

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, OCTOBER 26, 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: Scott Nelson, Diane Graber, Larry Janssen, Mike Harmon, Rod Sankey. Honorary Council Member: Amy Ernst.

Staff present: Steve Robinson, City Administrator; Dwayne Haffield, Director of Engineering; Janice Oberloh, City Clerk.

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

**PUBLIC HEARING AND RESOLUTION NO. 3624 ADOPTED ORDERING  
IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS - GRAND  
AVENUE STREET AND SIDEWALK EXTENSION PROJECT**

Pursuant to published notice, this was the time and date set for a public hearing regarding the Grand Avenue Street and Sidewalk Extension Project.

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

Dwayne Haffield, Director of Engineering, presented information regarding the project, noting Council had ordered this a few meetings ago, and that this was a preliminary assessment hearing. Everything for the project now are estimates - Council can reduce the scope of the project but not increase it. They can adjourn from time to time but must act on it within six months. Because the project was Council initiated, it must be approved by a 4/5's vote. Mr. Haffield reviewed the process, noting that staff would seek Council approval in December for plans and to order bids to be received at the end of January. Then we would go through construction, call the final assessment hearing, declare costs, and hold the final assessment hearing to approve those assessments, the payback terms, interest rates, duration, and permits. At that point people would have the right to appeal the assessments. This project would be Grand Avenue from the north line of the Grand Avenue project that Council approved in June, up to Darling Drive. Mr. Haffield reviewed the process for determining the assessments. Total project cost is \$467,700, with 55% assessable and 45% City share. Removing sidewalks from the project would reduce the amount of assessments.

Four options were provided to Council for tonight

- Not order the improvement
- Order it as proposed
- Reduce the scope of the improvement
- To continue the hearing until bids are received

Council could also receive the bids and hold them for 60 or 90 days and then call the final assessment hearing. Mr. Haffield said this option has not been used here in the City in the past. The

assessment rate for the project is \$230/foot, which Mr. Haffield said it was high because it was a whole new street. There is typically a 15 year payback on these assessments, or Council could provide for a longer payback period but Statute prohibits going over 30 years. There is a concept limitation for assessment - we are limited to the market benefit.

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

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

RESOLUTION NO. 3624

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

**PUBLIC HEARING NOBLES HOME INITIATIVE APPLICATION AND RESOLUTION NO. 3625 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT MINN. STAT.469.1813 - 1932 WOODLAND COURT**

Pursuant to published notice, this was the time and date set for a public hearing regarding a Nobles Home Initiative application - 1932 Woodland Court.

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

Steve Robinson, City Administrator, said a Nobles Home Initiative application had been received from Nick Hagen, who was seeking approval of tax abatement for the construction of a single family dwelling on property he will spec build at 1932 Woodland Court - commonly known as Lot 5, Block 2, Woodland Ridge Addition. The single family dwelling will include 1,628 square feet of living space on the main level, a partially finished basement, and a 24' x 36' attached garage. Staff reviewed the application and determined that it meets all of the parameters of the NHI Guidelines, and was recommending Council approval of the application. This public hearing is a requirement of State Statute regarding tax abatement.

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

The motion was made by Council Member Graber, seconded by Council Member Nelson and

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

RESOLUTION NO. 3625

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**

The motion was made by Council Member Nelson seconded by Council Member Sankey and unanimously carried to close/approve the agenda as presented.

**CONSENT AGENDA APPROVED**

Council Member Sankey pointed out that the General Fund Financial Statements said they were for the six months ended September 30, 2015 but it should say nine months.

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

- City Council Minutes of Regular Meeting October 12, 2015
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting October 19, 2015; Planning Commission /Board of Appeals Minutes of October 6, 2015; Worthington Housing and Redevelopment Authority Board Minutes of September 16, 2015; Heron Lake Watershed District Minutes of Regular Meeting August 12, 2015; Heron Lake Watershed Board Minutes of Budget Hearing August 12, 2015
- Financial Statements - Municipal Liquor Store Income Statement for the Period January 1, 2015 through September 30, 2015; General Fund Statement of Revenues and Expenditures - Budget and Actual for the Period January 1, 2015 through September 30, 2015
- Application for Exemption from Lawful Gambling - St. Mary's Church - as follows:
  - Organization: St. Mary's Church, 1215 Seventh Avenue
  - CEO: Reverend James Callahan
  - Type of Event: Raffles
  - Date and Location of Event: December 13, 2015  
St. Mary's School, 1206 Eighth Avenue
- Bills payable and totaling \$577,161.93 be ordered paid

**NOMINATING COMMITTEE RECOMMENDATION FOR REAPPOINTMENT TO COMMITTEE APPROVED**

The Nominating Committee submitted the following recommendation for Council approval for committee reappointment :

Memorial Auditorium Advisory Committee	Reappoint Julie Nystrom for a three-year term, term to expire July 31, 2018
--	---

The motion was made by Council Member Graber, seconded by Council Member Harmon and unanimously carried to approve the Nominating Committee's recommendation for reappointment to the Memorial Auditorium Advisory Board as presented.

