

CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, December 17, 2019

The regular meeting of the Common Council of the City of Marshall was held December 17, 2019 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, Russ Labat and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Dennis Simpson, City Attorney; Glen Olson, Director of Public Works/ City Engineer; Annette Storm, Director of Administrative Services; Jim Marshall, Director of Public Safety; Preston Stensrud, Parks Superintendent and Kyle Box, City Clerk.

The Pledge of Allegiance was recited at this time.

Mayor Byrnes asked for consensus from the Council to remove item number 17, Consider Appointments to the Various Boards, Commissions, Bureaus and Authorities, until all interviews are complete. There was a consensus to operate under the amended agenda.

Consider approval of the minutes of the work session and regular meeting held on December 10, 2019.

Motion by Councilmember Schafer, Seconded by Councilmember Lozinski that the minutes of the work session and regular meeting held on December 10, 2019 be approved as filed with each member and that the reading of the same be waived. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Approval of the Consent Agenda.

Motion made by Councilmember Schafer, Seconded by Councilmember Labat to approval the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Resolution Number 4682, Second Series Approving the changes to the 2020 Fee Schedule
Approval of Various Liquor License and Tobacco License Renewals.
Approval of Taxi Cab License Renewals.
Approval of the bills/project payments.

Consider Resolution Number 4683, Second Series, A Resolution Providing for the Issuance and Sale of the City's GO CIP Bonds, Series 2020A, in the Proposed Aggregate Principal Amount of \$6,500,000.

At the July 23rd Meeting, Council adopted a Five-Year Capital Improvement Plan & Issuance of General Obligation Capital Bonds for 6,500,000, which began the bonding process to secure funding for the City Hall Reconstruction Project.

The Council awarded a construction contract to Brennan Companies of Mankato at the November 12th Council Meeting. The following is a breakout of costs for the City Hall Reconstruction Project that will be funded through this CIP Bond;

Architect Fees	\$ 385,105
Building Construction	\$ 5,030,200
Building Contingency	\$ 503,020
Relocation Costs	\$ 150,000

Temporary Relocation	\$ 138,065
<u>IT/Security/Audio Equip.</u>	<u>\$ 295,000</u>
Total	\$ 6,501,390

The next step in the bonding process is authorizing the bond sale date for January 28, 2020. Terri Heaton from Baker Tilly (Municipal Advisor) was present for specific questions regarding the bonding process.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer Approve Resolution Number 4683, Second Series, A Resolution Providing for the Issuance and Sale of the City's GO CIP Bonds, Series 2020A, in the Proposed Aggregate Principal Amount of \$6,500,000.

Councilmember Labat discussed the specific dollar amount associated with specific items. Director Storm commented that specific items are interchangeable within the scope of the project.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

Convention and Visitors Bureau (CVB) Annual Report/ Consider 2020 Schwan Regional Amateur Sports Center Agreement.

Lauren Deutz, CVB Director presented the annual report for the Convention and Visitors Bureau via PowerPoint. Director Deutz also discussed the 2020 Region Amateur Sports Center Agreement.

Motion made by Councilmember Schafer, Seconded by Councilmember Labat to approve the Schwan Regional Amateur Sports Center Service Agreement with the Marshall Convention and Visitors Bureau. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

Acceptance of Donations to Parks Department for Fiscal Year 2019.

The Parks Department receives generous donations from many entities each year that allow for improvements to our facilities. The donations to the department this year are from:

Marshall Area Hockey Association in the amount of \$4,493.90 for the installation of new speakers in the Lockwood Rink at the Red Baron Arena & Expo.

Marshall Sunrise Rotary Club in the amount of \$2,000 for installation of playground equipment and ADA surfacing at Legion Field Park.

Marshall Baseball Association in the amount of \$1,000 for installation of playground equipment and ADA surfacing at Legion Field Park.

Marshall Area Youth Baseball Association in the amount of \$1,000 for the purchase of shade screening over bleachers at Independence Baseball Fields.

The Family of Erica Schmitt in the amount of \$2,250 for purchase of flag pole to be installed at Independence Park Baseball Fields.

American Legion Post #113 in the amount of \$1,969 for purchase of flag pole to be installed at Independence Park VFW Post #742 in the amount of \$1,969 for purchase of flag pole to be installed at Independence Park.

