



CITY OF MARSHALL

City Council Meeting

A g e n d a

Tuesday, October 24, 2023 at 5:30 PM
City Hall, 344 West Main Street

OPENING ITEMS

APPROVAL OF AGENDA

APPROVAL OF MINUTES

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

CONSENT AGENDA

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

APPROVAL OF ITEMS PULLED FROM CONSENT

NEW BUSINESS

13. City of Marshall & Marshall Municipal Utilities Partnership Agreement
14. Consider the 2024 Health and Dental Insurance Renewals
15. Authorization to Purchase Playground Equipment from St. Croix Recreation
16. Information on MNDNR ReLeaf Grant Award Notification
17. Project AP-003: Airport Snow Removal Equipment (SRE) Building - Consider Architectural and Engineering Services Agreement with TKDA for Bidding Phase Services

COUNCIL REPORTS

18. Commission/Board Liaison Reports
19. Councilmember Individual Items

STAFF REPORTS

20. City Administrator
21. Director of Public Works/City Engineer
22. City Attorney

INFORMATION ONLY

23. Cash & Investments
24. Building Permits

MEETINGS

25. Upcoming Meetings

ADJOURN

Disclaimer: These agendas have been prepared to provide information regarding an upcoming meeting of the Common Council of the City of Marshall. This document does not claim to be complete and is subject to change.



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Mayor Byrnes
Meeting Date:	Tuesday, October 24, 2023
Category:	APPROVAL OF MINUTES
Type:	ACTION
Subject:	Consider Approval of the Work Session and Regular Meeting Minutes from October 10th
Background Information:	Enclosed are the minutes from the previous meetings.
Fiscal Impact:	
Alternative/ Variations:	Staff encourages City Council Members to provide any suggested corrections to the minutes in writing to City Clerk, Steven Anderson, prior to the meeting.
Recommendations:	That the minutes from the meeting held on October 10th be approved as filed with each member and that the reading of the same be waived.

**CITY OF MARSHALL
WORK SESSION
M I N U T E S
Tuesday, October 10, 2023**

The work session of the Common Council of the City of Marshall was held October 10, 2023, at City Hall, 344 West Main Street. The meeting was called to order at 4:00 P.M. by Mayor Robert Byrnes. In addition to Byrnes the following members were in attendance: Craig Schafer, Steve Meister, Amanda Schroeder, and See Moua-Leske. Absent: John Alcorn and James Lozinski. Staff present included: Sharon Hanson, City Administrator; E.J. Moberg, Director of Administrative Services; Sheila Dubs, Human Resource Manager; Laura Wing, Payroll/Benefits Specialist and Steven Anderson, City Clerk.

Consider 2024 Health and Dental Insurance Renewals

Sheila Dubs, Human Resources Manager, introduced Bill Chukuske from National Insurance Services (NIS) who brokers insurance for the city. Dubs informed the council that in 2023 Blue Cross Blue Shield (BCBS) had an increase of 8.8% but for 2024 the increase amounted to 7.0%. For dental in 2023 the increase was 0.0% because there was a two-year rate guarantee. For 2024, Delta Dental proposed an increase of 10.57%. Chukuske went into the details of the renewal summary for insurance proposals. Chukuske briefly talked about long-term care (LTC) insurance. The Cares Act in the state of Washington has ignited a national trend. Last year, the state of Washington rolled out legislation that creates a Long-Term Care benefit for all W2 employees that meet the state’s eligibility requirements -and it is funded by an employee payroll tax. Employees can seek exemption status from this payroll tax if they have a private LTC policy that meets the minimum requirements of the state. To mitigate this tax, hundreds of thousands of Washington residents chose to buy private LTC insurance. Since the Cares Act, similar legislation has begun to take shape in other states, including in the Midwest and East. Due to the new potential legislation, employers are considering educating their employees on risk and coverage levels or offering voluntary LTC alternatives to the state plans.

Originally BCBS was looking at a 10% increase but the underwriters for NIS did some additional research and found that there were some adjustments needed to employee numbers and were able to reduce the increase to 7.0%. With Delta Dental coming in at a 10.57% Dubs with the assistance of Chukuske submitted request for proposals and five carriers provided quotes for dental insurance. Staff recommended switching to Beam Benefits for dental insurance for a smaller rate. The dentistry situation in Marshall had created a unique situation where no dentist in the area was accepting insurance as in-network. With Beam Benefits the usual, customary, and reasonable (UCR) rate that would be paid was 95% opposed to the 90% covered by Delta Dental. Chukuske explained that UCR is a method that carriers used to gather how much a particular service costs in an area based on up to 10 provider and the carrier will determine an amount based on that information. Vision insurance saw no change because the rates were locked in through 2024, so for 2025 new bids would need to be sought. Meister asked how the change for employees would be if a switch was made to Beam Benefits. Chukuske clarified that it would be a similar process to Delta Dental because everything in the Marshall area are out of network for both insurance carriers. Members questioned how Public Housing employees were included in the city insurance policy. Dubs stated that Public Housing employees had been on the city policy for as long as she can remember but Public Housing pays 100% and there was zero contribution from the city. Schafer shared his experience with LTC insurance and sparked some conversation about lack of facilities and staff for these LTC facilities. At 4:33 PM Mayor Byrnes adjourned the meeting.

Attest:

City Clerk

Mayor

**CITY OF MARSHALL
CITY COUNCIL MEETING
M I N U T E S
Tuesday, October 10, 2023**

The regular meeting of the Common Council of the City of Marshall was held October 13, 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, See Moua-Leske, and Steve Meister. Absent: John Alcorn and James Lozinski. Staff present included: Sharon Hanson, City Administrator; Peter Mikhail, Assistant City Attorney; Jason Anderson, Director of Public Works/ City Engineer; E.J. Moberg, Director of Administrative Services; Jim Marshall, Director of Public Safety; Karla Drown, Finance Director; and Steven Anderson, City Clerk.

The Pledge of Allegiance was recited at this time.

C.C. Ludwig Award Presentation

A short congratulatory video was played in honor of Mayor Byrnes for receiving the C.C. Ludwig Award from the League of Minnesota Cities. The award was established in 1962 and was named for Clarence C. Ludwig, who served as the League's executive director from 1935-1959. The C.C. Ludwig Award is the League's highest honor for elected city officials. Recipients are chosen for their vision, statesmanship, and unwavering commitment to the public good.

Consider Approval of the Minutes from September 26th

There were no amendments to the minutes.

Motion made by Councilmember Schroeder, Seconded by Councilmember Meister to approve the minutes from September 26, 2023. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Snow Removal Services at Tall Grass Liquor and MERIT Center for the 2023/2024 through 2024/2025 Winter Seasons - Consider Award of Proposal

Jason Anderson presented background information on the snow removal services. Proposals were received for snow removal services at Tall Grass Liquor and the MERIT Center on October 5, 2023. One bid was received from Action Company, LLC of Marshall in the amount of \$175.00/occurrence for Tall Grass Liquor and \$450.00/occurrence for the MERIT Center.

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to approve the bid received from Action Sports, LLC. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Approval of the Consent Agenda

There were no requests to remove any items from the consent agenda for further discussion.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to approve the consent agenda as presented. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

- Consider Removing Special Assessments from City Financial Statements
- Consider Transferring Funds and Closing Capital Project Fund
- Consider Approval of a National Highway Safety Grant Agreement
- Consider Quote for Auditing Services for Year-Ends 2023 and 2024
- Consider Approval of 2023-2024 Equipment Breakdown Insurance Coverage
- Consider Approval for a Temporary On-Sale Liquor License for the Marshall Area Chamber of Commerce
- Consider Approval for an Off-Sale 3.2% Malt Liquor License for La Tapatia Grocery Store

Approve Written Notice of Intent to Terminate Land Use Services Contract Effective December 31, 2023

- Consider Approval of the Bills and Contract Payments

Project ST-002-2023: Bituminous Overlay on Various City Streets - Consider Change Order No. 3 (Final) and Acknowledgement of Final Pay Request (No. 3)

Jason Anderson explained the project was Marshall's annual street mill and overlay that included ADA improvement at sidewalk ramp crossings. The items on Change Order No. 3 (Final Reconciling Change Order) for the project are the result of final measurements and changes in item quantities during construction. To stay on budget, work was done with the contractor to remove a few roads from the original project. Change Order No. 3 (Final) resulted in a contract decrease in the amount of (\$124,881.14) and a final contract amount was \$635,144.59. The original contract amount was \$887,990.20, for a net contract decrease of (\$252,845.61). Anderson noted Change Order #1 removed the ADM Truck Lane portion of the project for a contract decrease of (\$123,985.98). ADM preferred to have Duininck, Inc. bill them directly for the work that occurred in the ADM truck stacking lane. The 2023 capital budget included \$774,500 for this work as follows: \$625,000 in the Public Improvement Fund and \$149,500 in the Wastewater Fund.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to approve Change Order Number 3 and acknowledge Final Pay Request Number 3. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Project AP-003: Airport Snow Removal Equipment (SRE) Building - Federal Grant Pre-Application

Jason Anderson explained 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 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. This facility was identified in the Airport Master Plan and the project had been identified on the airport capital improvement plan (CIP) since 2011. The timeframe to submit a grant initiation request to FAA had begun to notify both the State and Federal aviation offices of the City's intent to utilize federal funds for the project. If nothing was submitted for this grant initiation request, Marshall would be unable to utilize federal funds for a project in calendar year 2024. The city would still need Council authorization in the future to hire TKDA to complete bidding services for the re-bid of the project and would need future Council authorization to make grant applications for State and Federal funds.

The project cost estimate was estimated to be 4 million dollars. The current estimate identified a local cost of \$800,000, but it was a draft estimate and a local cost of \$1,000,000 would be more practical. TKDA would work to identify a greater use of federal funds where possible to help reduce the state funding request with the goal of ensuring a funding package that is acceptable to both MnDOT and FAA. The City would need to bond locally for all project costs, including the federal and state share to ensure that the project could be bid early in the year and to ensure that a contractor can begin work right away, unimpeded by funding schedules. With federal budget uncertainty, the FAA was not expecting to issue federal funds until Fall 2024. State grants are not typically awarded until spring/summer 2024. By bonding locally for all project costs, the City can be assured that funds will be available for project payments. Later, grant funds can be used to assist with bond payments. Councilmember Schafer added that the Airport Commission had met and discussed this project extensively and recommended that the project move forward to council. Councilmember Meister asked if the grant funds were not awarded to Marshall what position would the city be in for payments. Anderson stated that with assistance from TKDA and as part of the pre-application process some assurances would be built in and these grant funds would be earmarked for the City of Marshall

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to authorize the submittal of the Federal Grant Pre-Application for Project AP-003. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Award of Proposal for Professional Services for 2022 Active Transportation (AT) Infrastructure Project

Anderson informed city council that the City of Marshall was awarded \$360,381 in Active Transportation (AT) Infrastructure Program grant funds for construction of several city-wide pedestrian improvement projects including a Rectangular Rapid-Flashing Beacon (RRFB) at US Hwy 59/A Street, a shared use trail along US Hwy 59 between Boyer Drive & Windstar, and the re-alignment of the Camden Trail at County Road 7 along with an enhanced crossing in the form of an RRFB. The projects would need to adhere to State Aid standards and require approval from the District State Aid Engineer. During the meeting on December 27, 2022, the City Council adopted Resolution 22-107, "Resolution of Support" for the project and authorized Bolton & Menk, Inc. and City staff to submit a grant application. City staff proposed to hire BMI if a grant was offered and return to the City Council for consideration of an engineering contract with BMI for project design. BMI in response to the City of Marshall's request has submitted a proposal for developing construction plans including preliminary and final design engineering services to ready the improvement project for competitive bidding for the project in the amount not-to-exceed \$48,000.00. The estimated construction cost would be covered by the grant. Engineering costs are not grant eligible and would be funded with local funds in an amount not-to-exceed \$48,000. City staff would propose to pay for engineering costs, as well as any construction costs that go above grant amount, with municipal state aid street (MSAS) funds. Because the City is in an advanced status with our MSAS account, we will need to request for a funding advance in early 2024 to ensure that we secure funds for this project.

Motion made by Councilmember Meister, Seconded by Councilmember Schafer to award the proposal for Professional Services to Bolton & Menk, Inc of Mankato for the development of construction plans to ready the improvement project for competitive bidding for the 2022 Active Transportation Infrastructure Project in the amount not-to-exceed \$48,000. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Consideration of Development Agreement for Sanitary Sewer Extension to Serve Outlot B of Moose Addition

City staff was approached by Dan Hisken, owner of Hisken Construction, Inc., regarding access to city sanitary sewer facilities at his shop location at 200 South 8th Street. The nearest city manhole was located a little over 300-FT to the east of the shop location. The shop was served by city water and electric but does not have access to sanitary sewers. Upon reviewing the area and through discussion, Mr. Hisken had agreed to extend the city public sewer to the west by over 300-FT to provide sanitary sewer access at his shop facility. The project would be completed per City design and to City standards, and at time of successful completion, the sanitary sewer would become a public sanitary sewer. Mr. Hisken was agreeable to paying all the costs for the sewer extension, along with costs for City engineering staff time for design and inspection. City staff would be responsible for ensuring that Mr. Hisken's contractor installs the sanitary sewer piping system in accordance with City standards. Councilmember Schafer asked if in the future other properties wanted to connect to the sewer would Mr. Hisken be compensated. Anderson clarified that since the sewer would become a public utility and would follow city policy for new connections and Mr. Hisken would not be compensated.

Motion made by Councilmember Schafer, Seconded by Councilmember Schroeder to approve the development agreement for sanitary sewer extension to serve Outlot B of Moose Addition. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Consider Farm Lease Proposals

E.J. Moberg, Director of Administrative Services, explained that all existing farm leases expire at the end of 2023. A request for proposals for rental of approximately 446.1 acres of city owned agricultural property was issued on August 24th, with sealed proposals received until 11 AM on September 21st for leases from 2024 through 2026. The following language would be included in the lease for parcel #12 (land near Wastewater): Biosolid application: Lessor shall provide, and Lessee shall accept, wastewater biosolids for application on parcel 12 (82.27 acres). Lessee shall pay \$50 to \$100 per acre (sliding rate based on cost of fertilizer and nutrient quality of biosolids) per year for the biosolid application. Lessor shall provide and apply biosolids. Biosolids application shall occur at such time after harvest has occurred so as to not interfere with Lessee's crop production and harvest. Lessee shall pay for biosolid application within 30 days of the date of application.

Lessor shall provide verified information the biosolid nutritional composition and shall verify the total number of acres to which the biosolids have been applied.

The existing renter was given the opportunity to match the high proposal for parcels #2 and #4. The City chose to offer that option to save on the costs of surveying and staking the properties, potential costs of an additional field approach, the irregular parcel widths, possible access issues, and previous experience with the farmer of those properties near the airport. Finally, some items of interest we disclosed during the proposal process: Some parcels may NOT have access to a public road or right of way so the responder may need to request and obtain approval from an adjacent property owner to access the City property. The acres available for lease could change yearly, especially for parcels within areas marketed for development. The city may terminate any farm lease for any reason up to 60 days' notice to the tenant. The city intends to provide such notice on or before mid-January each year. Rent will be due on or before April 1 each year. Rental income of \$121,800.95 would be collected each year with the current bids.

Motion made by Councilmember Schafer, Seconded by Councilmember Moua-Leske to accept the farm lease proposals. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Use of Airport Lot for Temporary Gravel Storage as Part of Pending Future Development

Sharon Hanson informed the city council that staff had been in discussion with a prospective developer on private hangar development at Airport East lot locations. The developer has a draft lease agreement from the city and draft building plans. In preparation for the development and his immediate need to store/retain gravel from an existing site he owns, the developer has requested storage of gravel at the Airport East lot. City staff were agreeable to this and have consulted with Kennedy and Graven for terms for the preliminary storage as well as recourse if development does not occur. Councilmember Meister asked if there would be any issues from the FAA for the stored gravel. Anderson said it wouldn't be an issue. Hanson also added that the Airport Supervisor has been in contact with the developer and gravel contractor to ensure that no issues would arise.

Motion made by Councilmember Meister, Seconded by Councilmember Schroeder to approve the temporary gravel storage of Airport East lot locations. Voting Yea: Mayor Byrnes, Councilmember Schafer, Councilmember Meister, Councilmember Schroeder, Councilmember Moua-Leske. The motion **Carried. 5-0.**

Commission/Board Liaison Reports

- | | |
|------------|--|
| Brynes | No report. |
| Schafer | Airport Commission discussed the same items that were already brought up. The Airport Commission was very grateful to the Street Department for the crack sealing and maintenance that was done. |
| Meister | No report. |
| Schroeder | No report. |
| Alcorn | Absent. |
| Moua-Leske | The DEI Commission hosted Welcoming Week and that was well attended by roughly 500 attendees. DEI also discussed the City of Marshall succession of the Juneteenth Celebration. The Library Board met and approved a preliminary levy of 3.9%. |
| Lozinski | No report. |

Councilmember Individual Items

Mayor Byrnes announced that the Adult Community Center was celebrating their 35th anniversary on October 13, 2023.

City Administrator

The Community Services Advisory Board met and had a lively discussion about cannabis in parks and city facilities. The hope was to make a recommendation to the Legislative and Ordinance Committee before they met on October 31. The Southwest Initiative Foundation awarded the City a grant of \$2,700 to help fund the activities of Welcoming Week.

Director of Public Works/City Engineer

MnDOT Aeronautics would be hosting one of five meeting sessions in Marshall to present the 2022 Minnesota State Aviation System Plan. Project updates were given on the Legion Field Pond, and the Lyon and Third project.

City Attorney

No report.

Administrative Brief

There were no questions on the Administrative Brief.

Information Only

There were no questions on the Information Only items.

Upcoming Meetings

There were no questions on the Upcoming Meetings.

Adjourn

At 6:15 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 Moua-Leske. The motion **Carried. 5-0.**

Attest:

Steven Anderson, City Clerk

Robert Byrnes, Mayor



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Steven Anderson
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Consider Approval of a Raffle Permit for Shades of the Past
Background Information:	<p>The Shades of the Past Car Club will be holding a raffle at Runnings located at 1101 East Main Street.</p> <p>Gambling permits are issued by the State of MN but require local approval before submittal.</p>
Fiscal Impact:	
Alternative/ Variations:	None recommended.
Recommendations:	To approve the LG220 Application for Exempt Permit.

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:
• conducts lawful gambling on five or fewer days, and
• awards less than \$50,000 in prizes during a calendar year.
If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is \$100; otherwise the fee is \$150.
Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Shades of the Past, Marshall, MN
Previous Gambling Permit Number: X-32310-23-010
Minnesota Tax ID Number, if any: 3840080
Federal Employer ID Number (FEIN), if any: 36-3488188
Mailing Address: PO Box 434
City: Marshall State: MN Zip: 56258 County: Lyon
Name of Chief Executive Officer (CEO): Kenny DeVries
CEO Daytime Phone: 507-829-5214 CEO Email: kbjtdev@gmail.com
Email permit to (if other than the CEO):

NONPROFIT STATUS

Type of Nonprofit Organization (check one):
[] Fraternal [] Religious [] Veterans [x] Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)
[x] A current calendar year Certificate of Good Standing
[] IRS income tax exemption (501(c)) letter in your organization's name
[] IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Running's Store
Physical Address (do not use P.O. box): 1101 East Main Street
Check one:
[x] City: Marshall Zip: 56258 County: Lyon
[] Township: Zip: County:
Date(s) of activity (for raffles, indicate the date of the drawing):
Check each type of gambling activity that your organization will conduct:
[] Bingo [] Paddlewheels [] Pull-Tabs [] Tipboards [x] Raffle

Gambling equipment for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on Distributors under the List of Licensees tab, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print City Name: _____

Signature of City Personnel: _____

Title: _____ Date: _____

The city or county must sign before submitting application to the Gambling Control Board.

**COUNTY APPROVAL
for a gambling premises
located in a township**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

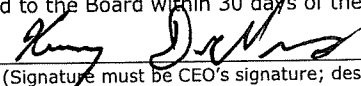
Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature:  Date: 10-5-23

(Signature must be CEO's signature; designee may not sign)

Print Name: Kenny DeVries

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- _____ a copy of your proof of nonprofit status; and
- _____ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

To: Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

This form will be made available in alternative format (i.e. large print, braille) upon request.

An equal opportunity employer



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Steven Anderson
Meeting Date:	Tuesday, October 10, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Consider Approval for a Temporary Liquor License for the City of Marshall Employee Recognition Event
Background Information:	<p>Visit Marshall will be sponsoring the City of Marshall Employee Recognition Event license that will be held at SMSU on January 14, 2024.</p> <p>All Temporary Liquor Licenses require municipal approval and final approval from the Alcohol and Gambling Enforcement Division.</p>
Fiscal Impact:	
Alternative/ Variations:	None recommended.
Recommendations:	To approve the temporary on-sale liquor license for Visit Marshall on January 14.



Minnesota Department of Public Safety
 Alcohol and Gambling Enforcement Division
 445 Minnesota Street, Suite 222, St. Paul, MN 55101
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555
**APPLICATION AND PERMIT FOR A 1 DAY
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization	Date organized	Tax exempt number
Visit Marshall	Jan 1, 1994	414780674

Address	City	State	Zip Code
1651 Victory Drive	Marshall	Minnesota	56258

Name of person making application	Business phone	Home phone
Cassi Weiss	507-537-1865	

Date(s) of event	Type of organization
January 12, 2024	<input type="checkbox"/> Microdistillery <input type="checkbox"/> Small Brewer <input type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input checked="" type="checkbox"/> Other non-profit

Organization officer's name	City	State	Zip Code
Keith Petermeier	Marshall	Minnesota	56258

Organization officer's name	City	State	Zip Code
		Minnesota	

Organization officer's name	City	State	Zip Code
		Minnesota	

Organization officer's name	City	State	Zip Code
		Minnesota	

Location where permit will be used. If an outdoor area, describe.

SMSU Lower Ballroom

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City or County approving the license

Date Approved

Fee Amount

Permit Date

Date Fee Paid

City or County E-mail Address

City or County Phone Number

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY PERMIT APPROVALS WILL BE E-MAILED. E-MAIL THE APPLICATION SIGNED BY CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.

Item 3.

Presenter:	Steven Anderson
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Consider Resolution to Allow Lyon County to Retain VOTER Account Funds Received in 2023
Background Information:	<p>Minnesota Legislature established a Voting Operations, Technology, and Election Resource (VOTER) Account to which \$1.25 million was to be allocated per year for expenses related to elections. The Office of the Secretary of State will distribute funds to all 87 counties, 20% allocated equally, and 80% based on proportion of registered voters.</p> <p>Counties must distribute funds to cities and townships by Dec. 31 of each year by either an agreed distribution or by the following distribution:</p> <ul style="list-style-type: none"> • 50% to county. • 25% to all municipalities and townships. • 25% based on absentee balloting administration responsibility. <p>Funds may be used for:</p> <ul style="list-style-type: none"> • Equipment • Hardware or software • Cybersecurity • Security-related infrastructure • Capital improvements to improve access to polling places for individuals with disabilities. • Staff costs for election administrators, election judges, and other election officials. • Printing and publication • Postage • Programming • Local match for state or federal funds. • Any other purpose directly related to election administration. <p>Cities receiving funds from this account must segregate the funds into an election funding account and report to their respective county or counties on how the funds were spent by Dec. 15 annually. In July of 2023 Lyon County received \$6,934.47 of which approximately \$56 would be allocated to the City of Marshall. Lyon County has requested that the \$56 be retained by them to fund a new DS200 Ballot Counter to replace one that is being decommissioned.</p>
Fiscal Impact:	\$0.00 or \$56.00
Alternative/ Variations:	
Recommendations:	To approve the resolution allowing Lyon County to retain the City of Marshall’s 2023 portion of VOTER Account Funds from the MN Secretary of States Office.

RESOLUTION NUMBER 23-067

**RESOLUTION FOR VOTING OPERATIONS, TECHNOLOGY, & ELECTION RESOURCES (VOTER)
ACCOUNT AGREEMENT**

BY AND BETWEEN: Lyon County

AND: City of Marshall

WHEREAS, On July 20, 2023, the Office of the Secretary of State completed the electronic transfer of \$1.25 million in electronic payments to counties, of which Lyon County’s share is \$6,934.47, for the Voting Operations, Technology, & Election Resources (VOTER) Account in accordance with the requirements of Minnesota Statutes section 5.305; and

WHEREAS, Lyon County is required to work with its local units of government to determine how the funds will be allocated within the county; and

WHEREAS, Lyon County currently administers the absentee and mail balloting for all precincts during non-general election years; and

WHEREAS, Lyon County pays for all maintenance for all election equipment utilized by the local units of government;

NOW, THEREFORE, BE IT RESOLVED, that the City of Marshall does hereby agree to allow Lyon County to retain the City of Marshall’s portion of Voting Operations, Technology, & Election Resources (VOTER) Account Funds received in 2023.

Passed and adopted this 24th day of October 2023 by the Common Council of the City of Marshall.

Robert J. Byrnes
Mayor of the City of Marshall

ATTEST:

Steven Anderson
City Clerk

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Quentin Brunsvold
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	INFO/ACTION
Subject:	Approve out of state travel for up to 4 fire dept. staff
Background Information:	<p>In 2020, the Southwest Chemical Assessment Team (CAT) transitioned to the responsibility of the Marshall Fire Department. The team currently consists of 11 individuals, 7 of these individuals are firefighters cross trained to NFPA 472 HAZMAT certified technicians. It is difficult to find technical HAZMAT continuing education outside of 3 or 4 national conferences throughout the year. The conference referenced above is the Hazardous Materials Instructors/Commanders Conference (HMICC) in Ft. Lauderdale, FL November 13-15 2023.</p> <p>A funding request to send 3-4 staff to this conference was submitted as part of the Hazardous Materials Emergency Preparedness (HMEP) grant which was awarded on October 11th. This federal grant is administrated by the MN State Fire Marshal Division for all the state chemical response teams. This grant requires a 20% soft cost match that will be absorbed through the annual state contract award amount that ends on 30 June, 2024. The Hazardous Materials Instructors and Commanders Conference (HMICC) provides continuing education, information sharing, and networking for senior hazardous materials responders responsible for training and managing HazMat response programs. The training workshops at HMICC include: Threat Updates, Train-the-Trainer sessions, Incident Case Studies and Lessons-Learned, New tactics and Best Practices, Instructor Development, Command Level Decision Making & New Technology and Equipment.</p>
Fiscal Impact:	\$0
Alternative/Variations:	None
Recommendations:	Approve the out of state travel request

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Quentin Brunsvold
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Adopt Amendment to West Central Fire Department Association Mutual Aid agreement
Background Information:	The City of Marshall Fire Department has a mutual aid agreement with the West Central Fire Department Association that was adopted in May of 2017. In a May 2023 meeting, discussion was held to increase the hourly rate per firefighter up to \$25.00 per hour for mutual aid calls for service when on scene for longer than 5 hours. This change was approved by the West Central Fire Department Association in August 2023.
Fiscal Impact:	\$0
Alternative/ Variations:	None
Recommendations:	To adopt the mutual aid agreement with West Central Fire Department Association to include the increase in the per firefighter hourly rate amount.

WEST CENTRAL FIRE DEPARTMENT ASSOCIATION

MUTUAL AID AGREEMENT

Whereas, the said municipalities or private fire departments desire to make available to each other their respective fire-fighting equipment and personnel in the case of emergencies, and each of said municipalities has legal authority to send its fire-fighting equipment and personnel into other communities.

Now therefore it is mutually agreed as follows:

1. On this 24th day of October, 2023.
It is agreed that the Fire Department of the City of Marshall or
Private Fire Department providing fire protection to the City of _____
(*Complete appropriate block, either City Fire Department or Private Department*) shall provide Mutual Aid to any of the Fire Departments listed as members of the West Central Fire Department Association and who have executed an Agreement in this form. This Agreement shall be in effect when executed by the appropriate persons for the City and its Fire Department and/or appropriate private fire department officials. A list of all members of the Association signing this Agreement shall be furnished to each member of the Association. A list of current association members are attached (Attachment 1) to this contract as “West Central Fire Department Assn Region 9 Members”.
2. Any Fire Department of the City or Private Fire Department wishing to withdraw its membership from the West Central Fire Department Association’s Mutual Aid Agreement, may do so by notifying every other member department in writing at least 30 days prior to termination of its membership of the West Central Fire Department Association.
3. It is further agreed that Cities and Fire Departments that are not members of the West Central Fire Department Association, but are adjacent to the association members may become a part of this Agreement providing they agree to all terms of the Mutual Aid Agreement. In the event these Cities and/or Fire Departments wish to withdraw from the Agreement then must notify the West Central Fire Department Association and Cities/Fire Departments they are supporting in writing at least 30 days prior to termination of the Agreement.

Purpose:

This agreement is made pursuant of the Minnesota Statutes 471.59 which authorizes the joint and cooperative exercise of powers common to contracting parties. The intent of this agreement is to make equipment, personnel, and other resources available to each Party who has signed this Agreement upon its request to the other Parties who have signed the Agreement.

Definitions:

1. “Party” means a local government or a non-profit organization that contracts with local governments.
2. “Requesting Official” means the person designated by a Party who is responsible for requesting Assistance from other Parties.
3. “Requesting Party” means a Party that requests assistance from other Parties, normally the fire department of the jurisdiction in which an incident requiring assistance occurs.
4. “Responding Official” means the person designated by the Party who is responsible to determine whether and to what extent that Party should provide assistance to a Requesting Party.
5. “Responding Party” means a Party that provides assistance to a Requesting Party.

Procedure:

1. **Request for Assistance.** Whenever, in the opinion of the Requesting Official, there is a need for assistance from other Parties, the Requesting Official may call upon the Requesting Official of any other Party to furnish assistance.
2. **Response to Request.** Upon the request for assistance from the Requesting Party, the Responding Official may authorize and direct its personnel to provide assistance to the Requesting Party. Whether the Responding party provides assistance and, if so, to what extent shall be determined by the Responding Official.
3. **Recall of Assistance.** The Responding Official may at any time recall such assistance when in his or her best judgement or by an order from the governing body of the Responding Party, it is considered to be in the best interests of the Responding Party to do so.
4. **Command of Scene.** The Requesting Party shall be in command of the emergency scene. The personnel and equipment of the Responding Party shall be under the direction and control of the Requesting Party until the Responding Official withdraws assistance. In the event an emergency occurs in or crosses the boundaries of more than one jurisdiction, a joint command of the affected jurisdictions should be established.

Charges to the Requesting Party:

1. The Requesting Party agrees to compensate the Responding Party as specified in this Agreement and in other Agreements that may be in effect between the Parties. Charges to the Requesting Party from the Responding Party shall be the actual expenses and at the rates (except rate for Additional Firefighters) based on most current MN DNR document “Suggested Equipment Standards and Hourly Rates for Fire Departments that have an agreement with the Division of Forestry MN/DNR”, current copy (Attachment 2) to this contract and located at the following link: <http://files.dnr.state.mn.us/assistance/grants/ruralfire/FireDeptCoopAgrRateTable.pdf> for:
 - a. Labor Force (To be based on Attachment 3)
 - b. Equipment (except Aerial Apparatus, See Attachment 4)
 - c. Transportation
 - d. Meals, Lodging, and Other Related Expenses
2. Invoice to the Requesting Party. Within 90 days of the return to the home work station of all labor and equipment of the Responding Party, the Responding Party shall submit to the Requesting Party an invoice of all charges related to the aid provided pursuant to this agreement. The invoice shall contain only charges related to the aid provided pursuant to this Agreement.
3. A Responding Party shall not charge for assistance provided to the Requesting Party of this Agreement for the first 5 hours of such assistance. If an Aerial Apparatus is requested, then a charge for the initial 1st hour and additional hours will be based on Attachment 4. However, a Requesting Party shall replace all extinguishing materials consumed by each Responding Party. After 5 hours, the Requesting Party shall be responsible to pay for the actual and necessary expenses of each Responding Party from the beginning of the incident at which the Responding Party provided Assistance.

Discretionary Assistance:

Providing assistance is entirely at the discretion of the Responding Party. The agreement to provide assistance is expressly not contingent upon a declaration of a major disaster or emergency by the federal government or upon receiving federal funds.

Workers Compensation:

Each Party shall be responsible for injuries or death of its own personnel. Each Party will maintain workers compensation insurance or self-insurance coverage, covering its own personnel while they are providing assistance pursuant to this Agreement. Each Party waives the right to sue any other Party for any workers compensation benefits paid to its own employee or volunteer or their dependents, even if the injuries were caused wholly or partially by the negligence of the other Party or its officers, employees, or volunteers.

Damage to Equipment:

Each Party shall be responsible for damage to its own equipment. Each party waives the right to sue any other Party for any damage to its equipment, even if the damage was caused wholly or partially by the negligence of any other Party or its officers, employees, or volunteers.

Liability:

1. The Requesting party agrees to indemnify and defend against any claims brought or actions files against the Responding Party or any officer, employee, or volunteer of the Responding Party for injury to, death of, or damage to the Party of any third person or persons, arising from the performance and provision of assistance in responding to a request for assistance by the Requesting Party pursuant to this Agreement.
2. Under no circumstances, however, shall a Party be required to pay on behalf of itself and other Parties, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one Party. The limits of liability for some or all of the Parties may not be added together to determine the maximum amount of liability for any Party.
3. The intent of this subdivision is to impose on each Requesting Party a limited duty to defend and indemnify a Responding Party for claims arising within the Requesting Party's jurisdiction subject to the limits of liability under Minnesota Statutes Chapter 466. The purpose of creating these reciprocal duties to defend and indemnify is to simplify the defense of claims by eliminating conflicts among defendants, and to permit liability claims against multiple defendants from a single occurrence to be defended by a single attorney.
4. No Party to this Agreement nor any officer of any Party shall be liable to any other Party or to any other person for failure of any Party to furnish assistance to any other Party, or for recalling assistance, both as described in this Agreement.
5. Failure to provide assistance will not result in liability of a Party.

Amendments:

Amendments to this Agreement may be made at any regular meeting of the Association, providing that every Member department is notified in writing of the proposed change at least 30 days prior to the regular meeting date. Amendments to this Agreement will require a 2/3rds vote of the members voting.

Non-Members:

Non-members who may have become a part of this Agreement will have the option of accepting Amendments to this Agreement. If these Non-members desire to withdraw based on these Amendments, they must notify the West Central Fire Department Association and Cities/Fire Departments they support in writing within 30 days of adoption of the Amendments.

(To be used by City Fire Department)

CITY OF: _____

By: _____ (City Manager/Administrator/Clerk)

By: _____ (Mayor)

(To be used by Private Fire Department)

FIRE DEPARTMENT OF: _____

By: _____ (Fire Chief)

By: _____
(By Individual authorized to execute this Agreement on behalf of the Corporation)

ATTACHMENTS:

1. West Central Fire Department Assn Region 9 Members
2. Suggested Equipment Standards and Hourly Rates for Fire Departments that have an agreement with the Division of Forestry MN/DNR (Most current published)
3. Additional Firefighter Hourly Rates
4. Aerial Apparatus Rates

4/2013

**Suggested Equipment Standards and Hourly Rates for Fire Departments
That have an agreement with the Division of Forestry MN/DNR**

After the first two hour rate has expired, needed equipment will be placed on an hourly rate. Equipment standard and rates include personnel; fuel will be furnished by the Fire Department. *The rate will be reduced by 10% for Engines and Water Tenders older than 25 years.*

Engines

COMPONENTS	Structure Engines		Wildland Engines				
	1	2	3	4	5	6	7
Pump Rating							
Min. Flow (GPM)	1000	500	150	50	50	50	10
At rated pressure (PSI)	150	150	250	100	100	100	100
Tank Capacity (Gallon)	300	300	500	750	400	150	50
Hose 2 ½" (Feet)	1200	1000					
Hose 1 ½" (Feet)	500	500	1000	300	300	300	
Hose 1" (Feet)			500	300	300	300	200
Personnel	4	3	3	2	2	2	2
Equipment Rate /Hour	\$275	\$200	\$185	\$165	\$140	\$125	\$85

**Engines equipped with Compressed Air Foam Systems will be paid an additional \$20 an hour if CAFS is used on the incident.*

Water Tenders

Requirements	Water Tender Types				
	Support			Tactical	
	S1	S2	S3	T1	T2
COMPONENTS					
Tank Capacity (Gallons)	4000	2500	1000	2000	1000
Pump Minimum Flow (GPM)*	300	200	200	250	250
@ Rated Pressure (PSI)	50	50	50	150	150
Max Refill times (Min.)	30	20	15	-	-
Pump & Roll	-	-	-	yes	yes
Personnel	1	1	1	2	2
Equipment Rate /Hour	\$200	\$160	\$140	\$230	\$190

*Portable Pump Acceptable with tenders
* Water tenders come with folding tanks

Additional Firefighters use a rate of \$15.00/hr

Minimum Requirements for Personnel Responding to Incidents on National Forest System Lands

All firefighting personnel are required to wear and utilize the following Personal Protective Equipment: Nomex shirt and pants, hard hat, leather gloves, 8 inch boots with a lugged sole and an approved fire shelter. All personnel will be required to meet NWCG training requirements for a wildland firefighter, and attend an annual wildland refresher. Fire Chiefs will ensure Departments meet training requirements and are responsible for the upkeep of Department personnel training records. Physical fitness levels are established by each agency. Departments will meet their own physical fitness standards.

When **responding to Federal Lands Engines and Water tenders will need to meet the NWCG component standards** and are recommended to meet NWCG stocking standards (appendix M). Appendix M is located at <http://www.nifc.gov/PUBLICATIONS/redbook/2013/AppendixM.pdf>.

Other Resources

- **Non-Vehicle Items used for support missions will be based on a daily rate**

MODEL/DESCRIPTION	Min. # of Operators	Rate		
Tracked Vehicles	2	based on size		Use rate charts from Engine typing
UTV w/tank (tactical) *ROPS required	1	\$50/hr +		based on tank size 31-50 gal= \$50 hr 51-75+ gal= \$60 hr
ATV (support)	1	\$100/day		
Boat (must have pump and roll capabilities and used for tactical missions)	2	negotiated		based on size and pumping capabilities
Boat (support)	1	\$75/day +		based on size 14'=\$75/day 16-17'=\$150/day 18+= \$175/day
Portable Pump (high volume or pressure)	0	\$200/day		
Folding Tank	0	\$75/day+		*based on size 1000-2000= \$75/day 2000+= \$100/day
Thermal Camera	1	\$300/day		

Rates for non-vehicle equipment (such as boats, ATV's and folding tanks, etc.) will be based on a daily rate. Boats capable of tactical missions (pump and roll capabilities) are an exception and will be based on an hourly rate.

Tracked vehicles should use a rate for capacities based on Engine type.

SOUTHWEST FIRE DEPARTMENT ASSN

REGION 13 MEMBERS

FIRE DEPARTMENT		FIRE DEPARTMENT		FIRE DEPARTMENT	
1 -	Adrian	20 -	Jackson	39 -	Rushmore
2 -	Balaton	21 -	Kenneth	40 -	Ruthton
3 -	Beaver Creek	22 -	Jasper	41 -	Sanborn
4 -	Bigelow	23 -	Jeffers	42 -	Seaforth
5 -	Brewster	24 -	Lake Benton	43 -	Slayton
6 -	Chandler	25 -	Lake Wilson	44 -	Storden
7 -	Clements	26 -	Lakefield	45 -	Tracy
8 -	Comfrey	27 -	Lamberton	46 -	Tyler
9 -	Currie	28 -	Lismore	47 -	Vesta
10 -	Dovray	29 -	Luverne	48 -	Wabasso
11 -	Edgerton	30 -	Lucan	49 -	Walnut Grove
12 -	Ellsworth	31 -	Magnolia	50 -	Wanda
13 -	Fulda	32 -	Milroy	51 -	Westbrook
14 -	Garvin	33 -	Morgan	52 -	Wilmont
15 -	Heron Lake	34 -	Mountain Lake	53 -	Windom
16 -	Hardwick	35 -	Okabena	54 -	Woodstock
17 -	Hills	36 -	Pipestone	55 -	Worthington
18 -	Holland	37 -	Redwood Falls		
19 -	Iona	38 -	Round Lake		

WEST CENTRAL FIRE DEPARTMENT ASSN

REGION 9 MEMBERS

FIRE DEPARTMENT		FIRE DEPARTMENT		FIRE DEPARTMENT	
1 -	Appleton	15 -	Graceville	29 -	Nassau
2 -	Arco	16 -	Granite Falls	30 -	Odessa
3 -	Bellingham	17 -	Hanley Falls	31 -	Olivia
4 -	Belview	18 -	Hendricks	32 -	Ortonville
5 -	Boyd	19 -	Ivanhoe	33 -	Porter
6 -	Canby	20 -	Lucan	34 -	Renville
7 -	Clara City	21 -	Lynd	35 -	Russell
8 -	Clarkfield	22 -	Madison	36 -	Sacred Heart
9 -	Clinton	23 -	Marietta	37 -	St. Leo
10 -	Cottonwood	24 -	Marshall	38 -	Taunton
11 -	Danube	25 -	Maynard	39 -	Vesta
12 -	Dawson	26 -	Milan	40 -	Watson
13 -	Echo	27 -	Minneota	41 -	Wood Lake
14 -	Ghent	28 -	Montevideo		

NON-MEMBERS

FIRE DEPARTMENT	

ATTACHMENT 3 – ADDITIONAL FIREFIGHTER HOURLY RATES

HOURLY RATE AMOUNT	DATE APPROVED BY ASSOCIATION	EFFECTIVE DATE
\$17.50	05/15/2017	05/15/2017
Up to \$25.00	08/21/2023	08/21/2023

ATTACHMENT 4 – REQUEST FOR AERIAL APPARATUS RATES

INITIAL 1ST HOUR AMOUNT	ADDITIONAL HOURLY RATE AMOUNT	EFFECTIVE DATE
\$750	\$250	05/15/2017

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Ilya Gutman
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	66-33 Process, 66-55 Procedures, and 86-30 Amendments – Introduction of Ordinance
Background Information:	<p>Suggested changes will make more uniform the most common procedures that involve the Planning Commission and require public hearings. Currently, rezoning, variances and conditional use permits go to the Planning Commission meeting for public hearings; however, plats and changes to zoning ordinance text have public hearings at the Council meetings. This inconsistency sometimes causes confusion. The proposed changes will move public hearings for platting and zoning ordinance amendments to the Planning Commission meetings making everything more consistent. Procedures requiring two council meetings will still have them, except the second one will not be a public hearing unless the Council desires.</p> <p>City attorney has reviewed these changes.</p> <p>These changes have been presented at the Planning Commission and L&O and both recommend approval.</p>
Fiscal Impact:	None
Alternative/ Variations:	None recommended.
Recommendations:	Staff recommends that the Council introduces the Ordinance amending Sections 66-33 Process, 66-55 Procedures, and 86-30 Amendments and calls for public hearing on November 14, 2023.

Section 66-33 Process

(a) *Plat approval.* All proposed subdivision plats must be approved by the city council through a three-phase development process. When there are only a small number of lots being platted, the requirements for a sketch plan may be waived by the city engineer.

(1) *Sketch plan.* Prior to the submission of the preliminary plat to the planning commission, the developer shall present a sketch of the proposed plan to the city engineer for discussion and comment regarding the requirements for the general layout of streets, roads, reservations of land, street and road improvements, drainage, sewerage, fire protection and similar matters, as well as the availability of services.

(2) *Preliminary plat.* Based on the discussion of the sketch plan or other considerations, the applicant shall ~~may~~ submit the preliminary plat for approval. The preliminary plat shall provide all of the information indicated in division 2 of this article. This plat shall ~~will~~ be subject to the review and approval of the city engineer, utilities support services, and the planning commission prior to approval by the city council.

(3) *Final plat.* The final plat shall consist of the plat, the final drainage and grading plan, the final utility plan, and a final erosion control plan, if required.

a. The final grading and drainage plan, the final utility plan, and, if required, the final erosion control plan shall be approved or disapproved within 15 days after submittal to the city engineer. If these plans are approved by the city engineer, the developer may then submit the plat for approval.

b. The plans shall provide the information indicated in division 3 of this article and shall require the review of the city engineer and the approval of the city council. Either all or a portion of the preliminary plat may be approved for platting by the city council.

(b) *Replats.* If the land proposed for platting is a resubdivision, it shall require a preliminary plat and a final plat of the resubdivision requiring the same review and approval procedures as the preliminary plat and the final plat, unless the resubdivision meets the requirements set forth in section 66-35. The city engineer may then waive the requirements for a preliminary plat.

(c) Application forms. Subdivision plat requests may be applied for only on the forms prepared by the city engineer. An application shall not be considered complete until a preliminary plat is filed with the city engineer.

~~(e)~~(d) *Filing fee.* The filing fee shall be deposited at the office of the city engineer/zoning administrator for all preliminary plats, final plats and for all replats. The schedule of fees shall be set by resolution of the city council.

(Code 1976, § 12.03(3))

Section 66-55 Procedures

- (a) One copy of any preliminary plat which includes lands abutting upon existing or established trunk highway or proposed highway which has been designated by a centerline order filed in the office of the registrar of deeds (county recorder), shall be forthwith forwarded by the city engineer to the commissioner of transportationhighways for his written comments and recommendations. Any such plat which includes land abutting upon any existing or established county or county state aid highway shall be so forwarded to the county engineer for his written comments and suggestions. Action thereon shall be postponed for a period of 15 days pending receipt of such response. Copies of any such responses shall be submitted to the city engineer ~~and forwarded to the secretary of the planning commission.~~
- (b) One copy of the preliminary plat shall be filed with the ~~director of public works/~~city engineer for city council use, and who shall advise the council ~~shall be advised by him~~ of such filing at its next regular meeting.
- (c) The city engineer shall forward one copy of the preliminary plat to all utility providers serving the proposed subdivision.:
- ~~(1) One copy of the preliminary plat to the electric utilities serving the proposed subdivision.~~
 - ~~(2) One copy of the preliminary plat to the telephone company servicing the proposed subdivision.~~
 - ~~(3) One copy of the preliminary plat to the natural gas company serving the proposed subdivision.~~
- (d) One copy of the preliminary plat shall be kept by the city engineer. The city engineer shall check and verify the survey and plat to such extent as he deems necessary, provided that he shall check with the zoning administrator and with heads of other departments which, in his opinion, would be affected by approval of the preliminary plat in the form presented. He shall within 30 days, unless such time limit is extended by the council from the filing date, prepare a written report to the council with a copy to the planning commission, including his comments and recommendations and the comments and recommendations of the zoning administrator and other department heads.
- (e) ~~One copy of the preliminary plat shall be referred to the secretary of the planning commission.~~ After receipt of any comments and recommendations from the commissioner of transportationhighways and county highway engineer and after the receipt of the report from the city engineer, the planning commission shall meet to review the preliminary plat and make its recommendation to the council.
- (f) Such meeting of the planning commission shall be held within 60 days from the date of filing, extended by the equivalent of any extensions granted by the city engineer to make his report ~~and may be called by the secretary. A ten-day written notice of such meeting, stating the time, place and purpose, shall be given by the zoning administrator to all members of the planning commission, abutting property owners and the subdivider; provided, however, that failure to give such notice shall not affect the validity of such meeting or subsequent proceedings relating to the plat.~~
- (g) The Planning Commission shall hold a public hearing on the proposed preliminary plat. Notice of the public hearing shall be published in the official newspaper designated by the City Council at least ten days prior to the hearing. The city shall mail written notification of the proposed preliminary plat to property owners located within 350 feet of the subject site. Timing of the mailed notice shall be the same as that for the published notice. The failure to give mailed notice to individual property owners or defects in the notice shall not invalidate the proceedings provided a bona fide attempt to comply has been made. ~~At such meeting,~~ the planning

commission shall review the preliminary plat, consider all oral and written reports, comments and recommendations, and adopt by majority vote of those present and voting, its own recommendation to the council stating its reasons as to whether or not to approve or disapprove the preliminary plat. Such recommendation shall be forwarded to the council, with a copy to the subdivider ~~within five days after the adjournment of such meeting.~~

~~(h) At the next regular or special meeting held more than ten days after receipt of the planning commission recommendations, the city council shall call a hearing on the preliminary plat to be held before the council, fix a time for hearing, and order publication of a notice of such hearing as required by state statutes.~~

~~(i)(h)~~ At any time prior to publication of a notice of public hearing ~~council action calling a hearing on the preliminary plat~~, the subdivider may, in writing, withdraw his application for approval by filing such withdrawal in the office of the city engineer. If the subdivider ~~he~~ thereafter submits a revised preliminary plat, it shall be so designated to distinguish it from the original preliminary plat, provided that a revised preliminary plat shall be entitled to the same consideration and subject to the same procedure, except that unnecessary duplications shall be avoided whenever possible.

~~(j)~~ By state law, a final decision on a preliminary plat request must be made within 120-days of submittal of a complete application unless the applicant waives this 120-day time limit. At the next regular or special meeting, which shall be held w~~W~~ithin 30 days after the public hearing, the council shall decide to approve or disapprove the preliminary plat. If its decision is to approve the preliminary plat, such approval shall be contingent upon the filing of a final plat in accordance with the requirements of this chapter; and the city engineer shall forthwith advise the subdivider of the council action. The action of approving the preliminary plat shall constitute approval of all supplementary documents including, but not limited to, the preliminary drainage and grading plan, the preliminary utility plan, the plans for construction and installation of improvements, and the proposed method of payment therefor. If any variance has been requested by the subdivider and the council approves the plat, it shall also make findings granting such variance. If its decision is to disapprove, the council shall make and adopt findings and conclusions which shall forthwith be forwarded to the subdivider.

~~(k) The requirements of subsections (f) and (h) may be waived by the planning commission and city council if the preliminary plat is a replat of an area, and if the preliminary plat does not affect the land use of the area, and if the preliminary plat does not involve the development of additional streets or portions of streets. If the formal hearing and notification processes are waived, the planning commission shall still approve the preliminary plat pursuant to other provisions of this section and pass its recommendation on to the city council for its approval or disapproval, which shall be given within 30 days after the decision of the planning commission.~~

(Code 1976, § 12.05(3); Ord. No. 723 2nd Series, § 1, 8-8-2017)

State law reference(s)-Public hearing required, Minn. Stat. § 462.358, subd. 3b.

Section 86-30 Amendments

- (a) *Intent.* This chapter and the boundary maps adopted pursuant to this chapter may be amended whenever the public necessity and convenience and the general welfare require.
- (b) *Who may apply.* Amendments to this chapter, including rezoning, may be initiated by:
 - (1) The city council;
 - (2) The planning commission;
 - (3) The city staff acting on behalf of the city council; or
 - (4) The affected property owner.

For the purpose of this section, the words "affected property owner" shall mean the actual owner of the property which is proposed to be rezoned or is directly controlled by the chapter regulation proposed to be changed.

- (c) *Application forms.* All amendment requests, including rRezoning requests, may be applied for only on the forms prepared by the city zoning administrator. All rezoning applications shall be accompanied by a list of names and addresses of the owners of lands within 350 feet of the property described on the application as the same appear on the records of the county.
- (d) *Application fee.* The council may, by resolution, establish a fee for the filing of applications for amendments, including rezoning, by the affected property owners. The fee shall be paid before the application shall be considered, and shall not be refundable. In case of public property being rezoned, the fee may be waived by the zoning administrator.
- (e) *Application requirements.* All applications for changes in the boundaries of any zoning district which are initiated by the petition of the owners of property, the zoning of which is proposed to be changed, shall be accompanied by a map or plat showing the lands proposed to be changed, proposed buildings and uses, and all lands within 350 feet of the boundaries of the property proposed to be rezoned. Application for rezoning shall be made to the planning commission.
- (f) *Procedure.* The planning commission may hold such hearings on the amendment or rezoning as it may consider necessary. Before any amendment or rezoning is adopted, the planning commission shall hold a public hearing pursuant to Minn. Stat. § 462.357, subd. 3. Following the hearing, the planning commission shall make a report upon the proposal to the council and shall recommend to the council whatever action it deems advisable.
- (g) *City council proceedings.* Upon the receipt of the report of the planning commission, the council may hold whatever hearings it deems advisable and shall make a decision on the request for amendment or rezoning. When the council is making this decision, it is acting as a board of zoning adjustments and appeals. If planning commission meetings are cancelled due to lack of quorum and recommendations are not presented to the council within 60 days of the day of submitting application to the planning commission, the council may proceed

without receiving a planning commission report. Unless a public hearing ~~for~~ **rezoning** is held at the planning commission meeting, at least one public hearing shall be held **by City Council** pursuant to Minn. Stat. § 462.357, subd. 3. **Unless state law otherwise requires a two-thirds vote, t**The amendment or rezoning shall be effective only if a majority of all the members of the council concur in its passage.

