

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, AUGUST 12, 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; Jason Brisson, Assistant City Administrator/Director of Economic Development; Jeremiah Cromie, City Planner; Brian Kolander, Finance Director; Mindy Eggers, City Clerk.

Others present: Leah Ward, The Globe; Justine Wettschrek, Radio Works; Ben Weber; Pat Janicek, Andy Johnson, Jessica Noble, Marine Johnson, Brent & Cheryl Droll, U16 Soccer players.

The Pledge of Allegiance was recited.

AGENDA CLOSED / APPROVED

Staff added the U16 Soccer Team will be recognized after the Public Hearings take place.

Council Member Oberloh stated that he and Council Member Janssen would like to add the reconsideration of the CUP for Golden Horizons as Item L.8. under Community Development.

The motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to close / approve the agenda with the additions as presented.

PUBLIC HEARING AND RESOLUTION NO. 2019-08-39 ADOPTED APPROVING THE CAPITAL IMPROVEMENT PLAN AND INTENT TO ISSUE BONDS FOR THE FINANCING OF A PUBLIC WORKS FACILITY FOR THE CITY

Pursuant to published notice, this was the time and date set for a public hearing regarding the Capital Improvement Plan and intent to Issue Bonds for the Financing of a Public Works Facility for the City.

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

Brian Kolander, Finance Director, stated that Minnesota Statutes, Section 475.521 allow Cities to issue bonds to finance expenditures under its CIP (the "Plan") without an election provided that, among other things, prior to issuing the bonds, the City adopts the Plan after a public hearing.

He explained that a resolution giving preliminary approval for the issuance General Obligation Capital Improvement Plan Bonds needs to be approved and to also adopt the Capital Improvement Plan. Bonding for the Public Works Facility would be part of the \$9,955,000 General Obligation Bonds, Series 2019A. Council should note that its approval is subject to there being no public filing a petition requesting a vote on the issuance. Such a petition needs to be signed by voters equal to

five percent of the votes cast in the municipality in the last municipal general election and filed with the clerk within 30 days after the public hearing.

Mayor Kuhle asked if there was anyone present who wished to present testimony regarding 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.

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adopt the following resolution giving preliminary approval for the Issuance of the City's General Obligation Capital Improvement Plan Bonds in an Amount not to exceed \$3,500,000 and adopting the City of Worthington, Minnesota's Capital Improvement Plan for the 2019 through 2023 Under Minnesota Statutes, section 475.521:

RESOLUTION NO. 2019-08-39

GIVING PRELIMINARY APPROVAL FOR THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS IN AN AMOUNT NOT TO EXCEED \$3,500,000 AND ADOPTING THE CITY OF WORTHINGTON, MINNESOTA'S CAPITAL IMPROVEMENT PLAN FOR 2019 THROUGH 2023 UNDER MINNESOTA STATUTES, SECTION 475.521

(Refer to Resolution File for complete copy of Resolution)

PUBLIC HEARING AND RESOLUTION NO. 2019-08-40 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - PARCEL ID#31-3406-250 - 1298 NORTH CRAILSHEIM ROAD

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative Application - Parcel ID #31-3406-250, 1298 North Crailsheim Road.

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

Jason Brisson, Assistant City Administrator/Director of Economic Development, said Adam Johnson was seeking the approval of a tax abatement for the construction of a single family home at 1298 North Crailsheim Road. The house is approximately 1,412 square feet with a 730 square foot attached garage. Mr. Brisson said the application meets all of the parameters of the NHI Guidelines, therefore, staff is recommending approval of the application.

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

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

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to adopt the following resolution approving the application for tax abatement for Parcel ID# 31-3406-250 - Adam Johnson, 1298 North Crailsheim Road.

RESOLUTION NO. 2019-08-40

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. 2019-08-41 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - PARCEL ID#31-3156-100 - 1867 AND 1871 FIRST AVENUE SOUTHWEST

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative Application - Parcel ID #31-3156-100, 1867 and 1871 First Avenue Southwest.

