

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, SEPTEMBER 14, 2015**

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: Diane Graber, Larry Janssen, Mike Harmon, Rod Sankey. Honorary Council Member: Amy Ernst. Council Members absent: Scott Nelson (excused).

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

Others present: Justine Wettschreck, KWOA; Kristin Kirtz, Daily Globe.

The Pledge of Allegiance was recited.

HONORARY COUNCIL MEMBER

Mayor Kuhle introduced Amy Ernst as the Honorary Council Member for the months of September, October and November, 2015. Ms. Ernst provided a brief background and said she is excited to learn about City government.

PUBLIC HEARING AND RESOLUTION NO. 3608 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - 1058 & 1068 CRAILSHEIM ROAD

Pursuant to published notice, this was the time and date set for a public hearing regarding a Nobles Home Initiative Application submitted by V & O Properties for property it owns at 1058 and 1068 South Crailsheim Road.

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

Brad Chapulis, Director of Community/Economic Development, said the company is seeking the approval of tax abatement for the construction of a proposed duplex in its West Park Acres development located at 1030 - 1088 Crailsheim Road. Both units will be approximately 1,340 square feet, including a two stall attached garage. Staff has reviewed the application and determined it meets all the parameters of the Nobles Home Initiative Guidelines.

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

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

The motion was made by Council Member Sankey, seconded by Council Member Janssen and

unanimously carried to adopt the following resolution approving the tax abatement:

RESOLUTION NO. 3608

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

(Refer to Resolution File for complete copy of Resolution)

AGENDA CLOSED/APPROVED WITH ADDITION

Staff requested the addition of item F.3. *Agreement for Dispensing of Liquor at Memorial Auditorium* to the agenda.

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to close/approve the agenda with the requested addition of item F.3.

CONSENT AGENDA APPROVED

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

- City Council Minutes - Regular Meeting August 24, 2015; Special Meeting (Work Session) August 25, 2015; Special Meeting (Budget Work Session) August 26, 2015; Special Meeting (Budget) September 2, 2015
- Minutes of Boards and Commissions - Planning Commission/Board of Appeals Minutes of August 19, 2015; Traffic and Safety Committee Minutes of August 25, 2015; NEON Committee Minutes of July 9, 2015
- City Hall Closure the Friday immediately following Thanksgiving
- Application to Block Street/Parade from ISD 518 to block Clary Street from Church Avenue to Marine Avenue on Friday, September 18, 2015 from 5:00 p.m. to 7:00 p.m. for their Meet the Trojan Marching Band event
- Application to block street from the Center for Active Living to block 11th Street from Second Avenue to Third Avenue from 9:00 a.m to 2:00 p.m. on September 30, 2015 for a pickle ball event, with access to Jay's Electric
- Application to block street/parade permit from UFCW Local 1161 to block 7th Avenue from 10th Street to 13th Street, and to block 10th Street from 2nd Avenue to 7th Avenue from 12:00 Noon to 1:30 p.m. on Saturday, September 26, 2015 for their Hispanic Independence Day march
- Bills payable and totaling \$946,976.45 be ordered paid

RESOLUTIONS ADOPTED APPROVING THE 2015 TAX LEVIES COLLECTIBLE IN 2016

The motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to adopt the following resolutions approving the 2015 tax levies collectible in 2016:

CITY OF WORTHINGTON, MINNESOTA

RESOLUTION APPROVING PROPOSED 2015 TAX LEVIES COLLECTIBLE IN 2016

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 2016 upon the taxable property in said city of Worthington, Minnesota for the following purposes:

LIMITED GENERAL PURPOSE TAX:	2015/2016 LEVY	SPECIAL TAX LEVIES:	2015/2016 LEVY
General Fund	1,048,879	G.O. Debt Service Funds including improvement Bonds (MS 275.50 Subd. 5e and MS 429.091)	
Memorial Auditorium Fund	88,221		
Recreation Fund	1,015,870	PIR Series 2009C \$2,710,000	173,155
Economic Development Authority Fund	47,980	PIR Series 2010A \$1,915,000	187,875
		PIR Series 2012A \$2,570,000	<u>337,383</u>
Improvement Construction Fund	421,287	SUBTOTAL DEBT SERVICE FUNDS	698,413
Aquatic Center Facility Fund	50,000	Economic Development Tax Abatement	27,000
GENERAL PURPOSE TAX LEVY-CITY	<u>2,672,237</u>	TOTAL SPECIAL TAX LEVIES	<u>725,413</u>
EDA TAX LEVY	<u>86,000</u>		
TOTAL GENERAL PURPOSE TAX	<u>2,758,237</u>		
		RECAP OF TAX LEVY TOTALS:	
SPECIAL TAX LEVIES: (Other than Debt Service)		General Purpose Levy	2,758,237
Housing & Redevelopment Authority (MS 462.545 Subd. 6)	Separate Certified Levy	Special Tax Levies	725,413
		TOTAL NET LEVY	<u>3,483,650</u>

RESOLUTION APPROVING PROPOSED 2015 TAX LEVIES COLLECTIBLE IN 2016

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 2016, upon the taxable property in said City of Worthington, Minnesota, for the following purposes:

SPECIAL TAX LEVY	CERTIFIED LEVY 2015/2016
ECONOMIC DEVELOPMENT AUTHORITY TAX LEVY (Minnesota Statute 469.107, Subdivision 1)	
Special Tax for Operations	\$86,000.00
NET CERTIFIED LEVY \$86,000.00	

WORTHINGTON HOUSING & REDEVELOPMENT AUTHORITY

RESOLUTION APPROVING THE 2015 TAX LEVY COLLECTIBLE IN 2016

BE IT RESOLVED, by the City Council 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 2016, upon the taxable property in said City of Worthington, Minnesota for the following Purposes:

SPECIAL TAX LEVY	CERTIFIED LEVY 2015/2016
HOUSING AND REDEVELOPMENT AUTHORITY TAX LEVY Minnesota Statute 469.033, subdivision 6)	
Special Tax for Operations	\$106,000.00

NET CERTIFIED LEVY

\$106,000.00

NOMINATING COMMITTEE RECOMMENDATIONS FOR COMMITTEE APPOINTMENTS/REAPPOINTMENTS APPROVED

The Nominating Committee met on Tuesday, September 8, 2015 and were making the following recommendations for Committee appointments/reappointments:

Airport Advisory Board -

Reappoint Gary Ewert for a five-year term, term to expire September 30, 2020

Reappoint Jim Laffrenzen for a five-year term, term to expire September 30, 2020

Memorial Auditorium Adv. Brd. -

Reappoint Mara Jirele for a three-year term, term to expire July 31, 2018

Public Arts Commission -

Appoint Soom Chandaswang to replace Mary Thompson who resigned her term, term to expire October 31, 2017

The motion was made by Council Member Graber, seconded by Council Member Sankey and unanimously carried to approve the Nominating Committee recommendations for committee appointments/reappointments as presented.

RESOLUTION NO.'S 3609, 3610, 3611 AND 3612 ADOPTED DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT, AND CALLING FOR HEARING ON PROPOSED ASSESSMENT

Staff presented resolutions declaring costs to be assessed and ordering preparation of proposed assessment and resolutions calling for hearing on proposed assessment for the following:

Water Main Improvement 105

Okabena Street from Kragness Avenue to approximately 800 feet west

2015 Miscellaneous Unpaid Charges

Removal of Ice and Snow
Removal of Solid Waste
Removal of Noxious Weeds and Vegetation

The resolutions call for hearings to be held at the October 12, 2015 Council meeting.