The Marshall Noon Rotary Club for the donation of Portable Sound System to be used at Liberty Park and other various City events.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski Adopt Resolutions, 4684, 4685, 4686, 4687, 4689, 4690, 4691, Second Series, Resolutions accepting the donations to the Parks Department for 2019. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Bayerkohler, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Resolution Adopting Tax Levy for 2020.

MN State Statute 412.711 Consideration of Budget; Tax Levy states "The council shall also adopt a resolution levying whatever taxes it considers necessary within statutory limits for the ensuing year for each fund."

At the August 13th council work session, staff proposed a general levy increase of \$406,142 or 5.99%. The main contributing factors for this increase were a new levy item for street mill and overlays, increased salary and health care costs.

Staff were directed by the Council to reduce this increase for the preliminary levy that that was set on September 24, 2019. The 2020 preliminary levy was set at 7,056,113, which was an increase of \$270,642 or 3.99% from the 2019 levy. Staff are recommending that the final 2020 levy remain at the preliminary amount of 7,056,113.

Motion made by Councilmember DeCramer, Seconded by Councilmember Schafer Approve Resolution Number 4692, Second Series, a Resolution Adopting the 2020 Tax Levy at 7,056,113. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

Consider Resolution Adopting a Budget for 2020.

For council's review and approval, attached are the 2020 proposed budgets for all funds (excluding bonding capital items). Included in the council packet is a summary of each fund.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve Resolution Number 4693, Second Series, a Resolution Adopting a Budget for 2020. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski

Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

5 Year Capital Improvement Plan (CIP).

The 5-year CIP serves as a guide that lays out capital expenditures over the next 5 years by department as well as by the funding sources. The CIP is meant as a guide for Council and Management and does not give authorization for the projects until formally approved based on the City's Purchasing Policy.

The 5-year CIP is a fluid document that is updated on an annual basis. Some projects get pushed back to later years, some projects drop off and some projects move up in years depending on priorities. Ultimately, the funding is a major factor in determining which projects within the 5-year CIP get completed.

Motion made by Councilmember Lozinski, Seconded by Councilmember DeCramer to approve and adopt the 5-year capital improvement plan – (not including facilities as this is a separate document). Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Lozinski
Voting Nay: Councilmember Bayerkohler, Councilmember Labat. The motion **Passed. 5-2**

Declare Surplus Property, Consider Donation to Non-Profit Organization Policy.

Per Ordinance Sec. 2-4. – The city administrator may, from time to time, recommend to the council that certain personal property (chattels) owned by the city is no longer needed for a municipal purpose and should be sold. By action of the council such property shall be declared surplus, the value estimated, and the city administrator authorized to dispose of such property in the manner stated in this section.

(b) Surplus property worth a total estimated value of less than \$250.00. The city administrator may sell surplus property with a total value of less than \$250.00 through negotiated sale, or by public auction.

(c) Surplus property with a total estimated value between \$250.00 and \$1,000.00. The city administrator shall offer for sale surplus property with a total estimated value of from \$250.00 to \$1,000.00. Notice of such sale shall be given stating time and place of sale and generally describing the property to be sold at least ten days prior to the date of the sale by publication once in the official newspaper, and by posting in a conspicuous place in the city hall. Such sale may be by auction or by negotiable sale.

(d) Surplus property with a total estimated value over \$1,000.00. The city administrator shall offer for public sale to the highest bidder, surplus property worth a total estimated value over \$1,000.00. Notice of such public sale shall be given at least ten days prior to the date of the sale by publication once in the official newspaper. The notice shall state the time and place of the sale and shall generally describe the property to be sold. Such sale shall be to the person submitting the highest sealed bid, but the city shall have the right to accept or reject all bids.

(e) Receipts from sales of surplus property. All receipts from sales of surplus property under this section shall be placed in the general fund.

In 2016, the Minnesota Legislature passed a law allowing a “local government,” including statutory and home rule charter cities, to donate “surplus equipment” to a “nonprofit organization.” Before donating surplus equipment, a city must adopt a policy on how it will determine what qualifies as surplus eligible for donation and how it will select nonprofit organizations eligible to receive donations. One caveat worth mentioning—the policy “must address the obligations of the local government to disclose to the nonprofit that the surplus equipment may be defective and cannot be relied upon for safety purposes.”

All the items were estimated to have a total value of less than \$2,000, with most individual items less than \$250.00.

Councilmember Bayerkohler questioned the method of surplus equipment policy and recommended that it be sent back to staff for review and possibly the Legislative and Ordinance Committee for review for its compliance with State Law.

