

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, SEPTEMBER 14, 2009**

The meeting was called to order at 7:00 p.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Aldermen present: Lyle Ten Haken, Mike Kuhle, Scott Nelson, Ron Wood, Mike Woll.

RESOLUTION NO. 3403 ADOPTED ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS - MORNING VIEW FIRST ADDITION AND RESOLUTION NO. 3404 ADOPTED ORDERING IMPROVEMENT AND PREPARATION OF PLANS A SPECIFICATIONS - CASTLEWOOD DRIVE

Pursuant to published notice, this was the time set for a public hearing on Morning View First Addition Area Storm Water System Improvements, and for the Castlewood Drive street improvements.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to open the hearing.

Dwayne Haffield, Director of Engineering, presented the cases. A summary of improvement costs and total estimated assessments for the Morning View First Addition project is as follows:

CITY SHARE:	
Above assessment limit and rounding	\$30,385.98
of assessable costs	<u>\$15,080.02</u>
TOTAL CITY SHARE	\$45,466.00 (35.1%)
ASSESSMENTS RECEIVABLE:	<u>\$84,034.00</u> (64.9%)
TOTAL PROJECT	\$129,500.00

A summary of the improvement cost and the total estimated assessments for the improvement of Castlewood Drive by street, sanitary sewer, and water main extension is as follows:

Assessments	\$117,366.64 (85.5%)
Trunk Fund	\$0.00 (0.0%)
City Share	<u>\$19,933.36</u> (14.5%)
TOTAL	137,300.00

Mayor Oberloh opened the floor for testimony; none was received for either project.

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to close the hearing.

The motion was made by Alderman Kuhle, seconded by Alderman Ten Haken and unanimously

carried to adopt the following resolutions ordering the improvements ahead and ordering the plans and specifications:

RESOLUTION NO. 3403

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3404

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

AGENDA APPROVED WITH CORRECTION

The City Clerk noted Agenda Item G.3. *Second Reading Proposed Ordinance Amending Title XV of the City Code to Rezone Property* should have stated *Third Reading...*”.

The motion was made by Alderman Kuhle, seconded by Alderman Wood and unanimously carried to approve the agenda with the noted correction.

CONSENT AGENDA APPROVED WITH CORRECTION

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the consent agenda as follows, with a correction to the August 24, 2009 City Council Minutes:

- City Council Minutes: Special Meeting August 24, 2009; Regular Meeting August 24, 2009; Special Meeting August 26, 2009; Special Meeting August 31, 2009; Special Meeting September 2, 2009; Special Meeting September 3, 2009; Special Meeting September 10, 2009.
- Minutes of Boards and Commissions: Water and Light Commission Minutes of September 8, 2009; Airport Advisory Board Minutes of September 1, 2009; Memorial Auditorium Advisory Board Minutes of September 1, 2009; Heritage Preservation Committee Minutes of September 1, 2009; Planning Commission Minutes of September 1, 2009.
- Bills payable and totaling \$1,719,782.02 be ordered paid.

SISTER CITIES INTERNATIONAL MEMBERSHIP CONSIDERED

The motion was made by Alderman Woll and seconded by Alderman Wood to authorize the Administrator and/or City Clerk to investigate the benefits of the membership and to pay the \$360 fee if a benefit exists. The following Aldermen voted in favor of the motion: Ten Haken, Nelson, Wood, Woll; with the following Aldermen voting against the same: Kuhle. Motion passed.

