labat requested that item number 8, Consider Engagement Letter for Audit Services for 2021 Financial Statements, be removed for further discussion.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to approve the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Approval of a resolution to authorize the Finance Director to pay certain claims

Call for Public Hearing on the Establishment of TIF District 1-15.

Approval for Project ST-001-2022: Chip Sealing on Various City Streets – Consider Authorization to Advertise for Bids.

Approval for Wastewater Treatment Facilities Improvement Project – Consider Payment of Invoice 0281969 to Bolton & Menk, Inc.

Approval to Purchase of GPS receiver for Engineering Department.

Approval for Project ST-006: SRTS School Pedestrian Crossing Improvements Project – Grant of Temporary Construction Easement.

Approval of a Temporary On-Sale Intoxicating Liquor License for the Convention and Visitors Bureau.

Approval to declare vehicles as surplus property for the Marshall Police Department.

Approval of the bills/project payments

Consider Engagement Letter for Audit Services for 2021 Financial Statements

Summary of Engagement Terms:

Level of Attest Service: Audit in accordance with Governmental Auditing Standards (Governmental Yellow Book Audit) and Federal Single Audit

Financial Statements: Governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information

Financial Reporting Framework: Accounting principles generally accepted in the United States of America

Period: As of and for the Year Ended December 31, 2021

Required Supplementary Information: Management's Discussion and Analysis (MD&A), Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of City's, and Nonemployer's Proportionate Share of Net Pension Liability - Minnesota PERA Retirement Funds, Schedule of City Contributions - Minnesota PERA Plans

Supplementary Information:

- Combining and Individual Fund Financial Statements and Schedules/Supplemental Schedules: Opinion in relation to the financial statements as a whole
- Introductory Section and Statistical Section of the Comprehensive Annual Financial Report: N/A

Engagement Partner: Nancy Schulzetenberg

Fees: We estimate our fees for services will be \$36,170 for the audit of the City's Basic Financial Statements, and the Single Audit if necessary

Motion made by Councilmember Labat, Seconded by Councilmember Edblom Approve the Engagement Letter for BerganKDV to perform the audit services for the City of Marshall's 2021 Financial Statements and Single Audit. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Appoint E.J. Moberg as Director of Administrative Services

On Friday January 21, 2022, Personnel Committee Members John DeCramer, and Craig Schafer along with HR Director and Administrator interviewed three candidates to fill the position of Director of Administrative Services Director. It is a unanimous recommendation to the Council to appoint E.J. Moberg as the Director of Administrative Services.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer to approve the employment contract and appoint E.J. Moberg as Director of Administrative Services, contingent on successful completion of background check. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Request for Conditional Use Permit / Apartment in B-2 Central Business District at 103 W Lyon Street.

This is a request by the City of Marshall for a Conditional Use Permit to allow construction of a 39-unit apartment in B-2 Central Business District and within the limits of the Downtown District at 103 West Lyon Street. Apartment buildings are a Conditional Use in a Central Business District.

The lot is currently vacant, and the City is promoting the development of apartments within, and in close proximity to, the downtown business area. However, parking in downtown has always been a concern. Based on the types of apartments proposed in the building, 45 parking spaces would be needed for this development outside of the Downtown district, based on the City parking regulations outside of downtown. However, all uses within the Downtown District are exempt from off-street parking requirements.

Central Business District regulations are located in Section 86-103. The conditional use permit regulations are found in Section 86-46

At the Planning Commission meeting on January 12, 2022, a motion was made by Schroeder, seconded by Muchlinski, to recommend approval as recommended by city staff to City Council. ALL VOTED IN FAVOR.

Motion made by Councilmember Edblom, Seconded by Councilmember Meister that the Council approve a Conditional Use Permit for apartment in B-2 Central Business District and within the limits of the Downtown District with the following conditions:

1. That the regulations, standards, and requirements as set forth in the City Code and as pertains to the class of district in which such premises are located shall be conformed with.
2. That the City reserves the right to revoke the Conditional Use Permit in the event that any person has breached the conditions contained in this permit provided that the City serve the person with written notice specifying items of any default and allow the applicant a reasonable time in which to repair such default.
3. That the property is maintained to conform to the Zoning Code and not cause or create negative impacts to adjacent existing or future properties.
4. That there are no more than 40 apartments.
5. That at least one off-street parking space per apartment is provided.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

ST-006: RRFB School Pedestrian Crossing Improvements Project – Establish School Speed Limits.

This project is included in the 2022 capital improvement plan (CIP). The City was awarded a Transportation Alternatives Grant (TA Grant) in the amount of \$339,840 for this project. The project would improve school pedestrian crossings adjacent to the Marshall Middle School, Southview Elementary School, Park Side Elementary School, and True Light Christian School. The required 20% local match is split 50-50 between participating schools and the City of Marshall.

In addition to the Rectangular Rapid Flashing Beacon (RRFB) sign assemblies and pedestrian refuge islands, the project would install two School Speed Limit (when flashing) sign assemblies including dynamic speed feedback signs. During school arrival and dismissal periods, the sign would report driver speed as their vehicle passes the sign and flash their speed when the speed exceeds the posted school zone speed limit.

