

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JUNE 25, 2018**

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, Mike Harmon. Honorary Council Member: Ryan Weber. Council Members absent: Amy Ernst (excused).

Staff present: Steve Robinson, City Administrator; Todd Wietzema, Public Works Director; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Janice Oberloh, City Clerk.

Others present: Kathy Kusz, Nobles County Attorney; Wayne Drealan, Drealan Kvilhaug Hoefker & Co. PA; Karl Evers-Hillstrom, the Globe.

HONORARY COUNCIL MEMBER

Mayor Kuhle welcomed Ryan Weber as the Honorary Council Member for the months of April, May and June, 2018, and provided him with a certificate for his service. Mr. Weber thanked Council for the opportunity, and recognized that it is a commitment for those who serve on Council and the sub-committees. He urged Council members to speak their individual voices but still be respectful at the end of the day.

Council thanked Mr. Weber for his time serving as Honorary Council Member.

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.

**PUBLIC HEARING AND NOBLES HOME INITIATIVE APPLICATION APPROVED -
PARCEL ID# 31-3156-100**

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative application submitted by Dan Krueger

The motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to open the hearing.

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the applicant is proposing to construct a two-unit duplex at South Lake Development. Each unit will be approximately 1,297 square feet with a 589 square foot attached garage, with an estimated value of \$250,000 and generating \$2,681 in annual taxes utilizing the 2018 tax rate. The City's share would be approximately \$1,404. Staff reviewed the application and concluded that it meets all the parameters of the NHI Guidelines, and was recommending Council approval.

Mr. Brisson noted Council had previously approved the application at their May 29, 2018 meeting by adopting Resolution No. 2018-05-04 meeting, however, a proper hearing had not been conducted at that meeting. He was requesting that Council rescind that resolution, and adopt a new resolution approving the application.

No testimony was received.

The motion was made by Council Member Harmon, seconded by Council Member Oberloh and unanimously carried to close the hearing.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to rescind Resolution No. 2018-05-04, and to adopt the following resolution approving the NHI application:

RESOLUTION NO. 2018-06-01

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

**PUBLIC HEARING AND NOBLES HOME INITIATIVE APPLICATION APPROVED -
PARCEL ID# 31-2084-942**

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative application submitted by Kenny and Jana Willers.

The motion was made by Council Member Harmon, seconded by Council Member Cummings and unanimously carried to open the hearing.

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the applicant is proposing to construct a single family home in Homewood Hills. The home will be approximately 1,720 square feet with an 825 square foot attached garage, at an estimated value of \$225,000 and generating \$2,413 in annual taxes utilizing the 2018 tax rate. The City's share would be approximately \$1,264. Staff reviewed the application and concluded that it meets all the parameters of the NHI Guidelines, and were recommending Council approval.

No testimony was received.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to close the hearing.

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

RESOLUTION NO. 2018-06-02

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

**PUBLIC HEARING AND NOBLES HOME INITIATIVE APPLICATION APPROVED -
PARCEL ID #31-3406-285**

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative application submitted by Al Drost.

The motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to open the hearing.

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the applicant is proposing to construct a single family home at 1520 N. Crailsheim Road. The home will be approximately 4,400 square feet with an 1,418 square foot attached garage, at an estimated value of \$450,000 and generating \$4,826 in annual taxes utilizing the 2018 tax rate. The City's share would be approximately \$2,528. Staff reviewed the application and concluded that it meets all the parameters of the NHI Guidelines, and was recommending Council approval.

No testimony was received.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to close the hearing.

