

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, APRIL 9, 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 Alderman present: Ron Wood, Mike Kuhle, Bob Petrich, Lyle Ten Haken, Mike Woll, and Honorary Council Person, Lyle Voss.

City Staff present: Joe Parker, City Administrator; Dwayne Haffield, Director of Engineering; Brad Chapulis, Director of Community/Ec. Development; Brian Kolander, Finance Director; Jim Laffrenzen, Public Works Director; Jeff Faragher, Assistant City Engineer; Janice Oberloh, City Clerk.

Others present: Darrell Stitt, KWOA Radio; Kari Lucen, Daily Globe; Carolyn Drude and Dave Callister, Ehlers & Associates; Students and Teachers from Crailsheim, Germany; Various interested parties for the hearings/street reconstruction projects.

**INTRODUCTION OF HONORARY COUNCIL PERSON/GERMAN VISITORS**

Mayor Oberloh introduced Lyle Voss as the Honorary Council Person selected for the months of March and April 2007. Mayor Oberloh also introduced the delegation of visiting students and teachers from Crailsheim, Germany who were in attendance.

**RESOLUTION NO. 3274 ADOPTED ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS**

Pursuant to published notice this was the time scheduled for the public hearing on the proposed 2007 Street Reconstruction Improvements Project. The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to open the hearing. Dwayne Haffield, Director of Engineering, presented the project explaining that the purpose of the hearing tonight was only to decide whether to proceed with the project. The project report on the improvement and preliminary assessment roll was submitted to Council at its March 26, 2007 meeting. A summary of the improvement costs and total estimated assessments for the project is as follows:

13<sup>th</sup> Street

City share for non-assessable costs <sup>1</sup>	\$29,393.64	
City share of assessable costs	<u>\$0.00</u>	
Total City share	\$29,393.64	(79.4%)
Assessments receivable	<u>\$7,606.36</u>	(20.6%)
TOTAL COST	\$37,000.00	

The estimated assessment rate \$10.94/ft.

<sup>1</sup>City share for non-assessable costs is \$26,800 for the center 24 feet, \$350 for salvaging aggregate base material, \$1,586.94 for lot allowances, and \$656.66 for the Wilbur Street frontage.

Charles Avenue

City Share for non-assessable costs <sup>1</sup>	\$98,180.50	
City share of assessable costs	<u>\$0.00</u>	
Total City share	\$98,180.50	(95.3%)
Assessments receivable	<u>\$4,819.50</u>	(4.7%)
TOTAL COST	\$103,000.00	

The estimated assessment rate is \$16.85/ft.

<sup>1</sup>City share for non-assessable costs includes \$77,600.00 for the center 24 feet, \$5,035.20 for lot allowances, \$12,645.29 for TH 59/60 and alley frontages, and \$2,900 for salvaging aggregate base material.

Indian Hill Road

City share for non-assessable costs <sup>1</sup>	\$104,999.95	
City share of assessable costs	<u>\$0.00</u>	
Total City share	\$104,999.95	(58.1%)
Assessments receivable	<u>\$75,700.05</u>	(41.9%)
TOTAL COST	\$180,700.00	

The estimated assessment rate is \$41.01/ft.

<sup>1</sup>City share for non-assessable costs includes \$102,600.00 for the center 24 feet and \$2,400.00 for salvaging aggregate base material.

All Streets

City share for non-assessable costs <sup>1</sup>	\$232,574.09	
City share of assessable costs	<u>\$0.00</u>	
Total City share	\$232,574.09	(72.5%)
Assessments receivable	<u>\$88,125.91</u>	(27.5%)



Pursuant to published notice this was the time set for the public hearing on the proposed Improvement of Block 21 Alley. The motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to open the hearing. Dwayne Haffield, Director of Engineering, gave the hearing presentation. The project report on the improvement and preliminary assessment roll was submitted to Council at its March 26, 2007 meeting, and a summary of the improvement costs and total estimated assessments for the project is as follows:

City share for non-assessable costs <sup>1</sup>	\$17,899.96	
City share of assessable costs	<u>\$0.00</u>	
Total City share	\$17,899.96	(39.4%)
Assessments receivable	<u>\$27,500.04</u>	(60.6%)
TOTAL PROJECT COST	\$45,400.00	

The estimated assessment rate is \$45.83/ft.

