

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JUNE 26, 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: Josh Langseth.

Staff present: Steve Robinson, City Administrator; Brian Kolander, Finance Director; Dwayne Haffield, Director of Engineering; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk.

Others present: Justine Wettschreck, KWOA; Karl Evers-Hallstrom, The Globe; Johanna Andrejew, German Exchange Student; Tom Johnson, Nobles County Administrator; Wayne Drealan, Drealan Kvilhaug Hoefker & Co. PA.

The Pledge of Allegiance was recited.

INTRODUCTIONS

Mayor Kuhle welcomed Josh Langseth as the Honorary Council Member for the months of June, July and August, 2017.

He also welcomed Johanna Andrejew, the 2016-2017 exchange student from Crailsheim, Germany.

AGENDA CLOSED / APPROVED WITH CHANGE

Staff was requesting the addition of item F.5. *Resolution Approving Special Law and Declaring Intent to Issue Debt and Setting Date for Public Hearing on Issuance of Debt.*

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to close / approve the agenda with the requested addition.

PUBLIC HEARING AND RESOLUTION NO 2017-06-01 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

Pursuant to published notice this was the time and date set for a public hearing regarding a Nobles Home Initiative application.

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

Steve Robinson, City Administrator, noted the Nobles Home Initiative application was submitted by Todd Schwebach for the construction of a single family dwelling on property he owns that is legally described as:

Lot 2, Block 1 Parkview Acres, 2nd Addition, City of Worthington, Nobles County, Minnesota.

The single family dwelling will include 1,628 square feet of living space on the main level, a partially finished basement, and a two stall attached garage.

Staff reviewed the application and determined that it met the parameters of the NHI Guidelines, and was recommending Council approval.

Mayor Kuhle asked if there was anyone present who wished to present testimony for or against the application. None was received.

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

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to approve the Nobles Home Initiative application submitted by Todd Schwebach.

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 June 12, 2017 and Special Meeting June 21, 2017
- Municipal Liquor Store Income Statement for the Period January 1, 2017 through May 31, 2017
- Application for Exemption from Lawful Gambling Permit - St. Mary's Church
- Application to Block Street - Cruisin' Downtown Worthington
- 2017 Additional Private Dock Applications: Scott Kraft, 512 Lake Street
Cecilia Burchill, 516 Lake Street
- Bills payable and totaling \$718,668.58 be ordered paid

2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Wayne Drealan, Drealan Kvilhaug Hoefker & Co. P.A., presented the City's Comprehensive Annual Financial Report (CAFR) to Council. Mr. Drealan said he was presenting a clean audit report where there aren't any qualifications or exceptions, or that have to be expanded on in the opinion. It is a clean, unqualified opinion, the highest opinion you can earn as far as an auditor's opinion. He thanked Council for the opportunity to work with the City's excellent staff, and commended the City on their Certificate of Financial Reporting award.

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to accept the 2016 Comprehensive Annual Financial Report.

APPLICATION FOR NEW OFF-SALE BEER LICENSE APPROVED - TIENDA TACANA #2

The motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to approve a new Off-Sale Beer License for Tienda Tacana #2, Olegario Matias - 228 Tenth Street, for the license period July 1, 2017 through December 31, 2017.

PARTICIPATION APPROVED IN FEASIBILITY STUDY FOR COLLABORATIVE COUNTY, SCHOOL DISTRICT AND CITY FACILITY PROJECT

The City, County and School District have discussed the potential development of a collaborative facility to be located at the former Campbell Soup site. The facility could include a library, early childhood education, adult basic education, the Integration Collaborative and other groups. Steve Robinson, City Administrator, said proposals for the study were received from LHB, CTS and Miller Architects, which were reviewed by Administration from the City, County and School District, who selected LHB as the best fit for the study.

Nobles County and ISD 518 have both approved participation in the project contingent upon the fee being split evenly between the three entities, and directed their staff to negotiate a final agreement with a not to exceed fee of \$20,000.