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

Jason Brisson, Assistant City Administrator/Director of Economic Development, said Dan Krueger was seeking the approval of a tax abatement for the construction of a two-family duplex at 1867 and 1871 First Avenue Southwest. The units are approximately 1,565 square feet with 545 square foot attached garages. Mr. Brisson said the application meets all of the parameters of the NHI Guidelines, therefore, staff is recommending approval of the application.

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

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

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to adopt the following resolution approving the application for tax abatement for Parcel ID# 31-3156-100 - Dan Krueger, 1867 and 1871 First Avenue Southwest.

RESOLUTION NO. 2019-08-41

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. 2019-08-42 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - PARCEL ID#31-3267-005 - 2490 DAYTON DRIVE

Pursuant to published notice, this was the time and date set for a public hearing for a Nobles Home Initiative Application - Parcel ID #31-3267-005, 2490 Dayton Drive.

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

Jason Brisson, Assistant City Administrator/Director of Economic Development, said Todd Schwebach was seeking the approval of a tax abatement for the construction of a single-family home at 2490 Dayton Drive. The house is approximately 1,746 square feet with a 936 square foot attached garage. Mr. Brisson said the application meets all of the parameters of the NHI Guidelines, therefore, staff is recommending approval of the application.

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

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

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to adopt the following resolution approving the application for tax abatement for Parcel ID# 31-3267-005 - 2490 Todd Schwebach, 2490 Dayton Drive.

RESOLUTION NO. 2019-08-42

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

(Refer to Resolution File for complete copy of Resolution)

Mayor Kuhle and Council congratulated the U16 Soccer Team on winning the State Championship.

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:

- Special Joint City County, School WELL Minutes of July 30, 2019
- City Council Minutes of Regular Meeting July 22, 2019
- Water & Light Commission Minutes of July 22, 2019
- Economic Development Authority Minutes of July 22, 2019
- NEON Committee Minutes of June 6, 2019
- LEC Joint Powers Board Minutes of June 10, 2019
- Center for Active Living Committee Minutes of June 10, 2019
- Planning Commission Minutes of August 6, 2019
- Application for Exemption from Gambling Permit - Tomorrow's Turkeys
- Application to Block Street(s) - United Pentecostal Church
- Application for Parade Permit / to Block Streets - King Turkey Day, Inc.
- Application for Temporary On-Sale Liquor Licenses - King Turkey Day Inc.
- Application for Temporary On-Sale Liquor License - St. Mary's Parish/School
- Bills payable and totaling \$1,660,326.51 be ordered paid

RESOLUTION NO. 2019-08-43 ADOPTED AUTHORIZING THE SALE OF \$9,955,000 GENERAL OBLIGATION BONDS, SERIES 2019A

Staff presented a resolution approving the City of Worthington to Issue General Obligation Bonds, Series 2019A. The total bonds will be for \$9,955,000.

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adopt the following resolution providing for the sale of \$9,955,000 General Obligation Bonds, Series 2019A:

RESOLUTION NO. 2019-08-43

A RESOLUTION PROVIDING FOR THE SALE OF \$9,955,000 GENERAL OBLIGATION BONDS, SERIES 2019A

(Refer to Resolution File for the complete copy of Resolution)

APPLICATIONS FOR ON-SALE, SUNDAY LIQUOR LICENSES AND OFF-SALE GROWLER LICENSE - FORBIDDEN BARREL CO., LLC APPROVED

Staff presented applications for new On-Sale and Sunday Liquor Licenses along with an Off-Sale

Brew Pub (Malt Liquor/Growler) License for Forbidden Barrel Brewing Co., LLC. They have received all of their applicable licenses from the Alcohol & Gambling Enforcement Division to be classified as a Minnesota Brew Pub. The license period for the On-Sale & Sunday Liquor License would be from August 16, 2019 through June 30, 2020. The license period for the Off-Sale Brew Pub (Malt Liquor/Growler) License would be from August 16, 2019 through December 31, 2019.

Brent and Cheryl Droll introduced themselves and stated that they are planning a soft opening on August 22, 23, and 24th with the public opening on August 29, 2019.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to approve the applications for the new On-Sale & Sunday Liquor Licenses and the Off-Sale Brew Pub (Malt Liquor/Growler) licenses submitted by Forbidden Barrel Brewing Co., LLC.