<sup>1</sup>Concrete approaches and rounding adjustments.

Mr. Haffield noted that while the petition to improve the alley had been received some time ago, the delay was caused because televising of the sewer line in the alley showed it needed to be replaced. Because working in place was cost prohibitive, a lining will instead be inserted into the sewer main and it will be downsized to a lateral line.

Mayor Oberloh opened the hearing for testimony. Council discussed the City's share and the makeup of the improved surface. Other comments received:

- where will the trunk sewer be rerouted to?
- does the project costs include the Sixth Avenue reconstruction?

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to close the hearing.

The motion was made by Alderman Kuhle, seconded by Alderman Petrich and unanimously carried to move the project ahead and adopt the following resolution:

RESOLUTION NO. 3275

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution file for complete copy of Resolution)

**RESOLUTION NO. 3276 ADOPTED AUTHORIZING ISSUANCE OF HOUSING**

**REVENUE REFUNDING BONDS (MEADOWS OF WORTHINGTON PROJECT), SERIES 2007A AND TAXABLE HOUSING REVENUE REFUNDING BONDS (MEADOWS OF WORTHINGTON), SERIES 2007B**

Pursuant to published notice this was the time set for the public hearing for the issuance of housing revenue refunding bonds (Meadows of Worthington), Series 2007A and taxable housing revenue refunding bonds (Meadows of Worthington Project), Series 2007B. The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to open the hearing. Joe Parker, City Administrator, gave the hearing presentation. At its March 12<sup>th</sup> meeting, Council approved a resolution authorizing the publication of a notice of public hearing in order that Ecumen, formerly known as the Board of Social Ministry, and its wholly-owned subsidiary, Meadows of Worthington, LLC to issue bonds. Ecumen was requesting Council authorization of the execution and sale of the Housing Revenue Refunding Bonds (Meadows of Worthington Project), Series 2007A and Taxable Housing Revenue Refunding Bonds (Meadows of Worthington Project), Series 2007B, in a principal amount of \$7,750,000. They also request that Council approve the following documents/agreements:

- (a) The Indenture;
- (b) The Loan Agreement;
- (c) The Mortgage;
- (d) The Assignment of Mortgage;
- (e) A Bond Purchase Agreement, among the City, the Borrower, and Piper Jaffray & Co. as the Underwriter for the Bonds (the "Underwriter");
- (f) A continuing Disclosure agreement, dated as of May 1, 2007, between the Trustee and the Borrower;
- (g) An amendment to Regulatory Agreement and Declaration of Restrictive covenants, dated as of May 1, 2007, among the Borrower, the City, and the Trustee, amending the Regulatory Agreement among the Borrower, the City and the Trustee, dated as of December 1, 2003 (collectively the Regulatory Agreement).

The Mayor opened the floor for testimony.

As there was no testimony received, a motion was made by Alderman Petrich, seconded by Alderman Woll and unanimously carried to close the hearing.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to adopt the following resolution authorizing the issuance of housing revenue refunding bonds:

RESOLUTION NO. 3276

A RESOLUTION AUTHORIZING THE ISSUANCE OF HOUSING REVENUE REFUNDING BONDS (MEADOWS OF WORTHINGTON PROJECT), SERIES 2007A AND TAXABLE HOUSING REVENUE REFUNDING BONDS (MEADOWS OF WORTHINGTON PROJECT),

SERIES 2007B, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$7,750,000, WHICH BONDS AND THE INTEREST AND PREMIUM THEREON, IF ANY, SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED THEREFORE UNDER THE TRUST INDENTURE; PRESCRIBING THE FORM OF AND AUTHORIZING THE EXECUTION OF A TRUST INDENTURE, A LOAN AGREEMENT, AND AMENDMENT TO A REGULATORY AGREEMENT, AND CERTAIN RELATED DOCUMENTS; AUTHORIZING THE EXECUTION AND SALE OF THE BONDS AND DIRECTING DELIVERY THEREOF; AUTHORIZING ACCEPTANCE OF THE BOND PURCHASE AGREEMENT IN CONNECTION WITH THE BONDS; APPROVING THE FORM OF OFFICIAL STATEMENT; AND PROVIDING FOR THE SECURITY, RIGHTS, AND REMEDIES OF THE HOLDERS OF SAID REVENUE BONDS.