RESOLUTION ADOPTED APPROVING PROPOSED 2009 TAX LEVIES COLLECTIBLE IN 2010

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to adopt the following resolution approving the proposed 2009 Tax Levies collectible in 2010:

CITY OF WORTHINGTON, MINNESOTA

PROPOSED RESOLUTION APPROVING 2010 TAX LEVIES COLLECTIBLE IN 2011

Be it resolved by the City Council of the City of Worthington, County of Nobles, State of Minnesota, that the following sums of money are to be levied for the current year, collectible in 2011 upon the taxable property in said City of Worthington, Minnesota for the following purposes:

LIMITED GENERAL PURPOSE TAX:	2010/2011 LEVY	SPECIAL TAX LEVIES:	2010/2011 LEVY
General Fund	723,824	G.O. Debt Service Funds Including Improvement Bonds (MS 275.50 Subd. 5e and MS 429.091)	
Community Center Fund	34,070		
Recreation Fund	629,494	PIR Series 2002A \$920,000	45,000
Economic Development Authority Fund	2,800	Public Facility Lease Rev 2004A	97,056
Improvement Construction Fund	75,925	PIR Series 2004A \$3,055,000	250,000
		PIR Series 2007A \$4,370,000	330,000
Aquatic Center Facility Fund	120,000	PIR Series 2009C \$2,710,000	<u>161,189</u>
Airport	4,835		
Memorial Auditorium Fund	66,616	SUBTOTAL DEBT SERVICE FUNDS	883,245
GENERAL PURPOSE TAX LEVY-CITY	<u>1,657,564</u>	Economic Development Tax Abatement	450,000
EDA TAX LEVY	<u>86,000</u>	TOTAL SPECIAL TAX LEVIES	<u><u>928,245</u></u>
TOTAL GENERAL PURPOSE TAX	<u><u>1,743,564</u></u>		

SPECIAL TAX LEVIES: (Other than Debt Service)		RECAP OF TAX LEVY TOTALS:	
Housing & Redevelopment Authority (MS 462.545 Subd. 6)	Separate Certified Levy	General Purpose Levy	1,743,564
		Special Tax Levies	928,245
		TOTAL NET LEVY	<u>2,671,809</u>

RESOLUTION APPROVING 2009 TAX LEVIES COLLECTIBLE IN 2010

BE IT RESOLVED, by the City Council of the City of Worthington and the Economic Development Authority of the City of Worthington, County of Nobles, State of Minnesota, that the following sum of money be levied for the current year, collectible in 2010, upon the taxable property in said City of Worthington, Minnesota, for the following purposes:

SPECIAL TAX LEVY	CERTIFIED LEVY
	2009/2010
ECONOMIC DEVELOPMENT AUTHORITY TAX LEVY	
(Minnesota Statute 469.107, Subdivision 1)	
Special Tax for Operations	\$86,000.00

NET CERTIFIED LEVY \$86,000.00

RESOLUTION APPROVING 2009 TAX LEVIES COLLECTIBLE IN 2010

BE IT RESOLVED, by the City Council of the City of Worthington and the Housing and Redevelopment Authority of the City of Worthington, County of Nobles, state of Minnesota, that the following sum of money be levied for the current year, collectible in 2010, upon the taxable property in said City of Worthington, Minnesota, for the following purposes:

SPECIAL TAX LEVY	CERTIFIED LEVY
	2009/2010
HOUSING AND REDEVELOPMENT AUTHORITY TAX LEVY	
(Minnesota Statute 469.033, Subdivision 6)	
Special Tax for Operations	\$88,618.40

NET CERTIFIED LEVY \$88,618.40

ORDINANCE NO. 1029 ADOPTED AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA TO REZONE PROPERTY FROM "TZ" (TRANSITIONAL ZONE) TO "R-4" (MEDIUM DENSITY RESIDENTIAL) - MORNING VIEW FIRST ADDITION

Pursuant to published notice, this was the time set for the third reading of a proposed ordinance amending Title XV of the City Code of Worthington, Nobles County, Minnesota as follows:

Section II.

The following legally described area, presently included in the "TZ" district, shall henceforth be included in the "R-2" district:

All of Block 1 and Lots 1 & 2, Block 2, Morning View First Addition, City of Worthington, Nobles County, Minnesota.

Section III.

The following legally described area, presently included in the "TZ" district, shall henceforth be included in the "R-4" district:

Lots 3 through 6, Block 2 and all of Block 3, Morning View First Addition, City of Worthington, Nobles County, Minnesota.

