

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, OCTOBER 22, 2012**

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

Staff present: Craig Clark, City Administrator; Mike Cumiskey, Public Safety Director; Jim Laffrenzen, Public Works Superintendent; Dwayne Haffield, Director of Engineering; Brad Chapulis, Director of Community/Economic Development; Scott Hain, General Manager Worthington Public Utilities; Janice Oberloh, City Clerk.

Others present: Dave Mallak; Andy Johnson; Carolyn Drude; Steve Jeppesen; Mark Thier; Rod Sankey; Officers Palmersheim and Walton.

The Pledge of Allegiance was recited.

**PUBLIC HEARING AND RESOLUTION ADOPTED FOR PRELIMINARY APPROVAL
FOR ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS
AND ADOPTION OF CAPITAL IMPROVEMENT PLAN FOR 2012 THROUGH 2017**

Pursuant to published notice this was the time and date set for a public hearing for preliminary approval for issuance of general obligation capital improvement plan bonds in an amount not to exceed \$4,500,000, and to adopt the City's capital improvement plan for 2012 through 2017.

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

Carolyn Drude, Ehlers and Associates, told Council that a five-year capital improvement plan is required by Minnesota Law for the ability to issue bonds. Ms. Drude added that adopting the resolution before Council will allow the City the ability to issue bonds for the fire hall between 2012 and 2017, but it does not mandate that we do so. It has been discussed with our bond counsel, who recognizes that in 2012 the fire hall was built and that it is reasonable to include it in the 2012 to 2017 period. The resolution before Council gives preliminary approval to the issuance of the bonds in an amount not to exceed \$4,500,000, and adopting the plan. Ms. Drude verified that interest rates could be remarkable different in a couple of years than they are now. Taxable bonds generally have a higher interest rate. A petition could be submitted by the public regarding the bonding if they wished to have an election on the issuance. Ms. Drude noted that interest rates were as low in 1967 as they are today.

Mayor Oberloh asked if there was anyone who wished to provide testimony regarding the hearing. None was received.

The motion was made by Council Member Ten Haken, seconded by Council Member Kuhle and unanimously carried to close the hearing.

The motion was made by Council Member Wood, seconded by Council Member Woll and unanimously carried to adopt the following resolution adopting the five-year capital improvement plan and granting preliminary approval for the issuance of General Obligation Capital Improvement Plan bonds in an amount not to exceed \$4,500,000:

RESOLUTION GIVING PRELIMINARY APPROVAL FOR THE ISSUANCE OF GENERAL
OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS IN AN AMOUNT NOT TO EXCEED
\$4,500,000 AND ADOPTING THE CITY OF WORTHINGTON, MINNESOTA CAPITAL
IMPROVEMENT PLAN FOR 2012 THROUGH 2017 UNDER MINNESOTA STATUTES, SECTION
475.521

A. WHEREAS, the City Council of the City of Worthington, Minnesota (the “City”) proposes to adopt the City of Worthington, Minnesota, Capital Improvement Plan (the “Plan”) and to issue its general obligation capital improvement plan bonds (the “Bonds”) described in the Plan; and

B. WHEREAS, the City has caused notice of the public hearing on the intent to issue the Bonds and on the proposed adoption of the Plan to be published pursuant to and in accordance with Minnesota Statutes, Section 475.521; and

C. WHEREAS, a public hearing on the intent to issue the Bonds and on the proposed Plan has been held on this date, following published notice of the public hearing as required by law; and

D. WHEREAS, in approving the Plan the City Council considered for each project and for the overall Plan:

1. The condition of the City’s existing infrastructure, including the projected need for repair and replacement;
2. The likely demand for the improvement;
3. The estimated cost of the improvement;
4. The available public resources;
5. The level of overlapping debt in the City;
6. The relative benefits and costs of alternative uses of the funds;
7. Operating costs of the proposed improvements; and
8. Alternatives for providing services more efficiently through shared facilities with other local governmental units; and

E. WHEREAS, the City Council has determined that the issuance of the Bonds is the best way to finance the capital improvements described in the Plan as authorized under Minnesota Statutes, Section 475.521.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Worthington, Minnesota as follows:

1. The amended Plan is hereby in all respects approved.

2. The staff and consultants of the City are hereby authorized to do all other things and take all other actions as may be necessary or appropriate to carry out the Plan in accordance with any applicable laws and regulations.

