

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, FEBRUARY 27, 2012**

**Draft**

The meeting was called to order at 7:00 p.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Aldermen present: Lyle Ten Haken, Mike Kuhle, Scott Nelson, Ron Wood, Mike Woll. Honorary Council Member: Keith Wilson.

**HONORARY COUNCIL MEMBER**

Mayor Oberloh introduced Keith Wilson as the Honorary Council Member for the months of December 2011, January and February of 2012.

**AGENDA APPROVE WITH NOTATION**

Craig Clark, City Administrator, noted that the first regular City Council meeting in March has been rescheduled from Monday, March 12<sup>th</sup> to Tuesday, March 13<sup>th</sup> due to inability to secure a quorum on Monday.

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

**CONSENT AGENDA APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the consent agenda as follows:

- City Council minutes of regular meeting February 13, 2012
- Minutes of Boards and Commissions - Worthington Economic Development Authority Minutes of February 13, 2012; Planning Commission/Board of Appeals Minutes of February 7, 2012; Airport Advisory Board Minutes of February 16, 2012; Worthington Area Convention & Visitors Bureau Board of Directors Minutes of January 23, 2012; Airport Promotional Meeting Minutes of January 24, 2012.
- Bills payable and totaling \$661,017.22 be ordered paid

**DISCUSSION ON REUSE/DISPOSAL OF OLD FIRE STATION**

Craig Clark, City Administrator, presented information to Council regarding the reuse/disposal of the existing fire station once the new fire station is completed, and noted there is no high interest from staff for use of the facility. When questioned why the facility would not be more desirable than the current Heles building for the Park Department, Jim Laffrenzen, Public Works Superintendent, responded that the goal is to ultimately have the Public Works Department, which includes the Park Department, under one roof. The existing fire station is not large enough to economically house the entire department. Council discussed the issue at length, including the current zoning and potential rezoning of the location. The property is currently zoned as "R-4" - Medium Density Residential, with 12<sup>th</sup> Street being the boundary for "B-2" - Central Business District zoning. Brad Chapulis,

Director of Community/Economic Development, stated Council had the option to rezone or do a text amendment, noting the need to look at long range, what other uses would then be allowed that may not be the best for the residential area there. Additionally, the First Lutheran Church owns about half of the parking lot used jointly by the fire department and the Church.

Craig Clark, City Administrator, reminded Council that the City has a Property Disposal Policy which should be adhered to if Council determines the facility to be surplus property.

Council consensus was to have staff continue to work on the available options.

**COALITION OF GREATER MINNESOTA CITIES ECONOMIC DEVELOPMENT PARTNERSHIP PROGRAM PARTICIPATION APPROVED**

The Coalition of Greater Minnesota Cities (CGMC), working together with cities, business leaders and Chambers of Commerce across the state, started an additional effort focused on job creation in Greater Minnesota. The CGMC was seeking additional funding from the City in a partnership level that could range from \$500 to \$2,500 and which would be used for their lobbying efforts to focus on enacting a job training program, greater MN intern tax credit, expansion of the Angel Investment tax credit and in seeking new funding for the interchanges and infrastructure needs of greater Minnesota cities. If approved, the money would come from the undesignated unreserved fund.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to partner with the CGMC at the \$1,000 level.

**SUMMARY OF EVALUATION - CRAIG CLARK, CITY ADMINISTRATOR**

At their February 13, 2012 meeting, Council went into closed session for the purpose of completing the 2011 evaluation of the City Administrator, Craig Clark. While Minn. Stat. allows for that closed session, it also states that the Council must provide a summary of its conclusions of the performance evaluation at their next regular meeting.

Mayor Oberloh stated that Mr. Clark had received a favorable review by Council and that he should receive the provisions for last year per his employment contract with the City.