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to give a third reading to, and subsequently adopt the following Ordinance:

ORDINANCE NO. 1029

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA, TO REZONE PROPERTY FROM "TZ" (TRANSITIONAL ZONE) TO "R-4"(MEDIUM DENSITY RESIDENTIAL)

(Refer to Ordinance File for complete copy of Ordinance)

STAFFING INCREASE FROM PART-TIME POSITION TO FULL-TIME POSITION FOR MUNICIPAL LIQUOR STORE APPROVED

The motion was made by Alderman Wood seconded by Alderman Woll and unanimously carried to approve an increase in part-time to full-time hours for a retail clerk position and to do a budget adjustment accordingly.

CHANGE FROM DIAGONAL PARKING STALLS TO PARALLEL PARKING STALLS ON NINTH STREET APPROVED

Staff noted the request for the change was for safety reasons and to make it more conforming to State Aid standards and the downtown plan.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to approve changing the parking stalls on Ninth Street between Second Avenue and Third Avenue from diagonal to parallel.

FINAL PLAT - MORNING VIEW FIRST ADDITION APPROVED WITH CONDITIONS

Southwest Minnesota Housing Partnership was seeking Final Plat approval of Morning View First Addition. Staff noted the applicant is responsible for installing the following public improvements in conjunction with the proposed development:

1. The construction of Pauline Avenue and extension of Castlewood Drive and Cecilee Street. The street improvements including the street grading, base including fabric, curb and gutter.
2. The installation of the water main and services within the subdivision; and
3. The installation of the sanitary sewer main and services within the subdivision.

The Engineer's estimate for the identified public improvements is \$415,700.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the final plat of Morning View First Addition with the conditions as stated.

FINAL PLAT - FAREWAY FIRST ADDITION APPROVED WITH CONDITIONS

Fareway Stores, Inc. was seeking Final Plat approval of Fareway - First Addition. The applicant was responsible for installing the following public improvements in conjunction with the proposed development:

1. The extension of Stower Drive, including the street grading, base including fabric, curb and gutter.
2. The installation of the water main within the subdivision; and
3. The installation of a storm water collection and management system.

The improvements as listed have been completed and were accepted by the City Engineer on September 9, 2009.

The motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried to approve the Final Plat - Fairway First Addition.

LEASE AGREEMENT BETWEEN THE CITY OF WORTHINGTON AND SOUTHWEST MENTAL HEALTH CENTER FOR DAYTON HOUSE PARKING APPROVED WITH ADJUSTMENT

The proposed 99 year lease agreement calls for Southwest Mental Health Center (SMHC) to lease 51 parking stalls it intends to construct on their property at the former Central Elementary School site on 13th Street to the City for \$100,000. The amount covers the rent fee of \$68,000 and establishes a \$32,000 escrow to cover the City's share of on-going maintenance expenses (70% City/30% SMHC). It is estimated the escrow to last approximately 15 years. The Historic Preservation Committee reviewed the lease and was recommending approval, subject to execution of a sub-lease with Historic Worthington Incorporated.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the Southwest Mental Health Lease Agreement / Dayton House Parking subject to securing of a sub lease with Historic Worthington Incorporate, with an adjustment to future maintenance expenses as further development occurs on the site.

RESOLUTION NO. 3405 ADOPTED APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS - CASTLEWOOD AREA SEWER AND WATER EXTENSIONS

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to adopt the following resolution approving plans and specifications for the improvement of the following described street by extension of the municipal wastewater collection system therein and extension of the municipal water distribution system therein:

Castlewood Drive from the east line of Lot 10, Block 6, Castlewood Knolls to the east line of Lot 10, Block 2, Dano Addition;

and

improvement of the following described property by extension of the municipal storm water collection and management system:

All or part of the north 1500 feet of the east 1050 feet of the Southeast Quarter of

Section 13, Township 102 North, Range 40 West;

and to authorize advertisement for bids to be received until 2:00 p.m. Monday, October 12, 2009 and considered by Council that evening at their regular meeting at 7:00 p.m.