3. The City gives preliminary approval to issuance of the Bonds in the maximum principal amount of \$4,500,000, provided that if a petition requesting a vote on issuance of the Bonds, signed by voters equal to five percent of the votes cast in the last general election, is filed with the City Clerk by November 22, 2012, the City may issue the Bonds only after obtaining approval of a majority of voters voting on the question at an election.

AGENDA CLOSED WITH CHANGES

Staff requested that item 4.a.1 listed on the consent agenda be moved to the regular agenda under administration, and that item F.4. be pulled entirely from the regular agenda, and a note that the exhibit for item F.3. has a slight modification.

The motion was made by Council Member Wood, seconded by Council Member Kuhle and unanimously carried to close the agenda with the proposed changes.

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting October 8, 2012
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting October 15, 2012; Planning Commission/Board of Appeals Minutes of October 2, 2012
- Financial Statements - Municipal Liquor Store Income Statement for the Period January 1, 2012 through September 30, 2012; General Fund Statement of Revenues and Expenditures for the Period January 1, 2012 through September 30, 2012
- Bills payable and totaling \$1,159,682.55 be ordered paid

RENTAL RATE APPROVED FOR STORAGE OF BOAT LIFTS AT THE SUNSET PARK GRAVEL PARKING AREA

At their September 24, 2012 regular meeting, Council temporarily authorized Mark Thier to utilize the gravel parking area at Sunset Park for storage of boat lifts he was hired to remove from the lake for the winter season, and directed staff to determine an appropriate rental fee for the storage within 30 days. Mr. Thier was now amending his request to include storage of five or six lifts at the Slater Park area in addition to those at the Sunset Park gravel parking area. Staff noted that private sector fees range from \$40 for the winter season to \$50. Mr. Thier was suggesting \$500 for the season for

approximately 30 lifts.

Following discussion, the motion was made by Council Member Woll, seconded by Council Member Wood and unanimously carried to rental rate of \$500 for up to 30 boat lifts for the season, with an incremental rate to be applied after 30.

POSITION DESCRIPTION FOR DIRECTOR OF PUBLIC WORKS APPROVED

With the announcement from the current Public Works Superintendent of his upcoming retirement, the position description has been updated and adjusted to Director of Public Works, as well as adding the proposed function of a buildings superintendent for the City.

The motion was made by Council Member Ten Haken, seconded by Council Member Woll and unanimously carried to approve the adjusted position description for the Director of Public Works, with a note from Council Member Woll that the facilities listed in the position description be modified to include the BAC, the Center for Active Living, and the Airport.

DATE SET TO CANVASS BALLOTS FOLLOWING 2012 GENERAL ELECTION

The motion was made by Council Member Kuhle, seconded by Council Member Woll, and unanimously carried that the City Council shall meet as the Canvassing Board at 7:30 a.m. on Friday, November 9, 2012 for the purpose of canvassing the ballots following the 2012 General Election, and that Lyle Ten Haken shall serve as the Mayor designee for Nobles County Board of Canvass which is scheduled to meet at 9:00 a.m. on Friday, November 9, 2012.

RESOLUTION ADOPTED AUTHORIZING ADMINISTRATIVE FINES

Based on the recent watering ban established by Worthington Public Utilities, staff was requesting that Council adopt a proposed resolution establishing a \$90 fine for violating City Code 53.04 (Water Emergency Conditions Violation) and a second offense fine amount of \$160. Subsequent violations would be handled by court ticket. Currently, the only option the City has for enforcement is to issue a misdemeanor citation and letting the courts establish a fine.

The motion was made by Council Member Wood, seconded by Council Member Ten Haken and unanimously carried to adopt the following resolution:

CITY OF WORTHINGTON

RESOLUTION ADOPTING 2012 ADMINISTRATIVE OFFENSES PENALTIES

WHEREAS, the City Code of the City of Worthington authorizes the City Council to establish fees by resolution; and

WHEREAS, the City Council of the City of Worthington has adopted an ordinance establishing a procedure for adjudicating administrative offenses and providing for a schedule of offenses and administrative penalties; and

WHEREAS, said ordinance authorizes the City Council of the City of Worthington, from time to time, to identify administrative offenses and establish penalties for such offenses.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Worthington that the following administrative offenses and penalties are hereby adopted effective October 22, 2012:

Statute/ Ordinance	Description	Administrative Fine
53.04	Water Emergency Conditions Violation	\$90.00
53.04	Water Emergency Conditions 2 nd Violation	\$160.00
70.01	Statutes Adopted by reference not specifically listed	\$90.00
70.08	Possession of Marijuana in a Motor Vehicle	\$90.00
71.01	Exhibition Driving	\$75.00
71.02	Avoid Signal	\$120.00
71.15	Bicycles	\$60.00
71.40	Snowmobile Violation	\$75.00
72.02	Parking (any)	\$25.00
72.07	Odd/Even	\$25.00
72.06	24 hr. Violation	\$25.00
72.14	Handicapped Parking	\$160.00
72.15	1-Hour Parking Violation	\$25.00
90.17	Barking Dog	\$90.00
90.17	Barking Dog – 2 nd Offense within 12 months	\$160.00
91.01	Open Burning	\$90.00
91.01	Open Burning - 2 nd Offense within 12 months	\$160.00
92.01	Public Nuisance	\$90.00
92.01	Public Nuisance - 2 nd Offense within 12 months	\$160.00
92.02	Junk or Inoperable Vehicles	\$90.00
92.02	Junk or Inoperable Vehicles – 2 nd Offense within 12	\$160.00

	months	
92.02	Nuisances Affecting Health	\$90.00
92.02	Nuisances Affecting Health – 2 nd Offense within 12 months	\$160.00
92.04	Nuisances Affecting Peace & Safety	\$90.00
92.04	Nuisances Affecting Peace & Safety – 2 nd Offense within 12 months	\$160.00
90.05A	Animal Run at Large (Includes house animals and livestock)	\$90.00
90.05A	Animal Run at Large – 2 nd Offense within 12 months	\$160.00
90.05I	Remove Animal Feces	\$90.00
90.05I	Remove Animal Feces – 2 nd Offense within 12 months	\$160.00
90.09B	Unlicensed Animal	\$90.00
90.09B	Unlicensed Animal – 2 nd Offense within 12 months	\$160.00
92.37	Graffiti	\$90.00
92.37	Graffiti – 2 nd Offense within 12 months	\$160.00
92.55	Unlawful Noises	\$90.00
92.55	Unlawful Noises – 2 nd Offense within 12 months	\$160.00
92.56	Loud Parties	\$90.00
92.56	Loud Parties – 2 nd Offense within 12 months	\$160.00
92.58	Loud Music (60 ft)	\$90.00
92.58	Loud Music (60 ft) – 2 nd Offense within 12 months	\$160.00
93.17	Prohibited Behavior in Campground	\$90.00
94.01	Blowing Snow in Street	\$60.00
99.02	Vehicles parked on yards	\$25.00
99.02	Vehicles parked on yards – 2 nd Offense	\$60.00
99.02	Vehicles parked on yards – 3 rd Offense	\$120.00
99.30	Vehicles displayed for sale	\$25.00
99.30	Vehicles displayed for sale – 2 nd Offense	\$60.00
99.30	Vehicles displayed for sale – 3 rd Offense	\$120.00
111.56B	Public Consumption	\$90.00
130.01	Disorderly Conduct	\$160.00
130.02	Curfew	\$60.00
130.03	False Fire Alarms	\$120.00
130.05	Public Urination	\$90.00
130.07	Possession of Drug Paraphernalia	\$90.00
130.08	Possession of Small Amount of Marijuana	\$90.00

BIOSCIENCE PARK HAY LAND QUOTE APPROVED

The following quote was the only quote received for the BioScience Park hay land for a five-year period beginning March 1, 2013 and ending February 28, 2018:

<u>Quoter</u>	<u>Dollars/Acre based on 38 acres</u>	<u>Gross Amount</u>
David Dieter	\$171.05	\$6,500.00

The motion was made by Council Member Ten Haken, seconded by Council Member Woll and unanimously carried to approve the BioScience Industrial Park Addition Agriculture Lease between the City of Worthington and David Dieter at a rate of \$171.05 per acre based on 38 acres (\$6,500 gross amount) for the lease period March 1, 2013 through February 28, 2018.

2013 CONTRACT BETWEEN CITY OF WORTHINGTON AND YMCA FOR MANAGEMENT OF SUMMER YOUTH RECREATION PROGRAMS APPROVED

Council considered the proposed contract between the City of Worthington and the YMCA for continuation of the Y's management of the City's summer youth recreation programs for 2013. The contract rate is \$43,688 to be paid in 12 equal payments beginning January 1, 2013, and reflects a 3% increase over the 2012 contract.

