

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, October 24, 2023**

The regular meeting of the Common Council of the City of Marshall was held October 24, 2023, 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, Amanda Schroeder, John Alcorn, See Moua-Leske, James Lozinski and Steve Meister. Absent: None. Staff present included: Sharon Hanson, City Administrator; Pamela Whitmore, City Attorney (via Zoom); Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Sheila Dubs, Human Resource Manager; Quentin Brunsvold, Fire Chief; Preston Stensrud, Park and Rec Supervisor; Ilya Gutman, Plans Examiner; Laura Wing, Payroll and Benefits Specialist; and Steven Anderson, City Clerk.

The Pledge of Allegiance was recited at this time.

Consider Approval of the Work Session and Regular Meeting Minutes from October 10th

There were no amendments to the Minutes.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to approve the minutes from the regular meeting and work session from October 10, 2023. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Approval of the Consent Agenda

There were no requests to remove an item from the consent agenda for additional discussion.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to approve the consent agenda. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

- Consider Approval of a Raffle Permit for Shades of the Past
- Consider Approval for a Temporary Liquor License for the City of Marshall Employee Recognition Event
- Consider Resolution to Allow Lyon County to Retain VOTER Account Funds Received in 2023
- Consider Approval for Out of State Travel for Members of the CAT
- Adopt Amendment to West Central Fire Department Association Mutual Aid Agreement
- Introduction of Ordinance- 66-33 Process, 66-55 Procedures, and 86-30 Amendments
- Introduction of Ordinance - 86-247 Landscaping, 86-1 Definitions, 82-1 Grass and Weeds on Private Property
- Introduction of Ordinance- 86-248 Outside Storage: Shipping Containers
- Consider Approval of a Land Lease and Development Agreement
- Project ST-012-2024: South Whitney Street Reconstruction Project (E College Dr to Jean Ave) - Consider Resolution Ordering Preparation of Report on Improvement
- Consider Approval of the Bills/Project Payments

City of Marshall & Marshall Municipal Utilities Partnership Agreement

David Schelkoph, General Manager for Marshall Municipal Utilities, presented a high-level overview of the partnership agreement between MMU and the City of Marshall. On September 28, 2023, the Marshall Municipal Utilities Commission met and discussed the various changes that were made to the partnership agreement. Many of the amendments involved date changes and minor corrections to wording. Schelkoph explained that the Payment in Lieu of Taxes (PILOT) Calculation was changed when he became the General Manager. The calculation used a 10-year rolling average of MMU total sales to calculate how much is paid to the City of Marshall. For payable 2024 MMU would be paying \$797,998 to the City of Marshall with an additional \$176,616 to be paid to the EDA with \$964,614 total being paid. MMU and the City of Marshall also cost share streetlight services and fire protection. For

2024 streetlight costs were estimated to be \$277,522 and Fire Protection was estimated to be \$260,319. Mayor Byrnes remarked that the sales of energy for MMU had been on the rise and was a good sign of growth in the city, while at the same time a significant investment had been made in energy reduction and savings. Councilmember Meister questioned why there was such a sharp increase in wastewater billings in 2022 and then a steep decline in 2023. Schelkoph explained that MMU had entered into a contract in 2018 to install automatic metering infrastructure (AMI) throughout the city. The AMI system saw a bulk of its expenses in 2022 before the final roll out and there were also changes to the billing structure. Now that the AMI system was in place for 2023 the automation gained helped reduce costs in 2023. The biggest revision of the Partnership Agreement was the removal of section 10A.1.8 in its entirety. The main driving force for that change were the upgrades to the Wastewater Treatment Facility to ensure the city could reduce chloride discharged into the Redwood River. MMU and the city shared the costs for the upgrade, which was a major component of section 10A and no longer needs to exist with the upgrades being completed. The last amendment Schelkoph expounded upon was section 7A.1.13. Under 7A.1.13 MMU was planning on a 17–18-million-dollar distribution generation project for emergency power. The project wouldn't be underway until 2025. Councilmember Schafer asked what the tentative wattage generation would be for the proposed project. Schelkoph stated that it would be a 12-megawatt system and would run with the 15-megawatt jet turbine to produce 27-megawatts of emergency power for the City of Marshall. Schelkoph believed the 27 megawatts would be enough to keep the lights on for residential customers.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the City of Marshall and Marshall Municipal Utilities Partnership Agreement. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Consider the 2024 Health and Dental Insurance Renewals

Sheila Dubs briefly talked about the rate history for health and dental insurance. For health insurance from Blue Cross Blue Shield (BCBS) there would be a 7% increase and a 10.57% increase for Dental Insurance from Delta Dental.