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to adopt the following resolutions declaring costs to be assessed and ordering preparation of proposed assessment, and calling for hearing on proposed assessment for Water Main Improvement 105 and the 2015 Miscellaneous Unpaid Charges:

RESOLUTION NO. 3609

DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3610

CALLING FOR HEARING ON PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3611

DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3612

CALLING FOR HEARING ON PROPOSED ASSESSMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 3613 ADOPTED ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT - GRAND AVENUE TO DARLING

EXTENSION

Based on direction from Council at their August 19, 2015 Special Meeting, staff took steps to allow Council to initiate consideration of an improvement to extend grand Avenue from the north line of the mall and Southwest Minnesota Housing Partnership properties to Darling Drive. The project would be in addition to the street and sidewalk extensions approved by Council at their June 22, 2015 meeting. Dwayne Haffield, Director of Engineering, said in order to move the project ahead to hearing Council would need to order preparation of a feasibility report and obtain engineering services for preparation of the report.

A proposal from I&S Group for professional services to aid in preparing the report also includes those required to modify the existing Grand Avenue plans for the additional street and walk extensions if ordered, and the services needed to rebid the project as ordered by Council on June 22, 2015. A summary of the services, based on potential scenarios, is as follows:

	No Action Taken on Additional Extensions ¹	Hearing but Additional Extensions are not Ordered	Additional Extensions Ordered
Prepare Report	--	\$2,900	\$2,900
Prepare Plans	\$750	\$750	\$4,250
Bidding	<u>\$600</u>	<u>\$600</u>	<u>\$1,200</u>
TOTAL	\$1,350	\$4,250	\$8,350

¹This scenario is rebid of Improvements ordered June 22, 2015 only.

Council and staff discussed the additional fees as we had been through this reporting part of the project before. Mr. Haffield said the report needs to be redone with the new generated numbers, take it apart and rebuild it to match what Council has now determined the project to be.

Staff presented a resolution ordering preparation of the feasibility report, which is required to initiate the proposed extension as an assessable improvement. Council would receive the report at the October 12th City Council meeting and order the hearing to be held October 26 - following the hearing, Council would approve the plans for extensions and authorize the advertising for bids to be considered in January or February of 2016.

The motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to adopt the following resolution ordering preparation of the feasibility report:

RESOLUTION NO. 3613

ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

FEDERAL AVIATION ADMINISTRATION GRANT AGREEMENT

At their June 23, 2014 meeting, Council awarded a contract to Duininck Inc. for extension of Taxiway C at the Municipal Airport subject to receipt of a Federal Aviation Administration (FAA) Grant. Dwayne Haffield, Director of Engineering, said the FAA has notified City staff to be prepared for receipt of a grant offer just prior to the September 14, 2015 Council meeting, adding that the approval is required at the September 14th meeting or the grant will not be able to be awarded this federal fiscal year. Mr. Haffield noted this is not typical. As of the time of this meeting, the grant offer had not yet been received but staff continues to anticipate it. The standard grant agreement contains a current set of assurances that the City is agrees to by accepting the grant. Mr. Haffield provided a copy of the grant from 2014, asking that Council give their authorization to the Mayor and Clerk to execute the new grant agreement, including the assurances, when it is received. Approving the grant would add one year to the 19-year commitment that we have now. He also noted that, should the grant not come through, the project would not move forward. The 2015 budget includes \$132,084, or 10%, for the local share of the project, however, should the state share be received, the total local share would be reduced to 5%. Mr. Haffield said that a more recent project cost estimate shows the City's local 5% share to be a lower number at \$55,527.

The motion was made by Council Member Graber, seconded by Council Member Sankey and unanimously carried to adopt the following resolution authorizing the Mayor to execute the grant agreement for the Worthington Municipal Airport, contingent on receipt of the grant:

RESOLUTION

AUTHORIZATION TO EXECUTE FEDERAL AVIATION ADMINISTRATION GRANT AGREEMENT FOR AIP 3-27-0116-013-2015

It is resolved by the City of Worthington as follows:

1. That the Grant Agreement Number AIP 3-27-0116-013-2015 for improvements at the Worthington Municipal Airport is accepted.
2. That the Mayor is authorized to execute this Agreement and any amendments on behalf of the City of Worthington.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - He and Steve Robinson met with Bedford Industries and received a tour of the facility - good tour. They talked about the plans for expansion. Congratulated Todd Wietzema as the new Public Works Director for the City.

