WORTHINGTON CITY COUNCIL
REGULAR MEETING, MARCH 12, 2007

The meeting was called to order at 7:00 p.m., in the City Hall Council Chambers by Mayor Alan E. Oberloh, with the following Aldermen present: Mike Kuhle, Lyle Ten Haken, Mike Woll, and Ron Wood. Absent (excused): Alderman Bob Petrich, and Honorary Council Person Lyle Voss.

City Staff present: Joe Parker, City Administrator; Dwayne Haffield, Director of Engineering; Brian Kolander, Finance Director; and Karen Buchman, City Clerk.

Others present: Darrell Stitt, KWOA Radio; Ryan McGaughey, Daily Globe; Carolyn Drude and Dave Callister, Ehlers and Associates, Inc.

AGENDA APPROVED

The motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried to accept the agenda as presented.

MINUTES APPROVED

The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to approve the Regular City Council minutes of February 26, 2007 as previously distributed.

MINUTES OF BOARDS AND COMMISSIONS

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to accept for review the Water and Light Commission minutes of March 5, 2007; Worthington HRA minutes of February 8 and Goal Setting meeting minutes of February 22, 2007; Joint Planning & Zoning Task Force minutes of January 29, 2007; Worthington Rediscovered minutes of February 27, 2007; and Planning Commission/Board of Appeals minutes of March 6, 2007.

FINANCIAL STATEMENTS APPROVED

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to accept the Prairie View Golf Links Statement of Revenues vs. Expenditures for the period January 1, 2006 through December 31, 2006; Municipal Liquor Store Income Statement for the period of January 1, 2006 through December 31, 2006; and General Fund Statement Revenues and Expenditures - Budget and Actual for the twelve months ended December 31, 2006.

AWARDED BID FOR KNOLLWOOD DRIVE SANITARY SEWER EXTENSION PROJECT

Bids were received at 2:00 p.m. today, March 12, 2007 for the Knollwood Drive Sanitary Sewer

Extension. The project consists of the extension of a sanitary sewer on Knollwood Drive to Summit Avenue to 725 feet south of the center line of Summit Avenue. The following bids were received:

Bidder	Amount
H & W Contracting LLC	$230,681.80
Larson Crane Service, Inc.	$169,489.25
Midstates Utilities, Inc.	$154,531.00

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to award the bid to the low qualified bidder, Midstates Utilities, Inc., Slayton, MN in the amount of $154,531.00.

RESOLUTIONS NO. 3267 AND 3268 ADOPTED, RECEIVE REPORT AND ORDER HEARING FOR THE RECONSTRUCTION OF OKABENA STREET AND THIRD AVENUE

The feasibility report on the improvement of the following streets was presented:

Okabena Street - 14th Street through Second Avenue
Third Avenue - 13th Street to Okabena Street

The feasibility report provides detailed information on the proposed improvement including location, need for improvement, improvement alternatives, costs, and proposed financing.

Proposed assessments, the possible improvement options, and the properties affected by the project were discussed. The project differs from the more typical street reconstruction projects where the scope of the project is essentially limited to replacement of bituminous pavement between existing curb and gutter, and the estimated assessments rates and the need to consider improvement options. It might be anticipated that property owner participation at a hearing on the improvement will be greater than of that for typical street reconstruction projects. It is suggested that the improvement hearing for this project be held at a meeting other than a regularly scheduled Council meeting and separate from other planned street improvement hearings to ensure adequate seating and opportunity for discussion. Approximately 50 properties are affected by the improvement. Council Chambers will seat approximately 45 persons. Following a discussion the Council members discussed the need for a worksession before holding a hearing. The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to set the worksession for 7:00 a.m., Tuesday, April 10, 2007, and set a Special City Council meeting for 7:00 p.m., Monday, April 16, 2007 and to adopt the following resolutions:

RESOLUTION NO. 3267

ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution file for complete copy of Resolution)

RESOLUTION NO. 3268

RECEIVING REPORT AND CALLING FOR HEARING ON PROPOSED IMPROVEMENT

(Refer to Resolution file for complete copy of Resolution)

APPROVED PLANS AND SPECIFICATIONS FOR AIRPORT HANGAR PROJECT

The consulting firm of SEH has completed the plans and bidding documents for the construction of the multiplane hangar as presented at the February 26, 2007 Council meeting. Integrity Aviation has executed the Memorandum of Understanding as approved by Council and has reviewed the proposed hangar plans. The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to approve the plans and specifications for the airport hangar project and authorize the advertisement for bids to be received at 2:00 p.m., on April 9, 2007 and considered for award at the Council meeting of that evening.

