

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, September 28, 2021**

The regular meeting of the Common Council of the City of Marshall was held September 28, 2021, 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, Russ Labat and James Lozinski. Absent: None. 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; Karla Drown, Finance Director; 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 current agenda.

Consider approval of the minutes from a regular meeting held on September 14, 2021.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer that the minutes of the regular meeting held on September 14, 2021 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 Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Carr Subdivision III - 1) Public Hearing on Preliminary Plat; 2) Approval of Preliminary Plat; 3) Consider Resolution Adopting the Final Plat.

The final plat of Carr Subdivision I was approved by the City Council at its April 4, 2005 meeting. At the June 28, 2010 City Council meeting the plat was altered with the passing of Carr Subdivision II. Carr Subdivision II consisted of a small portion of the southwest corner of Carr Subdivision I which included a portion of MnDOT right-of way set aside for the future connection of Travis Road to MN 23. After discussions with MnDOT, the City and Developer elected to eliminate the future access point to MN 23 and desired to alter the location of Donald Drive and Travis Road.

Now, the developer wishes to combine and split lots to construct townhomes on the south side of Andrew Street in a similar manner to those constructed on the north side. Because one of the lots is in Carr Subdivision I and the other is in Carr Subdivision II, a platting process is required to adjust lot sizes for the construction of townhomes. The area is zoned R-2 where townhomes are a permitted use. City staff has conferred with Marshall Municipal Utilities regarding the placement of a new utility easement with this plat.

Copies of the proposed subdivision have been sent to the local utility companies for their review and comments.

The preliminary plat was presented at the Planning Commission meeting on September 8, 2021. Following discussion, Schroeder made a motion, second by Muchlinski to recommend approval to City Council as recommend by staff. Fox abstained from vote. All voted in favor.

Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski that the Council close the public hearing. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Motion made by Councilmember DeCramer, Seconded by Councilmember Labat that the Council approve the Preliminary Plat of Carr Subdivision III. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember

Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski.
The motion **Carried. 7-0**

Motion made by Councilmember Lozinski, Seconded by Councilmember Edblom that the Council adopt RESOLUTION NUMBER 21-076, which is the Resolution Approving the Final Plat of Carr Subdivision III. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Project ST-022: Bruce Street Gravel Resurfacing Project – Consider Award of Quotes.

For background, Skunk Hollow Road used to be County Road 67, a route on the County State Aid Highway System. In 1996, the County relinquished control of the street to the City as a “County Road Turnback”. Therefore, the city assumed ownership of the right of way and the street, and the segment was added to our Municipal State Aid System mileage. As part of the process of relinquishing control of the roadway, Lyon County paid the city for the cost to resurface the roadway at that time. The thought process at the time was that the city would grow in this direction, and it made more sense for the route to be operated by the city.

Since construction of the levee to the south, the land north of the levee (which includes Skunk Hollow Road) is almost entirely located in the floodway or floodplain. Therefore, the property south of Skunk Hollow cannot be developed and the roadway is frequently under threat of flooding. The residents on the north side of Skunk Hollow Road are not located in city limits; the city limits terminate on the north side of the Skunk Hollow Road right of way. In 2011-2012, city staff and Council explored the option of relinquishing control of Skunk Hollow Road back to Lyon County. There were meetings involving city and county staff and officials. Eventually, it was decided that Skunk Hollow Road and the land to the south would remain in city limits and the street would remain under city control until a later date when the city would establish a new route that moved the alignment to follow a path straight south to Fairview Street. In 2016, the roadway surfacing of Skunk Hollow Road was “reclaimed” in lieu of completing an expensive surfacing project. This essentially turned the surface into a gravel road by mixing the bituminous surface millings into the gravel base.

At the October 13, 2020 City Council meeting, staff presented a range of options and costs for improvement efforts to Skunk Hollow Road. At the meeting, the Council elected to continue to operate Skunk Hollow Road as a gravel surfaced road. City staff indicated that a gravel surfacing project would need to follow and that staff would pursue quotes for the work.

City staff is now prepared to execute a project to resurface the roadway with new gravel. The project would include an additional 4 inches of gravel placed along the entire Skunk Hollow Road segment of Bruce Street from just north of the levee to the road’s connection point with County Road 35.

There is roughly a quarter-mile segment in the middle of the project area where floodway constraints require that the roadway surface is not raised. In this segment, the roadway will be cut down 4 inches prior to gravel placement to allow for the new gravel surface to be installed without raising the elevation of the roadway surface.