APPLICATION FOR OFF-SALE BEER LICENSE - KWIK TRIP

Staff presented a new application for a 3.2% Off-Sale Beer License from Kwik Trip, 1601 Oxford Street. The license period would be September 16, 2019 through December 31, 2019.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the 3.2% Off-Sale Beer License for Kwik Trip.

FIRST READING PROPOSED ORDINANCE ENACTING CHAPTER 32.30 OF THE WORTHINGTON CITY CODE, LOCAL SALES AND USE TAX APPROVED

Steve Robinson, City Administrator stated that the proposed ordinance amending the Worthington City Code to enact local sales and use tax as authorized by Minnesota Legislature Session Laws 2019, First Special Session, Chapter 6, Article 6, Section 33, allows the City to collect a sales tax of 0.5 percent on all taxable purchases for a period of 15 years or when the Council has determined that \$25 million plus an amount sufficient to pay the costs related to issuing bonds and interest have been received. The ordinance is as follows:

Section 1. Authority. Pursuant to Session Laws 2019, First Special Session, Chapter 6, the Minnesota Legislature has authorized the City of Worthington to impose a local sales and use tax to provide revenues to pay the costs of collecting and administering the tax to the commissioner of revenue of the state of Minnesota and to finance the capital and administrative costs related to the funding of designated projects as defined in Session Laws 2019, First Special Session, Chapter 6 and approved by the voters at the November 6, 2018 referendum.

Section 2. Definitions. For purposes of this chapter, the following words, terms, and phrases have the meanings given them in this section unless the language or context clearly indicates a different meaning is intended.

(a) City. "City" means the City of Worthington, Minnesota.

(b) Commissioner. "Commissioner" means the Commissioner of Revenue of the state of Minnesota or a person to whom the Commissioner has delegated functions.

(c) Designated projects. "Designated projects" means Improvements to the Aquatic Center, Improvements to the Field House, Improvements to the Ice Arena, other Park and Recreation Capital Projects and Improvements, Lake Quality Improvements, and, Improvements to the 10th Street Plaza as authorized by the Minnesota Legislature in Session Laws 2019, First Special Session, Chapter 6 and approved by the voters at the November 6, 2018 referendum.

(d) State sales and use tax laws and rules. "State sales and use tax laws and rules" means those provisions of the state revenue laws applicable to state sales and use tax imposition, administration, collection, and enforcement, including Minnesota Statutes, chapters 270C, 289A, 297A, and Minnesota Rules, chapter 8130, as amended from time to time.

Section 3. Local sales and use tax imposed; amount of tax; coordination with state sales and use tax laws and rules. A local sales tax is imposed in the amount of 0.5% percent on the gross receipts from sales at retail sourced within city limits which are taxable under the state sales and use tax laws and rules. A local use tax is imposed in the amount of 0.5% percent on the storage, use, distribution or consumption of goods or services sourced within city limits which are taxable under the state sales and use tax laws and rules. All of the provisions of the state sales and use tax laws and rules apply to the local sales and use tax imposed by this chapter. The local sales and use tax imposed by this chapter shall be collected and remitted to the commissioner on any sale or purchase when the state sales tax must be collected and remitted to the commissioner under the state sales and use tax laws and rules and is in addition to the state sales and use tax.

Section 4. Effective date of tax; transitional sales. Except as otherwise provided herein, the local sales and use tax imposed by this chapter shall apply to sales and purchases made on or after January 1, 2020. The local sales and use tax imposed by this chapter shall not apply to:

(a) The gross receipts from retail sales or leases of tangible personal property made pursuant to a bona fide written contract, which unconditionally vests the rights and obligations of the parties thereto, provided that such contract was enforceable prior to January 1, 2020 and that delivery of the tangible personal property subject thereto is made on or before January 1, 2020.