RESOLUTION NO. 3269 ADOPTED, AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING

The City of Worthington issued its Senior Housing Revenue Bonds (Meadows of Worthington Project), in December 2003, to finance Meadows' acquisition of the senior housing facility known as Meadows of Worthington, located at 1801 Collegeway in Worthington (the "Meadows Facility").

The 2003 bonds are outstanding in the principal amount of $6,120,000 and are subject to mandatory tender on December 1, 2008, meaning that the bonds would be required to be remarketed at that time. The bonds can be optionally redeemed now, on any date (subject to a 1% premium). Given current favorable market conditions, Meadows desires to act at this time to refund the 2003 bonds. The proposed financing would also include additional debt not to exceed $1 million to fund a debt service reserve and pay for certain capital improvements and repairs (including reroofing of the facility).

Ecumen, formerly known as the Board of Social Ministry, and its wholly-owned subsidiary, Meadows of Worthington, LLC (Meadows"), respectfully request that the City act as issuer for this financing. The proposed Meadows financing will not be designated as bank-qualified and is being structured so that only the new money portion, which is estimated not to exceed $1 million as described above, would be taken into account for the City's 2007 $10 million bank-qualified limitation.

Following discussion the motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adopt the following resolution which sets the date for the public hearing for on or after 7:00 p.m., Monday, April 9, 2007:

RESOLUTION NO. 3269

ESTABLISHING THE DATE FOR A PUBLIC HEARING AND AUTHORIZING THE PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO THE PROPOSED ISSUANCE OF SENIOR HOUSING REVENUE REFUNDING BONDS (MEADOWS OF WORTHINGTON PROJECT), SERIES 2007

(Refer to Resolution file for complete copy of Resolution)

RESOLUTION NO. 3270 ADOPTED, PROVIDING FOR THE SALE OF $4,480,000 GENERAL OBLIGATION BONDS, SERIES 2007A

A copy of a proposed City of Worthington Issue G.O. Permanent Improvement Bonds and Refunding, Series 2007A was presented. The total bonds will be for $4,480,000. The bonds are for 2005 and 2006 construction projects cost reimbursement ($2,260,000) and for refunding PIR Bonds-Series 1998A and 2000B ($2,220,000). The outstanding bonds mentioned above have call dates on February 1, 2006 and February 1, 2007, respectively. Based on current market conditions, estimates show savings of more than $43,000 over the remaining life of the two PIR issues. The actual savings will depend upon rates received at the time of the sale. The City would hold a competitive sale on April 9, 2007 allowing the Council to consider the bids at its regular meeting that evening.

Following a discussion the motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to adopt the following resolution:

RESOLUTION NO. 3270

RESOLUTION PROVIDING FOR THE SALE OF $4,480,000 GENERAL OBLIGATION PERMANENT IMPROVEMENT REVOLVING (PIR) BONDS, SERIES 2007A

(Refer to Resolution file for complete copy of Resolution)

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - Event Center meeting, he noted that SEH is working on design plans and the committee is looking at possible sites. They will hold another meeting in a couple of weeks.

Alderman Ten Haken - Joint City/County Zoning - interesting discussions on perimeter area would it fall under jurisdiction of and inspected like City of Worthington, or possible State Building Code, then no provision for enforcement. Tomorrow - Tuesday, he and Mike Woll will be going to St Paul to testify at House Financial Committee regarding Campbell Soup Property funding (trying to get wording corrected).
Alderman Woll - Nothing to Report.
Alderman Wood - HRA a tentative goals and strategies meeting. He will be going to St. Paul for a Bio Science 101 on Wednesday.
Alderman Kuhle - Planning Commission discussed salvage yard north or town - Blue Line race track. He attended the Voice of Immigrants session at MN West on Sunday afternoon.
Council Members discussed water issues at Whiskey Ditch and Lucy Drive due to the fast melt - ice jams - natural occurrences.

CITY ADMINISTRATOR REPORT

Joe Parker reported that Alice Hoffman had been selected as the new Administrative Secretary and that the Clubhouse Manager position has been advertised. Hope to get someone in that position soon so they can get up and running.

BILLS PAYABLE

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried that bills payable and totaling $280,563.93 be ordered paid.

ADJOURNMENT

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adjourn the meeting at 8:02 p.m.

Karen Buchman
City Clerk