

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JANUARY 23, 2017**

The meeting was called to order at 7:00 p.m. in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Larry Janssen, Alan Oberloh, Chad Cummings, Amy Ernst, Mike Harmon.

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

Others present: Justine Wettschreck, Radio Works; Karl Evers-Hallstrom, Daily Globe.

The Pledge of Allegiance was recited.

AGENDA CLOSED / APPROVED

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to close / approve the agenda as presented.

CONSENT AGENDA APPROVED

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

- City Council Minutes of Annual Meeting January 9, 2017
- Minutes of Boards and Commissions - Planning Commission Board of Appeals Minutes of January 3, 2017; Heron Lake Watershed District Board Minutes of November 15, 2016; NEON Committee Minutes of November 10, 2016; Prairie Justice Center Joint Operations Committee Minutes of November 2, 2016;
- Renewal of Lutheran Social Service Senior Nutrition Program Site Use Agreement for 2017
- Application for Exemption from Lawful Gambling Permit - Pheasants Forever Nobles County Chapter #14
- Application for Exemption from Lawful Gambling Permit - Worthington Area YMCA
- Bills payable and totaling \$629,932.73 be ordered paid

NOMINATING COMMITTEE RECOMMENDATIONS FOR COMMITTEE APPOINTMENTS APPROVED

The Nominating Committee met on January 10, 2017 and were making the following recommendations for Committee appointments:

Planning Commission -

Appoint Gary Oberloh to fill the unexpired term of Amy Ernst as an at large member following Amy's appointment as Council Rep to the Commission - term to expire March 31, 2019

Appoint Jessica Velasco to fill the unexpired term of Ty Synavone, who resigned her position - term to expire March 31, 2018.

The motion was made by Council Member Harmon, seconded by Council Member Oberloh and unanimously carried to approve the Nominating Committee recommendations for Committee appointments as presented.

Council Member Ernst noted a misspelling of her name in the case item and requested a correction - the Clerk agreed to make the correction.

RECONSIDERATION OF INTERFUND LOAN TERMS FOR DEVELOPMENT OF BUSS FIELD SOCCER COMPLEX

At the October 10, 2016 Council meeting, staff brought forward a resolution authorizing an interfund loan for the soccer field improvements project with the term of the loan a period of ten years at an interest rate of 2%, for an amount not to exceed \$1,200,000. The intent was to levy taxes for the repayment of the loan, which would be offset by not funding Prairie View Golf Course. Council adopted the resolution approving the interfund loan, but for a 15 year term at 0% interest.

Council Member Oberloh had now requested to revisit that decision, requesting that the terms of the loan be amended to reflect staff's recommendation of 2% for 10 years, noting the loss of 2% interest revenue on the \$1.2 million loan, and that charging ourselves interest on the loan would not affect the levy anymore than it had already. Council Member Ernst said Council needed to be careful and uphold decisions of prior Council, and she would stand firm on that. Mayor Kuhle said he felt adding it to the levy would be an extra burden on the tax payers. Council Member Cummings noted that we want to keep the fund whole - that money should be worth something. Mayor Kuhle said if they wanted the loan repaid in 10 years instead of 15 that was okay.

Following discussion, the motion was made by Council Member Oberloh and seconded by Council Member Cummings to amend the terms of the soccer field interfund loan to 10 years at 2% interest with the following Council Members voting in favor of the motion: Oberloh, Cummings; and the following Council Members voting against the same: Janssen, Ernst, Harmon. Motion failed.

CITY OF WORTHINGTON 2017 LEGISLATIVE PRIORITIES ADOPTED

Steve Robinson, City Administrator, presented the 2017 Legislative Priorities for Council revision and approval, as follows:

- Lewis and Clark - to remove geographical restrictions from Lewis and Clark Appropriation Bonds issued for Phase 2 of the project that would allow an estimated \$8.0 million unspent

- from Phase 2 to be used towards Phase 3
- Local Option Sales Tax - Grant legislative authority to City Council, by ordinance, to extend the current local option sales tax for the full ten years in spite of paying off all projects and expenses associated with the Memorial Auditorium and Event Center project, allowing the City to collect an estimated additional \$1.5 million to be placed into a capital project fund
- Local Government Aid - Increase Local Government Aid funding by \$45.5 million, with future funding levels to be indexed for inflation
- Transportation - support of a bill that meets many transportation funding needs and includes new and existing robust and sustainable funding sources; dedicated funds for expansion, maintenance, regional and local priorities and economic development; equitable distribution of funds to meet transportation needs of both greater Minnesota and the metro area

Council Member Harmon noted that he would like to add the bonding bill that didn't get passed in 2016. It is his understanding that the Senate and the Governor have included it in their proposal, and they are waiting for the House to complete theirs.

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to adopt the City of Worthington 2017 Legislative Priorities with the inclusion of the bonding bill as proposed in 2016.