- (h) *Appeal.* Any person aggrieved by a decision of the council shall have a right to appeal such decision to the state district court located in the county. Such appeal shall be filed within 30 days of the date of the council's decision.

(Code 1976, § 11.24; Ord. No. 656 2nd series, § 1, 5-22-2012; Ord. No. 680 2nd series, § 1, 9-24-2013)

State law reference(s)—Amendments, Minn. Stat. § 462.357, subds. 2, 3.

ORDINANCE 23-_____

ORDINANCE AMENDING
MARSHALL CITY CODE OF ORDINANCES
CHAPTER 66 AND CHAPTER 86

The Common Council of the City of Marshall does ordain as follows:

Section 1: City Code of Ordinances, Chapter 66-Subdivisions, Article 66-II Plat Approval, and Chapter 86-Zoning, Article 86-II-1 Generally are hereby amended as follows:

MARSHALL CITY CODE OF ORDINANCES
CHAPTER 66-SUBDIVISIONS
ARTICLE 66-II PLAT APPROVAL
DIVISION 66-II-1 GENERALLY

Section 66-33 Process

- (a) *Plat approval*. All proposed subdivision plats must be approved by the city council through a three-phase development process. When there are only a small number of lots being platted, the requirements for a sketch plan may be waived by the city engineer.
- (1) *Sketch plan*. Prior to the submission of the preliminary plat to the planning commission, the developer shall present a sketch of the proposed plan to the city engineer for discussion and comment regarding the requirements for the general layout of streets, roads, reservations of land, street and road improvements, drainage, sewerage, fire protection and similar matters, as well as the availability of services.
 - (2) *Preliminary plat*. Based on the discussion of the sketch plan or other considerations, the applicant shall submit the preliminary plat for approval. The preliminary plat shall provide all of the information indicated in division 2 of this article. This plat shall be subject to the review and approval of the city engineer, utilities support services, and the planning commission prior to approval by the city council.
 - (3) *Final plat*. The final plat shall consist of the plat, the final drainage and grading plan, the final utility plan, and a final erosion control plan, if required.
 - a. The final grading and drainage plan, the final utility plan, and, if required, the final erosion control plan shall be approved or disapproved within 15 days after submittal to the city engineer. If these plans are approved by the city engineer, the developer may then submit the plat for approval.
 - b. The plans shall provide the information indicated in division 3 of this article and shall require the review of the city engineer and the approval of the city council. Either all or a portion of the preliminary plat may be approved for platting by the city council.
- (b) *Replats*. If the land proposed for platting is a resubdivision, it shall require a preliminary plat and a final plat of the resubdivision requiring the same review and approval procedures as the preliminary plat and the final plat, unless the resubdivision meets the requirements set forth in section 66-35. The city engineer may then waive the requirements for a preliminary plat.
- (c) *Application forms*. Subdivision plat requests may be applied for only on the forms prepared by the city engineer. An application shall not be considered complete until a preliminary plat is filed with the city engineer.
- (d) *Filing fee*. The filing fee shall be deposited at the office of the city engineer for all preliminary plats, final plats and for all replats. The schedule of fees shall be set by resolution of the city council.
- (Code 1976, § 12.03(3))

MARSHALL CITY CODE OF ORDINANCES
CHAPTER 66-SUBDIVISIONS
ARTICLE 66-II PLAT APPROVAL
DIVISION 66-II-2 PRELIMINARY PLAT

Section 66-55 Procedures

- (a) One copy of any preliminary plat which includes lands abutting upon existing or established trunk highway or proposed highway which has been designated by a centerline order filed in the office of the registrar of deeds (county recorder), shall be forthwith forwarded by the city engineer to the commissioner of transportation for his written comments and recommendations. Any such plat which includes land abutting upon any existing or established county or county state aid highway shall be so forwarded to the county engineer for his written comments and suggestions. Action thereon shall be postponed for a period of 15 days pending receipt of such response. Copies of any such responses shall be submitted to the city engineer
- (b) One copy of the preliminary plat shall be filed with the city engineer for city council use, and who shall advise the council of such filing at its next regular meeting.
- (c) The city engineer shall forward one copy of the preliminary plat to all utility providers serving the proposed subdivision.
- (d) One copy of the preliminary plat shall be kept by the city engineer. The city engineer shall check and verify the survey and plat to such extent as he deems necessary, provided that he shall check with the zoning administrator and with heads of other departments which, in his opinion, would be affected by approval of the preliminary plat in the form presented. He shall within 30 days, unless such time limit is extended by the council from the filing date, prepare a written report to the council with a copy to the planning commission, including his comments and recommendations and the comments and recommendations of the zoning administrator and other department heads.
- (e) After receipt of any comments and recommendations from the commissioner of transportation and county highway engineer and after the receipt of the report from the city engineer, the planning commission shall meet to review the preliminary plat and make its recommendation to the council.
- (f) Such meeting of the planning commission shall be held within 60 days from the date of filing, extended by the equivalent of any extensions granted by the city engineer to make his report.
- (g) The Planning Commission shall hold a public hearing on the proposed preliminary plat. Notice of the public hearing shall be published in the official newspaper designated by the City Council at least ten days prior to the hearing. The city shall mail written notification of the proposed preliminary plat to property owners located within 350 feet of the subject site. Timing of the mailed notice shall be the same as that for the published notice. The failure to give mailed notice to individual property owners or defects in the notice shall not invalidate the proceedings, provided a bona fide attempt to comply has been made. The planning commission shall review the preliminary plat, consider all oral and written reports, comments and recommendations, and adopt by majority vote of those present and voting, its own recommendation to the council stating its reasons as to whether or not to approve or disapprove the preliminary plat. Such recommendation shall be forwarded to the council, with a copy to the subdivider.
- (h) At any time prior to publication of a notice of public hearing, the subdivider may, in writing, withdraw his application for approval by filing such withdrawal in the office of the city engineer. If the subdivider thereafter submits a revised preliminary plat, it shall be so designated to distinguish it from the original preliminary plat, provided that a revised preliminary plat shall be entitled to the same consideration and subject to the same procedure, except that unnecessary duplications shall be avoided whenever possible.
- (i) By state law, a final decision on a preliminary plat request must be made within 120-days of submittal of a complete application unless the applicant waives this 120-day time limit. At the next regular or special meeting, which shall be held within 30 days after the public hearing, the council shall decide to approve or disapprove the preliminary plat. If its decision is to approve the preliminary plat, such approval shall be contingent upon the filing of a final plat in accordance with the requirements of this chapter; and the city engineer shall forthwith advise the subdivider of the council action. The action of approving the preliminary plat shall constitute approval of all supplementary documents including, but not limited to, the preliminary drainage and grading plan, the preliminary utility plan, the plans for construction and installation of improvements, and the proposed method of payment therefor. If any variance has been requested by the subdivider and the council approves the plat, it shall also make findings granting such

variance. If its decision is to disapprove, the council shall make and adopt findings and conclusions which shall forthwith be forwarded to the subdivider.

(Code 1976, § 12.05(3); Ord. No. 723 2nd Series, § 1, 8-8-2017)

State law reference(s)-Public hearing required, Minn. Stat. § 462.358, subd. 3b.

MARSHALL CITY CODE OF ORDINANCES

CHAPTER 86-ZONING

ARTICLE 86-II ADMINISTRATION AND ENFORCEMENT

DIVISION 86-II-1 GENERALLY

Section 86-30 Amendments

- (a) *Intent*. This chapter and the boundary maps adopted pursuant to this chapter may be amended whenever the public necessity and convenience and the general welfare require.
- (b) *Who may apply*. Amendments to this chapter, including rezoning, may be initiated by:
 - (1) The city council;
 - (2) The planning commission;
 - (3) The city staff acting on behalf of the city council; or
 - (4) The affected property owner.

For the purpose of this section, the words "affected property owner" shall mean the actual owner of the property which is proposed to be rezoned or is directly controlled by the chapter regulation proposed to be changed.

- (c) *Application forms*. All amendment requests, including rezoning requests, may be applied for only on the forms prepared by the city zoning administrator. All rezoning applications shall be accompanied by a list of names and addresses of the owners of lands within 350 feet of the property described on the application as the same appear on the records of the county.
- (d) *Application fee*. The council may, by resolution, establish a fee for the filing of applications for amendments, including rezoning, by the affected property owners. The fee shall be paid before the application shall be considered, and shall not be refundable. In case of public property being rezoned, the fee may be waived by the zoning administrator.
- (e) *Application requirements*. All applications for changes in the boundaries of any zoning district which are initiated by the petition of the owners of property, the zoning of which is proposed to be changed, shall be accompanied by a map or plat showing the lands proposed to be changed, proposed buildings and uses, and all lands within 350 feet of the boundaries of the property proposed to be rezoned. Application for rezoning shall be made to the planning commission.
- (f) *Procedure*. The planning commission may hold such hearings on the amendment or rezoning as it may consider necessary. Before any amendment or rezoning is adopted, the planning commission shall hold a public hearing pursuant to Minn. Stat. § 462.357, subd. 3. Following the hearing, the planning commission shall make a report upon the proposal to the council and shall recommend to the council whatever action it deems advisable.
- (g) *City council proceedings*. Upon the receipt of the report of the planning commission, the council may hold whatever hearings it deems advisable and shall make a decision on the request for amendment or rezoning. When the council is making this decision, it is acting as a board of zoning adjustments and appeals. If planning commission meetings are cancelled due to lack of quorum and recommendations are not presented to the council within 60 days of the day of submitting application to the planning commission, the council may proceed without receiving a planning commission report. Unless a public hearing is held at the planning commission meeting, at least one public hearing shall be held by City Council pursuant to Minn. Stat. § 462.357, subd. 3. Unless state law otherwise requires a two-thirds vote, the amendment or rezoning shall be effective only if a majority of all the members of the council concur in its passage.
- (h) *Appeal*. Any person aggrieved by a decision of the council shall have a right to appeal such decision to the state district court located in the county. Such appeal shall be filed within 30 days of the date of the council's decision.

(Code 1976, § 11.24; Ord. No. 656 2nd series, § 1, 5-22-2012; Ord. No. 680 2nd series, § 1, 9-24-2013)

State law reference(s)—Amendments, Minn. Stat. § 462.357, subds. 2, 3.

Section 2: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council this 14h day of November 2023.

THE COMMON COUNCIL

ATTEST:

Mayor of the City of Marshall, MN

City Clerk

Summary Ordinance Introduced on: October 24, 2023

Ordinance Introduced on: October 24, 2023

Final Passage on: November 14, 2023

Summary Ordinance Published in the Marshall Independent:

SUMMARY ORDINANCE 23-_____

**ORDINANCE AMENDING
MARSHALL CITY CODE OF ORDINANCES
CHAPTER 66 AND CHAPTER 86**

The Common Council of the City of Marshall does ordain as follows:

Section 1: City Code Of Ordinances:

- Chapter 66-Subdivisions, Section 66-33 Process
- Chapter 66-Subdivisions, Section 66-55 Procedures
- Chapter 86-Zoning, Section 86-30 Amendments

are hereby amended.

Section 2: It is hereby determined that publication of this Title and Summary Ordinance will clearly inform the public of the intent and effect of Ordinance 23-_____.

It is hereby directed that only the above Title and Summary Ordinance 23-_____ be published conforming to Minnesota Statutes §331A.01 with the following:

NOTICE

Persons interested in reviewing a complete copy of the Ordinance may do so at the Office of the City Clerk, City Hall, 344 West Main Street, Marshall, Minnesota 56258.

Section 3: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council 14th day of November, 2023.

THE COMMON COUNCIL

ATTEST:

Mayor of the City of Marshall, MN

City Clerk

Summary Ordinance Introduced on: October 24, 2023

Ordinance Introduced on: October 24, 2023

Final Passage on: November 14, 2023

Summary Ordinance Published in the Marshall Independent:

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Ilya Gutman
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	86-247 Landscaping, 86-1 Definitions, 82-1 Grass And Weeds On Private Property – Introduction of Ordinance
Background Information:	<p>This change adds a concept of pollinator gardens that has been recently approved by the Council. To be consistent with general structure of the Zoning Ordinance, the pollinator garden definition is added to Section 86-1 Definitions of the Zoning Ordinance. The proposed Ordinance treats vegetable, flower, and pollinator gardens in a similar manner, removing practically all limitations on their placements. To help alleviate neighbors’ concerns, a 5-ft. setback from property lines is required for all gardens.</p> <p>Changes to Section 82-1 are proposed as necessary to coordinate with other pollinator garden related sections.</p> <p>These changes were presented to the L&O committee on 9/19/23 and were recommend for approval.</p> <p>The changes have been also presented at the Planning Commission regular meeting on 10/11/23. Planning Commission members had some concerns about the upkeep of the gardens, the type of flowers and vegetables that would be planted, and gardens invading additional areas. Planning Commission recommended limiting gardens in the front yard to 25 percent of the front yard area (the additional text to reflect this recommendation is highlighted in the proposed ordinance).</p>
Fiscal Impact:	None
Alternative/ Variations:	Introduce the Ordinance amending Section 82-1 Grass And Weeds On Private Property, Section 86-1 Definitions adding a pollinator garden definition, and Section 86-247 Landscaping, and then call for public hearing on November 14, 2023.
Recommendations:	Planning Commission recommends that the Council introduces the Ordinance amending Section 82-1 Grass And Weeds On Private Property, Section 86-1 Definitions adding a pollinator garden definition, and Section 86-247 Landscaping, but with an added limit of 25 percent of the front yard area permitted for gardens, and then call for public hearing on November 14, 2023.

Lot, flag, means a lot with narrow or no frontage on the public right-of-way where vehicular access is provided to the lot by means of a narrow portion of a lot or an access easement.

Lot, interior, means a lot other than a corner lot.

Lot lines means the lines bounding a lot and separating it from other lots or public right-of-ways.

Lot line, front, means a lot line abutting a dedicated public right-of-way except alleys or any other access way that provides the only site access.

Lot line, side, means any lot line other than a front or rear lot line.

Lot line, rear, means a lot line which is usually directly opposite the front lot line. A lot may have only one rear lot line.

Lot, substandard, means any lot which does not meet the minimum lot area, length, depth, width or other dimensional standards of the section.

Lot width means the distance between side lot lines measured along the front lot line.

Lot width, average, means the distance between side lot lines measured at a point halfway between front and rear lot lines.

Manufactured home means a structure, not affixed to or part of real estate, transportable in one or more sections, which in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained in it. A recreational vehicle or trailer is not a manufactured home.

Manufactured home park means any site, lot, field or tract of land upon which two or more occupied, manufactured homes are harbored, either free of charge or for revenue purposes, and shall include any building, structure, tent, vehicle or enclosure used or intended for use as part of the equipment of such manufactured home park.

Marquee means a flat roofed structure that is wholly supported by the building to which it is attached.

Nonconforming means a use or a structure lawfully in existence on April 6, 1964, or on the effective date of amendments to this chapter, and not conforming to the current regulations for the district in which it is situated.

Outlot means a tract of land, included in a plat, which is smaller than the minimum size permitted for lots and which is thereby declared unbuildable until combined through platting with additional land; or, a parcel of land which is included in a plat and which is at least double the minimum size and which is thereby subject to future platting prior to development; or a parcel of land which is included in a plat and which is designated for public or private open space, right-of-way, utilities or other similar purposes.

Patio means a structure made of concrete, brick, wood, or other building materials, with a height of six inches or less from ground level from any point of the structure, and not attached to a building.

Pollinator gardens, or natural landscapes, means intentionally designed and managed gardens that contain non-native plants or native species that are listed as pollinator-friendly plants by the State of Minnesota Board of Water and Soil Resources (MNBWSR) or one of MNBWSR's partner organizations; pollinator gardens may not include any noxious weeds or turf-grass lawns left unattended for the purpose of returning to a natural state, and shall be maintained to remove all unintended vegetation and cut at least once annually between April 15 and July 15. Pollinator gardens shall be no greater than ten (10) inches.

Section 86-247 Landscaping

- (a) In all classes of residential and business districts, all exposed ground areas surrounding a principal and accessory use, including street boulevards and easements, and which are not devoted to parking, drives, walks, patios, designated retail display areas or other such uses shall be landscaped except vegetation areas left in a natural state during initial construction may remain if properly maintained. Downtown district is exempted from the landscaping requirements.
- (1) Fences, bushes, shrubs, and any other landscape elements placed upon easements are subject to removal at owner's expense if required for maintenance or improvement of the utility. The city shall not be required to pay compensation for the items to be removed from a utility easement. Retaining walls shall not be placed upon easements.
 - (2) Trees planted within, or adjacent to, public right-of-way shall comply with the city tree policy.
 - (3) All landscaped areas, including vegetable, flower, and pollinator gardens, shall be kept neat, clean, uncluttered and be properly maintained. Landscaped area shall not be used for the recurring parking of vehicles, except as provided for in section 86-230 for overflow parking, or the storage or display of materials, supplies, and merchandise.
 - (4) Vegetation within a 25-foot visibility triangle of the property corner at street intersections and within a 10-foot visibility triangle adjacent to alleys and driveways shall not be taller than three feet measured from the top of the street curb. All vegetation upon, and adjacent to, boulevards shall comply with the city tree policy.
 - (5) Private vVegetable, flower and pollinator gardens are allowed in all R-1 and R-2 residence districts and, except vegetable gardens, in all business districts, ~~but shall not be located in the front yard or side yards and shall not occupy more than 25 percent of the area of a rear yard; larger gardens may be allowed by an interim use permit. Vegetable gardens must not be placed on a lot where there is no permitted use main building except when such lot is adjacent to the lot where a permitted use main building is located and both lots have the same owner(s), in which case the vegetable garden can occupy 20 percent of the area of a rear yard calculated for these two lots combined. All such gardens shall not be placed on the right-of-way or closer than five feet to all property lines and buildings and shall not occupy more than 25 percent of the front yard.~~
 - a. As an exception, for lots where there are no permitted use principal buildings, flower and pollinator gardens are permitted but shall not be placed closer than fifteen feet to all property lines.
 - (6) Community vegetable gardens may be allowed in all business~~other~~ zoning districts by an interim use permit, ~~except interim use permit is not required in agricultural district. Such gardens shall not be located in the required yards or closer than ten feet to any building.~~
- (b) Landscape area shall occupy not less than 25 percent of the exposed ground area of the lot. Landscape area shall include not less than 50 percent live materials (vegetation, including flower and pollinator gardens) with the balance being permeable landscaping decorative materials such as landscape rock or mulch.
- (1) Grade slope over one-foot in three feet is prohibited unless existing site grading is unique and special measures are taken to prevent erosion.
 - (2) The trees shall be planted at a rate of at least one tree per 5,000 square feet of landscaped area or one tree per 50 feet of lot street frontage, whichever is greater; existing trees protected during construction may be counted toward the total number of trees required. If more than five trees are required, at least two species shall be used.
 - (3) Overgrown vegetation and sizable broken limbs shall be trimmed; dead or severely

damaged trees shall be replaced. Infected trees shall be treated in accordance with chapter 82, Vegetation.

(4) Elms, ash, and box elder trees shall not be used unless disease resistant species are utilized.

(c) In all classes of business and industrial districts, yards adjoining any of the classes of residence districts or public parks shall be landscaped with buffer planting screens unless an adjacent residence district property contains a non-residential use. In R-3 and R-4 multiple family residence districts, yards adjoining lower classes of residence districts shall be landscaped with buffer planting screens unless a multiple family residence district property contains exclusively one- to four-family residences.

(1) Buffer planting screens shall be at least 80 percent opaque year-round and six feet high. Planting screens shall be planted in such manner that, when fully grown, they remain entirely within the property boundaries. A maintenance-free opaque fence or other means deemed comparable to planting screens by the city staff may be used to substitute for the required buffer planting screens provided requirements of subsection (b) are met.

(d) Building enlargement and expansions over 50 percent of existing building footprint area or construction of additional main use buildings on site shall cause an entire site landscaping review by city staff for ordinance compliance.

(e) All requirements of this section shall be satisfied within one year of receiving a temporary certificate of occupancy. All new site work performed on existing occupied sites shall comply with the landscaping requirements.

(Code 1976, § 11.19(3)(A)(1); Ord. No. 687, § 1, 6-10-2014; Ord. No. 727 2nd series, § 1, 4-24-2018; Ord. No. 749 2nd series, § 1, 6-23-2020)

Section 82-1 Grass And Weeds On Private Property

- (a) It is unlawful for any owner, occupant or agent of any lot or parcel of land in the city, to allow any weeds or grass growing upon any such lot or parcel of land to grow to a greater height than eight inches, unless such grass brome grass or alfalfa, which is cut, baled and removed from the premises according to normal farming practices.
- (1) The provision of subparagraph (a) does not apply to any area within Industrial and Agricultural zoning district, as defined in Chapter 86 Zoning, provided that the area with grass exceeding 8 inches in height is located at least 200 feet from the nearest occupiable building and 100 feet from such building on the same lot; and at least 50 feet from the public right of way, a sidewalk, bike path, parking lot, or any other site feature reasonably expected to be visited by the general public on a regular basis.
 - (2) The provision of subparagraph (a) does not apply, with the approval of the City Engineer, in all zoning districts within 15 feet of the top of the slope of any permanent body of water such as a pond or a river.
 - (3) The provision of subparagraph (a) does not apply to City owned agriculturally zoned ~~land~~ and other areas maintained as pollinator gardens as defined and regulated in Chapter 86 Zoning Ordinance of this Code ~~maintained as weeded prairie, pollinators, meadow or natural landscape vegetation that does not contain noxious weed growth and that includes the cultivation of native grasses indigenous to Minnesota; and native vegetation shall be cut at least once annually between April 15 and July 15 to a height no greater than ten inches.~~
- (b) If any such owner, occupant or agent fails to comply with this height limitation and, after notice given by the city clerk, has not within seven days of such notice complied, the city shall cause such weeds or grass to be cut and the expenses thus incurred shall be a lien upon such real estate. The finance director shall certify to the county auditor a statement of the amount of the cost incurred by the city. Such amount, together with interest, shall be entered as a special assessment against such lot or parcel of land and be collected in the same manner as real estate taxes.

(Code 1976, § 10.25; Ord. No. 723 2nd Series, § 1, 8-8-2017)

State law reference(s)—Minnesota Noxious Weed Law, Minn. Stat. § 18.75 et seq.; special assessment authorized, Minn. Stat. § 429.101.

ORDINANCE 23-_____

**ORDINANCE AMENDING
MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86 AND CHAPTER 82**

The Common Council of the City of Marshall does ordain as follows:

Section 1: City Code of Ordinances, Chapter 86-Zoning, Article 86-VI Supplemental Regulations, and Chapter 82-Vegetation, Article 82-I In General are hereby amended as follows:

**MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86-ZONING
ARTICLE 86-I IN GENERAL**

Section 86-1 Definitions

Pollinator gardens, or natural landscapes, means intentionally designed and managed gardens that contain non-native plants or native species that are listed as pollinator-friendly plants by the State of Minnesota Board of Water and Soil Resources (MNBWSR) or one of MNBWSR's partner organizations; pollinator gardens may not include any noxious weeds or turf-grass lawns left unattended for the purpose of returning to a natural state, and shall be maintained to remove all unintended vegetation and cut at least once annually between April 15 and July 15 to a height no greater than ten (10) inches.

**MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86-ZONING
ARTICLE 86-VI SUPPLEMENTAL REGULATIONS
DIVISION 86-VI-4 PERFORMANCE STANDARDS**

Section 86-247 Landscaping

- (a) In all classes of residential and business districts, all exposed ground areas surrounding a principal and accessory use, including street boulevards and easements, and which are not devoted to parking, drives, walks, patios, designated retail display areas or other such uses shall be landscaped except vegetation areas left in a natural state during initial construction may remain if properly maintained. Downtown district is exempted from the landscaping requirements.
- (1) Fences, bushes, shrubs, and any other landscape elements placed upon easements are subject to removal at owner's expense if required for maintenance or improvement of the utility. The city shall not be required to pay compensation for the items to be removed from a utility easement. Retaining walls shall not be placed upon easements.
 - (2) Trees planted within, or adjacent to, public right-of-way shall comply with the city tree policy.
 - (3) All landscaped areas, including vegetable, flower, and pollinator gardens, shall be kept neat, clean, uncluttered and be properly maintained. Landscaped area shall not be used for the recurring parking of vehicles, except as provided for in section 86-230 for overflow parking, or the storage or display of materials, supplies, and merchandise.
 - (4) Vegetation within a 25-foot visibility triangle of the property corner at street intersections and within a 10-foot visibility triangle adjacent to alleys and driveways shall not be taller than three feet measured from the top of the street curb. All vegetation upon, and adjacent to, boulevards shall comply with the city tree policy.
 - (5) Private vegetable, flower and pollinator gardens are allowed in all residence districts and, except vegetable gardens, in all business districts. . All such gardens shall not be placed on the right-of-way or closer than five feet to all property lines and buildings and shall not occupy more than 25 percent of the front yard.
 - a. As an exception, for lots where there are no permitted use principal buildings, flower

pollinator gardens are permitted but shall not be placed closer than fifteen feet to all property lines.

- (6) Community vegetable gardens may be allowed in all business zoning districts by an interim use permit. Such gardens shall not be located in the required yards or closer than ten feet to any building.
- (b) Landscape area shall occupy not less than 25 percent of the exposed ground area of the lot. Landscape area shall include not less than 50 percent live materials (vegetation, including flower and pollinator gardens) with the balance being permeable landscaping decorative materials such as landscape rock or mulch.
 - (1) Grade slope over one-foot in three feet is prohibited unless existing site grading is unique and special measures are taken to prevent erosion.
 - (2) The trees shall be planted at a rate of at least one tree per 5,000 square feet of landscaped area or one tree per 50 feet of lot street frontage, whichever is greater; existing trees protected during construction may be counted toward the total number of trees required. If more than five trees are required, at least two species shall be used.
 - (3) Overgrown vegetation and sizable broken limbs shall be trimmed; dead or severely damaged trees shall be replaced. Infected trees shall be treated in accordance with chapter 82, Vegetation.
 - (4) Elms, ash, and box elder trees shall not be used unless disease resistant species are utilized.
- (c) In all classes of business and industrial districts, yards adjoining any of the classes of residence districts or public parks shall be landscaped with buffer planting screens unless an adjacent residence district property contains a non-residential use. In R-3 and R-4 multiple family residence districts, yards adjoining lower classes of residence districts shall be landscaped with buffer planting screens unless a multiple family residence district property contains exclusively one- to four-family residences.
 - (1) Buffer planting screens shall be at least 80 percent opaque year-round and six feet high. Planting screens shall be planted in such manner that, when fully grown, they remain entirely within the property boundaries. A maintenance-free opaque fence or other means deemed comparable to planting screens by the city staff may be used to substitute for the required buffer planting screens provided requirements of subsection (b) are met.
- (d) Building enlargement and expansions over 50 percent of existing building footprint area or construction of additional main use buildings on site shall cause an entire site landscaping review by city staff for ordinance compliance.
- (e) All requirements of this section shall be satisfied within one year of receiving a temporary certificate of occupancy. All new site work performed on existing occupied sites shall comply with the landscaping requirements.

(Code 1976, § 11.19(3)(A)(1); Ord. No. 687, § 1, 6-10-2014; Ord. No. 727 2nd series, § 1, 4-24-2018; Ord. No. 749 2nd series, § 1, 6-23-2020)

MARSHALL CITY CODE OF ORDINANCES
CHAPTER 82 VEGETATION
ARTICLE 82-I IN GENERAL

Section 82-1 Grass And Weeds On Private Property

- (a) It is unlawful for any owner, occupant or agent of any lot or parcel of land in the city, to allow any weeds or grass growing upon any such lot or parcel of land to grow to a greater height than eight inches, unless such grass brome grass or alfalfa, which is cut, baled and removed from the premises according to normal farming practices.
 - (1) The provision of subparagraph (a) does not apply to any area within Industrial and Agricultural zoning district, as defined in Chapter 86 Zoning, provided that the area with grass exceeding 8 inches in height is located at least 200 feet from the nearest occupiable building and 100 feet from such building on the same lot; and at least 50 feet from the public right of way, a sidewalk, bike path, parking lot, or any other site feature reasonably expected to be visited by the general public on a regular basis.
 - (2) The provision of subparagraph (a) does not apply, with the approval of the City Engineer, in all zoning districts within 15 feet of the top of the slope of any permanent body of water such as a pond or a river.
 - (3) The provision of subparagraph (a) does not apply to City owned agriculturally zoned land and other areas maintained as pollinator gardens as defined and regulated in Chapter 86 Zoning Ordinance of this Code.

(b) If any such owner, occupant or agent fails to comply with this height limitation and, after notice given by the city clerk, has not within seven days of such notice complied, the city shall cause such weeds or grass to be cut and the expenses thus incurred shall be a lien upon such real estate. The finance director shall certify to the county auditor a statement of the amount of the cost incurred by the city. Such amount, together with interest, shall be entered as a special assessment against such lot or parcel of land and be collected in the same manner as real estate taxes.

(Code 1976, § 10.25; Ord. No. 723 2nd Series, § 1, 8-8-2017)

State law reference(s)—Minnesota Noxious Weed Law, Minn. Stat. § 18.75 et seq.; special assessment authorized, Minn. Stat. § 429.101.

Section 2: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council this 14h day of November 2023.

THE COMMON COUNCIL

ATTEST:

Mayor of the City of Marshall, MN

City Clerk

Summary Ordinance Introduced on: October 24, 2023

Ordinance Introduced on: October 24, 2023

Final Passage on: November 14, 2023

Summary Ordinance Published in the Marshall Independent:

SUMMARY ORDINANCE 23-_____

**ORDINANCE AMENDING
MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86 AND CHAPTER 82**

The Common Council of the City of Marshall does ordain as follows:

Section 1: City Code of Ordinances:

- Chapter 86-Zoning, Section 86-1 Definitions
- Chapter 86-Zoning, Section 86-247 Landscaping
- Chapter 82-Vegetation, Section 82-1 Grass And Weeds On Private Property

are hereby amended.

Section 2: It is hereby determined that publication of this Title and Summary Ordinance will clearly inform the public of the intent and effect of Ordinance 23-_____.

It is hereby directed that only the above Title and Summary Ordinance 23-_____ be published conforming to Minnesota Statutes §331A.01 with the following:

NOTICE

Persons interested in reviewing a complete copy of the Ordinance may do so at the Office of the City Clerk, City Hall, 344 West Main Street, Marshall, Minnesota 56258.

Section 3: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council 14th day of November, 2023.

THE COMMON COUNCIL

ATTEST:

Mayor of the City of Marshall, MN

City Clerk

Summary Ordinance Introduced on: October 24, 2023

Ordinance Introduced on: October 24, 2023

Final Passage on: November 14, 2023

Summary Ordinance Published in the Marshall Independent:

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Ilya Gutman
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	86-248 Outside Storage: Shipping Containers – Introduction of Ordinance
Background Information:	<p>This section had been amended multiple times in the past, first to allow a single shipping container in a general business district with an interim use permit, and then several times more to make it less and less restrictive. At the Council meeting in August, City staff asked for confirmation of City Council support for the City Ordinance as it was written and confirmation of City Council support for City staff's function regarding Code enforcement. At that meeting, the Council directed staff to review this section again. The proposed change will now allow a single storage unit – still with an interim use permit - without a fence around, provided it is painted to match the building.</p> <p>These changes have been presented at the Planning Commission and L&O and both recommend approval.</p>
Fiscal Impact:	None
Alternative/ Variations:	Keep section as is and do not amend.
Recommendations:	Staff recommends that the Council introduce the Ordinance amending Section 86-248 Outside Storage and call for public hearing on November 14, 2023.

Section 86-248 Outside Storage

- (a) In all classes of residential districts, open storage and accumulation of materials and equipment shall be prohibited. In all other zoning districts, open storage of materials and equipment shall be prohibited in the required front, side, and rear yards, except storage shall be allowed in the required rear yard in industrial districts. Unless prohibited elsewhere in the ordinance, any other outside storage, including outdoor storage tanks, shall be located or screened so as not to be visible from public right-of-way, public parks or any lot within 500 feet in any of the classes of business or residence districts, except in industrial and agricultural zoning districts screening from public right-of-way is not required. The screening may be achieved by fencing or landscaping means compliant with section 86-247. In all classes of business districts, the storage area shall be paved or graveled to control erosion and shall be properly maintained. Temporary storage of building materials intended for construction use on premises shall be allowed during ongoing construction and up to two weeks prior to construction and is exempt from the above requirements provided a valid building permit is obtained.
- (b) Outdoor display of retail merchandise intended for sale or rent and open to public shall be allowed in all classes of business and industrial districts. In all classes of business districts, the display area, except live plants sales area, shall be paved to control dust and erosion and facilitate access to, and moving of, displayed products. Except licensed automobile, motorcycle, off-road vehicle, and boat sales lots, and small motorized farm and lawn care equipment sales, the display area shall not be located in the required front and side yards. Outdoor display areas adjacent to any of the classes of residence districts shall be screened by fencing or landscaping means compliant with section 86-247. Outdoor display area shall be adequately lighted.
- (c) In all classes of residential districts and residential properties within other zoning districts, outdoor display and sale shall be allowed during garage and yard sales only. The display and sales area shall be located entirely within the pertinent residential property.
- (1) Any related signage shall be limited to premises and to other private properties provided permission from the property owners is obtained; all signage shall be erected not earlier than one-day before sale and shall be removed at the termination of the sale. Such signs shall be limited to three square feet each.
 - (2) There shall be no more than four garage sales conducted during any period of 12 calendar months; there shall be no more than two garage sales conducted during any period of 30 calendar days; there shall be no garage sales conducted for more than four consecutive days; and there shall be no garage sales conducted before 7:00 a.m. or after 8:00 p.m.
- (d) Building enlargement and expansions over 50 percent of existing building footprint area, construction of additional buildings on site, or changes of use resulting in new exterior storage or display area shall cause an exterior storage/display area review by city staff for ordinance compliance.
- (e) Trash, garbage, refuse, recycling materials or any other items intended for disposal shall be stored in designated containers or dumpsters which, with the exception of R-1 and R-2 residence districts, shall be located within areas set for collection of garbage as prescribed by section 50-23. In R-1 and R-2 residence districts trash cans shall not be stored in the required front yard except on the day of garbage collection. In R-1 and R-2 residence districts furniture and other bulky items may be left at the curb for pick up by the licensed garbage hauler or anywhere in the front yard for anyone to take for no more than 48 hours. In all classes of business and industrial districts, similar items intended for disposal may be piled together for

temporary storage no longer than six months within garbage collection areas in a single stack not higher than five feet and with area no more than 100 square feet.

- (1) In all classes of multiple-family and business districts, garbage collection areas shall be paved and fully enclosed with secured access and shall not be located in the required front yard. The enclosure shall be between five and six feet high and fully opaque. If it is located next to the building, it shall be finished with materials matching the exterior of the building. Enclosure requirement does not apply in the Downtown district.
 - (2) Temporary construction dumpsters intended for demolition and other construction debris may be located outside of such enclosures during ongoing construction and up to one week before and after construction provided a valid building permit is obtained. No temporary construction dumpster shall be set on public right-of-way or public parking lot unless a city permit is secured.
- (f) Storage units are not allowed as permanent storage in all classes of residential or business districts. Storage units include motor vehicle trailers, including semi-trailers, designed to carry cargo; cargo or shipping containers constructed out of prefabricated metal and designed for overseas shipping or mounting on rail cars or truck trailers; or steel framed, weatherproof moving containers, commonly known as PODS. Utilization of a single unit is allowed for temporary storage for no more than 30 days in a calendar year; in Business districts, the 30 days limit may be extended for longer up to 180 days by an interim use permit, provided such unit is painted to match the building with no signage, lettering, or advertising of any sort and is not placed in the front yard or required side or rear yards. The above listed units used for temporary construction related storage shall be allowed during an ongoing construction project and up to a month prior to construction, provided a valid building permit is obtained. As an exception, storage units totaling less than 1,000 square feet or ten percent of the main building area, whichever is less, may be permitted by an interim use permit in a B-3 general business district, with the following conditions:
- (1) The containers shall not be placed in any front or required side or rear yard.
 - (2) The containers shall be located so as not to be visible from the public right-of-way, public parks, or any lot in any of the classes of business or residence districts within 500 feet of the containers. It may be screened by fencing or landscaping means compliant with section 86-247. If a fence taller than otherwise permitted by the Ordinance is required for screening by an interim use permit condition, a variance for such fence construction shall not be required.
 - (3) The containers shall be new or freshly painted with neutral colors with no painted signage, lettering, or advertising and shall be properly maintained.
 - (4) The interim use permit shall expire when the property changes ownership or earlier as approved by the council.
- (g) In all classes of residential districts, a licensed boat, open or closed trailer, camper, motor-home, recreational vehicle or other motorized vehicle, but no more than three units, may be stored outside on the property as regulated in section 74-131. One snowmobile, ATV, golf cart, riding mower, trailer, boat, or camper can be displayed for sale in the front yard, provided it has not been purchased or consigned for resale and is not displayed for longer than seven consecutive days or longer than 30 days in a calendar year. No storage or accumulation of any materials in trailers is permitted.

(Code 1976, § 11.19(3)(A)(2); Ord. No. 687, § 1, 6-10-2014; Ord. No. 749 2nd series, § 1, 6-23-2020; Ord. No. 21-002, § 1, 4-27-2021)

ORDINANCE 23-_____

**ORDINANCE AMENDING
MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86**

The Common Council of the City of Marshall does ordain as follows:

Section 1: City Code of Ordinances, Chapter 86-Zoning, Article 86-VI Supplemental Regulations, is hereby amended by adding Section 86-248 (f) as follows:

**MARSHALL CITY CODE OF ORDINANCES
CHAPTER 86-ZONING
ARTICLE 86-VI SUPPLEMENTAL REGULATIONS
DIVISION 86-VI-4 PERFORMANCE STANDARDS**

Section 86-248 Outside Storage (f)

- (f) Storage units are not allowed as permanent storage in all classes of residential or business districts. Storage units include motor vehicle trailers, including semi-trailers, designed to carry cargo; cargo or shipping containers constructed out of prefabricated metal and designed for overseas shipping or mounting on rail cars or truck trailers; or steel framed, weatherproof moving containers, commonly known as PODS. Utilization of a single unit is allowed for temporary storage for no more than 30 days in a calendar year; in Business districts, the 30 days limit may be extended for longer by an interim use permit, provided such unit is painted to match the building, has no signage, lettering, or advertising of any sort, and is not placed in the front yard or required side or rear yards. The above listed units used for temporary construction related storage shall be allowed during an ongoing construction project and up to a month prior to construction, provided a valid building permit is obtained. As an exception, storage units totaling less than 1,000 square feet or ten percent of the main building area, whichever is less, may be permitted by an interim use permit in a B-3 general business district, with the following conditions:
- (1) The containers shall not be placed in any front or required side or rear yard.
 - (2) The containers shall be located so as not to be visible from the public right-of-way, public parks, or any lot in any of the classes of business or residence districts within 500 feet of the containers. It may be screened by fencing or landscaping means compliant with section 86-247. If a fence taller than otherwise permitted by the Ordinance is required for screening by an interim use permit condition, a variance for such fence construction shall not be required.
 - (3) The containers shall be new or freshly painted with neutral colors with no painted signage, lettering, or advertising and shall be properly maintained.
 - (4) The interim use permit shall expire when the property changes ownership or earlier as approved by the council.

Section 2: This Ordinance shall take effect after its passage and summary publication.

Passed and adopted by the Common Council this 14th day of November, 2023.

THE COMMON COUNCIL

ATTEST:

Mayor of the City of Marshall, MN

City Clerk

Ordinance Introduced on: October 24, 2023

Final Passage on: November 14, 2023

Ordinance Published in the Marshall Independent:

Presenter:	Sharon Hanson
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Land Lease and Development Agreement
Background Information:	A Third-Party Developer wishes to construct and operate a hanger, associated parking area and other improvements on city owned land at the Southwest Minnesota Regional Airport located at 1650 West College Drive.
Fiscal Impact:	None
Alternative/ Variations:	
Recommendations:	To approve the land lease and development agreement.

THIRD PARTY DEVELOPMENT AND GROUND LEASE
at
THE MINNESOTA REGIONAL AIRPORT
By and Between
THE CITY OF MARSHALL
And
LOCK PROP, LLC

Date: October 24, 2023

THIRD PARTY DEVELOPMENT AND GROUND LEASE

This Third-Party Development and Ground Lease (the “**Lease**” or “**Agreement**”) is made effective on October 24, 2023 (“**Effective Date**”), by and between the City of Marshall as lessor (“**City**”) and Lock Prop, LLC, as lessee (“**Lessee**”). The City and the Lessee may hereinafter be referred to individually as a “party” or collectively as the “parties.”

RECITALS

- A. The City owns the Southwest Minnesota Regional Airport (“**Airport**”), located at 1650 West College Drive in Marshall, Minnesota.
- B. The Airport is governed by the City and the City owns the real property on which the Airport is located.
- C. The Lessee is a Minnesota limited liability company that is authorized to conduct business in the State of Minnesota.
- D. The Lessee desires to lease an approximately 10,500 square foot portion of land at the Airport as depicted on the attached Exhibit A (“**Leased Premises**”) for the purposes of constructing and operating a hanger, associated parking area, and other related improvements as further described in the attached Exhibit B (collectively, the “**Improvements**”).
- E. To facilitate the construction of the hanger, the Lessee requested, and the City agreed, to enter into a temporary license agreement (“**License Agreement**”) to allow the Lessee to store gravel near the Leased Premises. Under its terms, the License Agreement terminates upon the effective date of this Agreement and the construction of the Improvements are to continue pursuant to the terms of this Agreement.
- F. The City desires to enter into this Agreement to allow the Lessee to lease the Leased Premises and to construct and operate the Improvements in accordance with the terms and conditions of this Agreement.

AGREEMENT

In consideration of the mutual covenants and agreements contained herein, and intending to be legally bound, the parties hereby agree as follows:

- 1. **Leased Premises:** The City hereby leases to the Lessee the Leased Premises under the terms and conditions of this Agreement. This Agreement includes the right of the Lessee to cross Airport property to access the Leased Premises and to use the Airport Facilities, in common with others, that are open for use by the general public. For purposes of this Agreement, “**Airport Facilities**” includes runways, taxiways, public ramps, roadways, sidewalks, navigation and terminal aids, lighting facilities, terminal facilities, or other public use facilities that have been constructed by the City and are the direct control of the City.
- 2. **Base Term:** This Lease shall be for a base term of twenty (20) years (“**Base Term**”). This Agreement, and the rights hereunder, shall begin as of the Effective Date, but January 1, 2024 shall be the date used for determining the start of the Base Term.

3. **First Option:** The Lessee has the option to extend this Agreement for an additional twenty (20) years past the Base Term ("**First Option**"), provided the Lessee is in compliance with the terms and conditions of this Agreement. The term of the First Option shall commence on January 1, 2044. To exercise the First Option, the Lessee must provide the City written notice of its intent to exercise the option so that it is received between January 1, 2043 and July 3, 2043. Any notice provided outside of that period shall not be effective. If the City does not receive the notice by July 3, 2043, the First Option shall cease and the Base Term shall expire on December 31, 2043. If the First Option is properly exercised, the City may provide the Lessee written notice within sixty (60) days of receipt of the notice that the City desires to amend the Agreement for the extension period. Upon such notice from the City, the parties agree to work in good faith to develop any agreed upon amendments to this Agreement.
4. **Section Option:** If the Lessee exercises the First Option, and if the Lessee is in compliance with the terms and conditions of the Lease, the Lessee has the option to extend this Agreement for an additional ten (10) years beyond the end of the First Option ("**Second Option**"). The term of the Second Option shall commence on January 1, 2064. To exercise the Second Option, the Lessee must provide the City written notice of its intent to exercise the option so that it is received between January 1, 2063 and July 3, 2063. Any notice provided outside of that period shall not be effective. If the City does not receive the notice by July 3, 2063, the Second Option shall cease and the First Option shall expire on December 31, 2063. If the Second Option is properly exercised, the City may provide the Lessee written notice within sixty (60) days of receipt of the notice that the City desires to amend the Agreement for the extension period. Upon such notice from the City, the parties agree to work in good faith to develop any agreed upon amendments to this Agreement.
5. **FAA Consent:** The exercise of the First Option and the Second Option are both contingent on the Federal Aviation Administration ("**FAA**") not disapprove the extension. If the FAA disapproves either extension, the option to extend is canceled.
6. **Construction Contingency:** This Agreement shall be subject to cancellation if construction of the Improvements does not commence by May 1, 2024, and is completed by April 30, 2025. Commencement, for the purposes of this Paragraph, shall include the submission of complete construction drawings to the City for review and approval, submission of the plans for applicable permitting, the issuance of the appropriate building permits, and the execution of a contract with the Lessee's contractor.
7. **Improvements:** The Lessee shall provide the City with "as built" drawings of all new construction within thirty (30) calendar days following the issuance of a Certificate of Occupancy. The City's representative will verify Improved Area and Unimproved Area dimensions of the Leased Premises within thirty (30) calendar days following notice from the Lessee of completion to calculate the final rental rate. The parties agree that the final drawings and applicable rental rate calculation, if adjusted, will be substituted and incorporated into this Agreement without the need for an amendment.
8. **Project Costs:** Lessee shall be solely responsible for all costs associated with the Improvements constructed on the Leased Premises, plus the following one-time project related charges assessed by the City:
 - (a) A one-time charge of \$7,000 for the scope of services identified in the attached Exhibit B by the City selected engineer. Payment shall be due and payable within thirty (30)

calendar days following receipt of invoice.

(b) Upon the installation of the natural gas line infrastructure to the Airport, a one-time charge of \$5,000 for the connection of the natural gas line to the Leased Premises. Once the natural gas line infrastructure, is installed, Lessee shall permanently abandon the propane use of all liquid propane tanks servicing the Leased Premises. Payment shall be due and payable within thirty (30) calendar days following receipt of invoice.

9. **Ground Rent and Rental Adjustments:** The Lessee agrees to pay rent as provided in this Paragraph for leasing the Leased Premises ("**Ground Rent**"). The total annual Ground Rent amount is due and payable prior to January 1 of the upcoming year for each year during the term of the lease, including any renewals provided for in this Agreement. The Ground Rent for the first year shall include the prorated amount of the Ground Rent from the Effective Date to the end of 2023, plus the Ground Rent for 2024. The Ground Rent shall be assessed based on the gross square footage of the Leased Premises, included in the approved site plan attached as Exhibit A. The following Ground Rent rates shall be applicable to the Leased Premises depending upon use:

(a) Non-commercial rate: 2023 Rate of \$0.217 per square foot per year.

(b) Commercial rate: 2023 Rate of \$0.30 per square foot per year.

Ground Rent shall be determined according to the use of the Leased Premises (non-commercial versus commercial) and calculated annually from the commencement date and each January 1st date thereafter ("**Anniversary Date**"). Payment shall be made to the City in advance to the following address, which address may be changed from time to time upon ten (10) calendar days written notice:

City of Marshall
344 West Main St.
Marshall, MN 56258
Attn: Finance

Leased Premises Ground Rent for non-commercial use for the period commencing from the Effective Date to December 31, 2024 will be \$0.216 per square foot per year. Ground Rent will be increased by seven percent (7%) every five (5) years during the term of this Agreement and any extensions. The first five (5) year period shall commence on January 1, 2024. If Lessee changes the use of the Leased Premises to revenue generating aeronautical use, the Ground Rent applicable will be adjusted to the then applicable commercial rate effective upon the date the use is modified through an amendment to the Agreement and the alternate commercial use identified in the amendment. No commercial use of the Leased Premises may occur except upon an amendment to this Agreement expressly approving such commercial use.

From the Effective Date until a Certificate of Occupancy has been issued, the amount of Ground Rent due will be discounted by fifty percent (50%). Lessee shall pay the full Ground Rent amount for the period from the Effective Date through the first full year of this Agreement, and upon the issuance of a Certificate of Occupancy, the City will issue a credit on the Ground Rent for the pro rata portion of the year for the applicable discount period from the Effective Date to the date of issuance of the Certificate of Occupancy.

10. **Agent:** The City appoints the City Administrator, or designee, as agent to receive all Rent, notices and reports under this Lease.
11. **Use of Leased Premises:** Lessee shall use the Leased Premises for the non-commercial purposes as defined in this Paragraph and for no other purpose without an amendment to this Agreement expressly allowing such commercial use. The Improvements on the Leased Premises shall be used for the storage and maintenance of aircraft and related aeronautical activities. The use of the Leased Premises must, at all times, be in compliance with the City's Minimum Standards for General Aviation and Aeronautical Operations ("**Minimum Standards**") as adopted by the City and as may be amended from time to time. The City and Lessee will cooperate in developing appropriate plans in the event a change in the Minimum Standards requires a change to the Leased Premises. Aircraft maintenance conducted on the Leased Premises shall be accomplished in accordance with Minimum Standards, applicable Building and Fire Codes, and adopted rules and regulations. Aircraft must be removed from any structure during fueling operations. In no case shall the Lessee use the Leased Premises in a way that causes the City to be out of compliance with any agreements it has with the FAA or the State of Minnesota.
12. **Parking:** The Leased Premises may be used for vehicle parking of business-related automobiles, trucks, vans, trailers and similar vehicles without the payment of any additional fees to City. In the event Lessee requires more parking than can be accommodated on the Leased Premises, Lessee shall utilize public parking as designated and approved by the City.
13. **Signs:** Lessee may install City ordinance compliant signs or other corporate identification of the business on the Leased Premises at its sole cost, provided, however, that the Lessee or its designee has obtained an approved City sign permit prior to installation.
14. **Right to Amend:** If the FAA or its successor, requires modifications or changes in this Agreement as a condition precedent to issuing the City a grant, Lessee agrees to consent to the amendments, modifications, or changes of this Agreement as may be reasonably required and to incorporate such required changes into an amendment to this Agreement; however, Lessee will not be required to pay increased Ground Rent, change the use of the Leased Premises, or accept a relocation or reduction in size of the Leased Premises until Lessee and the City have fully executed an amendment to this Agreement that is mutually satisfactory to the parties.
15. **Subordination to Government Requirements:** This Agreement is subordinate to the provisions of any existing or future agreement between the City and the United States of America or the State of Minnesota relating to the operation or maintenance of the Airport.
16. **Development of Improvements:** Throughout the Term of the Agreement, all plans and specifications for Lessee's improvements and all renovations, remodeling, refurbishment, and construction upon the Leased Premises must meet all fire, building, and other applicable city, state and federal regulations and code requirements. Lessee shall be responsible for obtaining required building permits and FAA permits, if applicable, and for paying all permit fees associated with the development. Upon final completion and acceptance of the improvements by the City, Lessee must provide one electronic copy of the record documents to the City Administrator, who will keep one set of plans on file at the City's administrative offices.

Lessee must keep said documents current, by providing one electronic copy of all record documents showing any alteration in excess of twenty-five thousand dollars (\$25,000) to the Leased Premises during the term of this Lease to City Administrator, which plans are to be attached to this Lease in the same manner as provided for the original plans and specifications. No substantial changes or alterations shall be made to said plans or specifications after initial approval by the City without further written approval by the City.

Lessee will be responsible for arranging and paying for, at its sole cost, water, sewer, and electrical connections to the site. Utility usage will be billed directly to the Lessee and payment will be the sole responsibility of the Lessee. Lessee shall be granted the right to place and use a liquid propane tank on the Leased Premises until the City installs a natural gas line at which time the use of the propane must be suspended, and Lessee shall connect to the natural gas line as called for in this Agreement. All costs associated with the placement of the propane tank and the propane shall be at the sole cost of the Lessee. Lessee shall submit to the City a detailed plan for the placement and connection of the propane and the City shall have thirty (30) calendar days to approve such plans. The parties agree to work cooperatively to identify a mutually agreeable location for the propane.