The motion was made by Council Member Ernst, seconded by Council Member Janssen and unanimously carried to approve the City's participation in the Feasibility Study for a Collaborative County, School District and City Facility project at one-third of the not to exceed fee of \$20,000.

OFFICIAL 2017 CITY REPRESENTATIVE TO CRAILSHEIM, GERMANY DESIGNATED AND REIMBURSEMENT OF EXPENSES AUTHORIZED

Section 4.17 of the Worthington City Charter *Historical Partnerships*, provides that "Council may authorize expenditures for one or more designated City officials to serve as official City of Worthington representatives to Crailsheim Germany, Cuero, Texas, and such other destinations that have a historical partnership/significance to the City." This year is the 70th anniversary of the relationship between Worthington and Crailsheim, Germany, and in celebration of the event, Crailsheim has invited a large delegation from Worthington to visit their city in July. Mayor Kuhle will represent our city during that visit.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to designate Mayor Kuhle as the official representative to Crailsheim, Germany

in July, and to authorize reimbursement of his expenses.

RESOLUTION NO. 2017-06-02 ADOPTED APPROVING SPECIAL LAW AND DECLARING INTENT AND SETTING DATE FOR PUBLIC HEARING ON ISSUANCE OF DEBT

In the 2017 1st Special Session of the 90th Legislature, approval was granted of a special law allowing the City of Worthington to extend their current local option sales tax to allow it to run for 10 years or until \$7.3M is raised. Use of revenues has been amended to include construction of public athletic facilities, provided that the use of the tax is subject to the same restrictions that apply to the issuance of debt provided in subdivision 4, paragraph (c) of the amended law.

As part of the process for the extension, the City must adopt and publish a resolution of intent to issue debt and propose a public hearing for extension. The hearing must be held between two and four weeks following the first of two weekly publications of the resolution. Staff was proposing that the hearing be set as 7:00 p.m. on Monday, July 24th, at the regular City Council meeting.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adopt the following resolution approving the special law and calling for a public hearing on the issuance of debt at 7:00 p.m. on Monday, July 24, 2017 at the Regular City Council meeting:

RESOLUTION NO. 2017-06-02

A RESOLUTION APPROVING THE ENACTMENT OF LAWS 2017 FIRST SPECIAL SESSION, CHAPTER 1, ARTICLE 5, SECTIONS 14, 15, AND 16

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO'S 2017-06-03, 2017-06-04, AND 2017-06-05 ADOPTED ACCEPTING PARK BENCH DONATIONS

The Park and Recreation Advisory Board received the following requests to place park benches in City parks and along the bike trails:

- Chris Schimbeno to place a bench along County Highway 35 trail in memory of Leon Schimbeno
- Fritz Korthals to place a bench in Chautauqua Park near the swing set in memory of Brian Korthals
- WHS Class of 1981 to place a bench on Sailboard Beach along the trail by 5th Avenue in memory of Ken Moser

The motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to adopt the following resolutions accepting park bench donations:

RESOLUTION NO. 2017-06-03

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Schimbeno)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2017-06-04

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Korthals)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2017-06-05

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (WHS Class of 1981)

(Refer to Resolution File for complete copy of Resolution)

BUSS FIELD SOCCER COMPLEX FENCING RECOMMENDATION FOR NO FENCE APPROVED

At their June 13, 2017 meeting, the Park and Recreation Advisory Board discussed a proposal to install a 1,285 foot fence on the West and North sides of the Buss Field Soccer Complex. The fence has an estimated cost of \$30,000, funded by private businesses donating money in exchange for a 4' x 8' advertising sign on the proposed fence. Following their discussion, the Board voted unanimously to recommend against installation of the fence at the soccer complex, citing the following reasons:

- Safety concerns
- Cost to maintain
- Grounds maintenance
- Game and viewing interference
- Effectiveness

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to support the recommendation of the Park and Recreation Advisory Board to

not install the fence at the Buss Field Soccer Complex.