RESOLUTION NO. 3405

APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3406 ADOPTED DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to adopt the following resolutions declaring costs to be assessed and ordering preparation of proposed assessment; and calling for a hearing on the proposed assessment

Staff presented resolutions regarding proposed assessments on 2009 projects as follows:

Paving Improvement No. 108

- 27th Street - from Trunk Highway 59 to 2570 feet west

2009 Miscellaneous Unpaid Charges

- Removal of Ice and Snow
- Removal of Noxious Weeds and Vegetation
- Removal of Solid Waste
- Removal of Diseased Elm Trees

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to adopt the following resolutions declaring costs to be assessed and ordering preparation of proposed assessment, and to call the assessment hearing for 7:00 p.m., Monday, October 12, 2009, in City Hall Council Chambers:

RESOLUTION NO. 3406

DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED

ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3407

CALLING FOR HEARING ON PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

EMINENT DOMAIN PROCEEDINGS AUTHORIZED - RYAN'S ROAD/BACKAGE ROAD PROJECT

Staff noted there is really no progress being made on right-of-way acquisitions for the Ryan's Road / Backage Road project as there has been lack of response from property owners. Acquisition of the right-of-way is the City's responsibility. Mr. Haffield noted that it usually requires eminent domain proceedings to make people aware that the City is serious about the acquisition.

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adopt the following resolution:

RESOLUTION DETERMINING THE NECESSITY FOR AND
AUTHORIZING THE ACQUISITION OF CERTAIN PROPERTY BY
PROCEEDINGS IN EMINENT DOMAIN

WHEREAS, the City Council is engaged in a project for the improvement of Ryan's Road/Ray Drive lying west of TH-59 all located within the City of Worthington;

WHEREAS, the contemplated improvement project will require the acquisition of additional property within the Southeast Quarter of the Southeast Quarter of Section 14, Township 102 North of Range 40 West of the Fifth Principal Meridian, Nobles County, Minnesota;

WHEREAS, the City has the authority under M.S. §465.01 et seq., M.S. c. 117 and sec 1.02 of its amended charter to acquire private real property for the purpose set forth in Exhibit A attached hereto;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WORTHINGTON, MINNESOTA, AS FOLLOWS:

1. That Wendland Sellers Bromeland, P.A. and Evergreen Land Services Company are authorized to continue to negotiate with the owners for the purchase of the property,

subject to ratification by the City of Worthington.

2. That the law firm, Wendland Sellers Bromeland, P.A. is specifically authorized to notify the owners of intent to take possession of all or a part of the owner's property prior to the filing of an award by the court appointed commissioners pursuant to Minnesota Statutes, Section 117.042 and to take all actions necessary and desirable to carry out the purposes of this resolution.
3. That the law firm of Wendland Sellers Bromeland, P.A. is authorized to represent the City of Worthington in acquisition of property by eminent domain, said property being described in Exhibit A hereof along with any other property which may be called for as the project progresses.

The properties to be affected by these eminent domain proceedings are listed below:

County PIN: 31-3857-000

The south 150' of the north 400' of the east 410.03' of the SE1/4 of the SE1/4 of Section 14, T102N, R40W, except tract to State of Minnesota in Document #189598; (Also Described as Tract A of Survey, Document #265700)

County PIN: 31-3857-260

The north 400' of the east 564.03', except the east 410.03' thereof, in the SE 1/4 of the SE1/4 of Section 14, T102N, R40W; (Also Described as Tract B of Survey in Document #271726)

County PIN: 31-3857-300

The south 125' of the north 250' of the east 410.03' of the SE 1/4 of the SE1/4 of Section 14, T102N, R40W

County PIN: 31-3857-500

The north 125' of the east 410.03' of the SE1/4 of the SE1/4 of Section 14, T102N, R40W

County PIN: 31-3858-000

The east 850' of the SE1/4 of the SE1/4 of Section 14, T102N, R40W, except the north 400' and except the south 367' thereof

ACQUISITION OF TEMPORARY EASEMENT REQUIRED FOR RYAN'S ROAD/BACKAGE ROAD PROJECT

This item was listed as a possible closed session item under Minn. Stat. § 13D.05, Subd. 3, however, after a brief discussion, Council determined it could be addressed during the open meeting.