Health insurance:

- 2018 Coop \$692.50/\$1852.00 7.1% Increase
- 2019 Coop \$638.50/\$1698.50 12.3% Increase
- 2020 PEIP \$673.82/\$1782.36 6.3% Increase
- 2021 PEIP \$718.32/\$1901.10 6.6% Increase
- 2022 BCBS \$632.33/\$1673.51 11.9% Decrease
- 2023 BCBS \$687.98/\$1820.78 8.8% Increase
- 2024 BCBS \$736.14/\$1948.23 7.0% Increase

Dental insurance:

- 2019 \$45.22/\$125.64
- 2020 \$46.12/\$128.16 1.9% Increase
- 2021 \$46.12/\$128.16 0.0% Increase (rate guarantee)
- 2022 \$47.96/\$133.28 3.9% Increase
- 2023 \$47.96/\$133.28 0.0% Increase (rate guarantee)
- 2024 \$53.04/\$147.38 10.57% Increase

Dubs introduced Bill Chukuske from National Insurance Services, broker for the City of Marshall, who talked further about rates and pricing. Chukuske with permission from the city sought quotes for dental insurance from seven companies with five sending quotes and two declining to quote. From the quotes received Chukuske recommended that the City of Marshall switch dental providers from Delta Dental to BEAM Benefits. BEAM offered a much lower premium than Delta and the other quotes received while still offering the same service levels as Delta Dental. The largest difference was in the Usual, Customary, and reasonable rate which BEAM would cover 95% instead of the 90% offered by Delta Dental. Dubs concluded the presentation by showing comparable cities for single and family plans. The comparisons placed the City of Marshall in the lower half out of the 13 cities similar in size. The savings that would be gained by switching to BEAM and accepting BCBS would result in a total employer percentage increase of 3.77% for single and 4.92% for family coverage, while the employees would see a percentage increase of 3.30% for single and 4.97% for family coverage.

Motion made by Councilmember Schafer, Seconded by Councilmember Meister to accept the 2024 Blue Cross Blue Shield of Minnesota renewal, the 2024-2025 BEAM Benefits dental proposal, and cost-share proposals. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Authorization to Purchase Playground Equipment from St. Croix Recreation

Preston Stensrud explained to the council that several years ago, the City of Marshall started implementing the installation of inclusive playground equipment in our parks. To date, Legion Field and Independence Park have had equipment and accessible surfacing installed, all via donations. The next park scheduled to have inclusive equipment installed would be at Justice Park. Staff would like to order the equipment from St. Croix Recreation, who holds the state contract, this fall for 2024 installation to avoid pricing increases. St. Croix Recreation had a sale on equipment that would be discounted in addition to the state contract price. The equipment would be paid for by donations and the installation would include additional sidewalk and accessible surfacing around the new equipment.

Motion made by Councilmember Meister, Seconded by Councilmember Lozinski to authorize the purchase of playground equipment from St. Croix Recreation for inclusive playground equipment. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Information on MNDNR ReLeaf Grant Award Notification

Stensrud provided a brief update on the MNDNR ReLeaf Grant that the City of Marshall had applied for earlier in 2023. The City of Marshall was selected to receive \$329,080 in grant funds to help with Emerald Ash Borer prevention and treatment. This grant was rare for the DNR as it also pays for staff time which no other DNR grant has done before and also required zero-dollar match from recipients. At this time not much can be done to inform citizens as the grant wording hasn't been made available but once more details emerge on what the funds could be used for the Parks Department would update council and the citizens of Marshall how to utilize the money. One additional grant was applied for approximately the same time as the ReLeaf Grant and was specific to removal of shade trees on city property, but no awards had been made yet.

