

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING APRIL 22, 2019**

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; Troy Appel, Public Safety Director, Todd Wietzema, Public Works Director; Dwayne Haffield, Director of Engineering; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Janice Oberloh, City Clerk.

Others present: Ben Weber; Juan and Angela Palma; Ed Zepeda; Leah Ward, The 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 Regular Meeting April 8, 2019; City Council Minutes of Special Meeting April 10, 2019; City Council Minutes of Special Meeting April 17, 2019
- Minutes of Boards and Commissions - Park and Recreation Advisory Board Minutes of March 6, 2019; YMCA Board of Directors Minutes of February 25, 2019; YMCA Board of Directors Minutes of January 28, 2019; Heron Lake Watershed Board Minutes of March 18, 2019
- Financial Statements - General Fund Statement of Revenues and Expenditures - Budget and Actual - for the Period January 1, 2019 through March 31, 2019; Municipal Liquor Store Income Statement for the Period January 1, 2019 through March 31, 2019
- Application for Exemption from Lawful Gambling Permit - St. Mary's Church
- 2019 Worthington Soccer League Agreement
- 2019 Beach Nook Contract
- Girls Softball Association Agreement
- 2019 Private Dock Applications
- Set Public Meeting for Review of Storm Water Pollution Prevention Plan as June 10, 2019
- Bills payable and totaling \$1,960,525.90 be ordered paid

**THIRD READING AND ORDINANCE NO. 1135 ADOPTED - TEXT AMENDMENT - "L-ZONED" PROPERTIES**

Pursuant to published notice this was the time and date for the third reading of a proposed ordinance for a text amendment to remove "L - Zoned" properties from certain zoning provisions of City Code Section § 155.145 (B)(2)(b)(5) as follows:

*Section 1.*

*Title XV, Chapter 155.145, Section (B)(2)(b)(5) of the Worthington City Code is hereby amended to read as follows:*

*The structure or facility must not be designed or used for human habitation and, with the exception of "L" - Lakeshore zoned properties, must not contain water supply or sewage treatment facilities;*

Adoption of the ordinance would allow for water supply and sewage treatment facilities in water oriented accessory structures on "L-Zoned" properties, but they still could not be used for human habitation.

The motion was made by Council Member Ernst and seconded by Council Member Harmon to give a third reading to, and subsequently adopt the following ordinance, 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:

ORDINANCE NO. 1135

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE TITLE XV, CHAPTER 155.145, SECTION (B)(2)(b)(5), ENTITLED "ZONING AND WATER SUPPLY/SANITARY PROVISIONS"

(Refer to Ordinance File for complete copy of Ordinance)

**SECOND READING PROPOSED ORDINANCE - CHANGE OF ZONE, 1790 COLLEGEWAY**

Pursuant to published notice this was the time and date for the second reading of a proposed ordinance for a change of zone - 1790 Collegeway - as follows:

*The following legally described area, presently included in the "R-4" district, shall henceforth be included in the "R-5" district:*

*That part of the West Half of the Northwest Quarter of Section 22, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota, described as follows:*

*Commencing at the southeast corner of the West Half of the Northwest Quarter of said Section 22; thence on an assumed bearing of North 0 degrees 13 minutes 00 seconds East, along the east line of said West Half of the Northwest Quarter, a distance of 710.60 feet to an iron monument; thence North 89 degrees 47 minutes 00 seconds West a distance of 281.35 feet to an iron monument; thence South 0 degrees 13 minutes 00 seconds West a distance of 353.25 feet to an iron monument located on the northeasterly line of Collegeway; thence North 62 degrees 48 minutes 04 seconds West, along said northeasterly line, a distance of 56.11 feet to an iron monument said last described iron monument being the point of beginning of the tract to be described; thence North 0 degrees 13 minutes 00 seconds East a distance of 321.33 feet to an iron monument; thence North 82 degrees 25 minutes 07 seconds West a distance of 238.42 feet to an iron monument located on the easterly right-of-way line of County State Aid Highway No. 10; thence South 43 degrees 33 minutes 11 seconds West, along said easterly right-of-way line, a distance of 215.00 feet to the northeasterly line of said Collegeway; thence South 62 degrees 48 minutes 04 seconds East, along said northeasterly line, a distance of 430.91 feet to the point of beginning.*

The proposed ordinance was presented for a first reading at the April 8, 2019 Council meeting, however, after the meeting it was discovered that the ordinance contained an error in the first paragraph of Section II that stated the area was presently included in the "B-3" district and shall henceforth be included in the "R-4" district. It should have stated that the area was presently included in the "R-4" district and shall henceforth be included in the "R-5" district. The City Attorney was contacted about the error to determine if the error and subsequent correction would require that the readings of the ordinance start over. His opinion was that we could continue with the second reading but that the error should be acknowledged. A copy of the corrected ordinance was provided to Council.

Adoption of the proposed ordinance will permit a proposed 16-unit, approximately 8,350 square foot memory care expansion of the Golden Horizons Assisted Living Facility by increasing the maximum building coverage permitted to 50%.