**PLANS AND SPECIFICATIONS FOR AIRPORT CHEMICAL LOADING PAD AND STORAGE BUILDING APPROVED**

In September of 2010 Council approved a Memorandum of Understanding between the City and Arnt Aerial Spraying, which was amended in June 2011, and which outlines that the City will construct the loading pad ;and storage building and lease the facilities to Arnt Aerial Spraying. The project is eligible for 50% state funding. Current project estimate is \$134,000. Staff was requesting

Council approval of the plans and specifications and authorization to advertise for bids to be received on March 26, 2012 for consideration at the Council meeting that evening.

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to approve the plans and specifications for the Airport Chemical Loading Pad and Storage Building as previously approved with 50% state funding, and authorize the advertisement for bids to be received March 26, 2012.

**CONSIDER COUNTER OFFER FOR ACQUISITION OF RIGHT OF WAY FOR THE TH59 PUBLIC IMPROVEMENTS PROJECT**

At this point in the meeting Mayor Oberloh asked if Council desired to move into closed session as allowed by State Statute. The consensus was unanimous, whereby Mayor Oberloh declared to take the remaining agenda items out of order and move this item to just prior to adjournment.

**RESOLUTION ADOPTED CALLING FOR PUBLIC HEARING ON AN ISSUE OF REVENUE BONDS ON BEHALF OF AVERA HEALTH**

Avera Health, a South Dakota nonprofit corporation, is working with the South Dakota Health and Educational Facilities Authority to issue revenue bonds to finance several of the company's capital improvement projects, including the new three story 60,000 square foot medical clinic here in Worthington. In order to proceed with the issuance of the bonds, the Internal Revenue Code of 1986 requires the community(ies) that will benefit from the issuance of the bond to conduct a public hearing. Representatives of Avera have requested the City to schedule a public hearing on this matter for 6:30 p.m. on March 13, 2012 in City Hall Council Chambers. Brad Chapulis, Director of Community/Economic Development, said the City has no financial liability in respect to the bonds, but the hearing is intended to give the public the opportunity to voice their support or opposition to the issuance of the bonds, which will be issued by the South Dakota agency.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to adopt the following resolution calling for public hearing:

RESOLUTION

RESOLUTION CALLING FOR A PUBLIC HEARING ON AN ISSUE  
OF REVENUE BONDS ON BEHALF OF AVERA HEALTH

BE IT RESOLVED, by the City Council of the City of Worthington, Minnesota (the "City", as follows:

1. Avera Health, a South Dakota nonprofit corporation ("Avera Health"), has advised this

Council of its desire to acquire, construct, remodel, renovate and equip certain health care facilities to be located in the City (the "Project") owned by Avera McKennan, an affiliate of Avera Health and also a South Dakota nonprofit corporation, through the issuance by the South Dakota Health and Educational Facilities Authority of one or more series of revenue bonds (the "Bonds") under the authority of Sections 1-16A-1 through 1-16A-92 of the South Dakota Codified Laws, in a principal amount not to exceed \$330,000,000, of which an amount not to exceed \$18,000,000 will be applied to finance the Project.

2. Since the Project to be financed by the Bonds is located in the City, Section 147(f) of the Internal Revenue Code of 1986, and regulations promulgated thereunder, requires that prior to the issuance of the Bonds, this Council approve the use of proceeds of the Bonds to improve facilities located in the City, after conducting a public hearing thereon. A public hearing on the proposal to issue the Bonds to finance the Project is hereby called and shall be held on March 13, 2012, at 6:30 p.m., at the City Hall Council Chambers.

3. The City Clerk has caused notice of the public hearing, in substantially the form attached hereto as Exhibit A, to be published in the official newspaper of the City and a newspaper of general circulation in the City, once not less than 14 days prior to the date fixed for the public hearing and the City Council hereby authorizes, ratifies and approves such action.

### **COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - Nothing to report.

Alderman Ten Haken - The HRA met - they made an offer for the Executive Director position but the candidate declined. They are looking at the direction of the HRA and may re-write the job description - they'll also be talking to Rick Goodeman of the SRDC about regional interest and suggested perhaps Council may have an interest in attending.