The Lessee and contractor will coordinate placement of the facility, design, staging, and construction with the City.

Lessee shall be responsible for causing the Leased Premises and adjacent properties to be maintained in good order and condition during construction and upon completion of the improvements in accordance with commercially reasonable standards at no cost to the City.

Lessee, at its sole expense, shall obtain all licenses and permits required prior to performing any maintenance, repairs, construction on, or use of the Leased Premises. The costs of developing all plans and specifications as provided herein and the construction of improvements and facilities upon the Leased Premises shall be paid solely by the Lessee, without any cost or expense to the City whatsoever.

Upon termination of this Lease as called for herein, ownership of the Improvements constructed by Lessee on the Leased Premises shall revert to the City, free and clear of all liens, claims and other encumbrances or adverse interest in the Leased Premises or the improvements thereon or, at the discretion of the Lessee, shall be removed by the Lessee at its sole expense and the ground returned to its original condition, normal wear and tear excepted. Facilities reverting to the City shall be in commercially reasonable condition, normal wear and tear excepted. All personal property of the Lessee shall be removed from the facility within seven (7) calendar days following termination as called for in this Agreement

During the construction of the improvements, the City Administrator, or designee, may enter upon the Leased Premises during normal business hours and make inspections as may be necessary to ensure that the construction of the improvements is performed in accordance with the requirements of this Lease and in accordance with the submitted plans and specifications.

During this Lease, Lessee shall, subject to the terms and conditions of this Lease, have the continuing right to remodel, renovate and refurbish the Leased Premises subject to the submission of a written request and a complete set of plans to the City and after obtaining the prior written consent of the City and the appropriate permits.

In the event a lien is attached to the Leased Premises or Lessee's leasehold interest, Lessee shall satisfy and remove any such lien within ten (14) calendar days of notice of such lien. Lessee shall notify the City in writing immediately upon receipt of such notice of a lien being filed and within twenty-four (24) hours of the removal of such lien.

In the event of any foreclosure by any lender, financing agency, or guarantor of its lien or liens on the improvements constructed by Lessee, fixtures, or trade fixtures located on the Leased Premises, said lender, financing agency, or guarantor succeeds hereunder to all rights, privileges, and duties of Lessee, including without limitation paying Rent, as if said lender was originally named Lessee herein, and said lender, financing agency, or guarantor will have a reasonable time after the date of foreclosure (not less than three hundred sixty five (365) calendar days) to sublease any available improvements. Lessee covenants that all construction, including all workmanship and materials, will be of first-class quality. As used herein, the term "first-class quality" means of the same quality as materials used to construct other buildings used for the same or similar purposes already constructed on the Airport property.

After completing construction of improvements on the Leased Premises, Lessee must certify to the City that the improvements were completed according to the approved plans and specifications and that Lessee has complied with all applicable federal, state, and local laws, and regulations.

Lessee must include in all construction contracts entered into, a provision requiring the contractor, or in the alternative, Lessee, to indemnify, hold harmless, defend and insure the City, including its officers, agents, elected officials, and employees, against the risk of legal liability for death, injury or damage to persons or property, direct or consequential, arising or alleged to arise out of, or in connection with, the contractor's or its agents' presence on the Leased Premises or the Airport and performance of any or all of the construction work thereon, whether the claims and demands made are just or unjust, unless same are caused by the negligence or willful act of the City, its officers, agents, or employees. Lessee must furnish, or require the contractor to furnish, insurance as required herein.

17. **Repair and Maintenance:** Lessee, at its own expense, shall make, or cause to be made, any and all repairs and replacements necessary to keep the Leased Premises in a commercially reasonable first-class condition and in safe repair and shall make any and all repairs and replacements necessary to remedy defects of a structural nature. Lessee shall provide maintenance to keep the interior and exterior of the Leased Premises in a clean, attractive and sanitary condition at all times.
18. **Hazardous Substances:** Lessee shall comply and shall require any sublessee to comply with all environmental laws, rules, regulations, orders and permits applicable to the use of the Leased Premises, including but not limited to, required National Pollutant Discharge Elimination System Permits and all applicable laws relating to the use, storage, generation, treatment, transportation, or disposal of hazardous or regulated substances. Except for the Hazardous Substances governed by and transported in full compliance with the transportation laws of the state or federal government, Lessee must not knowingly use, store, generate, treat, transport, or dispose of any hazardous or regulated substances or waste on or near the Leased Premises without first obtaining all required permits and approvals from all authorities having jurisdiction over the operations conducted on the Leased Premises.

If Lessee determines that a threat to the environment, including but not limited to a release, discharge, spill or deposit of a hazardous or regulated substance, has occurred or is occurring which affects or threatens to affect the Leased Premises, or the persons, structures, equipment, or other property thereon, Lessee must notify immediately by oral report, in person or by telephone, to be promptly confirmed in writing within twenty four (24) hours to the City Administrator as required by law or regulation.

Lessee or its designee shall keep a readily accessible file of Materials Safety Data Sheets (“**MSDS**”) for each Hazardous Substance on site or transported, in accordance with federal and state transportation laws, which file must be posted and immediately available to any City employee or Airport tenant who responds to report of a discharge of a Hazardous Substance on the Leased Premises.

Lessee will cause prompt remediation and the payment of all costs associated with any action or inaction of Lessee that directly or indirectly prevents the Airport from materially conforming to all then applicable environmental laws, rules, regulations, orders, or permits. In the event Lessee fails to fulfill this obligation following written notice and a reasonable cure period, the City may perform any such remediation and the direct and indirect cost of such action shall be invoiced to the Lessee plus a fifteen percent (15%) administrative fee. Payment of such charges is due and payable upon demand and may not be contested. The rights and obligations set forth in this Paragraph shall survive the earlier expiration or termination of this Lease.

19. Nondiscrimination/Affirmative Action:

- (a) Nondiscrimination – General- Lessee for itself, and as a requirement for any sublessee, their personal representatives, successors in interest, and assigns, as a part of the consideration hereof covenants that: (1) no person on the grounds of race, creed, color, religion, sex, age, national origin, sexual orientation, marital status, disability, or political belief or affiliation will be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination in the use of the Leased Premises; (2) in the construction of any improvements on, over, or under the Leased Premises and the furnishing of services thereon, no person on the grounds of race, color, religion, sex, age, national origin, sexual orientation, marital status, disability, or political belief or affiliation will be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination.
- (b) Nondiscrimination - Business Owner - This Lease is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. Lessee for itself, and as a requirement for any sublessee, agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award of performance or any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23.
- (c) Remedy for Breach – If Lessee is found by a final verdict of a court of competent jurisdiction to have deliberately breached a non-discrimination covenant, or to have permitted any sublessee to deliberately breach a non-discrimination covenant, the City may immediately enforce the remedies directed by the Court’s decision, which

may include the City's right to reenter the Leased Premises, retake possession thereof and terminate the Lease. This provision is not effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are completed, including exercise of any rights to appeal.

- (d) Affirmative Action - Lessee shall cause to be implemented an affirmative action program as required by 14 CFR Part 152, Subpart E, to provide (i) that no person on the grounds of race, creed, color, religion, sex, age, national origin, disability, or political belief or affiliation is excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E; (ii) that no person will be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by that Subpart; (iii) that third parties otherwise retained by Lessee or its designee shall provide similar assurances to Lessee or its designee to undertake affirmative action programs and to require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E. Lessee or its designee at no expense to the City shall comply with any applicable requirements of the Americans with Disabilities (ADA) as it may be amended, with respect to the Leased Premises.

20. Compliance with Laws:

- (a) General - Lessee covenants to promptly observe, comply with, and execute, and shall cause any sublessee to promptly observe, comply with, and execute, the provisions of any and all present and future governmental laws, ordinances, rules, regulations, requirements, orders and directions applicable to the use and occupancy of the Leased Premises. A material breach of this covenant, which is not remedied following written notice and a reasonable cure period, may be cause for the City to exercise its rights under **Paragraph 20** of the Lease. During any period of Lessee's or any sublessee's good faith challenge to any such laws, ordinances, rules, regulations, requirements, orders and directions in a court of competent jurisdiction shall not be deemed a breach of this Lease.
- (b) Federal - Lessee shall comply and shall require any sublessee to comply with all applicable Federal laws, rules, and regulations, including without limitation the Drug Free Workplace Act, the Violence in the Workplace Act, the Americans with Disabilities Act, and any other acts that the U.S. Congress passes that apply to the uses and operations at the Leased Premises.
- (c) State - Lessee shall comply with all applicable state laws, rules, and regulations of the State of Minnesota.
- (d) Local - Lessee shall comply with all applicable City ordinances, and rules and regulations promulgated by the City.

21. Termination:

- (a) Termination By Lessee - Without limiting any other rights and remedies to which Lessee may be entitled by common law, statutory law, or as elsewhere provided in this Lease, this Lease may be terminated by Lessee at any time after the happening, and during the existence, if one of more of the following events occurs:

- (1) The City's permanent abandonment of the Leased Premises at the Airport;
 - (2) The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part or parts thereof, that substantially restricts any sublessee from operating for at least one hundred fifty (150) calendar days;
 - (3) The issuance by any court of competent jurisdiction of an injunction that prevents or restrains the use of the Airport or the Leased Premises, that continues for at least one hundred fifty (150) calendar days; or
 - (4) The default by the City in the performance of any covenant or obligation on the part of the City to be performed, and the failure of the City to remedy the default for sixty (60) calendar days after receipt from Lessee of written notice to remedy the same.
- (b) Termination by City- Without limiting any other rights and remedies to which City may be entitled at common law, statutory law, or as elsewhere provided in this Lease, this Lease may be terminated by the City if Lessee:
- (1) Is in arrears in paying the Rent, fees, or other charges due under this Lease for thirty (30) calendar days after written notice, or such other time as may be provided herein;
 - (2) Makes a general assignment for the benefit of creditors;
 - (3) Abandons the Leased Premises ("abandon" shall mean failing to occupy the Leased Premises for a period in excess of one (1) year); or
 - (4) Otherwise defaults in the performance of any of other material covenant of this Lease and continues the default for thirty (30) calendar days, or such other time as may be provided herein, after receipt of written notice from the City of the default. If the default cannot reasonably be cured within said thirty (30) calendar days or within any other time as set out in the notice of default, Lessee shall be deemed to have cured the default if it commences the remedy process within the applicable period and thereafter diligently prosecutes the same to completion.
- (c) City's Right to Entry Upon Termination - If the City terminates this Lease or if Lessee abandons the Leased Premises, the City may enter upon the Leased Premises. The City Administrator, or designee, may enter onto the Leased Premises to remove any and all persons or property from the Leased Premises and place any property in storage for the account of and at the expense of Lessee. All property on the Leased Premises is hereby subjected to a contractual landlord's lien to secure payment of delinquent Rent and other sums due and unpaid under this Lease, any and all exemption laws are hereby expressly waived in favor of said landlord's lien; and it is agreed that said landlord's lien is not a waiver of any statutory or other lien given or which may be given to City but is in addition thereto.

In the case of default, if Lessee fails to remove any of its property on the Leased Premises within thirty (30) calendar days following the written notice of default, the City may sell the property found on the Leased Premises at a public or private sale with proceeds of the sale applied first to the cost of the sale, then to the cost of storage of the property, if any, and then to the indebtedness of Lessee, with the surplus, if any, to be mailed to Lessee at the address herein designated. If the City terminates the Lease and re-enters the Leased Premises, the City may relet the Leased Premises and if a sufficient sum is not realized, after paying expenses of the reletting, to pay the Rent and other sums agreed to be paid by Lessee, Lessee agrees to pay any deficiency within thirty (30) calendar days after City's written demand, therefore. Lessee further agrees to

hold harmless and indemnify the City including its officers, agents, elected officials, and employees against, from any loss or damage or claim arising out of the City's action in collecting monies owed to it under this paragraph, except for any loss, damage, or claim caused by the negligence or willful misconduct of the City or its employees.

- (d) Notice of Termination - If an event of material default occurs, and after due written notice identifying the default, the defaulting party has failed to cure or failed to commence to cure as called for in the notice of default, the complaining party may at any time after the expiration of any such cure period terminate this Lease by providing written notice of termination to the defaulting party. The Lease will be terminated on the date specified in the notice but not sooner than thirty (30) calendar days after the postmarked date of the notice.
- (e) Partial Destruction - If the Leased Premises or the facilities reasonably necessary to operate Sublessee's business are partially damaged, due to acts of God or other acts outside the control of the Lessee or City, to the extent that Lessee cannot use the Leased Premises for its intended use, then, at Lessee's option, this Lease may be terminated or instead may be suspended until the damage is repaired. If the Lease is suspended, Lessee and the City will mutually agree on a time period for Lessee to repair the damages to the Leased Premises or Improvements. If the Lease is terminated, as provided for herein, the Rent will be abated from the date of the casualty; provided however, Lessee as the case may be, must use its insurance proceeds to either replace the improvements or remove all traces of the improvements and return the Leased Premises to a state of raw land. All remaining insurance proceeds will be paid to Lessee, as the case may be. The City Administrator is the sole judge of the extent of damage to the Airport.

22. Property Rights upon Expiration or Termination:

- (a) Removal of Equipment - Upon the expiration or earlier termination or expiration of this Lease as called for herein, the City shall, by written notice to the Lessee, permit any Lessee to remove all removable furniture, fixtures and equipment and other personal property installed or furnished by the Lessee, so long as it removes same within the time period set forth in the notice, but in no event less than seven (7) calendar days after termination or expiration of the Lease. The City may require any damage to the Leased Premises caused by any Lessee's removal of its property to be repaired at the Lessee's expense within fifteen (15) calendar days after termination or expiration of the Lease. Such repairs must be made to the reasonable satisfaction of the City Administrator, or designee. Any fuel storage facilities installed by Lessee must be removed and any required remediation completed prior to vacating the Leased Premises, regardless of circumstances. In the event Lessee does not perform such removal and remediation in compliance with this Agreement, the City may contract for such removal and remediation and the direct and indirect cost of such, plus a fifteen percent (15%) administrative fee, will be the sole responsibility of the Lessee and shall be due and payable upon demand. Notwithstanding the foregoing, if any Lessee fails to remove its removable furniture, fixtures and equipment within thirty (30) calendar days after the date determined in the notice, then the City may, at its option, take title to the said property and sell, lease or salvage the same, as permitted by law. Any net expense the City incurs in disposing of the any Lessee's personal property shall be billed to the Lessee. The City will provide a written itemized breakdown of the costs recaptured, if any, by the sale, lease or salvage

of the property, and the balance due, which is expected to be paid by the Lessee upon receipt of said itemized breakdown.

- (b) **New Lease - Do Not Remove Equipment** - If the City and Lessee negotiate a new Lease after the expiration or earlier termination of this Lease as called for herein, there shall be no requirement to remove its furniture, fixtures and equipment from the Leased Premises.
- (c) **Improvements Revert to the City** - Except for the right of any Lessee to remove personal property, at the termination of the Lease as called for herein, all permanent improvements placed or constructed on the Leased Premises by Lessee revert to the City.
- (d) **Holdover** - Any holding over by Lessee of the Leased Premises after the expiration or other earlier termination of this Lease shall be on a month-to-month tenancy at sufferance, at a monthly Rent determined at the sole discretion of the City, and subject to surrender upon thirty (30) calendar days prior written notice.

23. Re-delivery of Leased Premises: Upon the expiration or earlier termination of this Lease, Lessee shall deliver the Leased Premises to the City peaceably, quietly and in as good condition as the same now are or may be hereafter improved by the Lessee, normal use and wear thereof excepted. In addition to a landlord's lien provided by the law of the State of Minnesota, the City has a contractual lien on all property of the Lessee on the Leased Premises as security for nonpayment of Rent.

24. City Obligations:

- (a) To operate the Airport as a public airport during the term of this Agreement, subject to the assurances given by the City to the United States Government.
- (b) To make water, gas, electricity, and wastewater service available to or near the Leased Premises property line on the same basis as it is made available to all business operating at the Airport. Lessee must promptly pay in full all utility usage charges for water, gas, wastewater, electricity, and other utilities supplied to the Leased Premises during the Lease Term as the charges become due and payable.
- (c) To mow the grass within the setback area from the structure to the lot line.

25. Indemnification:

- (a) **General** – Lessee must indemnify, hold harmless, defend and insure the City, its officers, agents, elected officials, and employees from and against any and all claims and causes of action, administrative proceedings, judgments, penalties, fines, damages, losses, demands, liabilities, or expenses whatsoever (including reasonable attorney's fees and costs of litigation, mediation and/or administrative proceedings) which may be brought, alleged, or imposed against the City, its officers, agents, or employees arising directly or indirectly from or in any way connected with (i) Lessee's or Lessee's agents' or employees' presence on the Leased Premises or the Airport; (ii) Lessee's or Lessee's agents or employees' performance of services authorized under any agreement with City, excepting only that liability as may result from the negligence or the willful misconduct of

the City, including its officers, agents, and employees; The rights and obligations set forth in this Paragraph shall survive the termination of this Lease.

- (b) **Special Claims** - Lessee agrees to defend, at its own cost, and to protect, indemnify, and otherwise hold harmless, the City, including its officers, agents, elected officials, and employees (including but not restricted to the posting of bond and release of attachment) from and against any and all claims in any way arising out of or in connection with the construction, repair, or maintenance work undertaken hereunder by, through or on behalf of Lessee, including but not restricted to attachments, liens or levies, and whether or not the claim is meritorious, made, failed or asserted by any party other than Lessee against the City, including its officers, agents, and employees or the Leased Premises or improvements thereon or part thereof, or monies owing to the City.
- (c) **Notice** - Notwithstanding the above identifications, Lessee must give the City Administrator notice of any matter covered hereby and forward to the City Administrator copies of every demand, notice, summons, or other process received in any claim or legal proceeding covered hereby within ten (10) calendar days of Lessee's receipt of said notice, demand, summons, or other process.

26. Insurance: During the term of this Lease, Lessee shall maintain General Liability, Aviation and other required coverages as described herein, with limits equal to the City's current base insurance requirements as shown below, or as the same may be amended from time to time. In addition, any independent contractor that Lessee may hire shall have limits at least equal to the City's then current base insurance requirements as shown below, or as the same may be amended from time to time. The City will provide Lessee with a six (6) month notice as well as a mutually agreed upon length of time within which to comply if the City's base insurance requirements are amended. Lessee shall provide copies of its current Certificates of Insurance for the General Liability, Aviation and other required coverages prior to execution of the Lease, and again annually as the Certificates are renewed through the term(s) of the Lease.

(a) General Liability:

Includes: Leased Premises, Completed Operations, Product Liability, XCU coverage and Independent Contractors coverage, and apply on a per location basis.

Generate Aggregate	\$2,000,000
Products and Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Legal	\$50,000
Leased Premises Medical Payments	\$5,000

(b) Automobile Liability:

Combined Single Limit Liability	\$1,000,000
To Include Hired and Non- Owned autos	

(c)

(c) Aviation Liability Insurance \$2,000,000

(d) Excess or Umbrella Liability:

General Aggregate

\$1,000,000

27. **Rights to Sublease and Assignment:** Lessee has the right to sublease any or all of the Leased Premises; however, Lessee must ensure that any sublessee abides by the terms and conditions of this Agreement. The Lessee shall not assign or transfer this Agreement, or any right of leasehold interests granted to it by this Agreement or sublet or otherwise transfer any interest in or to the Leased Premises without the prior written consent of the City. The consent to subleasing all or part of the Leased Premises or for assignment or transfer of this Agreement will not be unreasonably withheld.
28. **Notice:** Notices are sufficient if in writing and sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service with proof of delivery, or by facsimile (followed by written notice confirmed by mail or other delivery service, as addressed below:

If to City:

City of Marshall
344 West Main St.
Marshall, MN 56258
Attn: City Administrator

If to Lessee:

Chester Lockwood
Lock Prop, LLC
1310 E College Drive
Marshall, MN 56258

Or to any other address that may be designated in writing from time to time.

29. **General Provisions:**

- (a) Mineral Rights - City expressly reserves all water, gas, oil and mineral rights in and under the soil beneath the Leased Premises but testing for and/or removal of any such gas, oil, or minerals shall be done in a manner so as not to disturb the Leased Premises or disrupt the operation of the business being conducted thereon.
- (b) No Waiver of Forfeiture - Any failure or neglect of the City or Lessee at any time to declare a forfeiture of this Lease for any breach or default whatsoever hereunder does not waive the City's or Lessee's right thereafter to declare a forfeiture for like or other or succeeding breach or default.
- (c) Force Majeure - Neither City nor Lessee will be deemed to be in breach of this Lease if either is prevented from performing any of its obligations hereunder by reason of Force Majeure. Force Majeure means any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, acts of God, including inclement weather and/or periods of rain or snow, inability to obtain labor or materials, or reasonable substitutes therefore, governmental restrictions or requirements, governmental regulations, governmental controls, inability to timely obtain governmental approvals, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform. All of the foregoing events excuse the performance by either party for a period equal to

any prevention, delay, or stoppage, including the obligations imposed with regard to commencement or payment of rental and other charges to be paid by Lessee pursuant to this Lease and the obligation of the City to deliver the Leased Premises.

- (d) Quiet Enjoyment - City covenants that it has the authority to execute this Lease, that at commencement of the Lease, City has good title to the Leased Premises and that throughout the term hereof, Lessee will have peaceful and uninterrupted possession of the Leased Premises subject to Lessee's payment of Rent and other charges and to its performance of the covenants of this Lease. The City agrees to remedy any violation of quiet enjoyment caused by the City or one of the other tenants and to honor Lessee's tenancy for the term of the Lease.
- (e) Minimum Standards and Rules and Regulations – The City has adopted and will enforce Minimum Standards and reasonable rules and regulations to be uniformly applied to similar uses and users of similar space, which Lessee agrees to observe and obey with respect to the use of the Leased Premises and the, and the health, safety and welfare of those using the Leased Premises and the health, safety, and welfare of those using the Leased Premises. The Minimum Standards and rules and regulations may be amended from time-to-time following notice to Lessee.
- (f) Governing Law and Venue - This Agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota and action brought under this Agreement shall be venued in Lyon County, Minnesota.
- (g) No Third-Party Benefit - No provision of this Lease creates a third-party claim against the City, the Airport, or the Lessee beyond that which may legally exist in the absence of any such provision.
- (h) Taxes and Licenses - Lessee must cause to be paid any and all taxes of whatever character, including ad valorem and intangible taxes, that may be levied or charged upon the Leased Premises, leasehold improvements, or operations hereunder and upon Lessee's rights to use the Leased Premises, whether the taxes are assessed against Lessee or the City, prior to the past due date. Lessee shall cause to be paid any and all sales taxes arising in connection with the occupancy or use of the Leased Premises whether the taxes are assessed against the Lessee, any sublessee or City. Lessee must obtain and pay for all licenses or permits necessary or required by law for the construction of improvements and must require any sublessee to must obtain and pay for all licenses and permits necessary or required by law for the installation of equipment and furnishings, and any other licenses necessary for the conduct of its operations hereunder. If Lessee or any sublessee wishes to contest any tax or charge, that contest will not be a default under the Lease so long as Lessee or sublessee diligently prosecutes the contest to conclusion and promptly pays whatever tax is ultimately owed. Further, Lessee shall cause any taxes not being contested to be paid prior to the past due date.
- (i) Trash and Refuse - Lessee must arrange for the collection and lawful disposal of all trash and other refuse resulting from operations on the Leased Premises; must provide and use suitable sealed fireproof receptacles approved by the City for all trash and other refuse generated by the use of the Leased Premises; must prohibit piling of boxes, barrels or other similar items in or within view from a public area; must comply with all applicable laws and regulations relative to trash disposal; and

must pay or cause to be paid the costs associated with trash removal and disposal.

- (j) Terms Binding on Successors and Assigns - All of the terms, covenants and agreements herein contained shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of Lessee and the City.
- (k) Estoppel - Both parties agree that at any time and from time to time at reasonable intervals, within fifteen (15) business days after written request by the other party, said party will execute, acknowledge and deliver to the party designated by the other party, a certificate in a form as may from time to time be provided, certifying to the extent true and correct the following, as well as any other provision reasonably requested by the other party: (a) that Lessee has entered into occupancy of the Leased Premises and the date of said entry if requested; (b) that this Lease is in full force and effect, and has not been assigned, transferred, modified, supplemented, or amended in any way (or if there has been any assignment, modification, supplement or amendment, identifying the same); (c) that this Lease represents the entire agreement between City and Lessee as to the subject matter hereof (or if there has been any assignment, modification, supplement or amendment, identifying the same); (d) the date of commencement and expiration of the term; (e) that all conditions under this Lease to be performed by City, if any, have been satisfied (and if not, what conditions remain unperformed); (f) that to the knowledge of the signor of said writing, no default exists in the performance or observance of any covenant or condition in this Lease and there are no then existing defense or offsets against the enforcement of this Lease by the City, or instead specifying each default, defense or offset of which the signor may have knowledge; and (g) the amount of Rent or other charges , if any, that has been paid in advance and the amount of security, if any, that has been deposited with the City.
- (l) Leasehold Mortgage - As used herein, "**Leasehold Mortgage**" means the mortgage or deed of trust covering Lessee's leasehold interest in this Lease given by Lessee to Leasehold Mortgagee to secure repayment of funds advanced or to be advanced by a Leasehold Mortgagee to Lessee to construct the Development. As used herein, "**Leasehold Mortgagee**" means the mortgagee or beneficiary under the Leasehold Mortgage. As used herein, "**mortgage**" means any mortgage, deed of trust or other indenture consisting of a lien on Lessee's leasehold interest created hereunder, together with a promissory note or obligation or bond which it secures. Subject to the conditions set forth herein, Lessee may mortgage its leasehold interest created hereunder, solely for the purpose of (1) obtaining financing to construct the Development, including any additional construction or alteration thereof, made subsequent to the initial construction, (2) refinancing said construction mortgage, and (3) providing financing in connection with the assignment or transfer by Lessee of its interest in this Lease and its leasehold interest created hereunder; provided however, that with respect to the financing described in clauses (2) and (3) above, the principal amount of any mortgage must not be greater than the original principal amount of the mortgage obtained to construct the Development, including any additional construction or alteration thereof, made subsequent to the initial construction as provided:
 1. Said mortgage in no way affects or diminishes City's interest in the Leased Premises, or its rights under this Lease, nor relieves Lessee of any of its obligations hereunder;
 2. Under no circumstances is City's fee interest in the Leased Premises or

rights under this Lease subordinate to said mortgage;

3. Said mortgage covers no interests in any real property other than Lessee's leasehold interest in the Leased Premises hereunder; and

4. The making of said mortgage by Lessee will not be deemed to constitute an assignment or transfer of this Lease, nor will any mortgagee be deemed an assignee or transferee of this Lease.

5. Rights of Leasehold Mortgagees:

a. No Leasehold Mortgage is binding upon the City in the enforcement of its rights and remedies under this Lease unless and until a copy thereof has been delivered to the City Administrator;

b. The City agrees to execute an estoppel certificate and any other similar documentation as may reasonably be required by Leasehold Mortgagee so as to certify to the status of this Lease and to the performance of Lessee hereunder as of the date of said certification;

c. Lessee shall furnish the City Administrator a written notice setting forth the name and address of any Leasehold Mortgagee; and

d. If a Leasehold Mortgage or purchaser at foreclosure of the mortgage acquires Lessee's leasehold interest in the Leased Premises by virtue of the default of Lessee under the mortgage or otherwise, this Lease will continue in full force and effect so long as Leasehold Mortgagee or purchaser at foreclosure is not in default hereunder, including the obligation to timely pay Rent. For the period of time during which Leasehold Mortgagee or any purchaser at foreclosure of a mortgage holds Lessee's leasehold interest in the Leased Premises, Leasehold Mortgagee or said purchaser becomes liable and fully bound by the provisions of this Lease.

6. With respect to any Leasehold Mortgagee of the Leased Premises, City agrees that the following apply:

a. If requested by a Leasehold Mortgagee, who is duly registered in writing with the City, any notice from the City affecting the Leased Premises must be simultaneously delivered to Lessee and said Leasehold Mortgagee at its registered address, and if so registered, no notice of default or termination of this Lease affecting the Leased Premises given by the City shall be deemed legally effective until and unless like notice has been given by the City to said Leasehold Mortgagee;

b. Any Leasehold Mortgagee entitled to said notice shall have any and all rights of Lessee with respect to the curing of any default hereunder by Lessee; and

c. City will not enter into any material modification of this Lease affecting the Leased Premises without the prior written consent thereto of each Leasehold Mortgagee entitled to notice as provided herein. The foregoing does not apply, nor may it be construed to apply to any right the City may have to terminate this Lease pursuant to its terms. Lessee must provide any Leasehold Mortgagee with notice of any proposed modification.

7. If the City elects to terminate this Lease for any material default by Lessee with respect to the Leased Premises, the Leasehold Mortgagee that has become entitled to notice as provided in this Paragraph has not only any and all rights of Lessee with respect to the curing of any default, but also the right to postpone and extend the specified termination date of the Lease (**"Leasehold Mortgagee's Right to Postpone"**), contained in any notice of termination by City to Lessee (**"Termination Notice"**), for a maximum of ninety (90) calendar days, subject to the following conditions:

a. Leasehold Mortgagee must give the City Administrator written notice of the exercise of Leasehold Mortgagee's Right to Postpone at least ten (10) calendar days prior to the date of termination specified by Aviation Director in the Termination Notice and simultaneously pay to City all amounts required to cure all defaults then existing (as of the date of the exercise of Leasehold Mortgagee's Right to Postpone) which may be cured by the payment of a sum of money.

b. If Leasehold Mortgagee's Right to Postpone is exercised, Leasehold Mortgagee must pay any sums and charges which may be due and owing by Lessee and promptly undertake to cure, diligently prosecute, and as soon as reasonably possible, complete the cure of all defaults of Lessee with respect to the Leased Premises which are susceptible to being cured by Leasehold Mortgagee. Leasehold Mortgagee's exercise of its Right to Postpone may extend the date for the termination of this Lease specified in the Termination Notice for a maximum of six (6) months.

c. If, before the date specified for the termination of this Lease as extended by a Leasehold Mortgagee's exercise of its Right to Postpone, Leasehold Mortgagee has performed and observed all of Lessee's covenants and conditions under the Lease with respect to the Leased Premises and no further defaults with respect to the Leased Premises have occurred which have not been timely cured, then all defaults under this Lease, with respect to the Leased Premises, will be deemed to have been cured and City's Termination Notice will be deemed to have been withdrawn.

d. Nothing herein may be deemed to impose any obligation on the City's part to deliver physical possession of the Leased Premises to a Leasehold Mortgagee.

e. If more than one Leasehold Mortgagee seeks to exercise any of the rights provided for in this **Paragraph 32**, the most senior lien holder is entitled, as against the others, to exercise said rights. Should a dispute arise among Leasehold Mortgagees regarding the priority of lien, Leasehold Mortgagees must provide evidence substantiating the correct priority of the competing liens to the satisfaction of the City Attorney prior to taking any action with respect to exercising said lienholder rights.

- (j) Radio Antenna - Subject to the City's prior written approval as to height and location, which will not be unreasonably withheld, conditioned or delayed, Lessee or any sublessee, as the case may be, may furnish and install at its own expense, a radio antenna either adjacent to the improvements or on the roof of the improvements on the Leased Premises subject to (a) any and all federal, state and local laws, ordinances, statutes, rules, regulations and orders applicable thereto; (b) Lessee, as the case may be, obtaining any and all building and other permits, licenses and other approvals with respect thereto; (c) the antenna and building both must be structurally sound and not adversely affect the soundness of, or the condition of, the roof and/or other parts of the building; and (d) any and all costs of maintaining and operating the same must be paid entirely by the Lessee. Upon the expiration or earlier termination of this Lease as identified herein, Lessee shall cause the removal of the antenna(s) and the restoration of any damage to the improvements and Leased Premises caused by the installation and/or removal thereof. Lessee shall be responsible for all costs for the repair and maintenance of said installation of the antenna.
- (k) Severability - Each provision, paragraph, section, sentence, clause, phrase, and word of this lease is intended to be severable. If any provision, paragraph, section,

sentence, clause, phrase, and/or word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this lease.

- (l) Voluntary and Knowing Action - The parties, by executing this lease, state that they have carefully reviewed this lease and understand fully the contents hereof; that in executing this lease they voluntarily accept all terms described in this lease without duress coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
- (m) Authorized Signatories - The parties each represent and warrant to the other that (1) the persons signing this lease are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this lease against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- (n) Government Data Practices - Pursuant to Minnesota Statutes Chapter 13, et seq., the Lessee and the City must comply with the Minnesota Government Data Practices Act as it applies to all data provided by the City under this Agreement, and it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Lessee under this Agreement. The civil remedies of Minnesota Statute Section 13.08 apply to release of the data referred to in this clause by either the Lessee or the City. If Lessee receives a request to release any data referred to in this clause, the Lessee must immediately notify the City. The City must give the Lessee instructions concerning the release of the data before the data is released. The Lessee's response to the request must comply with the applicable law.
- (o) No Partnership, Joint Venture, or Fiduciary Relationship. Nothing contained in this Lease shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the Lessor and Lessee, it being understood that the sole relationship created hereby is one of landlord and tenant.
- (p) Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, to the extent applicable, the Lessee agrees that the City, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Lessee and involve transactions relating to this Lease. The Lessee agrees to maintain these records for a period of six (6) years from the date of termination of this Lease.
- (q) Waiver and Assumption of the Risk: Lessee knows, understands and acknowledges the risks and hazards associated with using the Facilities, Building and Leased Premises and hereby assumes any and all risks and hazards associated therewith. Lessee hereby irrevocably waives any and all claims against Lessor or any of its officials, employees or agents for any bodily injury (including death), loss or property damage incurred by the Lessee as a result of using the Facilities, Building or Leased Premises and hereby irrevocably releases and discharges Lessor and any of its officials, employees or agents from any and all claims of liability.
- (r) Attorney Fees: Lessee shall pay all costs, attorney fees, and expenses incurred by

Lessor to enforce this agreement.

30. **Property Subject to Taxation:** All real and personal property contained in the Leased Premises shall be subject to taxation in accordance with Minnesota Statute, Section 272.01 as may be amended from time to time.

EXECUTED IN DUPLICATE ORIGINALS this 24th day of October, 2023, by the authorized representative of the parties.

Attest

Date: _____

CITY OF MARSHALL

Name: _____
Its: _____
Date: _____

Attest:

Date: _____

LESSEE: LOCK PROP, LLC

Name: _____
Chester Lockwood
Title: President
Date: _____

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Jason Anderson
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Project ST-012-2024: South Whitney Street Reconstruction Project (E College Dr to Jean Ave) - Consider Resolution Ordering Preparation of Report on Improvement
Background Information:	<p>Attached please find the resolution necessary for the initiation of the special assessment procedures for Project ST-012-2024: South Whitney Street Reconstruction Project (E College Dr to Jean Ave). Attached is a map to identify the project area.</p> <p>This project consists of: reconstruction of the sidewalk, roadways and utility replacement on South Whitney Street from East College Drive to Jean Avenue. All public utilities will be replaced, including watermain, sanitary sewer, and storm sewer on South Whitney Street. Other items of work included in this project are pavement removal, aggregate base, bituminous surfacing, sidewalks, curb and gutter, and other minor work.</p> <p>This item was presented to the Public Improvement/Transportation Committee at their meeting on 10/24/2023.</p>
Fiscal Impact:	All improvements are proposed to be assessed according to the current Special Assessment Policy, including but not limited to participation from Marshall Municipal Utilities, Wastewater Department, Surface Water Management Utility Fund and Ad Valorem participation. Final approval of the project must include determination of funding sources.
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	that the Council adopt RESOLUTION NUMBER 23-068, which is the “Resolution Ordering Preparation of Report on Improvement” for Project ST-012-2024: South Whitney Street Reconstruction Project.

RESOLUTION NUMBER 23-068

RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT

WHEREAS, it is proposed to make improvements under the following project and to assess the benefited properties for all or a portion of the cost of the improvements, pursuant to Minnesota Statutes, Chapter 429:

PROJECT ST-012-2024: SOUTH WHITNEY STREET RECONSTRUCTION PROJECT (E COLLEGE DR TO JEAN AVE) -- This project consists of: reconstruction of the sidewalk, roadways and utility replacement on South Whitney Street from East College Drive to Jean Avenue. All public utilities will be replaced, including watermain, sanitary sewer, and storm sewer on South Whitney Street. Other items of work included in this project are pavement removal, aggregate base, concrete surfacing, sidewalks, curb and gutter, streetscaping, and other minor work.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALL, MINNESOTA:

1. That the proposed improvements be referred to the Director of Public Works/City Engineer and that he is instructed to report to the Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvements are feasible and as to whether they should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvements as recommended.

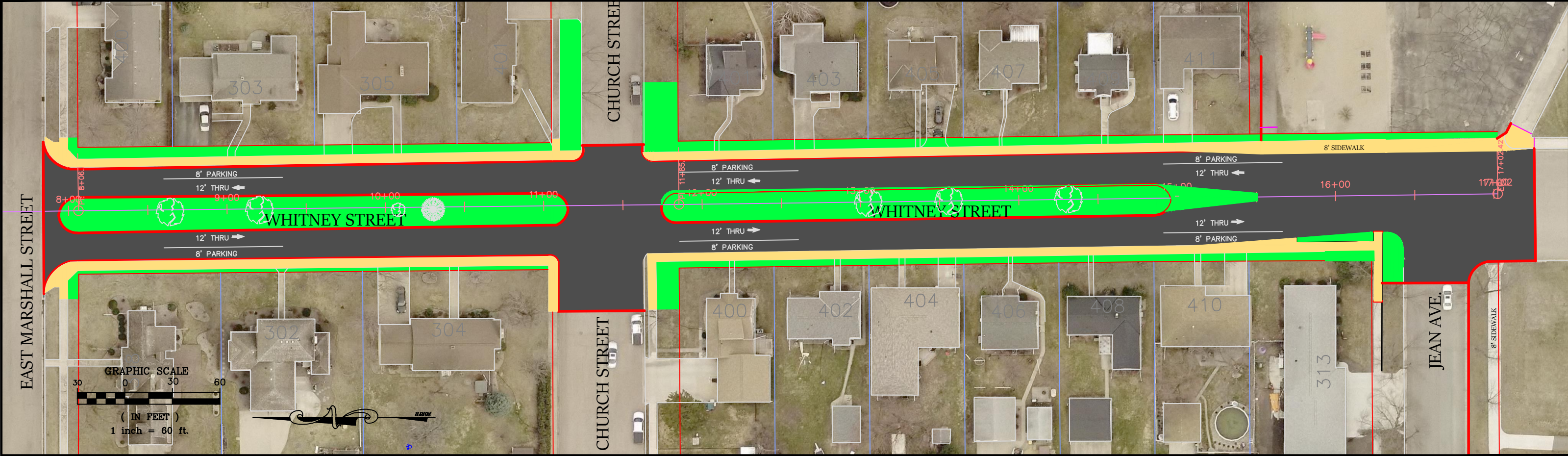
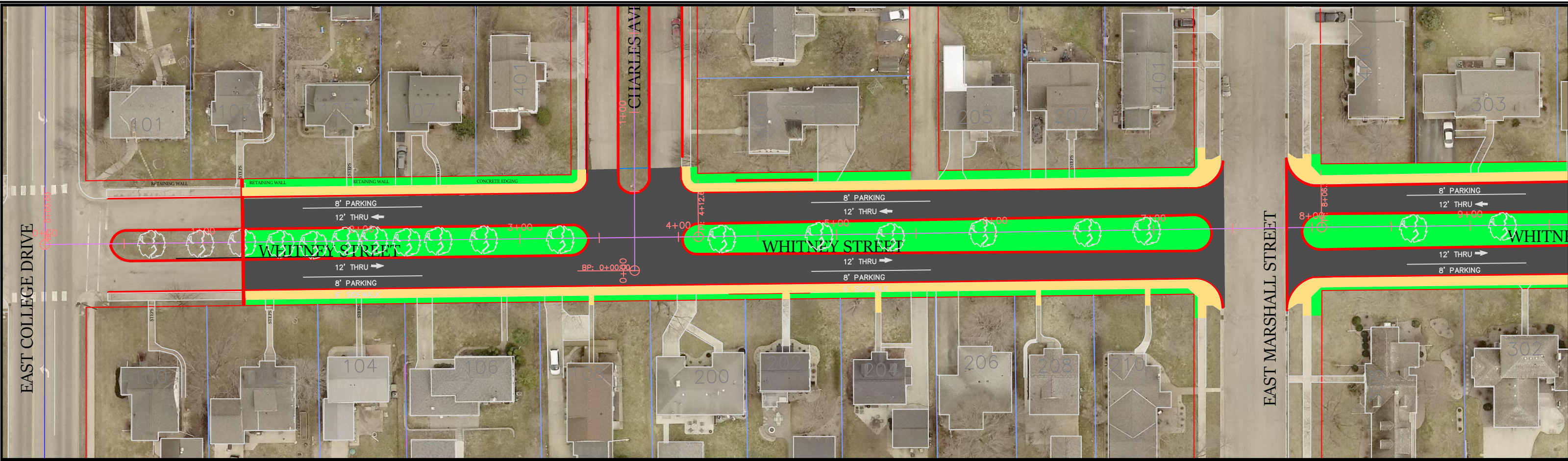
Passed and adopted by the Council this 24th day of October, 2023.

Mayor

ATTEST:

City Clerk

This instrument drafted by:
Director of Public Works/City Engineer Jason R. Anderson, P.E.



DESIGNED BY:	DATE	REVISIONS	INIT.
DRAWN BY: G.J.S.			
AP: Item 11. R.A.			
SCALE: 1"=50'			


ENGINEERING DEPARTMENT
 344 WEST MAIN STREET
 MARSHALL, MINNESOTA
 56258
MARSHALL

WHITNEY STREET

 PROJECT AREA SHEET

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

 DATE _____ LICENSE NO. 53322

CITY PROJECT NO. ST-012	DATE 10/17/2023
STATE AID PROJECT NO. NA	Page 74

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Karla Drown
Meeting Date:	Tuesday, October 24, 2023
Category:	CONSENT AGENDA
Type:	ACTION
Subject:	Consider approval of the bills/project payments
Background Information:	Staff encourage the City Council Members to contact staff in advance of the meeting regarding these items if there are questions. Construction contract questions are encouraged to be directed to Director of Public Works, Jason Anderson at 537-6051 or Finance Director, Karla Drown at 537-6764
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	The following bills and project payments be authorized for payment.



Marshall, MN

Check Report

By Vendor Name

Date Range: 10/12/2023 - 10/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-REG AP						
4549	A & B BUSINESS, INC	10/13/2023	EFT	0.00	2,421.15	14452
6128	ACTION COMPANY LLC	10/13/2023	EFT	0.00	118.36	14453
6412	AG PLUS COOPERATIVE	10/20/2023	EFT	0.00	6.16	14513
0567	ALEX AIR APPARATUS 2 LLC	10/20/2023	EFT	0.00	12,607.00	14514
5119	ALL FLAGS, LLC	10/20/2023	EFT	0.00	673.35	14515
0578	AMAZON CAPITAL SERVICES	10/13/2023	EFT	0.00	384.09	14454
3761	AMERICAN BOTTLING CO.	10/13/2023	Regular	0.00	272.52	123447
0630	ARCTIC GLACIER	10/13/2023	Regular	0.00	287.14	123448
0630	ARCTIC GLACIER	10/20/2023	Regular	0.00	324.49	123486
0629	ARNOLD MOTOR SUPPLY	10/13/2023	EFT	0.27	13.29	14455
6883	AT&T MOBILITY II LLC	10/13/2023	Regular	0.00	38.23	123449
5702	B & H PHOTO & ELECTRONICS CORP	10/20/2023	EFT	0.00	304.50	14516
5327	BAUMANN, ADAM	10/13/2023	EFT	0.00	78.00	14456
1126	BDG INC.	10/13/2023	EFT	0.00	966.45	14457
7378	BEHNKE, JOSHUA	10/13/2023	Regular	0.00	121.02	123450
0688	BELLBOY CORPORATION	10/20/2023	EFT	0.00	2,474.74	14517
0699	BEVERAGE WHOLESALERS, INC.	10/13/2023	Regular	0.00	24,595.55	123451
0699	BEVERAGE WHOLESALERS, INC.	10/20/2023	Regular	0.00	22,820.10	123487
6482	BLOMBERG, GRANT	10/20/2023	EFT	0.00	475.00	14518
7374	BOEHNKE, TRAVIS	10/13/2023	Regular	0.00	700.00	123452
5999	BOLLIG, KENNETH	10/13/2023	Regular	0.00	500.00	123453
0724	BOLTON & MENK INC	10/20/2023	EFT	0.00	5,179.00	14519
3829	BRAU BROTHERS	10/13/2023	EFT	0.00	830.50	14458
3829	BRAU BROTHERS	10/20/2023	EFT	0.00	129.50	14520
4457	BREAKTHRU BEVERAGE MINNESOTA WINE & SI	10/13/2023	Regular	0.00	2,636.40	123454
4457	BREAKTHRU BEVERAGE MINNESOTA WINE & SI	10/20/2023	Regular	0.00	7,814.35	123488
0728	BUFFALO RIDGE CONCRETE INC	10/13/2023	EFT	0.00	2,700.50	14459
5156	C & R SUPPLY	10/20/2023	Regular	0.00	638.95	123490
6791	CAPITAL ONE	10/13/2023	Regular	0.00	115.13	123456
6791	CAPITAL ONE	10/20/2023	Regular	0.00	109.46	123491
0802	CARLSON & STEWART REFRIGERATION, INC.	10/20/2023	EFT	0.00	469.90	14521
2034	CHANGE FUND	10/13/2023	Regular	0.00	300.00	123457
0836	CHARTER COMMUNICATIONS, LLC	10/20/2023	EFT	0.00	44.99	14522
5733	CLARITY TELECOM, LLC	10/13/2023	EFT	0.00	348.34	14460
5733	CLARITY TELECOM, LLC	10/20/2023	EFT	0.00	2,563.68	14523
0934	D & G EXCAVATING INC	10/13/2023	EFT	0.00	7,506.00	14461
3819	DACOTAH PAPER CO	10/13/2023	EFT	13.67	1,361.89	14462
3819	DACOTAH PAPER CO	10/20/2023	EFT	14.64	1,449.48	14524
7102	DAHLHEIMER BEVERAGE	10/20/2023	EFT	0.00	1,851.30	14525
7382	DANIELS, SHANE	10/13/2023	Regular	0.00	191.00	123458
7075	DEMUTH, ROGER	10/13/2023	EFT	0.00	350.00	14463
0975	DEPUTY REGISTRAR #32	10/20/2023	Regular	0.00	22.00	123492
0990	DIAMOND VOGEL, INC	10/20/2023	EFT	0.00	1,443.50	14526
5731	DOLL DISTRIBUTING LLC	10/13/2023	EFT	0.00	13,118.75	14464
5731	DOLL DISTRIBUTING LLC	10/20/2023	EFT	0.00	8,254.27	14527
4126	DOOM & CUYPER CONSTRUCTION	10/13/2023	EFT	0.00	59,855.70	14465
1020	DUININCK, INC.	10/13/2023	EFT	0.00	29,640.86	14466
1020	DUININCK, INC.	10/20/2023	EFT	0.00	1,107.12	14528
7324	DYCE, DARWIN	10/20/2023	Regular	0.00	250.00	123493
7373	EHLERS, CHARLIE & KARI	10/13/2023	Regular	0.00	700.00	123459
3566	ELECTRIC MOTOR CO	10/13/2023	EFT	0.00	343.89	14467
7275	ERAL, ADAM	10/20/2023	EFT	0.00	206.16	14529
1090	FASTENAL COMPANY	10/13/2023	EFT	0.00	730.28	14468
1090	FASTENAL COMPANY	10/20/2023	EFT	0.00	125.28	14530

Check Report

Date Range: 10/12/2023 - 10/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1149	FRONTLINE PLUS FIRE & RESCUE	10/20/2023	EFT	0.00	2,200.00	14531
1158	GALLS INC	10/13/2023	EFT	0.00	501.75	14469
6478	GOPHER STATE ONE CALL	10/13/2023	EFT	0.00	210.60	14470
1199	GRAHAM TIRE AND AUTOMOTIVE SERVICES	10/13/2023	EFT	0.00	18.00	14471
7375	GREENHORNE, CODY	10/13/2023	Regular	0.00	700.00	123460
1215	GREENWOOD NURSERY	10/20/2023	EFT	0.00	1,821.60	14532
1256	HAWKINS INC	10/13/2023	EFT	0.00	1,568.50	14472
6430	HEARTLAND ELECTRIC, INC	10/13/2023	Regular	0.00	1,110.22	123461
1271	HENLE PRINTING COMPANY	10/13/2023	EFT	0.00	1,017.88	14473
1291	HOFFMAN FILTER SERVICE	10/13/2023	Regular	0.00	65.00	123462
6238	HYDRO OPERATING LLC	10/13/2023	Regular	0.00	2,866.20	123463
1314	IAAO	10/20/2023	Regular	0.00	240.00	123494
1325	ICMA RETIREMENT TRUST #300877	10/13/2023	EFT	0.00	50.00	14474
5546	INDIAN ISLAND WINERY	10/20/2023	Regular	0.00	301.44	123495
1358	INTERNAL REVENUE SERVICE	10/13/2023	Bank Draft	0.00	28,078.52	DFT0003336
1358	INTERNAL REVENUE SERVICE	10/13/2023	Bank Draft	0.00	22,434.26	DFT0003337
1358	INTERNAL REVENUE SERVICE	10/13/2023	Bank Draft	0.00	8,424.68	DFT0003338
5017	JIM'S CLOTHING & SPORTING GOODS	10/20/2023	Regular	0.00	1,092.00	123496
1399	JOHNSON BROTHERS LIQUOR COMPANY	10/13/2023	EFT	0.00	12,528.24	14475
1399	JOHNSON BROTHERS LIQUOR COMPANY	10/20/2023	EFT	0.00	16,982.73	14533
2036	JOHNSON BROTHERS LIQUOR COMPANY	10/13/2023	EFT	0.00	7,686.75	14477
2036	JOHNSON BROTHERS LIQUOR COMPANY	10/20/2023	EFT	0.00	24,685.72	14534
2605	JOHNSON BROTHERS LIQUOR COMPANY	10/13/2023	EFT	0.00	4,034.88	14476
5447	JOHNSON BROTHERS LIQUOR COMPANY	10/13/2023	EFT	0.00	4,103.35	14478
5447	JOHNSON BROTHERS LIQUOR COMPANY	10/20/2023	EFT	0.00	2,283.10	14535
6199	JONES, DAVID	10/20/2023	Regular	0.00	175.00	123497
7372	JUUTILAINEN, RYAN & DAI	10/13/2023	Regular	0.00	700.00	123464
5095	KIBBLE EQUIPMENT LLC	10/13/2023	EFT	0.00	44.17	14479
4511	KRUSE BUICK PONTIAC GMC, INC	10/20/2023	EFT	0.00	3,106.19	14536
3653	LANGUAGE LINE SERVICES	10/20/2023	EFT	0.00	976.78	14537
7359	LEE, KASEY	10/20/2023	Regular	0.00	750.00	123498
7371	LLOYD MANAGEMENT	10/13/2023	Regular	0.00	700.00	123465
1508	LOCKWOOD MOTORS INC	10/13/2023	EFT	0.00	14.60	14480
1508	LOCKWOOD MOTORS INC	10/20/2023	EFT	0.00	59.16	14538
6323	LUTHER, ERIC	10/13/2023	EFT	0.00	42.94	14481
1531	LYON COUNTY AUDITOR-TREASURER	10/20/2023	EFT	0.00	2,815.00	14539
1545	LYON COUNTY HIGHWAY DEPARTMENT	10/20/2023	EFT	0.00	9,764.65	14540
1546	LYON COUNTY HISTORICAL SOCIETY	10/13/2023	Regular	0.00	270.00	123466
1548	LYON COUNTY LANDFILL	10/13/2023	EFT	0.00	3.50	14482
1553	LYON COUNTY SHERIFF'S DEPT.	10/20/2023	Regular	0.00	11,476.00	123499
1555	LYON LINCOLN ELECTRIC COOPERATIVE INC	10/13/2023	Regular	0.00	41.86	123467
1565	MACQUEEN EQUIPMENT INC.	10/13/2023	EFT	0.00	143.72	14483
1576	MALLOY ELECTRIC BEARING SUPPLY	10/13/2023	Regular	0.00	176.68	123468
7385	MARSHALL AREA SENIOR CITIZENS	10/20/2023	Regular	0.00	800.00	123500
7381	MARSHALL EDUCATION ASSOCIATON	10/13/2023	Regular	0.00	50.00	123469
1623	MARSHALL INDEPENDENT, INC	10/20/2023	Regular	0.00	1,586.25	123501
5813	MARSHALL LUMBER CO	10/13/2023	EFT	0.00	91.96	14484
5813	MARSHALL LUMBER CO	10/20/2023	EFT	0.00	91.30	14541
6018	MARSHALL M CLUB	10/20/2023	Regular	0.00	731.25	123503
1633	MARSHALL MUNICIPAL UTILITIES	10/13/2023	EFT	0.00	9,539.92	14485
1635	MARSHALL NORTHWEST PIPE FITTINGS INC	10/13/2023	EFT	0.26	12.75	14486
1635	MARSHALL NORTHWEST PIPE FITTINGS INC	10/20/2023	EFT	0.26	12.97	14542
1637	MARSHALL PUBLIC SCHOOLS	10/20/2023	EFT	0.00	23,573.12	14543
3545	MARSHALL RADIO	10/13/2023	EFT	0.00	2,000.00	14487
7153	MAVERICK WINE LLC	10/20/2023	Regular	0.00	2,137.36	123504
7352	M-B COMPANIES, INC	10/13/2023	EFT	0.00	593.71	14488
7077	MEDSURETY, LLC	10/13/2023	Bank Draft	0.00	13,480.99	DFT0003330
7077	MEDSURETY, LLC	10/13/2023	Bank Draft	0.00	6,750.42	DFT0003335
7077	MEDSURETY, LLC	10/13/2023	Bank Draft	0.00	229.18	DFT0003341
4980	MENARDS INC	10/13/2023	EFT	0.00	259.30	14489
1818	MINNESOTA DEPARTMENT OF REVENUE	10/13/2023	Bank Draft	0.00	11,373.75	DFT0003339

