

sidewalks, with the following Council Members voting in favor of the motion: Nelson, Graber, Harmon, Sankey; and the following voting against the same: Janssen. Motion carried.

RESOLUTION NO. 3599

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

Mr. Haffield reminded Council that the sidewalk portion of the project needed to be acted on separately.

The motion was made by Council Member Nelson and seconded by Council Member Graber to adopt the following resolution ordering the improvement of Grand Avenue by construction of sidewalks with the concrete option, with the following Council Members voting in favor of the motion: Nelson, Graber, Harmon, Sankey; and the following voting against the same: Janssen. Motion carried.

RESOLUTION NO. 3600

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

PUBLIC MEETING - REVIEW OF STORM WATER POLLUTION PREVENTION PLAN

Pursuant to published notice, this was the time and date set for a public meeting for review of the City's Storm Water Pollution Prevention Plan. The City is a regulated city under Phase II of the federal program to reduce pollution from Municipal Separate Storm Sewer Systems (MS4s). Regulated cities need to be covered under a statewide NPDES permit, which requirements include implementation of a Storm Water Pollution Prevention Plan (SWPPP).

Dwayne Haffield, Director of Engineering, said the MS4 permit includes regulation of Industrial sites, including airport, treatment plant site and new construction; construction storm water, and the municipal storm water sewer system. It started back in 2007 for us, with a new permit issued in 2013. The plan needs to include Public Education and Outreach, Public Involvement and Participation (which is this meeting), Illicit Discharge Detection and Elimination, Construction Site Storm Water Runoff Control, Post-Construction Storm Water Management, and Pollution Prevention / Good Housekeeping for municipal Operations. This meeting provides an opportunity for comments to be offered from anyone in attendance. The City conducted an inspection of its storm system in 2014, inspecting all 432 sumps. Mr. Haffield provided an ordinance revision history,

noting it may need yet another revision to address non-residential properties.

No public comment was received.

AGENDA APPROVED/CLOSED

The City Clerk noted that staff was requesting Council acceptance of the CAFR report that will be presented in Item G.1.

The motion was made by Council Member Sankey, seconded by Council Member Nelson and unanimously carried to approve the agenda, noting staff's request.

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting June 8, 2015
- Minutes of Boards and Commissions - Center for Active Living Committee Minutes of May 11, 2015; Heron Lake Watershed Board of Directors Minutes of May 11, 2015 and April 21, 2015; Heron Lake Watershed District Advisory Committee Minutes of March 4, 2015
- Municipal Liquor Store Income Statement for the Period January 1, 2015 through May 31, 2015
- Application to Block Street - Worthington Area Chamber of Commerce Retail Committee to block the following street from 6:00 a.m. to 7:00 p.m. on Friday July 24, 2015 for their annual Crazy Days event:
 - 10th Street from 2nd Avenue to 5th Avenue, with the intersections at 3rd Avenue and 4th Avenue to remain open
- Application to block a portion of a sidewalk - Worthington Area Chamber of Commerce Retail Committee in conjunction with their annual crazy days event scheduled for Friday, July 24, 2015, and sidewalk sale July 25, 2015, from 6:00 a.m. on Friday, July 24th through 5:00 p.m. Saturday, July 25th as follows:
 - 10th Street sidewalks from 2nd Avenue to 5th Avenue
- Application for Temporary On-Sale Liquor License - Worthington Area Chamber of Commerce, for their Market Smarter Event at Minnesota West Community and Technical College on June 24, 2015
- Bills payable and totaling \$698,285.25 be ordered paid

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT RECEIVED

Wayne Drealan, of Drealan, Kvilhaug, Hoefker & Co., P.A. presented the City's 2014

Comprehensive Annual Financial Report. Mr. Drealan reviewed the report and noted they saw a lot of maintaining of structure and stability in the City's financial reporting. They saw a 1.8% increase in the net position of the fund balance, a 1.4% increase in the governmental funds, and a 2.1% increase in the enterprise funds. Resources for the current budget show about a 2.6% increase. Mr. Drealan said there were not a lot of major reporting changes during this period but there will be a major change in pension reporting next year where they'll take the unfunded state liability in the state pension plans and allocate that out to all the governmental entities based on a pro rata formula. They are now doing actuarial studies to see what the unfunded liabilities are statewide. Mr. Drealan said he was able to give the City an unqualified opinion - the City continues to maintain its reporting excellence.