**CONTRACT AWARDED FOR BIOSCIENCE DRIVE STREET AND STORM SEWER EXTENSIONS**

The following bids were received on October 23, 2015 for the BioScience Drive Street and Storm Sewer Extensions project:

<u>Engineer's Estimate</u>	<u>Larson Crane Service, Inc.</u>	<u>Duininck, Inc.</u>
\$505,948.00	\$505,753.00	\$518,051.00

Dwayne Haffield, Director of Engineering, noted the bid had included a bid alternate for a class 5 gravel base, but they were recommending against that.

The motion was made by Council Member Nelson, seconded by Council Member Janssen and unanimously carried to award the bid for the BioScience Drive Street and Storm Sewer Extensions project to Larson Crane Service, Inc. as the low qualified bidder in the amount of \$505,753.00.

**COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - No meetings to report but wanted to mention the special meeting held earlier tonight - it was a long time to be here - thanked Council. With the mall project, he knows all of Council wants to get something done here. He appreciates that, the City has done really well up to this point. We're just going to wait and see with the minimum assessment agreement by the County, with the assessor they hire, what they come up with. I think once that's done we've got to pretty quickly move forward. (Discussion followed on the independent assessor and the City's and County's role in the project.) It's not the City's role to lobby for this assessment, but to-date, really it's been Steve that has been driving that bus. If they want to hire another one that's fine, that's their right. In the end I hope it works out, I really do. The mall is in worse state than it was six months ago. I appreciate you all being here and sitting through this - it's something that we need to move along as quickly as possible.

Council Member Nelson - Had a HRA meeting on the 13<sup>th</sup> or 14<sup>th</sup> - talked about a new boiler for the

Atrium, but it would be a significant cost - about \$400,000. Rising Sun Estates still continues to rent out - there were 11 available two weeks ago, must be 10 or 9 now, they're renting pretty rapidly.

Council Member Graber - No meetings to report but wanted to compliment Steve on his memo listing of current projects and costs the City has going - it's a very helpful tool to see what we're spending and how much we can afford to spend.

Honorary Council Member Ernst - no report.

Council Member Janssen - The Joint Powers Board met, we have a City Ordinance for taxi service. They have set hours but have the right of first refusal to pick up additional hours if someone wants to provide service outside of what their hours are now.

Council Member Harmon - Water and Light Commission met - they are in the process of doing a new well-head protection plan - they've contracted for that and he'll have more on that later. The Owatonna Report is out - it included 13 cities plus Xcel Energy and Alliant Energy - Worthington was second lowest in residential electric rates and third in commercial and industrial rates. In water we were dead center in all three classes. Golf Advisory Board met October 21<sup>st</sup> - held a discussion on what if we don't close next year - perhaps they could look for volunteers to manage the course? It was a good meeting.

Council Member Sankey - Attended a sub-committee meeting of NEON for broadband. They have a deadline in four weeks to present three new grant options - one is for \$9,500 to go to the Worthington library, and for the Adrian library - there will be two I-Pads for the Worthington Library and two for the Adrian library, and six for daycare. The second is another \$4,000 grant for I-Pads to go to the Collaborative, and the third is to hard-wire the BAC building and money for wi-fi at Olson Park. We will submit the grants before December 1<sup>st</sup>. They are not sure there is fiber to the building at the BAC.

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

Steve Robinson, City Administrator, said he's been spending his time working on the mall redevelopment project. On Wednesday the City will be hosting a regional meeting with a number of the state commissioners - MPCA, the DNR, Department of Health, PFA funding - they're going to have a listening session. Later that day the League of Minnesota Cities has a regional meeting in Springfield that he is going to try to get to. This Thursday the Southwest Minnesota Administrators are getting together in Marshall and he's hoping the highlight will be a tour of the new Marshall liquor store that is nearing completion.

### **ADJOURNMENT**

The motion was made by Council Member Janssen, seconded by Council Member Sankey and unanimously carried to adjourn the meeting at 7:56 p.m.