Check Report

Date Range: 10/12/2023 - 10/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
3555	MINNESOTA DEPARTMENT OF TRANSPORTATION	10/13/2023	Regular	0.00	4,547.47	123470
3669	MINNESOTA STATE RETIREMENT SYSTEM	10/13/2023	Bank Draft	0.00	8,918.30	DFT0003333
1839	MINNESOTA VALLEY TESTING LABS INC	10/13/2023	EFT	0.00	1,302.76	14490
1757	MN CHILD SUPPORT PAYMENT CENTER	10/13/2023	Bank Draft	0.00	386.70	DFT0003327
1757	MN CHILD SUPPORT PAYMENT CENTER	10/13/2023	Bank Draft	0.00	170.74	DFT0003328
1757	MN CHILD SUPPORT PAYMENT CENTER	10/13/2023	Bank Draft	0.00	450.39	DFT0003329
0969	MN DEPT OF LABOR & INDUSTRY	10/13/2023	Regular	0.00	4,480.62	123471
6422	MN STATE LOTTERY	10/12/2023	Bank Draft	0.00	761.33	DFT0003317
1864	MONTES ELECTRIC INC	10/13/2023	Regular	0.00	3,824.60	123472
2512	NATIONWIDE RETIREMENT	10/13/2023	Bank Draft	0.00	100.00	DFT0003323
7376	NOON ROTARY CLUB OF MARSHALL	10/13/2023	Regular	0.00	50.00	123474
1945	NORM'S GTC	10/13/2023	Regular	0.00	262.93	123475
1986	NORTH CENTRAL INTERNATIONAL, INC	10/13/2023	EFT	0.00	319.04	14491
1986	NORTH CENTRAL INTERNATIONAL, INC	10/20/2023	EFT	0.00	14,561.80	14544
7325	NUTRITION EXCELLENCE LLC	10/20/2023	Regular	0.00	2,575.00	123505
6463	OFFICE OF MNIT SERVICES	10/20/2023	Regular	0.00	709.62	123506
5891	ONE OFFICE SOLUTION	10/13/2023	EFT	0.00	562.92	14492
5891	ONE OFFICE SOLUTION	10/20/2023	EFT	0.00	381.00	14545
3809	O'REILLY AUTOMOTIVE STORES, INC	10/20/2023	EFT	0.00	194.80	14546
1243	PATZERS INC	10/13/2023	EFT	0.00	486.71	14493
1243	PATZERS INC	10/20/2023	EFT	0.00	170.81	14547
2019	PAUSTIS WINE COMPANY	10/13/2023	EFT	0.00	7,302.50	14494
2026	PEPSI COLA BOTTLING OF PIPESTONE MN INC	10/20/2023	EFT	0.00	83.00	14548
2028	PERA OF MINNESOTA REG	10/13/2023	Bank Draft	0.00	54,569.94	DFT0003331
2049	PLUNKETTS PEST CONTROL INC	10/20/2023	EFT	0.00	41.82	14549
2064	POWERPLAN	10/13/2023	Regular	0.00	83.02	123476
7383	PRZYBYS, SHIRLEY	10/13/2023	Regular	0.00	100.00	123477
7322	QUADIENT FINANCE USA, INC	10/20/2023	Regular	0.00	1,133.10	123507
2096	QUARNSTROM & DOERING, PA	10/13/2023	EFT	0.00	235.00	14495
2112	R AND G CONSTRUCTION COMPANY	10/20/2023	EFT	0.00	563,421.49	14550
4826	RIEKE, BENJAMIN	10/13/2023	EFT	0.00	98.02	14496
6687	RIGNELL, DEREK	10/13/2023	Regular	0.00	1,814.30	123478
2201	RUNNING SUPPLY, INC	10/13/2023	EFT	0.00	173.84	14497
2248	SCOTT'S TREE SERVICE	10/20/2023	EFT	0.00	950.00	14551
2253	SEELYE PLASTICS INC	10/13/2023	EFT	0.00	585.97	14498
7271	SHARE CORPORATION	10/20/2023	EFT	0.00	600.92	14552
6251	SHRED RIGHT	10/20/2023	EFT	0.00	40.00	14553
6928	SIGN SOLUTIONS USA, LLC	10/13/2023	EFT	0.00	4,889.45	14499
5243	SIR LINES-A-LOT, LLC	10/13/2023	Regular	0.00	14,980.00	123479
7380	SLETTEN, NORMA	10/13/2023	Regular	0.00	500.00	123480
3495	SMSU	10/13/2023	EFT	0.00	1,950.00	14500
3495	SMSU	10/13/2023	EFT	0.00	80.00	14501
3495	SMSU	10/20/2023	EFT	0.00	250.00	14554
4855	SOUTHERN GLAZER'S	10/13/2023	EFT	0.00	7,025.43	14502
4855	SOUTHERN GLAZER'S	10/20/2023	EFT	0.00	14,575.13	14555
2309	SOUTHWEST COACHES INC	10/13/2023	EFT	0.00	750.00	14503
2309	SOUTHWEST COACHES INC	10/20/2023	EFT	0.00	1,625.00	14556
2311	SOUTHWEST GLASS CENTER, INC	10/20/2023	EFT	0.00	301.59	14557
2373	STREICHERS	10/13/2023	EFT	0.00	138.99	14504
0495	SWANSON, GREGG	10/13/2023	EFT	0.00	45.44	14505
6137	TEIGS LAWN CARE & LANDSCAPING, LLC	10/13/2023	Regular	0.00	60.00	123481
4734	TESSMAN COMPANY	10/20/2023	EFT	0.00	2,401.00	14558
0875	THE COMPUTER MAN INC	10/13/2023	EFT	0.00	1,975.00	14506
0875	THE COMPUTER MAN INC	10/20/2023	EFT	0.00	159.00	14559
2428	TITAN MACHINERY	10/13/2023	EFT	0.00	427.52	14507
6786	TRUCK CENTER COMPANIES EAST LLC	10/20/2023	EFT	0.00	2,620.28	14560
6156	TRUE BRANDS	10/20/2023	EFT	0.00	439.99	14561
5106	ULINE	10/13/2023	EFT	0.00	409.55	14508
0853	ULTIMATE SAFETY CONCEPTS, INC.	10/13/2023	EFT	0.00	1,835.87	14509
2497	UNIVERSITY OF MINNESOTA EXTENSION SERVICE	10/13/2023	Regular	0.00	150.00	123482
4402	UPS	10/13/2023	Regular	0.00	8.44	123483

Check Report

Date Range: 10/12/2023 - 10/31/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
7377	URRY, MCKENZIE	10/13/2023	Regular	0.00	660.00	123484
2511	USA BLUE BOOK	10/13/2023	EFT	0.00	530.79	14510
3443	VALIC DEFERRED COMP	10/13/2023	Bank Draft	0.00	909.61	DFT0003324
3443	VALIC DEFERRED COMP	10/13/2023	Bank Draft	0.00	1,176.92	DFT0003325
4489	VERIZON WIRELESS	10/13/2023	EFT	0.00	35.01	14511
4489	VERIZON WIRELESS	10/20/2023	EFT	0.00	39.02	14562
2538	VIKING COCA COLA BOTTLING CO.	10/13/2023	EFT	0.00	476.10	14512
2538	VIKING COCA COLA BOTTLING CO.	10/20/2023	EFT	0.00	314.25	14563
4594	VINOPIA INC	10/20/2023	EFT	0.00	5,049.50	14564
6085	VOYA - INVESTORS CHOICE	10/13/2023	Bank Draft	0.00	2,472.89	DFT0003334
7379	WARLOP, BARB	10/13/2023	Regular	0.00	500.00	123485
2591	WESTERN PRINT GROUP	10/20/2023	EFT	0.00	1,025.00	14565
6394	WING, LAURA	10/20/2023	EFT	0.00	118.77	14566
2632	ZIEGLER INC	10/20/2023	EFT	0.00	174.87	14567

Bank Code AP Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	95	57	0.00	124,844.70
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	17	17	0.00	160,688.62
EFT's	222	116	29.10	934,146.77
	334	190	29.10	1,219,680.09

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	95	57	0.00	124,844.70
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	17	17	0.00	160,688.62
EFT's	222	116	29.10	934,146.77
	334	190	29.10	1,219,680.09

Fund Summary

Fund	Name	Period	Amount
999	POOLED CASH FUND	10/2023	1,219,680.09
			1,219,680.09

CITY OF MARSHALL, MINNESOTA
PRIOR AND CURRENT YEARS CONSTRUCTION CONTRACTS
10/24/2023

PROJECT #:	Coding	DATE	CONTRACTOR:	ORIGINAL CONTRACT AMOUNT:	CHANGE ORDERS	CURRENT CONTRACT AMOUNT	2020 Prior Payments	2021 Prior Payments	2022 Prior Payments	2023 Prior Payments	PYMTS THIS MEETING:	RETAINAGE	BALANCE:	PERCENT COMPLETE
CH1	494-43300-55120	11/12/2019	City Hall Renovation Brennan Companies	5,030,200.00	749,360.00	5,779,560.00	3,039,722.04	2,661,221.96	66,794.00			11,822.00	-	100.00%
ST-004	480-43300-55170	2/22/2022	Halbur Road Reconstruction Duininck, Inc	1,142,009.72	(19,302.51)	1,122,707.21			1,068,756.85	53,950.36		-	-	100.00%
ST-006 (Z79)	495-43300-55130	5/10/2022	School Pedestrian Crossing Improvements Duininck, Inc	480,250.35	15,028.32	495,278.67			376,682.76	118,595.91		-	-	100.00%
ST-001	101-43300-53425	2/28/2023	Chip Seals Allied Blacktop Company	165,497.40	2,520.60	168,018.00				168,018.00		-	-	100.00%
ST-002	495-43300-55170	3/14/2023	Bituminous Overlay on Various City Streets Duininck, Inc	887,990.20	(252,845.61)	635,144.59			607,166.93		27,977.66	-	-	100.00%
ST-008	401-43300-55170	3/14/2023	Channel Parkway Pavement Replacement Duininck, Inc	1,374,151.96		1,374,151.96			1,264,350.49			66,544.76	43,256.71	96.85%
ST-009	481-43300-55170	3/14/2023	W. Lyon Street/N. 3rd Street Reconstruction R & G Construction Co.	3,845,497.31	18,033.35	3,863,530.66			2,696,036.29	563,421.49		171,550.41	432,522.47	88.80%
SWM-002	630-49600-55170	3/14/2023	Legion Field Road Stormwater Study: Phase 2 Towne & Country Excavating LLC	703,749.60	10,774.88	714,524.48				553,545.41		29,133.97	131,845.10	81.55%
PK-092	481-45200-55120	4/11/2023	Amateur Sports Center Shelter & Storage-Ball Field Doom & Cuyper's Construction, Inc.	171,642.00	5,308.00	176,950.00				26,401.45	59,855.70	4,539.85	86,153.00	51.31%
AP-007	480-43400-55170	2022	Crack Filling w/Sealcoat City Staff - Street/Airport	75,000.00		75,000.00			51,540.63				23,459.37	68.72%
ST-032	481-43300-53425	7/11/2023	L2,BLK1, Schwans Corp I Addition Prkng Lot Improv D & G Excavating, Inc.	221,243.20	6,568.56	227,811.76				227,811.76		-	-	100.00%
				<u>14,097,231.74</u>	<u>535,445.59</u>	<u>14,632,677.33</u>	<u>3,039,722.04</u>	<u>2,661,221.96</u>	<u>1,563,774.24</u>		<u>651,254.85</u>	<u>283,590.99</u>	<u>717,236.65</u>	



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Dave Schelkoph
Meeting Date:	Tuesday, October 24, 2023
Category:	NEW BUSINESS
Type:	INFO/ACTION
Subject:	City of Marshall & Marshall Municipal Utilities Partnership Agreement
Background Information:	This agreement is brought to the Council for consideration on an annual basis. Please see the updated 2024 proposed Partnership Agreement with MMU. The joint committee met on September 28, 2023, reviewed the document in detail, and recommended approval.
Fiscal Impact:	Attached
Alternative/ Variations:	
Recommendations:	That the Council approve the 2024 partnership agreement between the City of Marshall and Marshall Municipal Utilities.

**Joint Resolution of the
City of Marshall and Marshall Municipal Utilities
Approving the ~~2023-2024~~ Partnership Agreement**

Whereas on ~~Monday Thursday, October 31, September 28, 2022-2023~~ at 12:00 noon, Mayor Robert Byrnes, City Administrator, Sharon Hanson, Director of Public Works/City Engineer Jason Anderson, Director of Administrative Services, EJ Moberg and MMU Commissioners ~~Scott Saugstad~~, Kris Carrow, ~~and Sonya Kayser~~ Michael Tao joined by, MMU’s General Manager Dave Schelkoph, Customer Service Manager, Leslie Hisken, Finance Manager Kevin Lee, Electric Operations Manager, Tony Mead and Water Operations Manager, Jeff Larson reviewed the ~~2023-2024~~ Partnership Agreement material, and

Whereas, the representative group reviewed and discussed the individual agreements and attachments outlined below. Following discussion, the committee recommends the City Council and the Marshall Municipal Utilities Commission reaffirm the agreements.

Now therefore be it resolved, the individual agreements that comprise the ~~2023-2024~~ Partnership Agreement and their attachments listed below are hereby approved and the Mayor, City Clerk, Chairman of the Commission and Secretary to the Commission are hereby authorized to sign this Joint Agreement and said individual agreements:

1A. 45	Payment- In-Lieu-Of-Taxes (PILOT)	Modified Agreement and Attachments
2A.1.4	Street Lighting	Modified Attachment
3A.1.4	Fire Protection	Modified Agreement and Attachment
4A.1	Wastewater & Surface Water Management Billing & Collections	Modified Attachments
5A.1. 42	Professional Engineering Services	No Change Modified Agreement
6A. 45	Joint Industrial Land Development	Modified Agreement
7A.1. 12 <u>13</u>	MMU Capital Funding Plan	Modified Agreement
8A.1. 12 <u>13</u>	Fiber Optic Utilization	Modified Agreement
9A.1.10	Telephone and IT Shared Services	Deleted
10A.18	Chloride Reduction Coordination	Modified Agreement Terminate Agreement
11A.4	GIS Coordination	Modified Attachment
12A. 45	Radio Frequency (RF) Coordination	Modified Agreement and attachment
13A	Water Main Development Agreement	New Agreement <u>No change</u>

The City Council approved this Agreement on _____ ~~2022~~2023.

The MMU Commission approved this Agreement on _____ ~~2022~~2023.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Date

Date

Secretary of the Commission

City Clerk

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Payment-In-Lieu-Of-Taxes (PILOT)		Agreement Number: 1A.45
Date of Adoption:	Updated: October 31, 2022 <u>September 28, 2023</u> Reaffirmed:	Effective: January 1, 2023 <u>2024</u>

Subject Matter:

As a Municipal Utility, Marshall Municipal Utilities (MMU) is exempt from paying property tax. Due to being a tax-exempt entity, MMU will remit a Payment in Lieu of Tax (PILOT) to the City of Marshall.

Scope of Activity:

The purpose of the Agreement is to define the basis of the PILOT payment remitted to the City of Marshall by MMU.

PILOT Calculation:

The annual PILOT calculation is based on the average annual kilowatt hour (kWh) sales using the most recent audited ten (10) years information. The calculation is based on a ten (10)-year average instead of the prior year’s kWh sales to allow payment to be less volatile. To calculate the PILOT, an energy rate of \$.0014 is multiplied by the average kWh sales to determine the base amount. In addition, an amount in support of EDA programs and activity will be made annually. That EDA increment would be the result of multiplying the 10-year average energy sales (excluding GS-4 sales) by \$.0006 and GS-4 sales by \$.0001 which would yield \$~~178,551~~176,616 in the current calculation Attachment A and B show the forecasted amounts for the succeeding year.

Funding:

On a monthly basis, MMU will remit one twelfth of the annual PILOT amounts to the City.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT A

PAYMENT IN LIEU OF TAXES (PILOT) AND ECONOMIC DEVELOPMENT AUTHORITY (EDA) PILOT SUPPORT TO THE CITY OF MARSHALL MARSHALL, MINNESOTA

2024 Payment in Lieu of Taxes (PILOT) Calculation

<u>Audit Year</u>	<u>Total kWh Electric Sales</u>	<u>Industrial Customer kWh Electric Sales</u>	<u>All other kWh Electric Sales</u>
2013	604,240,783	344,190,000	260,050,783
2014	591,425,915	334,530,000	256,895,915
2015	587,485,240	340,606,000	246,879,240
2016	572,499,415	329,056,000	243,443,415
2017	570,043,971	333,382,000	236,661,971
2018	573,113,094	329,336,000	243,777,094
2019	558,720,581	318,542,000	240,178,581
2020	531,120,905	306,140,800	224,980,105
2021	516,987,452	293,356,000	223,631,452
2022	522,917,386	292,801,600	230,115,786
Total	5,628,554,742	3,221,940,400	2,406,614,342
<u>10 Year Rolling Average kWh Electric Sales (based on audit years 2013 through 2022):</u>			
	562,855,474	322,194,040	240,661,434
<i>Base PILOT Rate Per kWh</i>		\$ 0.001400	\$ 0.001400
2024 BASE PILOT	\$ 787,998	\$ 451,072	\$ 336,926
<i>EDA PILOT Support Rate per kWh</i>		\$ 0.000100	\$ 0.000600
2024 BASE EDA PILOT Support	\$ 176,616	\$ 32,219	\$ 144,397
2024 PILOT Payment to City of Marshall	\$ 964,614	\$ 483,291	\$ 481,323

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT B

MARSHALL MUNICIPAL UTILITES PAYMENTS /ALLOCATED COSTS AND CITY OF MARSHALL PAYMENTS

	Estimated 2024	Projected 2023	Historical 2022	Historical 2021	Historical 2020	Historical 2019	Historical 2018
MMU PILOT/Allocated Cost Discounts							
PILOT							
Base	\$ 787,998	\$ 799,333	\$ 812,944	\$ 823,773	\$ 810,579	\$ 819,195	\$ 828,669
EDA Support #	\$ 176,616	\$ 178,551	\$ 181,581	\$ 184,078	\$ -	\$ 457,939	\$ 500,000
Total PILOT Payments	\$ 964,614	\$ 977,884	\$ 994,525	\$ 1,007,851	\$ 810,579	\$ 1,277,134	\$ 1,328,669
Discounted Services							
* Streetlight Costs from COSS	\$ 277,522	\$ 277,522	\$ 277,316	\$ 277,316	\$ 277,316	\$ 241,575	\$ 241,575
* Fire Protection Costs from COSS	\$ 260,319	\$ 260,319	\$ 203,445	\$ 203,445	\$ 203,445	\$ 202,624	\$ 202,624
Wastewater Billing Cost Allocations	\$ 93,925	\$ 90,236	\$ 97,729	\$ 92,885	\$ 80,119	\$ 84,625	\$ 85,777
Surface Water Billing Cost Allocations	\$ 26,241	\$ 24,243	\$ 24,866	\$ 24,019	\$ 32,047	\$ 33,538	\$ 32,297
Total Discounted Services	\$ 658,007	\$ 652,320	\$ 603,356	\$ 597,665	\$ 592,927	\$ 562,362	\$ 562,273
Total MMU PILOT/Allocated Cost Discounts	\$ 1,622,621	\$ 1,630,204	\$ 1,597,881	\$ 1,605,516	\$ 1,403,506	\$ 1,839,496	\$ 1,890,942
Annual Audited Electric Sales Revenue	\$ 36,924,400	\$ 36,924,400	\$ 35,254,144	\$ 35,141,255	\$ 35,101,047	\$ 37,234,582	\$ 38,853,509
	4.39%	4.41%	4.53%	4.57%	4.00%	4.94%	4.87%
City of Marshall Payments							
Streetlight Costs from COSS	\$ 277,522	\$ 277,522	\$ 277,316	\$ 277,316	\$ 277,316	\$ 241,575	\$ 241,575
Fire Protection Costs from COSS	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000
Total City of Marshall Payments	\$ 422,522	\$ 422,522	\$ 422,316	\$ 422,316	\$ 422,316	\$ 386,575	\$ 386,575

Note:

- # Prior to 2021, this was an Industrial Land Development PILOT Payment based on the Joint Industrial Land Development Agreement with the City of Marshall
- * These costs will be established during the Cost of Service and Rate Design studies resulting in a Rate established for a three year period.

Estimated amounts for 2024 activity
Budgeted Revenue for 2023
Projected amounts based on 2023 activity to date
Historical amounts
Formula-driven cell

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Street Lighting		Agreement Number: 2A.1.4
Date of Adoption: October 20, 2004	Updated: November 18, 2019 Reaffirmed: October 31, <u>2022 September 28, 2023</u>	Effective: January 1, 2020

Subject Matter: Marshall Municipal Utilities (MMU) will work in partnership with the Marshall City Government to provide street lighting to enhance public safety and improve the aesthetics of the community of Marshall. For purposes of this policy, street lighting includes lights on poles used to light public roadways, public bicycle paths, municipal parking lots and municipal park lands. It does not include lighting used for athletic recreational fields.

Scope of Activity:

- **Design:**
The design selection of the streetlight pole and lamp will be determined by a committee consisting of the City of Marshall’s Director of Public Works and Marshall Municipal Utilities (MMU) Electric Operations Manager. They will consider input from the constituency groups that are affected. The committee will take into consideration, budgetary, aesthetic, operations and maintenance costs as they select the street lighting design.
- **Placement:**
The selection of the location or placement of all street lighting facilities will be made by MMU’s Electric Operations Manager or his designated electric utility employee. Locations will be selected that comply with the design goals of the Director of Public Works or the Minnesota Department of Transportation if a State Highway.
- **Ownership:**
The streetlights shall be owned by Marshall Municipal Utilities. Their value will be accounted for in the accounting records of MMU.
- **Decision Making Process:**
The responsibility for making decisions regarding construction, repairs, replacement, inventory and timing of the same rests with MMU’s Electric Operations Manager. If needed, MMU’s Electric Operations Manager will solicit input from the Director of Public Works using prior practices as a template.
- **Funding:**
On a monthly basis, MMU will invoice the City an amount which is calculated based on an annual amount that is mutually agreed upon at the annual partnership meeting between MMU and the City of Marshall. The amount will be based upon the fully allocated costs to furnish the street lighting as determined in the Electric Cost of Service and Rate Design Study updated every 3 years. These expenditures include the cost of electricity, O&M as well as the capital cost of new light purchases. It also covers the cost of electricity for signalization; however, does not include the capital or O&M costs for signalization.

When there may be grant money available for lighting streets and parks, the City of Marshall shall provide the grant writing assistance to attempt to secure said grant funding.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT A

**Street Lighting Services for
City of Marshall
Marshall, Minnesota**

The fee for providing Street Lighting Services to the City of Marshall is based on the following:

The fully allocated cost per the most recent Electric Cost of Service and Rate Design Study, shared equally (50/50) by the City of Marshall and Marshall Municipal Utilities.

Fully Allocated Cost (per Electric Cost of Service and Rated Design Study, October 18, 2022)	\$555,043
City of Marshall allocation	<u> </u> x 50%

2024 Annual Street Lighting Services funded by the City of Marshall	\$277,522
--	------------------

Marshall Municipal Utilities Allocation of Revenue Requirements

Classification	Total	Residential	Commercial		Demand Metered				Street Lighting	Industrial GS4
		Firm GS1	Firm No Credit	Interr Heat GS2.1	Firm_GS3 & GS3.1		Interruptible_GS3.2 & GS3.3			
					<500 kW	>500 kW	<500 kW	>500 kW		
12-Month Coincident Peak Demand										
December-February	\$ 3,003,100	\$ 484,450	\$ 256,668	\$ 623	\$ 282,997	\$ 350,705	\$ 7,931	\$ 31,020	\$ -	\$ 1,588,706
March-May	\$ 1,896,596	\$ 238,771	\$ 151,614	\$ 286	\$ 196,052	\$ 247,195	\$ 5,904	\$ 19,048	\$ -	\$ 1,037,727
June-August	\$ 3,726,358	\$ 530,896	\$ 281,631	\$ 71	\$ 437,374	\$ 526,986	\$ 15,871	\$ 38,346	\$ -	\$ 1,895,183
September-November	\$ 1,881,633	\$ 207,843	\$ 149,787	\$ 75	\$ 212,027	\$ 249,404	\$ 8,390	\$ 19,565	\$ -	\$ 1,034,542
Energy										
December-February	\$ 3,987,268	\$ 562,805	\$ 272,506	\$ 2,594	\$ 290,741	\$ 445,124	\$ 18,859	\$ 133,123	\$ 7,801	\$ 2,253,717
March-May	\$ 3,547,460	\$ 394,754	\$ 222,453	\$ 1,705	\$ 260,691	\$ 459,730	\$ 15,116	\$ 124,412	\$ 5,806	\$ 2,062,793
June-August	\$ 3,907,587	\$ 442,627	\$ 225,747	\$ 225	\$ 328,259	\$ 538,973	\$ 21,105	\$ 144,813	\$ 5,085	\$ 2,200,752
September-November	\$ 3,449,266	\$ 332,995	\$ 197,566	\$ 420	\$ 260,185	\$ 432,616	\$ 19,716	\$ 134,878	\$ 6,428	\$ 2,064,462
Transmission										
12-Month Coincident Peak Demand	\$ 4,696,599	\$ 641,482	\$ 377,053	\$ 490	\$ 500,101	\$ 609,863	\$ 16,826	\$ 48,163	\$ -	\$ 2,502,621
Customer Service	\$ 1,043,401	\$ 620,868	\$ 292,165	\$ 3,611	\$ 87,720	\$ 10,320	\$ 7,740	\$ 3,870	\$ 2,013	\$ 15,095
Distribution System	\$ 4,894,551	\$ 1,180,701	\$ 536,584	\$ 5,288	\$ 455,801	\$ 473,095	\$ 100,016	\$ 310,022	\$ 25,201	\$ 1,807,843
CP Demand	\$ 1,433,131	\$ 189,060	\$ 109,913	\$ 1,358	\$ 127,773	\$ 155,773	\$ 16,440	\$ 46,300	\$ -	\$ 786,513
Direct Allocation	\$ (1,851,613)									\$ (1,851,613)
Street Lighting - Direct Allocation										
Operation Expenses	\$ 89,916								\$ 89,916	
Maintenance Expenses	\$ 71,222								\$ 71,222	
Depreciation/Amortization	\$ 334,656								\$ 334,656	
Revenue Credits	\$ (30,623)								\$ (30,623)	
Reserve for Replacements	\$ 35,497								\$ 35,497	
PILOT	\$ 1,226,585	\$ 140,320	\$ 74,456	\$ 400	\$ 92,407	\$ 152,161	\$ 6,074	\$ 43,619	\$ 2,043	\$ 715,106
Total Revenue Requirements	\$ 37,342,590	\$ 5,967,569	\$ 3,148,141	\$ 17,147	\$ 3,532,129	\$ 4,651,946	\$ 259,988	\$ 1,097,178	\$ 555,043	\$ 18,113,448
Class Revenues	\$ 37,342,427	\$ 6,052,413	\$ 3,201,151	\$ 15,997	\$ 3,605,950	\$ 4,769,145	\$ 268,052	\$ 1,137,417	\$ 554,577	\$ 17,737,725
Difference (Rev. Req. Less Revenues)	\$ 164	\$ (84,844)	\$ (53,009)	\$ 1,150	\$ (73,821)	\$ (117,199)	\$ (8,064)	\$ (40,238)	\$ 466	\$ 375,723
Cost of Service Adjustment Percentage	0.0%	-1.4%	-1.7%	7.2%	-2.0%	-2.5%	-3.0%	-3.5%	0.1%	2.1%

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Fire Protection		Agreement Number: 3A.1. 4
Date of Adoption: September 28, 2010	Updated: October 31, 2022 Reaffirmed: <u>September 28, 2023</u>	Effective: January 1, 2023

Subject Matter:

To enhance Public Safety by partially funding the development and maintenance of a water system designed to enable city wide fire protection.

Scope of Activity:

Water System Design:

The MMU Water Operations Manager in collaboration with the City of Marshall’s Director of Public Works will design and construct water distribution and storage facilities that permit adequate fire flows to meet industry standards. The selection of materials and appurtenances to the water distribution system will be determined by Marshall Municipal Utilities.

Ownership and Management:

The water supply, water mains, storage facilities, and the fire hydrants located on public land and right of ways in the City of Marshall shall be owned, maintained, and replaced as needed by Marshall Municipal Utilities.

Funding:

Currently, every three years, a rate analyst is engaged to perform a Water Cost of Service and Rate Design Study. In the study, the American Water Works Association’s (AWWA) accounting guidelines will be applied to establish the annual allocation of costs for fire protection.

For the rate period of 2023 through 2025, the total annual cost allocated to fire protection is \$405,319. The City of Marshall will provide the initial \$145,000 in annual funding and MMU will provide the balance of funds as needed.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT A

**Fire Protection Services for
City of Marshall
Marshall, Minnesota**

The fee for providing Fire Protection Services to the City of Marshall is based on the following:

The fully allocated cost per the most recent Water Cost of Service and Rate Design Study, shared by the City of Marshall and Marshall Municipal Utilities.

Fully Allocated Cost (per Water Cost of Service and Rated Design Study, October 18, 2022)	\$405,319
Less: Marshall Municipal Utilities funding	<u>(\$260,319)</u>
2024 Fire Protection Services funded by the City of Marshall	\$145,000

**Marshall Municipal Utilities - Water
Allocation of Fire Protection Costs**

Exhibit 3-D

Line No.	Item	Current Cost of Service Amounts	Allocation Percentage	Current Allocated Amount
	(1)	(2)	(3)	(4)
1	<u>Annual Expense Allocation to Fire Protection:</u>			
2	Production:			
3	Operation:			
4	Salary - Operating Supervision	39,243	10%	3,924
5	Salary - Water Station Labor	290,448	2%	5,809
6	Station Supplies & Expense	16,207	5%	810
7	Power for Pumping	319,725	2%	6,395
8	Maintenance:			-
9	Water Station Maintenance	137,813	2%	2,756
10	Salary - Water Station Maintenance Labor	75,130	2%	1,503
11	Salary - Maintenance of Wells	21,879	2%	438
12	Salary - Aquifer Monitoring	15,281	2%	306
13	Maintenance of Wells	16,538	2%	331
14	Insurance	29,056	2%	581
15	Employee Welfare	144,009	2%	2,880
16	Distribution:			
17	Salary - Maintenance Supervision	-	25%	-
18	Salary - Maintenance of Hydrants	37,391	25%	9,348
19	Salary - Water Distribution Maintenance	237,082	25%	59,271
20	Maintenance of Distribution Mains	126,788	25%	31,697
21	Maintenance of Hydrants	16,538	100%	16,538
22	Maintenance of Towers & Tanks	299,000	25%	74,750
23	Equipment & Repair Expense	25,468	5%	1,273
24	Insurance	50,820	25%	12,705
25	Employee Welfare	119,930	25%	29,983
26	Customer Service & Information:			
27	Salary: Office/Customer Records & Collections	104,070	10%	10,407
28	Administrative & General:			
29	Salary: Administration	150,723	10%	15,072
30	Insurance	6,020	10%	602
31	Employees' Welfare	89,021	10%	8,902
32	Total Annual Expense	2,368,180		296,280
33	<u>Annual Capital Cost Allocable to Fire Protection:</u>			
34	Transmission & Distribution Depreciation Expense:			
35	Wells	150,272	2%	3,005
36	Transmission Mains	201,493	10%	20,149
37	Distribution Mains	844,056	10%	84,406
38	Transportation Equipment	18,752	5%	938
39	Tools & Work Equipment	10,828	5%	541
40	Total Annual Capital Cost	1,225,401		109,039
41	<u>Annual Fire Protection Costs</u>			405,319
42	<u>Present & Proposed Fire Protection Cost Recovery:</u>			
43	City of Marshall			145,000
44	Private Parties			-
45	Total Proposed Rate Revenue			145,000
46	<u>Proposed Rate Revenue Over (Under) Cost of Service:</u>			(260,319)

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Wastewater and Surface Water Management Billing and Collections		Agreement Number: 4A.1 Formerly 2A.1
Date of Adoption: December 6, 2004	Updated: September 20, 2010 Reaffirmed: October 31, 2022 <u>September 28, 2023</u>	Effective: January 1, 2011

Subject Matter:

Wastewater and the Surface Water Management (SWM) Utilities are operated and the rates are set by the City of Marshall. Marshall Municipal Utilities facilitates the billing and collection of these fees for the City.

Scope of Activity:

Merging Utility Bills: MMU’s monthly utility bill will default to include Wastewater and SWM billing when the customer is also a customer of MMU. An MMU customer is defined as someone being billed for any utility services provided by MMU. For SWM customers not purchasing electric, water, wastewater services or other MMU utility services, a monthly SWM utility bill will be generated.

Billing - On the 1st working day of each month, MMU shall bill the prior months Wastewater and Surface Water Management (SWM) fee as it does the electric and water.

Collections – The Wastewater and SWM fee will be due and payable on the same terms as the electric and water utility bills (the 21st day of each month).

Payment Distribution - Payment will be applied proportionately to electric, water, wastewater and surface water management charges.

Penalty - If payment is not received by the due date, a penalty of 5% shall be incurred on the current billing period. This is consistent with MMU’s current policy for other services billed. Any revenue collected in the application of a penalty, is retained by MMU to offset the cost to effect collection of the late payment.

Collection Remedies -

- If payment is not received by the 21st, a past due notice shall be mailed by first class presort mail to the party responsible for the bill.
- If payment is not received by the end of the last business day of the month, a notice of past due utility bill will be mailed to the customer. Electricity may be disconnected on the date as stated on notice of past due utility.
- For SWM customers who receive only a SWM bill for their parcel, any unpaid SWM fees as of September 30th each year will be deemed uncollectible and forwarded to the City of Marshall for collection under the collection remedy the City chooses to utilize.

Deposit - A customer deposit is required if a customer previously had unpaid balances with MMU for electric, water, wastewater or surface water that were turned over to our collection agency; the unpaid balance and a deposit of \$100.00 will need to be paid in full before services may begin. A customer deposit of \$100.00 will also be required each time a customer is shut off for non-payment, including limiters that are placed on the electric meters. A business will be charged twice the amount of an average monthly billing or \$100.00; whichever is greater. The customer is required to pay in full the outstanding bill, the deposit, and all other costs incurred, before MMU will reconnect service.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Non-Sufficient Funds - Collection fees on all non sufficient fund payments shall follow MMU's policy.

Change of Accounts -

- MMU shall have the authority to make appropriate changes to existing Wastewater and SWM accounts as requested by property owner. Property owner shall complete the application form.
- The City of Marshall shall be responsible to notify MMU of new additions to the City and or splits/combinations of existing parcels and any other changes to any parcel, including ownership changes for purposes of SWM billing.

Payment Arrangements -

- MMU shall work with Wastewater and SWM customers on all special payment arrangements as needed and available as with electric and water utility services.
- MMU shall offer multiple payment methods for Wastewater and SWM as with other utility services.
- If requested, all services, including Wastewater and SWM, will be calculated into a monthly budget billing.

Funding of Activity:

MMU Payment of Wastewater and SWM funds to the City - Marshall Municipal Utilities will remit customer payments collected for Wastewater and SWM on a monthly basis. In the event there is a billing correction resulting in an overpayment/ underpayment or an amount written off, the adjustment will be reflected and so noted in the monthly payment information to the City.

Fees for Service: MMU will invoice and the City of Marshall will pay for MMU to bill and collect Wastewater and SWM service fees on a monthly basis pursuant to this agreement. The amount of the invoice will be based upon 50% of the fully allocated cost (attachment A&B). It is anticipated this amount will change on an annual basis to reflect actual costs incurred by MMU; however, the allocation factors will remain fixed unless both parties mutually agree to a change.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT A

**Wastewater Billing and Collections Services for
City of Marshall
Marshall, Minnesota**

Allocation of billing/collection costs: 50% Electric, 20% Water, 20% Wastewater, 10% Surface Water

The following costs are based on 2022 actual expenses:

Staff Position	Staff Position Time spent on Billing & Collecting			WASTEWATER Percentage	Salary & Benefits
	Percentage	Annual Hours	Monthly Hours		
Customer Service Accounts Receivable	90%	1,872	156	20%	\$ 16,106
Customer Service Billing Clerk	90%	1,872	156	20%	\$ 16,591
Customer Service Supervisor	75%	1,560	130	20%	\$ 15,400
Customer Service Manager	50%	1,040	87	20%	\$ 15,385
Database Integration Specialist	50%	1,040	87	20%	\$ 11,954
Energy Services Coordinator	18%	374	31	20%	\$ 4,330
Water Foreman	10%	208	17	20%	\$ 2,818
Finance Manager	5%	104	9	20%	\$ 1,540
TOTAL					\$ 84,124

Billing/Collection Product Costs	Annual Amount	WASTEWATER Percentage	Allocated Cost
Fees: (Software, Licensing, Maintenance)	\$ 68,654	20%	\$ 13,731

Meter Reading, Maintenance, and Capitalization	Annual Amount	50/50 Split with Water	Allocated Cost
Water Meter Reader Salary (per acct #02-5-590-1-90200~2022)	\$ 1,086	50%	\$ 543
Water Meter Salary Maintenance (per acct #02-5-300-1-59700~2022)	\$ 7,437	50%	\$ 3,719
Water Meter Maintenance (per acct #02-5-300-2-59700~2022)	\$ 4,983	50%	\$ 2,492
Annual Depreciation of 2019 Water Meter Change-out	\$ 109,459	50%	\$ 54,730
TOTAL			\$ 61,483

General Office Expenses	Annual Amount	Split with Water and Surface Water	Allocated Cost
General Office Expenses - Water	\$ 71,276	40%	\$ 28,510

TOTAL WASTEWATER PORTION COSTS: \$ 187,848

2024 WASTEWATER FEE FOR BILLING & COLLECTIONS 50% of fully allocated costs **\$ 93,925**

Value of monthly billing and collections of Wastewater Services provided to City of Marshall

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT B

**Surface Water Management Billing and Collections Services for
City of Marshall
Marshall, Minnesota**

Allocation of billing/collection costs: 50% Electric, 20% Water, 20% Wastewater, 10% Surface Water

The following costs are based on 2022 actual expenses:

Staff Position	Staff Position Time spent on Billing & Collecting			Surface Water Percentage	Salary & Benefits
	Percentage	Annual Hours	Monthly Hours		
Customer Service Accounts Receivable	90%	1,872	156	10%	\$ 8,053
Customer Service Billing Clerk	90%	1,872	156	10%	\$ 8,296
Customer Service Supervisor	75%	1,560	130	10%	\$ 7,700
Customer Service Manager	50%	1,040	87	10%	\$ 7,693
Database Integration Specialist	50%	1,040	87	10%	\$ 5,977
Finance Manager	5%	104	9	10%	\$ 770
TOTAL					\$ 38,488

Billing/Collection Product Costs	Annual Amount	Surface Water Percentage	Allocated Cost
Fees: (Software, Licensing, Maintenance)	\$ 68,654	10%	\$ 6,865

General Office Expenses	Annual Amount	Split with Water and Surface Water	Allocated Cost
General Office Expenses - Water	\$ 71,276	10%	\$ 7,128

TOTAL SURFACE WATER PORTION COSTS: \$ 52,481

2024 SURFACE WATER FEE FOR BILLING & COLLECTIONS *50% of fully allocated costs* **\$ 26,241**

Value of monthly billing and collections of Surface Water Management Services provided to City of Marshall

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Professional Engineering Services		Agreement Number: 5A.1.12
Date of Adoption: January 3, 2006	Updated: December 17, 2013 <u>September 28, 2023</u>	Effective: January 1, 2014 <u>2024</u>
	Reaffirmed: October 31, 2022	

Subject Matter:

Marshall Municipal Utilities (MMU) requests to utilize the Professional Engineering Services of the City of Marshall for the design, inspection, and contract administration for various watermain and water service projects within the City of Marshall. The City of Marshall currently provides a portion of these services presently for various special assessment projects. Therefore, the City of Marshall and Marshall Municipal Utilities agree to enter into this Agreement.

Scope of Activity:

The purpose of the Agreement is to define the responsibilities of the City as to certain Professional Engineering Services for MMU and to define compensation from Marshall Municipal Utilities to the City of Marshall for said services.

The responsibilities and compensation are included in Attachment A of this Agreement and are attached hereto.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT A

Scope of Work for Professional Engineering Services for Marshall Municipal Utilities Marshall, Minnesota

I. Services to be Provided By the City of Marshall:

Marshall Municipal Utilities (MMU) desires to utilize the Professional Engineering Services of the City of Marshall (City) for watermain project development including Preliminary Planning and Conceptual Design, Design, Construction Inspection, and Post Construction, as outlined herein. The City and MMU will begin each project by completing a Project Authorization form that demonstrates the project has secured necessary commitment from the elected and/or appointed local officials. The Project Authorization form can be signed by the City's and MMU's management staff. Any engineering work accomplished under this agreement prior to the Project Authorization Form being completed requires the approval of MMU's General Manager or [Water Operations Manager](#). It is recognized this will occur from time to time when there are joint development aspects to a project.

A. Preliminary Planning and Conceptual Design Services –

1. Basic Services

- a. Meet with MMU on a regular basis to determine the project needs for upcoming new and replacement watermain project.
- b. Provide a conceptual design or project layout for proposed projects.
- c. Revise the concept as necessary for MMU to confirm the scope of work and implementation schedule.
- d. Provide budgetary preliminary cost estimates of the concept project.

B. Design Services –

1. Basic Services

- a. Prepare plans and specifications, contract documents, and detailed estimates for the Construction projects and submit them to MMU and necessary permitting agencies for approval. Make necessary changes to the plans as required.
- b. Reproduce final plans and specifications for bidding purposes.
- c. Assist in reviewing bids, tabulation and analyses of bid results, and forward the results to MMU for their approval.

C. Construction Services –

1. Basic Services

- a. Assist MMU in execution of the Construction Documents.
- b. Conduct the pre-construction conference.
- c. Provide construction controls and verification surveys.
- d. Consult with and advise MMU during construction and act as MMU's representative as provided in the Contract Documents.
- e. Interpret plans and specifications during construction.
- f. Review required submittals to determine compliance with Contract Documents.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

- g. Construction observation and documentation including digital photography to ensure compliance with the Contract Documents and for providing an adequate construction record or “as-built” record.
- h. Review performance and laboratory test data for compliance with project specifications.
- i. Review required payroll and advise contractors of deficiencies, if any.
- j. Review and make recommendations on requests for partial payments and change orders.
- k. Conduct final inspection and recommend final acceptance and payment.

D. Post Construction Services –

- 1. Prepare project record drawings (as built)
- 2. Provide any warranty inspections required.

II. Additional Services:

The following items are not included in the basic services under this Agreement:

- 1. Registered land surveying or right-of-way services, legal descriptions, and related services.
- 2. Environmental Impact Statements.
- 3. Construction Materials Testing.
- 4. Soil Borings and geotechnical recommendations.
- 5. Structural analysis.
- 6. Transmission (trunk line) design/sizing water treatment, or water storage projects.
- 7. Any legal, bonding or administrative costs

III. Period of Services:

This Agreement commences January 1, 2011 and will renew for subsequent five-year terms unless terminated by either party. Either party may terminate this contract by giving notice of intention to terminate to the other party. Notice to be provided as follows: City of Marshall; Attention City Administrator, 344 West Main Street, Marshall, MN 56258. MMU; Attention General Manager, 113 South 4th Street, Marshall, MN 56258. Said notice shall be by Certified Mail, return receipt requested to the address as listed above. Termination and subsequent cancellation of this contract shall be effective 12 months after the date said notice is received by the other party.

IV. Compensation:

The Basic Services in this agreement will be provided to MMU by the City of Marshall for a base annual fee of \$75,000.

This base fee is based upon current projected MMU needs and is estimated on a minimum amount of \$468,750 of water distribution construction work annually. For purposes of this calculation, it will not matter if the work has been designed with the City Engineer’s services or if the City Engineer utilizes the services of a 3rd party for purposes of designing the water distribution work.

If the construction cost of watermain and associated items in any calendar year exceeds \$468,750, MMU will be billed the at the rate of 16% for projects that require full engineering services as outlined above. For projects that are mutually agreed upon to need more or less than full engineering services due to their size or complexity, the City Engineer and MMU General Manager may agree to a greater or lesser percentage.

Additional services will be provided by separate agreement and billed separately.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

V. Miscellaneous Provisions:

1. Modification. This Agreement may be modified by the parties only by written supplemental Agreement.
2. Binding Effect. The terms and conditions as set forth herein are binding upon the parties hereto, their legal representatives, successors and assigns.
3. Entire Agreement. This Agreement supersedes all agreements previously made between the parties relating to the subject matter of this Agreement. There are no other understandings or agreements.
4. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
5. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same agreement.

City of Marshall & Marshall Municipal Utilities Water Project Authorization/Request Form

In accordance with the Professional Engineering Service Agreement between the City of Marshall (City) and Marshall Municipal Utilities (MMU), it is envisioned that water projects will be initiated for various reasons. The Project Authorization form is intended to serve as a document for the parties which will, to the extent possible, indicate the project scope authorized hereunder.

Project Title: _____

Project Description:

Is the project part of a larger joint project? Yes or No (circle one). If yes, who is (are) the other project participant(s)? _____ (list)

What is the non-water distribution portion of the joint project?

Phase 1: Preliminary Planning and Conceptual Design

Authorization for Water Distribution Engineering:

For MMU:

Name	Title	Date
------	-------	------

If a joint project with MMU is anticipated for water distribution, then City authorization to proceed with preliminary planning and conceptual design activities for non-water distribution joint work is requested.

Authorization to proceed with preliminary planning and conceptual design for the non-water distribution joint work:

For the City:

Name	Title	Date
------	-------	------

(over)

Phase 2: Design Services

If the project moves into the design phase, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Following design, the City Engineer will provide a final *estimate* showing the cost breakdown and item of work by each utility prior to bidding the work. Final *estimate* will be attached to this form by the City Engineer for consideration by MMU.

Following the bidding and award of contract, a *final cost breakdown* will be prepared by the City Engineer which shall be agreed upon by both parties and amended, if necessary, following project completion.

My signature attests that all public processes required by the City and/or MMU have been accomplished and that authorization has been granted by the City Council and/or the Utility Commission to complete the final design and seek bids for this public improvement.

For the City:

Name	Title	Date

For MMU:

Name	Title	Date

Phase 3: Construction Services:

If the project moves from design to construction, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Both parties stipulate that funding for their respective items of work under the joint project have been approved and will be available for their portion of joint work in a timely manner. Abstract of bids and cost breakdown for the project shall be attached to this document, when available.

My signature attests that all public processes required by the City and /or MMU have been accomplished and that authorization has been granted by the City Council and/ or the MMU Commission to construct the public improvement.

For the City:

Name	Title	Date

For MMU:

Name	Title	Date

(over)

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Joint Industrial Land Development		Agreement Number: 6A.45
Date of Adoption: November 24, 2020 – City of Marshall December 15, 2020 - MMU	Updated: October 31, 2022 <u>September 28, 2023</u>	Effective: January 1, 2023 <u>2024</u>

Subject matter:

The purpose of this agreement is to establish the understanding and conditions agreed upon to terminate the “Joint Industrial Land Development” agreement originally adopted July 18, 2007 between City of Marshall and Marshall Municipal Utilities (MMU).

Whereas, the Joint Industrial Land Development agreement between the parties originally dated July 18, 2007 and affirmed annually each year since, has resulted in the City of Marshall acquiring and developing Industrial Land with all necessary infrastructure. The two subdivisions developed by the City of Marshall are more commonly referred to as Sonstegard Addition and Commerce Park. The agreement has served the intended purpose and the parties have terminated the agreement as of January 1, 2021, and

Whereas, the Industrial zoned land in Commerce Park is now “shovel-ready” and the City of Marshall/HRA assisted by its Economic Development Authority (EDA) desire to sell the land in strategic parcels for purposes of creating jobs. In the capitalization of the construction of Commerce Park, the City of Marshall secured a BDPI grant in the amount of \$2,000,000. These funds along with \$3,022,750 from MMU and \$3,022,750 from the City of Marshall enabling the work to be accomplished, and

Whereas, during the design and execution of the multiyear project, the City and MMU agreed to accomplish the task of stormwater retention on the adjoining land now known as the Merit Center Driving Track, and while the City was considering this site for said purpose, they asked MMU if it would be in agreement to accomplish the stormwater retention on the Merit Center land rather than the Commerce Park land. The parties agreed doing so would retain the maximum amount of improved “shovel ready” Industrial land and MMU stipulated they would support the idea in return for lot 2, block 7 in Commerce Park, to be used by MMU for future municipal utilities facilities such as a solar installation or a water treatment plant or both over time. A 50-year \$1.00 option was entered into by the parties and said option was recorded. As the parties work to affect the transfer of ownership of lot 2, block 7, both MMU and the city have discovered that Minnesota Management and Budget office (MMB) has raised questions as to the compliance with state statutes that are associated with the \$2 million dollar grant awarded to the city to develop Commerce Park. Under current statute, MMU and the city would be in violation of State law if it were to proceed with the original agreement to purchase lot 2 block 7, and

Whereas, the city and MMU agree that Lot 2 Block 7 should be owned by MMU and will work together to ask for changes in current state statutes that will allow greater flexibility for economic development opportunities. Should the city and MMU succeed in creating greater control over the use of Commerce Park development, MMU asks that Lot 2 Block 7 be sold to MMU for \$1.00 as originally intended in the first Joint Industrial Land Development agreement dated July 18th, 2008. If the city and MMU cannot secure the changes needed to sell Lot 2 Block 7 to MMU for \$1.00, MMU reserves the right to purchase Lot 2 Block 7 at the appraised value.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Now Therefore Be It Resolved, The City of Marshall as developer and owner of the remaining unsold developed land within the Sonstegard and Commerce Park 2 Subdivisions will:

1. Assume all liability for future initial infrastructure costs, including water mains that may be incurred in future phases of work in support of the Sonstegard and Commerce Park lands including any costs expended on the Merit Center Driving Track land related to stormwater improvements.
2. Repay the State of Minnesota all or a portion of the BDPI grant funds received if in the City of Marshall's opinion, it becomes necessary to remove State of Minnesota imposed restrictions on how the land is marketed and sold.
3. Provide MMU lot 2, block 7 in Commerce Park 2, free and clear of any State or Local encumbrances.

