

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, NOVEMBER 26, 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: Mcnay Nkashama.

Staff present: Steve Robinson, City Administrator; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Troy Appel, Public Safety Director; Todd Wietzema, Public Works Director; Dwayne Haffield, Director of Engineering; Janice Oberloh, City Clerk.

Others present: Justine Wettschreck, KWOA; Alyssa Sobotka, The Globe; Ben Weber; Isis Ceron; Chansouk Duangapai; Jose Ivan Parga.

The Pledge of Allegiance was recited.

HONORARY COUNCIL MEMBER

Mayor Kuhle welcomed Mcnay Nkashama as the Honorary Council Member for the months of October, November and December of 2018.

AGENDA CLOSED / APPROVED WITH ADDITION

Staff was requesting the addition to the agenda of item E.5. *Resolution Accepting Funds and Entering Into Grant Agreement - Worthington Area Foundation / Southwest Initiative Foundation.*

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

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular meeting November 13, 2018
- Minutes of Boards and Commissions - Law Enforcement Center Joint Powers Board Minutes of November 15, 2018; Heron Lake Watershed Board Minutes of September 18, 2018; City of Worthington Board of Canvass Minutes of November 9, 2018; Water and Light Commission Minutes of November 19, 2018
- Municipal Liquor Store Income Statement for the Period January 1, 2018 through October 31, 2018
- Application for Exemption from Lawful Gambling Permit - Minnesota West Foundation
- Bills payable and totaling \$1,975,057.29 be ordered paid

THIRD READING AND ORDINANCE NO. 1127 ADOPTED VACATING PLATTED UTILITY EASEMENTS AND PUBLIC DRAINAGE AND UTILITY EASEMENTS IN MERCK ADDITION, SUBJECT TO CONDITION

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would vacate various platted utility easements and public drainage and utility easements in Merck addition as follows:

Section I.

An ordinance vacating all those portions of the public utility easements and the public drainage and utility easements dedicated in the plat of Merck Addition, City of Worthington, Nobles County, Minnesota, lying southeast of a line 20.00 feet southeast of and parallel to the northwesterly line of Block 1, of said Merck Addition.

Section II.

An ordinance vacating all those portions of the public utility easements and the public drainage and utility easements dedicated in the plat of Oxford Addition, City of Worthington, Nobles County, Minnesota, lying southeast of a line 20.00 feet southeast of and parallel to the northwesterly line of Block 1, Merck Addition, City of Worthington, Nobles County, Minnesota.

Adoption of the ordinance is subject to completion of required additional manholes as discussed at the October 22, 2018 meeting.

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

ORDINANCE NO. 1127

AN ORDINANCE TO VACATE VARIOUS PLATTED PUBLIC UTILITY EASEMENTS AND PUBLIC DRAINAGE AND UTILITY EASEMENTS IN MERCK ADDITION

(Refer to Ordinance File for complete copy of Ordinance)

THIRD READING AND ORDINANCE NO. 1128 ADOPTED AMENDING THE STORM WATER UTILITY RATE

Pursuant to published notice, this was the time and date set for the third reading of a proposed

ordinance that would amend Worthington City Code, Title V, Chapter 54.04 (C) regarding storm water utility rates as follows:

(C) The annual fee per acre for residential is \$276.00

The increase is based on the 2019 Storm Water Utility Fund operating budget that was approved by Council at their October 17, 2018 special meeting, which requires \$659,613 in utility operation revenue, or \$25,885 more than the 2018 budget. This is a 4.55% increase in the storm water utility rate over the current annual residential rate of \$264.00 per acre.

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to adopt the following ordinance:

ORDINANCE NO. 1128

AN ORDINANCE RELATING TO STORM WATER UTILITY RATES

(Refer to Ordinance File for complete copy of Ordinance)

THIRD READING AND ORDINANCE 1129 ADOPTED AMENDING PLANNING COMMISSION VOTING REQUIREMENTS FOR COMPREHENSIVE PLAN ADOPTION OR AMENDMENT

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would amend Section 151.03 of the Worthington City Code - Planning Commission voting requirements for comprehensive plan adoption or amendment as follows:

The adoption of the plan or of any section or amendment thereof shall be by resolution of the Commission, approved by the affirmative votes of not less than five-sevenths of those members present and voting but not less than four votes in any case.

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. 1129

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE TITLE XV, CHAPTER 151.03, SECTION B, ENTITLED "COMPREHENSIVE GUIDE PLAN"

(Refer to Ordinance File for complete copy of Ordinance)

**MINNESOTA ENERGY RESOURCES CORPORATION LEASE AGREEMENT
APPROVED**

Staff presented a proposed lease agreement with Minnesota Energy Resources Corporation that would allow them to use a portion of the property located by the 1.5 million gallon water tower for storage of pipe and related material for a project they are planning in 2019. The terms of the agreement were based on previous agreements for temporary use of the property. The Water and Light Commission approved the agreement at their November 19, 2018 regular meeting, and authorized the President and General Manager to execute the document on behalf of Worthington Public Utilities.