The general fund shows a positive balance of \$2,414,522. Out of 227 reporting units (population over 2500) in the state, Worthington is 198th regarding taxing levels, only 29 that tax less than us.

Council thanked Mr. Drealan for his report.

The motion was made by Council Member Harmon, seconded by Council Member Graber and unanimously carried to accept the 2014 Comprehensive Annual Financial Report.

RESOLUTION ADOPTED AUTHORIZING DISPLAY OF FIREWORKS IN THE CITY OF WORTHINGTON

At their June 8, 2015 meeting, Council provided authorization to the Lake Okabena Improvement Association for a fireworks display on July 3, 2015 in conjunction with their fund raising event planned that day at Centennial Park. Title XIII, Section 130.09 (C) of the City Code requires written authorization for the display. City Attorney Mark Shepherd's opinion was that the written authorization should be in the form of Resolution.

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to adopt the following resolution authorizing the Lake Okabena Improvement Association to hold a fireworks display, to be launched from Ehlers Park:

RESOLUTION

AUTHORIZING A DISPLAY OF FIREWORKS
IN THE CITY OF WORTHINGTON

WHEREAS, Title XIII, Section 130.09 Part C of the City Code of the City of Worthington provides that fireworks displays by an organization or group of organizations authorized in writing by the Council are permissible; and

WHEREAS, the Lake Okabena Improvement Association has requested authorization to provide a fireworks display on July 3, 2015 in conjunction with their fund raising event for the benefit of Lake Okabena; and

WHEREAS, the Lake Okabena Improvement Association has contracted with Lew's Fireworks, Inc., d.b.a. as Hot Shot Fireworks, for professional services for the launching of the fireworks display from Ehlers Park; and

WHEREAS, the Lake Okabena Improvement Association and Lew's Fireworks Inc., d.b.a. Hot Shot Fireworks, has provided proof of Insurance for the Event naming the City of Worthington as Additional Insured; and

WHEREAS, the Lake Okabena Improvement Association will employ personnel, equipment and procedures that will establish a safety zone at the launch site to ensure the safety of the citizens of Worthington during the display.

NOW, THEREFORE, BE IT RESOLVED, that the Lake Okabena Improvement Association is authorized by the Worthington City Council to provide a fireworks display on Friday, July 3, 2015, in conjunction with their fund raising event, to be launched from Ehlers Park.

INCREASE TO FIREFIGHTER CALL AND MEETING COMPENSATION APPROVED

Steve Robinson, City Administrator, stated that the members of the Worthington Fire Department are currently compensated \$13.53 for each meeting or call. Fire Department Officers are paid an annual salary in lieu of call/meeting pay, as follows:

Chief:	\$6,600/year
1 st Asst. Chief:	\$3,300/year
2 nd Ast. Chief:	\$3,300/year
Secretary/Treasurer:	\$3,300/year
Maintenance:	\$2,750/year

In 2013, a policy was discussed between City Staff and representatives of the Fire Department to discuss annual salary adjustments, however, the policy was never formalized or presented to Council for approval. Fire Department personnel were now requesting an annual compensation adjustment that would be the same as the annual cost of living increase of the City's non-aligned personnel, with implementation to begin January, 2016.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to approve the annual adjustment policy to begin January of 2016.

WEEK OF JULY 6 THROUGH JULY 12, 2015 PROCLAIMED WORTHINGTON INTERNATIONAL FESTIVAL WEEK

Mayor Kuhle read the following proclamation proclaiming the week of July 6 through July 12, 2015 as Worthington International Festival Week:

WORTHINGTON PROCLAMATION
INTERNATIONAL FESTIVAL WEEK

WHEREAS, Worthington is one of the most diverse communities in Greater Minnesota; and

WHEREAS, Worthington has celebrated this diversity for 22 years; and

WHEREAS, the Worthington International Festival helps promote cultural integration among people; and

WHEREAS, the Worthington International Festival helps educate community members about our similarities and differences; and

FURTHERMORE, The Worthington International Festival exposes individuals to the arts, foods, and traditions of many cultures;

NOW THEREFORE BE IT RESOLVED, Worthington, Minnesota declares the week of July 6 through July 12, 2015 as International Festival Week.