This project was introduced and Council authorized staff to receive quotes at the September 14, 2021 City Council meeting. Staff solicited quotes directly from area contractors, as well as advertising the project through the City website and social media.

Five quotes were received, ranging in price from \$19,951.40 to \$35,290. The City was provided \$80,363.43 by the County in 1996. These funds have been set aside by the City and have accrued interest for a total fund amount of \$125,711.13 as of December 2019.

The gravel surfacing project is estimated to cost \$24,300.81 including contingency (5%) and engineering (16%) costs.

Motion made by Councilmember DeCramer, Seconded by Councilmember Lozinski that the Council award the quote for Project ST-022: Bruce Street Gravel Resurfacing Project to Rogge Excavating, Inc. in the amount of \$19,951.40. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider Approval of the Consent Agenda.

Councilmember Labat requested that item number 4, Ordinance Revision - Sec. 66-108(d) – Walkways: Introduction of Ordinance, be removed for further discussion.

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

Approval of the Preliminary Plat of Mosch Addition - Introduce Plat and Call for Public Hearing.

Approval to call for a Public Hearing Regarding Proposed Property Tax Abatement at 400 Erie Road.

Approval of Resolution Number 21-77, a Resolution Authorizing Closure of Special Revenue Fund 215

Approval of Resolution Number 21-78, a Resolution Declaration of Official Intent Regarding the Reimbursement of Expenditures with the Proceeds of Tax-Exempt Bonds.

Approval of a Temporary On-Sale Intoxicating Liquor License for SMSU.

Approval of a Temporary On-Sale Intoxicating Liquor License for the Marshall Area Chamber of Commerce.

Approval of a LG220 Application for Exempt Permit for SW MN Ducks Unlimited for October 15, 2021.

Approval of a LG220 Application for Exempt Permit for SMSU Foundation for December 4, 2021 and January 12, 2022.

Approval for a request to move dwelling – Call for a Public Hearing.

Approval of the bills/project payments

Ordinance Revision - Sec. 66-108(d) – Walkways: Introduction of Ordinance.

The City Engineering Department has been committed to a minimum 5-FT sidewalk width for many years. It is the opinion of City staff that a 5-FT minimum width is much more comfortable for sidewalk users. The intent of changing this ordinance is to ensure that our City ordinance agrees with current Engineering Department principles. On all reconstruction projects and all new subdivisions, it is staff's belief that 5-FT should be the minimum allowable width. City staff will not require 5-FT sidewalk if a property owner is replacing 4-FT sidewalk in an existing area with 4-FT sidewalk adjacent.

This item will be discussed at the Legislative & Ordinance Committee meeting on September 28, 2021 with introduction of ordinance at City Council that same evening.

Councilmember Labat asked a clarifying question regarding the ordinance and current practice regarding sidewalk replacement and new construction.

Motion made by Councilmember Schafer, Seconded by Councilmember Labat that the Council introduced the ordinance amendment. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Consider approval of 2021-2022 League of Minnesota Cities Insurance Trust Property/Casualty and Liability Insurance.

The City of Marshall carries property and casualty insurance coverage with the League of Minnesota Cities Insurance Trust (LMCIT). The annual renewal is for the coverage period of October 1, 2021, through September 30, 2022.

This insurance covers the City, MMU and Marshall-Lyon County Library. The premiums are also paid by all three entities.

City staff, along with Bremer have completed extensive work on all properties to ensure proper coverage. This included a walk-through of all city parks and some departments. The process is recommended to be completed every 5-7 years.

Last year Council gave direction to obtain quotes for the City's Equipment Breakdown coverage. This has been completed by staff and Bremer, which resulted in a competitive quote at a lower cost of premium to the city. Staff requested Bremer to obtain a quote for outside insurance coverage (other than LMCIT). This process was additional work on the behalf of staff, which included completing multiple forms and a walk-through of all properties. Those entities declined to quote.

Further review of City coverage brought to our attention the Airport Liability. LMCIT has airport liability insurance at no additional cost to the city. The \$5,000,000 Limit coverage currently carried by the city is above and beyond LMCIT coverage. After Bremer's research and discussion with the League, it is staff's recommendation to drop the additional Airport Liability insurance (annual premium of \$2,300).

Joel Quam with Bremer Bank provided a review of the renewal and coverage in greater detail.