(Refer to Resolution file for complete copy of Resolution)

**JOBZ DESIGNATION APPROVED AUTHORIZATION GIVEN TO EXECUTE JOBZ BUSINESS SUBSIDY AGREEMENT**

Pursuant to published notice this was the time set for the public hearing for the JOBZ request. The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to open the hearing. Brad Chapulis, Director of Community/Economic Development, gave the presentation. Jaycox Implement, Inc. is proposing to construct a 14,400 square foot addition to its existing facility located at 1909 Oxford Street. To assist with the cost of the expansion, the company is requesting JOBZ designation, which would allow them to receive local and state tax exemptions related to the expansion. The company would still be responsible for payment of local and state tax, including real estate, on all existing improvements. The total project cost is \$1,158,000. The estimated JOBZ benefit for the company is \$374,000. In order to approve the designation, Council must consider the following and a consensus formed: (a) Is the applicant a qualified business? A qualified business is a business that is not retail or low wage service oriented that pays no less than 110% of the current poverty level for a family of four (currently \$10.06 per hour, including benefits). (b) JOBZ Modification? Since the applicant's property is not currently within an existing JOBZ designated area, the City, the County, and the School District must agree to relocate or "swap" the square footage from an established JOBZ zone. (c) Site preparation assistance? Council will need to determine if it will honor, amend or withdraw its assistance for the project if the company was awarded JOBZ designation.

A JOBZ Business Subsidy Agreement was drafted that outlines the commitments Jaycox Implement, Inc. would need to maintain in order to receive the tax benefits. Should the company not comply with those terms, they would lose the tax exemption and have to repay the benefits that have been obtained. Staff was requesting Council authorization for the Mayor to execute the Job Opportunity Building Zone (JOBZ) Business Subsidy Agreement, subject to Department of Employment and Economic Development's (DEED) approval of the JOBZ zone modification.

The Mayor opened the floor for testimony. Council discussed the Subzone E where the "swap"

would come from if approved by DEED, and the actual exemption benefit that goes with a JOBZ designation. Alderman Ten Haken noted that some of the JOBZ projects that have come up lately have been turned down, because the requirements of the designation make the project more expensive than the benefits gained.

Chad Jaycox noted that at this time the benefits still outweigh the costs of the requirements, but that could change. Brad Chapulis clarified that the previously granted site preparation assistance would apply to both the motel site and the building addition site, and the JOBZ designation would apply only to the new addition and improvements themselves. Mr. Jaycox noted that the jobs provided with the addition would be assembly/manufacturing, and not retail. Alderman Wood stated we are having a number of projects where we are looking at property tax issues, in which we could get stuck long term with property. This is a case where the property will stay productive as we go through the process instead of two years, three years, five years down the road where it becomes a piece of property with which we may have to take other kinds of action. Alderman Ten Haken noted that if we have two programs that are supported through the property tax system we have got to be careful that we don't rob that to the extent that we get ourselves in a bind where we can't pay for our assistance in one way or another through the process. Mr. Chapulis explained the only JOBZ tax benefit that entails the City/County/School District is the real estate improvements.

There being no further testimony, the motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to close the hearing.

The motion was made by Alderman Wood and seconded by Alderman Petrich to approve the JOBZ designation request, subject to DEED's approval of the JOBZ modification, and authorize the Mayor to execute the JOBZ Business Subsidy Agreement with Jaycox Implement, Inc.. Alderman Ten Haken expressed his concern again that we are letting someone participate in two programs off the same tax dollars. The following Aldermen voted in favor of the motion: Woll, Petrich, Kuhle, Wood; and the following Alderman voted against the same: Ten Haken. Whereby, the Mayor declared the motion passed.

### **AGENDA APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to accept the agenda as presented.

### **MINUTES APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to approve the Regular City Council Minutes of March 26, 2007 as previously distributed.