Motion made by Councilmember Lozinski, Seconded by Councilmember Schafer to approve staff to properly sell or dispose of unneeded items at City Hall. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

2020 Census Update.

City Clerk, Kyle Box, provide an update on 2020 presentation via PowerPoint.

Project Z64 / SAP 139-111-006: Saratoga Street Reconstruction Project - Consider Change Order No. 3 (Final) and Acknowledgement of Final Pay Request No. 9.

This project consisted of the following: Reconstruction and utility replacement on Saratoga Street from the bridge on Saratoga Street (between South 4th Street and West College Drive) to Southview Drive; Sanitary sewer replacement and watermain replacement on the abandoned South 1st Street from Marvin Schwan Memorial Drive to Saratoga Street; Sanitary sewer replacement on South "A" Street from Marvin Schwan Memorial Drive to Saratoga Street; Sanitary sewer replacement on Greeley Street from Saratoga Street southerly approximately 200 feet.

The items on Change Order No. 3 (Final Reconciling Change Order) for the above project are the result of final measurements and changes in item quantities during construction. Each individual line item is shown on the spreadsheet attached to the change order. All work has been completed in accordance with the specifications.

Change Order No. 3 (Final) results in a contract increase in the amount of \$22,677.85 and a total contract amount of \$2,933,670.13. The original contract amount was \$2,846,784.60.

The final payment, including release of retainage, will be funded from State Aid, Surface Water Management Utility Fund, Wastewater, Marshall Municipal Utilities and special assessments.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer that the Council approve Change Order No. 3 (Final), resulting in a contract increase in the amount of \$22,677.85 and acknowledge Final Pay Request (No. 9) in the amount of \$161,853.51 for the above-referenced project to R&G Construction Co. of Marshall, Minnesota. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Bayerkohler, Councilmember DeCramer, Councilmember Labat. Voting Nay: Councilmember Meister, Councilmember Lozinski. The motion **Passed. 5-2**

Municipal Building Renovation Project (CH1): Consider Proposal for Construction Testing Services with American Engineering Testing, Inc.

Proposal from American Engineering Testing, Inc. (AET) of Marshall, Minnesota, for construction testing services for the above-referenced project for an estimated total cost of \$11,995.00.

The City's consultant, Engan Associates, has reviewed the proposal and recommends award of the proposal for these services to AET.

AET's estimated total cost for these services is \$11,995.00. The services will be funded from the project fund (Account# 494-41136-5520).

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski that the Council award the attached proposal for construction testing services to American Engineering Testing, Inc. of Marshall, Minnesota, for an estimated total cost of \$11,995.00. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Bayerkohler. The motion **Passed. 6-1**

Commission/Board Liaison Reports

- Byrnes Southwest Region Development Commission met and discussed turnover within the commission as well as met with ATP/MnDOT area transportation partnership board to discuss transportation project within district 8 that have federal funding.
- Schafer No Report
- Meister Economic Development Authority met and had Dakota Business Finance present a \$500 check program. The EDA also discussed future advisements as well as a small cities grant update from UCAP.
- Bayerkohler No Report
- DeCramer Economic Development Authority met and provided additional discussion regarding housing opportunities through the small cities funding.
- Labat No Report
- Lozinski No Report

Councilmember Individual Items

Mayor Byrnes, along with City Administrator Sharon Hanson met with Schwan's family and Schwan's Leadership to discuss the separation of Schwan's into CJ Corp. Schwan's and Schwan's Home Service. At the end of the successful separation Marshall will be home to two headquarters.

City Administrator

City Administrator Sharon Hanson provided additional information from the meeting with the Schwan leadership such as work force development, strategic planning and rebranding within the City. Administrator Hanson also commented that 2019 building permits were up.

Director of Public Works

Director of Public Works/ City Engineer Glenn Olson provide a brief schedule of the City Hall Move along with the first part of City Hall construction.

City Attorney

City Attorney Dennis Simpson discussed a meeting held with residents at Broadmoor Valley regarding several requests for inspections within the property.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings

Adjourn Meeting

Motion made by Councilmember Meister, Seconded by Councilmember Lozinski to adjourn
Voting Yea: Mayor Byrnes, Councilmember Meister, Councilmember Bayerkohler, Councilmember DeCramer,
Councilmember Labat, Councilmember Lozinski. Voting Nay: Councilmember Schafer. The motion **Passed. 6-1**

Mayor

Attest:

City Clerk