(b) The gross receipts from retail sales made pursuant to a bona fide lump sum or fixed price construction contract, which unconditionally vests the rights and obligations of the parties thereto and which does not make provision or allocation of future taxes, provided that such contract was enforceable prior to January 1, 2020 and that delivery of the tangible personal property used in performing such construction contract is made before July 1, 2020

(c) The purchase of taxable services, including utility services, if the billing period includes charges for services furnished before and after January 1, 2020 but the local sales and use tax imposed by this chapter shall apply on the first billing period not including charges for services furnished before January 1, 2020.

(d) Lease payments for tangible personal property and motor vehicles that includes a period before and after January 1, 2020, but the local sales and use tax imposed by this chapter shall apply on a prorated basis to lease payment amounts attributable to that portion of the lease payment period on or after January 1, 2020 and on the entire lease payment for all lease payment periods thereafter.

Section 5. Tax Clearance; Issuance of Licenses.

(a) The city may not issue or renew a license for the conduct of a trade or business within the city if the commissioner notified the licensing division of the city that the applicant owes delinquent city taxes as provided in this chapter, or penalties or interest due on such taxes.

(1) City taxes include sales and use taxes provided in this article. Penalties and interest are penalties and interest due on taxes included in this definition.

(b) Delinquent taxes does not include a tax liability if: (i) an administrative or court action which contests the amount or validity of the liability has been filed or served, (ii) the appeal period to contest the tax liability has not expired, or (iii) the applicant has entered into a payment agreement and is current with the payments.

(c) Applicant means an individual if the license is issued to or in the name of an individual or the corporation or partnership if the license is issued to or in the name of a corporation or partnership.

(1) A copy of the notice of delinquent taxes given to the licensing division of the city shall also be sent to the applicant taxpayer. In the case of renewal of a license, if the applicant requests in writing, within 30 days of receipt of the notice of hearing, then, a contested hearing shall be held under the same procedures as provided in Minn. Stat. 270A for the state sales and use tax imposed under Minn. Stat. 297A; provided further that if a hearing must be held on the state sales and use tax, hearings must be combined.

Section 6. Deposit of revenues; costs of administration; termination of tax.

(a) All of the revenues, interest, and penalties derived from the local sales and use tax imposed by this chapter collected by the commissioner and remitted to the city shall be deposited by the city finance director in the city treasury and shall be credited to the fund established to pay the costs of collecting the local sales and use tax imposed by this chapter and to finance the capital and administrative costs directly related to completing the designated projects.

(b) The local sales and use tax imposed by this chapter shall terminate at the earlier of: (1) 15 years or (2) when the City Council determines that \$25,000,000.00, plus an amount sufficient to pay the costs related to issuing bonds and interest on the bonds has been received from the local sales and use tax imposed by this chapter to pay for all the capital and administrative costs directly related to completing the designated projects. Any funds remaining after payment of all such costs and retirement or redemption of the bonds shall be placed in the general fund of the city. The local sales and use tax imposed by this chapter may terminate at an earlier time if the City Council so determines by ordinance.

Section 7. Agreement with the commissioner. The city may enter into an agreement with the commissioner regarding each party's respective roles and responsibilities related to the imposition, administration, collection, enforcement, and termination of the local sales and use tax imposed by this chapter. Any such agreement shall not abrogate, alter, or otherwise conflict with the state sales and use tax laws and rules, this ordinance, or Session Laws 2019, First Special Session, Chapter 6.

Section 8. Summary publication. The following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance pursuant to Minnesota Statutes section 412.191:

Pursuant to a voter-approved referendum, the city is authorized to and will impose a local sales and use tax of 0.5% percent on retail sales made after January 1, 2020 to be used to fund certain designated projects related to recreational and quality of life amenities.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously approved to give a first reading to the proposed ordinance.

RESOLUTION NO. 2019-08-44 ADOPTED ACCEPTING CITY OF WORTHINGTON SALES TAX SPECIAL LAW, SECTION 33 OF CHAPTER 6, LAWS OF 2019, FIRST SPECIAL SESSION AND PUBLIC NOTICE OF SPECIFIC PROJECTS TO BE FUNDED WITH A LOCAL SALES TAX

Staff presented a resolution accepting City of Worthington Sales Tax Special Law, Section 33 of Chapter 6 Laws of 2019, First Special Session. Steve Robinson, City Administrator stated that along with the resolution accepting the sales tax special law, Section 34 of Chapter 6, Laws of 2019, First Special Session require the City of Worthington pass a resolution outlining each of the specific capital projects that will be funded by the tax and the anticipated amount of the revenues to be raised from the tax that will be used for each project.

A motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to accept City of Worthington Sales Tax Special Law, Section 33 of Chapter 6, Laws of 2019, First Special Session.

RESOLUTION NO. 2019-08-44

A RESOLUTION ACCEPTING CITY OF WORTHINGTON SALES TAX SPECIAL LAW,
SECTION 33 OF CHAPTER 6 LAWS OF 2019, FIRST SPECIAL SESSION

(Refer to Resolution File for the complete copy of Resolution)

**SUPPORT FOR ROUNDABOUT AT OXFORD STREET AND DIAGONAL ROAD
APPROVED**

Steve Robinson, City Administrator explained the Nobles County Public Works Department is considering reconstruction of the Oxford Street and Diagonal Road intersection along with Diagonal Road from Oxford Street to I-90. Replacement of the culvert under the Oxford/Diagonal intersection and the culvert under Oxford Street just east of the intersection is included in the project. Under the County's current construction schedule, the earliest this work would take place is in 2022.

Nobles County is considering a roundabout at the Oxford/Diagonal intersection. Roadway improvements within the city limits require City approval. The County Engineer has requested that the City provide the County Board a letter in support of a roundabout concept at the intersection.

A motion was made by Council Member Ernst, seconded by Council Member Janssen and unanimously approved to provide a letter supporting the use of a roundabout at the Oxford Street and Diagonal Road intersection.

CHANGE ORDER FOR THE BEACH NOOK COMPLETION DATE APPROVED

Steve Robinson stated Tri-State Contracting, the general contractor on our Beach Nook bathroom project, is requesting a change order allowing them more time to complete the project. Our original contract calls for a completion date of August 16, 2019. Tri-State is requesting the change of completion date to be November 1st, 2019. The reasons that they are requesting an extension are as follows:

- Extremely wet construction season, which delayed the start date and construction progress.
- Differences in block coloration.
- Some changes made in concession plumbing, which cannot be completed until the state approves the changes.

Mr. Robinson said staff feels that the reasons Tri-State, has given are valid and Council should approve the change order asking for an extension.

Council Member Oberloh asked if the extension would interfere with the other contractors involved.

Mr. Robinson stated he did not think so but would have to verify that with Todd Wietzema, Public Works Director.

A motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to approve the change order extending the completion date to November 1, 2019 if it does not interfere with the other contractor.

AGREEMENT FOR TRANSFER OF FAA ENTITLEMENT FUNDS APPROVED

Steve Robinson stated as provided in the case item in the June 24, 2019 agenda pertaining to the Airport Apron A Reconstruction project, the inability to develop a design grant application for more than the minimum of \$25,000 is cause for the City to lose the balance (\$2,160) of the Federal Aviation Administration (FAA) entitle funds allocated in 2016. Rather than the funds being returned for distribution within the Airport Improvement Program at a national level, the local Airports District Office has proposed the balance be transferred to the City of Buffalo, Minnesota for a project that can utilize the funds.

A motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to approve the request for FAA Approval of Agreement for Transfer of Entitlements.

FIRST READING PROPOSED ORDINANCE CHANGE OF ZONE - 2716 NORTH ROSE AVENUE

Jeremiah Cromie, City Planner, explained Michael Reck has submitted a petition for a change of zone of 0.5 acres that he owns at 2716 North Rose Avenue, north of Twenty Seventh Street. The applicant is requesting to rezone the property from their current "TZ" Transition Zone designation to "R-1" - One Family Detached designation. The legal description of the property under consideration is as follows:

Lot 10, County Auditor's Plat of the Southwest Quarter of the Southwest Quarter of Section 12, Township 102 North, Range 40 West, Worthington Township, Nobles County, Minnesota;