### **MINUTES OF BOARDS AND COMMISSIONS**

The motion was made by Alderman Petrich, seconded by Alderman Kuhle and unanimously carried to accept for review the Water and Light Commission Minutes of April 2, 2007, Worthington Rediscovered Committee Minutes of March 23, 2007, and Planning Commission Minutes of April 4, 2007.

**RESOLUTION NO. 3277 ADOPTED AUTHORIZING ISSUANCE AND SALE OF \$4,370,000 GENERAL OBLIGATION PERMANENT IMPROVEMENT REVOLVING (PIR) BONDS SERIES 2007A**

At its March 12<sup>th</sup> meeting, Council adopted a resolution authorizing the issuance and sale of \$4,480,000 General Obligation Permanent Improvement Revolving Fund (PIR) Bonds. The actual amount of the bonds issued will be \$4,370,000. The bond date was changed from the original resolution, resulting in a decrease of \$110,000. Bids were received at 10:00 a.m., Monday, April 9, 2007. Carolyn Drude and Dave Callister from Ehlers and Associates, the City's financial advisor, were present at the meeting to review the bid results.

Mr. Callister was happy to report they had received a lot of positive interest in our community, and that nine bids had been received for the bonds. This bond issue was a combination of new money and old money, with about half of the principal amount being refunded to achieve lower interest rates and to be able to save the City both present and future interest costs. The other half is to cover the costs of the improvement projects from the last year or two, and some of the projects approved at this meeting. The low bidder for the bonds was Morgan Keegan & Co., Inc. out of Memphis, Tennessee at a true interest cost of 3.9228%, which was lower than projected. Council reviewed the summary bids, with Mr. Callister noting that bond insurance had been purchased to guarantee the bonds, bringing the rating up to AAA. Our Moody's rating was affirmed at A2. Morgan Keegan & Co., Inc. took less discount and offered a premium at the sale today, resulting in an even further reduced PIR amount of \$4,370,000, which was \$110,000 less than talked about in March, and the true interest cost was also about a quarter of a percent less than originally talked about. Coupon rates were slightly lower over all. The overall refunded savings resulting from the sale are \$74,720, about \$31,000 higher than estimated in March. The old money issues will be paid off August 1, 2007.

Ehlers and Associates was recommending Council accept the bid from Morgan Keegan & Co., Inc. and adopt the resolution authorizing issuance, awarding sale, prescribing the form and details and providing for the payment of \$4,370,000 General Obligation Permanent Improvement Revolving Fund Bonds, Series 2007A.

Carolyn Drude noted that the savings amount from the sale is after the cost of issuance of \$37,500. By rolling all of the bond issues into one, two of the Paying Agent fees will not be charged, resulting in a savings on the cost of issuance.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to accept the bid from Morgan Keegan & Co., Inc and adopt the resolution authorizing the sale and issuance of \$4,370,000 General Obligation Permanent Improvement Revolving (PIR) bonds, Series

2007A.

RESOLUTION NO. 3277

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF \$4,370,000 GENERAL OBLIGATION PERMANENT IMPROVEMENT REVOLVING (PIR) BONDS SERIES 2007A

(Refer to Resolution file for complete copy of Resolution)

**APPROVAL OF OFFER TO PURCHASE PROPERTY FROM NEW VISION CO-OP**

The City Administrator had been directed to make an offer to purchase the vacant grain elevator property at 706 Tenth Avenue owned by New Vision Co-op, under the conditions that New Vision be responsible for the demolition and removal of the elevator to one foot below grade and then backfilled to grade. All back taxes, penalties and interest must also be paid by New Vision prior to the transfer of the property to the City of Worthington.

Staff was seeking approval of an offer to come from the City of Worthington in the sum of \$65,200. Mayor Oberloh requested that any motion to proceed reflect an end date on the offer of noon on the 23<sup>rd</sup> of April. Alderman Ten Haken suggested the payment of taxes, penalties and interest also be included in the motion along with an abatement date of June 30, 2007.

