

**CITY OF MARSHALL
WORK SESSION
M I N U T E S
Tuesday, February 23, 2021**

The work session of the Common Council of the City of Marshall was held February 23, 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: Craig Schafer, Steve Meister, Don Edblom, John DeCramer, Russ Labat and James Lozinski. Absent: None. Staff present included: Sharon Hanson, City Administrator; Jason Anderson, Director of Public Works/ City Engineer; Annette Storm, Director of Administrative Services; Director; Scott VanDerMillen, Director of Community Services and Kyle Box, City Clerk.

YMCA Discussion

Mayor Byrnes provided the background information on the agenda item and introduced Tom Bolin, Marshall Area YMCA Executive Director to discuss the Marshall Area YMCA's operations and financials throughout 2020. Director Bolin also introduced Eric Eben, Treasurer, and member of the Board of Directors. Director Bolin discussed the possibility of the City taking over the ownership of the YMCA and leasing the facility and handing over daily operations back to the Y, additional information was provided that showed similar agreements between other YMCA's and municipalities. There was additional discussion on the YMCA Capital Renovations after a Facility and Operational Assessment by GRO and future Marshall Community Services/YMCA programming partnership, such as Aquatics, Adult Community Center, Health and Wellness, Sports and Recreation, Sports Boosters.

There was additional discussion from YMCA staff that large donors are seeking assurance for long term stability for the YMCA before donations come in.

Administrator Hanson commented that the City would also like to see private donations come in for the city pool and further discussed city owned/ YMCA operated facilities.

Councilmember DeCramer commented on the concern of the City and the YMCA going out for capital projects and the potential of competing donations at the same time.

Councilmember Schafer commented that the City should look at the opportunities to partner in with the YMCA but to be cautious in options that increase the levy. The YMCA is regional asset in addition to a city asset.

Councilmember Lozinski commented that he is not in favor of using levy dollars for the YMCA.

Mayor Byrnes asked that Director of Community Services Scott VanDerMillen and Director Bolin to meet with their groups and organizations and come back to the Council with opportunities for City and YMCA partnership.

Pool Funding Options

Mayor Byrnes introduced Terrie Heaton, Principle for Baker Tilly. Principle Heaton discussed and provided three options in for the city to consider for pool funding options.

1. General Obligation Referendum Bonds

PROS

- Vote indicates community support of the Aquatics Center
- Lowest interest rate
- Ease of issuance after election results are canvased

CONS

- What happens to this amenity if the vote fails?
- Cost and administration
- Time to administer election
- Existing facility-multiple choice question-complicated

2. General Obligation Abatement Bonds

PROS

- Easy transaction to complete
- Lowest interest rate
- No reverse referendum
- Allows informed vote by elected officials

CONS

- Must create and abatement area large enough to support 100% of principal
- Economic development tool

3. Lease Revenue Bonds issued by the EDA.

PROS

- City has an EDA already established and used this tool before
- Low interest rate market environment
- Approved by EDA and City Council
- No abatement area or referendum process

CONS

- Interest rate slightly higher than GO
- Lease transactions require ground lease, facility lease and trustee

City Administrator Hanson discussed the funding options and community support for the pool to conduct a GO Referendum Bond.

Councilmember Lozinski commented on the low interest rates now and expecting them to increase 12-18 months.

City Administrator Hanson requested that the City Council review the three options and that she would seek comment and director from the council as a whole on what steps to proceed with.

2021 Bonding

Director of Administrative Services Annette Storm introduced the agenda item and provide the background information. Director Storm introduced Public Works Director/ City Engineer Jason Anderson to review the City of Marshall State Aid Projections.

Adjourn

At 4:54 P.M., Mayor Byrnes adjourned the meeting.

Mayor

Attest:

City Clerk