TOGETHER WITH

The easement lot lying between Lots 9 and 10 of said County Auditor's Plat also described as follows:

Commencing at the southwest corner of the Southwest Quarter of Section 12, Township 102 North, Range 40, West of the 5th P.M.; thence easterly along the southerly line of said Section 12, a distance of 331 feet; thence northerly and parallel with the west line of said Section 12, a distance of 270 feet, which is the point of beginning; thence easterly and parallel with the south line of said Section 12, a distance of 120 feet; thence northerly and parallel with the west line of said Section 12, a distance of 60 feet; thence westerly and parallel with the south line of said Section 12, a distance of 120 feet; and thence southerly and parallel with the west line of said Section 12, a distance of 60 feet to the place of beginning.

The Planning Commission considered the change of zone request at its August 6, 2019 meeting. After holding a public hearing and discussing the application, the Commission voted unanimously to approve the requested change of zone and recommend the City Council approve the proposed change of zone.

A motion was made by Council Member Ernst, seconded by Council Member Janssen and unanimously approved to give a first reading to the proposed ordinance.

APPROVED PRELIMINARY PLAT DAN WAGNER

Jeremiah Cromie, City Planner, explained Dan Wagner has submitted an application for preliminary plat approval of a residential subdivision to be known as Wagner Addition, on an 8-acre tract of land he owns located just south of Sutherland Drive and West of Crailsheim Road. The plat would create eight (8) lots intended for residential development. The legal description of the property under consideration is as follows:

That part of the South Half of the Northeast Quarter and the North Half of the Southeast Quarter of Section 28, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota, described as follows:

Beginning at the southeast corner of Glenwood Heights First Addition, according to the recorded plat thereof; thence on an assumed bearing of South 89 degrees 37 minutes 02 seconds West, along the south line of said Glenwood Heights First Addition, a distance of 330.01 feet to the southwest corner of said Glenwood Heights First Addition; thence

continuing South 89 degrees 37 minutes 02 seconds West a distance of 107.17 feet to an iron monument; thence South 0 degrees 24 minutes West a distance of 120.01 feet to a stone monument; thence continuing South 0 degrees 24 minutes West a distance of 671.74 feet to an iron monument; thence North 89 degrees 37 minutes 02 seconds East a distance of 443.18 feet to an iron monument located on the west right of way line of County State Aid Highway No. 10; thence North 0 degrees 02 minutes 04 seconds West, along said west right of way line, a distance of 791.70 feet to the point of beginning

The Planning Commission considered the application at its August 6, 2019 meeting. After holding a public hearing, the Commission voted unanimously to recommend the City Council approve the preliminary plat.

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to approve the preliminary plat - Dan Wagner.

FINAL PLAT - DAN WAGNER APPROVED

Jeremiah Cromie, City Planner stated Dan Wagner is seeking final plat approval of a subdivision to be known as Wagner Addition on approximately 8 acres of land he owns South of Sutherland Drive and West of Crailsheim Road. Before a final plat can be approved and recorded, the subdivider is required to install all applicable public infrastructure improvements.

Mr. Cromie said that staff is recommending that Council approve the final plat of Wagner addition with the following conditions:

- Deposit of security in the form of cash deposit, certified check, or bond in the amount of \$151,000; and
- Exclusion of setback lines on the plat document.

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the final plat of the subdivision to be known as Wagner Addition.

PLANNING COMMISSION/BOARD OF APPEALS STIPEND

Jason Brisson, Assistant City Administrator/Director of Economic Development explained before resigning from the City Planning Commission, former Chair Bob Bristow had directed City staff to request consideration from the City Council of a per-meeting stipend for members of the City's Planning Commission/Board of Zoning Appeals. The basis for this request was the increased time commitment required to fulfill the required duties by Commission members and the increasing complexity of some of the topics each Commission member must be familiar with. City staff contacted several similar-sized cities to conduct an informal study regarding compensation for city planning commission members.