The motion was made by Lyle Ten Haken, seconded by Mike Woll and unanimously carried to submit the offer of \$65,200 to New Vision Co-op for the cleaned property at 706 Tenth Avenue subject to payment of taxes, penalties and interest due, and abatement completed by June 30, 2007, with such offer to expire at noon on the 23<sup>rd</sup> of April.

**ON-SALE BEER LICENSE APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the following On-Sale Beer License for the period May 1 through September 30, 2007:

2007-16      Nobles County Speedway, 1600 Stower Drive

**BID AWARDED FOR AIRPORT HANGAR PROJECT**

Bids were received at 2:00 p.m. April 7, 2007 for the construction of the multiplane hangar for lease to Integrity Aviation, which was presented to City Council at the February 26, 2007 Council Meeting. The Engineer's estimate for the project was \$231,000. The following bids were received:

<u>Bidder</u>	<u>Wood</u>	<u>Steel</u>	<u>Single Bid</u>
Buhler Construction Co.			\$363,300

Doom Cuypers Inc.	\$360,200	\$360,000	
Johnson Builders & Realtors			\$290,960
McCuen Construction	\$296,548	\$395,128	
Salonek Concrete & Cons.			\$321,800
Southwest Equip. Sales			\$274,121
Tri-State General Contr.	\$331,984	\$338,545	

Based on a recommendation from staff, the motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to award the bid to Southwest Equipment Sales as the low qualified bidder in the amount of \$274,121.

**PLANS FOR BRISTOL STREET STORM SEWER RECONSTRUCTION PROJECT APPROVED**

The 2007 storm water utility budget included \$94,880 for the Bristol Street storm sewer reconstruction project. The project provides for replacement of storm sewer piping under the street's roadbed from Apel Avenue west through the cul-de-sac, and is in advance of street construction planned for that segment of Bristol Street. The budget for the project originally included reconstruction of the storm sewer under the Apel Avenue to McMillan Street segment, but recent televising indicates that full reconstruction of that segment is not necessary at this time, therefore, staff is recommending spot repairs.

The current estimated cost including engineering and contingencies for the Bristol Street work is \$56,250 and does not include costs for future pavement restoration which would be undertaken at the time of street reconstruction (west end) or in two or more years (spot repairs). It is proposed that this work be completed as a schedule of work in the 2007 Water and Sewer Reconstruction project that includes four schedules of sanitary sewer and water main reconstruction projects. These projects will be funded by utility revenues administered by the Water & Light Commission. Plan approval of these projects was authorized at a Water and Light Commission meeting on April 9, 2007. Staff was recommending that Council accept the budget revision for funding the Bristol Street storm sewer work, and that Council authorize an advertisement for bids, the bids to be received by the Water and Light Commission, and the Commission to award the bid on behalf of the Council.

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to authorize advertising for bids as part of the 2007 Water and Sewer Reconstruction project, the bids to be received by the Water and Light Commission with the Water and Light Commission to award the bid on behalf of the Council.

**2007 SUMMER RECREATION FEES APPROVED**

The City's summer recreation programs, adult softball and outdoor swimming pool are managed by a contract with the Worthington Young Mens Christian Association (YMCA), who is responsible for the promotion and collection of fees for the programs and the hiring of staff. In addition, the

YMCA schedules the usage and preparation of the baseball fields at the Worthington Middle School for the local Veterans of Foreign Wars (VFW), American Legion and Worthington Cubs baseball teams and a traveling girls softball team. City and YMCA management staff evaluates the costs associated with each recreational program and establishes a fee structure for Council's consideration and approval on an annual basis. Discussion was held on the difference in fees between the youth programs and the adult programs.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the following summer recreation fees schedule as proposed by the Park and Recreation Advisory Board and staff:

<u>Activity</u>	<u>2006 Fee</u>	<u>Increase</u>	<u>2007 Fee</u>
Fun & Adventure	\$32.00	\$1.00	\$33.00
Tennis	\$24.00	\$1.00	\$25.00
Track	\$24.00	\$1.00	\$25.00
Girl's Softball	\$32.00	\$1.00	\$33.00
Rookie Baseball	\$29.00	\$1.00	\$30.00
Junior Baseball	\$34.00	\$1.00	\$35.00
Adult Softball	\$225/team	-0-	\$225/team
VFW, Legion, Cubs, Baseball	\$325/team	-0-	\$325/team
Traveling Girls Softball Team	\$325/team	-0-	\$325/team
Worthington Soccer Association	\$2,000	-0-	\$2,000

