

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JULY 9, 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, Amy Ernst, Mike Harmon. Honorary Council Member: Dayton Williamson.

Staff present: Steve Robinson, City Administrator; Troy Appel, Public Safety Director; Officer Colin Meinders and his sister and nephew; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Janice Oberloh, City Clerk.

Others present: Mark Shepherd, City Attorney; Steve Johnson; Lyle Voss; Larry Davis; Justine Wettschreck, KWOA; Karl Evers-Hillstrom, the Globe.

The Pledge of Allegiance was recited.

AGENDA APPROVED WITH CHANGES

Staff was requesting an addition to the agenda of Item G.5. *Designation of Official City Representative to Cuero, Texas for 2018 Turkey Fest and Authorization for Reimbursement of Expenses.*

Mayor Kuhle noted that Item H.1. *Introduction of Officer Colin Meinders* would be moved to directly following the public hearings.

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

HONORARY COUNCIL MEMBER

Mayor Kuhle introduced Dayton Williamson as the Honorary Council Member for the months of July, August and September, 2018. Mr. Williamson provided a brief background on himself and said he was excited to be here.

PUBLIC HEARING AND RESOLUTION NO. 2018-07-01 ADOPTED APPROVING NOBLES HOME INITIATIVE APPLICATION FOR PARCEL #31-2462-000 - FLOWER LANE

Pursuant to published notice this was the time and date set for a public hearing to consider an application for a Nobles Home Initiative Application for Parcel #31-2462-000.

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

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said

a Nobles Home Initiative Application had been submitted by Rodney Obermoller, who was seeking approval of tax abatement for the construction of two two-unit duplexes at 873 and 877 Flower Lane. Each unit will be approximately 1,500 square feet with a 624 square foot attached garage. Estimated value of the project is \$400,000, generating \$4,290 in annual taxes utilizing the 2018 tax rate. The City's share would be approximately \$2,095. Following review of the application, Staff concluded that it met the parameters of the NHI Guidelines and was recommending Council approval of the application.

Mayor Kuhle asked if there was anyone present who wished to present testimony on 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 Harmon, seconded by Council Member Cummings and unanimously carried to adopt the following resolution approving the application for tax abatement:

RESOLUTION NO. 2018-07-01

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 RESOLUTION NO. 2018-07-02 ADOPTED APPROVING NOBLES HOME INITIATIVE APPLICATION FOR PARCEL #31-3406-275

Pursuant to published notice this was the time and date set for a public hearing to consider an application for a Nobles Home Initiative Application for Parcel #31-3406-275 - Crailsheim Road.

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

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said a Nobles Home Initiative Application had been submitted by Alaina Kolpin, who was seeking approval of tax abatement for the construction of a single family home at Six Fairway View, North Crailsheim Road. The home will be approximately 1,359 square feet with a 754 square foot attached garage. The estimated value is \$200,000, generating \$2,145 in annual taxes utilizing the 2018 tax rate. The City's share would be approximately \$1,048. Following review of the application, Staff concluded that it met the parameters of the NHI Guidelines and was recommending Council approval of the application.

Mayor Kuhle asked if there was anyone present who wished to present testimony on the application. None 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 to adopt the following resolution approving the application for tax abatement:

RESOLUTION NO. 2018-07-02

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 Ernst, seconded by Council Member Harmon and unanimously carried to approve the consent agenda as follows:

- City Council Minutes of Regular Meeting June 25, 2018 and Special Meeting June 28, 2018
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting June 18, 2018; Worthington Area Convention and Visitors Bureau Minutes of May 30, 2018; Worthington Housing and Redevelopment Authority Board Minutes of April 26, 2018; Worthington Housing and Redevelopment Authority Minutes of May 16, 2018; Worthington Economic Development Authority Minutes of June 25, 2018
- Application to Block Street(s) - United Pentecostal Church
- 2018 Private Dock Application - Cecilia Burchill, 516 Lake Street
- Bills payable and totaling \$2,146,745.46 be ordered paid

INTRODUCTION AND OATH OF OFFICER COLIN MEINDERS

Public Safety Director Troy Appel introduced Officer Colin Meinders as the newest member of the Worthington Police Department and provided a brief background on his education and training. The City Clerk administered Officer Meinder's Oath of Police Officer and congratulated him. Council welcomed Officer Meinders to the Police Department.

THIRD READING AND ORDINANCE NO. 1116 ADOPTED - TEXT AMENDMENT (BREW PUB)

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

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to give a third reading to, and subsequently adopt the following Ordinance:

ORDINANCE NO. 1116

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON,
NOBLES COUNTY, MINNESOTA

(Refer to Ordinance File for complete copy of Ordinance)

**RESOLUTION NO. 2018-07-03 ADOPTED CALLING FOR REFERENDUM TO IMPOSE
A LOCAL OPTION SALES AND EXCISE TAX IN THE CITY OF WORTHINGTON**

Steve Robinson, City Administrator, said Council is proposing implementation of local-option sales and excise tax to provide non-tax levy funding for additional quality of life and recreational amenities in the community. Through various processes, City Council and Staff, with input from citizens and employers, have identified projects most desired by those that would most be served by them. The projects include improvements to the aquatic center, field house, parks and recreation, lake water quality, 10th Street plaza and the ice arena.