Marshall Municipal Utilities, agrees herein:

1. To partner with the city and help promote economic development. MMU will make available to the City of Marshall \$1,000,000 held in reserve from the original Joint Land Industrial agreement established in July of 2007. This money will be used by the City of Marshall in leveraging grant money for a future Economic Development Authority (EDA) project agreed upon by both the city and MMU. After the city is finished leveraging this money to promote the project., the \$1 million dollars will be applied to any MMU utility infrastructure extension costs associated with the EDA project.
2. To transfer funds to the City of Marshall through the annual Pilot payment for support of the work of the Marshall EDA within the city limits of Marshall MN. The annual amount of said funds would be the result of multiplying the 10-year average energy sales (excluding GS-4 sales) by \$.0006 and GS-4 sales by \$.0001 which would yield \$17~~6,6168,554~~ in the current calculation. The amount will vary slightly year to year.
3. To pay \$1.00 or the appraised value for lot 2, block 7 Commerce Park. The dollar amount will be determined by the results of the city's and MMU's efforts in making state statutes more flexible in support of economic development efforts by cities and counties.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Marshall Municipal Utilities Capital Funding Plan		Agreement Number: 7A.1.1213
Date of Adoption: November 19, 2008	Updated: October 31 2022September 28, 2023	Effective: January 1, 20232024

Subject Matter:

Two local public entities, the City of Marshall and Marshall Municipal Utilities (MMU) have the ability to utilize tax exempt bonding for capital improvements. When these entities determine a need to issue bonds, their preference is to issue bonds within the federally established bank qualified (BQ) limit.

Scope of Activity:

On an annual basis, the City Administrator and the General Manager of MMU coordinate their organization’s respective capital funding needs.

The coordination of public improvements requires a joint planning effort between all local public bodies. In cooperation and with joint planning, the City of Marshall and Marshall Municipal Utilities agree to work together on the coordination of their respective capital improvements funded by municipal bonding.

Funding:

During the last quarter of the year, MMU will communicate the subsequent year’s utility bonding needs to the Marshall City Council through their City Administrator. Further, Marshall Municipal Utilities agrees to engage the same Financial Advisor and Bond Counsel to streamline the joint planning between bodies. MMU does not anticipate issuing any additional Public Utility revenue bonds during 202~~4~~3 for “new money” issues. However, in 2025, MMU is anticipating securing \$12-13 million in Public Utility Reserve Revenue Bonds for- building and commissioning new distribution generation.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Fiber Optic Utilization		Agreement Number: 8A.1.1213
Date of Adoption: November 19, 2008	Updated: October 31, 2022September 28, 2023	Effective: January 1, 20232024

Subject Matter:

Marshall Municipal Utilities (MMU) owns and maintains a fiber optic network as part of its electric utility. Over the years, public entities in Marshall have participated in the planning and funding of the network and have connected their buildings to the network to provide fiber connectivity. This connectivity allows greater efficiency in the planning and utilization of public Information Technology (IT) resources. While MMU owns the network, its joint utilization serves to provide a secure and robust network or Wide Area Network (WAN) within Marshall. Participants include the Lyon County Government, Marshall Public Schools, the City of Marshall and MMU. This agreement acts to do the annual planning between the City of Marshall and MMU for any planned fiber WAN improvements or expansions.

Scope of Activity:

MMU’s involvement is carried out in part, pursuant to the Marshall City Charter chapter 13.01, Subd.1. In satisfaction of the provisions of the chapter, MMU herein requests, and the City of Marshall herein grants the authority and ability to own, operate, maintain, replace and enhance the fiber optic facilities. The MMU owned fiber optic facilities can use public rights of way, consistent with Chapter 13.04 Subd 5 of the City Charter.

Funding:

The City of Marshall will provide the capital to expand the fiber system if the expansion is solely for the purposes of serving a City of Marshall function and no joint use is contemplated. When there is a joint use, MMU will provide funding for the non-City portion of the project. MMU’s fixed term “Dark Fiber” agreements are also an available funding mechanism the City can utilize. Repair or maintenance work done on fiber used solely by the City will be done by MMU on a time and material basis.

Future Cost:

The City does not need any new fiber infrastructure in ~~2023~~2024.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Chloride Reduction Coordination		Agreement Number: 10A.1.8
Date of Adoption: December 17, 2013 <u>Date for Termination: January 1, 2024</u>	Updated: October 31, 2022 <u>September 28, 2023</u> Reaffirmed:	Effective: January 1, 2023<u>2024</u>

Subject Matter:

~~The Minnesota Pollution Control Agency (MPCA) has communicated to Marshall the need to comply with the new water quality based effluent limit (WQBEL) in Marshall’s National Pollutant Discharge Elimination System (NPDES) to the Redwood River. One standard is in regard to the amount of chloride that enters the river.~~

~~One of Marshall’s primary sources of chloride is salt used in softening the potable (drinking) water supply. Water quality analysis from multiple samples collected over a period from January 2015 to May 2016 have indicated that the Redwood River receives an average of 11,350 pounds per day of chloride discharged from the Marshall Wastewater Treatment Facility (WWTF). Of this amount, residential, commercial and light industrial water softening systems contribute 7,330 pounds per day of chlorides. The City of Marshall’s current NPDES permit contains the requirement to attain a chloride (salt) concentration limit of 261 mg/l or less by 2024.~~

~~To succeed in reducing the amount of chlorides discharged, it will be necessary for the City of Marshall’s wastewater and MMU’s water supply to work together in reducing the need for salt based softening of the community water supply along with reduction in chloride discharge from industrial sources. To this end, the City adopts City Resolution No. 4430, Second Series which outlines its commitment to MMU to support the creation of a softer drinking water, copy attached.~~

Scope of Activity:

~~In 2022 the City of Marshall has fulfilled all financial obligations pursuant to Resolution 4637, funding their portion of construction costs for the Water Softening Enhancement Project.~~

~~Marshall Municipal Utilities by this agreement resolves to:~~

~~Support and share all costs incurred by the city associated with their public educational efforts to reduce chloride discharge from residential water softeners. The city will be using grant money secured in 2021 to fund all chloride education and rebate programs that are scheduled to be continued in 2023.~~

~~**Marshall Municipal Utilities Commission** _____ **City of Marshall**~~

~~_____

Chairperson of the Commission _____ Mayor~~

~~_____

Secretary of the Commission _____ City Clerk~~

~~Date: _____ Date: _____~~

Terminate: Effective 1-1-2024

Resolution No. 4637 Second Series,

**A Resolution Amending Resolution 4608, Second Series
in Support of Chloride Reduction in Water
Discharged to the Redwood River**

Whereas, the City of Marshall (City) operates a wastewater treatment facility that treats the community's wastewater prior to its discharge into the Redwood River, pursuant to a National Pollutant Discharge Elimination System (NPDES) Permit issued by the Minnesota Pollution Control Agency (MPCA). The City's NPDES permit contains a chloride (salt) limitation that must be achieved by 2024. The City and Marshall Municipal Utilities (MMU) have been in discussion about methods to attain the reduction in chloride (salt) discharged into the Redwood River; and

Whereas, City and MMU have each retained the services of qualified consultants to provide analysis and recommendations regarding the most cost-efficient methods to attain compliance with the required chloride limits as set forth by the MPCA permit. That analysis has included both a review of upgrades to the existing water treatment plant and has also included a review of retrofitting the City's wastewater treatment plant; and

Whereas, the City and MMU desire to coordinate the planning between the community's water utility and its wastewater treatment facility by developing a process to lower the wastewater treatment facility's chloride discharge. Based upon the consultant's analysis, it has been determined that the most significant measure to lower the chloride is to provide softer water from MMU's Water Treatment Plant. To achieve the permit's required result, upgrades to the existing Water Treatment Plant would have to occur at an estimated cost of \$10,606,000 based upon fully designed plans by MMU's water engineering consultant, AE2S. MMU applied for a \$7,000,000 Minnesota Public Facilities Authority Point Source Implementation Grant (PSIG) and has received notice the PSIG funding will be available for upgrades to MMU's Water Treatment Plant, the "project". With the "project" fully designed and with notice of the PSIG grant, the local funding must be put in place; and

Whereas, bids for the "project" were solicited, were reviewed and were opened on July 9, 2019. MMU received bids from two (2) responsible bidders. The estimated "project" costs as set forth above have been replaced by actual bids as received. The low responsible bid exceeded the engineer's estimate and further exceeded the amount as previously approved by Council Resolution No. 4608; and

Whereas, the low responsible bid received for the "project" plus engineering costs contracted to date totaled \$11,104,492. In addition to the bid, it is recommended that a 5% contingency amount be added to "project" costs for a total "project" cost of \$11,585,492; and

Whereas, the total local funding for the "project" is now projected to be \$4,585,492 (total project costs \$11,585,492 minus PSIG grant \$7,000,000.00 = \$4,585,492).

Now Therefore Be It Resolved, that the local funding for the "project" is set forth below:

With the local funding for the "project" is projected to be \$4,585,492.00, the City commits to funding 55.74% of the local portion of the "project" costs projected to be \$2,555,953. The remaining local portion of projected funding shall be paid by MMU providing 44.26% of the local portion of funding projected to be \$2,029,539. To the extent the actual "project" costs are different than the projected total of \$11,585,492 the City and MMU will share said differences according to the stated percentages herein; and

Be it Further Resolved, the City hereby:

1. Commits to all measures required to attain NPDES Chloride compliance including the measures as outlined in the City's August 3, 2017 report prepared and submitted by their consultant, Bolton & Menk, as set forth below:
 - a. Support Marshall Municipal Utilities further softening of the community water supply quality to 5-8 grains using Lime/Soda Ash Softening to reduce Ion Exchange softening brine discharge.
 - b. Establish chloride surcharge on customers of the City of Marshall wastewater treatment facilities that have an industrial treatment agreement. Remit revenue collected from the surcharge to MMU in support of their further softening.
 - c. If it is determined by MMU to be required, authorize MMU adding chloride surcharge to the monthly utility bill for wastewater (sewer) customers invoiced by MMU. MMU is authorized to collect and retain said revenue. Currently, MMU is not contemplating the need for this type of surcharge.
 - d. Public and Industry education to reduce chlorides at the source.
 - e. Potential incentive program to set all softeners to the most efficient settings.
 - f. Set industrial limits in SIU Agreements.
 - g. Apply for MPCA Variance on chloride limit.
 - h. If all of the above measures have been implemented and chloride limits are not met; the City should, by ordinance, end the practice of Ion Exchange softening, if needed to reach final limit; and

Be it Further Resolved, the City hereby:

Approves the award by the Marshall Municipal Utilities of the "project" contract to the low bidder KHC Construction Company of Marshall, and authorizes the MMU Commission to enter into said contract, and further recognizes and commits to the City portion of local funding in the amount of \$2,555,953.

Upon vote being taken thereon, the following Council Members voted in favor:

and the following voted against the same:

whereupon the resolution was declared passed and adopted this 23 day of July, 2019.



Robert J. Byrnes, Mayor

ATTEST:



Kyle Box
Its: City Clerk

This Instrument Drafted by:
Dennis H. Simpson
Marshall City Attorney
109 S. 4th Street
Marshall, MN 56258

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: GIS Coordination		Agreement Number: 11A.4
Date of Adoption: November 7, 2017	Updated: October 31, 2022 Reaffirmed: <u>September 28, 2023</u>	Effective: January 1, 2023

Subject Matter:

Geographic Information System (GIS) utilization has increasingly been deployed at Marshall Municipal Utilities (MMU) and the City of Marshall for purposes of accurately recording and preserving the record of where the public assets are located. This work is very important for accurate system planning as well as transferring knowledge as one generation retires and another takes its place. MMU has developed robust capabilities in using a software platform named ESRI and the City of Marshall wishes to migrate their current GIS data to the same platform.

Scope of Activity:

MMU herein offers to support the City of Marshall in deploying the ESRI software for the management of various facility records now maintained by the City such as signage, wastewater, and surface water management. The use of ESRI will enhance the accuracy and functionality of data dealing with location points. MMU will provide the following services:

- A. Human resources to build and maintain the desired data and records related to physical locations in a GIS format.
- B. Software, licenses, and support and hardware located within the MMU/City Network suitable for accomplishing the work.

The City and MMU will provide map information when requested to a shared file for ease of access by staff.

The fee for MMU performing the work for the City will be tracked, and the incremental cost incurred by MMU will be billed to the City. MMU estimates the annual expenses to be approximately \$24,750 and actual recorded hours will be billed out to the City. This amount will be invoiced to the City on a semi-annual basis. On an annual basis, during the Joint Partnership Meeting, the costs will be reviewed and agreed upon for the succeeding year.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**Marshall Municipal Utilities
City of Marshall
2024 Shared GIS Budget**

Shared GIS Budget 2024 - Software					
			MMU	City	
Area	Product / Purpose	Cost			User
ArcGIS	ESRI Enterprise Licensing	\$ 27,500	\$ 13,750	\$ 13,750.00	City (50%), MMU (50%)
	TOTAL	\$ 27,500	\$ 13,750	\$ 13,750	

Shared GIS Budget 2024 - MMU Estimated Staff Time *					
		Annual			
Area	Product / Purpose	Hours	Rate	City	User
GIS	Estimated MMU Staff Hours for:	200.00	\$ 55.00	\$ 11,000	City, MMU
	- GPS Fieldwork Collection				
	- Fieldwork Conversion to GIS				
	- GIS Database Creation				
	- GIS Database Maintenance				
	- Web and Mobile Map Creation				
	- Web an Mobile Map Maintenance				
	TOTAL			\$ 11,000	
Total Cost of GIS Software & MMU Staff Time				\$ 24,750	

* Actual hours are billed on a semi-annual basis to the City of Marshall.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Radio Frequency (RF) Coordination		Agreement Number: 12A.45
Date of Adoption: November 18, 2019	Updated: October 31, 2021 <u>September 28, 2023</u> Reaffirmed:	Effective: January 1, 2023 <u>2024</u>

Subject Matter:

This agreement details the uses of Federal Communication Commission (FCC) regulated Radio Frequency or RF signals used in the transmission and reception of communication for voice and non-voice use in the regular operations of work activity of the employees of the City of Marshall and the Marshall Municipal Utilities (MMU). Generally, RF used by law enforcement is not part of this agreement. FCC also licenses private telecommunication providers who place their equipment for wireless communication on public facilities such as water towers and street light poles which in Marshall are owned by MMU.

The systems and FCC licensees needed to serve this public purpose can be enhanced through good coordination between City and MMU for their use.

Scope of Activity:

1. Two-way radio communication:

The FCC license for frequency 158.805 MHz is issued to the City of Marshall and is used by both the MMU employees and the City Public Works employees in the discharge of their duties. Said license renewal has been handled by MMU in the past but is issued to the City of Marshall. Due date for License Renewal 2025.

2. GPS base station transmitter:

The City owns a GPS transmitter placed on the City owned High-rise apartment at 202 N. 1st St. The FCC license for said transmitter operated at 453.2375 Mhz. As the equipment is owned by the City any FCC licensure activity should be handled by the City. Current FCC License expires November 8, 2025. Public and private users of GPS technology use this base station for documenting and locating geospatial information.

3. Private wireless telecommunication providers.

Cell phone service in and around Marshall is provided by the private sector. Agreements between these companies and MMU allow for their equipment to be located upon the MMU owned water towers on Bruce St. and Oak St.

Beginning in 2019, Verizon Wireless started to plan and build “small-cell” equipment on street light poles owned by MMU. Verizon’s vision is to one day in the future, use this equipment as a key part of their 5G build-out. They say 5G will support the triple-play of voice-data-entertainment. The current equipment is not 5G. To facilitate the placement of the small cell equipment, MMU has entered into agreements to allow for the orderly placement and operation of said privately owned equipment.

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

Any revenue received by MMU for use of the Street Light poles will be shared with the City of Marshall. MMU will receive said lease payments and will remit to the City the net revenue after paying for the expenses incurred to lease said street light poles to the companies. The current estimate of net revenue is \$1,000 per pole per year but is expected to change over time. Currently, seven (7) poles are under lease to Verizon Wireless.

~~2023-2024~~ Costs:

No costs are expected related to this RF agreement in ~~2023~~2024.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Water Main Development Agreement		Agreement Number: 13A.1
Date of Adoption: November 2022	Updated: Reaffirmed: <u>September 28, 2023</u>	Effective: January 1, 2023

Subject Matter: Marshall Municipal Utilities (MMU) will work in partnership with the Marshall City Government to encourage economic development and stability by establishing water infrastructure development guidelines. A Water Main Development Agreement shall be established that will streamline and promote the investment of water infrastructure and help provide a clear path for any Developer wanting to invest and expand in the City of Marshall.

Scope of Activity:

- **Design:**
MMU will work with the City Engineer’s Office to review and provide minimum water infrastructure requirements to any developer wanting to extend water utilities inside the city of Marshall. Once minimum water infrastructure requirements are established, MMU will then apply their future water infrastructure plans to the project. If it is determined by MMU that there needs to be changes in the size of the water main or accompanied equipment, MMU will coordinate with the developer and pay all purchase and installations costs associated with those changes.
- **Placement:**
The Developer will be responsible to install all minimum water infrastructure requirements for the building project. If any changes are required from MMU the Developer, in accordance with the Development Agreement, will coordinate with MMU and build to MMU specifications.
- **Ownership:**
All new water infrastructure installations will be owned and maintained by MMU.
- **Decision Making Process:**
The responsibility for making decisions regarding installation, repairs, replacement, inventory, and timing of the same rests with MMU’s Water Operation’s Manager. If needed, MMU’s Water Operation’s Manager will solicit input from the City Engineer’s Office using prior practices as a template.
- **Funding:**
Costs associated in building to minimum water infrastructure standards will be borne by the developer. Any additional costs will be determined and borne by MMU.

When there may be grant money available for the extension of water mains and associated hardware, the City of Marshall shall provide the grant writing assistance to attempt to secure said grant funding.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

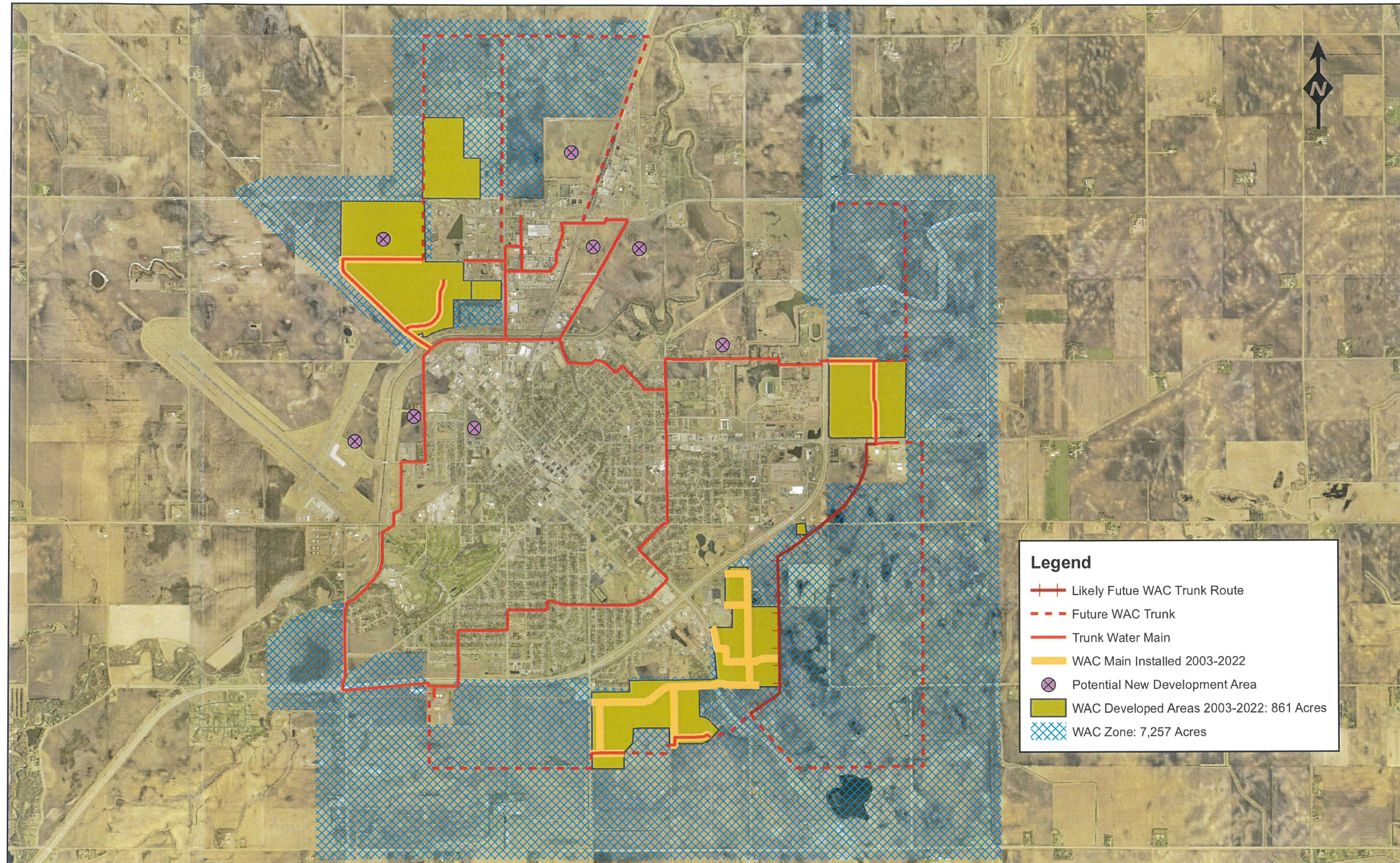
Secretary of the Commission

City Clerk

Date: _____

Date: _____

Marshall Water Area Charge Zones



**Joint Resolution of the
City of Marshall and Marshall Municipal Utilities
Approving the 2024 Partnership Agreement**

Whereas on Thursday, September 28, 2023 at 12:00 noon, Mayor Robert Byrnes, City Council member John Alcorn, City Administrator, Sharon Hanson, Director of Public Works/City Engineer Jason Anderson, and MMU Commissioners, Kris Carrow, and Michael Tao joined by, MMU’s General Manager Dave Schelkoph, Customer Service Manager, Leslie Hisken, Finance Manager Kevin Lee, Electric Operations Manager, Tony Mead, Water Operations Manager, Jeff Larson, and HR/Payroll Coordinator, Tricia Stelter, reviewed the 2024 Partnership Agreement material, and

Whereas, the representative group reviewed and discussed the individual agreements and attachments outlined below. Following discussion, the committee recommends the City Council and the Marshall Municipal Utilities Commission reaffirm the agreements.

Now therefore be it resolved, the individual agreements that comprise the 2024 Partnership Agreement and their attachments listed below are hereby approved and the Mayor, City Clerk, Chairman of the Commission and Secretary to the Commission are hereby authorized to sign this Joint Agreement and said individual agreements:

1A5	Payment- In-Lieu-Of-Taxes (PILOT)	Modified Agreement and Attachments
2A.1.4	Street Lighting	Modified Attachment
3A.1.4	Fire Protection	Modified Attachment
4A.1	Wastewater & Surface Water Management Billing & Collections	Modified Attachments
5A.1.2	Professional Engineering Services	Modified Agreement
6A.5	Joint Industrial Land Development	Modified Agreement
7A.1.13	MMU Capital Funding Plan	Modified Agreement
8A.1.13	Fiber Optic Utilization	Modified Agreement
9A.1.10	Telephone and IT Shared Services	Deleted
10A.1.8	Chloride Reduction Coordination	Deleted
11A.4	GIS Coordination	Modified Attachment
12A.5	Radio Frequency (RF) Coordination	Modified Agreement
13A	Water Main Development Agreement	No change

The City Council approved this Agreement on _____ 2023.

The MMU Commission approved this Agreement on _____ 2023.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Date

Date

Secretary of the Commission

City Clerk

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Payment-In-Lieu-Of-Taxes (PILOT)		Agreement Number: 1A.5
Date of Adoption:	Updated: September 28, 2023 Reaffirmed:	Effective: January 1, 2024

Subject Matter:

As a Municipal Utility, Marshall Municipal Utilities (MMU) is exempt from paying property tax. Due to being a tax-exempt entity, MMU will remit a Payment in Lieu of Tax (PILOT) to the City of Marshall.

Scope of Activity:

The purpose of the Agreement is to define the basis of the PILOT payment remitted to the City of Marshall by MMU.

PILOT Calculation:

The annual PILOT calculation is based on the average annual kilowatt hour (kWh) sales using the most recent audited ten (10) years information. The calculation is based on a ten (10)-year average instead of the prior year’s kWh sales to allow payment to be less volatile. To calculate the PILOT, an energy rate of \$.0014 is multiplied by the average kWh sales to determine the base amount. In addition, an amount in support of EDA programs and activity will be made annually. That EDA increment would be the result of multiplying the 10-year average energy sales (excluding GS-4 sales) by \$.0006 and GS-4 sales by \$.0001 which would yield \$176,616 in the current calculation Attachment A and B show the forecasted amounts for the succeeding year.

Funding:

On a monthly basis, MMU will remit one twelfth of the annual PILOT amounts to the City.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT A

PAYMENT IN LIEU OF TAXES (PILOT) AND ECONOMIC DEVELOPMENT AUTHORITY (EDA) PILOT SUPPORT TO THE CITY OF MARSHALL MARSHALL, MINNESOTA

2024 Payment in Lieu of Taxes (PILOT) Calculation

<u>Audit Year</u>	<u>Total kWh Electric Sales</u>	<u>Industrial Customer kWh Electric Sales</u>	<u>All other kWh Electric Sales</u>
2013	604,240,783	344,190,000	260,050,783
2014	591,425,915	334,530,000	256,895,915
2015	587,485,240	340,606,000	246,879,240
2016	572,499,415	329,056,000	243,443,415
2017	570,043,971	333,382,000	236,661,971
2018	573,113,094	329,336,000	243,777,094
2019	558,720,581	318,542,000	240,178,581
2020	531,120,905	306,140,800	224,980,105
2021	516,987,452	293,356,000	223,631,452
2022	522,917,386	292,801,600	230,115,786
Total	5,628,554,742	3,221,940,400	2,406,614,342
<u>10 Year Rolling Average kWh Electric Sales (based on audit years 2013 through 2022):</u>			
	562,855,474	322,194,040	240,661,434
<i>Base PILOT Rate Per kWh</i>		\$ 0.001400	\$ 0.001400
2024 BASE PILOT	\$ 787,998	\$ 451,072	\$ 336,926
<i>EDA PILOT Support Rate per kWh</i>		\$ 0.000100	\$ 0.000600
2024 BASE EDA PILOT Support	\$ 176,616	\$ 32,219	\$ 144,397
2024 PILOT Payment to City of Marshall	\$ 964,614	\$ 483,291	\$ 481,323

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT B

MARSHALL MUNICIPAL UTILITES PAYMENTS /ALLOCATED COSTS AND CITY OF MARSHALL PAYMENTS

	Estimated 2024	Projected 2023	Historical 2022	Historical 2021	Historical 2020	Historical 2019	Historical 2018
MMU PILOT/Allocated Cost Discounts							
PILOT							
Base	\$ 787,998	\$ 799,333	\$ 812,944	\$ 823,773	\$ 810,579	\$ 819,195	\$ 828,669
EDA Support #	\$ 176,616	\$ 178,551	\$ 181,581	\$ 184,078	\$ -	\$ 457,939	\$ 500,000
Total PILOT Payments	\$ 964,614	\$ 977,884	\$ 994,525	\$ 1,007,851	\$ 810,579	\$ 1,277,134	\$ 1,328,669
Discounted Services							
* Streetlight Costs from COSS	\$ 277,522	\$ 277,522	\$ 277,316	\$ 277,316	\$ 277,316	\$ 241,575	\$ 241,575
* Fire Protection Costs from COSS	\$ 260,319	\$ 260,319	\$ 203,445	\$ 203,445	\$ 203,445	\$ 202,624	\$ 202,624
Wastewater Billing Cost Allocations	\$ 93,925	\$ 90,236	\$ 97,729	\$ 92,885	\$ 80,119	\$ 84,625	\$ 85,777
Surface Water Billing Cost Allocations	\$ 26,241	\$ 24,243	\$ 24,866	\$ 24,019	\$ 32,047	\$ 33,538	\$ 32,297
Total Discounted Services	\$ 658,007	\$ 652,320	\$ 603,356	\$ 597,665	\$ 592,927	\$ 562,362	\$ 562,273
Total MMU PILOT/Allocated Cost Discounts	\$ 1,622,621	\$ 1,630,204	\$ 1,597,881	\$ 1,605,516	\$ 1,403,506	\$ 1,839,496	\$ 1,890,942
Annual Audited Electric Sales Revenue	\$ 36,924,400	\$ 36,924,400	\$ 35,254,144	\$ 35,141,255	\$ 35,101,047	\$ 37,234,582	\$ 38,853,509
	4.39%	4.41%	4.53%	4.57%	4.00%	4.94%	4.87%
City of Marshall Payments							
Streetlight Costs from COSS	\$ 277,522	\$ 277,522	\$ 277,316	\$ 277,316	\$ 277,316	\$ 241,575	\$ 241,575
Fire Protection Costs from COSS	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000
Total City of Marshall Payments	\$ 422,522	\$ 422,522	\$ 422,316	\$ 422,316	\$ 422,316	\$ 386,575	\$ 386,575

Note:

- # Prior to 2021, this was an Industrial Land Development PILOT Payment based on the Joint Industrial Land Development Agreement with the City of Marshall
- * These costs will be established during the Cost of Service and Rate Design studies resulting in a Rate established for a three year period.

Estimated amounts for 2024 activity
Budgeted Revenue for 2023
Projected amounts based on 2023 activity to date
Historical amounts
Formula-driven cell

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Street Lighting		Agreement Number: 2A.1.4
Date of Adoption: October 20, 2004	Updated: November 18, 2019 Reaffirmed: September 28, 2023	Effective: January 1, 2020

Subject Matter: Marshall Municipal Utilities (MMU) will work in partnership with the Marshall City Government to provide street lighting to enhance public safety and improve the aesthetics of the community of Marshall. For purposes of this policy, street lighting includes lights on poles used to light public roadways, public bicycle paths, municipal parking lots and municipal park lands. It does not include lighting used for athletic recreational fields.

Scope of Activity:

- **Design:**
The design selection of the streetlight pole and lamp will be determined by a committee consisting of the City of Marshall’s Director of Public Works and Marshall Municipal Utilities (MMU) Electric Operations Manager. They will consider input from the constituency groups that are affected. The committee will take into consideration, budgetary, aesthetic, operations and maintenance costs as they select the street lighting design.
- **Placement:**
The selection of the location or placement of all street lighting facilities will be made by MMU’s Electric Operations Manager or his designated electric utility employee. Locations will be selected that comply with the design goals of the Director of Public Works or the Minnesota Department of Transportation if a State Highway.
- **Ownership:**
The streetlights shall be owned by Marshall Municipal Utilities. Their value will be accounted for in the accounting records of MMU.
- **Decision Making Process:**
The responsibility for making decisions regarding construction, repairs, replacement, inventory and timing of the same rests with MMU’s Electric Operations Manager. If needed, MMU’s Electric Operations Manager will solicit input from the Director of Public Works using prior practices as a template.
- **Funding:**
On a monthly basis, MMU will invoice the City an amount which is calculated based on an annual amount that is mutually agreed upon at the annual partnership meeting between MMU and the City of Marshall. The amount will be based upon the fully allocated costs to furnish the street lighting as determined in the Electric Cost of Service and Rate Design Study updated every 3 years. These expenditures include the cost of electricity, O&M as well as the capital cost of new light purchases. It also covers the cost of electricity for signalization; however, does not include the capital or O&M costs for signalization.

When there may be grant money available for lighting streets and parks, the City of Marshall shall provide the grant writing assistance to attempt to secure said grant funding.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

Marshall Municipal Utilities Allocation of Revenue Requirements

Classification	Total	Residential	Commercial		Demand Metered				Street Lighting	Industrial GS4
		Firm GS1	Firm No Credit	Interr Heat GS2.1	Firm_GS3 & GS3.1		Interruptible_GS3.2 & GS3.3			
					<500 kW	>500 kW	<500 kW	>500 kW		
12-Month Coincident Peak Demand										
December-February	\$ 3,003,100	\$ 484,450	\$ 256,668	\$ 623	\$ 282,997	\$ 350,705	\$ 7,931	\$ 31,020	\$ -	\$ 1,588,706
March-May	\$ 1,896,596	\$ 238,771	\$ 151,614	\$ 286	\$ 196,052	\$ 247,195	\$ 5,904	\$ 19,048	\$ -	\$ 1,037,727
June-August	\$ 3,726,358	\$ 530,896	\$ 281,631	\$ 71	\$ 437,374	\$ 526,986	\$ 15,871	\$ 38,346	\$ -	\$ 1,895,183
September-November	\$ 1,881,633	\$ 207,843	\$ 149,787	\$ 75	\$ 212,027	\$ 249,404	\$ 8,390	\$ 19,565	\$ -	\$ 1,034,542
Energy										
December-February	\$ 3,987,268	\$ 562,805	\$ 272,506	\$ 2,594	\$ 290,741	\$ 445,124	\$ 18,859	\$ 133,123	\$ 7,801	\$ 2,253,717
March-May	\$ 3,547,460	\$ 394,754	\$ 222,453	\$ 1,705	\$ 260,691	\$ 459,730	\$ 15,116	\$ 124,412	\$ 5,806	\$ 2,062,793
June-August	\$ 3,907,587	\$ 442,627	\$ 225,747	\$ 225	\$ 328,259	\$ 538,973	\$ 21,105	\$ 144,813	\$ 5,085	\$ 2,200,752
September-November	\$ 3,449,266	\$ 332,995	\$ 197,566	\$ 420	\$ 260,185	\$ 432,616	\$ 19,716	\$ 134,878	\$ 6,428	\$ 2,064,462
Transmission										
12-Month Coincident Peak Demand	\$ 4,696,599	\$ 641,482	\$ 377,053	\$ 490	\$ 500,101	\$ 609,863	\$ 16,826	\$ 48,163	\$ -	\$ 2,502,621
Customer Service	\$ 1,043,401	\$ 620,868	\$ 292,165	\$ 3,611	\$ 87,720	\$ 10,320	\$ 7,740	\$ 3,870	\$ 2,013	\$ 15,095
Distribution System	\$ 4,894,551	\$ 1,180,701	\$ 536,584	\$ 5,288	\$ 455,801	\$ 473,095	\$ 100,016	\$ 310,022	\$ 25,201	\$ 1,807,843
CP Demand	\$ 1,433,131	\$ 189,060	\$ 109,913	\$ 1,358	\$ 127,773	\$ 155,773	\$ 16,440	\$ 46,300	\$ -	\$ 786,513
Direct Allocation	\$ (1,851,613)									\$ (1,851,613)
Street Lighting - Direct Allocation										
Operation Expenses	\$ 89,916								\$ 89,916	
Maintenance Expenses	\$ 71,222								\$ 71,222	
Depreciation/Amortization	\$ 334,656								\$ 334,656	
Revenue Credits	\$ (30,623)								\$ (30,623)	
Reserve for Replacements	\$ 35,497								\$ 35,497	
PILOT	\$ 1,226,585	\$ 140,320	\$ 74,456	\$ 400	\$ 92,407	\$ 152,161	\$ 6,074	\$ 43,619	\$ 2,043	\$ 715,106
Total Revenue Requirements	\$ 37,342,590	\$ 5,967,569	\$ 3,148,141	\$ 17,147	\$ 3,532,129	\$ 4,651,946	\$ 259,988	\$ 1,097,178	\$ 555,043	\$ 18,113,448
Class Revenues	\$ 37,342,427	\$ 6,052,413	\$ 3,201,151	\$ 15,997	\$ 3,605,950	\$ 4,769,145	\$ 268,052	\$ 1,137,417	\$ 554,577	\$ 17,737,725
Difference (Rev. Req. Less Revenues)	\$ 164	\$ (84,844)	\$ (53,009)	\$ 1,150	\$ (73,821)	\$ (117,199)	\$ (8,064)	\$ (40,238)	\$ 466	\$ 375,723
Cost of Service Adjustment Percentage	0.0%	-1.4%	-1.7%	7.2%	-2.0%	-2.5%	-3.0%	-3.5%	0.1%	2.1%

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Fire Protection		Agreement Number: 3A.1. 4
Date of Adoption: September 28, 2010	Updated: Reaffirmed: September 28, 2023	Effective: January 1, 2023

Subject Matter:

To enhance Public Safety by partially funding the development and maintenance of a water system designed to enable city wide fire protection.

Scope of Activity:

Water System Design:

The MMU Water Operations Manager in collaboration with the City of Marshall’s Director of Public Works will design and construct water distribution and storage facilities that permit adequate fire flows to meet industry standards. The selection of materials and appurtenances to the water distribution system will be determined by Marshall Municipal Utilities.

Ownership and Management:

The water supply, water mains, storage facilities, and the fire hydrants located on public land and right of ways in the City of Marshall shall be owned, maintained, and replaced as needed by Marshall Municipal Utilities.

Funding:

Currently, every three years, a rate analyst is engaged to perform a Water Cost of Service and Rate Design Study. In the study, the American Water Works Association’s (AWWA) accounting guidelines will be applied to establish the annual allocation of costs for fire protection.

For the rate period of 2023 through 2025, the total annual cost allocated to fire protection is \$405,319. The City of Marshall will provide the initial \$145,000 in annual funding and MMU will provide the balance of funds as needed.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT A

**Fire Protection Services for
City of Marshall
Marshall, Minnesota**

The fee for providing Fire Protection Services to the City of Marshall is based on the following:

The fully allocated cost per the most recent Water Cost of Service and Rate Design Study, shared by the City of Marshall and Marshall Municipal Utilities.

Fully Allocated Cost (per Water Cost of Service and Rated Design Study, October 18, 2022)	\$405,319
Less: Marshall Municipal Utilities funding	<u>(\$260,319)</u>
2024 Fire Protection Services funded by the City of Marshall	\$145,000

**Marshall Municipal Utilities - Water
Allocation of Fire Protection Costs**

Exhibit 3-D

Line No.	Item	Current Cost of Service Amounts	Allocation Percentage	Current Allocated Amount
	(1)	(2)	(3)	(4)
1	<u>Annual Expense Allocation to Fire Protection:</u>			
2	Production:			
3	Operation:			
4	Salary - Operating Supervision	39,243	10%	3,924
5	Salary - Water Station Labor	290,448	2%	5,809
6	Station Supplies & Expense	16,207	5%	810
7	Power for Pumping	319,725	2%	6,395
8	Maintenance:			-
9	Water Station Maintenance	137,813	2%	2,756
10	Salary - Water Station Maintenance Labor	75,130	2%	1,503
11	Salary - Maintenance of Wells	21,879	2%	438
12	Salary - Aquifer Monitoring	15,281	2%	306
13	Maintenance of Wells	16,538	2%	331
14	Insurance	29,056	2%	581
15	Employee Welfare	144,009	2%	2,880
16	Distribution:			
17	Salary - Maintenance Supervision	-	25%	-
18	Salary - Maintenance of Hydrants	37,391	25%	9,348
19	Salary - Water Distribution Maintenance	237,082	25%	59,271
20	Maintenance of Distribution Mains	126,788	25%	31,697
21	Maintenance of Hydrants	16,538	100%	16,538
22	Maintenance of Towers & Tanks	299,000	25%	74,750
23	Equipment & Repair Expense	25,468	5%	1,273
24	Insurance	50,820	25%	12,705
25	Employee Welfare	119,930	25%	29,983
26	Customer Service & Information:			
27	Salary: Office/Customer Records & Collections	104,070	10%	10,407
28	Administrative & General:			
29	Salary: Administration	150,723	10%	15,072
30	Insurance	6,020	10%	602
31	Employees' Welfare	89,021	10%	8,902
32	Total Annual Expense	2,368,180		296,280
33	<u>Annual Capital Cost Allocable to Fire Protection:</u>			
34	Transmission & Distribution Depreciation Expense:			
35	Wells	150,272	2%	3,005
36	Transmission Mains	201,493	10%	20,149
37	Distribution Mains	844,056	10%	84,406
38	Transportation Equipment	18,752	5%	938
39	Tools & Work Equipment	10,828	5%	541
40	Total Annual Capital Cost	1,225,401		109,039
41	<u>Annual Fire Protection Costs</u>			405,319
42	<u>Present & Proposed Fire Protection Cost Recovery:</u>			
43	City of Marshall			145,000
44	Private Parties			-
45	Total Proposed Rate Revenue			145,000
46	<u>Proposed Rate Revenue Over (Under) Cost of Service:</u>			(260,3

Item 13.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Wastewater and Surface Water Management Billing and Collections		Agreement Number: 4A.1 Formerly 2A.1
Date of Adoption: December 6, 2004	Updated: September 20, 2010 Reaffirmed: September 28, 2023	Effective: January 1, 2011

Subject Matter:

Wastewater and the Surface Water Management (SWM) Utilities are operated and the rates are set by the City of Marshall. Marshall Municipal Utilities facilitates the billing and collection of these fees for the City.

Scope of Activity:

Merging Utility Bills: MMU’s monthly utility bill will default to include Wastewater and SWM billing when the customer is also a customer of MMU. An MMU customer is defined as someone being billed for any utility services provided by MMU. For SWM customers not purchasing electric, water, wastewater services or other MMU utility services, a monthly SWM utility bill will be generated.

Billing - On the 1st working day of each month, MMU shall bill the prior months Wastewater and Surface Water Management (SWM) fee as it does the electric and water.

Collections – The Wastewater and SWM fee will be due and payable on the same terms as the electric and water utility bills (the 21st day of each month).

Payment Distribution - Payment will be applied proportionately to electric, water, wastewater and surface water management charges.

Penalty - If payment is not received by the due date, a penalty of 5% shall be incurred on the current billing period. This is consistent with MMU’s current policy for other services billed. Any revenue collected in the application of a penalty, is retained by MMU to offset the cost to effect collection of the late payment.

Collection Remedies -

- If payment is not received by the 21st, a past due notice shall be mailed by first class presort mail to the party responsible for the bill.
- If payment is not received by the end of the last business day of the month, a notice of past due utility bill will be mailed to the customer. Electricity may be disconnected on the date as stated on notice of past due utility.
- For SWM customers who receive only a SWM bill for their parcel, any unpaid SWM fees as of September 30th each year will be deemed uncollectible and forwarded to the City of Marshall for collection under the collection remedy the City chooses to utilize.

Deposit - A customer deposit is required if a customer previously had unpaid balances with MMU for electric, water, wastewater or surface water that were turned over to our collection agency; the unpaid balance and a deposit of \$100.00 will need to be paid in full before services may begin. A customer deposit of \$100.00 will also be required each time a customer is shut off for non-payment, including limiters that are placed on the electric meters. A business will be charged twice the amount of an average monthly billing or \$100.00; whichever is greater. The customer is required to pay in full the outstanding bill, the deposit, and all other costs incurred, before MMU will reconnect service.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Non-Sufficient Funds - Collection fees on all non sufficient fund payments shall follow MMU’s policy.

Change of Accounts -

- MMU shall have the authority to make appropriate changes to existing Wastewater and SWM accounts as requested by property owner. Property owner shall complete the application form.
- The City of Marshall shall be responsible to notify MMU of new additions to the City and or splits/combinations of existing parcels and any other changes to any parcel, including ownership changes for purposes of SWM billing.

Payment Arrangements -

- MMU shall work with Wastewater and SWM customers on all special payment arrangements as needed and available as with electric and water utility services.
- MMU shall offer multiple payment methods for Wastewater and SWM as with other utility services.
- If requested, all services, including Wastewater and SWM, will be calculated into a monthly budget billing.

Funding of Activity:

MMU Payment of Wastewater and SWM funds to the City - Marshall Municipal Utilities will remit customer payments collected for Wastewater and SWM on a monthly basis. In the event there is a billing correction resulting in an overpayment/ underpayment or an amount written off, the adjustment will be reflected and so noted in the monthly payment information to the City.

Fees for Service: MMU will invoice and the City of Marshall will pay for MMU to bill and collect Wastewater and SWM service fees on a monthly basis pursuant to this agreement. The amount of the invoice will be based upon 50% of the fully allocated cost (attachment A&B). It is anticipated this amount will change on an annual basis to reflect actual costs incurred by MMU; however, the allocation factors will remain fixed unless both parties mutually agree to a change.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT A

Wastewater Billing and Collections Services for City of Marshall Marshall, Minnesota

Allocation of billing/collection costs: 50% Electric, 20% Water, 20% Wastewater, 10% Surface Water

The following costs are based on 2022 actual expenses:

Staff Position	Staff Position Time spent on Billing & Collecting			WASTEWATER Percentage	Salary & Benefits
	Percentage	Annual Hours	Monthly Hours		
Customer Service Accounts Receivable	90%	1,872	156	20%	\$ 16,106
Customer Service Billing Clerk	90%	1,872	156	20%	\$ 16,591
Customer Service Supervisor	75%	1,560	130	20%	\$ 15,400
Customer Service Manager	50%	1,040	87	20%	\$ 15,385
Database Integration Specialist	50%	1,040	87	20%	\$ 11,954
Energy Services Coordinator	18%	374	31	20%	\$ 4,330
Water Foreman	10%	208	17	20%	\$ 2,818
Finance Manager	5%	104	9	20%	\$ 1,540
TOTAL					\$ 84,124

Billing/Collection Product Costs	Annual Amount	WASTEWATER Percentage	Allocated Cost
Fees: (Software, Licensing, Maintenance)	\$ 68,654	20%	\$ 13,731

Meter Reading, Maintenance, and Capitalization	Annual Amount	50/50 Split with Water	Allocated Cost
Water Meter Reader Salary (per acct #02-5-590-1-90200~2022)	\$ 1,086	50%	\$ 543
Water Meter Salary Maintenance (per acct #02-5-300-1-59700~2022)	\$ 7,437	50%	\$ 3,719
Water Meter Maintenance (per acct #02-5-300-2-59700~2022)	\$ 4,983	50%	\$ 2,492
Annual Depreciation of 2019 Water Meter Change-out	\$ 109,459	50%	\$ 54,730
TOTAL			\$ 61,483

General Office Expenses	Annual Amount	Split with Water and Surface Water	Allocated Cost
General Office Expenses - Water	\$ 71,276	40%	\$ 28,510

TOTAL WASTEWATER PORTION COSTS: \$ 187,848

2024 WASTEWATER FEE FOR BILLING & COLLECTIONS 50% of fully allocated costs \$ 93,925

Value of monthly billing and collections of Wastewater Services provided to City of Marshall

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

ATTACHMENT B

**Surface Water Management Billing and Collections Services for
City of Marshall
Marshall, Minnesota**

Allocation of billing/collection costs: 50% Electric, 20% Water, 20% Wastewater, 10% Surface Water

The following costs are based on 2022 actual expenses:

Staff Position	Staff Position Time spent on Billing & Collecting			Surface Water Percentage	Salary & Benefits
	Percentage	Annual Hours	Monthly Hours		
Customer Service Accounts Receivable	90%	1,872	156	10%	\$ 8,053
Customer Service Billing Clerk	90%	1,872	156	10%	\$ 8,296
Customer Service Supervisor	75%	1,560	130	10%	\$ 7,700
Customer Service Manager	50%	1,040	87	10%	\$ 7,693
Database Integration Specialist	50%	1,040	87	10%	\$ 5,977
Finance Manager	5%	104	9	10%	\$ 770
TOTAL					\$ 38,488

Billing/Collection Product Costs	Annual Amount	Surface Water Percentage	Allocated Cost
Fees: (Software, Licensing, Maintenance)	\$ 68,654	10%	\$ 6,865

General Office Expenses	Annual Amount	Split with Water and Surface Water	Allocated Cost
General Office Expenses - Water	\$ 71,276	10%	\$ 7,128

TOTAL SURFACE WATER PORTION COSTS: \$ 52,481

2024 SURFACE WATER FEE FOR BILLING & COLLECTIONS *50% of fully allocated costs* **\$ 26,241**

Value of monthly billing and collections of Surface Water Management Services provided to City of Marshall

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Professional Engineering Services		Agreement Number: 5A.1.2
Date of Adoption: January 3, 2006	Updated: September 28, 2023 Reaffirmed:	Effective: January 1, 2024

Subject Matter:

Marshall Municipal Utilities (MMU) requests to utilize the Professional Engineering Services of the City of Marshall for the design, inspection, and contract administration for various watermain and water service projects within the City of Marshall. The City of Marshall currently provides a portion of these services presently for various special assessment projects. Therefore, the City of Marshall and Marshall Municipal Utilities agree to enter into this Agreement.

Scope of Activity:

The purpose of the Agreement is to define the responsibilities of the City as to certain Professional Engineering Services for MMU and to define compensation from Marshall Municipal Utilities to the City of Marshall for said services.

The responsibilities and compensation are included in Attachment A of this Agreement and are attached hereto.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

ATTACHMENT A

Scope of Work for Professional Engineering Services for Marshall Municipal Utilities Marshall, Minnesota

I. Services to be Provided By the City of Marshall:

Marshall Municipal Utilities (MMU) desires to utilize the Professional Engineering Services of the City of Marshall (City) for watermain project development including Preliminary Planning and Conceptual Design, Design, Construction Inspection, and Post Construction, as outlined herein. The City and MMU will begin each project by completing a Project Authorization form that demonstrates the project has secured necessary commitment from the elected and/or appointed local officials. The Project Authorization form can be signed by the City's and MMU's management staff. Any engineering work accomplished under this agreement prior to the Project Authorization Form being completed requires the approval of MMU's General Manager or Water Operations Manager. It is recognized this will occur from time to time when there are joint development aspects to a project.

A. Preliminary Planning and Conceptual Design Services –

1. Basic Services

- a. Meet with MMU on a regular basis to determine the project needs for upcoming new and replacement watermain project.
- b. Provide a conceptual design or project layout for proposed projects.
- c. Revise the concept as necessary for MMU to confirm the scope of work and implementation schedule.
- d. Provide budgetary preliminary cost estimates of the concept project.

B. Design Services –

1. Basic Services

- a. Prepare plans and specifications, contract documents, and detailed estimates for the Construction projects and submit them to MMU and necessary permitting agencies for approval. Make necessary changes to the plans as required.
- b. Reproduce final plans and specifications for bidding purposes.
- c. Assist in reviewing bids, tabulation and analyses of bid results, and forward the results to MMU for their approval.

C. Construction Services –

1. Basic Services

- a. Assist MMU in execution of the Construction Documents.
- b. Conduct the pre-construction conference.
- c. Provide construction controls and verification surveys.
- d. Consult with and advise MMU during construction and act as MMU's representative as provided in the Contract Documents.
- e. Interpret plans and specifications during construction.
- f. Review required submittals to determine compliance with Contract Documents.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

- g. Construction observation and documentation including digital photography to ensure compliance with the Contract Documents and for providing an adequate construction record or “as-built” record.
- h. Review performance and laboratory test data for compliance with project specifications.
- i. Review required payroll and advise contractors of deficiencies, if any.
- j. Review and make recommendations on requests for partial payments and change orders.
- k. Conduct final inspection and recommend final acceptance and payment.

D. Post Construction Services –

- 1. Prepare project record drawings (as built)
- 2. Provide any warranty inspections required.

