

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, SEPTEMBER 10, 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; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Todd Wietzema, Public Works Director; Dwayne Haffield, Director of Engineering; Janice Oberloh, City Clerk; Tammy Makram, Memorial Auditorium Manager.

Others present: Karl Evers-Hillstrom, The Globe; Chris Kielblock, Steve Jeppesen, Andy Berg.

The Pledge of Allegiance was recited.

**HONORARY COUNCIL MEMBER**

Mayor Kuhle welcomed Dayton Williamson as the Honorary Council Member for the months of July, August and September, 2018, and presented him with a certificate for participating in the program.

**AGENDA CLOSED / APPROVED**

Staff requested the addition of item E.5 *Resolution Approving Transfer of Yellow Company, LLC Property* to the agenda.

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

**CONSENT AGENDA APPROVED**

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

- City Council Minutes of Regular Meeting, August 27, 2018
- Minutes of Boards and Commissions - Housing and Redevelopment Authority Board Minutes of July 17, 2018; Park and Recreation Advisory Board Minutes of August 22, 2018; Heron Lake Watershed Board Minutes of July 17, 2018; Heron Lake Watershed Board Minutes of June 25, 2018; Worthington Area Convention and Visitors Bureau Minutes of June 27, 2018
- Extended Operations and Maintenance Agreement with EMC
- Bills payable and totaling \$1,666,819.71 be ordered paid

**THIRD READING AND ORDINANCE NO. 1118 ADOPTED - COMMERCIAL PARKING**

**LOTS**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would require construction of a dustless and durable hard surface on any part of a parcel of property used primarily for parking where such parcel is located in the 'B-3' - General Business Zone and where such parcel abuts property located within a residential zone.

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

ORDINANCE NO. 1118

AN ORDINANCE TO AMEND TITLE XV SECTION § 155.042 OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA SO AS TO REQUIRE CONSTRUCTION OF A DUSTLESS AND DURABLE HARD SURFACE ON ANY PART OF A PARCEL OF PROPERTY USED PRIMARILY FOR PARKING WHERE SUCH PARCEL IS LOCATED IN THE 'B-3' - GENERAL BUSINESS ZONE AND WHERE SUCH PARCEL ABUTS PROPERTY LOCATED WITHIN A RESIDENTIAL ZONE

(Refer to Ordinance File for complete copy of Ordinance)

**THIRD READING AND ORDINANCE NO. 1119 ADOPTED TO REZONE PARCEL NO. 31-2853-000**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would rezone 0.21 acres owned by Palma Enterprizes LLC and located south of Oxford Street between Burlington and Humiston Avenues from its current 'R-3' - Low Density Preservation Residential designation to 'B-3' - General Business. The legal description of the subject property is as follows:

East 140.2 ' of Lot 19, Block 14, Moulton's Resurvey and Subdivision of  
Clary's Addition to the Village (now City) of Worthington, Minnesota

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to give a third reading to, and subsequently adopt the following ordinance:

ORDINANCE NO. 1119

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA, TO REZONE PROPERTY FROM "R-3" (LOW DENSITY PRESERVATION RESIDENTIAL) TO "B-3" (GENERAL BUSINESS DISTRICT)

(Refer to Ordinance File for complete copy of Ordinance)

**RESOLUTION NO. 2018-09-01 AND WORTHINGTON HOUSING AND REDEVELOPMENT AUTHORITY RESOLUTION ADOPTED APPROVING THE PROPOSED 2018 TAX LEVIES COLLECTIBLE IN 2019**

Based on Council action at their September 21, 2018 Special Meeting, staff presented a Resolution Approving the Proposed City of Worthington Tax Levy of \$4,282,583, which breaks down in to an operating levy of \$3,685,996 and Special Tax Levies of \$596,587, and represents a 7.99% levy increase over 2018. The proposed levy is an amount not to exceed and may be lowered but not raised for the final levy certification in December. Also presented was a Resolution Approving the Housing and Redevelopment Authority's 2019 proposed levy of \$128,000, an increase of \$3,000 over 2018.

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to adopt the following Resolutions Approving the Proposed 2018 Tax Levies collectible in 2019.

**MEMORIAL AUDITORIUM UPDATE**

Tammy Makram, Memorial Auditorium Manager, provided an update to Council on the completion of the upgrades scheduled for this year at the Auditorium, and noted that close to 200 people attended the open house on August 19th. The last of the new curtains were delivered today, and comments on the new seating installed in the lower level have been very favorable. Ms. Makram also provided information on the events scheduled for the upcoming performance season.