State Statutes require that the City identify the tax rate, duration, projects and total budget that will be presented to voters in the upcoming November General Election. Mr. Robinson said upon passage of the local referendum, the City would seek approval from the Legislature in the 2019 session for the following:

- Tax Rate: one half of one percent (0.5%) and an excise tax in the amount of \$20.00 per vehicle purchased at retail
- Revenue: \$25,000,000.00
- Expiration: 2034

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

RESOLUTION NO. 2018-07-03

A RESOLUTION TO AUTHORIZE THE PLACEMENT OF A QUESTION BEFORE THE VOTERS AT THE GENERAL ELECTION ON NOVEMBER 6, 2018 AND TO DESIGNATE

SPECIFIC CAPITAL IMPROVEMENTS TO BE MADE UPON APPROVAL OF A ½ CENT LOCAL SALES AND USE TAX AND TO ESTABLISH THE DURATION OF THE TAX AND THE REVENUE TO BE RAISED BY THE TAX

(Refer to Resolution File for complete copy of Resolution)

AUTHORIZATION TO EXECUTE PURCHASE AGREEMENT FOR PARCELS 21-3997-000 AND 20-0182-000

The Joint Water and Light/City Council Housing Development Committee, which was established to address a shortage of single-family home subdivisions and the impact it has on economic development, identified tracts of undeveloped land to be considered for potential development to meet current and future housing needs. City Staff solicited and received a signed purchase agreement from the owner of the parcels identified as 21-3997-000. The parcels total 52.59 acres, with a purchase price of \$815,145, or \$15,500 per acre. The agreement includes Buyer's earnest money in the amount of \$10,000, and contains a contingency allowing the City and Water and Light a period to complete due diligence regarding the feasibility and marketability of a single-family residential subdivision. The closing shall be on or before December 31, 2108.

Steve Robinson, City Administrator, said the Housing Committee was making the following recommendations to the Water and Light Commission and the City Council:

- Execute the purchase agreement as described to the Committee (\$10,000 earnest payment and option to execute or back out by 12/31/2018). Earnest payments to be split 50-50 between City and WPU
- Retain professional consulting services to perform design development (to ultimately determine per lot price). Estimated cost of \$30,000 to \$40,000 to be split 50-50 between City and WPU

The purchase agreement has been reviewed by the City Attorney. The Water and Light Commission approved the recommendations, as forwarded by the Committee, at their July 2, 2018 regular meeting.

Staff was requesting Council approval of the Purchase Agreement, authorization for the Mayor and Clerk to sign and execute it, approval of payment of \$10,000 to the RE/MAX Realty escrow agent, and to direct Staff to secure the services of a professional services firm to perform the feasibility study.

Following discussion, the motion was made by Council Member Cummings and seconded by Council Member Ernst to approve and authorize as requested by Staff, with the following members voting in favor of the motion: Oberloh, Cummings, Ernst, Harmon; and the following Council

Members voting against the motion: Janssen. Motion carried.

RESOLUTION NO. 2018-07-04 ADOPTED APPOINTING ELECTION JUDGES AND ALTERNATES FOR THE AUGUST 14, 2018 PRIMARY ELECTION

State Statute 204B.21 Subd. 2 states that election judges for precincts in a municipality shall be appointed by the governing body of the municipality at least 25 days before the election at which they will serve, which this year is July 20th for the August 14, 2018 state primary election. In addition, the statute provides that municipalities may by resolution authorize the City Clerk to appoint additional or alternate judges should the need arise for the primary election after the July 20th deadline.

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to adopt the following resolution appointing election judges for the August 14, 2018 primary election, and to authorize the City Clerk to appoint additional or alternate judges as necessary:

RESOLUTION NO. 2018-07-04

A RESOLUTION APPOINTING ELECTION JUDGES AND ALTERNATES FOR THE AUGUST 14, 2018 PRIMARY ELECTION

(Refer to Resolution File for complete copy of Resolution)

OFFICIAL CITY REPRESENTATIVE TO CUERO, TEXAS FOR 2018 TURKEY FEST DESIGNATED AND AUTHORIZATION FOR REIMBURSEMENT OF EXPENSES

The Chamber of Commerce was requesting that City Council designate a member of the Council as the official representative to Cuero, Texas for their 2018 Turkey Fest so they can obtain better pricing for travel arrangements. The event is scheduled for October 12th - 14th this year, and travel dates will be October 11th to Cuero, and returning home October 15th. 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.”

Mayor Kuhle said because Council Members from Ward 1 and Ward 2 have represented the City in Cuero, Texas for Turkey Fest the past three years, he was proposing that the at-large Council member be designated to represent the City of Worthington in 2018.

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to designate Chad Cummings as the official representative to Cuero, Texas, and to reimburse him for his expenses.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Reported on an Area Transportation Partnership meeting.

Council Member Janssen - No report.

Council Member Oberloh - No report.

Council Member Cummings - No report but thanked Staff for their help with the Beach Bash.

Council Member Ernst - No report.

Council Member Harmon - Reported on the July 2nd Water and Light Commission meeting.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, reported he met this afternoon with a group of investors looking at a market rate housing development that would qualify for the workforce housing grant. The group has equity and financing available - he will continue to work with them and hopes that we will know in the next four weeks if they are interested in applying for the grant. Noted that the move to the new liquor has begun - the existing store will close at 10:00 on Saturday to facilitate the move and the new store will open on Tuesday the 17th.

Two proposals had been received on a movie theater in response to the City's Request for Proposals. The Economic Development Sub-Committee will meet tomorrow to review the proposals and provide some direction to Staff on where to proceed.

CLOSED SESSION UNDER MINN STAT. § 13D.05 SUBD. 3(B) - ATTORNEY-CLIENT PRIVILEGE

Mayor Kuhle announced that Council would be going into closed session under MINN. Stat. § 13D.05, Subd. 3(b) Attorney-Client Privilege. Those not entitled to stay left the room.

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to close the meeting at 7:32 p.m.

The motion was made by Council Member Janssen, seconded by Council Member Cummings and unanimously carried to re-open the meeting at 7:49 p.m.

ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and

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unanimously carried to adjourn the meeting at 7:50 p.m.

Janice Oberloh, MCMC
City Clerk