Alderman Kuhle - They've been holding promotional meetings for the Airport - Integrity is providing a second courtesy vehicle to accommodate pilots and Dakota golf will provide certificates for free club rental and play all day for \$29 at Prairie View. The FBO has done a good job of accommodating the helicopters used for the I90 tower project. They've also hired an additional maintenance employee at the airport.

Alderman Nelson - Convention and Visitors Bureau met and agreed to contribute \$5,000 to the sports authority. They also discussed the CGMC's economic development effort, but the LGA resolution will go back to committee.

Alderman Wood - Regarding Water and Light Commission - we'll need to have a serious conversation but we'll wait until the Water and Light brings it through - the DNR has had some conversations about closing the Kanaranzi diversion to us. We need to stay aware of it because they could someday make it a permanent closure.

Alderman Woll - Reported on the *Jamie Cummings Learn to Swim* program - about 300 kids participating. Memorial Auditorium reps are talking to the school reps about the Auditorium use -

looking at some things with the contract.

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

Craig Clark, City Administrator, reported that the Design Committee for the Event Center will be meeting tomorrow morning. Mediation with the LELS 4 is scheduled for March 1<sup>st</sup>, and negotiations are continuing with the 49r's on the 14<sup>th</sup>. We have a strategic planning session update with Council on March 19<sup>th</sup> going over with what we've had, looking at priorities and looking into the future. March 22<sup>nd</sup> is the City/County/School/Township legislative meeting in St. Paul - Alderman Woll has indicated interest in attending to lobby for the City, will need to know fairly soon if anyone else is interested.

### **CLOSED SESSION UNDER MN STAT. § 13D.05, SUBD. 3(C) - REVIEW OF NON-PUBLIC APPRAISAL DATA - PARCEL #31-3853-00-0 AND PARCEL #31-3856-00-0**

Mayor Oberloh announced that Council would be going into closed session under MN Stat. § 13D.05, Subd. 3(c), which allows review of non-public appraisal data and to develop or consider offers or counter offers for the purchase or sale of property subject to certain conditions.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to close the meeting at 7:53 p.m.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to re-open the meeting at 8:09 p.m.

The motion was made by Alderman Ten Haken, seconded by Alderman Wood and unanimously carried to approve payment of \$6,500 to B and J Oil Company for acquisition of right of way of a portion of the property identified as PIN #31-3853-00-0 and legally described as:

*A tract of land in the NE¼ of the NE¼ of Section 14, Township 102 North, Range 40 West, in the City of Worthington, Nobles County, Minnesota, described as follows:*

*Commencing at the Southwest corner of the NE¼ of said Section 14; thence North 89 degrees 30 minutes 04 seconds East, along the south line of the NE¼ Quarter of said Section 14, a distance of 1766.76 feet; thence North 00 degrees 01 minutes 08 seconds West, a distance of 700.00 feet; thence North 89 degrees 58 minutes 52 seconds East, a distance of 428.53 feet; thence North 33 degrees 34 minutes 41 seconds East, a distance of 403.18 feet; thence North 20 degrees 11 minutes 21 seconds East, a distance of 319.53 feet; thence North 07 degrees 39 minutes 37 seconds East, a distance of 109.92 feet to the point of beginning; thence continuing North 07 degrees 39 minutes 37 seconds East, a distance of 192.50 feet to the west right of way line of Minnesota Trunk Highway No. 59; thence South 00 degrees 03 minutes 03 seconds West, along said highway right of way line, a distance of 190.80 feet; thence North 89 degrees 57 minutes 43 seconds West, a distance of 25.49 feet to the point of beginning.*

Worthington City Council  
Regular Meeting, February 27, 2012  
Page 6

**ADJOURNMENT**

The motion was made by Alderman Nelson, seconded by Alderman Wood and unanimously carried to adjourn the meeting at 8:11 p.m.

Janice Oberloh, MCMC  
City Clerk