Mr. Brisson said the City of Worthington does not currently provide any financial compensation to the City Planning Commission members. The majority of cities that responded to the informal survey also do not provide compensation to their planning commissioners. The City of Worthington's Planning Commission meets once per month. On rare occasions, an additional special meeting may be required. The majority of the cities that responded to the survey also meet once monthly. The Worthington Planning Commission meetings typically average about 90 minutes, but there have been

increasingly more meetings that exceed this average. There was wide variation in meeting length between the cities that responded to the survey.

The City currently does provide a stipend to members of the City Council, the Worthington Housing and Redevelopment Authority and the Public Utilities Commission. No stipend is paid for members of the Center for Active Living Committee, the Auditorium Board, the Public Arts Commission or any other City committees. The per-meeting amount for each of the paid City boards is \$50 per meeting. There is some variation in how the members are compensated. Board and commission members are only compensated for the meetings at which they are present.

Mr. Brisson said that staff would like Council to make a determination as to whether City Council wishes to provide the City Planning Commission/Board of Zoning Appeals with compensation for their service and, if so, how much so staff can make preparations ahead of the upcoming 2020 budget work sessions.

Council Member Oberloh stated that all city committees, boards, and commissions should be considered not just one. At this time he does not support it and recommends that Council have a work session to discuss it further.

Staff will put numbers together and look at the impact it would have on the budget and bring the information back to council.

CONDITIONAL USE PERMIT - GOLDEN HORIZONS

Council Member Oberloh stated that a meeting was held with himself, Council Member Janssen, Steve Robinson, Jason Brisson, and the City Attorney this afternoon pertaining to the Golden Horizons CUP request that was denied on July 8, 2019.

Mr. Oberloh stated that the City Attorney told them that State law requires that when a city council vote fails, it can be revisited by one of the council members who voted against it, and in this case would be himself or Larry Janssen. Mr. Oberloh explained that in speaking with staff, they had spoken with the City Attorney and representatives from the League of MN Cities and were told the city would likely lose a lawsuit and be liable for \$100,000. Mr. Oberloh stated for that reason, he wanted to bring back the issue for consideration.

Mr. Oberloh stated that he stands by his decision and believes that KC Properties should not have been given the permit, but said he was willing to revisit the issue because of the financial repercussions it could have for the City.

Mr. Janssen stated that he did not feel that KC Properties did their due diligence in trying to purchase additional land for their project.

Council Member Cummings stated that he disagreed with that reason because it was merely a personal opinion because purchasing more land for their project was not a requirement of the city code for the requested variance.

Mr. Oberloh stated that he is frustrated that the Planning Commission approved the variance which allowed a smaller setback and fewer parking spaces.

Council Member Ernst stated that she didn't think it was fair to put the Planning Commission down for the decisions that they make because he opposes it, the Commission considers all of the information that is provided to them.

Steve Robinson, City Administrator pointed out that variances approved by the Planning Commission are not subject to review by the City Council.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings to reconsider the Conditional Use Permit for Golden Horizons. Voting in Favor of the motion: Oberloh, Cummings, Ernst, Harmon. Voting against the same motion: Janssen. Motion carried.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings to approve the conditional use permit for Golden Horizons that was originally brought forward and denied on July 8, 2019. Council Members voting in favor of the motion: Oberloh, Cummings, Ernst, Harmon. Voting against the same motion: Janssen. Motion carried.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - no report.

Council Member Janssen - no report.

Council Member Oberloh - no report.

Council Member Cummings - said there will be an open house at the Memorial Auditorium on Sunday, August 18, 2019 from 1:00 p.m. to 4:00 p.m. for the balcony seating project. Exciting performance line-up for the next year as well.

Council Member Ernst - no report.

Council Member Harmon -no report.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, reminded Council of the Special City Council Work Session meeting that is scheduled for Wednesday, August 21, 2019, 3:00 p.m. Council also needs to pick one of the following dates for a budget meeting: August 27th, 28th, 29th, from 7:00 a.m. to 9:30 a.m. or 3:00 p.m. to 5:30 p.m. Consensus was to hold it on Tuesday, August 27, 2019 from 3:30 p.m. to 5:00 p.m., in City Hall Council Chambers.

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ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:10 p.m.

Mindy L. Eggers, MCMC
City Clerk