

**WORTHINGTON CITY COUNCIL  
CONTINUED JANUARY 22, 2018 REGULAR MEETING**

The meeting was reconvened at 3:00 p.m. on Tuesday, January 23, 2018 in City Hall Council Chambers by Mayor Pro Tem Chad Cummings with the following Council Members present: Alan Oberloh, Amy Ernst, Mike Harmon - Mayor Mike Kuhle (3:09 p.m.); Council Member Janssen (3:10 p.m.).

Staff present: Steve Robinson, City Administrator; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk.

Others present: Karl Evers-Hillstrom, The Globe; Terry Galswick, MN West Community and Technical College; John Landgaard, ISD 518; Randy Thompson, Worthington HRA; Andy Berg; La Donna and Scott Carlson.

The Pledge of Allegiance was recited.

**AGENDA CLOSED/APPROVED WITH ADDITIONS**

Staff requested the following additions to the agenda:

*F.6. - Authorization to Work with Brunton Architecture*

*F.7. - Request for Funding - Worthington Cemetery Association*

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to close/approve the agenda with the requested additions.

**PUBLIC HEARING AND RESOLUTION NO. 2018-01-05 AND RESOLUTION NO. 2018-01-06 ADOPTED ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS - NORTH CRAILSHEIM ROAD UTILITY EXTENSIONS**

Pursuant to published notice this was the time and date set for a public hearing for the North Crailsheim Road utility extensions.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to open the hearing.

Dwayne Haffield, Director of Engineering, noted this was a preliminary assessment hearing for the North Crailsheim Road Utility Extensions project, and provided information on the project so far. The School District petitioned for the project, and an adequate petition was received so only a simple majority vote is needed to move the project ahead. Two alternates were presented for the Sanitary Sewer - Alternate 1 was the gravity line extending to Fox Farm Road and Alternate 2 is the addition of a lift station. The gravity line option has a higher initial cost, but the projected life cycle cost of the lift station option is significantly higher. Mr. Haffield provided a summary of improvement costs as follows:

SANITARY SEWER ALTERNATE 1

	LATERAL	TRUNK	TOTAL	
Trunk Fund		\$108,299.95	\$108,299.95	
Assessments	\$142,497.96	\$111,820.05	\$254,318.01	(52.8%)
City Share	<u>\$118,652.04</u>	<u>0.00</u>	<u>\$118,652.04</u>	
TOTAL	\$261,150.00	\$220,120.00	\$481,270.00	

SANITARY SEWER ALTERNATE 2

	LATERAL	TRUNK	TOTAL	
Trunk Fund		\$196,526.53	\$196,526.53	
Assessments	\$41,654.63	\$71,673.47	\$113,328.10	(32.0%)
City Share	<u>\$43,745.37</u>	<u>0.00</u>	<u>\$43,745.37</u>	
TOTAL	\$85,400.00	\$268,200.00	\$353,600.00	

Staff was recommending Alternate 1 - the gravity option - based on the lower life cycle cost.

Mayor Kuhle asked if there was anyone present who wished to present testimony regarding the project.

John Landgaard - Stated the School District has no issue with the gravity system, but their long term plan would include athletic fields where they would not have a need for lateral service which will cost them \$50,000 in assessments.

There was no other testimony.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to close the hearing.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to approve staff's recommendation to go with Alternate 1, gravity option, and adopt the following resolutions ordering the improvement:

RESOLUTION NO. 2018-01-05

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2018-01-06

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

**THIRD READING AND ORDINANCE NO. 1113 ADOPTED - MORATORIUM ASPHALT PLANTS**

Mayor Kuhle noted that Council would be taking this item out of order.

Pursuant to published notice this was the time and date set for the third reading of a proposed interim ordinance (moratorium) that would temporarily prohibit asphalt plants within the city limits. The moratorium would be in effect for one year for the purpose of protecting the planning process and the health, safety, and welfare of the citizens of the City until a study addressing the potential effects on public health and other concerns of an asphalt plant located with city limits can be completed.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to give a third reading to, and subsequently adopt the following ordinance:

ORDINANCE NO. 1113

AN INTERIM ORDINANCE ESTABLISHING A MORATORIUM TEMPORARILY PROHIBITING ASPHALT PLANTS

(Refer to Ordinance File for complete copy of Ordinance)

**CONSENT AGENDA APPROVED**

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the consent agenda as follows:

- City Council Minutes of Regular Meeting January 8, 2018
- Minutes of Boards and Commissions - Worthington Housing and Redevelopment Authority Board Minutes of November 28, 2017; NEON Committee Minutes of December 14, 2017; Heron Lake Watershed Board Minutes of November 21, 2017; Worthington Public Arts Commission Minutes of December 21, 2017
- Application for Exemption from Lawful Gambling Permit - Worthington Area YMCA
- Application for Exemption from Lawful Gambling Permit - Worthington Okabena Windsurfers
- Bills payable and totaling \$1,525,220.73 be ordered paid

**WORTHINGTON HOUSING AND REDEVELOPMENT AUTHORITY 2016 PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS) MANAGEMENT SCORE AND OVERALL SCORE FOR THE WORTHINGTON AGENCY**

Randy Thompson, Executive Director of the Worthington Housing and Redevelopment Authority, spoke to Council regarding notifications issued to The HRA Board and Mayor Kuhle by the Minneapolis Field Office of the US Department of Housing and Urban Development. The letter was to make them aware of the score received by the Worthington HRA on their 2016 Public Housing Assessment System (PHAS) management score and overall score for the Worthington Agency. The HRA received a PHAS score of 80 out of a possible 100 points and a score of 13 in the management category, resulting in the HRA receiving a Substandard Management designation for Fiscal year end December 31, 2016. Mr. Thompson said points were deducted for occupancy rate, but some of the un-occupied apartments were being remodeled and repaired, which took more than 60 days to complete. Had the Authority made a request for modernization, those units would have been exempt from the occupancy rate. Points were also deducted from the Capital Fund Program score due to occupancy rates. Also contributing to the reduced score was that the Doubtful accounts did not get written off until May of 2017 instead of the end of 2016. Mr. Thompson also noted that the PHAS scoring does not have an impact on Federal Funding that the HRA receives, only the inspection schedule. They are doing some things to improve the PHAS score for 2017 and 2018.

Following discussion, Mr. Thompson thanked Council for the opportunity to speak to them.

**2018 PAY EQUITY REPORT FOR 2017 DATA APPROVED**

City, County, and School Districts are required to complete a Pay Equity Implementation report to submit to the State every three years. The City's last report was made January 2015 for 2014 data, so is now due again. Deadline for submitting the report is January 31, 2018 for 2017 data, however, Council needs to approve the report prior to it being sent to the State. Staff had requested a preliminary review of the report by the Minnesota Management and Budget Department, and received notice that it was compliant, subject to passing the completeness and accuracy test.

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to approve the 2018 Pay Equity Report for 2017 Data.

**LELS 4 MEMORANDUM OF UNDERSTANDING AND REQUEST FOR PARTICIPATION IN MINNESOTA STATE RETIREMENT HEALTH CARE SAVINGS PLAN APPROVED**

The Minnesota State Retirement System (MSRS) offers a Post Retirement Health Care Savings Plan (HCSP) to employees of nearly all public employers within the State of Minnesota. The purpose of the HCSP is to provide a fund from which retired public employees can draw to cover health related expenses such as insurance premiums, medical bills, etc. Individual employees participating in the

HCSP accumulate (and utilize) their own individual fund balance through a variety of contribution methods. To qualify for the Post Retirement Health Care Savings Plan (HCSP), a public employer must establish a “group” of eligible employees and approve a consistent contribution method. The establishment of that group, the establishment of a contribution method and the authorization of the group to participate in the HCSP is normally accomplished through the provision in a collective bargaining agreement or a personnel policy.

The City of Worthington LELS #4 Police Department Non-Supervisory employees have a desire to be able to participate in the MSRS Post Retirement Health Care Savings Plan.

Following a discussion, the motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to approve the following action:

The City of Worthington LELS #4 Police Department Non-Supervisory employees have a desire to be able to participate as a group in the Minnesota State Retirement System Post Retirement Health Care Savings Plan and that the contribution to the plan for each qualifying employee shall be:

1. Payroll deductions - \$25.00 per pay period
2. A one-time, lump sum contribution of the cash value of 100% of their accumulated Paid Time Off (PTO) vacation balance made at the time the qualifying employee retires to a PERA pension.
3. A one time lump sum contribution of one-third (1/3) of their accumulated Extended Sick Leave Bank (ESLB) balance made at the time the qualifying employee retires to a PERA pension.

