

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, FEBRUARY 13, 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. Honorary Council Member: Chris Kielblock.

Staff present: Steve Robinson, City Administrator; Brad Chapulis, Director of Community/Economic Development; Troy Appel, Public Safety Director, Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk; Kevin Flynn, Police Captain; Micah Messman, Patrol Officer.

Others present: Justine Wettschreck, KWOA; Karl Evers-Hallstrom, Daily Globe; Jill and Jake Cuperus.

The Pledge of Allegiance was recited.

AGENDA CLOSED / APPROVED WITH CHANGE

Mayor Kuhle stated that item F1-*Introduction of Officer Micah Mesman*, would be taken out of order and moved to immediately follow the consent agenda.

The motion was made by Council Member Harmon, seconded by Council Member Cummings and unanimously carried to close / approve the agenda with the request to move item F1.

HONORARY COUNCIL MEMBER

Mayor Kuhle introduced and welcomed Chris Kielblock as the Honorary Council Member for the months of February, March and April, 2017.

CONSENT AGENDA APPROVED

Council Member Oberloh requested an amendment to the January 23, 2017 City Council Minutes regarding the Preferred Alternative for McMillan Street and Ryan's Road Improvements selection, to reflect that he requested that the McMillan path become a dedicated recreation trail along the berm between Ace Hardware and Car Quest and serve the entire Ryan's Road area.

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to approve the consent agenda as follows, with the noted amendment to the January 23, 2017 City Council Minutes :

- City Council Minutes of Regular Meeting January 23, 2017
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting February 6, 2017 and Regular Meeting January 23, 2017; NEON Committee Minutes of January 12, 2017; Housing and Redevelopment Authority Board Minutes of December 22, 2016; Convention and Visitors Bureau Minutes of December 13, 2016; Center

- for Active Living Committee Minutes of January 9, 2017
- Application for Temporary On-Sale Liquor License - Avera Medical Group Worthington
- Application for Exemption from Lawful Gambling Permit - St. Mary's Church
- Adoption of City of Worthington 2017 Legislative Priorities
- Approval of Ownership of Property to be Purchased for Utility Purposes
- Approval of Partial Release of Easement
- Bills Payable and Totaling \$614,022.21 be ordered paid

PRAIRIE VIEW CLUBHOUSE RENTAL AGREEMENT APPROVED

Staff presented a 2017 Prairie View Clubhouse Rental Agreement between the City of Worthington and Jill and Jake Cuperus, for their business, Local Harvest, for five months approximately mid-May through mid-October. The business offers fresh local produce, chickens, eggs, soups, sandwiches, and local handcrafts. The meeting room in the clubhouse would be again available for rental for various events.

Steve Robinson, City Administrator, noted the terms of the lease agreement include:

- Monthly rent of \$500.00, triple net,
- Lessee shall pay all operational expenses including real estate taxes and utilities,
- Lessee shall obtain and pay for all insurance as required by the City's insurance carrier,
- Covenant to hold harmless

Council Member Oberloh questioned what the rental rate was in the previous year. Steve Robinson, City Administrator, responded that it was \$1,000 per month. When questioned about the reduction, Mayor Kuhle said it was not economically feasible for them to pay that amount and it was important to have someone in the building. In response to an additional question from Council Member Oberloh, Mayor Kuhle responded that the facility had not been marketed to anyone else. Ms. Cuperus stated that last year they also used the cart shed, which they did not intend to do this year, would be using less green space, and they would be putting up with construction out there this year - they thought it would be appropriate to ask for a lower rate. Council Member Oberloh proposed that they extend the term of the contract to May 1st to October 31st and pay an additional month's rent, as opposed to the term being mid-May to mid-October. Ms. Cuperus said there was only base board heating there and it gets too cold during those times

The motion was made by Council Member Cummings and seconded by Council Member Ernst to approve the Prairie View Clubhouse Rental Agreement as presented, with the following Council Members voting in favor of the motion: Janssen, Cummings, Ernst, Harmon; and the following Council Members voting against the same: Oberloh. Motion carried.