The initial offer made to the owners of the Ground Round for a temporary construction easement necessary for the Ryan's Road/Backage road project was \$1,500 (\$750 for encumbering the land for 1.5 years and \$750 for costs to repair the lawn irrigation system). A counter offer has been recieved, and based on an estimate from Evergreen Land Services Company for the potential worst case repairs to the irrigation system, those costs could run as high as \$3,615.59. The owner is requesting the City agree to pay for the actual costs of the repairs exceeding the initial estimate of \$750.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to accept the counter offer and approve payment for the temporary construction easement in the initial payment amount of \$1,500 plus up to \$2,8659 upon verification of actual costs for necessary repairs.

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - Reminded Council of the upcoming Turkey Day and their team participation in the Turk Olympics.

Alderman Ten Haken - Noted to the public that Council has had several budget meetings before settling on the 2.9 levy precertification number, adding that several communities around us are levying back their lost LGA dollars. Also attended a SRDC meeting in Pipestone and was very impressed with the night time classes/activities on the MN West campus there. Work is continuing on transportation projects in our area but are meeting with some difficulties on some of them.

Alderman Kuhle - attended an Airport Advisory Board meeting, the runway project should be done approximately September 20th.

Alderman Nelson - Attended a Traffic and Safety Committee meeting where the diagonal parking stalls on Ninth Street were discussed. Also mentioned the several budget meetings Council has held.

Alderman Wood - Regarding the levy, noted there seems to be a lot of confusion between tax capacity and actual property tax and that even though Council has pre-certified at 2.9% property taxes may still go down. The Water and Light Commission met and hired a consultant to come in and look at their reserve policies and goals. They also talked about strategic planning, but his thought is they shouldn't set goals until Council sets strategic direction. Public Utilities is also working on a street lighting project and discussed the best methodology of assessments for that.

Alderman Wood also attended a Prairie View Advisory Board meeting where they had a retreat and set rates. Should have a good package to submit to Council within the next couple of weeks.

Alderman Woll - nothing to report but questioned the City Engineer on if the Tower Street overlay would be done before Turkey Day. Mr. Haffield noted they were just waiting for the paver to show up which should be tomorrow.

CITY ADMINISTRATOR REPORT

Craig Clark, City Administrator, reported that he hoped to have the strategic planning survey in the next couple of days for review. Mr. Clark noted that Council should look for additional budget

meetings to be scheduled. He also reported the County has met with some of the participating potential partners in the shared facility, and would now like to meet with City members to discuss how to move forward. Mr. Clark will work with Aldermen Woll and Nelson on that meeting. The Chamber of Commerce has commissioned a community leadership meeting, which he and the Mayor will attend on September 29th. Also reported was the outdoor pool slide had been sold on ebay for \$20,000, and was dismantled today. Mr. Clark met with staff from Minnesota West and the School District on the Sports Authority concept and will follow up by talking with our Aldermen on that committee about where we go from here.

CLOSED SESSION UNDER MINN. STAT. § 13D.05, SUBD. 3(C) - PURCHASE OR SALE OF REAL OR PERSONAL PROPERTY - 2095 HIGHWAY 59, PARCEL #31-853-000, PARCEL #31-3856-000

Mayor Oberloh announced the closed session and the statute allowing for such, and noted that those in attendance not there specifically for the case were required to leave the meeting. Upon roll call, the following were present at the session: Janice Oberloh, Lyle Ten Haken, Mike Kuhle, Brad Chapulis, Dwayne Haffield, Scott Nelson, Ron Wood, Mike Woll, Craig Clark, Alan Oberloh.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to close the meeting at 8:11 p.m.

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to reopen the meeting at 8:37 a.m.

ADJOURNMENT

The motion was made by Alderman Ten Haken, seconded by Alderman Wood and unanimously carried to adjourn the meeting at 8:38 a.m.

Janice Oberloh
City Clerk