Project AP-003: Airport Snow Removal Equipment (SRE) Building - Consider Architectural and Engineering Services Agreement with TKDA for Bidding Phase Services

Jason Anderson informed the council that the city has been working with TKDA to construct a new snow removal equipment (SRE) and maintenance equipment building at the Southwest Minnesota Regional Airport since early 2021. The existing buildings do not adequately accommodate all of the airport maintenance storage and workspace needs. The new facility is planned to be constructed in Airpark East, the east building area of the airport. The facility was identified in the Airport Master Plan and the project has been identified on the airport capital improvement plan (CIP) since 2011. At the October 10, 2023, City Council meeting, the Council authorized City staff to submit a grant initiation request to FAA to notify the State and Federal aviation offices of the City's intent to utilize federal funds for the SRE project. Councilmember Lozinski asked for confirmation if TKDA was the original firm used for the bid plans that had bids come in much higher than the engineer's estimate. Anderson confirmed that it was the same firm and city staff has since met with TKDA to firm up details to ensure a successful bid process.

Proposed project timeline:

- i. Contractor forum & outreach – Nov. 2023
- ii. Advertise for bids – Dec. 2023
- iii. Bid opening – Jan. 2024
- iv. Contract award – Feb. 2024
- v. Material order – Mar. 2024
- vi. Grant applications – Mar. 2024
- vii. Notice to proceed (site work) – June 2024
- viii. Notice to proceed (building) – Sept. 2024
- ix. Construction completion – July 2025

Motion made by Councilmember Schafer, Seconded by Councilmember Alcorn to approve the agreement with TKDA for architectural and engineering services. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske. Voting Nay: Councilmember Meister, Councilmember Lozinski. The motion **Carried. 5-2.**

Commission/Board Liaison Reports

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| Brynes | The Fire Relief Association met and discussed the retirement fund account. A number of long-term fire fighters retired and have depleted the fund, but the balance still remains at an acceptable level. |
| Schafer | No report |
| Meister | No report. |
| Schroeder | The Planning Commission discussed the ordinances introduced in the consent agenda. Lauren Deutz will be hosting an EDA Bus Tour on November 3 rd . |
| Alcorn | No report. |
| Moua-Leske | Prairie Jam was well attended with over 2,200 people. The CVB also received a minor update from a possible hotel developer who is looking at construction at a site next to the Red Baron Arena. |
| Lozinski | No report. |

Councilmember Individual Items

Councilmember Lozinski suggested that the regular council meeting on December 26th be moved to December 19th and that formal action could be taken at the next meeting.

Councilmember Schafer mentioned that the Third and Lyon Street reconstruction was finished.

Councilmember Meister brought up a concern he had with traffic trying to beat the red light on C St. and Main during the morning when children are trying to cross the road.

Councilmember Schroeder wanted to thank the group of people she saw at Independence Park that picked up garbage.

Mayor Brynes gave the Public Works department praise for their good planning of projects that were completed.

City Administrator

The Charter Commission met on October 18th and reviewed some amendments to the city charter. The commission wanted some additional time for review, so another meeting was scheduled. The Community Services Advisory Board was scheduled to meet on October 30th to further discuss cannabis use in city parks and would hopefully make a recommendation to the Legislative and Ordinance Committee. Hanson and Stensrud had an interview with Deb Gau from the Marshall Independent on the Aquatic Center and its history.

Director of Public Works/City Engineer

Anderson had no additional projects to update the council on as most have wrapped up for the season.

City Attorney

The Rental Ordinance Committee went through most of the major details of the draft ordinance and one more meeting was scheduled for October 31st for final review and recommendations.

Information Only

There were no questions on the Information Only items.

Upcoming Meetings

There were no questions on the Upcoming Meetings.

Adjournment

At 6:28 PM Motion made by Councilmember Schroeder, Seconded by Councilmember Moua-Leske to adjourn the meeting. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Alcorn, Councilmember Moua-Leske, Councilmember Lozinski. The motion **Carried. 7-0.**

Attest:

Steven Anderson, City Clerk

Robert Byrnes, Mayor