PROFESSIONAL SERVICES FOR LEGISLATIVE REPRESENTATIVE SERVICES

APPROVED

Steve Robinson, City Administrator, presented a professional services agreement between the City of Worthington and the lobbying firm of Fryberger, Buchanan, Smith & Frederick, P.A. for consideration that would provide legislative representation to the City in seeking the extension of the City's local option sales and excise tax. Kevin Walli of that firm has assisted in sessions with our state legislative officials and provided guidance in writing the legislation for the extension. Continued services through the agreement could include monitoring the bill and advising staff as it continues through the legislative process.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to approve the professional services agreement with Kevin Walli of The Fryberger Firm to represent the City during the 2017 Legislative Session and any extension of that session, specifically to provide advice and support for legislative action to extend the local option sales tax, at a not to exceed fee of \$3,000.

Council Member Oberloh noted we need to sell ourselves and be there too during the process.

INFORMATIONAL ITEM - 2017 LOCAL BOARD OF APPEAL AND EQUALIZATION MEETINGS

Staff had received notification from the Nobles County Assessor 's Office that the 2017 Local Board of Appeal/Equalization for the City of Worthington has been scheduled for 9:00 a.m. on Thursday, May 11, 2017 in the Nobles County Commissioner's Room. The Nobles County Board of Appeal and Equalization meeting is scheduled for 6:00 p.m. on Tuesday, June 13, 2017.

INTRODUCTION AND OATH - POLICE OFFICER MICAH MESMAN

Director of Public Safety Troy Appel introduced new Police Officer Micah Mesman, noting that he has successfully completed his field training. A brief background on the new officer was also provided. Following the introduction, the City Clerk administered the oath of service to Officer Mesman, and Council welcomed him as a new employee.

PRAIRIE JUSTICE CENTER GARAGE ADDITION APPROVED

Public Safety Director, Troy Appel, presented a proposal for expansion of the current heated garage and connected driveway at the Prairie Justice Center, and as approved by the Prairie Justice Center Joint Operations Committee. The proposed addition will increase the number of parking stalls from six to 18, and offer additional storage areas. In addition, the proposal would also close off the roadway on the west side of the PJC north of the garage, and have a "law enforcement only" approach from Airport Road. Chief Appel said this would result in a safer process for the officers, and the

public would no longer be able to circle the PJC.

The City's obligation for the original construction of the PJC is 41.78% of Bond Series 2009B, which is approximately \$195,000 per year. That bond will be retired in February of 2022. As proposed, the City would begin paying 50% of the garage and driveway additions upon retirement of the original bond. Nobles County has agreed to front the cost of the construction, with the City to begin repayment in 2023 using the same budgeted funds until the garage is paid off, which will allow the City to pay for the garage without increasing any future levies.

The motion was made by Council Member Oberloh and seconded by Council Member Harmon to approve the proposal for the Prairie Justice Center Garage addition and roadway modification.

In response to Steve Robinson, City Administrator, said the time frame for repayment would be three to five years if it stays on schedule depending on what the cost comes in at. With the original estimates, the City's share of the project was around \$600,000.

The motion was unanimously carried.

2017 PRIVATE DOCKS ON PUBLIC PROPERTY

The City's policy adopted in 2013 for installing private docks on public property says the City shall annually set the number of private docks allowed on public property, and set the annual permit fee. Todd Wietzema, Public Works Director, said last year 15 permits were allowed and 13 permits were issued. Permit holders from the prior year have first option for renewal unless Council reduces the number of permits allowed.

Council Member Cummings said setting a number is ridiculous - Mayor Kuhle agreed. There was an additional restriction from Second Avenue to 625 Lake Avenue that allows for only 3 permits in that area as a result of Council action in 1995. Mr. Wietzema said there is also a PUD in that area that limits the number of docks from Second Avenue to Fifth Avenue to three. In 2016 Council took action to eliminate the 3 dock restriction in that area other than in the PUD area. Council Member Oberloh said he is not in favor of just opening it up. Past practice has been to issue permits only to those who have property across the street from the lake, on public property but not in a park area. Mr. Wietzema said he's had inquiries for two additional permits over those issued last year. It was suggested to limit the permit number to the number of properties across the street from the lake that would qualify. Council Member Oberloh asked if there was any interest in raising the annual fee from \$135 to \$150. Mr. Wietzema provided information on the requirements to have a private dock on public property, and the services that the City provides.

Public Works staff inspect the docks weekly to be sure they are safe, as they are open to the public for use. The dock owner is required to provide liability insurance that names the City as co-insured,

and they are required to purchase signs for their dock for notification that they are open to the public and no swimming or diving is allowed.