**RESOLUTION NO. 2018-09-02 ADOPTED APPROVING TRANSFER OF YELLOW COMPANY, LLC PROPERTY**

The terms of the contract between the City of Worthington and Yellow Company LLC for private development in Redevelopment Project No. 5 and Tax Increment District No. 16 prohibits the assignment or sale of property within the redevelopment project and TIF District to a third party without the written consent of the City.

Staff presented a resolution noting the proposed Transferee has the qualifications and financial responsibility necessary to fulfill the obligations undertaken in the development agreement. Steve Robinson, City Administrator, noted that the Transferee acknowledges that the declaration of Restrictive Covenants shall continue with the property and accepts the property subject to those restrictions.

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

unanimously carried to adopt the following resolution approving the transfer of Yellow Company, LLC property.

RESOLUTION NO. 2018-09-02

A RESOLUTION APPROVING THE TRANSFER OF PROPERTY PURSUANT TO SECTION 6.01 OF THE CONTRACT FOR PRIVATE DEVELOPMENT IN REDEVELOPMENT PROJECT NO. 5 AND TAX INCREMENT FINANCING DISTRICT NO. 16 BETWEEN THE CITY OF WORTHINGTON, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY AND YELLOW COMPANY, LLC DATED JUNE 1, 2016 SUBJECT TO RESTRICTIVE COVENANTS

(Refer to Resolution File for complete copy of Resolution)

**RESOLUTION NO. 2018-09-03 ADOPTED ACCEPTING DONATION OF PERSONAL PROPERTY (SOUTHWEST MINNESOTA FISHING CLUB)**

Todd Wietzema, Public Works Director, said the Southwest Minnesota Fishing Club approached the City regarding construction of a fish cleaning facility to be located in the trailer parking area of Sunset park, and has offered to donate \$5,000 a year for five years towards the project. Staff has not yet looked into any cost or funding sources for the project, but feels a fish cleaning facility would be an asset for Olson Park and Lake Okabena users. Mr. Wietzema said the donation meets all the requirements of the Park Donation Policy, and should Council accept the donation, staff would like authorization to explore potential costs and funding. The Park and Recreation Advisory Board reviewed the proposed project and was recommending City Council accept the donation.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to adopt the following resolution accepting the donation:

RESOLUTION NO. 2018-09-03

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

**RESOLUTION NO. 2018-09-04 ADOPTED ACCEPTING A DONATION OF PERSONAL PROPERTY (WORTHINGTON PARK HOP SPONSORS)**

For the last two years local businesses have organized a Park Hop event that showcases certain parks in the community to visit, and they develop fun activities in each of those parks. This year, the organizers approached staff about fund raising for a donation to a 2018 park project. It was decided that the \$600 raised from the Park Hop would go towards purchasing tables to be used at the new

Centennial Park Splash Pad. The donation meets all the requirements of the City's Park Donation Policy.

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adopt the following resolution accepting the donation:

RESOLUTION NO. 2018-09-04

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

**CENTENNIAL BEACH NOOK BID RESULTS AND AWARD OF CONTRACT**

The following bids were received on September 6, 2018 for the Centennial Park Beach Nook project:

Wilcon Construction, Inc.	\$1,125,600
The Joseph Company, Inc.	\$1,145,000
Tri-State General Contracting	\$1,188,888

Todd Wietzema, Public Works Director, said all three bids were considerably higher than the anticipated cost of the project, which may be attributable to a low engineer's estimate, bad timing of the bid, and some extras in the design that could be cut out. The Community Growth Committee reviewed the bid results and were recommending that Council reject all bids and that the project be reviewed for changes. The original estimated cost of the project was \$500,000.

The motion was made by Council Member Ernst, seconded by Council Member Oberloh and unanimously carried to reject the bids received for the Centennial Beach Nook.

**RESOLUTION NO.'S 2018-09-05 THROUGH 2018-09-07 ADOPTED DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT AND CALLING FOR HEARING ON PROPOSED ASSESSMENT; AND DECLARING BENEFIT TO BE ASSESSED AND CALLING FOR HEARING ON PROPOSED ADDITIONAL ASSESSMENTS**

Staff presented a Resolution Declaring Costs to be Assessed and Ordering Preparation of Proposed Assessment and a Resolution Calling for Hearing on Proposed Assessment for the following:

2018 Miscellaneous Unpaid Charges

- Removal of Ice and Snow

- Removal of Solid Waste
- Removal of Noxious Weeds and Vegetation

Also presented was a Resolution Declaring Benefit to be Assessed and Calling for Hearing on Proposed Additional Assessment regarding Six Fairway View. Dwayne Haffield, Director of Engineering, said, per the City's Assessment Policy, the property had not been assessed lateral or trunk benefit for Water Main Improvement No. 80-2, Sanitary Sewer No. 78 or Sanitary Sewer No. 84, which were installed along North Crailsheim Drive.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adopt the following resolutions for the special services/charges and for the additional assessment, and calling for the time and date of the hearings to be set as 7:00 p.m. on Monday, October 8, 2018 at the regular City Council meeting:

RESOLUTION NO. 2018-09-05

DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2018-09-06

CALLING FOR HEARING ON PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2018-09-07

DECLARING BENEFIT TO BE ASSESSED AND CALLING FOR HEARING ON PROPOSED ADDITIONAL ASSESSMENTS

(Refer to Resolution File for complete copy of Resolution)

**COMPREHENSIVE PLAN AMENDMENT APPROVED - PARCELS 31-3974-000, 31-3974-300, 31-3931-000, 31-3932-000, AND 31-3932-500**

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, pointed out that all four of his case items were brought forward by staff to the Planning Commission, and that no applications had been received regarding any of the changes.

The tract of land under consideration in the Comprehensive Plan Amendment is between South Lake and East Lake Boulevard, and the railroad and Sherwood Street, and is currently planned as industrial with a business flex overlay. The Planning Commission considered the proposed amendment at their September 4, 2018 meeting, and after holding a public hearing, and based on the surrounding land uses, were recommending that the Comprehensive Plan be amended to reflect the land use for the subject parcels to be Community Commercial, instead of its current Industrial, for future general commercial zoning.

The motion was made by Council Member Ernst, seconded by Council Member Oberloh and unanimously carried to approve the Comprehensive Plan Amendment.

**FIRST READING PROPOSED ORDINANCE - CHANGE OF ZONE - PARCELS 31-3973-700, 31-3973-000, 31-0685-000, AND 31-0008-000**

Staff presented a proposed ordinance that would change the zoning of Parcels 31-3973-700, 31-3973-000, 31-0685-000, and 31-0008-000 from 'M-2' - General Manufacturing, to 'B-2' - Central Business District. The property is legally described as:

That part of the southeast quarter of Section 23, and the northwest quarter of Section 26, all in Township 102 North, Range 40 West, Nobles County Minnesota described as follows:

Beginning at the intersection of the centerline of Lake Street and northwesterly right-of-way line of the Union Pacific Railroad; thence northeasterly along the northwesterly right-of-way line of the Union Pacific Railroad to a southeasterly projection of the centerline of Eighth Street; thence northwesterly along a southeasterly projection of the centerline of Eighth Street to the centerline of Second Avenue; thence southwesterly along the centerline of Second Avenue to the centerline of Lake Street; thence southwesterly, southerly and southeasterly along the centerline of Lake Street to the point of beginning.

The Planning Commission considered the change of zone at their September 4, 2018 meeting, and after holding a public hearing and discussion, voted unanimously to recommend Council approval of the proposed change of zone.

The motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to give a first reading to the proposed ordinance.

**FIRST READING PROPOSED ORDINANCE - CHANGE OF ZONE - PARCELS RR-RAIL-006, 31-3974-000, 31-3974-300, 31-3931-000, 31-3932-000, AND 31-3932-500**

Staff presented a proposed ordinance that would rezone Parcels RR-RAIL-006, 31-3974-000, 31-3974-300, 31-3931-000, 31-3932-000, and 31-3932-500 from the current 'M-2' - General Manufacturing (Heavy Industrial) to 'B-3' - General Business. The legal description of the property under consideration is:

That part of the southwest quarter of Section 24, the southeast quarter of Section 23, and the northwest quarter of Section 26, all in Township 102 North, Range 40 West, Nobles County Minnesota described as follows:

Beginning at the intersection of the centerline of Eighth Street and the centerline of Second Avenue; thence northeasterly along the centerline of Second Avenue to the centerline of Tenth Street; thence southeasterly along the centerline of Tenth Street to the centerline of First Avenue; thence northeasterly along the centerline of First Avenue to the centerline of Twelfth Street; thence southeasterly along the centerline of Twelfth Street and East Twelfth Street to the centerline of Sherwood Street; thence southwesterly along the centerline of Sherwood Street to the centerline of South Lake Street; thence northwesterly along the centerline of South Lake Street and Lake Street to the northwesterly right-of-way line of the Union Pacific Railroad; thence northeasterly along the northwesterly right-of-way line of the Union Pacific Railroad to a southeasterly projection of the centerline of Eighth Street; thence northwesterly along a southeasterly projection of the centerline of Eighth Street to the point of beginning.