**2007 SWIMMING POOL FEE SCHEDULE APPROVED**

The elimination of the differential in 2004 between the fee for non-residents versus residents, establishing a family fee cap, and the use of a card system versus the sew on patch was well received. Pool revenues have remained at approximately \$30,000 for the past several years. The fees were raised in 2006, however, the Park and Recreation Advisory Board recommends no increase for the 2007 season and approval of the following rate schedule:

<u>Pass Type</u>	<u>2006 Fee</u>	<u>Proposed Increase</u>	<u>2007 Fee</u>
Individual Season Pass	\$52	-0-	\$52
Family Season Pass: <i>(Family members are husband/wife/parent/guardian, and children under age 18)</i>			
First family member	\$52	-0-	\$52
Second family member	\$21	-0-	\$21
Third family member	\$21	-0-	\$21
Family cap	\$94	-0-	\$94
Young Family/No Slide Season Pass	\$62	-0-	\$62
<i>(For families with all non-swimming children under age 5, wading pool use only)</i>			

Private Parties (No Change)

1-15 People	\$90	\$10	\$100
16-50 People	\$155	\$10	\$165
Over 50 people	\$2.50/person	\$-0-	\$2.50

Daily Fees: (No Change)

Young Family. . . . .	\$2.50/person
<i>(Non-swimming parents with children under 5 years of age who use wading pool only)</i>	
Youth 18 years and under. . . . .	\$3.50/person
Adults . . . . .	\$4.50/person

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to approve the 2007 Swimming Pool Fee schedule as proposed by the Park and Recreation Advisory Board and staff.

**PARK CONCESSION AND DOCK PERMIT FEES ESTABLISHED**

The City issues concession permits annually to vendors asking to sell concessions within the City’s park system, which assures that each vendor has obtained the proper licensing and insurance to operate the concession. Fees were increased by \$5 in 2005 for the one day non-profit, one day profit making, annual non-profit and historical permit, and by \$25 for the annual profit making, annual mobile non-profit, and annual mobile profit making permits. All permits require \$100 clean-up deposit which is refunded if all trash/garbage is removed and disposed of in a proper manner.

The City also permits property owners whose residence is located directly across the street from park designated property abutting Lake Okabena to install a dock. The property owner is required to provide a \$1,000,000 Public Liability Insurance Policy naming the City as an additional insured and to post and maintain a sign warning people no diving or swimming is permitted. The general public has use of these docks as they are on public property. The Park and Recreation Advisory Board and staff recommended no increase to the concession and dock permit fees for 2007 and ask for approval of the following fee schedule:

<b><u>Permit Type</u></b>	<b><u>2007 Fee</u></b>
One day permit (non-profit)	\$ 40
One day permit (profit making)	\$ 50
Annual non-profit	\$ 50
<i>(Generating revenue for city supported recreational activity)</i>	
Annual non-profit	\$ 55
<i>(General group)</i>	
Annual profit making	\$150
Historical Permit	\$130

<i>(Chautauqua Park-popcorn wagon)</i>	
Annual mobile (non-profit)	\$250
<i>(Allows utilization of all parks where off street parking is available, with the exception of Centennial Beach/Shelter)</i>	
Annual mobile permit (profit making)	\$350
<i>(Allows utilization of all city parks where off street parking is available, with the exception of Centennial Beach/Shelter)</i>	
Dock permit	\$ 85
Sign Cost	Cost plus 15%

In response to a question from Mayor Oberloh regarding control of those vendors selling concessions other than in City parks, Jim Laffrenzen, Public Works Superintendent, stated the vendors are usually turned in to the Police Department who in turn directs them to the City Clerk's office to obtain the necessary permits.

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to approve the Park Concession and Dock Permit Fee Schedule as presented.

#### **WEED INSPECTOR APPOINTED**

The City Council is required to appoint a weed inspector annually if the inspector is someone other than the Mayor. The weed inspector authorizes the mowing and/or spraying of property that is in violation of the City's weed ordinance if necessary, and keeps records of costs to be billed to the property owner.