II. Additional Services:

The following items are not included in the basic services under this Agreement:

- 1. Registered land surveying or right-of-way services, legal descriptions, and related services.
- 2. Environmental Impact Statements.
- 3. Construction Materials Testing.
- 4. Soil Borings and geotechnical recommendations.
- 5. Structural analysis.
- 6. Transmission (trunk line) design/sizing water treatment, or water storage projects.
- 7. Any legal, bonding or administrative costs

III. Period of Services:

This Agreement commences January 1, 2011 and will renew for subsequent five-year terms unless terminated by either party. Either party may terminate this contract by giving notice of intention to terminate to the other party. Notice to be provided as follows: City of Marshall; Attention City Administrator, 344 West Main Street, Marshall, MN 56258. MMU; Attention General Manager, 113 South 4th Street, Marshall, MN 56258. Said notice shall be by Certified Mail, return receipt requested to the address as listed above. Termination and subsequent cancellation of this contract shall be effective 12 months after the date said notice is received by the other party.

IV. Compensation:

The Basic Services in this agreement will be provided to MMU by the City of Marshall for a base annual fee of \$75,000.

This base fee is based upon current projected MMU needs and is estimated on a minimum amount of \$468,750 of water distribution construction work annually. For purposes of this calculation, it will not matter if the work has been designed with the City Engineer’s services or if the City Engineer utilizes the services of a 3rd party for purposes of designing the water distribution work.

If the construction cost of watermain and associated items in any calendar year exceeds \$468,750, MMU will be billed the at the rate of 16% for projects that require full engineering services as outlined above. For projects that are mutually agreed upon to need more or less than full engineering services due to their size or complexity, the City Engineer and MMU General Manager may agree to a greater or lesser percentage.

Additional services will be provided by separate agreement and billed separately.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

V. Miscellaneous Provisions:

1. Modification. This Agreement may be modified by the parties only by written supplemental Agreement.
2. Binding Effect. The terms and conditions as set forth herein are binding upon the parties hereto, their legal representatives, successors and assigns.
3. Entire Agreement. This Agreement supersedes all agreements previously made between the parties relating to the subject matter of this Agreement. There are no other understandings or agreements.
4. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
5. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same agreement.

**City of Marshall & Marshall Municipal Utilities
Water Project Authorization/Request Form**

In accordance with the Professional Engineering Service Agreement between the City of Marshall (City) and Marshall Municipal Utilities (MMU), it is envisioned that water projects will be initiated for various reasons. The Project Authorization form is intended to serve as a document for the parties which will, to the extent possible, indicate the project scope authorized hereunder.

Project Title: _____

Project Description:

Is the project part of a larger joint project? Yes or No (circle one). If yes, who is (are) the other project participant(s)? _____ (list)

What is the non-water distribution portion of the joint project?

Phase 1: Preliminary Planning and Conceptual Design

Authorization for Water Distribution Engineering:

For MMU:

_____	_____	_____
Name	Title	Date

If a joint project with MMU is anticipated for water distribution, then City authorization to proceed with preliminary planning and conceptual design activities for non-water distribution joint work is requested.

Authorization to proceed with preliminary planning and conceptual design for the non-water distribution joint work:

For the City:

_____	_____	_____
Name	Title	Date

(over)

Phase 2: Design Services

If the project moves into the design phase, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Following design, the City Engineer will provide a final *estimate* showing the cost breakdown and item of work by each utility prior to bidding the work. Final *estimate* will be attached to this form by the City Engineer for consideration by MMU.

Following the bidding and award of contract, a *final cost breakdown* will be prepared by the City Engineer which shall be agreed upon by both parties and amended, if necessary, following project completion.

My signature attests that all public processes required by the City and/or MMU have been accomplished and that authorization has been granted by the City Council and/or the Utility Commission to complete the final design and seek bids for this public improvement.

For the City:

Name Title Date

For MMU:

Name Title Date

Phase 3: Construction Services:

If the project moves from design to construction, both parties stipulate they will continue to proceed as envisioned in the Professional Engineering Agreement and as outlined. Both parties stipulate that funding for their respective items of work under the joint project have been approved and will be available for their portion of joint work in a timely manner. Abstract of bids and cost breakdown for the project shall be attached to this document, when available.

My signature attests that all public processes required by the City and /or MMU have been accomplished and that authorization has been granted by the City Council and/ or the MMU Commission to construct the public improvement.

For the City:

Name Title Date

For MMU:

Name Title Date

(over)

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Joint Industrial Land Development		Agreement Number: 6A.5
Date of Adoption: November 24, 2020 – City of Marshall December 15, 2020 - MMU	Updated: September 28, 2023	Effective: January 1, 2024

Subject matter:

The purpose of this agreement is to establish the understanding and conditions agreed upon to terminate the “Joint Industrial Land Development” agreement originally adopted July 18, 2007 between City of Marshall and Marshall Municipal Utilities (MMU).

Whereas, the Joint Industrial Land Development agreement between the parties originally dated July 18, 2007 and affirmed annually each year since, has resulted in the City of Marshall acquiring and developing Industrial Land with all necessary infrastructure. The two subdivisions developed by the City of Marshall are more commonly referred to as Sonstegard Addition and Commerce Park. The agreement has served the intended purpose and the parties have terminated the agreement as of January 1, 2021, and

Whereas, the Industrial zoned land in Commerce Park is now “shovel-ready” and the City of Marshall/HRA assisted by its Economic Development Authority (EDA) desire to sell the land in strategic parcels for purposes of creating jobs. In the capitalization of the construction of Commerce Park, the City of Marshall secured a BDPI grant in the amount of \$2,000,000. These funds along with \$3,022,750 from MMU and \$3,022,750 from the City of Marshall enabling the work to be accomplished, and

Whereas, during the design and execution of the multiyear project, the City and MMU agreed to accomplish the task of stormwater retention on the adjoining land now known as the Merit Center Driving Track, and while the City was considering this site for said purpose, they asked MMU if it would be in agreement to accomplish the stormwater retention on the Merit Center land rather than the Commerce Park land. The parties agreed doing so would retain the maximum amount of improved “shovel ready” Industrial land and MMU stipulated they would support the idea in return for lot 2, block 7 in Commerce Park, to be used by MMU for future municipal utilities facilities such as a solar installation or a water treatment plant or both over time. A 50-year \$1.00 option was entered into by the parties and said option was recorded. As the parties work to affect the transfer of ownership of lot 2, block 7, both MMU and the city have discovered that Minnesota Management and Budget office (MMB) has raised questions as to the compliance with state statutes that are associated with the \$2 million dollar grant awarded to the city to develop Commerce Park. Under current statute, MMU and the city would be in violation of State law if it were to proceed with the original agreement to purchase lot 2 block 7, and

Whereas, the city and MMU agree that Lot 2 Block 7 should be owned by MMU and will work together to ask for changes in current state statutes that will allow greater flexibility for economic development opportunities. Should the city and MMU succeed in creating greater control over the use of Commerce Park development, MMU asks that Lot 2 Block 7 be sold to MMU for \$1.00 as originally intended in the first Joint Industrial Land Development agreement dated July 18th, 2008. If the city and MMU cannot secure the changes needed to sell Lot 2 Block 7 to MMU for \$1.00, MMU reserves the right to purchase Lot 2 Block 7 at the appraised value.

Now Therefore Be It Resolved, The City of Marshall as developer and owner of the remaining unsold developed land within the Sonstegard and Commerce Park 2 Subdivisions will:

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

1. Assume all liability for future initial infrastructure costs, including water mains that may be incurred in future phases of work in support of the Sonstegard and Commerce Park lands including any costs expended on the Merit Center Driving Track land related to stormwater improvements.
2. Repay the State of Minnesota all or a portion of the BDPI grant funds received if in the City of Marshall's opinion, it becomes necessary to remove State of Minnesota imposed restrictions on how the land is marketed and sold.
3. Provide MMU lot 2, block 7 in Commerce Park 2, free and clear of any State or Local encumbrances.

Marshall Municipal Utilities, agrees herein:

1. To partner with the city and help promote economic development. MMU will make available to the City of Marshall \$1,000,000 held in reserve from the original Joint Land Industrial agreement established in July of 2007. This money will be used by the City of Marshall in leveraging grant money for a future Economic Development Authority (EDA) project agreed upon by both the city and MMU. After the city is finished leveraging this money to promote the project., the \$1 million dollars will be applied to any MMU utility infrastructure extension costs associated with the EDA project.
2. To transfer funds to the City of Marshall through the annual Pilot payment for support of the work of the Marshall EDA within the city limits of Marshall MN. The annual amount of said funds would be the result of multiplying the 10-year average energy sales (excluding GS-4 sales) by \$.0006 and GS-4 sales by \$.0001 which would yield \$176,616 in the current calculation. The amount will vary slightly year to year.
3. To pay \$1.00 or the appraised value for lot 2, block 7 Commerce Park. The dollar amount will be determined by the results of the city's and MMU's efforts in making state statutes more flexible in support of economic development efforts by cities and counties.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Marshall Municipal Utilities Capital Funding Plan		Agreement Number: 7A.1.13
Date of Adoption: November 19, 2008	Updated: September 28, 2023	Effective: January 1, 2024

Subject Matter:

Two local public entities, the City of Marshall and Marshall Municipal Utilities (MMU) have the ability to utilize tax exempt bonding for capital improvements. When these entities determine a need to issue bonds, their preference is to issue bonds within the federally established bank qualified (BQ) limit.

Scope of Activity:

On an annual basis, the City Administrator and the General Manager of MMU coordinate their organization’s respective capital funding needs.

The coordination of public improvements requires a joint planning effort between all local public bodies. In cooperation and with joint planning, the City of Marshall and Marshall Municipal Utilities agree to work together on the coordination of their respective capital improvements funded by municipal bonding.

Funding:

During the last quarter of the year, MMU will communicate the subsequent year’s utility bonding needs to the Marshall City Council through their City Administrator. Further, Marshall Municipal Utilities agrees to engage the same Financial Advisor and Bond Counsel to streamline the joint planning between bodies. MMU does not anticipate issuing any additional Public Utility revenue bonds during 2024 for “new money” issues. However, in 2025, MMU is anticipating securing \$12-13 million in Public Utility Revenue Bonds for building and commissioning new distribution generation.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Fiber Optic Utilization		Agreement Number: 8A.1.13
Date of Adoption: November 19, 2008	Updated: September 28, 2023	Effective: January 1, 2024

Subject Matter:

Marshall Municipal Utilities (MMU) owns and maintains a fiber optic network as part of its electric utility. Over the years, public entities in Marshall have participated in the planning and funding of the network and have connected their buildings to the network to provide fiber connectivity. This connectivity allows greater efficiency in the planning and utilization of public Information Technology (IT) resources. While MMU owns the network, its joint utilization serves to provide a secure and robust network or Wide Area Network (WAN) within Marshall. Participants include the Lyon County Government, Marshall Public Schools, the City of Marshall and MMU. This agreement acts to do the annual planning between the City of Marshall and MMU for any planned fiber WAN improvements or expansions.

Scope of Activity:

MMU’s involvement is carried out in part, pursuant to the Marshall City Charter chapter 13.01, Subd.1. In satisfaction of the provisions of the chapter, MMU herein requests, and the City of Marshall herein grants the authority and ability to own, operate, maintain, replace and enhance the fiber optic facilities. The MMU owned fiber optic facilities can use public rights of way, consistent with Chapter 13.04 Subd 5 of the City Charter.

Funding:

The City of Marshall will provide the capital to expand the fiber system if the expansion is solely for the purposes of serving a City of Marshall function and no joint use is contemplated. When there is a joint use, MMU will provide funding for the non-City portion of the project. MMU’s fixed term “Dark Fiber” agreements are also an available funding mechanism the City can utilize. Repair or maintenance work done on fiber used solely by the City will be done by MMU on a time and material basis.

Future Cost:

The City does not need any new fiber infrastructure in 2024.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

Agreement Title: GIS Coordination		Agreement Number: 11A.4
Date of Adoption: November 7, 2017	Updated: Reaffirmed: September 28, 2023	Effective: January 1, 2023

Subject Matter:

Geographic Information System (GIS) utilization has increasingly been deployed at Marshall Municipal Utilities (MMU) and the City of Marshall for purposes of accurately recording and preserving the record of where the public assets are located. This work is very important for accurate system planning as well as transferring knowledge as one generation retires and another takes its place. MMU has developed robust capabilities in using a software platform named ESRI and the City of Marshall wishes to migrate their current GIS data to the same platform.

Scope of Activity:

MMU herein offers to support the City of Marshall in deploying the ESRI software for the management of various facility records now maintained by the City such as signage, wastewater, and surface water management. The use of ESRI will enhance the accuracy and functionality of data dealing with location points. MMU will provide the following services:

- A. Human resources to build and maintain the desired data and records related to physical locations in a GIS format.
- B. Software, licenses, and support and hardware located within the MMU/City Network suitable for accomplishing the work.

The City and MMU will provide map information when requested to a shared file for ease of access by staff.

The fee for MMU performing the work for the City will be tracked, and the incremental cost incurred by MMU will be billed to the City. MMU estimates the annual expenses to be approximately \$24,750 and actual recorded hours will be billed out to the City. This amount will be invoiced to the City on a semi-annual basis. On an annual basis, during the Joint Partnership Meeting, the costs will be reviewed and agreed upon for the succeeding year.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

**Marshall Municipal Utilities
City of Marshall
2024 Shared GIS Budget**

Shared GIS Budget 2024 - Software					
			MMU	City	
Area	Product / Purpose	Cost			User
ArcGIS	ESRI Enterprise Licensing	\$ 27,500	\$ 13,750	\$ 13,750.00	City (50%), MMU (50%)
	TOTAL	\$ 27,500	\$ 13,750	\$ 13,750	

Shared GIS Budget 2024 - MMU Estimated Staff Time *					
		Annual			
Area	Product / Purpose	Hours	Rate	City	User
GIS	Estimated MMU Staff Hours for:	200.00	\$ 55.00	\$ 11,000	City, MMU
	- GPS Fieldwork Collection				
	- Fieldwork Conversion to GIS				
	- GIS Database Creation				
	- GIS Database Maintenance				
	- Web and Mobile Map Creation				
	- Web an Mobile Map Maintenance				
	TOTAL			\$ 11,000	
Total Cost of GIS Software & MMU Staff Time				\$ 24,750	

* Actual hours are billed on a semi-annual basis to the City of Marshall.

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Radio Frequency (RF) Coordination		Agreement Number: 12A.5
Date of Adoption: November 18, 2019	Updated: September 28, 2023 Reaffirmed:	Effective: January 1, 2024

Subject Matter:

This agreement details the uses of Federal Communication Commission (FCC) regulated Radio Frequency or RF signals used in the transmission and reception of communication for voice and non-voice use in the regular operations of work activity of the employees of the City of Marshall and the Marshall Municipal Utilities (MMU). Generally, RF used by law enforcement is not part of this agreement. FCC also licenses private telecommunication providers who place their equipment for wireless communication on public facilities such as water towers and street light poles which in Marshall are owned by MMU.

The systems and FCC licensees needed to serve this public purpose can be enhanced through good coordination between City and MMU for their use.

Scope of Activity:

1. Two-way radio communication:

The FCC license for frequency 158.805 MHz is issued to the City of Marshall and is used by both the MMU employees and the City Public Works employees in the discharge of their duties. Said license renewal has been handled by MMU in the past but is issued to the City of Marshall. Due date for License Renewal 2025.

2. GPS base station transmitter:

The City owns a GPS transmitter placed on the City owned High-rise apartment at 202 N. 1st St. The FCC license for said transmitter operated at 453.2375 Mhz. As the equipment is owned by the City any FCC licensure activity should be handled by the City. Current FCC License expires November 8, 2025. Public and private users of GPS technology use this base station for documenting and locating geospatial information.

3. Private wireless telecommunication providers.

Cell phone service in and around Marshall is provided by the private sector. Agreements between these companies and MMU allow for their equipment to be located upon the MMU owned water towers on Bruce St. and Oak St.

Beginning in 2019, Verizon Wireless started to plan and build “small-cell” equipment on street light poles owned by MMU. Verizon’s vision is to one day in the future, use this equipment as a key part of their 5G build-out. They say 5G will support the triple-play of voice-data-entertainment. The current equipment is not 5G. To facilitate the placement of the small cell equipment, MMU has entered into agreements to allow for the orderly placement and operation of said privately owned equipment.

**CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES
AGREEMENT**

Any revenue received by MMU for use of the Street Light poles will be shared with the City of Marshall. MMU will receive said lease payments and will remit to the City the net revenue after paying for the expenses incurred to lease said street light poles to the companies. The current estimate of net revenue is \$1,000 per pole per year but is expected to change over time. Currently, seven (7) poles are under lease to Verizon Wireless.

2024 Costs:

No costs are expected related to this RF agreement in 2024.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

Secretary of the Commission

City Clerk

Date: _____

Date: _____

CITY OF MARSHALL AND MARSHALL MUNICIPAL UTILITIES AGREEMENT

Agreement Title: Water Main Development Agreement		Agreement Number: 13A.1
Date of Adoption: November 2022	Updated: Reaffirmed: September 28, 2023	Effective: January 1, 2023

Subject Matter: Marshall Municipal Utilities (MMU) will work in partnership with the Marshall City Government to encourage economic development and stability by establishing water infrastructure development guidelines. A Water Main Development Agreement shall be established that will streamline and promote the investment of water infrastructure and help provide a clear path for any Developer wanting to invest and expand in the City of Marshall.

Scope of Activity:

- **Design:**
MMU will work with the City Engineer’s Office to review and provide minimum water infrastructure requirements to any developer wanting to extend water utilities inside the city of Marshall. Once minimum water infrastructure requirements are established, MMU will then apply their future water infrastructure plans to the project. If it is determined by MMU that there needs to be changes in the size of the water main or accompanied equipment, MMU will coordinate with the developer and pay all purchase and installations costs associated with those changes.
- **Placement:**
The Developer will be responsible to install all minimum water infrastructure requirements for the building project. If any changes are required from MMU the Developer, in accordance with the Development Agreement, will coordinate with MMU and build to MMU specifications.
- **Ownership:**
All new water infrastructure installations will be owned and maintained by MMU.
- **Decision Making Process:**
The responsibility for making decisions regarding installation, repairs, replacement, inventory, and timing of the same rests with MMU’s Water Operation’s Manager. If needed, MMU’s Water Operation’s Manager will solicit input from the City Engineer’s Office using prior practices as a template.
- **Funding:**
Costs associated in building to minimum water infrastructure standards will be borne by the developer. Any additional costs will be determined and borne by MMU.

When there may be grant money available for the extension of water mains and associated hardware, the City of Marshall shall provide the grant writing assistance to attempt to secure said grant funding.

Marshall Municipal Utilities Commission

City of Marshall

Chairperson of the Commission

Mayor

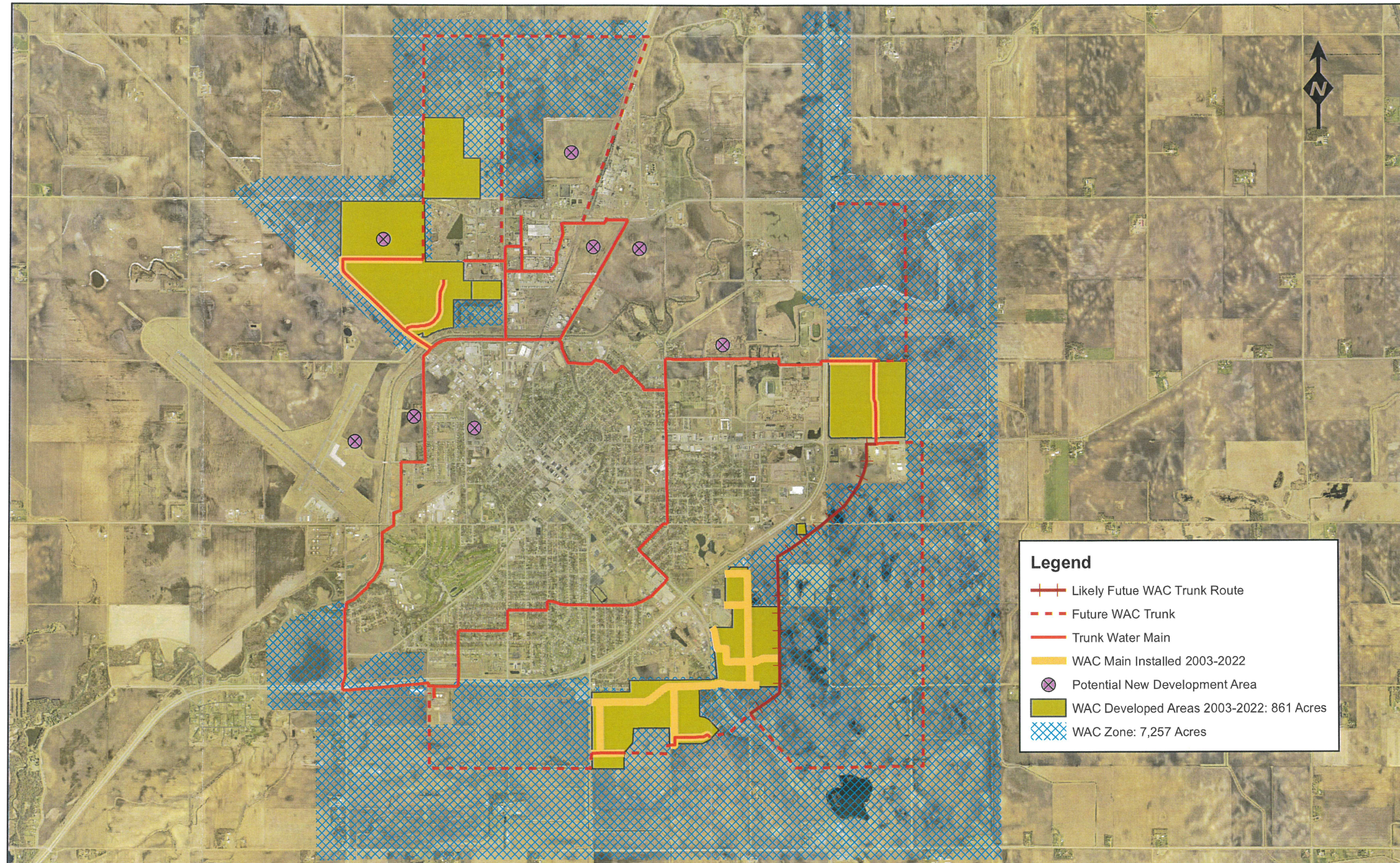
Secretary of the Commission

City Clerk

Date: _____

Date: _____

Marshall Water Area Charge Zones



**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Sheila Dubs
Meeting Date:	Tuesday, October 24, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider the 2024 Health and Dental Insurance Renewals
Background Information:	<p>At the October 10, 2023 Council work session, the city’s broker, Bill Chukuske with National Insurance Services (NIS), presented the 2024 renewal information for health and dental insurances. A history of the City’s premium renewals, a review of the claims data, and review of health and dental comparable-city information was presented at the work session.</p> <p>Health Insurance Renewal: For 2024, BCBS of MN has offered the city a renewal with a 7% increase. Our broker recommends acceptance of this renewal.</p> <p>Staff recommend Council approval of the BCBS of MN renewal and cost-share as presented during the work session, the City and Employees sharing equally in the 7% health insurance premium increase.</p> <p>Dental Insurance renewal: For 2024, Delta Dental has offered the city a renewal with a 10.57% increase. Based on this renewal increase, NIS conducted an RFP to review alternative proposals. Our broker reviewed the RFP process and the proposals received at the work session. The Beam proposal provides the lowest premiums, a similar plan structure, and has a 2nd year rate guarantee. The Beam proposal requires a minimum employer premium contribution of 80%. The Beam proposal provides the city with cost savings estimated at \$17,392.68, based on current enrollment elections.</p> <p>NIS and Staff are recommending the Council reject the Delta Dental renewal and consider Beam for 2024-2025.</p> <p>The Employee Insurance Advisory Committee met on 10/06/2023 and is supportive of the staff recommendation.</p>
Fiscal Impact:	Acceptance of the Beam dental proposal will result in an estimated savings of \$17,392.68. Total estimated employer increase across all funds for health and dental combined of \$73,27140.
Alternative/ Variations:	
Recommendations:	To accept the 2024 BCBS of MN renewal, the 2024-2025 Beam dental proposal, and cost-share proposal as presented.

Insurance Rate History Summary

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



Renewal Summary

Prepared for City of Marshall
9/13/2023



Overview

Your Plan Design

Market Update

Medical Carrier Information

Renewal Analysis

Rate Display

Other Group Benefits You Offer

Benefit Recommendations

Your Plan Design

Effective 1/1/2024 to 12/31/2024



Current Plan Benefits

\$2,000 Deductible Plan

	In-network	Out-of-network
Deductible	Individual: \$2,000 Family: \$4,000	Individual: \$4,000 Family: \$8,000
Out-of-Pocket Maximum	Individual: \$3,000 Family: \$6,000	Individual: \$6,000 Family: \$12,000
Preventive Care	0% Coinsurance Deductible does not apply	Well Child Care: 0% Coinsurance. Deductible does not apply Other Services: 50% Coinsurance
Urgent Care	25% Coinsurance	50% Coinsurance
Office Visits	25% Coinsurance	50% Coinsurance
Hospital Visits	25% Coinsurance	50% Coinsurance
Special Visits	25% Coinsurance	50% Coinsurance
Emergency Room	25% Coinsurance	50% Coinsurance
Prescription Coverage	25% Coinsurance	Not Covered



Market Update



Market Assessment

Medical/RX:

Rx Trend and Trend Drivers

For prescription drug trend in 2023, most plans will see an average of high single digits to low double digits before rebates. As usual, specialty drug classes will be a trend driver, in addition to a few non-specialty drug classes such as diabetes and weight loss products, which in 2021 and 2022 surpassed insulins as the top drug for spend in the antidiabetic class.

The drug pipeline plays a major role in trend, and it's filled with costly therapies. New biosimilars and cellular & gene therapies are on the way. Biosimilars may provide up to 35% savings compared to the reference brands. Additionally, the long-anticipated expiration of Humira's patent will occur. However, substantial savings will likely not be seen until 2024 and beyond. (Source: National Cooperative Rx, 12-13-2022).

Managing Rising Health Care Costs

The average per-employee cost of employer-sponsored health plans continues to rise, often outpacing employers in their efforts to get strategic around healthcare spending. Healthcare navigation technology is becoming an increasingly popular tool for employers to help employees make the best decisions regarding their healthcare spending.

Curbing the Impact of Inflation

With the sting of inflation being felt across the nation, 40% of employees are anticipated to cut back on the benefits they choose during open enrollment. While approaching open enrollment with a different attitude than previous years, employees may require extra time and guidance this year as they reflect on their family's benefits needs and their own financial circumstances.

Compliance

For plan years beginning in 2023, employer plans will be considered affordable under the Affordable Care Act (ACA) if the employee's required contribution for self-only coverage does not exceed 9.12% of employee's household income. This is down from 9.61% in 2022, and the lowest the percentage has ever been set. Employers will want to

double-check their contribution strategy and/or consider adding a lower-cost minimum value plan if they are concerned about avoiding IRS penalties.

Human Resource Trends

Communicating with a Dynamic Workforce

According to a 2022 Gallup poll, over 80% of employees are currently working in a hybrid or fully-remote workplace models. While this impact may not be as strong in the public sector, investing in digital communication tools and enrollment systems can help ensure employees make good enrollment decisions.

Prioritizing Employee Well-Being

Employee well-being is a priority for many employers in 2023. Most employees are experiencing elevated stress, burnout and poor mental health due to inflation, increased job duties and the lingering effects of the pandemic. While many employers enhanced their mental health and well-being benefits to better support workers in response to the pandemic, more employers are expected to prioritize employee well-being in 2023.

Employee benefits, perks and wellness programs are expected to become more holistic to address overall employee mental, physical, and financial well-being.

Long-Term Care Insurance

The Cares Act in the state of Washington has ignited a national trend. Last year, the state of Washington rolled out legislation that creates a Long-Term Care benefit for all W-2 employees that meet the state's eligibility requirements - and it is funded by an employee payroll tax. Employees can seek exemption status from this payroll tax if they have a private LTC policy that meets the minimum requirements of the state.

To mitigate this tax, hundreds of thousands of Washington residents chose to buy private LTC insurance. Since the Cares Act, similar legislation is beginning to take shape in other states, including in the Midwest and East. Due to the new potential legislation, employers are considering educating their employees on risk and coverage levels, or offering voluntary LTC alternatives to the state plans.

Medical Carrier Information



Blue Cross Blue Shield

Financial Summary—Fully Insured

Aware Network

- Insured response for January of 2024, would be a 7% increase, or \$118,073
- Revenue from current premium for 2023 is \$1,686,813
- BCBS proposed revenue, using current enrollment, would be \$1,804,886
- Renewal does not include renewal caps for 2025



Blue Cross® and Blue Shield® of Minnesota

1 Out of 3 Americans Are Members of a Blue Cross and Blue Shield Network

The Aware network¹ provides your employees with easy access to a statewide network that includes more than 98% of hospitals and physicians in Minnesota – making it easy to get the care they need.

Cost-Cutting Convenience

Designed to make saving on healthcare as easy as possible, Blue Cross Aware Network offers a broad footprint of participating providers.

Blue Cross contracts with only the top-performing providers proven to deliver top-quality, effective care. Your employees may see significant savings and gain greater provider access.

A Perfect Match for Your Employees

The Aware Network²

- 176 Hospitals
- 17,968 Primary Care Providers
- 37,860 Specialty Care Providers

Available at Home and Abroad

With 97% of doctors and 98% of hospitals participating in the national BlueCard® PPO network across the country, your employees won't have any trouble finding care. On top of that, BlueCard® PPO network includes network-participating doctors throughout the world, giving your employees peace-of-mind as they travel.

Blue Cross® and Blue Shield® of Minnesota is a non-profit independent licensees of the Blue Cross and Blue Shield Association.

The Aware® Network from Blue Cross Gives Your Employees More Access and More Savings



Broad Access

- 107 million members nationally
- \$382 million invested in health initiatives across the country³
- \$1 billion invested in 140 companies and technologies working to improve our health care⁴



Superior Network Savings

- 3.7% average discount advantage⁵
- 55% average savings on in-network claims⁶



Global Availability

- 170 countries and territories contain network-participating providers



Unlock More Providers

- 98% of claims paid in-network⁶
- 98% of hospitals participate⁷
- 97% of doctors participate⁷

Blue Cross® and Blue Shield® of Minnesota and Blue Plus® are nonprofit independent licensees of the Blue Cross and Blue Shield Association.

¹ This network includes providers one county in to the neighboring states of Iowa, South Dakota, North Dakota, and Wisconsin.

When seeking care in these counties, employees should search for providers using Aware Network (not BlueCard PPO).

² Numbers are reflective of signed contracts as of March 2018 and are subject to change.

³ Blue Cross Blue Shield Community Investment Report, 2018.

⁴ Blue Cross Blue Shield Association Data, 2018.

⁵ National Discount Benchmarking Study, CY 2015.

⁶ ValueQuest Cost Model at a Glance, MY 2016.

⁷ Consortium Health Plans Network Compare Findings, Q3 2017.



Provider Discounts

The Aware PPO Network from Blue Cross Provides Impressive Discounts to Your Employees

Average Discounts: Aware Network (01/2019)			
Area	Inpatient Hospital	Outpatient Hospital	Physician
Minnesota Metro	44.3%	49.2%	36.4%
Minnesota Non-Metro	33.9%	33.6%	35.3%
Statewide	41.3%	43.4%	36.1%

Blue Cross only partners with healthcare providers proven to offer the highest quality and value of care to improve the health of your employees and lower costs. Value-based pricing does not apply to all providers in the Aware network.

Blue Cross sends this data back to the stakeholders of self-funded health benefit plans to help them assess the usage of their plans among network-participating providers.

Out-of-Network Provider Negotiations

There are some cases in which a participant must use a non-contracted provider or a provider located outside of Minnesota. When this occurs, Blue Cross utilizes a shared savings arrangement with MultiPlan, a third-party vendor, to evaluate and financially negotiate these claims. MultiPlan also analyzes claims for waste and abuse (e.g., seemingly unrelated services, excessive services reported, and unlikely combinations of services performed), and addresses these claims through clinical negotiation. With both negotiation products, the member is not held liable for the difference between the billed charges and the negotiated rate (known as balance billing).

In the cases where MultiPlan negotiations for Blue Cross claims are not successful, Blue Cross pays at the MultiPlan Data iSight rates.



Blue Cross Customer Service

Better Service. More Satisfied Customers

Through the Aware Network from Blue Cross and Blue Shield of Minnesota, your plan members gain toll-free telephone access to U.S.-based Customer Service Representatives from 7:00 a.m. to 8:00 p.m. Central time, Monday through Friday. More services are available outside of normal business hours, such as Blue Cross interactive voice response service or online resources.

These tools can help employees:

- Find answers to health plan questions
- Find doctors and hospitals
- Email a Customer Service Representative
- Schedule a Doctor On Demand Appointment



Live Phone Support, Monday-Friday from 7:00 a.m. to 8:00 p.m. CT



Secure Online Member Portal, Available 24 Hours



Interactive Voice Response by Phone, Available 24 Hours

Blue Cross Member Service Touchpoints

Customer Service Representatives	Online Resources	Nurse Guides	Case Managers
<ul style="list-style-type: none"> • Assist employees with health coverage questions • Utilizes in-house experts for clinical support • Help finding network-participating providers • Inform employees of available services 	<ul style="list-style-type: none"> • 24/7 Access to “Find a Doctor” web-based tool • Claims and medical spending account questions • Cost/quality comparisons on providers • Doctor On Demand—live appointments via video on the web 	<ul style="list-style-type: none"> • Provide assistance in navigating the health care system • Offer clinical guidance • Assist employees in determining which services they need • Transfer to case managers, if needed 	<ul style="list-style-type: none"> • Assess member needs • Provide emotional support and education • Outline coordination of benefits for employees • Resolve gaps in care • Provide connection to health specialists
Self-Directed Support			Active Outreach



Blue Cross Blue Shield

Extras

Blue Care Advisor: A New Approach

Blue Cross has designed a platform to improve the way we support our members, our clients and to transform the way we provide service. Our team now has sophisticated tools they need not only to help members better understand their benefits, but also provide next best actions and support them throughout their benefits journey. Blue Care Advisor brings together member's health, wellness, and navigation needs into one easy-to-use solution. It engages your population where they are to drive next best actions and outcomes. Three big advantages include:

Tech Experience - The new platform features a high-tech and high-tough digital experience that encompasses the entire benefits ecosystem for an innovative point solution for our members.

Wellbeing - Our wellbeing portfolio will be more user-friendly than ever, integrating programs to help members manage their physical, mental and financial health all in one place with recommendations from our customer service team to direct them to that next best action.

Data - Using robust data to provide members with transparent access to cost of care, ability to find the information they need and ultimately result in a measurable ROI for our clients as they see higher engagement with Blue Care Advisor than any platforms we previously had available.

Immediate access to care with Telehealth

Doctor On Demand delivers quality healthcare to consumers whenever and wherever they need it. Primary and urgent care providers and psychiatrists are available for video visits in all 50 states and the District of Columbia. All are board-certified and can answer health questions, diagnose conditions, and prescribe medications.

Virtual health and wellness support tools

From lowering stress to managing weight or a chronic condition, BCBS offers the virtual support your employees need. Their engaging health and wellness programs not only help prevent disease and injury today but reduce the likelihood of employees becoming ill or impaired tomorrow.



Renewal Analysis



Projected Renewal Year Claims Projection		Coverage Effective Date: 01/01/2024	
	(Most Recent)	(Prior Period)	
	<u>Rating Period 1</u>	<u>Rating Period 2</u>	
Total Incurred Claims	\$1,097,419	\$352,776	
- Remove Claims Above Pooling Level (at \$85,000)	(\$37,619)	(\$38,274)	
+ <u>Projection Year Adjustments Based on Target Plan</u> ¹	<u>\$52,288</u>	<u>\$8,001</u>	
Total Completed Claims	\$1,112,088	\$322,503	
x <u>(1+ Cost Trend Factor)</u> ²	<u>15.8%</u>	<u>20.1%</u>	
Trended Claims	\$1,287,338	\$387,465	
+ <u>Pooling Charge (for claims above \$85,000)</u>	<u>\$450,276</u>	<u>\$190,197</u>	
Projected Renewal Year Claims Dollars	\$1,737,614	\$577,662	
/ <u>Member Months</u>	<u>3,357</u>	<u>1,418</u>	
Projected Renewal Year Claims PMPM	\$517.61	\$407.38	
x Experience Period Weighting	90.4%	9.6%	
	<u>PMPM</u>	<u>Dollars</u>	
Weighted Projected Renewal Year Claims	\$507.08	\$1,703,791	

Renewal Development Summary			
	<u>Credibility</u>	<u>PMPM</u>	<u>Dollars</u>
Weighted Projected Renewal Year Claims	60%	\$507.08	
Manual Rate (Experience to Manual: 0.907)	40%	<u>\$559.22</u>	
Credibility Weighted Claims		\$527.94	\$1,773,869
	<u>% of Premium</u>	<u>PMPM</u>	<u>Dollars</u>
Administrative Expense			
+ General Admin Expense and Reserves	7.1%	\$41.32	
+ MN and ACA Taxes	1.0%	\$6.04	
+ <u>Agent Commission</u>	<u>1.5%</u>	<u>\$8.76</u>	
Total Administrative Expense	9.6%	\$56.12	\$188,567
		<u>PMPM</u>	<u>Dollars</u>
Total Calculated Premium Based on Target Plan		\$584.06	\$1,962,436
- Adjusted Benefits from Target Plan Back to Actual Plan Distribution ³		\$0.00	\$0
Total Calculated Premium After Benefit Adj		\$584.06	\$1,962,436
Total Current Premium			\$1,686,813
Calculated Rate Change			16.3%
Released Rate Change			7.0%

¹ Includes IBNR, settlements, withholds, benefits adjusted to target plan and other adjustments based on expectations of projected year experience.

² Per 1 = 19 mos @ 9.8% annually; Per 2 = 28 mos @ 8.2% annually

³ Includes pricing discount for TurnKey Plans, if applicable



Rate Display



BCBS Rates 2023

\$2,000 Deductible Plan

Single	\$687.98
Family	\$1,820.78

BCBS Rates 2024

\$2,000 Deductible Plan

Single	\$736.14
Family	\$1,948.23



Other Group Benefits You Offer



Dental Insurance

Summary

- This plan offering has been in force since 2021(through NIS)
- Renewal Rates came in at an overall 10.57% change compared to the 2023 Rates
- 5 Year Bids due for 1/1/2025
- 7 Carriers responded to the RFP; 5 Carriers provided quotes

	2023	2024
Employee	\$47.96	53.04
Family	\$133.28	\$147.38



Delta Dental of Minnesota

Carrier	Rate(s)	Rate Guarantee
DELTA DENTAL	Employee - \$53.04 Family - \$147.38	N/A
Proposed		
AMERITAS LIFE INSURANCE CORP(2%)	New Choice Plus – Discounted Fee Plan 1 Employee - \$38.16 Plan 1 Family - \$107.00 Passive PPO – 90 th U&C Plan 2 Employee - \$45.80 Plan 2 Family - \$127.52	24 Months
BEAM BENEFITS(2%)	Employee - \$31.72 Family - \$110.31	24 Months
BLUE CROSS OF MINNESOTA(10%)	Plan 1 Employee - \$54.51 Plan 1 Family - \$151.48 Plan 2 Employee - \$55.28 Plan 2 Family - \$153.63	24 Months
METROPOLITAN LIFE(10%)	Employee - \$45.36 Family - \$126.04	12 Months
SIMPLE DENTAL(\$2.00PEPM)	ASO Fees w/out comp - \$6.20 Plan 1 Employee w/out fees added - <u>\$34.20</u> Plan 1 Employee + Spouse w/out fees added - <u>\$68.40</u> Plan 1 Employee + Children w/out fees added - <u>\$70.40</u> Plan 1 Family w/out fees added - <u>\$111.25</u> Plan 2 Employee w/out fees added - <u>\$45.95</u> Plan 2 Employee + Spouse w/out fees added - <u>\$91.90</u> Plan 2 Employee + Children w/out fees added - <u>\$93.90</u> Plan 2 Family w/out fees added - \$148.85	24 Months
HEALTHPARTNERS	DTQ - No Response	N/A
UNUM	DTQ - Uncompetitive	N/A

	Current Plan		Proposed Plan	
	Delta Dental		BEAM Benefits	
	In Network	Out Of Network	In Network	Out Of Network
Maximums	\$1,000	\$1,000	\$1,000	\$1,000
Deductible	\$50 Individual/ \$150 per family	\$50 Individual/ \$150 per family	\$50 Individual/ \$150 per family	\$50 Individual/ \$150 per family
UCR	90%	90%	95%	95%
Benefits				
Diagnostic				
Oral Exams	100%	100%	100%	100%
X-Rays	100%	100%	100%	100%
Prophylaxis (Cleaning)	100%	100%	100%	100%
Topical fluoride	100%	100%	100%	100%
Space Maintainers	100%	100%	100%	100%
Sealants	100%	100%	100%	100%
Palliative Treatment (pain)	80%	80%	80%	80%
Basic				
Fillings	80%	80%	80%	80%
Oral Surgery	80%	80%	80%	80%
Periodontal Services (gum disease)	80%	80%	80%	80%
Endodontic Services (root canals)	80%	80%	80%	80%
Repairs to bridges/dentures	50%	50%	50%	50%
Relining dentures	50%	50%	50%	50%
Major				
Bridges	50%	50%	50%	50%
Dentures	50%	50%	50%	50%
Crowns	50%	50%	50%	50%
Inlays/Onlays	50%	50%	50%	50%
Orthodontic				
Children Only to age 26	50%	50%	50%	50%
Lifetime Maximum	\$1,000	\$1,000	\$1,000	\$1,000
Rates	Current Plan	Renewal	80% ER Contribution	
ASO Fee in addition to projected claim rate (comp included)				
Employee	\$47.96	\$53.04	\$31.72	
Employee + Spouse	\$133.28	\$147.38	\$110.31	
Employee + Children	\$133.28	\$147.38	\$110.31	
Family	\$133.28	\$147.38	\$110.31	
Rate Guarantee	Thru Decemer 31,2023	12 months	24 months	
Participation Requirements	N/A	N/A	Minimum 2 employees	

Vision Insurance

Summary

- This plan offering has been in force since 2019
- Rates are guaranteed to 12/31/2024
- 5 Year Bids due 1/1/2025

	2023	2024
Employee	\$7.24	\$7.24
Employee + 1	\$13.76	\$13.76
Family	\$20.20	\$20.20



Disability Insurance

Summary

- This plan offering has been in force since 1992
- Rates are guaranteed until 1/1/2026
- 5 Year Bids and renewal due 1/1/2025



Benefit Recommendations



Benefit Recommendations

Medical Insurance: Our recommendation would be to accept the 7% Increase with Blue Cross Blue Shield effective 1/1/2024.

Dental Insurance: Our recommendation would be to accept the BEAM Proposal. This proposal offers a similar plan vs the current Delta Dental plan, with lower costs, no waiting periods, and a 24 month rate guarantee. Network options are included, but has a 95th % UCR. **UCR** stands for Usual, Customary and Reasonable. It is the amount that is paid for a medical service in a certain area based on what the providers in that area charge for that service or a similar one. The **UCR** may be used by the insurance to determine the allowed amount. With little to no disruption, the UCR would provide added benefit to go anywhere out of network and still receive similar benefits. This proposal does require 80% Mandatory Group Contribution.





Dental Quote

City of Marshall

Plan: SmartPremium Plus 100/80/50/50-1000-1000

Policy effective date: 2024-01-01

Policy length: 24 months

Minimum employer contributions: 80.0% for employee and 80.0% for dependent(s).

Quote id: 162871

Plan quote id: 1595557

Plan pricing

Employee	Family
\$31.72 monthly	\$110.31 monthly

Why Beam Benefits

Beam is setting a new standard for the industry: simpler, smarter employee benefits. Our plans are easy to understand, easy to implement, and even easier to use with technology when you want it and helpful support from real people when you need it.

- Digital-first, rapid implementation
- Self-service online administration management tool
- A national network of more than 500,000 access points.
[Find an in-network Dentist](#)
- Wellness-focused Beam Perks included for eligible groups*

Beam Perks

Our Beam Perks program incentivizes positive brushing habits with wellness rewards[#], meaning brighter benefits and bigger smiles.



Beam Brush

Smart, electric toothbrush.



Beam paste

High-quality, custom formulated toothpaste.



Free shipping

Perks delivered right to you.

BEAM SUPPORT

support@beambenefits.com | (800) 648 1179

Item 14.

202306



LEARN MORE

beambenefits.com



Valid

Page 172

1 of 5

Plan coverage

In-network

(PPO fee)

Out-of-network

(95th percentile UCR)

Preventive & Diagnostic

Diagnostic and preventive: exams, cleanings, fluoride, space maintainers, x-rays, and sealants

100%

100%

Basic

Emergency palliative treatment: to temporarily relieve pain

Endodontics: root canals

Minor restorative: fillings

Oral surgery: extractions and dental surgery

Periodontics: to treat gum disease

Prosthetic maintenance: relines and repairs to bridges and dentures

80%

After deductible

80%

After deductible

Major

Implants: endosteal in lieu of a 2 or 3 unit bridge

Major restorative: crowns, inlays, and onlays

Prosthetics: bridges

Prosthodontics: dentures

50%

After deductible

50%

After deductible

Orthodontia

Child Orthodontics: braces with age limit of 19

50%

50%

Plan maxes

Annual maximum is the most Beam will pay in a policy year, and applies to diagnostic & preventive, basic services, and major services. Lifetime maximum applies to orthodontic services.

Annual max based on Calendar Year.

Annual max (In network)

\$1,000 /yr

Annual max (Out of network)

\$1,000 /yr

Ortho lifetime max

\$1,000 /lifetime

Plan deductible

The deductible is the dollar amount paid towards the cost of care before the insurance benefit begins to cover the cost of claims. The deductible is waived for diagnostic & preventive services.

Individual

\$50 /yr

Family

\$150 /yr

BEAM SUPPORT

help@beambenefits.com | (800) 648 1179

Item 14.

202306



LEARN MORE

beambenefits.com

beam

Valid

Page 173

2 of 5

Submit a claim

Beam Insurance Administrators
PO Box 75372
Cincinnati, OH 45275

Electronic payer ID
BEAM1

NEA ID
BEAM1

Fax number
(844) 688-4821

Phone number
(800) 648-1179

Claim form accepted
ADA form 2006 or later

Beam Dental PPO Standard coverages, as of August 1, 2019

Smart premium

How lowering your premium works

Using the Beam Brush earns you a Beam score. The better your group's Beam score, the bigger potential drop in your premium at your renewal.¹

Brush better, get a lower premium—pretty simple. Don't worry, your rates will not increase based on your group Beam score alone. Just get rewarded for good brushing by your group.

¹Rate changes are based on Beam score aggregate of your group, prior claims data analysis, and changes in dentist reimbursement contracts. The reduction stated above nor any reduction in premiums is guaranteed. Premium rates can be increased based on the factors previously stated, if determined in the underwriting process. Increase in premium will not occur based on group aggregate Beam score alone.

Additional details

See any dentist

Our PPO plans allow you to see any licensed dentist. Savings in plan cost and member out of pocket expenses may be obtained by utilizing participating network dentists.

Beam has partnered with leading regional and national PPO network partners through Dental Benefit Providers (DBP), Careington, DenteMax Plus, Connection Dental, First Dental Health, Maverest, and Beam Direct networks to provide you with the most choices possible.

Rating requirements

Minimum employer contributions: 80.0% for employee and 80.0% for dependent(s).

Minimum employee enrollment: 2 employees

Maximum number of subgroups: 10

Rates are valid for 90 days after 09/11/23

Frequencies & limitations

Coverage rules

Code	Procedure	Covered Under	Frequency	Notes
D0120, D0150, D9310	Periodic oral exam, Comprehensive oral exam, Consultation	Diagnostic	Limit of three per 12 months	Limited to 3 oral evaluation procedures, in any combination (D0120, D0150, D9310) per 12 month period
D0140	Limited oral exam	Diagnostic	Two per 12 months	Can do treatment on same day; no shared freq with D0120; shared freq with D0170
D0210	Radiographs-FMX	Diagnostic	One per 60 months	Shared freq with D0330; not reimbursed within 6 months of Bitewing Radiographs
D0220	Radiographs-periapical (first)	Diagnostic	Not covered if inclusive of a procedure with x-rays.	Bitewings and 7 or more periapicals will be reimbursed as FMX. Not covered on same day as D0210, D0330 or if considered a part of billed procedures
D0230	Radiographs-periapical (each additional)	Diagnostic	Not covered if inclusive of a procedure with x-rays.	Bitewings and 7 or more periapicals will be reimbursed as FMX. Not covered on same day as D0210, D0330 or if considered a part of billed procedures
D0270-D0274	Radiographs-bitewings	Diagnostic	Every 6 months	Can perform 6 months after D0210
D0330	Radiographs-panoramic	Diagnostic	One per 60 months	Shared freq with D0210
D1110	Prophylaxis	Preventive	Two per benefit period	Three per 12 months if pregnant 2nd/3rd trimester, four per 12 months if diabetic (N, V); not covered within 3 months of D4910
D1206, D1208	Fluoride	Preventive	One per 12 months	Covered under age 16
D1351, D1352	Sealants, Resins	Preventive	One per 36 months, per tooth	Covered under age 16, 1st & 2nd permanent molars
D2140-D2161	Fillings	Minor Restorative	One per 24 months, per tooth	Multiple restorations on one surface are payable as one surface. Multiple surfaces on a single tooth will not be paid as separate restorations.
D2330-D2394	Fillings	Minor Restorative	One per 24 months, per tooth	Multiple restorations on one surface are payable as one surface. Multiple surfaces on a single tooth will not be paid as separate restorations. Posterior composites covered.
D2740, D2750 ...	Crowns (N,X,A)	Major	One per 60 months, paid on seat date; seat date required	See * note below for details
D2950	Core Build-up (X)	Major	One per 60 months	See * note below for details
D4341-D4342	Periodontal scaling and root planing (N, P, X)	Periodontics	One per 24 months, per quadrant	Can perform all 4 quads in one day
D4910	Periodontal maintenance (H)	Periodontics	Two per year unless pregnant (3) or diabetes (4)	After periodontal treatment; can be alternated with D1110 for one per three months
D6010	Endosteal Implants (N,M,X2)	Major	One per lifetime	In lieu of a single tooth replacement when a 2 or 3 unit bridge has been approved for coverage when adjacent teeth are not in need of crowns on their own merit; if there are no additional teeth missing throughout the arch. Alternate benefit of a partial denture will be considered if criteria is not met.
Not covered:	D0350, D0364, D0470, D1330, D2962, D3110, D3120, D8093, D9230, D9248			

Frequently asked questions

Continuation of service?	Covered starting on patient's effective date	N = Narrative of medical necessity
Continuation of benefits?	Earlier effective date is primary	P = Perio charting
Frequency of ortho payments?	Monthly – submit claims for on-going treatment	X = Labeled & dated, pre-op x-rays
Are prior extractions covered?	Yes – no missing tooth clause	X2 = Labeled & dated, pre-op and post op x-rays
Timely Filing limit?	12 months from date of service unless otherwise specified by state law. Please refer to your Certificate	H = Periodontal history
Is pre-authorization mandatory?	No – but estimates recommended for \$300+ services	A = date of prior insertion of existing crown
		M = panoramic x-ray or FMX (if available), all missing teeth
		V = Verification from physician (if pregnant requires due date)

Disclaimer

This quote is not a complete description of the insurance coverage. Controlling provisions are provided in the policy, and this quote does not modify those provisions or the insurance in any way. This is not a binding contract. A certificate of coverage will be made available to you that describes the benefits in greater details. Should there be a difference between this quote and the contract, the contract will govern.

Unless otherwise requested, the producer that you designate as your broker of record will receive commission as a percentage of paid premium for the insurance policies included in this quote. The producer may also qualify for bonuses based on new policies sold and/or retention of existing policies within a specific calendar year. This compensation may vary on a number of factors, including the volume and/or profitability of the insurance contracts that the producer places with Beam Insurance Services LLC. Any bonuses paid are not directly charged to the insurance policies included in this quote and do not have a direct impact on your premium rate. You may obtain information about the compensation expected to be received by the producer by requesting such information from your broker of record.