### **CHANGE ORDER NO. 3 FOR LIQUOR STORE PROJECT APPROVED**

Staff submitted Change Order No. 3 for the Liquor Store Remodel project for Council approval. The Change Order includes:

- Eliminate new 2-inch water line intended to replace the existing 1-inch line. Modification of the plumbing fixtures will allow usage of the existing water line. DEDUCT \$3,644.00
- Remove 4-inches of existing concrete foundation at the front and rear additions to allow placement of the new concrete floor over the foundation. ADD \$575.00
- Add exterior lighting inverter per code review. ADD \$1,318.00
- Relocate fire access window on the west exterior wall and frame and drywall chase. It was discovered that structural frame lateral bracing was present behind the wall in the window location specified in the plans. ADD \$680.00

The Change Order results in a net deduct of \$1,071.00.

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to approve Change Order No. 3 for the Liquor Store Remodel project.

**AUTHORIZATION TO WORK WITH BRUNTON ARCHITECTURE FOR PAVILION AND BEACH NOOK PROJECT**

Steve Robinson, City Administrator, said the Community Growth Committee met last week with Cory Brunton of Brunton Architecture and listened to his vision primarily on the 10<sup>th</sup> Street Plaza project and somewhat on the Centennial Beach project. The Committee would like to work with him and were requesting Council authorization to have him start putting together some concepts of what the 10<sup>th</sup> Street Plaza might look like prior to getting a full contract in front of the Council. Mr. Robinson said he thought the concept work would be \$5,000 or less.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to authorize staff to work with Brunton Architecture.

**REQUEST FOR FUNDING - WORTHINGTON CEMETERY ASSOCIATION**

Steve Robinson, City Administrator, noted the City and the County had received a request from the Worthington Cemetery Association for funding to help them with their budget short fall. He and Nobles County Administrator Tom Johnson have discussed the request, and agreed it would be a shared cost between the City and County if approved. The County has not yet acted on the request. Per statute, if a cemetery fails, the Counties are the first in line to take over. Mr. Robinson also noted that the Cemetery Association had not yet provided their financial statements.

Council determined that this should be discussed at a work session with the County Attorney and the City Attorney present, and that we need to get the Association's financial statements.

**CENTENNIAL PARK SPLASH PAD**

The Worthington Noon Kiwanis has participated in raising funds for a splash pad, which included the award of a \$50,000 matching grant from the Worthington Health Care Foundation. Staff has looked at potential locations for the project and determined that Centennial Park would be the most suitable location. Estimated cost of the splash pad is \$500,000. Staff was requesting Council authorization to proceed with the splash pad project contingent on the Noon Kiwanis securing their portion of the funding. Remaining funds would come out of the City's Community Growth fund.

Council Member Ernst questioned what the City's process is for these instances when a group raises funds towards a project to bring it forward to the City - Harmony Park was up for consideration in

Centennial Park before the splash pad, where are the priorities set? Todd Wietzema, Public Works Director, noted that the Harmony Park project was on hold until they work through some design issues. Steve Robinson, City Administrator, said it is troublesome when a civic group raises funds then throws it at the City without a policy in place. Council Member Ernst said she wants a work session to get a process in place. Mr. Wietzema said there are shoreline areas and impervious coverage requirements that still need to be looked at before determining that the splash pad would fit at Centennial Park.

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to authorize staff to move forward with the project, contingent on the Noon Kiwanis securing their portion of the funding, and staffs findings that it does or does not fit at Centennial Park.

### **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - Reminded Council of the upcoming work session January 31<sup>st</sup> at 4:00 p.m.

Council Member Janssen - No meetings to report on but attended the Community Ed open house.

Council Member Oberloh - No meetings to report on.

Council Member Cummings - No meetings to report on.

Council Member Ernst - No meetings to report on.

Council Member Harmon - Attended the Community Ed open house. Reported on the Joint City/County/School Board meeting; reported on the Water and Light Commission meeting, and the Prairie Justice Center meeting.

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

Steve Robinson, City Administrator, reminded Council of the upcoming Chamber of Commerce Extravaganza event on Friday. He also noted that next Thursday and Friday he and Jason Brisson would be attending an Ehlers Public Finance Seminar in the Cities. On Monday, January 29<sup>th</sup> he will be meeting with Emily Carlson from the Census Bureau - they'll be looking at complete count committees in areas where they've had suspected undercounts. The League is having a number of meetings on the complete count committees - he's looking at attending the one in Marshall scheduled for April 11<sup>th</sup>. He's been contacted by the State Department Administration Office - they are looking for office space for a Department of Agriculture employee and will look at the BAC office.

### **ADJOURNMENT**

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 5:07 p.m.