The motion was made by Alderman Petrich, seconded by Alderman Wood and unanimously carried to appoint MyRa Onnen as the City Weed Inspector for 2007.

#### **COFFEE NOOK LEASE AGREEMENT APPROVED**

Becky Schilling has operated a concession operation within the Centennial Park beach building since 2004. With the building renovation project underway this year, she will be able to expand her menu items. In lieu of rent, she and her staff are responsible for the cleaning of the restrooms and the beach area seven days a week, with the City supplying the necessary cleaning supplies. Ms. Schilling is also required to obtain a concession permit and provide the required insurance.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to approve the Coffee Nook Lease Agreement, such agreement to commence on June 1, 2007 and terminate on approximately September 16, 2007.

#### **RESOLUTION IN SUPPORT OF BALANCED CLIMATE CHANGE LEGISLATION ADOPTED**

Scott Hain, General Manager of Worthington Public Utilities, informed Council that there is pending legislation in both the Minnesota House and the Minnesota Senate that, if enacted in its present form, would prevent the construction of the proposed Big Stone II coal-fired power plant near Milbank, SD. Missouri River Energy Services (MRES), from which Worthington purchases approximately 70% of our power, is the largest single participant in the Big Stone II project. The Global Warming Mitigation Act would impose a moratorium on the construction of any new baseload power plants within the state of Minnesota and, would prohibit the import of power from outside the state from a new baseload power plant. Without the ability for MRES to provide power from the Big Stone II plant to its Minnesota member utilities, the project is not feasible for MRES. Without the Big Stone II project, MRES will need to develop alternative resources that will result in a 30% increase in rates according to agency estimates. At their regular meeting on April 2, 2007, the Water and Light Commission passed a resolution urging the Minnesota Legislature to take a more deliberative approach to any climate change legislation and was asking City Council to adopt the resolution in substantially the same form as passed by the Water and Light Commission. Alderman Wood noted he would have to vote on the principle of what he believes in, in terms of green environment and where we are moving.

The motion was made by Alderman Kuhle, seconded by Alderman Ten Haken, to adopt the Resolution in Support of Balanced Climate Change Legislation. The following Aldermen voted in favor of the motion: Ten Haken, Kuhle and Petrich; the following Aldermen voted against the same: Wood and Woll, whereby, the Mayor declared the motion passed to adopt the following resolution:

#### RESOLUTION IN SUPPORT OF BALANCED CLIMATE CHANGE LEGISLATION

WHEREAS the Minnesota State Legislature recently passed Renewable Energy Standard (RES) legislation requiring 25% of utility companies generation portfolio to be produced by renewable generation by the year 2025, and

WHEREAS the RES legislation would reduce the amount of additional CO<sub>2</sub> being emitted into the environment by Minnesota utilities, and

WHEREAS the legislature is now considering major climate change legislation that could have significant impacts on achieving the recently adopted RES as well as on the ability of Minnesota utilities to meet the growing needs of the citizens of the State of Minnesota as well as neighboring states, and

WHEREAS legislators are urged to consider the result of significantly more expensive power due to climate change legislation and the impact that would have on economic development throughout rural Minnesota, and

Whereas the climate change legislation being considered could also compromise the reliability of the transmission grid in Minnesota and surrounding region to reliably deliver the additional electricity needed by Minnesota consumers, and

WHEREAS any climate change legislation adopted by the State of Minnesota needs to consider the proper balance between reducing CO2 emissions and meeting the growing energy needs of the citizens of the State of Minnesota to ensure the continued health and vitality of the Minnesota economy, and

WHEREAS the currently proposed legislation only targets the utility sector and ignores the more significant CO2 emissions from other sectors of the economy,

NOW THEREFORE, BE IT RESOLVED that the City of Worthington urges the Minnesota Legislature to develop climate change legislation that will broadly consider the CO2 emissions of all segments of the economy rather than only select segments of the economy, and

BE IT FURTHER RESOLVED that the legislature is urged to consider the technological feasibility of legislation being considered as well as the ability to meet the growing energy needs of the citizens of Minnesota under any climate change legislation being considered, and

BE IT FURTHER RESOLVED that the City of Worthington supports a deliberative approach to the passage of climate change legislation by the State of Minnesota involving an in depth study of the economic, technological and environmental elements to be considered in any such legislation, and

BE IT FURTHER RESOLVED that such a study be carried out in an environment that recognizes the adopted goals of the Minnesota RES but does not prohibit the electric utility segment from meeting the needs of the growing Minnesota economy.