The motion was made by Council Member Harmon, seconded by Council Member Cummings and unanimously carried to approve the lease agreement with Minnesota Energy Resources Corporation, and to authorize the Mayor and Clerk to execute the document on behalf of the City of Worthington.

**RESOLUTION 2018-11-02 ADOPTED ACCEPTING FUNDS AND AUTHORIZING GRANT
AGREEMENT - WORTHINGTON AREA FOUNDATION / SOUTHWEST INITIATIVE
FOUNDATION**

Staff received notification from the Southwest Initiative Foundation of a grant award to the City in the amount of \$524.61 from the Worthington Area Foundation, to be used for the renovation of the City-owned cabin that is leased and used by the Boy Scouts. Included with the notification was a grant agreement for the funds.

Todd Wietzema, Public Works Director, noted that it really is not a grant, but that the Boy Scouts had submitted the funds they raised for renovating the Cabin to SWIF for holding when they entered into the agreement with the City for use of the Prairie View Clubhouse facility. The funds were actually reimbursement applied for by the Scouts for work they had already done. The funds came to the City as the fiscal agent.

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to adopt the following resolution accepting the funds and authorizing the Mayor and Clerk to execute the grant agreement:

RESOLUTION NO. 2018-11-02

RELATING TO THE SOUTHWEST INITIATIVE FOUNDATION GRANT AGREEMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2018-11-03 ADOPTED ACCEPTING DONATION OF FUNDS

Troy Appel, Public Safety Director, noted that \$600 had been received from an anonymous donor to the Police Department to be distributed to members of the public through a Secret Santa Program. However, staff reported that just prior to the meeting, the donor provided a subsequent donation of an additional \$600, bringing the total amount to \$1,200 for the program. Worthington Patrol Officers will give out \$50 and \$100 bills tucked inside Christmas cards during traffic stops before Christmas.

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

RESOLUTION NO. 2018-11-03

A RESOLUTION ACCEPTING A DONATION OF FUNDS

(Refer to Resolution File for complete copy of Resolution)

COMMUNITY SERVICE OFFICER / ANIMAL CONTROL POSITION GUIDELINES APPROVED

Troy Appel, Public Safety Director, said based on the year-end retirement of the City's Animal Control Officer, and the approaching retirement of the current Community Services Officer (CSO), he was proposing in 2019 that a newly hired employee would train and work with the current CSO, assume animal control duties, and assist the City Community/Economic Development department administer and enforce the rental housing ordinance. New Position Guidelines for the position were presented for Council approval, along with the Position Guidelines for the current CSO position for review. Chief Appel noted that both guidelines will be maintained at least through the 2019 transition process, and although the salary range would be the same as that of the current CSO, there is a potential for cost savings.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to approve the CSO/Animal Control Position Guidelines.

CHANGE ORDER NO. 2 APPROVED - CENTENNIAL SPLASH PAD PROJECT

Staff presented a proposed change order from Hulstein Construction for the Centennial Park Splash Pad project. The proposed change order is an increase of \$20,041.11 to the project, and includes modifications to the utilities due to the Beach Nook project not moving forward at this time. If approved, the change order will bring the total contract price to \$496,623.50, which is still below the original budgeted Splash Pad amount of \$500,000. In response to a question from Council, Todd Wietzema, Public Works Director, said the change order will result in a savings of \$20,000 to the Beach Nook project.

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve Change Order No. 2 for the Centennial Park Splash Pad project.

2019 HANGAR LEASE RATES APPROVED WITH NO CHANGES

The Airport Advisory Board met on November 20, 2018 to discuss the 2019 hangar lease rates at the City's Municipal Airport. Todd Wietzema, Public Works Director, said no quorum was present at the meeting to take action, but the members present agreed that no increase in the rates was needed for 2019. Of the 22 hangars available, 17 are rented, an occupancy rate of 77%. Staff was requesting that Council approve the 2019 Airport Hangar Lease rates with no increase over the 2018 rates.

The motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to approve the 2019 Hangar Lease Rates as presented.

ADVERTISEMENT FOR BIDS FOR NEW PUBLIC WORKS BUILDING AUTHORIZED

Following Council approval of the purchase of the former M.C. Fitness building for the purpose of remodeling it into a new location for the Public Works Department, staff worked with CBS Squared to develop architectural and engineering plans for the project and are nearly ready to advertise for bids. The initial date to advertise was to be November 28th, however, staff and CBS Squared both feel that an additional few days are needed to completely review the plans. Council reviewed sketches of the building and the proposed floor plans, which as designed, have an estimated construction cost of \$2,340,000.

The motion was made by Council Member Janssen and seconded by Council Member Harmon to authorize staff to advertise for bids for the remodel of the new Public Works shop following completion of the plan review.

Council Member Oberloh questioned some of the space and offices in the office area. Staff responded that restrooms with showers are required by code, and that the project will allow for the consolidation of the Street and Park Departments at that location.

The motion was unanimously carried.