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

RESOLUTION NO. 2018-06-03

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting June 11, 2018
- Minutes of Boards and Commissions - Planning Commission Board of Appeals Minutes of June 5, 2018; Heron Lake Watershed Board of Directors Minutes of April 17, 2018; Worthington Economic Development Authority Minutes of June 11, 2018
- Temporary On-Sale Liquor License - Lake Okabena Improvement Association
- 2018 Senior Nutrition Program Site Use Agreement for the Center for Active Living
- On-Sale Beer License - Nobles County Fair Association
- Temporary On-Sale Liquor License - Worthington Area Chamber of Commerce Farm to Table Event
- Parade / Block Street permit - Worthington Area Chamber of Commerce Agribusiness Committee Farm to Table Event
- 2018-2019 On-Sale Liquor License and Sunday On-Sale Renewal License Applications as presented
- Authorization to Execute a Contract for Range Lease Agreement between the City of Worthington and MN West Community and Technical College
- 2018 Private Dock Application as presented
- Bills payable and totaling \$723,731.32 be ordered paid

THIRD READING AND ORDINANCE NO. 1115 ADOPTED AMENDING SEWER USER REGULATIONS

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would amend Title V, Chapter 51, Section 51.058 of the Worthington City Code as follows:

51.058 SEPARATE BUILDING SEWERS REQUIRED.

(A) Except as provided herein, a separate and independent building sewer shall be provided for every building.

(B) Two or more buildings on the same property may be connected at a manhole on a building sewer provided that:

(1) The buildings are grouped together for a common land use and are utilized or occupied in the same manner; and

(2) The manhole is located on the property and at a location that will not be subject to inundation of surface water. The manhole is constructed as a precast concrete structure with integral base in accordance with the latest edition of the Standard Utilities Specifications for Sanitary Sewer and Storm Sewer Installation published by the City Engineers Association of Minnesota. Manhole castings are as specified by the Administrator and include a self-sealing lid.

(C) A single residential accessory building may be connected to the principal residential structure building sewer provided such building is used only by persons residing on the premises for purposes consistent with a Group U Occupancy, as defined by the current version of the International Building Code.

(D) Nothing herein shall be construed to allow townhouses or any other buildings on unique properties having or intended to have separate ownership to be connected to a single building sewer. A separate and independent building sewer shall be provided to each building having a common building sewer pursuant to this section at the time any such buildings are no longer commonly owned or used for a common purpose.

SECTION II.

Worthington City Code, Title V, Chapter 51, Section 51.092, is hereby amended and shall read as follows:

51.092 REPAIRING SERVICE CONNECTION.

Whenever any service connection becomes clogged, obstructed, broken or out of order, or detrimental to the use of the public sewer, or unfit for the purpose of drainage, the owner shall repair or cause such work to be done as the Administrator may direct. A service having an infiltration rate exceeding 4,000 gallons a day per inch mile of service is deemed to be detrimental to the treatment works and in need of repair as provided for in this section. Each day after 60 days that a person neglects or fails to so act shall constitute a separate violation of this section, and the Administrator may then cause the work to be done, and recover from such owner or agent the expense thereof by an action in the name of the city.

Steve Robinson, City Administrator, noted that Council approval of the third reading and

subsequent adoption should be contingent upon concurrence of the amendment by the Water and Light Commission.

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to give a third reading to, and subsequently adopt the following ordinance, subject to concurrence by the Water and Light Commission:

ORDINANCE NO. 1115

AN ORDINANCE RELATING TO SEWER USERS

(Refer to Ordinance File for complete copy of Ordinance)

SECOND READING PROPOSED ORDINANCE - TEXT AMENDMENT (BREW PUB)

Pursuant to published notice, this was the time and date set for the second reading of a proposed ordinance to amend Title XV of the City Code of Worthington, Nobles County, Minnesota, to include Brewpub.

The motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to give a second reading to the proposed ordinance amending Title XV of the City Code of the City of Worthington to add Brewpub.

2017 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Wayne Drealan, Drealan Kvilhaug Hoefker & Co. PA, presented Council with the City's 2017 Comprehensive Annual Financial Report (CAFR). He congratulated the City in maintaining their excellent financial reporting, and said he could offer a clean audit opinion with no qualifications or exceptions.

Mr. Drealan said he is retiring now this year and thanked Council for the opportunity to perform the City's audits, and noted he would still be available for questions.

Council thanked Mr. Drealan for his report and wished him well in his retirement.