The motion was made by Council Member Ernst and seconded by Council Member Cummings to give a second reading to the proposed ordinance, with the following Council Members voting in favor of the motion: Oberloh, Cummings, Ernst, Harmon; and the following Council Members voting against the motion: Janssen. Motion carried.

#### **NOMINATING COMMITTEE RECOMMENDATION FOR COMMITTEE APPOINTMENT**

The Nominating Committee met on April 22, 2019 and were making the following recommendation

for Council approval:

Planning Commission -

Appoint Mark Vis to replace Bob Bristow, who resigned his seat, term to expire 03/31/2020

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to approve the appointment as recommended by the Nominating Committee.

**RESOLUTION NO. 2019-04-18 ADOPTED - ADOPTING POST-ISSUANCE DEBT COMPLIANCE POLICY FOR TAX-EXEMPT AND TAX-ADVANTAGED GOVERNMENTAL BONDS**

Staff presented an updated Post-Issuance Debt Compliance Policy and Procedures for Council consideration. The updates were recommended by Ehlers, the City's Financial Advisors, based on significant changes and increased underwriter scrutiny regarding disclosure practices. The City last updated this policy/procedure in 2012.

The motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adopt the following resolution:

RESOLUTION NO. 2019-04-18

ADOPTING POST-ISSUANCE DEBT COMPLIANCE POLICY FOR TAX-EXEMPT AND TAX-ADVANTAGED GOVERNMENTAL BONDS

(Refer to Resolution File for complete copy of Resolution)

**FIRST READING PROPOSED ORDINANCE TO REGULATE ALL-TERRAIN VEHICLES ON CITY STREETS**

At their February 25, 2019 meeting, Council was requested to give a first reading to a proposed ordinance that would add Chapter 73 to regulate all terrain vehicles on public and private property in the city of Worthington. It was determined at the meeting that some changes should be made to the ordinance prior to moving it through the reading process.

After several discussions and additional changes, Staff was presenting the ninth draft of the ordinance for a first reading. The permits will be issued by the Director of Public Safety for periods of one year, two years, or three years, ending on December 31<sup>st</sup> of the given year. Permit holders must be 16 years of age or older, and hold a valid state drivers license. Operating an ATV without a permit would result in a \$50 fine, and failure to display the permit on the vehicle would result in

a \$25 fine. Troy Appel, Public Safety Director, said Sgt. Brett Wiltrout has prepared a brochure regarding the permit, and ATV informational meetings will be set up.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to give a first reading to the proposed ordinance.

**RESOLUTION NO. 2019-04-19 ADOPTED ACCEPTING DONATION OF PERSONAL PROPERTY - AUNTS AND UNCLES OF JEFF NICKEL**

Based on recommendation of the Park and Recreation Advisory Board, Staff presented a resolution accepting a park bench donation as follows:

- from the Aunts and Uncles of Jeffery Dean Nickel in memory of Jeff Nickel, to be located on Sailboard Beach along the bike trail

Todd Wietzema, Public Works Director, said the donation meets all the requirements as set forth in the Park Donation policy adopted by City Council.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to adopt the following resolution accepting the donation:

RESOLUTION NO. 2019-04-19

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

**PLANS APPROVED AND AUTHORIZATION GIVEN TO ADVERTISE FOR BIDS - 10<sup>TH</sup> AVENUE BRIDGE REPLACEMENT**

Dwayne Haffield, Director of Engineering, stated that the City has received the two permits needed from the Corp of Engineers for the 10<sup>th</sup> Avenue Bridge replacement project. The plans have been approved by the Minnesota Department of Transportation for use of Municipal State Aid Street and bridge bond funding. Use of up to \$312,417.50 of bridge bonding funds has been approved. Final layout for the project was provided to Council, and the total estimated cost of the project is \$1,282,000. Staff was requesting Council approval of the plans and authorization to advertise for bids to be received on May 21, 2019 and considered at the May 28, 2019 Council meeting.

Mr. Haffield noted the project would start after August 1<sup>st</sup> and be completed by November 15<sup>th</sup>. He also noted we would want clarification on why the Topeka Shiner was now involved when there was

no previous location of them in Lake Okabena.

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to approve the Plans and authorize Staff to advertise for bids for the 10<sup>th</sup> Street Bridge Replacement project to be received May 21, 2019 and considered at the May 28, 2019 Council meeting.