To establish school zone speed limits in Marshall, staff performed an evaluation of the existing areas to determine an appropriate school zone speed limit. This evaluation is required by State Statute. City staff is recommending establishment of a 20 MPH school zone speed limit in the vicinity of the schools previously referenced. There was compliance with this speed limit in prior years at the now-closed Westside Elementary School on S. 4th Street and TH 19. The MnDOT District 8 Traffic Engineer, Cody Brand, has reviewed the recommendation for the True Light Christian School on TH 19 (E. College Drive) and is acceptable to the recommendation of 20 MPH.

Motion made by Councilmember Labat, Seconded by Councilmember Meister that the Council adopt RESOLUTION NUMBER 22-021 which establishes the 20 MPH school zone speed limit in the vicinity of the Marshall Middle School, Southview Elementary School, Park Side Elementary School, and True Light Christian School.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Resolution to supporting the extension of the authority to impose a local sales tax to fund specific capital improvements providing regional benefit, to establish the duration of the tax and the revenue to be raised by the tax, and to authorize the city to issue bonds supported by the sales tax revenue.

The City Council held a work session on January 11, 2022 regarding the proposed aquatic center and results from the 2021 Community survey results. The survey results indicated great than 50% support for consideration of the sales tax for funding park and recreation projects. The Council expressed support to pursue the sales tax extension for funding of the aquatic center and an indoor recreation center.

The request for sales tax extension is as follows: To impose a general local sales tax under Minnesota Statutes, section 297A.99, a city must take the following steps:

1. **Adopt a resolution.** The city council must first adopt a resolution proposing the tax. The resolution must include the proposed tax rate, documentation of the “regional significance” of each project to be funded, the amount to be raised with the tax, and the estimated length of time the tax will be needed.
2. **Submit resolution and supporting materials to state tax committees.** The city is required to submit the adopted resolution, details on the projects, and documentation on regional significance to the chairs and ranking minority members of the House and Senate Taxes committees by Jan. 31 of the year that it is seeking the special law.
3. **Get legislative authorization.** The city must secure the passage of a special law authorizing the enactment of the local sales tax. The city would typically work with its local legislators to introduce special legislation.
4. **Adopt a resolution.** After approval, the city must adopt a resolution accepting the new law. The city must also file the resolution and a local approval certificate with the Office of the Secretary of State before the next legislative biennium begins.
5. **Hold a referendum.** The city must conduct a referendum during a general election within two years of receiving legislative authority for the local sales tax. The referendum must include separate questions for each project, and only the ballot questions approved by voters may be funded by the sales tax.
6. **Pass an ordinance.** The city council must pass an ordinance imposing the tax. It must also notify the commissioner of Revenue at least 90 days before the first day of the calendar quarter that the tax will be imposed.

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to adopt Resolution No. 22-020, a resolution supporting the extension of the authority to impose a general local sales tax of one-half of one percent (0.50%) for a period of 20 years to fund an aquatic center and indoor recreation facility. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Approve Agreement for Legislative Services with Flaherty and Hood

Council support for extension of the sales tax will mean upcoming legislative meetings, information sharing and tracking of the legislative process. A proposal for legislative services will provide for professional expertise in this legislative area. The contracted agreement will total \$17,500.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer to approve the agreement for Legislative Services with Flaherty and Hood. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Commission/Board Liaison Reports

Byrnes No Report

Schafer No Report

Meister No Report

Edblom No Report

DeCramer Diversity, Equity, and Inclusion Commission met and agreed to hire a consultant group to facilitate two World Café events in February and April within the community.

Marshall Municipal Utilities met and reviewed end of year reports and updated current internal policies. DeCramer added that there are some complications with the proposed solar farm to that will be located along Nort 7th Street due to insufficient tax credits. MMU is working with other partners to complete this project.

Economic Development Authority met and reviewed and approved various façade improvement projects. DeCramer added that after the program is complete there will be upwards of \$250,000 spend within the community.

Labat No Report

Councilmember Individual Items

Councilmember Labat thanked Director of Administrative Services Annette Storm for her time and dedication to the City of Marshall.

Councilmember DeCramer continued to thank Director Storm for her service to the City. DeCramer also mentioned a rental assistance program will stop taking applications at the end of the week.

Councilmember Meister also thanked Director Storm for her service to the City and wished her well on her future plans.

Mayor Byrnes discussed the annexation procedure for the solar farm along North 7th Street. Mayor Byrnes discussed going out for Request for Proposals for City Attorney.

City Administrator

City Administrator Sharon Hanson discussed work on the sales tax resolution.

Director of Public Works

Director of Public Works/ City Engineer Jason Anderson commented that the open house for the Comp. Plan has been rescheduled for February 16, 4 – 6 PM. Director Anderson mentioned future bid openings will be held next week and be brought to Council at the next regular meeting for consideration. Shipping container and outside storage letters have been sent to property owners that have been out of compliance.

City Attorney

City Attorney Dennis Simpson discussed litigation matters with Broadmoor Valley to remove several manufactured homes from the park. Simpson commented the mediation is still being held. Simpson provided an overview of two other litigation matters against Broadmoor Valley filed by the Minnesota Attorney General's Office and residents of the Broadmoor Valley.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings.

Adjourn

At 6:41 P.M., Motion By Councilmember Edblom, Seconded by Councilmember Meister.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. The motion **Carried. 6-0**

Mayor

Attest:

City Clerk