CONTRACT AWARDED FOR RUNWAYS 11/29 & 18/36 REHABILITATION PROJECT

The following bids were received on June 21, 2017 for the Runways 11/29 & 18/36 Rehabilitation Project:

Fahrner Asphalt Sealers	\$742,154.74
Duininck, Inc.	\$749,174.74
Asphalt Surface Technologies	\$759,273.23

Dwayne Haffield, Director of Engineering, noted that all bids were above the Engineer's estimate of \$680,521.43, but were substantially below the that used to present the project budget to Council at the time the plans were approved. The estimate was amended by Bolton and Menk, the City's airport consultant, based on more recent bids received for similar projects.

The original and revised project estimates are:

	<u>Original</u>	<u>Revised</u>
Federal Aviation Administration	\$1,012,58	\$784,440
MnDOT Aviation	\$56,255	\$43,580
Local Share	<u>\$56,255</u>	<u>\$43,580</u>
TOTAL	\$1,125,093	\$871,600

The 2017 Airport Budget includes \$48,915 for the local share of the project. The project includes crack and joint repair and or sealing, and seal coating of both runways. Staff was recommending awarding the bid to Fahrner Asphalt Sealers of Eau Claire, Wisconsin as the low qualified bidder in the amount of \$742,154.74. Mr. Haffield noted that award should be subject to receipt of a federal AIP grant to fund 90% of the project costs. The project is also expected to be eligible for additional state funding equal to 5% of the project costs.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to award the bid for the Runways 11/29 & 18/36 Rehabilitation Project to Fahrner Asphalt Sealers with the low qualified bid of \$742,154.74, subject to receipt of the federal AIP grant.

CONTRACT AWARDED FOR 2017 DIAGONAL ROAD RESURFACING PROJECT

The following bids were received on June 21, 2017 for the Diagonal Road Resurfacing project:

Duininck, Inc.	\$538,947.52
Southern Minnesota Construction	\$574,344.21

Both bids were below the Engineer's estimate of \$665,467.76. Staff was recommending award of the bid to Duininck, Inc. with low qualified bid of \$538,947.52, subject to certification of Disadvantaged Business Enterprise (DBE) participation proposed by the MnDOT Office of Equal Employment Opportunity (EEO).

The motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to award the bid for the 2017 Diagonal Road Resurfacing Project to Duininck, Inc., subject to MnDOT approval of the DBE.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - reported on an SRDC meeting - our trail system here in the city can be designated with the state as a regional trail system - then we can apply for grants for improvements and extensions. Also had the special City Council meeting last Wednesday.

Council Member Janssen - Nothing to report.

Council Member Oberloh - Will have an HRA meeting tomorrow. Attended the LMC Conference - they spoke about the number of baby-boomers that will be retiring from the workforce and that we need to plan for it, but they offered no plan. Visited with firms represented there about recreational amenities.

Council Member Cummings - Attended a YMCA Board meeting - construction of the climbing wall is underway - 2 to 3 weeks to open.

Council Member Ernst - Nothing to report.

Council Member Harmon - Attended the LMC Conference - didn't get much from the sessions he attended. Water and Light Commission met June 19th - they are studying the potential of a new treatment plant. Also had an employee relations meeting this afternoon.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, reported that he met last week with the insurance rep from the League of Minnesota Cities - they had a good review and the rep provided some recommendations to staff. Plans are to begin Sunday hours at the Liquor Store in August on the 6th. Staff will monitor how it goes. He met last Friday with the architects for the Liquor Store regarding cost saving measures - they'll be looking to rebid later this summer, with a potential opening in the spring.

ADJOURNMENT

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adjourn the meeting at 8:56 p.m.

Worthington City Council
Regular Meeting, June 26, 2017
Page 8

Janice Oberloh, MCMC
City Clerk