**RESOLUTION NO. 2019-04-20 ADOPTED PERTAINING TO INTENT TO BOND FOR COSTS INCURRED IN MAKING PUBLIC IMPROVEMENT - 2019 HOMEWOOD HILLS STREET IMPROVEMENT PROJECT**

Federal tax regulations require that local governments declare the intent to reimburse themselves for prior costs incurred in making public improvements with proceeds from bonds. The City must state the intent to sell bonds for a project after significant costs have already been incurred for the project. Staff was requesting Council adopt a resolution pertaining to the 2019 Homewood Hills Street Improvement project as approved at the April 10, 2019 special Council meeting:

Project	Maximum Amount of Bonds Expected to be Issued for Project
2019 Homewood Hills Street Improvement	\$4,586,000

The maximum listed in the resolution is approximately 10% higher than the project estimate presented for the project ordered by Council.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to adopt the following resolution pertaining to intent to bond:

RESOLUTION NO. 2019-04-20

RELATING TO FINANCING OF CERTAIN PUBLIC IMPROVEMENTS BY THE CITY OF WORTHINGTON; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

(Refer to Resolution File for complete copy of Resolution)

**CD 12 FLOOD MITIGATION GRANT AGREEMENT AMENDMENT APPROVED**

At its February 12, 2018 meeting, Council authorized execution of a grant agreement with the Minnesota Department of Public Safety for Phase 2 of the County Ditch 12 Flood Mitigation project.

The funding source is federal (FEMA), but the State administers the project funding through a grant to the City as a sub-recipient. Dwayne Haffield, Director of Engineering, reminded Council that, at the time the Phase 2 grant agreement was offered, it was noted that due to administrative errors the full amount expected to be awarded was not included in the grant agreement. The actual amount available at this time for the construction phase is \$2,498,424, or \$392,595 more than included in the original Phase 2 grant agreement.

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to authorize the Mayor and Clerk to execute Amendment 3 to the Minnesota Department of Public Safety grant agreement for the CD 12 Flood Mitigation project.

**REQUEST FOR SITE PREPARATION ASSISTANCE APPROVED - ANGELA AND JUAN PALMA**

Juan and Angela Palma had submitted a request for site preparation assistance for their 6,550 square foot commercial facility under construction at 1434 Oxford Street. The applicants were requesting assistance for the costs affiliated with demolition of the existing commercial structures on the parcel that would be required for their new building to comply with City Zoning requirements, relocation of a transformer and relocation of an existing electrical easement. The legal description of the property is:

West 160' of Lots 12, 13 and 14, Moulton's Resurvey & Subdivision of Clary's Addition to the Village (now City) of Worthington, Minnesota

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said Staff assessed the application using the established Site Preparation Guidelines and determined that it met the requirements. The applicant had a quote of \$8,700 for planned demolition of the main building, which is required to meet minimum zoning requirements for the site, and a site plan. The redevelopment includes an addition to, and renovation of, an existing 3,177 square foot commercial facility and the demolition of a 2,520 square foot commercial structure. The final building will be 6,550 square feet, with a total estimated project cost of \$250,000. After completion of the project the subject property will have an estimated taxable value of \$507,000, and generate an estimated \$14,567 in real estate taxes, an approximate 101% increase from the 2018 payable real estate tax.

Referring to a memo issued earlier in the day, Mr. Brisson said the applicant is now not going to request assistance for the relocation of the existing electric easement - there is no known time line for that expansion at this time, and guidelines state the work must be completed within a year after Council approval. The applicant will come forward in the future for site prep assistance once they are ready to undertake the next expansion.

Staff's was recommending Council approval of the site preparation assistance in an amount not to

exceed \$10,440, which is the \$8,770 amount for the demolition of the remainder of the main building and the Quonset building plus a 20% contingency. Staff was not recommending approval of the \$3,481.16 for the relocation of the transformer or approval of the request for \$2,485 for a partial demolition of the main building on the site as these projects have already been completed so would not satisfy the "but for" program requirement.

The maximum participation that may be considered is \$62,485, which is more than the amount requested. The fund balance for the program is currently \$51,239, and the approval of \$10,440 would leave \$40,799 available in that fund.

Following discussion, the motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to approve the request for site preparation assistance to Juan and Angela Palma in the amount of \$10,440.

### **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - no report.

Council Member Janssen - no report.

Council Member Oberloh - no report.

Council Member Cummings - no report.

Council Member Ernst - no report.

Council Member Harmon - Attended the Joint City/County/School Board meeting this morning - no resolution for the joint project. Water and Light Commission met last week - he distributed a handout that showed Worthington has a renewable power supply of 45%.

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

Steve Robinson, City Administrator, asked that Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, provide an update on the African Orthodox Church. Mr. Brisson noted we had seen a site plan a few months ago but they were concerned about not having an architect on board so they brought it all in house to a firm. We received an additional update last week and we provided some comments back today. It will be coming to Planning Commission for a Conditional Use Permit for that site in May, then shortly after that Administration will look at a Purchase Agreement.

Mr. Robinson reported that the Delete Everything amendment from the Senate Tax Committee comes out Wednesday, and it's his understanding that is when the Tax Committee will first see it. On Thursday morning they will meet again and will take testimony if necessary. Spring clean up tags will be available the week of April 29<sup>th</sup>, items can be placed at the curb May 1<sup>st</sup> for pick up, and the pick up will start May 6<sup>th</sup>. Tags are available at City Hall, Worthington Public Utilities, and Schaap Sanitation. City personnel will go to JBS to sell the tags there - no tags will be sold after the

pickup starts.

**ADJOURNMENT**

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adjourn the meeting at 7:39 p.m.

Janice Oberloh, MCMC  
City Clerk