**RESOLUTION NO. 3279 ADOPTED RELOCATING JOBZ ZONE**

Jaycox Implement, Inc. is proposing to construct a 14,400 square foot addition to its existing facility located at 1909 Oxford Street and was requesting assistance with the cost of the expansion by requesting JOBZ designation. The designation will allow the company to receive local and state tax exemptions related to the expansion, however, Jaycox would be responsible for payment of local and state tax, including real estate, on all existing improvements. In order to formally request the designation from the City of Worthington, the City, County and School District must support a “swap” or relocation of 14,400 square feet from an established JOBZ zone to the property in question since it is not located within JOBZ zone. The “swap” will then be presented to the Minnesota Department of Employment and Economic Development for final approval. Staff was proposing to move 14,400 square feet from the commercial area of Sub-Zone E to 1909 Oxford Street to facilitate the proposed expansion, and was requesting Council to adopt the following resolution of support for the proposed “swap”:

RESOLUTION NO. 3279

RELOCATING 14,400 SQUARE FEET FROM SUB-ZONE E TO PARCEL ID#31-3837-000 TO FACILITATE THE EXPANSION PROPOSED BY JAYCOX IMPLEMENT

(Refer to Resolution file for complete copy of Resolution)

### **SALE OF WORTHINGTON REDISCOVERED ACQUIRED REAL ESTATE APPROVED**

Brad Chapulis, Community/Economic Development Director, presented a redevelopment proposal from Dan Wagner, Dan Wagner Construction, for property the City acquired at 1226 Seventh Avenue with Worthington Rediscovered funds. Mr. Wagner proposed to purchase property for the minimum bid of \$7,000 with the intention of constructing an 1,100 square foot single family home with a finished basement and double stall attached garage, with the project to be completed in July, 2007. The Worthington Rediscovered Committee considered Mr. Wagner's proposal at its April 3<sup>rd</sup> meeting and voted unanimously to recommend Council accept the proposal.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to accept Mr. Wagner's offer of \$7,000 and authorize the Mayor to execute a warranty deed and the Development Agreement as presented.

### **COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - reported that a feedback letter had been received regarding the presentation given by himself, Police Chief Mike Cumiskey and School Superintendent John Landgaard at the Minnesota Council on Foundations in St. Cloud recently. The panel presentation was called "Lessons from Worthington - One Community's Response to Changing Demographics" and was attended by a couple of hundred people. Evaluations from the attendees showed 91% rated the presentation at "good," "very good," or "excellent."

Alderman Ten Haken - nothing to report.

Alderman Woll - Wondered if the information in these large Council packets could be posted on the City's web site.

Alderman Wood - nothing to report.

Alderman Kuhle- reported that the Planning Commission was working on a set of criteria that would allow lighted signing if the criteria were met, addressing the issue of the request from Prairie Elementary.

Alderman Petrich - Discussion was held at the Memorial Auditorium Advisory Board meeting on whether a member of that committee should also serve on the convention center committee. Mayor Oberloh noted the Auditorium and the event center would be two completely entities and would not be taking dollars from each other.

### **CITY ADMINISTRATOR'S REPORT**

Joe Parker, City Administrator, reminded Council members and staff that the annual Council/Staff Retreat was coming up April 27<sup>th</sup> at the Dayton House and requested that they get their ideas for discussion in to either the Clerk or the Secretary.

### **BILLS PAYABLE**

The motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried that bills payable and totaling \$235,787.13 be ordered paid.

**ADJOURNMENT**

The motion was made by Alderman, seconded by Alderman Wood and unanimously carried to adjourn the meeting at 9:38 p.m.

Janice Oberloh  
City Clerk