The motion was made by Council Member Oberloh and seconded by Council Member Cummings to increase the annual permit fee to \$150, and to limit the number of dock permits at a number not to exceed the number of lots directly across from public property. Council Member Ernst noted that action would eliminate the dock permit holder on May Street. Council Member Oberloh said that was not his intention - the action would include an exception for the permit holder at 713 May Street. The motion was unanimously carried.

RESOLUTION NO. 2017-02-02 ADOPTED APPROVING DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 8

Staff presented a resolution for the decertification of TIF District No. 8. The District was established in 1995, as a Pay-As-You-Go TIF, to financially assist with TIF eligible site improvements related to the construction of Willow Court Townhomes, located just north of the intersection of Darling Drive and Grand Avenue. Per the TIF agreement, the City is obligated to continue to make the semi-annual payments until the principal is paid, or the payment due February 1, 2017 is made, whichever occurs first. City staff made the February 1, 2017 payment last week.

The City's Economic Development Authority met earlier in the evening and adopted a resolution to decertify the district.

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to adopt the following resolution decertifying TIF District No. 8:

RESOLUTION NO. 2017-02-02

APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT N O. 8 (PRAIRIE VIEW LIMITED HOUSING) IN THE CITY OF WORTHINGTON, MINNESOTA

(Refer to Resolution File for complete copy of Resolution)

EVENT CENTER HOURS APPROVED - ISD PROM

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to approve the request from ISD 518 to extend the operating hours at the Event Center to 5:00 a.m. to accommodate prom activities on April 28/29.

Event Center Management and City staff were supportive of the request - a similar request was granted last year.

Council Member Oberloh asked if the School District could be given the ability to do this without having to come to Council. Brad Chapulis, Director of Community/Economic Development, said he could draft an amendment to the management contract and see if the Event Center Management Company is receptive to it.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Provided reports on a Fire Relief Association meeting he attended, and an ATP 7 meeting.

Council Member Janssen - Reported on a Joint Transit Board meeting held January 22, 2017.

Council Member Oberloh - Reported on an HRA meeting he attended at the end of January.

Council Member Cummings - Reported on a Memorial Auditorium Advisory Board meeting.

Council Member Ernst - Noted she had also attended the Joint Transit meeting; reported on the NEON meeting February 9th, and the Cable 3 meeting last Friday.

Council Member Harmon - Reported on a Racial Equity meeting he attended in Bloomington while there January 27-28; an MMUA Legislative meeting on January 31 - February 1; the CGMC meeting in St. Paul for lobbying February 1-2; a WREDC meeting February 2nd; Water and Light Commission February 6th; and the Center for Active Living Committee meeting this morning.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, reported that he had attended an Ehlers Public Finance Seminar two weeks ago, and was somewhat disappointed in the first day but the second day had a couple of good sessions. Last week an informational meeting was held with those who are participating in the trip to Crailshiem this summer. Also last week he and Todd met with representatives of the Adult Soccer League to discuss roles and responsibilities of the City and those that they will provide. This Thursday he will be going to the City of Marshall to meet with the Administrator there.

CLOSED SESSION UNDER MINN. STAT. § 13D.05, SUBD. 3(B) - ATTORNEY-CLIENT PRIVILEGE

Mayor Kuhle announced that Council would be going into Closed Session under Minn. Stat. § 13D.05, Subd. 3(b) - Attorney-Client Privilege. Those not entitled to stay for the closed session left the meeting.

The motion was made by Council Member Janssen, seconded by Council Member Cummings and unanimously carried to close the meeting at 8:07 p.m.

Following closed session discussion, the motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to re-open the meeting at 8:39 p.m.

CLOSED SESSION UNDER MINN. STAT. § 13D.05, SUBD. 3(C) - DEVELOP OR CONSIDER OFFERS OR COUNTEROFFERS FOR PURCHASE OR SALE OF REAL OR PERSONAL PROPERTY - PARCEL NO. 31 - 0628-000

Mayor Kuhle announced that Council would be going into Closed Session under Minn. Stat. § 13D.05, Subd. 3(c) - Develop or Consider Offers or Counteroffers for Purchase or Sale of Real or Personal Property - Parcel No. 31-0628-000

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to close the meeting at 8:40 p.m.

Following closed session discussion, the motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to re-open the meeting at 9:33 p.m.

ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 9:34 p.m.

Janice Oberloh, MCMC
City Clerk