Motion made by Councilmember Schafer, Seconded by Councilmember Edblom to approve the annual LMCIT property, casualty and liability insurance renewal and drop the airport liability coverage. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat. Voting Nay: Councilmember Lozinski. The motion **Passed. 6-1**

Motion made by Councilmember Lozinski, Seconded by Councilmember Meister for the staff to conduct a Request for Proposals for the Agent of Record. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Pre-Development Agreement Block 11

The city of Marshall has recently been in discussions with an established developer on the potential development of Block 11.

A Pre-Development Agreement (PDA) would give the developer the first right-of-refusal on a negotiated basis once the project is deemed feasible by the city. In turn, the city gains progress on developing a viable project within a specified time frame. Also, the city and development team are able to gain a better understanding of opportunities and risks prior to proceeding to the development phase.

Previously, the city did approve a preliminary development agreement (PDA) between the city and APX, a development firm out of Mankato, MN. The (PDA) expired and since then the Block 11 property is available to other developers and their proposed projects.

Motion made by Councilmember Schafer, Seconded by Councilmember DeCramer Approved Pre-Development Agreement between the City of Marshall and Block 11 Marshall, LLC with a termination date of December 31, 2021.

Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom, Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Commission/Board Liaison Reports

Byrnes No Report

Schafer MERIT Center Commission met and reviewed the updated trainings over the last few months including, pilot car course, commercial vehicle inspection course, emergency vehicle operations, motorcycle safety course, moped course and continued CDL classes. The Marshall Fire Department and North Memorial continue to use the facility for trainings as well. Avera and the Mankato Police Department continue to use the facility as well for their training and meeting room needs.

Meister Cable Commission met to review Studio One operations over the last year. Studio One has had 1,043 shows during 2020 – present, 129,000 hits over 3 platforms, Audio and Video updates at MERIT Center and Adult Community Center updates, and security cameras throughout the community.

Edblom Public Housing Commission met to welcome a new member and are finalizing summer projects.

Planning Commission met in special session to review the council action item regarding the Mosch property. There was also a discussion on membership to the Commission.

DeCramer Economic Development Commission met and reviewed the council action item taken tonight.

Marshall Municipal Utility Commission met to review chair ship

Labat Convention and Visitors Bureau met and will begin working on a seasonal newsletter as well as a new website to replace the current “MARSH” site. CVB staff continue to move into the building.

Lozinski City Hall Committee met to review that substantial completion of the building has been met.

Councilmember Individual Items

Councilmember Lozinski brought up a discussion on VRBO's and short-term rentals and would like to have the city look into drafting an ordinance to regulate short-term rentals.

Councilmember Labat commented in favor of member Lozinski's comments and asked if members of the audience could comment on a specific property in question.

Councilmember DeCramer discussed that short-term rentals will be discussed at the staff and Legislative and Ordinance Committee level and brought to the full Council for introduction.

Councilmember Schafer also commented on short-term rentals and the importance of being a good neighbor.

Councilmember Meister provided further discussion short-term rentals and on being proactive vs. reactive and when it comes to progressive changes within the community.

Mayor Byrnes commented on the recently completed Army Corps. of Engineer project. Byrnes also commented on the need for additional members on local boards and commission.

Mayor Byrnes invited a member of the audience forward to discuss the short-term rental operating next to their home.

City Administrator

City Administrator Sharon Hanson commented on the Community Survey regarding parks and recreation. Hanson commented that there will be 33 questions asked over the phone ranging on financing options, park facilities as well as offering a couple of open-ended questions.

Director of Public Works

Director of Public Works/ City Engineer Jason Anderson provided an update on local projects including the Army Corps. completed project and levy repair completed by the Street Department as well as the Independence Park trail project and Westwood curb replacement. Director Anderson also commented on a potential grant for the airport and a future bid for roof repair also at the airport.

There was further discussion on the Country Club Drive project and items that still need to be resolved.

City Attorney

City Attorney Dennis Simpson provided an update on the Helena Chemical project and MAHA agreement.

Information Only

There were no questions on the information items.

Upcoming Meetings

There were no questions on the upcoming meetings.

Adjourn

At 6:59 P.M., Motion made by Councilmember Schafer, Seconded by Councilmember Lozinski to adjourn.
Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Edblom,
Councilmember DeCramer, Councilmember Labat, Councilmember Lozinski. The motion **Carried. 7-0**

Mayor

Attest:

City Clerk