LEGAL SERVICES AGREEMENT APPROVED BETWEEN CITY OF WORTHINGTON AND NOBLES COUNTY ATTORNEY'S OFFICE

The City's current five-year agreement with the Nobles County Attorney's Office for prosecutorial services expires December 31, 2018. Kathleen Kusz, Nobles County Attorney, presented an updated five-year contract for Council approval for the term January 1, 2019 through December 31, 2023.

In addition to minor housekeeping changes, Ms. Kusz said the biggest change is the merging of the separate databases. Council questioned on how a break would occur if either party desired to end the contract in the future. Ms. Kusz said there would be lots of options, they would make an assessment of what cases were open and those that were done, and assist whoever we chose to go with for services. She has been training someone in her office to be a successor, and she has a couple of experienced staff working on standard operating procedures.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to approve the Legal Services Agreement between the City of Worthington and the Nobles County Attorney's Office.

CITY OWNERSHIP ACCEPTED OF PROPERTY PURCHASED FOR UTILITY PURPOSES

Steve Robinson, City Administrator, said that during their Strategic Planning Session in the spring of 2017, the Water and Light Commission identified the need of additional storage space for utility related materials and equipment. Approximately a year ago, Utility staff was contacted by the owner of the property located directly to the north of the east water tower site inquiring about the Utility's interest in possibly acquiring his property - a one-acre site with a 3,600 square foot heated and insulated steel building with a concrete floor. The Commission directed Utility staff to continue discussions with the property owner. Following an appraisal in late 2017, the owner provided Utility staff with an asking price in January, 2018. After a period of negotiation, the proposed terms were presented to the Water and Light Commission at their March 5, 2018 regular meeting, and Utility staff were directed to pursue execution of a purchase agreement. The agreement was presented to the owner in April, and Utility staff were notified last week that the owner had accepted the terms and executed the agreement. As the Utility cannot own land, the Water and Light Commission was requesting that the City Council accept ownership of the property on their behalf, upon successful closing anticipated to occur prior to October 1, 2018.

The motion was made by Council Member Harmon to accept ownership of the property as requested. Mayor Kuhle called for a second on the motion three times. Motion died for lack of a second.

Council Member Oberloh said he had no prior information on the purchase, and there was still no information presented regarding price, the public has a right to know about the expense. Council Members Janssen and Cummings said they knew nothing about this purchase either. Mayor Kuhle said he knew. Following contact with Scott Hain, General Manager Worthington Public Utilities, Mr. Robinson told Council the agreed on price of the property was \$137,000, which was approved by the Water and Light Commission. Council Member Janssen noted he thought the price was high.

The motion was made by Council Member Cummings and seconded by Council Member Harmon to accept ownership of the property with the Utilities to pay for it, with the following members

voting in favor of the motion: Oberloh, Cummings, Harmon; and the following Council Members voting against the same: Janssen. Motion carried.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Reported that the Legislative Breakfast on Saturday was not well attended. Noted the substantial rain event last week and thanked staff for their work during that event.

Council Member Janssen - Reported on a NEON/County meeting regarding Assessing Services and Elections - with the upcoming retirement of a couple of licensed assessors, the County is looking at going to a true County system.

Council Member Oberloh - Nothing to report.

Council Member Cummings - Reported on a YMCA Board meeting earlier today, they talked about the day care issue and the results of the survey that was conducted. He also mentioned the Beach Bash July 3rd, noting Mr. Robinson was approached by one of their members to use the funds from the Bash to purchase kayaks and canoes for the Beach Nook, and possibly bicycles too.

Council Member Harmon - Reported on the LMC Conference he attended - they had a session on the day care issue - there is facility funding available for cities under 20,000, a loan of up to \$450,000 at 3.8% interest. He also mentioned a facility audit available, 11 companies in the state are approved by the MPCA, and they will guarantee your savings.

CITY ADMINISTRATOR'S REPORT

Mr. Robinson noted he was on vacation last week and the City ran fine - staff did a good job.

ADJOURNMENT

The motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adjourn the meeting at 8:06 p.m.

Janice Oberloh, MCMC
City Clerk