PUBLIC WORKS VEHICLE REPLACEMENT APPROVED

On May 27, 2015, a Public Works employee was involved in a traffic accident with a 2008 Ford F-150 pickup owned by the City of Worthington. The employee was not injured, however, the vehicle sustained substantial damage, with repair estimates at \$10,264.45. The City has received payment in this amount from the other driver's insurance provider. The vehicle is not scheduled to be replaced until 2023, however, the insurance settlement of \$10,264.45, the equipment revolving schedule reserve balance of \$8,961.00, and the salvage value of \$1,900.00 total up to \$21,125.45. Staff had explored the purchase of a new replacement truck from those offered through the State Materials Management Division Contract, and found that a new 2015 GMC Sierra can be purchased for \$23,284.37. That would leave a difference of \$2,158.92, which could be taken from the Public Works operational budget.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to approve disposal of Truck #430 and amend the budget to purchase a new

GMC Sierra 1500 pickup at the contract price of \$23,284.37.

CONTRACT AWARDED FOR TAXIWAY C EXTENSION PROJECT

The following bids were received on June 17, 2015 for the Taxiway C Extension Project at the Worthington Municipal Airport:

	<u>Engineer's Estimate</u>	<u>McLaughlin & Schultz, Inc.</u>	<u>Duininck, Inc.</u>
Schedule 1	\$923,649.47	\$927,429.25	\$885,969.10

The project involves extending Taxiway C to the north end of Runway 18-36 to eliminate the need to back-taxi on the north end of the runway.

Dwayne Haffield, Director of Engineering, noted that award of the bid should be subject to receipt of federal grant funding of 90% of the project costs. The project is also expected to be eligible for additional state funding equaling 5% of the project costs. Bolton and Menk, the City's consultant for the project, reviewed the bids and were recommending award of the project to Duininck, Inc.

The motion was made by Council Member Sankey, seconded by Council Member Nelson and unanimously carried to approve awarding of the bid for the Taxiway C Extension project to Duininck, Inc. as the low qualified bidder in the amount of \$885,969.10, subject of receipt of federal grant funding for the project.

WORK ORDER NO. 4 WITH BOLTON AND MENK APPROVED FOR TAXIWAY C EXTENSION CONSTRUCTION PHASE SERVICES

Council considered Work Order No. 4 with Bolton and Menk, which is a supplement to the master services agreement that Council approve at its April 14, 2014 meeting for airport consulting services. The work orders address the scope of services and fees for each individual project. Work Order No. 4 address the construction and post construction phases for the Taxiway C extension project for a fee of "not to exceed" \$121,197.00. The services are considered as eligible for 90% FAA funding and are expected to be eligible for the additional 5% MnDOT funding.

The motion was made by Council Member Graber, seconded by Council Member Sankey and unanimously carried to approve Work Order No. 4 with Bolton and Menk for Taxiway C Extension Construction Phase Services, and to authorize the Mayor to execute the agreement, subject to Council's award of the bid for the Taxiway C Extension project.

RESOLUTION NO. 3601 ADOPTED APPROVING THE DECERTIFICATION OF TAX

INCREMENT FINANCING DISTRICT NO. 10 (C & J ASSISTED LIVING) IN THE CITY OF WORTHINGTON, MINNESOTA

Brad Chapulis, Director of Community/Economic Development, stated that in 2003 the Worthington Economic Development Authority and the City Council adopted a Redevelopment Plan and created a Tax Increment Financing (TIF) District to financially assist with TIF eligible site improvements related to the construction of Golden Horizons, a 24 unit assisted living residential facility located on the northeast corner of Crailsheim Road and Collegeway. \$90,000 of the project's total cost of \$1.2 million was financed through the use of TIF. As of June 16, 2015, all of the financial obligations for the district have been satisfied. It was staff's opinion that the District should be decertified, which would be one year earlier than originally estimated in the TIF Plan. Mr. Chapulis said if TIF District 310 is decertified, approximately \$76,400 in excess tax increment that would be given to the County Treasurer for distribution to the local taxing entities. Of that amount, the City's share would be approximately \$40,000.

At their meeting earlier tonight, the Worthington Economic Development Authority voted unanimously to adopt their resolution decertifying the district.