Dental insurance product underwritten by National Guardian Life Insurance Company (NGL), Madison, WI, marketed by Beam Insurance Services LLC (Beam Benefits Insurance Services LLC, in CA). Dental policy form number NDNGRP 2020. Dental product underwritten by Nationwide Life Insurance Company, Columbus, OH in NY, DE, ID, LA, UT, OH, TX and NM. Dental coverage applicable to policy form GDTL AO L20, or state equivalent. Dental product administered by Beam Insurance Administrators LLC (Beam Dental Insurance Administrators LLC, in Texas). Not all Products Available in All States.

Two life groups made up of only a husband-wife, domestic partners or same-sex couple are not eligible for coverage.

National Guardian Life Insurance Company, Madison, WI, is not affiliated with The Guardian Life Insurance Company of America, a.k.a. The Guardian, or Guardian Life.

Beam is not a subsidiary of Nationwide Life Insurance Company. Beam Insurance Services LLC and Beam Insurance Administrators LLC are separate companies and not affiliated with Nationwide Life Insurance Company.

National Guardian Life Insurance Company, Two East Gilman, Madison, Wisconsin 53703

Nationwide Life Insurance Company, One Nationwide Plaza, Columbus, OH 43215

Beam Perks™ is provided by Beam Perks LLC. Eligible members age 4 and up at the time of enrollment are eligible to receive Beam Perks™ and must select their Beam Brush color within 45 days of enrollment to participate. If you do not have a mobile device you can obtain Beam Perks™ by contacting Customer Operations at 1.800.648.1179. Beam Perks™ can be obtained separately without the purchase of an insurance product by visiting perks.beam.dental. Beam Perks™ may be changed at any time without notice and is subject to availability. See <https://www.beambenefits.com/legal/beam-perks-terms-and-conditions> for Terms and Conditions.

**2023 Comparable Cities Survey--Health and Dental
Combined Employer Contribution
SINGLE PLANS**

Total Employer Contribution Rank High to Low			Deductible	Monthly Premium	Monthly Employer Contribution	Monthly Employer Contribution %	Monthly Employee Contribution	Annual HSA ER Contribution	Total Annual Employer Contribution	TOTAL COMBINED EMPLOYER CONTRIBUTION
SINGLE									SINGLE	SINGLE
1	Waseca	United Health Care MetLife	5000/10000 \$50	\$847.14 \$28.20	\$847.14 \$0.00	100.00% 0.00%	\$0.00 \$28.20	\$ 3,405.00	\$ 13,570.68 \$ -	\$ 13,570.68
2	St Peter	Medica Simple	3500 \$50	\$767.02 \$34.54	\$767.02 \$34.54	100.00% 100.00%	\$0.00 \$0.00	\$ 2,400.00	\$ 11,604.24 \$ 414.48	\$ 12,018.72
3	Worthington	PEIP Aflac Dental	HSA Plan 2000/4000	\$885.22	\$885.22 \$0.00	100.00% 0.00%	\$0.00	\$ 750.00	\$ 11,372.64 \$ -	\$ 11,372.64
4	Albert Lea	HDHP Delta Dental	3250/6500 \$50	\$925.20 \$34.16	\$814.20 \$0.00	88.00% 0.00%	\$111.00 \$34.16	\$ 1,200.00	\$ 10,970.40 \$ -	\$ 10,970.40
5	Fairmont	Plan D-Complete Delta Dental	5000/10000 \$25	\$785.60 \$42.92	\$785.60 \$38.63	100.00% 90.00%	\$0.00 \$4.29	\$ 500.00	\$ 9,927.20 \$ 463.56	\$ 10,390.76
6	Northfield	BCBS Guardian - High Plan	3000/6000	\$751.72 \$34.24	\$688.36 \$17.34	91.57% 50.64%	\$63.36 \$15.80	\$ 1,750.00	\$ 10,010.32 \$ 208.08	\$ 10,218.40
7	Willmar	PEIP	2000/3000 \$100	\$616.27 \$38.42	\$581.93 \$0.00	94.43% 0.00%	\$34.34 \$38.42	\$ 3,000.00	\$ 9,983.16 \$ -	\$ 9,983.16
8	New Ulm	BCBS of MN Guardian - High Plan	3250/6500 50	\$812.45 \$17.70	\$812.45 \$8.85	100.00% 50.00%	\$0.00 \$8.85	\$ -	\$ 9,749.40 \$ 106.20	\$ 9,855.60
9	Faribault	Medica Principal	3000 \$50	\$785.94 \$30.75	\$723.06 \$24.60	92.00% 80.00%	\$62.88 \$6.15	\$ 673.20	\$ 9,349.92 \$ 295.20	\$ 9,645.12
10	MARSHALL	BCBS Delta Dental	2000/4000 50	\$687.98 \$47.96	\$591.66 \$38.37	86.00% 80.00%	\$96.32 \$9.59	\$ 1,500.00	\$ 8,599.92 \$ 460.44	\$ 9,060.36
11	North Mankato	MSI PP ASO MetLife	4000/8000 50	\$712.42 \$29.40	\$569.94 \$0.00	80.00% 0.00%	\$142.48 \$29.40	\$ 1,750.00	\$ 8,589.28 \$ -	\$ 8,589.28
12	Owatonna	Medica Health Partners	3375/6750 \$25/person	\$692.16 \$36.75	\$568.00	82.06% 0.00%	\$124.16 \$36.75	\$ 1,225.00	\$ 8,041.00 \$ -	\$ 8,041.00
13	Hutchinson	Health Partners Assurant-self funded	2000/4000	\$558.20 \$33.35	\$446.56 \$22.23	80.00% 66.66%	\$111.64 \$11.12	\$ 1,000.00	\$ 6,358.72 \$ 266.76	\$ 6,625.48
									Average	\$ 10,026.28

**2023 Comparable Cities Survey--Health and Dental
Combined Employer Contribution
FAMILY PLANS**

TOTAL EMPLOYER CONTRIBUTION Rank High to Low			Deductible	Monthly Premium	Monthly Employer Contribution	Monthly Employer Contribution%	Monthly Employee Contribution	Annual HSA/VEBA Employer Contribution	Total Annual Employer Contribution	TOTAL COMBINED EMPLOYER CONTRIBUTION
FAMILY									FAMILY	FAMILY
1	Waseca	United Health Care MetLife	5000/10000 0	\$2,634.61 \$110.50	\$2,500.00 \$0.00	94.89% 0.00%	\$134.61 \$110.50	\$ 4,929.00	\$ 34,929.00 \$ -	\$ 34,929.00
2	St Peter	Medica Simple	3500 \$150	\$2,530.82 \$92.10	\$2,230.82 \$92.10	88.15% 100.00%	\$300.00 \$0.00	\$ 4,000.00	\$ 30,769.84 \$ 1,105.20	\$ 31,875.04
3	Albert Lea	HDHP Delta Dental	3250/6500 \$150	\$2,725.00 \$115.10	\$2,234.00 \$0.00	81.98% 0.00%	\$491.00 \$115.10	\$ 1,900.00	\$ 28,708.00 \$ -	\$ 28,708.00
4	Faribault	Medica-F Principal	3000 150	\$2,515.11 \$188.35	\$2,062.40 \$75.34	82.00% 40.00%	\$452.71 \$113.01	\$ 673.20	\$ 25,422.00 \$ 904.08	\$ 26,326.08
5	Worthington	Medica Aflac	HSA Plan 2000/4000	\$2,478.61	\$1,982.89 \$0.00	80.00% 0.00%	\$495.72	\$ 1,500.00	\$ 25,294.68 \$ -	\$ 25,294.68
6	Willmar	PEIP Delta Dental	4000/6000 \$100 lifetime	\$1,617.16 \$139.08	\$1,533.49 \$0.00	94.83% 0.00%	\$83.67 \$139.08	\$ 6,000.00	\$ 24,401.88 \$ -	\$ 24,401.88
7	Fairmont	Plan D-Complete Delta Dental	5000/10000 \$150	\$1,940.85 \$141.94	\$1,720.58 \$99.36	88.65% 70.00%	\$220.27 \$42.58	\$ 2,000.00	\$ 22,646.96 \$ 1,192.32	\$ 23,839.28
8	North Mankato	MSI PP ASO MetLife	4000/8000 unknown	\$2,075.38 \$97.76	\$1,660.30 \$0.00	80.00% 0.00%	\$415.08 \$97.76	\$ 3,500.00	\$ 23,423.60 \$ -	\$ 23,423.60
9	MARSHALL	BCBS Delta Dental	2000/4000 150	\$1,820.78 \$133.28	\$1,529.46 \$106.62	84.00% 80.00%	\$291.32 \$26.66	\$ 2,000.00	\$ 20,353.52 \$ 1,279.44	\$ 21,632.96
10	Owatonna	BCBS Health Partners	3375/6750	\$1,914.94 \$106.09	\$1,584.00 \$0.00	82.72% 0.00%	\$330.94 \$106.09	\$ 2,500.00	\$ 21,508.00 \$ -	\$ 21,508.00
11	Northfield	BCBS (HSA plan) Guardian - High Plan	3000/6000 \$150	\$2,026.95 \$130.12	\$1,428.50 \$17.34	70.48% 13.33%	\$578.50 \$105.42	\$ 3,500.00	\$ 20,642.00 \$ 208.08	\$ 20,850.08
12	New Ulm	BCBS of MN Guardian - High Plan	3250/6500 \$150	\$1,900.97 \$64.00	\$1,485.16 \$32.00	78.13% 50.00%	\$422.62 \$32.00	\$ 2,463.60	\$ 20,285.52 \$ 384.00	\$ 20,669.52
13	Hutchinson	Medica Assurant	2000/4000 self funded \$0	\$1,618.80 \$69.54	\$1,295.04 \$46.36	80.00% 66.67%	\$323.76 \$23.18	\$ 2,000.00	\$ 17,540.48 \$ 556.32	\$ 18,096.80

Average \$ 24,734.99

2024 Health and Dental Insurance Renewals

BCBS Renewal is 7.0%

Delta Dental Renewal is 10.57%

HEALTH INSURANCE

DENTAL INSURANCE

COMBINED HEALTH AND DENTAL

7% increase to both ER and EE

80-20% cost share

	Current (was an 8.8% renewal) 2023 BCBS		Recommended Renewal 7.0% 2024 BCBS	
	Single	Family	Single	Family
Monthly Premium	\$ 687.98	\$ 1,820.78	\$ 736.14	\$ 1,948.23
Employer Contribution	\$ 591.66 86%	\$ 1,529.46 84%	\$ 633.08 86%	\$ 1,636.51 84%
Employee Contribution	\$ 96.32 14%	\$ 291.32 16%	\$ 103.06 14%	\$ 311.72 16%
ER Annual Premium	\$ 7,099.92	\$ 18,353.52	\$ 7,596.96	\$ 19,638.12
EE Annual Premium	\$ 1,155.84	\$ 3,495.84	\$ 1,236.72	\$ 3,740.64
ER HSA/VEBA contribution	\$ 1,500.00	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00
Total Annual ER contribution	\$ 8,599.92	\$ 20,353.52	\$ 9,096.96	\$ 21,638.12

	Current (was 4% renewal w 2nd yr rate guarantee) 2023 Delta Dental		Not Recommended Renewal 10.57% 2024 Delta Dental		Recommended Alternative Proposal 2024 Beam Dental	
	Single	Family	Single	Family	Single	Family
Monthly Premium	\$ 47.96	\$ 133.28	\$ 53.04	\$ 147.38	\$ 31.72	\$ 110.31
Employer Contribution	\$ 38.37	\$ 106.62	\$ 42.43	\$ 117.90	\$ 25.38	\$ 88.25
Employee Contribution	\$ 9.59	\$ 26.66	\$ 10.61	\$ 29.48	\$ 6.34	\$ 22.06
ER Annual Premium	\$ 460.44	\$ 1,279.44	\$ 509.16	\$ 1,414.80	\$ 304.56	\$ 1,059.00
EE Annual Premium	\$ 115.08	\$ 319.92	\$ 127.32	\$ 353.76	\$ 76.08	\$ 264.72
ER HSA/VEBA contribution	\$ 1,500.00	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00
Total Annual ER contribution	\$ 460.44	\$ 1,279.44	\$ 509.16	\$ 1,414.80	\$ 304.56	\$ 1,059.00

	Current Health and Dental Contribution		Recommended Health and Dental Contribution	
	Single	Family	Single	Family
Monthly Premium	\$ 735.94	\$ 1,954.06	\$ 767.86	\$ 2,058.54
Employer Contribution	\$ 630.03	\$ 1,636.08	\$ 658.46	\$ 1,724.76
Employee Contribution	\$ 105.91	\$ 317.98	\$ 109.40	\$ 333.78
ER Annual Premium	\$ 7,560.36	\$ 19,632.96	\$ 7,901.52	\$ 20,697.12
EE Annual Premium	\$ 1,270.92	\$ 3,815.76	\$ 1,312.80	\$ 4,005.36
ER HSA/VEBA contribution	\$ 1,500.00	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00
Total Annual ER contribution	\$ 9,060.36	\$ 21,632.96	\$ 9,401.52	\$ 22,697.12

Proposed annual increase to Employer in 2024:	\$ 497.04	\$ 1,284.60
Proposed annual increase to Employee in 2024:	\$ 80.88	\$ 244.80
# of contracts (as of 09/30/2023)	17	64
Estimated 2024 Employer increase based on current contracts:	\$ 8,449.68	\$ 82,214.40
Total Est Employer Annual Cost:	\$ 1,448,823.92	
Total Est Employer increase for 2024:		\$ 90,664.08

Proposed annual increase to Employer in 2024:	\$ 48.72	\$ 135.36	\$ (155.88)	\$ (220.44)
Proposed annual increase to Employee in 2024:	\$ 12.24	\$ 33.84	\$ (39.00)	\$ (55.20)
# of contracts (as of 09/30/2023)	14	69	14	69
Estimated 2024 Employer increase based on current contracts:	\$ 6,446.16	\$ 88,281.36	\$ 7,128.24	\$ 97,621.20
Total Est Employer Annual Cost:	\$ 94,727.52		\$ 104,749.44	\$ 77,334.84
Total Est Employer increase for 2024:			\$ 10,021.92	Savings \$ (17,392.68)

Total Est Annual Employer \$ Increase Across All Funds \$ 73,271.40

Total Employer % increase: 3.77% Single 4.92% Family
Total Employee % increase: 3.30% 4.97%

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Preston Stensrud
Meeting Date:	Tuesday, October 24, 2023
Category:	NEW BUSINESS
Type:	INFO/ACTION
Subject:	Authorization to Purchase Playground Equipment from St. Croix Recreation
Background Information:	<p>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.</p> <p>The next park we would like to install equipment in is Justice Park. Staff would like to order the equipment this fall for 2024 installation to avoid pricing increases. This equipment will be paid for by donations as well and the installation will include additional sidewalk and accessible surfacing around the new equipment.</p> <p>The support for the installation of inclusive equipment has been overwhelming and we are very thankful for all the support of the community to make our parks more inclusive.</p>
Fiscal Impact:	\$34,066.00
Alternative/ Variations:	None recommended
Recommendations:	Authorize the purchase of inclusive playground equipment for Justice Park in the amount of \$34,066.00 from St. Croix Recreation.

St. Croix Recreation Fun Playgrounds INC.

1826 Tower Dr W
 Stillwater, MN 55082 US
 16514301247
 hannah@stcroixrec.com



Estimate

ESTIMATE # 6678

DATE 10/16/2023

EXPIRATION DATE 12/15/2023

ADDRESS

City of Marshall
 Accounts Payable
 344 W Main St
 Marshall, MN 56258

SHIP TO

City of Marshall
 Attn: Preston
 400 West College Dr
 Marshall, MN 56258

PLEASE DETACH TOP PORTION AND RETURN WITH YOUR PAYMENT.

SHIP VIA

Best

SALES REP

JWJ

ACTIVITY	QTY	RATE	AMOUNT
BCI NU-3273 PLAYENSEMBLE	1	24,280.00	24,280.00T
BCI 560-2625 MOVMT INCLUSIVE	1	17,045.00	17,045.00T
DISCOUNT FALL SALES FLYER DISCOUNT	1	-5,584.00	-5,584.00T
STATE CONTRACT STATE CONTRACT #218090	1	-2,500.00	-2,500.00T
Freight Freight quotes currently only valid for 15 days.	1	825.00	825.00T

MATERIAL ITEMS AS QUOTED ARE GOOD FOR 30 DAYS. FREIGHT QUOTES ARE GOOD FOR 15 DUE TO FUEL UNCERTAINTIES. SALES TAX SUBJECT TO CHANGE. ADD IF NOT TAX EXEMPT OR SUPPLY EXEMPTION CERTIFICATE IF NOT ON FILE. PAYMENT TERMS ARE NET 30 DAYS UNLESS OTHERWISE NOTED. FAILURE TO PAY IN A TIMELY MANNER WILL BE SUBJECT TO INTEREST AT A RATE OF 1.5%/MONTH OR 18% ANNUALLY.

SUBTOTAL	34,066.00
TAX (0%)	0.00
TOTAL	\$34,066.00

*LEAD TIMES AND SHIPPING DATES ARE BASED ON CURRENT INVENTORY. PLEASE BE PATIENT AS OUR VENDORS NAVIGATE SUPPLY CHAINS & NATIONAL SHORTAGES.

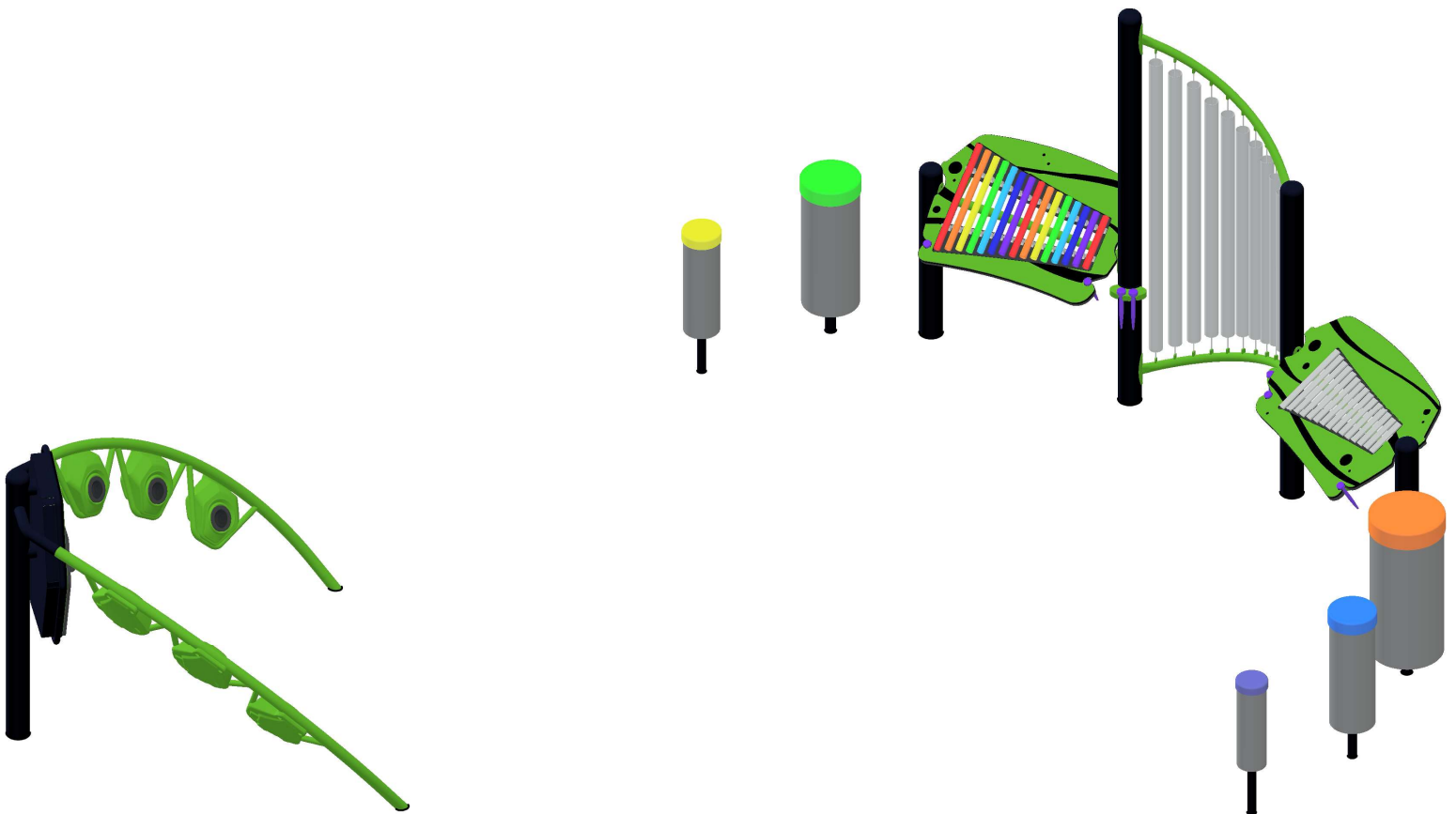
**FOR BIDDING CONTRACTORS & SUPPLIERS: ST CROIX RECREATION IS NOT LIABLE FOR INTERPRETATION OF PROJECT BIDS, DRAWINGS OR ADDENDA. IT IS THE CUSTOMER'S RESPONSIBILITY TO VERIFY ACCURACY OF MODEL NUMBER(S), DESCRIPTION(S), QUANTITY AND COLOR(S) DIRECTLY WITH END USER

By placing estimate or authorizing by email or PO, purchaser is agreeing to billing terms as listed on the estimate. Order to include model number(s) and color(s) above including any supplemental documents provided and/or requested. Please verify all content for accuracy. **Those off of the MN State Contract are bound only by the terms and conditions listed in said contract**

Item 15.

Accepted By

Accepted Date



St. Croix Recreation Fun Playgrounds Inc.

1826 Tower Dr W | Stillwater, MN 55082 | 651-430-1247

Item 15. Marshall 100-175834-1 | 10/18/2023

OUR MISSION IS TO BRING
PLAY THAT MOVES YOU®
TO COMMUNITIES AROUND
THE WORLD

October 18, 2023

Preston Stensrud
Marshall Community Education
400 West College Dr
Marshall, MN 56258
Phone: 5075376786

Dear Preston Stensrud:

St. Croix Recreation Fun Playgrounds Inc. is delighted to provide Marshall Community Education with this playground equipment proposal.

This design was developed with your specific needs in mind, and we look forward to discussing this project further with you to ensure your complete satisfaction. St. Croix Recreation Fun Playgrounds Inc. is confident that this proposal will satisfy Marshall Community Education's functional, environmental, and safety requirements -- and most importantly -- bring joy and excitement to the children and families directly benefiting from your new playground.

You have our personal commitment to support this project and your organization in every manner possible, and we look forward to developing a long-standing relationship with Marshall Community Education. We appreciate your consideration and value this opportunity to earn your business.

Sincerely,



Johnnie Johnsen
Sales Representative

St. Croix Recreation Fun Playgrounds Inc.
1826 Tower Dr W
Stillwater, MN 55082
www.www.funplaygrounds.com
www.bciburke.com

Phone: 651-430-1247
Fax: -
jj@stcroixrec.com

COOPERATIVE PURCHASING OPTIONS

PLAYGROUNDS WITHOUT ALL THE PAPERWORK

Purchasing with contracts may sound intimidating, but getting your community playspace doesn't need to be a painful process of writing specifications, issuing RFP's and jumping through hoops – it can be simplified – we promise! As you continue planning for your new commercial playground, review the Purchasing Contracts offered through our partners. Purchasing with one of these contracts simplifies the process and ensures the design and intent remain the same – serving as a place for your community to gather, grow and thrive.

EQUALIS GROUP

Equalis is an innovative cooperative purchasing organization that believes in the power of partnership and that when you work together you achieve more. The basic premise of the Equalis cooperative purchasing organization is to leverage the combined buying power of all members for better pricing and favorable contract terms. Equalis Group uses the lead agency model for competitively bid contracts, provides our participants the savings they expect and offers efficiencies and peace of mind within the procurement process. It is our mission to continuously improve the measurable and meaningful impact of cooperative services for everyone throughout the supply chain.

OMNIA PARTNERS

OMNIA Partners, Public Sector (Subsidiary National IPA) is the largest and most experienced organization in purchasing and supply chain management. Comprised of participants and suppliers in the public sector, we bring together industry-leading buying power and world-class suppliers to offer an extensive portfolio of competitively solicited and publicly awarded contracts and partnerships. OMNIA Partners is proud to offer more value and resources to state and local government, higher education, K-12 education and non-profits.

HGACBUY

Purchasing Burke playground equipment through HGACBuy gives your agency access to volume purchasing agreements and discounts, and there's no need to incur the time and expense of writing specs, issuing RFPs, advertising and evaluating bids. This can shorten your procurement cycle by months, while ensuring compliance with competitive bidding requirements.

SOURCEWELL

As a leader in cooperative purchasing, Sourcewell is passionate about helping members fulfill their public service missions. Sourcewell builds strong relationships with members and vendors to develop practical solutions together.

The easiest way to Join Our Movement is to call your local Representative at 800.266.1250 or visit bciburke.com/rep. Our passion is bringing play to communities like yours and we can't wait to help you get started!



DESIGN SUMMARY

St. Croix Recreation Fun Playgrounds Inc. is very pleased to present this Proposal for consideration for the Marshall Inclusive Play located in Marshall. BCI Burke Company, LLC has been providing recreational playground equipment for over 100 years and has developed the right mix of world-class capabilities to meet the initial and continuing needs of Marshall Community Education. We believe our proposal will meet or exceed your project's requirements and will deliver the greatest value to you.

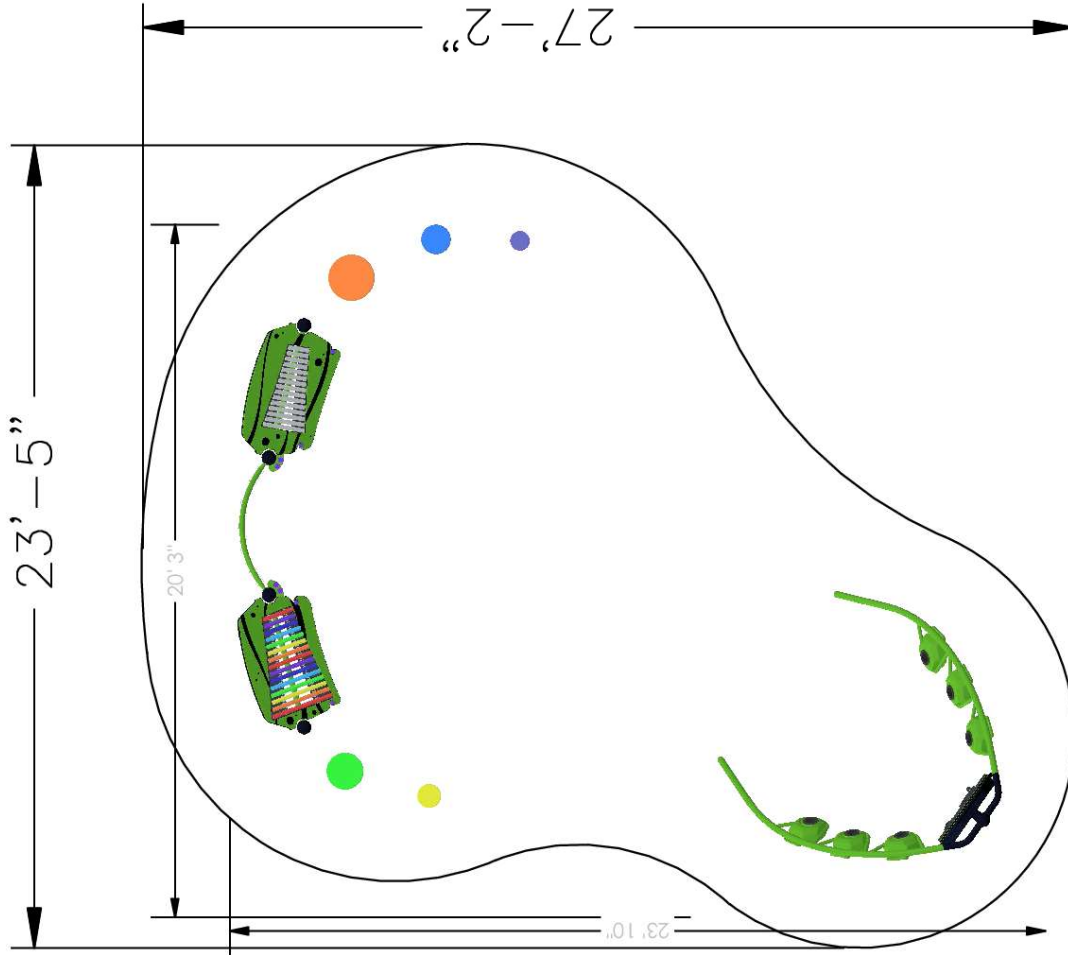
The following is a summary of some of the key elements of our Proposal:

- Project Name: Marshall Inclusive Play
- Project Number: 100-175834-1
- User Capacity: 14
- Age Groups: 5 to 12
- Dimensions: 0x0
- Designer Name: Kari J. Champeau

St. Croix Recreation Fun Playgrounds Inc. has developed a custom playground configuration based on the requirements as they have been presented for the Marshall Inclusive Play playground project. Our custom design will provide a safe and affordable playground environment that is aesthetically pleasing, full of fun for all users and uniquely satisfies your specific requirements. In addition, proposal # 100-175834-1 has been designed with a focus on safety, and is fully compliant with ASTM F1487 and CPSC playground safety standards.

We invite you to review this proposal for the Marshall Inclusive Play playground project and to contact us with any questions that you may have.

Thank you in advance for giving us the opportunity to make this project a success.



The use and layout of play components identified in this plan conform to the CPSC guidelines. U.S. CPSC recommends the separation of age groups in playground layouts.

TOTAL EVENTS	PLAYGROUND ACCESSIBILITY (Provided/Required)			TYPES OF GROUND EVENTS
	ELEVATED EVENTS	TRANSFER ACCESSIBLE EVENTS	RAMP ACCESSIBLE EVENTS	
9	0 / 0	0 / 0	0 / 0	3 / 0

**The space requirements shown here are to ASTM standards. Requirements for other standards may be different.

OVERALL BOUNDING OF USE ZONES
 Area: 482.2 sq. ft.
 Perimeter: 88.1 ft.
STRUCTURE SIZE: 23' 10" x 20' 3"
POST SIZE(S): 5"

Warning: Accessible safety surfacing material is required beneath and around this equipment that is compliant with ASTM, CPSC, and ADAAG requirements.

SERIES LINE: Nucleus | Burke Basics

SITE PLAN VIEW

GROUP:
 PlayEnsemble NU-3273 | MOVmnt Inclusive

Marshall Inclusive Play
 Marshall, MN 56258

10/18/2023

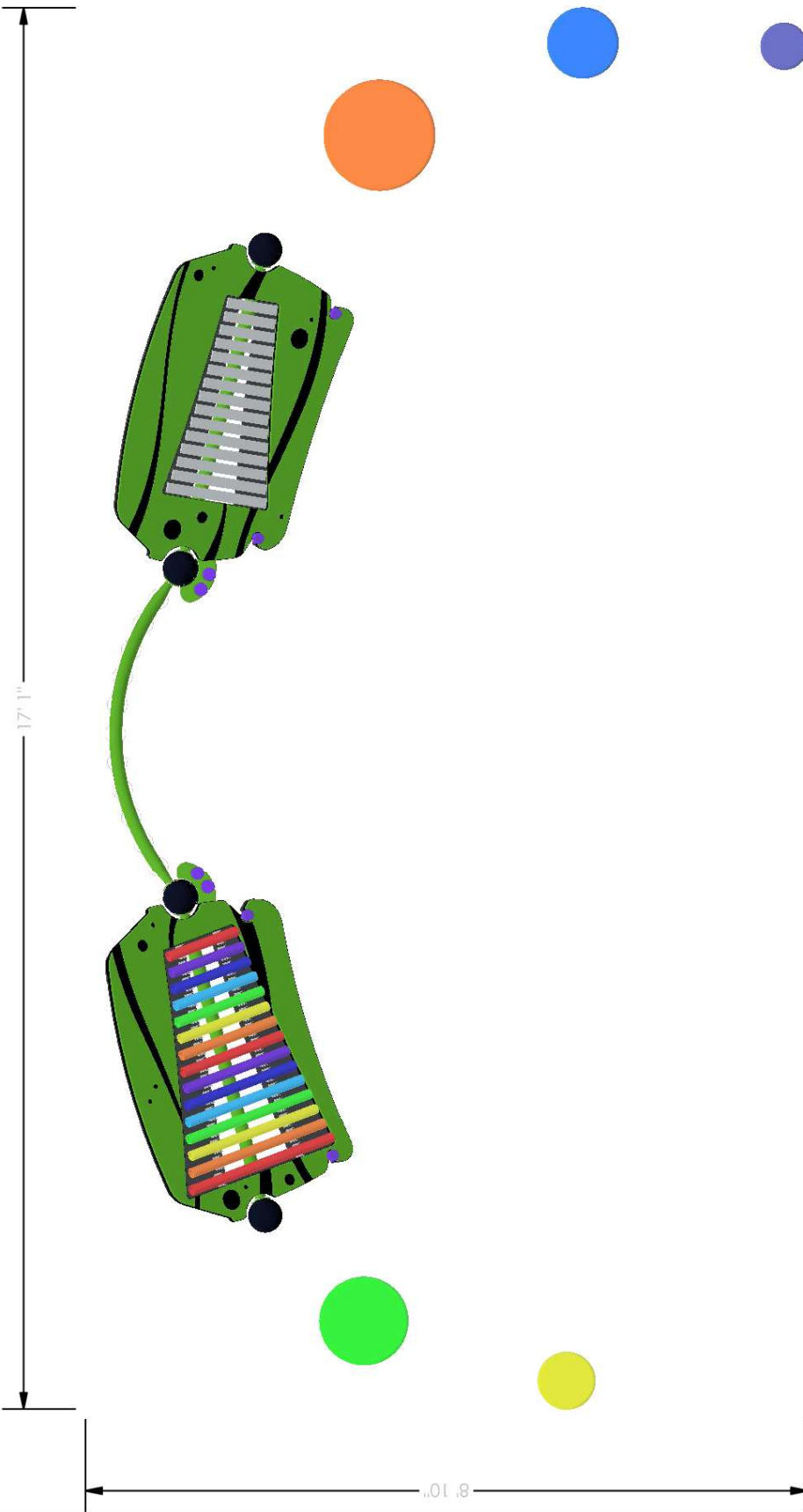
DESIGNED FOR AGES:
 5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1



Designer: Kari J. Champeau

Item 15.



The use and layout of play components identified in this plan conform to the CPSC guidelines. U.S. CPSC recommends the separation of age groups in playground layouts.

TOTAL EVENTS	PLAYGROUND ACCESSIBILITY (Provided/Required)			TYPES OF GROUND EVENTS
	ELEVATED EVENTS	TRANSFER ACCESSIBLE EVENTS	RAMP ACCESSIBLE EVENTS	
9	0 / 0	0 / 0	0 / 0	3 / 0

OVERALL BOUNDING OF USE ZONES
 Area: 149.2 sq. ft.
 Perimeter: 51.6 ft.
STRUCTURE SIZE: 8' 10" x 17' 1"
POST SIZE(S): 5"

**The space requirements shown here are to ASTM standards. Requirements for other standards may be different.

SERIES LINE: Nucleus | Burke Basics **SITE PLAN VIEW**

GROUP:
PlayEnsemble NU-3273

DESIGNED FOR AGES:
5 to 12

Marshall Inclusive Play
Marshall, MN 56258

Burke
PLAY THAT MOVES YOU.

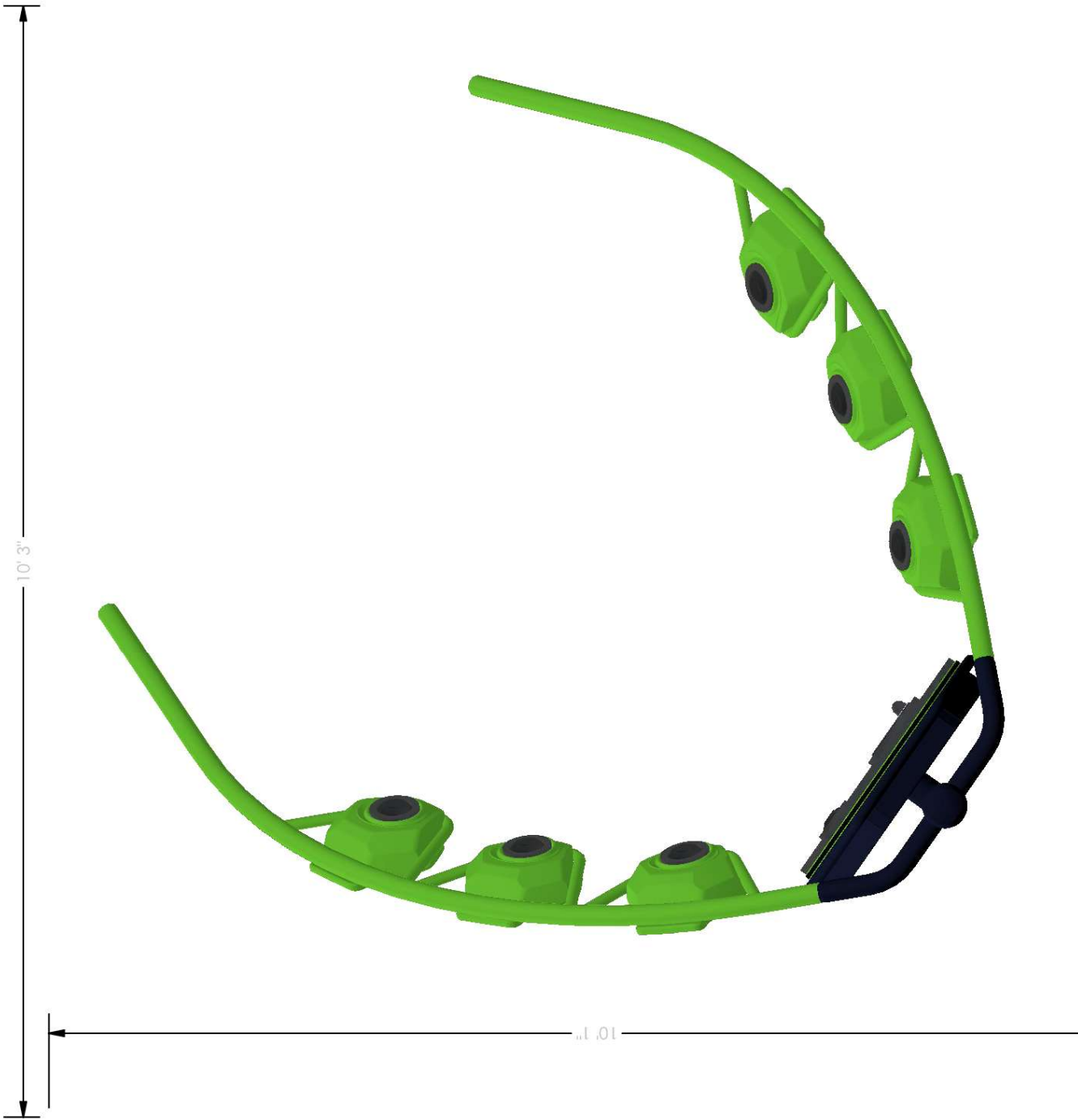
10/18/2023

St. Croix Recreation Fun Playgrounds
100-175834-1

Designer: Kari J. Champeau

Item 15.

Warning: Accessible safety surfacing material is required beneath and around this equipment that is compliant with ASTM, CPSC, and ADAAG requirements.



The use and layout of play components identified in this plan conform to the CPSC guidelines. U.S. CPSC recommends the separation of age groups in playground layouts.

TOTAL EVENTS	PLAYGROUND ACCESSIBILITY (Provided/Required)			TYPES OF GROUND EVENTS
	ELEVATED EVENTS	TRANSFER ACCESSIBLE EVENTS	RAMP ACCESSIBLE EVENTS	
9	0 / 0	0 / 0	0 / 0	3 / 0

**The space requirements shown here are to ASTM standards. Requirements for other standards may be different.

OVERALL BOUNDING OF USE ZONES
 Area: 102.3 sq. ft.
 Perimeter: 40.5 ft.
STRUCTURE SIZE: 10' 1" X 10' 3"
POST SIZE(S): 5"

SERIES LINE: Burke Basics

SITE PLAN VIEW

GROUP:
MOVMNT Inclusive

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1

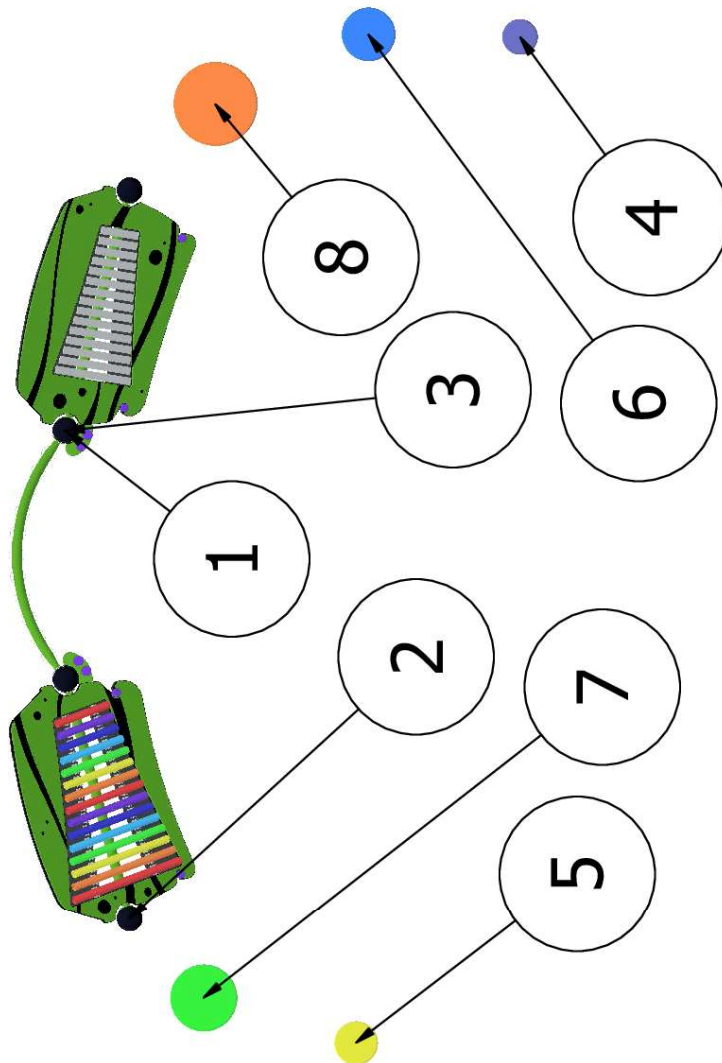


Designer: Kari J. Champeau

Item 15.

Warning: Accessible safety surfacing material is required beneath and around this equipment that is compliant with ASTM, CPSC, and ADAAG requirements.

ITEM	COMP.	DESCRIPTION
1	570-0410	PLAYENSEMBLE TITAN CHIMES
2	570-0411	PLAYENSEMBLE SUPINE CHIMES HUE
3	570-0412	PLAYENSEMBLE TERRA METALLOPHONE
4	560-0059	PLAYENSEMBLE CIRQUE DRUM I
5	560-0058	PLAYENSEMBLE CIRQUE DRUM II
6	560-0057	PLAYENSEMBLE CIRQUE DRUM III
7	560-0056	PLAYENSEMBLE CIRQUE DRUM IV
8	560-0055	PLAYENSEMBLE CIRQUE DRUM V



SERIES LINE: Nucleus | Burke Basics

COMPONENT VIEW

GROUP:
PlayEnsemble NU-3273

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

DESIGNED FOR AGES:
5 to 12

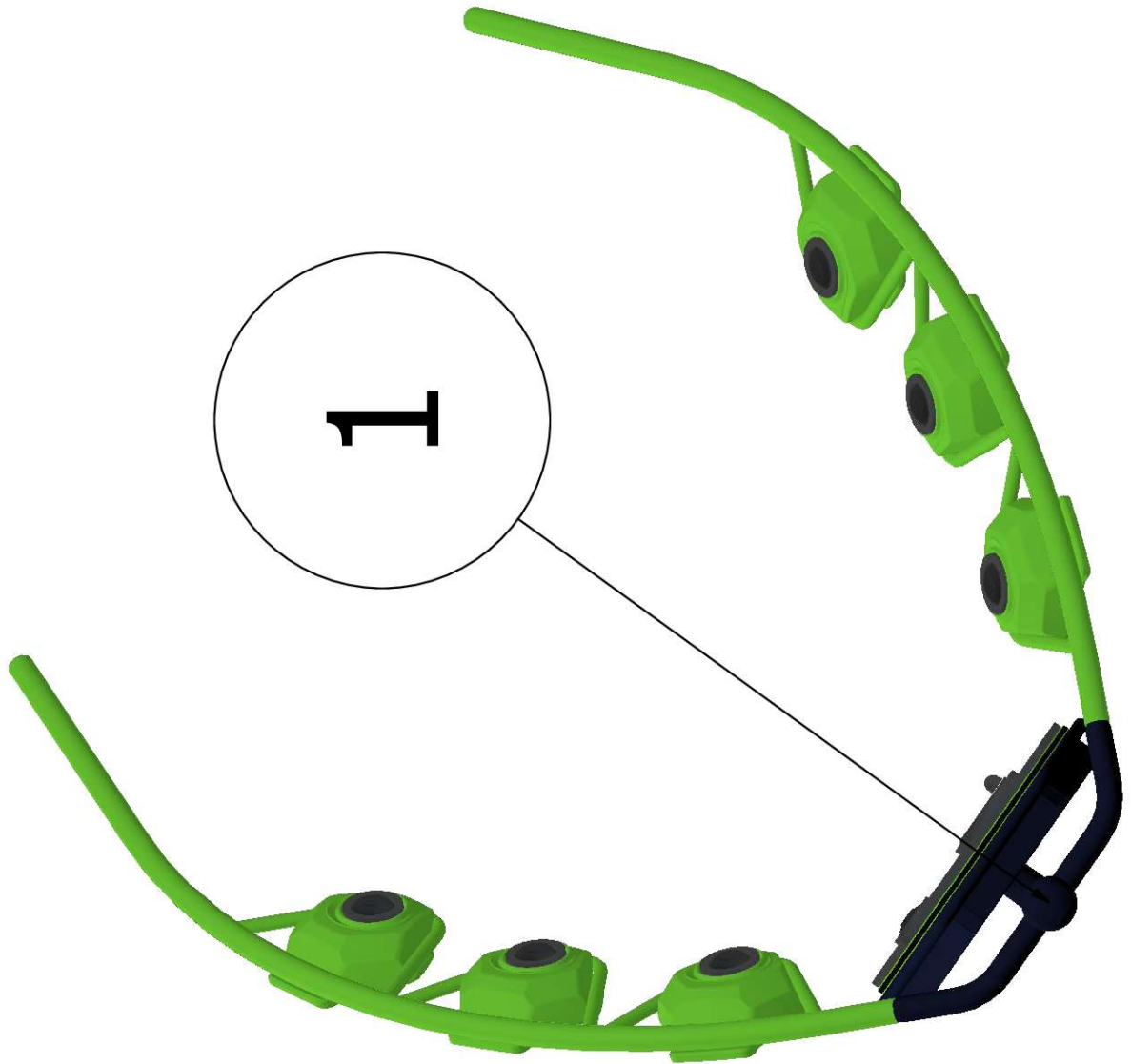
St. Croix Recreation Fun Playgrounds
100-175834-1

Burke
PLAY THAT MOVES YOU

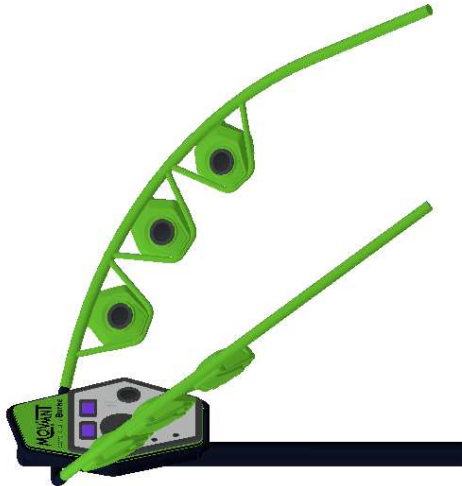
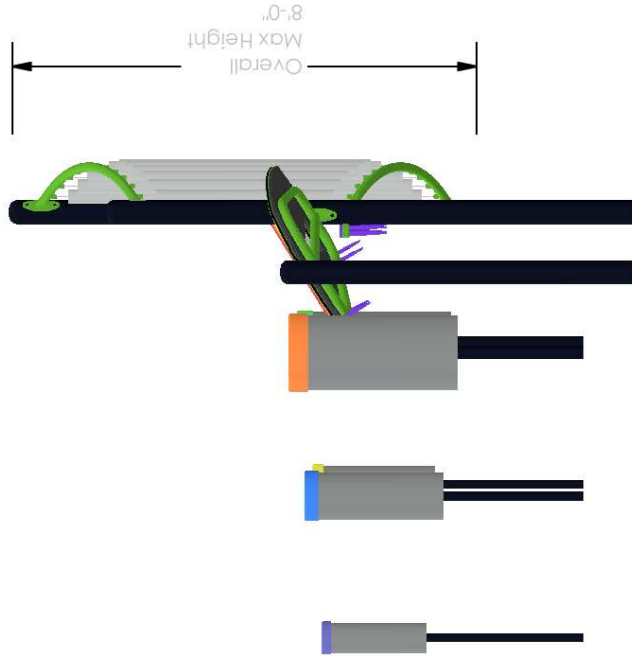
Designer: Kari J. Cham...

Item 15.

ITEM	COMP.	DESCRIPTION
1	560-2625	MOVMT INCLUSIVE, FREESTANDING



SERIES LINE: Burke Basics		COMPONENT VIEW
GROUP: MOVMT Inclusive	Marshall Inclusive Play Marshall, MN 56258	10/18/2023
DESIGNED FOR AGES: 5 to 12	Burke PLAY THAT MOVES YOU	St. Croix Recreation Fun Playgrounds 100-175834-1
Item 15.	BCI BURKE COMPANY, LLC PO BOX 549 FOND DU LAC, WI 54936-0549 920.921.9220 BCIBURKE.COM	Designer: Kari J. Cham Page 191



SERIES LINE: Nucleus | Burke Basics

ELEVATION VIEW

GROUP:
PlayEnsemble NU-3273 | MOVMT Inclusive

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

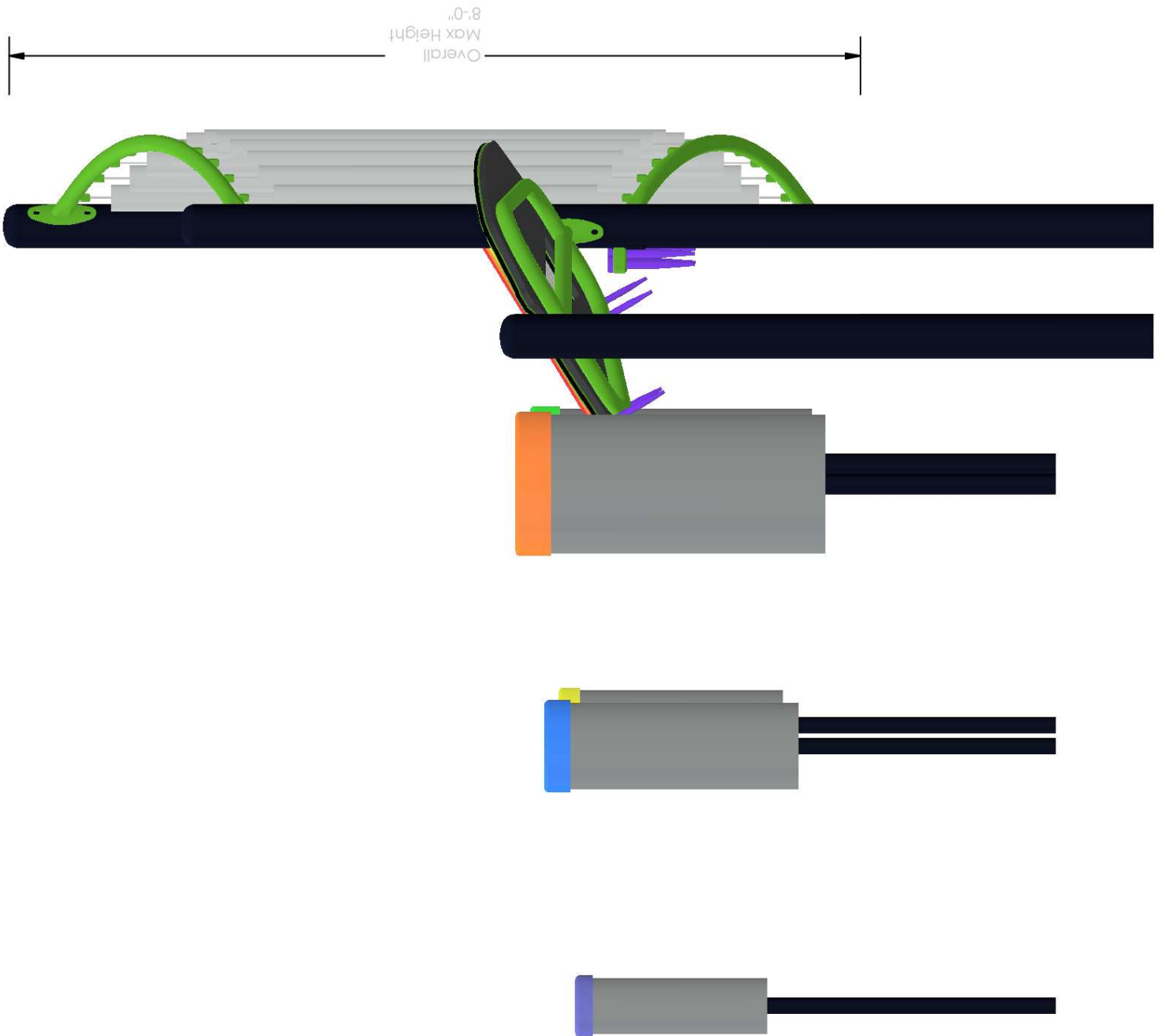
DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1



Designer: Kari J. Cham...