The motion was made by Council Member Woll, seconded by Council Member Ten Haken and unanimously carried to approve the 2013 Contract between the City of Worthington and the YMCA for management of the City's summer youth recreation programs for 2013.

RESOLUTION NO. 3508 ADOPTED REGARDING PETITION FOR IMPROVEMENT - MORNING VIEW SECOND ADDITION

Staff received a petition for improvement of property to be platted as Morning View Second Addition, by extension of the municipal sewer and water systems, and for improvement of the area by extension of the municipal storm water collection and management system. The petition was submitted by the land owners per the City's development regulations as part of the platting process.

The motion was made by Council Member Woll, seconded by Council Member Ten Haken and unanimously carried to adopt the following resolution declaring adequacy of petition and ordering preparation of report on proposed improvement:

RESOLUTION NO. 3508

DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF FEASIBILITY
REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

FIRST READING PROPOSED ORDINANCE VACATING A PLATTED EASEMENT IN MORNING VIEW FIRST ADDITION

The proposed plat of Morning View Second Addition includes the replatting of Block 1 of Morning View First Addition, where the existing three lots will be reconfigured into four lots. The platted easement along the west line of the existing Lot 2 will conflict with the lots created in Morning View Second addition. The easement is not currently being used but will be needed with the development of the area. An equivalent easement will need to be included in the Second Addition plat.

Staff was presenting a proposed ordinance that would vacate part of the platted public utility easement in Lot 2 Block 1, Morning View First Addition as follows:

The City Council of the City of Worthington, Does Ordain:

Section I.

The following described portion of the platted public utility easement in Lot 2, Block 1, Morning View First Addition, City of Worthington, Nobles County, Minnesota, be vacated:

The west 10.00 feet Lot 2, Block 1, Morning View
First Addition, City of Worthington, Nobles County,
Minnesota, except the north 10.00 feet thereof.

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

Staff noted that the third reading of the proposed ordinance should not be given without concurrence by the Water and Light Commission, and that the Plat of Morning View Second Addition should not be approved without inclusion of an equivalent easement.

RESOLUTION NO. 3509 ADOPTED PERTAINING TO INTENT TO BOND FOR COSTS INCURRED IN MAKING PUBLIC IMPROVEMENT

Staff presented a resolution pertaining to intent to bond for costs incurred in making public improvements, specifically, the TH 59 North Infrastructure Improvements. The resolution will preserve the potential to bond for the \$1,500,000 local share of the TH 59 North project costs.

The motion was made by Council Member Woll, seconded by Council Member Wood and unanimously carried to adopt the following resolution regarding intent to bond for costs incurred in making public improvement for the TH 59 North Infrastructure Improvements project:

RESOLUTION 3509

RESOLUTION RELATING TO FINANCING OF CERTAIN PROPOSED PROJECTS TO BE UNDERTAKEN BY THE CITY; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

(Refer to Resolution File for complete copy of Resolution)

PRIOR ACTION RESCINDED AND FIRST READING OF PROPOSED ORDINANCE TO ANNEX PROPERTY IN SECTION 30 OF LORAIN TOWNSHIP

At their October 8, 2012 meeting, Council considered a proposed ordinance that would annex property owned by Ridley USA, Inc. into the corporate limits of the City of Worthington, at the request of the property owner. Following discussion of the annexation boundaries, Council voted unanimously to give a first reading to the proposed ordinance on the condition that the boundaries were enlarged/alterd to take in all of the land the company was using for its operation. Upon review of the Council's action, the City Attorney advised the City that it does not have the authority to amend the requested annexation boundaries without restarting the annexation process, which includes a public hearing. The Attorney suggested Council retract its original action and either give the original request a first reading approving the annexation as presented, or deny the petition, in which case the applicant or the City could start the process over with the new boundaries.

The motion was made by Council Member Ten Haken, seconded by Council Member Wood and unanimously carried to rescind the action taken at the October 8th Council meeting regarding the request for annexation, and to give a first reading to the proposed ordinance to annex property located in Section 30 of Lorain Township and legally described as follows, and that we move forward with good faith effort regarding the future annexation of the property as proposed by Council at the October 8, 2012 Council meeting:

A petition for annexation under Minnesota Statutes Section 414.033, Subdivision 2, Clause 3 has been filed with the governing body of the City of Worthington, Minnesota by the sole owner of the land contained in said petition, requesting that the following described land be annexed to the City of Worthington, Minnesota, to-wit:

That part of the Northwest Quarter of the Northeast Quarter of Section 30, Township 102 North, Range 39 West, Nobles County, Minnesota, described as follows:

Commencing at the North Quarter corner of said Section 30; thence on an assumed bearing of North 90 degrees 00 minutes East, along the north line of said section, a distance of 275.00 feet to the Northwest corner of Tract 3 as recorded in Doc. No. 267428; thence South 0 degrees 01 minutes 30 seconds East, along the west line of said tract, a distance of 163.90 feet to the point of the tract to be described; thence North 89 degrees 58 minutes 30 seconds East a distance of 100.00 feet; thence South 0 degrees 01 minutes 30 seconds East, a distance of 65.09 feet; thence South 89 degrees 58 minutes 30 seconds West, a distance of 100.00 feet to the west line of said Tract 3 as recorded as Doc. No. 267428; thence North

0 degrees 01 minutes 30 seconds West, along said west line, a distance of 65.09 feet to the point of beginning.

Section II.

The area petitioned for annexation is 6,509 square feet unplatted, abuts the City's easterly boundary, is located in the Township of Lorain, and is not included within any other municipality.

PRE-OPENING BUDGET FOR WORTHINGTON EVENT CENTER APPROVED

The previously approved Event Center Management Agreement calls for the City to expend up to \$25,000 for expenses Worthington Hotel Group will encounter on pre-opening activities that include establishment of a reservation system, employment recruitment, advertisement/marketing, creation of a web site, and purchasing marketing materials. Dave Mallak, representing the Worthington Hotel Group was present at the meeting to present their proposed budget of \$25,020 for Council consideration.

The motion was made by Council Member Wood, seconded by Council Member Woll and unanimously carried to approve the pre-opening budget for the Worthington Event Center.

WORTHINGTON EVENT CENTER RENTAL FEES APPROVED

Per the Event Center Management Agreement, Council is required to establish the fees for use of the Event Center after consultation with the Manager. Dave Mallak, representing the Worthington Hotel Group, presented their proposed schedule of fees for the Event Center, including hall rental, bar prices, miscellaneous charges and per person charges.

The motion was made by Council Member Ten Haken, seconded by Council Member Wood and unanimously carried to approve the Event Center Rental Fee schedule as follows:

Hall Rental

Full Room

Saturdays	\$1,200.00
Fridays	\$ 900.00
Weekdays	\$ 700.00

Half Room

Saturdays	\$ 800.00
Fridays	\$ 600.00
Weekdays	\$ 500.00

Bar Prices

Bar Minimum	\$300.00 per bar
Beer	\$ 4.00 to \$6.00
Wine	\$ 4.00 to \$6.00
Cocktails	\$ 4.00 to \$6.00
Soda	\$ 1.50
Keg Beer	\$230.00 to \$295.00
Cocktails by the hour:	
Call Brands 1 st hour	\$ 11.50
Call Brands Add'l hours	\$ 6.75
Premium Brands 1 st hour	\$ 12.50

Quarter Room

Saturdays \$ 400.00
Fridays \$ 300.00
Weekdays \$ 250.00

Premium Brands Add'l Hours \$ 7.75

Misc. Charges

Per person charge breakfast & lunches \$2.00
Per person charge dinners \$3.00

LCD Projector \$ 75.00
Flip Chart \$ 25.00
TV, DVD, and Cart \$ 75.00
18% Service Charge on Bar and Misc. Charges

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - wanted to remind everyone of the retirement coffee for Jim Laffrenzen on Friday. Governor Dayton was here Friday at the BAC - it was a good visit and most of the large businesses were represented. The Commissioner of Education will be here to address the diversity in our schools and the Commissioner of Revenue will be here at the fire hall on the 29th. The Commissioner of Housing is working on setting up a meeting.

Council Member Ten Haken - reported on his trip to Cuero, Texas to represent Worthington at Turkey Fest - lost dramatically.

Council Member Kuhle - nothing to report.

Council Member Nelson- nothing to report.

Council Member Wood - nothing to report.

Council Member Woll - nothing to report.

CITY ADMINISTRATOR'S REPORT

Craig Clark, City Administrator, reminded Council of the special City Council meeting scheduled for Tuesday, October 30th at 7:00 a.m. Also followed up on the Mayor's comments.

ADJOURNMENT

The motion was made by Council Member Ten Haken, seconded by Council Member Woll and unanimously carried to adjourn the meeting at 8:56 p.m.

Janice Oberloh, MCMC
City Clerk