Council Member Graber - Attended a lot of meetings - on the 25th Council met regarding Prairie View and had a budget meeting on the 26th, the Chamber met on the 26th also - they discussed the Welcome signs. On the 27th and the 10th the Public Arts Commission met, they welcomed their new member. There have been some donations received for the Crailsheim sculpture. There is a \$3 million grant that has come to the Southwest Minnesota Housing Partnership - on October 9th there is a meeting regarding that so some of us will want to be there - not sure where that will be designated but the SMHP will have the authority to designate it appropriately. On September 1st the Planning Commission met - the results were discussed here tonight. On September 2nd the budget meeting and the unveiling of the sign, and the forthcoming of the two signs- thinks everyone was pleased with the welcome signs. On September 10th there was another Public Arts Commission meeting because they are busy regarding the Crailsheim sculpture plus a number of other projects.

Council Member Janssen - Traffic and Safety met at the end of August - they discussed painting markings on the streets for the cross country runners but don't want to give them a false feeling of safety. They also talked about noise on Highway 60, specifically jake brakes - no tickets have been issued in the city. Discussion was held on noises laws and signs. He also attended a NEON meeting - they talked legislative priorities with Representative Schumacher.

Council Member Harmon - Attended the September 2nd budget meeting, Cable 3 on September 3rd - they talked about job descriptions and staffing. Had Water and Light last Monday - completed the review of the Manager and adjusted his salary accordingly. The 14th Street project included rosening lining of the pipe at an estimated cost of \$291,000, but the low bid came in at \$73,000. WPU is searching for a wastewater consultant as their permit expires in 2016. The CAL met this morning and talked pickle ball - Active Aging week is September 27th through October 3rd. September 28th they will have a technology demo, and the Groucho Marx show will be at the Auditorium September 27th. Upcoming events will also include a fitness demo, history walk, a cookout and an outdoor movie at the CAL. Wednesday morning will be Golf Advisory Board, and will be meeting with Missouri River Energy Services Wednesday and Thursday.

Council Member Sankey - Attended the Heron Lake Watershed Board meeting - they are down to four applicants to replace Amanda. Wanted to correct a statement he made at the last meeting to say that the Board did approve their \$250,000 budget for 2016. Their Advisory Board will be meeting the same night as the Board now. September 10th NEON met with Representative Schumacher. The Broadband subcommittee is still waiting for results from the engineer regarding broadband in Nobles County.

CITY ADMINISTRATOR REPORT

Steve Robinson, City Administrator, reported that there had been an incident in a hangar at the airport - the tie rods holding the fire suppression system had failed and the system fell on a tenant's airplane, causing damage to the plane along with water flowing into the hangar. The tenant had the

foresight to turn off the water. The fire suppression system people were in town today, and will have a crew here tomorrow. The hangar was built in 2007.

Later this week he and additional staff will be meeting with representatives from Flaherty and Hood regarding their services for a wage and compensations study for the City. The last study was performed in 2005 although our goal was to have one every five years. We'll primarily be looking at our competitive wage and compensation. The new entrance sign went up at the Highway 60 south location - wet conditions prevented installation of the other two signs, however, they are scheduled for installation this Wednesday. The Mall project developer, as part of the TIF agreement, has requested a minimum assessment agreement be included. Staff provided necessary information to the County Assessor's office last week so they can begin their initial evaluation process, and we hope to see market value numbers this week. Any minimum assessment will apply to new structures only.

ADJOURNMENT

The motion was made by Council Member Sankey, seconded by Council Member Janssen and unanimously carried to adjourn the meeting at 7:52 p.m.

Janice Oberloh, MCMC
City Clerk