Item 15.



SERIES LINE: Nucleus | Burke Basics

ELEVATION VIEW

GROUP:
PlayEnsemble NU-3273

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

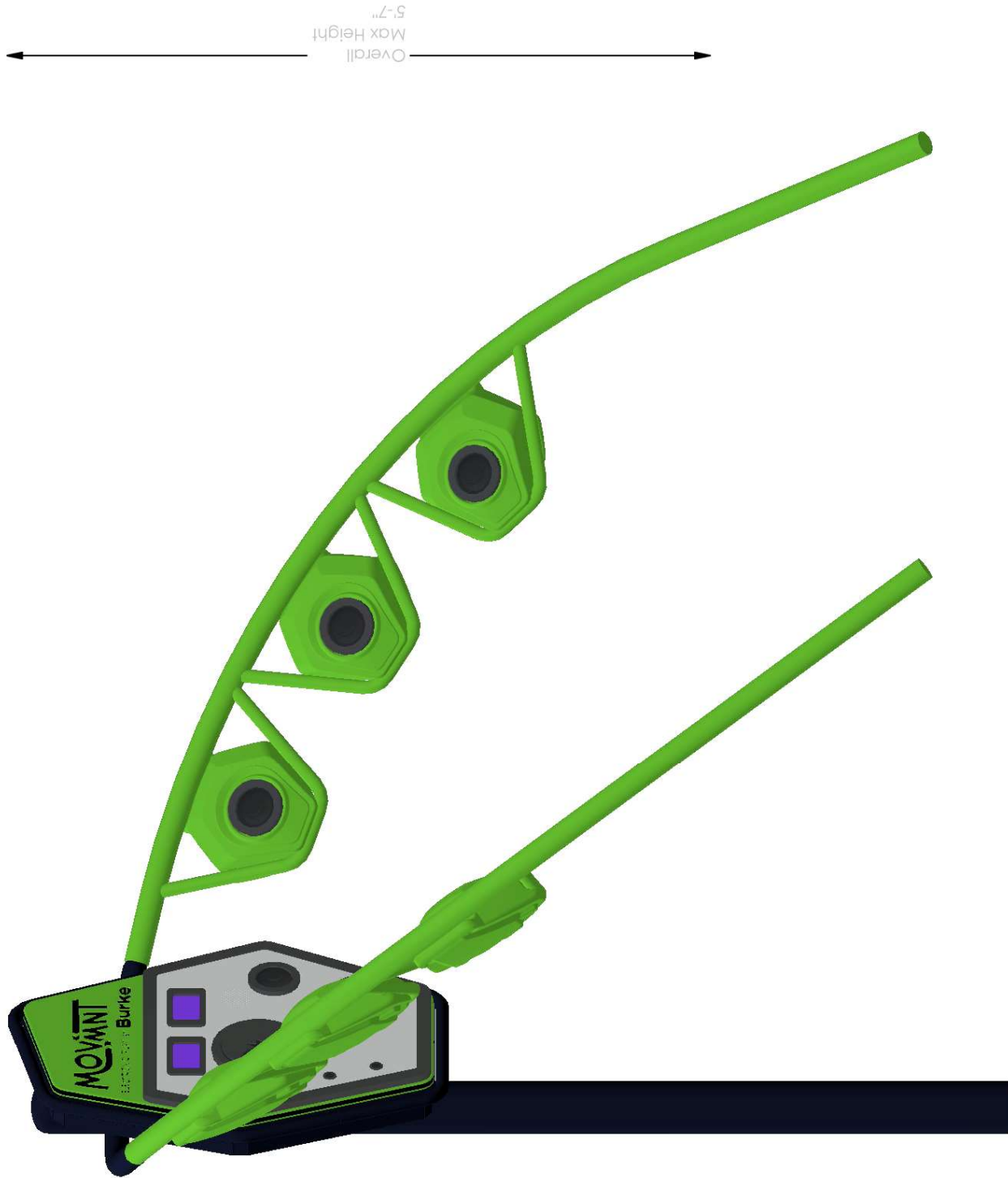
DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1

Burke
PLAY THAT MOVES YOU

Designer: Kari J. Cham

Item 15.



SERIES LINE: Burke Basics **ELEVATION VIEW**

GROUP:
MOVMT Inclusive

DESIGNED FOR AGES:
5 to 12

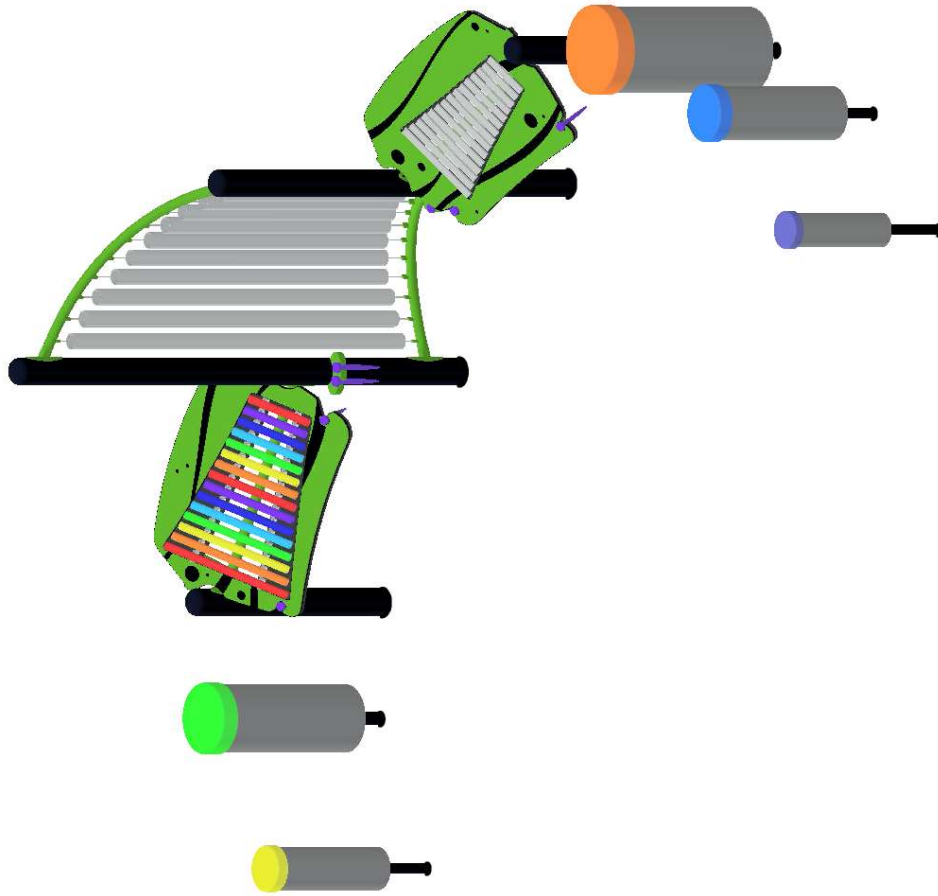
Marshall Inclusive Play
Marshall, MN 56258

10/18/2023
St. Croix Recreation Fun Playgrounds
100-175834-1



Designer: Kari J. Cham

Item 15.



SERIES LINE: Nucleus | Burke Basics

ISOMETRIC VIEW

GROUP:
PlayEnsemble NU-3273 | MOVMT Inclusive

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

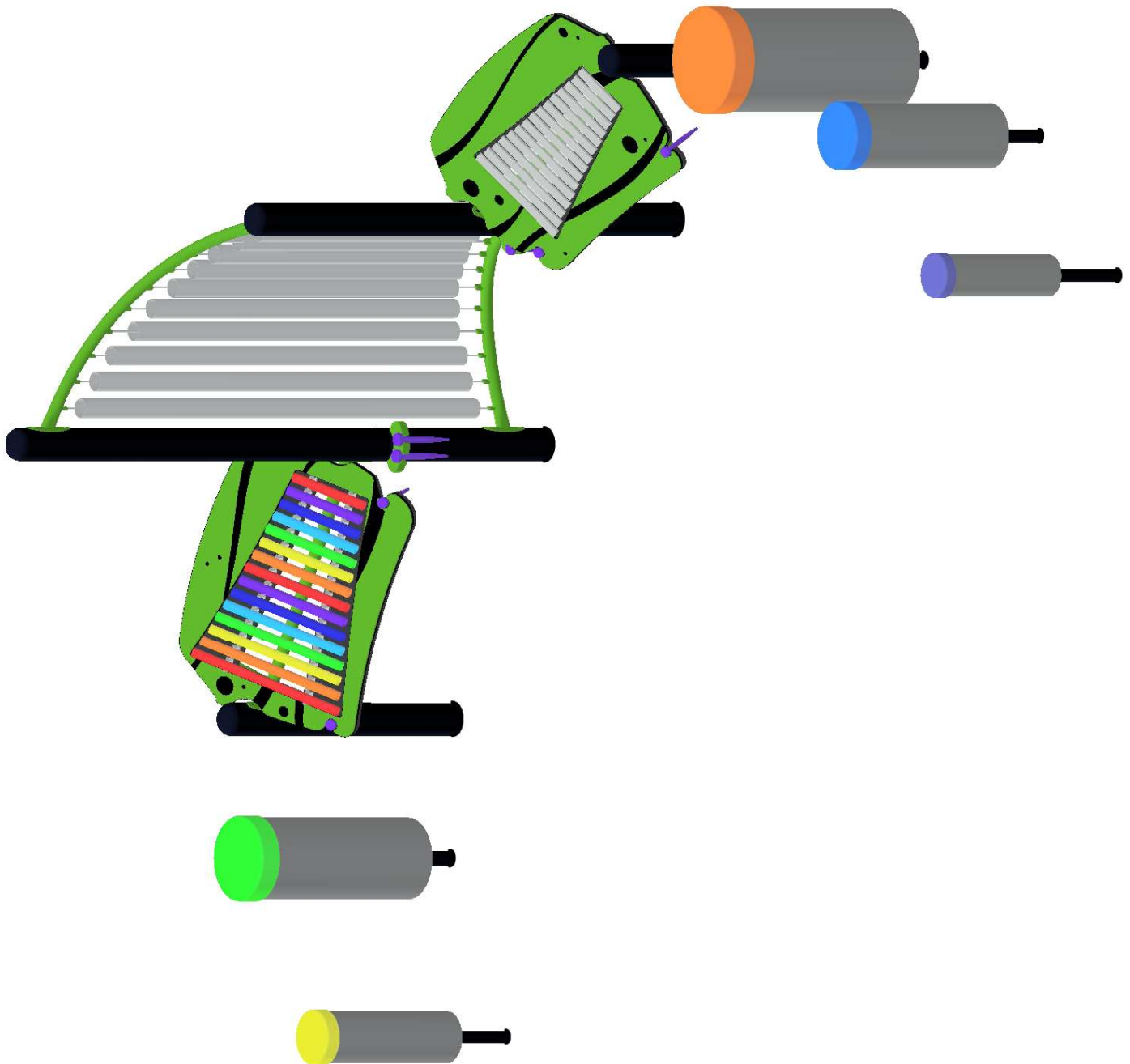
DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1

Burke
PLAY THAT MOVES YOU

Designer: Kari J. Cham

Item 15.



SERIES LINE: Nucleus | Burke Basics

ISOMETRIC VIEW

GROUP:
PlayEnsemble NU-3273

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1

Burke
PLAY THAT MOVES YOU.

Designer: Kari J. Cham...

Item 15.



SERIES LINE: Burke Basics

ISOMETRIC VIEW

GROUP:
MOVMNT Inclusive

Marshall Inclusive Play
Marshall, MN 56258

10/18/2023

DESIGNED FOR AGES:
5 to 12

St. Croix Recreation Fun Playgrounds
100-175834-1

Burke
PLAY THAT MOVES YOU

Designer: Kari J. Cham

Item 15.

The play components identified in this proposal are IPEMA certified. The use and layout of these components conform to the requirements of ASTM F1487. To verify product certification, visit www.ipema.org.



The space requirements shown in this proposal are to ASTM standards. Requirements for other standards may be different.

Component No.	Description	Qty	User Cap	Ext. User Cap	Weight	Ext. Weight
---------------	-------------	-----	----------	---------------	--------	-------------

PlayEnsemble NU-3273

Nucleus

072-0500-108C	5" OD X 108" CAPPED POST	1	0	0	57	57
072-0500-128C	5" OD X 128" CAPPED POST	1	0	0	67	67
072-0500-72C	5" OD X 72" CAPPED POST	2	0	0	38	76
570-0410	PLAYENSEMBLE TITAN CHIMES	1	2	2	121	121
570-0411	PLAYENSEMBLE SUPINE CHIMES HUE	1	2	2	93	93
570-0412	PLAYENSEMBLE TERRA METALLOPHONE	1	2	2	93	93
600-0104	NPPS SUPERVISION SAFETY KIT	1	0	0	3	3
660-0103	MAINTENANCE KIT, STRUCTURE	1	0	0	7	7
660-0104	INSTALLATION KIT, STRUCTURE	1	0	0	5	5

PlayEnsemble NU-3273

Burke Basics

560-0055	PLAYENSEMBLE CIRQUE DRUM V	1	2	2	48	48
560-0056	PLAYENSEMBLE CIRQUE DRUM IV	1	1	1	32	32
560-0057	PLAYENSEMBLE CIRQUE DRUM III	1	1	1	25	25
560-0058	PLAYENSEMBLE CIRQUE DRUM II	1	1	1	19	19
560-0059	PLAYENSEMBLE CIRQUE DRUM I	1	1	1	17	17

Total User Capacity: 12
Total Weight: 663 lbs.
Total Price: \$24,280

MOVmnt Inclusive

Burke Basics

560-2625	MOVmnt INCLUSIVE, FREESTANDING	1	2	2	328	328
660-0101	INSTALL KIT, BURKE BASICS - P...	1	0	0	2	2

Total User Capacity: 2
Total Weight: 330 lbs.
Total Price: \$17,045

Prices do not include freight, unloading, material storage, site excavation/preparation, removal of existing equipment, removal of excess soil from footing holes, site security, safety surfacing, installation, or sales tax (if applicable). Prices are based on standard colors per CURRENT YEAR BCI Burke Catalog. Custom colors, where available, would be an extra charge. **Pricing is valid for 30 days from the date of this proposal.**

COLOR SELECTION LIST | Default Color Option

GROUP 1 (PlayEnsemble NU-3273)

Flat: Lime
Acc: Lime
Post: Navy
Panel: Lime-Black-Lime

GROUP 2 (MOVMT Inclusive)

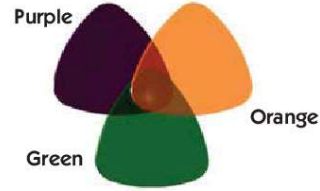
Post: Navy
Panel: Lime-Black-Lime
Plastic: Lime
Acc: Lime

COLORS THAT MOVE YOU

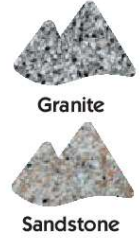
POWDER COAT PAINT



SOLIS HUE TOPPERS



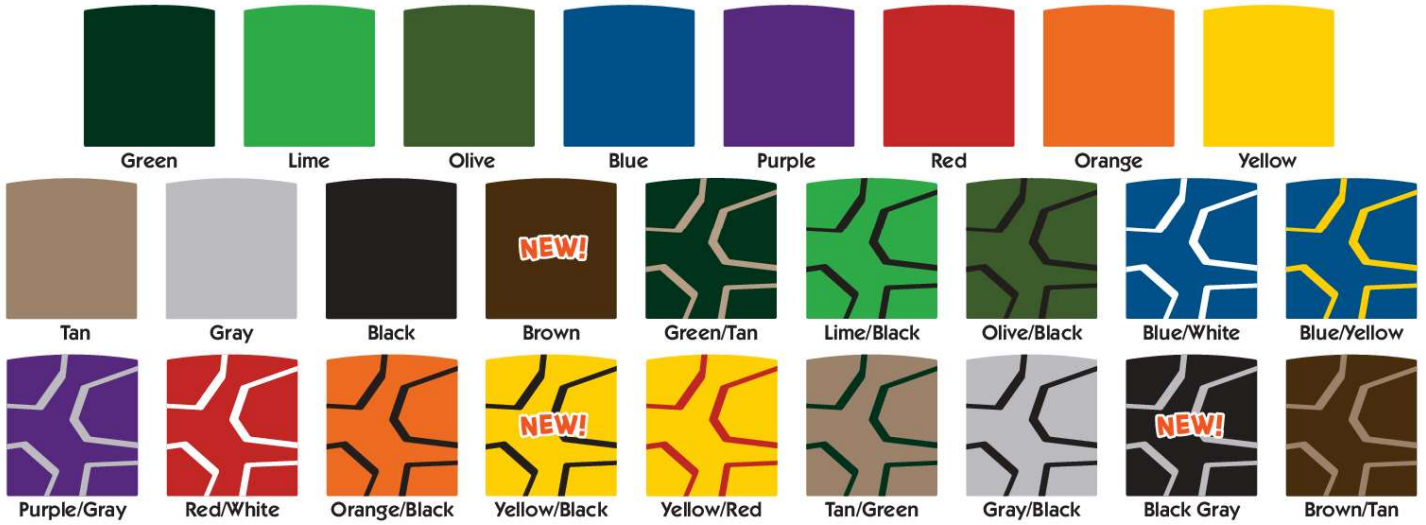
ROCKIT CLIMBERS



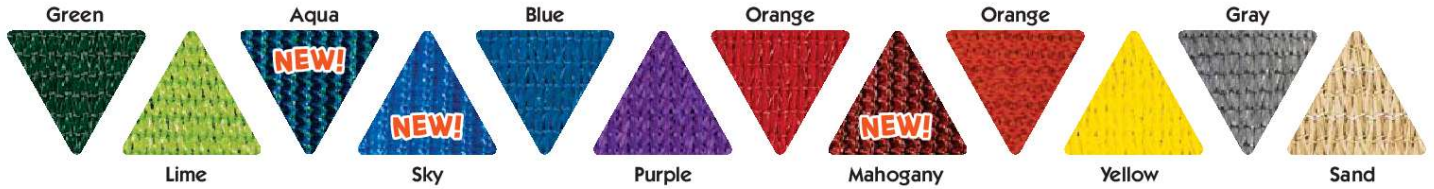
PLATFORMS



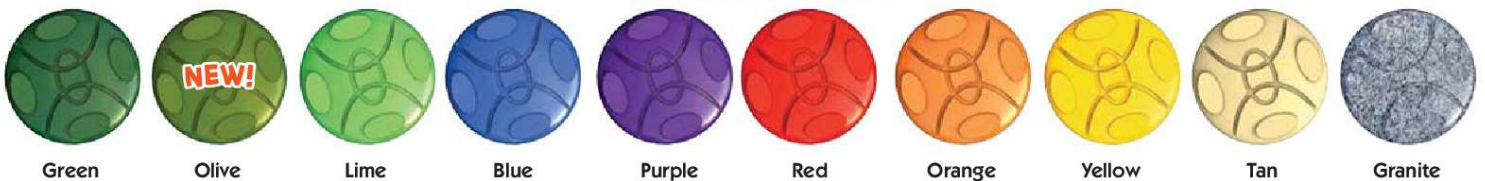
HDPE PLASTIC PANELS



SHADE CANOPIES



ROTOMOLD PLASTIC



VISIT BCIBURKE.COM/COLOR TO CUSTOMIZE YOUR PLAYGROUND COLORS!

BURKE GENERATIONS WARRANTY®

The Longest and Strongest warranty in the industry

BCI Burke Company, LLC ("Burke") warrants that all standard products are warranted to be free from defects in materials and workmanship, under normal use and service, for a period of one (1) year from the date of shipment.

We stand behind our products. In addition, the following products are warranted, under normal use and service from the date of shipment as follows:

- One Hundred (100) Year Limited Warranty on aluminum and steel upright posts (including Intensity®, Synergy™, Nucleus®, Voltage®, Little Buddies®, ELEVATE®, ACTIVATE®, INVIGORATE™) against structural failure due to corrosion, deterioration or workmanship.
- One Hundred (100) Year Limited Warranty on KoreKonnecT® clamps against structural failure due to corrosion, deterioration or workmanship.
- One Hundred (100) Year Limited Warranty on Hardware (nuts, bolts, washers)
- One Hundred (100) Year Limited Warranty on bolt-through fastening and clamp systems (Synergy™, Intensity®, Nucleus®, Voltage®, Little Buddies®, ELEVATE®).
- Twenty-Five (25) Year Limited Warranty on spring assemblies and aluminum cast animals.
- Fifteen (15) Year Limited Warranty on structure platforms and decks, metal roofs, table tops, bench tops, railings and barriers against structural failure due to materials or workmanship.
- Fifteen (15) Year Limited Warranty on all plastic components including StoneBorders against structural failure due to materials or workmanship.
- Ten (10) Year Limited Warranty on ShadePlay Canopies fabric, threads, and cables against degradation, cracking or material breakdown resulting from ultra-violet exposure, natural deterioration or manufacturing defects. This warranty is limited to the design loads as stated in the specifications.
- Ten (10) Year Limited Warranty on NaturePlay® Boulders and GFRC products against structural failure due to natural deterioration or workmanship. Natural wear, which may occur with any concrete product with age, is excluded from this warranty.
- Ten (10) Year Limited Warranty on Full Color Custom Signage against manufacturing defects that cause delamination or degradation of the sign. Full Color Custom Signs also carry a two (2) year warranty against premature fading of the print and graphics on the signs.
- Five (5) Year Limited Warranty on Intensity® and RopeVenture® cables and LEVEL X® flex bridge against premature wear due to natural deterioration or manufacturing defects. Determination of premature wear will be at the manufacturer's discretion.
- Five (5) Year Limited Warranty on moving parts, including swing components, against structural failure due to materials or workmanship.
- Five (5) Year Limited Warranty on PlayEnsemble® cables and mallets against defects in materials and workmanship.
- Three (3) Year Limited Warranty on electronic panel speakers, sound chips and circuit boards against electronic failure caused by manufacturing defects.

The warranty stated above is valid only if the equipment is erected in conformity with the layout plan and/or installation instructions furnished by BCI Burke Company, LLC using approved parts; have been maintained and inspected in accordance with BCI Burke Company, LLC instructions. Burke's liability and your exclusive remedy hereunder will be limited to repair or replacement of those parts found in Burke's reasonable judgment to be defective. Any claim made within the above stated warranty periods must be made promptly after discovery of the defect. A part is covered only for the original warranty period of the applicable part. Replacement parts carry the applicable warranty from the date of shipment of the replacement from Burke. After the expiration of the warranty period, you must pay for all parts, transportation and service charges.

Burke reserves the right to accept or reject any claim in whole or in part. Burke will not accept the return of any product without its prior written approval. Burke will assume transportation charges for shipment of the returned product if it is returned in strict compliance with Burke's written instructions.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IF THE FOREGOING DISCLAIMER OF ADDITIONAL WARRANTIES IS NOT GIVEN FULL FORCE AND EFFECT, ANY RESULTING ADDITIONAL WARRANTY SHALL BE LIMITED IN DURATION TO THE EXPRESS WARRANTIES AND BE OTHERWISE SUBJECT TO AND LIMITED BY THE TERMS OF BURKE'S PRODUCT WARRANTY. SOME STATES DO NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

Warranty Exclusions: The above stated warranties do not cover: "cosmetic" defects, such as scratches, dents, marring, or fading; damage due to incorrect installation, vandalism, misuse, accident, wear and tear from normal use, exposure to extreme weather; immersion in salt or chlorine water, unauthorized repair or modification, abnormal use, lack of maintenance, or other cause not within Burke's control; and

Limitation of Remedies: Burke is not liable for consequential or incidental damages, including but not limited to labor costs or lost profits resulting from the use of or inability to use the products or from the products being incorporated in or becoming a component of any other product. If, after a reasonable number of repeated efforts, Burke is unable to repair or replace a defective or nonconforming product, Burke shall have the option to accept return of the product, or part thereof, if such does not substantially impair its value, and return the purchase price as the buyer's entire and exclusive remedy. Without limiting the generality of the foregoing, Burke will not be responsible for labor costs involved in the removal of products or the installation of replacement products. Some states do not allow the exclusion of incidental damages, so the above exclusion may not apply to you.

The environment near a saltwater coast can be extremely corrosive. Some corrosion and/or deterioration is considered "normal wear" in this environment. Product installed within 500 yards of a saltwater shoreline will only be covered for half the period of the standard product warranty, up to a maximum of five years, for defects caused by corrosion. Products installed in direct contact with saltwater or that are subjected to salt spray are not covered by the standard warranty for any defects caused by corrosion.

Contact your local Burke Representative for warranty information regarding Burke Turf® and Burke Tile products.

Terms of Sale

Pricing: Prices published in this catalog are in USD, are approximate and do not include shipping & handling, surfacing, installation nor applicable taxes. All prices are subject to change without notice. Contact your Burke representative for current pricing. Payments are to be made in USD.

Weights: Weights are approximate and may vary with actual orders.

Installation: All equipment is shipped unassembled. For a list of factory-certified installers in your area, please contact your Burke representative.

Specifications: Product specifications in this catalog were correct at the time of publication. However, product improvements are ongoing at Burke, and we reserve the right to change or discontinue specifications without notice.

Loss or Damage in Transit: A signed bill of lading is our receipt from a carrier that our shipment to you was complete and in good condition upon arrival. Before you sign, please check the Bill of Lading carefully when the shipment arrives to make sure nothing is missing and there are no damages. Once the shipment leaves our plant, we are no longer responsible for any damage, loss or shortage.

For more information regarding the warranty, call Customer Service at 920-921-9220 or 1-800-356-2070.

01/2021



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Preston Stensrud
Meeting Date:	Tuesday, October 24, 2023
Category:	NEW BUSINESS
Type:	INFO
Subject:	Information on MNDNR ReLeaf Grant Award Notification
Background Information:	The City of Marshall has been selected to receive <u>\$329,080.00</u> through the 2023 ReLeaf grant program.
Fiscal Impact:	\$329,080.00
Alternative/ Variations:	None
Recommendations:	Information Only

**CITY OF MARSHALL
AGENDA ITEM REPORT**

Presenter:	Jason Anderson
Meeting Date:	Tuesday, October 24, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Project AP-003: Airport Snow Removal Equipment (SRE) Building - Consider Architectural and Engineering Services Agreement with TKDA for Bidding Phase Services
Background Information:	<p>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. This facility is identified in the Airport Master Plan and this project has been identified on the airport capital improvement plan (CIP) since 2011.</p> <p>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.</p> <p>Attached for Council review is a Architectural and Engineering Services Agreement with TKDA for Bidding Phase Services.</p> <p>By authorizing this contract, City staff will be able to work with TKDA engineering staff to update the plans and specifications for the SRE project. The plan changes will be influenced by area contractor input and input from Airport Commission and City staff. This contract will cover all expenses necessary to re-design, bid, and award a contract.</p> <p><u>Current, proposed project timeline:</u></p> <ul style="list-style-type: none"> i. Contractor forum & outreach – Nov. 2023 ii. Advertise for bids – Dec. 2023 iii. Bid opening – Jan. 2023 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
Fiscal Impact:	TKDA to provide these services for a lump sum amount of \$39,170.
Alternative/ Variations:	No alternative actions recommended.
Recommendations:	that the City Council authorize execution of the attached Architectural and Engineering Services Agreement with TKDA for Bidding Phase Services for a lump sum amount of \$39,170.



October 18, 2023

submitted via email to: jason.anderson@ci.marshall.mn.us

Mr. Jason Anderson, PE
Director of Public Works/City Engineer
City of Marshall, Minnesota
344 West Main Street
Marshall, MN 56258

Re: Proposal for Architectural and Engineering Services
Marshall SRE Facility Design – Bidding Phase at Southwest Minnesota Regional Airport
SP No.A4201-105 | FAA AIP No.3-27-0056-019-2022
TKDA Project No.18338.002

Dear Mr. Anderson:

In response to your request, we propose to provide Architectural and Engineering Services in connection with the SRE Facility Design – Bidding Phase at the Southwest Minnesota Regional Airport in Marshall, Minnesota, hereinafter called the Project. Our services will be provided in the manner described in this Proposal subject to the terms and conditions of our “Professional Services Agreement” effective March 10, 2020, which are incorporated herein by reference (the “Agreement”). Hereinafter, the City of Marshall is referred to as the OWNER.

I. PROJECT DESCRIPTION

The SRE Facility Design – Bidding Phase Project at MML consists of the following items to be accomplished under one future construction contract. The Project will be funded through Federal (FAA), State (MnDOT Aeronautics) and Local funding sources. This Project was previously designed, and construction documents and specifications were issued for bidding on March 1, 2023. This project phase provides revisions to those documents and addenda previously issued, and includes major items of work for rebidding as follows:

- Confirmation of previously designed program recommendations:
 - 7,400 SF freestanding SRE building, with consideration for a future Air Rescue Fire Fighting (ARFF) facility addition.
 - Three (3) vehicle fleet bays
 - Open office space
 - Combined conference and breakroom
 - Restrooms
 - Utility rooms
- Preparation of final Plans and Specifications
- Bidding Assistance

II. SERVICES TO BE PROVIDED BY TKDA

TKDA proposes to provide the following Architecture, Landscape Architecture, Civil, Electrical, Mechanical and Structural Engineering services:

A. PART A - PROJECT FORMULATION

1. *Project Scope and Schedule*
Develop preliminary project scope and schedule for consideration by the OWNER.
2. *Project Specific CIP Updates*
Assist OWNER with Project-specific Capital Improvement Program (CIP) updates. Provide CIP information to MnDOT Aeronautics and the FAA.
3. *Project Funding Coordination*
Coordinate with the OWNER, MnDOT Aeronautics, and the FAA regarding the eligible Project scope, cost, and schedule resulting from the preliminary design.
4. *Grant Initiation Request*
Prepare and submit to MnDOT Aeronautics and the FAA, the FAA AIP Grant Pre-Application Package in accordance with FAA Airports District Office requirements.

B. PART B – BIDDING PHASE SERVICES

1. *Agency Coordination*
Coordinate with MnDOT Aeronautics and the FAA regarding the approval of the Project final design elements. Conduct up to two (2) meetings with the FAA and MnDOT to discuss project elements and schedule.
2. *Final Engineering*
Final Engineering efforts will reflect agreed upon value engineering strategies and bid alternates that meet owner expectations.
3. *Final Design & Construction Documents*
Final Design deliverables shall include fully biddable project plan set that reflects agreed upon value engineering strategies and bid alternates that meet OWNER expectations.
4. *Final Code Analysis*
Complete Final Code Analysis to verify compliance as a result of the value engineering process.
5. *Final Specifications*
TKDA discipline leads will be responsible for developing the required specifications to be delivered in a specification book format as part of the final signed document.
6. *Final QA/QC*
Provide Quality Assurance and Quality Control review for final construction plans and specifications.
7. *Construction Cost Estimate – Final Design*
Construction Cost Estimate to be provided by contracted subconsultant.
Prepare final opinion of construction costs and develop project bid schedule.
8. *Reproduce Final Bidding Documents*
Prepare signed final document package for both permitting and bidding as required.
Reproduce the final plans and specifications for bidding purposes. Provide two paper copies and an electronic copy to the OWNER.
9. *Bid Advertisement*
Coordinate with the OWNER to prepare Advertisement of Bids and place in the appropriate legal publication(s). Upload plans and specifications to QuestCDN for Contractor's to obtain bidding documents.
10. *Bidding Assistance*
Assist in securing bids, tabulation, and analysis of bid results, then forward the results to MnDOT and FAA for their use in preparing state and federal funding documents.
11. *Prepare Recommendation of Award*
Perform compliance review of prime Contractor, subcontractors, and DBE subcontractors in accordance with bidding documents and prepare recommendations for award of up to one construction contract.

- C. PART C–CONSTRUCTION PHASE SERVICES None. Construction Phase Services will be provided under a separate authorization.
- D. PART D–CLOSEOUT PHASE SERVICES None. Closeout Phase Services, including the preparation and submittal of the FAA Grant Closeout Report, will be provided under a separate authorization.

III. ADDITIONAL SERVICES

If the need for Additional Services is determined, and the fee is agreeable and the OWNER authorizes such services in writing, TKDA shall furnish or obtain from others services of the types listed below. These Additional Services shall be compensated for on an Hourly Rate basis as defined in our Agreement, a part hereof, and such compensation shall be over and above any maximum amounts set forth in this Authorization.

- A. Registered land or right-of-way surveys, legal descriptions, or related services.
- B. Preparation of DBE Program (beyond Contract-specific goals).
- C. Any trips by TKDA staff to Marshall, Minnesota in excess of those indicated in PART A or B.
- D. Environmental services including, but not limited to, wetland delineation and site remediation.
- E. Procurement of snow removal or other maintenance equipment.
- F. Design of ARFF Facility or other building additions.

G. Foundation design in excess of standard spread concrete foundations. Design of deep foundations, pilings, or structural floor slab systems are not included and will be considered cause for additional scope and compensation.

IV. OWNER RESPONSIBILITIES

These responsibilities shall be as set forth in the Agreement and as further described or clarified herein below:

- A. Provide TKDA with access to the Project site as required to perform services listed in SECTION II.
- B. Provide reviews of materials furnished by TKDA in a reasonable and prompt manner so the Project schedule can be maintained.
- C. Provide TKDA with access to information related to OWNER’s snow removal and maintenance equipment.

V. PERIOD OF SERVICE

SECTION II services shall be completed within 3 months from date of Authorization. Period of service is subject to change based on actual organization review timeframes, Project funding availability, and as directed by the OWNER.

VI. COMPENSATION

Compensation to TKDA for services provided as described shall be in the lump sum amount of **\$39,170**, as summarized below:

Section II.A: Project Formulation (Lump Sum)	\$4,000.00
Section II.B: Bidding Phase Services (Lump Sum)	\$32,700.00
Total Lump Sum Labor Cost	\$36,700.00
Estimated Expenses (Miscellaneous & Consultants)	\$2,470.00
Total Lump Sum Amount	\$39,170.00

Payment shall be made in accordance with Article 4 of our Agreement.

The level of effort required to accomplish SECTION II services can be affected by factors which are beyond our control. Therefore, if it appears at any time charges for services rendered under SECTION II will exceed the above, we agree we will not perform services or incur costs which will result in billings in excess of such amount until we have been advised by you additional funds are available and our work can proceed.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

VII. CONTRACTUAL INTENT

We thank you for the opportunity to submit this Proposal. We agree this letter will constitute an authorization under our Professional Services Agreement upon signature by an authorized official of the City of Marshall and the return of a signed copy to us. This Proposal will be open for acceptance for 60 days, unless provisions herein are changed by us in writing prior to that time. Please feel free to contact Andrew Gardner, Project Manager, directly at 651.726.7960 or andrew.gardner@tkda.com if you have any questions.

Sincerely,



Andrew Gardner, AIA, LEED AP, NCARB
Project Manager, Architect



DJ Heinle, AIA, CID, NCARB
Vice President, Architecture Division

Attachments:

EXHIBIT A-Project Fee Estimate

c: John Peterson, PE-TKDA
Dan Sherer, PE-TKDA
John Ahern, PE-TKDA

ACCEPTED FOR CITY OF MARSHALL, MINNESOTA

By: _____
(Signature) Printed Name/Title Date

OWNER DESIGNATED REPRESENTATIVE:

Name/Title Phone Email

ADG:JNP:JWA:dad
K:\g-m\Marshall\18338001\01_Management\01_Contracts\18338.002_Marshall SRE Bidding Scope Letter 231012.docx



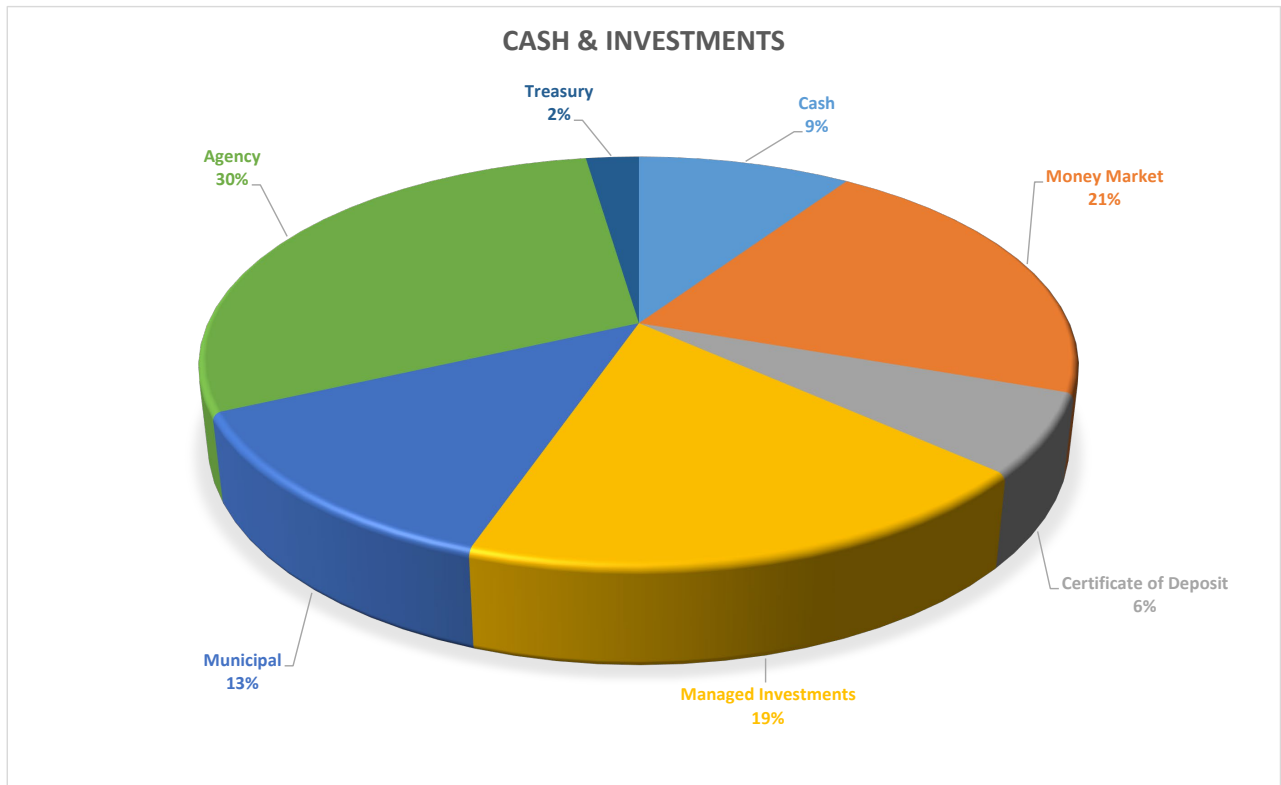
Project Fee Estimate

Client: City of Marshall																				Date: 10/18/2023	
Project: SRE Facility - Bidding Phase Engineering																				Prepared By: ADG	
Task	Task Description	Principle	Sr Reg Eng	Reg Civil Eng	Reg Civil Eng	Sr Reg LA	Reg LA	VP Arch	Reg Arch	Arch Spec	GM Elec	Sr Elec Eng	Elec Eng	GM Struct	Struct Eng	Struct Spec	GM Mech	Mech Eng	Tech I	Admin	Total
A.1 Project Formulation Phase - Basic																					
a	Prepare Project Scope and Schedule	1	4																		5
b	Project-Specific CIP Updates		2																		2
c	Project Funding Coordination		8																		8
d	Preliminary Cost Estimate																				-
A.2 Project Formulation Phase - Special																					
a	Project-Specific DBE Goal Update																				-
b	Grant Initiation Request		4																		4
Total Person Hours																					
		1	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19
Direct Labor Rate, \$/Hr.		\$ 90.00	\$ 68.50	\$ 42.50	\$ 42.05	\$ 73.23	\$ 44.00	\$ 90.00	\$ 44.67	\$ 38.85	\$ 78.54	\$ 74.16	\$ 57.00	\$ 79.70	\$ 40.85	\$ 34.94	\$ 74.40	\$ 59.26	\$ 40.00	\$ 32.08	
Total Direct Labor Cost, \$		\$ 90.00	\$ 1,233.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,323.00
Indirect Labor Cost @ 1.6174, \$		\$ 145.57	\$ 1,994.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,139.82
Subtotal Labor Cost																					\$ 3,462.82
Fixed Fee - 15.0% x Total Labor Cost																					\$ 519.00
Total Part A without Expenses																					\$ 4,000.00
Direct Expenses:																					
Travel & Subsistence (TS)																					\$ 120.00
Total Expenses																					\$ 120.00
B.1 Bidding Phase - Basic																					
a	Agency Coordination / Meetings		4						4												8
b	Prepare Final Plans (100%)			8			8		8	24		2	8		2	10			16	24	110
c	Prepare Final Specifications (100%)			4			4		6		4		2		2				4		28
d	Final QA/QC			4		1		1			1			1			2				10
e	Construction Cost Estimates																				-
f	Reproduce Final Plans																				-
g	Bid Advertisement		2						2												6
h	Bidding Assistance		8		2		2		8	2		2	2		2	2		2	2	2	38
i	Prepare Recommendation of Award		4						4											2	10
B.2 Bidding Phase - Special																					
a	Funding Assistance		4																		4
b	Submit 90% Plans and Specs to FAA			2																	2
c	Engineering Design Report		1	4																	5
d	Construction Safety Phasing Plan		1	4																	5
Total Person Hours																					
		-	24	10	18	1	14	1	32	26	1	8	10	1	6	12	2	22	26	10	224
Direct Labor Rate, \$/Hr.		\$ 90.00	\$ 68.50	\$ 42.50	\$ 42.05	\$ 73.23	\$ 44.00	\$ 90.00	\$ 44.67	\$ 38.85	\$ 78.54	\$ 74.16	\$ 57.00	\$ 79.70	\$ 40.85	\$ 34.94	\$ 74.40	\$ 59.26	\$ 40.00	\$ 32.08	
Total Direct Labor Cost, \$		\$ -	\$ 1,644.00	\$ 425.00	\$ 756.90	\$ 73.23	\$ 616.00	\$ 90.00	\$ 1,429.44	\$ 1,010.10	\$ 78.54	\$ 593.28	\$ 570.00	\$ 79.70	\$ 245.10	\$ 419.28	\$ 148.80	\$ 1,303.72	\$ 1,040.00	\$ 320.80	\$ 10,843.89
Indirect Labor Cost @ 1.6174, \$		\$ -	\$ 2,659.01	\$ 687.40	\$ 1,224.21	\$ 118.44	\$ 996.32	\$ 145.57	\$ 2,311.98	\$ 1,633.74	\$ 127.03	\$ 959.57	\$ 921.92	\$ 128.91	\$ 396.42	\$ 678.14	\$ 240.67	\$ 2,108.64	\$ 1,682.10	\$ 518.86	\$ 17,538.91
Subtotal Labor Cost																					\$ 28,382.80
Fixed Fee - 15.0% x Total Labor Cost																					\$ 4,257.00
Total Part B																					\$ 32,657.00
Total Part B LUMP SUM																					\$ 32,700.00
Direct Expenses:																					
Travel & Subsistence (TS)																					\$ -
Miscellaneous (MI)																					\$ -
Reproduction & Reprographics (RR)																					\$ 150.00
Subtotal Direct Expenses																					\$ 150.00
Outside Services:																					
Subconsultant - Geotechnical																					\$ -
Subconsultant - Cost Estimating																					\$ 2,000.00
Subconsultant Mark-Up -																					10%
Subtotal Outside Services (OS)																					\$ 2,200.00
Total Expenses																					\$ 2,470.00
Total Project Fees																					\$ 39,170.00

Presenter:	Mayor Byrnes
Meeting Date:	Tuesday, October 10, 2023
Category:	COUNCIL REPORTS
Type:	INFO
Subject:	Commission/Board Liaison Reports
Background Information:	<p>Byrnes - Fire Relief Association and Regional Development Commission</p> <p>Schafer – Airport Commission, Joint LEC Management Committee, MERIT Center Commission, SW Amateur Sports Commission</p> <p>Meister – Adult Community Center, Cable Commission, Economic Development Authority</p> <p>Schroeder – Economic Development Authority, Planning Commission, Public Housing Commission</p> <p>Alcorn – Community Services Advisory Board, MMU Commission</p> <p>Moua-Leske – Convention & Visitors Bureau; Diversity, Equity & Inclusion Commission; Library Board</p> <p>Lozinski – Marshall Area Transit Committee, Joint LEC Management Committee, Police Advisory Board</p>
Fiscal Impact:	
Alternative/Variations:	
Recommendations:	

City of Marshall, Minnesota
Cash & Investments
 9/30/2023

	<u>Par Value</u>	<u>YTM Rate</u>
CASH & INVESTMENTS:		
Checking -Bremer	4,027,005.44	0.00%
Money Market - US Bank	2,173,733.78	5.27%
Money Market - Wells Fargo	106,845.65	5.26%
Money Market - 4M	6,701,536.26	5.31%
Agency - 4M	3,355,000.00	4.33%
Certificate of Deposit - Wells Fargo	1,470,000.00	3.11% Average
Investment Portfolio - General Fund	2,607,767.34	
Investment Portfolio - WW/SW Capital Reserve	3,453,852.26	
Investment Portfolio - Endowment Fund	1,902,999.70	
Municipal - US Bank	5,505,000.00	3.52% Average
Certificate of Deposit - US Bank	1,225,000.00	2.22% Average
Agency - US Bank	9,295,000.00	3.42% Average
Treasury - US Bank	1,000,000.00	2.35%
TOTAL CASH & INVESTMENTS	<u><u>42,823,740.43</u></u>	<u><u>3.48% Average YTM</u></u>





MARSHALL

Permit List - Build/Plumb/HVAC/Sign - For Council

Applicant Name	Location	Description of Work	Valuation	Approved Date
ACTION COMPANY LLC	1211 MAIN ST W	Electronic/LED Sign	3000.00	10/11/2023
D & G Excavating, Inc.	910 MAIN ST W	Building Demolition - Total Building ONLY	15000.00	10/18/2023
Dustin Westover	1119 FAIRVIEW ST E	Plumbing - Water heater	750.00	10/12/2023
Eric Mathiowetz	205 SOUTHVIEW DR W	HVAC - Furnace	4000.00	10/17/2023
INDEPENDENT LUMBER OF MARSHALL INC	900 WOODFERN DR	Interior Remodeling - ANY Work Inside, Except Fireplace	10000.00	10/10/2023
JOSHUA BEHNKE CONSTRUCTION LLC	117 CIRCLE DR	Windows	1450.00	10/13/2023
Kasey Holm	805 ANDREW ST	Both - New building AND Air Conditioning, Furnace	0.00	10/09/2023
Kasey Holm	100 COLLEGE DR W	Both - [I], Interior remodeling AND [Duct Install]	125000.00	10/06/2023
kevin hart	400 WALNUT ST	HVAC - [boiler replacement]	7500.00	10/18/2023
MEADOWVIEW CONSTRUCTION	1107 STOCKHOLM AVE	Deck	11000.00	10/13/2023
Michael C Mortier	401 WOODLAND WAY	Plumbing - Bathroom remodeling, New bathroom	0.00	10/09/2023
PHILLIPS/FLOYD & CECELIA	606 MAIN ST W, 606 MAIN ST W	Accessory Building (Garages, Sheds, Gazebos, etc), Interior Remodeling - ANY Work Inside, Except Fireplace	9000.00	10/18/2023
RASKE/TODD J & BARBARA A	400 SOUTHVIEW DR W	Deck	6400.00	10/18/2023
SCHLENKER CONSTRUCTION LLC	207 5TH ST N	Re-Roofing	7200.00	10/12/2023
SCHNOOR/MATTHEW	906 CHERYL AVE	Re-Siding	3250.00	10/17/2023

2023 Regular Council Meeting Dates

2nd and 4th Tuesday of each month *(Unless otherwise noted)*

5:30 P.M.

City Hall, 344 West Main Street

January

1. January 10, 2023
2. January 24, 2023

February

1. February 14, 2023
2. February 28, 2023

March

1. March 14, 2023
2. March 28, 2023

April

1. April 11, 2023
2. April 25, 2023

May

1. May 9, 2023
2. May 23, 2023

June

1. June 13, 2023
2. June 27, 2023

July

1. July 11, 2023
2. July 25, 2023

August

1. August 08, 2023
2. August 22, 2023

September

1. September 12, 2023
2. September 26, 2023

October

1. October 10, 2023
2. October 24, 2023

November

1. November 14, 2023
2. November 28, 2023

December

1. December 12, 2023
2. December 26, 2023

2023 Uniform Election Dates

- February 14, 2023
- April 11, 2023
- May 9, 2023
- August 08, 2023
- November 07, 2023

204C.03 PUBLIC MEETINGS PROHIBITED ON ELECTION DAY.

Subdivision 1. School districts; counties; municipalities; special taxing districts. No special taxing district governing body, school board, county board of commissioners, city council, or town board of supervisors shall conduct a meeting between 6:00 p.m. and 8:00 p.m. on the day that an election is held within the boundaries of the special taxing district, school district, county, city, or town. As used in this subdivision, "special taxing district" has the meaning given in section 275.066.



Upcoming Meetings

October

- 10/24 Public Improvement and Transportation Committee, 4:00 PM, City Hall
- 10/24 Regular Meeting, 5:30 PM, City Hall
- 10/31 Rental Ordinance Committee, 12:00 PM, City Hall
- 10/31 Legislative and Ordinance Committee, 12:45 PM, City Hall

November

- 11/07 Special Election for the Marshall Aquatic Center
- 11/14 Special Meeting Canvass Election Results, 4:30 PM, City Hall
- 11/14 Special Meeting Closed Session, 4:45 PM, City Hall
- 11/14 Regular Meeting, 5:30 PM, City Hall
- 11/28 Regular Meeting, 5:30 PM, City Hall
- 11/28 Work Session, 7:30 PM, City Hall

December

- 12/05 Truth in Taxation Special Meeting, 6:00 PM, City Hall
- 12/12 Regular Meeting, 5:30 PM, City Hall
- 12/26 Regular Meeting, 5:30 PM, City Hall