The Planning Commission considered the proposed change at their September 4, 2018 meeting, and after holding public hearing and discussion, voted unanimously to recommend Council approval of the proposed change of zone. Mr. Brisson noted that the 'M-2' zoning could include what would be considered as the most obnoxious industries, and the sense was the Commission felt this was not a good place for that type of zoning.

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

**FIRST READING PROPOSED ORDINANCE - CHANGE OF ZONE - PARCEL 31-3974-500**

Staff presented a proposed ordinance that would rezone certain property identified as Parcel 31-3974-500 from its current 'T-Z' - Transitional Zone and 'B-3' - General Commercial, to a commercial, residential or special zoning designation. The legal description of the property is:

That part of Government Lot 4, Section 26, Township 102, Range 40, Nobles County, Minnesota, lying southerly of the southerly right-of-way line of Trunk Highways No. 59 and 60, more particularly described as follows:



Beginning at the center of said Section 26; thence South 86 degrees 35 minutes 44 seconds East along the south line of said Government Lot 4 a distance of 1315.90 feet to the southeast corner of said Government Lot 4; thence North 0 degrees 01 minutes 03 seconds East along the east line of said Government Lot 4 a distance of 1053.41 feet to the south line of said Trunk Highway right-of-way; thence South 89 degrees 17 seconds 23 minutes West along said right-of-way a distance of 33.00 feet; thence North 45 degrees 20 minutes 47 seconds West along said right-of-way line a distance of 140.52 feet; thence South 89 degrees 17 minutes 23 seconds West along said right-of-way line a distance of 35.62 feet; thence southwesterly along said right-of-way line on a tangential curve, concave to the southeast having a radius of 1834.86 feet, a central angle of 38 degrees 40 minutes 00 seconds and an arc length of 1238.27 feet; thence South 50 degrees 37 minutes 23 seconds West along said right-of-way line a distance of 3.06 feet to the intersection point of said right-of-way line with the North-South Quarter line of said Section 26; thence South 0 degrees 08 minutes 33 seconds West along said Quarter line a distance of 654.85 feet to the point of beginning.

Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the City had received a development proposal for a church in that location which is currently zoned Transitional. City Code says the property can only be agricultural at this point.

The Planning Commission considered the proposed zoning change at their September 4, 2018 meeting, and after holding a public hearing and discussion, voted unanimously to recommend Council approval of the proposed change of zone. Mr. Brisson note the Commission determined that the Comprehensive Plan seemed to indicate light industrial or commercial zoning would be appropriate.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to give a first reading to the proposed ordinance.

### **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - Noted it was King Turkey Day week and expressed appreciation for all the employees and volunteers who work hard for the event.

Council Member Janssen - Nothing to report.

Council Member Oberloh - Attended a Watershed meeting at the invitation of Dan Livdahl regarding the excessive number of carp in our waters - 3 to 3½ times the number we should have- the Watershed is looking for partners, including E.O. Olson, to help finance an assessment of where the carp are at and the subsequent removal. He encouraged the Board to come make a presentation to Council.

Council Member Cummings - On August 14, 15, and 16 the DNR fisheries did their annual creel study in Lake Okabena to see what our lake is holding. The numbers are pretty strong in the numbers that we don't want, but also strong in the fish we do want. They are looking to team up with partners to solve some of the silt and rough fish problems. He also reported on a Memorial Auditorium Advisory Board meeting - comments have been that the new seating is pleasurable - the number of season passes and advance ticket sales have been dramatically different. He noted the YMCA Board is looking forward to a Planning Session.

Council Member Ernst - Just wanted to give a shout out to Jason Brisson for all the work he did for the Planning Commission meeting the other night - it was much appreciated.

Council Member Harmon - Reported on a MRES meeting the last Thursday in August in Sioux Falls - they are not expecting there will be a rate change until 2020 or 2021. The Water and Light Commission met last Monday and looked at the time line for Lewis and Clark to come in. The target date is still in November but it could be earlier if the reservoir is completed too.

#### **CITY ADMINISTRATOR'S REPORT**

Steve Robinson, City Administrator, reminded Council of the groundbreaking ceremony for the Centennial Park Splash Pad tomorrow at 11:00 a.m. at Centennial Park. Staff has worked on having a flyer put together for the proposed sales tax and hope to have it by the end of the week. The Chamber of Commerce will be lining up meetings for him to present information on the tax.

#### **ADJOURNMENT**

The motion was made by Council Member Janssen, seconded by Council Member Oberloh and unanimously carried to adjourn the meeting at 8:05 p.m.

Janice Oberloh, MCMC  
City Clerk