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to adopt the following resolution decertifying Tax Increment Financing District No. 10:

RESOLUTION NO. 3601

APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 10 (C & J ASSISTED LIVING) IN THE CITY OF WORTHINGTON, MINNESOTA

(Refer to Resolution File for complete copy of Resolution)

CHANGE ORDER APPROVED - FORMER K-MART DEMOLITION

Council considered a changed order related to the demolition of the former K-Mart building, which consisted of two items: the relocation of a gas line and the removal of contaminated soils. The items were encountered in the field and required immediate action. Brad Chapulis, Director of Community/Economic Development, said the changes were time sensitive and reviewed/approved by City staff to assure the project's completion as originally ordered by Council. Staff contracted with a local vendor to haul the contaminated soils and directly paid the tipping fees at the land fill, resulting in a \$4,000 + savings to the project. The total cost of the change in contract is \$16,916.51, bringing the cost for the demolition portion of the project to \$154,527.97.

Mr. Chapulis said these would be eligible expenses for the TIF District.

The motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to authorize the Mayor to execute the Change Order with Veit and Company, Inc in the amount of \$16,916.51.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - deferred any reports due to time.

Council Member Nelson - the open house for the Rising Sun project was very well attended - they had plans to have installed part of the street in front of those units that will be rented out but will be meeting on that tomorrow - delay was weather related.

Council Member Graber - attended the HRA open house June 9th - 15 of the units are rented. A number of her regular meetings were cancelled due to lack of quorum. The Art Commission met at the Event Center - they picked out a site for the sculpture but it was unusable as it was a place where the Event Center could expand. They are still working on the Crailsheim sculpture, and will be before Council in August with their plan - will look at bringing in some sketches of what it will look like, and are looking with excitement at people who want to raise money for the sculpture. They'll bring a recommendation for a location and also for their other projects. Council Member Graber also wanted to request that the Council work sessions continue if anyone had anything they wanted to bring forward.

Council Member Janssen - echoed Council Member Graber's thoughts regarding the work sessions. Attended a NEON meeting - they're still talking about broadband - also discussed clean up of the rail road ties that have been replaced/removed.

Council Member Harmon - June 4th attended a Cable 3 meeting - they are losing Dawn Gordon. The Board will not be meeting in July. June 17th the Prairie View Advisory Board met - there are 26 players with a church group coming in July. 12 participants came for foot golf. The Red Rock Conference meet was at the golf course and Junior Golf meets there also. The Water and Light Commission met at 3 today- the Governor's bonding budget has \$19 million for the project to get it to Adrian - Lincoln-Pipestone system will connect to it there and also at Magnolia - and it will also get the project shovel ready to Worthington. If we get the other \$20 million next year or whatever it'll take we'll have pipe in the ground and hook up. June 7th through 9th attended an APPA meeting in Minneapolis - it was the national conference and it was the first time it was ever in Minnesota.

Council Member Sankey - attended the Rising Sun open house - they are very attractive. NEON - the wireless and feasibility study grants were due last Friday - we'll get more money from Blandin to progress in that area. Went to Jordan, Minnesota on the 17th for the Minnesota Broadband Alliance program, which has 5 charter members. They are looking for additional sponsors, which is something that the County could perhaps fill in as the city is already pretty well served. Pointed out that some of the fiber going through Worthington now is going to be the main line to the 511 building in Minneapolis.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, reported on June 9th he met with JBS reps and one of the topics was, because of the water situation, their corporate hesitation to expand their operations in Worthington - shows how important Lewis and Clark is. They talked about the number of suppliers that come from outside of the Worthington area. There are a lot of legislative districts that are impacted by JBS, who have influential constituents within those districts. We're going to try to put together a list of legislators within a hundred mile area who's constituents are impacted by JBS. On June 12th he was at the special session - they approved the \$19 million for Lewis and Clark, which is in addition to the \$9 million in non-state match. Lots of people to thank. Attended the Cable 3 meeting, there are a couple of churches that are having issues with the re-broadcast of their services. The City will be picking up branches tomorrow, anything that's on the curb, and will finish on Friday if necessary - we have the people and resources to do it. There's so many people who don't have the where-with-all to do it, and we can keep the community cleaned up.

ADJOURNMENT

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to adjourn the meeting at 8:55 p.m.

Janice Oberloh, MCMC
City Clerk