RESOLUTION NO. 2018-11-04 ADOPTED APPROVING THE 2019 SEWER SERVICE CHARGES

Staff presented the proposed 2019 Sewer Service Charge System, which was approved by the Water and Light Commission at their November 19, 2018 meeting. Under the proposed rates, the average residential user would see an increase of about \$1.20 / month. The usage charge per 1,000 gallons

will increase 4.1% for non-industrial users, and the monthly connection charge was proposed to increase 4.2%. Dwayne Haffield, Director of Engineering, noted that the increase is partly due to equipment replacement.

The motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to adopt the following resolution approving the 2019 Sewer Service Charges:

RESOLUTION NO. 2018-11-04

APPROVING CHANGES IN THE SEWER RATE SCHEDULE

(Refer to Resolution File for complete copy of Resolution)

PLANS APPROVED WITH AUTHORIZATION FOR ADVERTISEMENT FOR BIDS FOR HOTEL THOMPSON RE-ROOFING PROJECT

At their October 22, 2018 meeting, Council authorized entering into a professional services agreement with SEH, Inc. to prepare roof design and bid documents to re-roof the Hotel Thompson. The plans and specifications have been completed for the project, which includes removal and replacement of approximately 15,500 square feet of existing roofing material. The new roof will consist of a 60 mil EPDM single ply membrane and new metal flashing, and will have a 20-year warranty. Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the estimated cost, including design fees, are approximately \$350,000. He also noted that asbestos was discovered during the site investigation and had not been included in previous estimates. There is \$103,560 of remaining housing funds generated by TIF at the subject property that will be used toward the project costs. The total cost of the project will be assessed against the property pursuant to state statutes.

Mr. Brisson said if Council authorizes advertisement for bids, bids would be received December 19th and submitted for Council action at the December 26th meeting.

Council Member Oberloh asked if there was the ability to put a pitch roof on the facility, which would be cheaper than the flat roof. Steve Robinson, City Administrator, said he would check to see if it would be allowed by state code. Council Member Harmon said he thought SEH had reported potential structural damage underneath the roof in the supports. Mr. Brisson said nothing was reported to him but he would double check and get back to Council.

The motion was made by Council Member Cummings and seconded by Council Member Oberloh to approve the plans and authorize advertisement for bids for the Hotel Thompson re-roofing project, including the option for the alternate style roof if allowed, with the following Council Members voting in favor of the motion: Oberloh, Cummings, Ernst, Harmon; and the following Council

Members voting against the motion: Janssen. Motion carried.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Thanked the YMCA for the Youth Development Award they gave to the City of Worthington. Also read comments received from Jose Mora thanking our Police Department for doing a good job not discriminating and on being very approachable. He noted the upcoming visit from the Ambassador from the Democratic Republic of Congo. There will be a roundtable discussion by three of our larger businesses in town on Friday - he would appreciate it if Council Members could be there. Mentioned he attended the CGMC conference in Alexandria.

Council Member Janssen - No report.

Council Member Oberloh - Reported on the CGMC fall conference. Also provided an update on the Beach Nook project - following a meeting with the architect last week to look at some value added things and changing the roof design in an effort to get the cost estimates down within budget, the plans will be revised and brought back to the Committee. The most favorable bids would be received if we went to bid now, with construction to occur through the summer months - may see a temporary restroom building there.

Council Member Cummings - The LEC Joint Powers Board met but did not have a quorum. They discussed the intersection of 59 and Airport Road and the new road that is for Police use only - they are looking to add lighting for the new road, and are hoping for signs at the 59 intersection as it is cost prohibitive for lighted warning signs to be installed there. Provided an update on the LEC project, noting the garage is up and running.

Council Member Ernst - Noted she had attended the same Beach Nook meeting as Council Member Oberloh.

Council Member Harmon - The Water and Light Commission met on November 19th and approved the Water Department budget- water rates will remain the same as in 2018 - our purchased water costs will go down. Attended the CGMC conference, heard a good presentation regarding election results and on LGA.

Honorary Council Member Nkashama - Encouraged Council Members to attend the upcoming visit by the Congo Ambassador, and stressed its importance to our community.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, provided an update on the spec building project noting he had met with the architect and tenants, they are looking at the technical needs of the tenants, which are mostly dimensional. We are waiting on them to get back to us to finalize the plans for an estimate. Preliminary discussions have been had with a number of landowners of potential sites and will continue with that. We will wait until we have cost estimates on the building before we decide to move forward with land acquisition. In response to a question from Mayor Kuhle, Mr. Robinson said the date set for response regarding the technical needs has come and gone.

Mr. Robinson also noted that he has pretty much finalized the memorandum of understanding regarding the lease with Prairie Holdings and it will come forward at the next Council meeting. He spoke with our local representatives regarding the proposed sales tax - it will be about the week of January 14th when the legislature will actually start their business. He obtained bills from 2017 regarding three cities who successfully implemented a local option sales tax for pretty much the same purposes that we are planning. The Compensation Committee will be meeting again later this week to review the updated market study for all of the various positions we have.

Prior to adjournment, Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, requested to pass along a comment he had received from some residents of the Thompson Hotel, thanking Council for the action they have taken regarding the conditions at the facility.

ADJOURNMENT

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:02 p.m.

Janice Oberloh, MCMC
City Clerk