RESOLUTION NO. 2017-01-02 ADOPTED AUTHORIZING EXECUTION OF STATE OF MINNESOTA GRANT AGREEMENT

Todd Wietzema, Public Works Director, said the City was recently notified of award of a Minnesota Department of Transportation Grant to purchase a new tractor and airport radio at the Municipal Airport. The current tractor was scheduled to be replaced in 2017. Total cost of the tractor and radio is \$64,023.24, of which the state grant will pay 80% of the cost, or \$51,218.59. The City will use Airport E.R.S. funds to pay the remaining 20%, or \$12,804.65.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adopt the following resolution authorizing the Mayor and City Clerk to execute the grant agreement and any amendments on behalf of the City:

RESOLUTION NO. 2017-01-02

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION

(Refer to Resolution File for complete copy of Resolution)

PREFERRED ALTERNATIVE FOR McMILLAN STREET AND RYAN'S ROAD

IMPROVEMENTS SELECTED

Dwayne Haffield, Director of Engineering, provided background information on the gathering of information and opinion to get to a preferred alternative for the McMillan Street and Ryan's Road Improvements projects. No negative comments were received regarding the need for pedestrian and bicycle facilities along those routes. A tally of stated preferences of options presented to the public resulted in "Option 2" being the preferred alternative for both improvement projects, which would include a multi-use trail on one side and a regular walk on the other side of those streets. Mr. Haffield noted the following modifications to Option 2 for the McMillan Street project:

- Reducing the multi-use trail width from 10 feet to 8 feet
- Eliminating all on-street parking
- Increasing the separation of the multi-use path from the east right-of-way line from 2 feet to 4 feet

Two things go against us on McMillan in completing work in the right of way - it's four feet narrower than we typically have, and all of the utility pedestals are in the boulevard, not in rear yards as is usual. Eliminating the on-street parking on Ryan's Road was not a problem with the Funeral Home owner, who is about the only business who utilizes on-street parking there.

Plans for Ryan's Road would be phased construction as we will not be able to keep the multi-use trail in the right-of-way that we have, which means right-of-way acquisition that would take some time to accomplish. We also still have some hope for the flood mitigation project - if that happens Ryan's Road would become a haul route, so we would look at not doing the resurfacing or the trail next year, but we would complete a walk on Ryan's Road.

Mr. Haffield clarified that McMillan would have an 8 foot path on the east side and a sidewalk on the west side.

Council Member Ernst questioned not completing the trail on Ryan's Road next year, stating she does not want to see it pushed off too long. Mr. Haffield said besides waiting for the FEMA decision regarding the ditch, the concern is just what we can get done in a construction season as we don't want to disturb both roads at the same time. Funding sources were discussed, along with a protected left turn lane from McMillan onto Oxford Street. Council Member Oberloh stated he would like to see the McMillan path become a dedicated recreation trail along the berm between Ace Hardware and Car Quest, and serve the entire Ryan's Road. He is familiar with the number of pedestrians who use that route.

Council Member Janssen said we should put the bikes on the street and go with 5 foot walks because bicycles have statutory right to the street. Mr. Haffield responded that there was no support received for moving the bikes to the street in the traffic.

The motion was made by Council Member Oberloh to select Option 1 with a full blown bike trail as soon as possible along the judicial ditch, with two five foot sidewalks, six feet if possible, for McMillan Street, and select Option 2 for the Ryan's Road improvements. Discussion followed. The motion was seconded by Council Member Janssen. Mayor Kuhle asked if there was any further discussion. Council Member Oberloh called the question. Mayor Kuhle asked to make an additional comment regarding Exhibit 1-3. Council Member Oberloh noted he had called the question.

The following Council Members voted in favor of the motion: Oberloh, Janssen; and the following Council Members voted against the motion: Cummings, Ernst, Harmon. Motion failed.

The motion was made by Council Member Ernst and seconded by Council Member Harmon to select Option 2 for both the McMillan Street and Ryan's Road improvements, the preferred alternative, and to complete the Ryan's Road project within two years, with the following Council Members voting in favor of the motion: Janssen, Cummings, Ernst, Harmon; and the following Council Members voting against the motion: Oberloh. Motion carried.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - reported on the Southwest Regional Development Commission meeting last week, noting they are offering an orientation for new Council Members on February 4th. Also noted the upcoming succession planning meetings to be held at the Event Center, and reported that the Freedom Veterans Memorial Park Committee held their annual meeting last week and are planning a 10-year anniversary event for the park on the Sunday before Memorial Day.

Council Member Janssen - reported on a NEON Committee meeting he attended last Thursday.

Council Member Oberloh - reported on a District 518 Listening Session he attended and encouraged others to attend. Also participated in several Winterfest events this past weekend.

Council Member Cummings - reported on the YMCA retreat he attended on the 11th - there will be a big announcement coming within the next week regarding their priority of knocking down their debt. Reported on the Joint City/County LEC meeting on the 19th that he and Council Member Harmon attended - discussed the garage issue and a cold storage building. Also noted the successful Winterfest event.

Council Member Ernst - reported that she had attended the NEON meeting with Council Member Janssen - they're looking for a new focus. Noted that she had attended the luncheon at the CAL, and the Newly Elected Officials Conference in Mankato - it was very good. Reported on the Public Arts Commission meeting, and the District 518 Listening Session she attended.

Council Member Harmon - attended the Listening Session on the 20th, and the Lutheran Social Service luncheon at the CAL on the 18th. Attended the Prairie Justice Center Joint meeting on the 19th - Widboom was elected Chair. Also reported on the Water and Light Commission meeting held earlier today.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, noted he would be traveling to St. Paul in the morning to work with legislators on a bill allowing the City of Worthington to extend their local option sales tax by ordinance for its full initial ten year period, and a provision for a reverse referendum that would address concerns of some legislators because the tax was initially approved by the voters. Such language has in the past been approved for another community, and would entail hearings and notices for the reverse referendum to occur. Draft language for the bill is ready. Mr. Robinson also noted he is looking at the later part of February for a Council work session.

ADJOURNMENT

The motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adjourn the meeting at 8:25 p.m.

Janice Oberloh, MCMC
City Clerk