

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, DECEMBER 9, 2013**

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: Mike Kuhle, Diane Graber, Rod Sankey, Ron Wood, Scott Nelson. Members absent: Honorary Council Member, Jerry Eykyn.

Staff present: Craig Clark, City Administrator; Brian Kolander, Finance Director; Brad Chapulis, Director of Community/Economic Development; Jim Eulberg, Public Works Director; Scott Hain, General Manager Worthington Public Utilities; Janice Oberloh, City Clerk; Rick Von Holdt, Fire Chief.

Others present: Aaron Hagen, Daily Globe; Darlene Macklin, Worthington Area Chamber of Commerce; Kenton Meier, Melvin Janssen.

The Pledge of Allegiance was recited.

**AGENDA APPROVED/CLOSED WITH ADDITIONS**

Staff noted the following additions to the agenda: note that a consent agenda case item for the Community/Economic Development department was included in the Council agenda but not listed on the agenda page (*2014 Minnesota City Participation Program Application*); also requested the addition of Item E.5. *Nominating Committee Recommendations* to the agenda.

The motion was made by Council Member Nelson, seconded by Council Member Wood and unanimously carried to approve/close the agenda with the requested additions.

**CONSENT AGENDA APPROVED**

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

- City Council Minutes of regular meeting November 25, 2013
- Minutes of Boards and Commissions: Water and Light Commission Minutes of regular meeting December 2, 2013; Memorial Auditorium Advisory Board of Directors Minutes of November 12, 2013; Planning Commission/Board of Appeals Minutes of December 3, 2013
- Audit Engagement proposal for 2013 year-end auditing services from Drealan Kvilhaug Hoefker & Co. P.A. at a maximum amount of \$20,700, excluding word processing of the report.
- Rescinded previous approval of a five year golf cart lease with Versatile Vehicles, Inc. and approved a five year lease with NB Golf for 24 electric carts at \$96.22 per cart per month and payment for the buyout at the end of the lease (\$1,350 per cart)
- Memorial Auditorium request for professional services with SEA to perform a structural assessment for installation of rigging at Memorial Auditorium, with funds to come from fund 409, and to authorize the Mayor to sign the agreement

- Modification to the position description for Memorial Auditorium Director
- City of Worthington application for 2014 Minnesota City Participation Program
- Bills payable and totaling \$739,246.44 be ordered paid

**RESOLUTIONS ADOPTED APPROVING THE 2013 TAX LEVIES COLLECTIBLE IN 2014**

The motion was made by Council Member Sankey, seconded by Council Member Wood and unanimously carried to approve the following resolutions:

CITY OF WORTHINGTON, MINNESOTA

RESOLUTION APPROVING 2013 TAX LEVIES COLLECTIBLE IN 2014

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 2014 upon the taxable property in said City of Worthington, Minnesota for the following purposes:

LIMITED GENERAL PURPOSE TAX:	2013/201 LEVY	SPECIAL TAX LEVIES:	2013/2014 LEVY
General Fund	830,501	G.O. Debt Service Funds including Improvement Bonds (MS 275.50 Subd. 5e and MS 429.091)	
Recreation Fund	847,976		
Economic Development Authority Fund	0	PIR Series 2007A \$4,370,000	328,000
		PIR Series 2009C \$2,710,000	173,155
Improvement Construction Fund	301,296	PIR Series 2010A \$1,915,000	177,393
		PIR Series 2012A \$2,570,000	<u>230,000</u>
Aquatic Center Facility Fund	100,000		
		SUBTOTAL DEBT SERVICE FUNDS	908,548
Memorial Auditorium Fund	75,739		
		Economic Development Tax Abatement	28,400
GENERAL PURPOSE TAX LEVY-CITY	2,155,512		
		TOTAL SPECIAL TAX LEVIES	<u>936,948</u>
EDA TAX LEVY	<u>83,000</u>		
TOTAL GENERAL PURPOSE TAX	<u>2,238,512</u>		
		RECAP OF TAX LEVY TOTALS:	
SPECIAL TAX LEVIES: (Other than Debt Service)		General Purpose Levy	2,238,512
Housing & Redevelopment Authority (MS 462.545 Subd. 6)	Separate Certified Levy	Special Tax Levies	936,948
		TOTAL NET LEVY	<u>3,175,460</u>

RESOLUTION APPROVING 2013 TAX LEVIES COLLECTIBLE IN 2014

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 2014, upon the taxable property in said City of Worthington, Minnesota, for the following purposes:

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SPECIAL TAX LEVY	CERTIFIED LEVY 2013/2014
ECONOMIC DEVELOPMENT AUTHORITY TAX LEVY (Minnesota Statute 469.107, Subdivision1)	
Special Tax for Operations	\$83,000.00
NET CERTIFIED LEVY \$83,000.00	

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RESOLUTION APPROVING THE 2013 TAX LEVY COLLECTIBLE IN 2014

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 2014, upon the taxable property in said City of Worthington, Minnesota for the following purposes:

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SPECIAL TAX LEVY	CERTIFIED LEVY 2013/2014
HOUSING AND REDEVELOPMENT AUTHORITY TAX LEVY (Minnesota Statute 469.033, Subdivision 6)	
Special Tax for Operations	\$99,331.00
NET CERTIFIED LEVY	\$99,331.00

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**RESOLUTION NO. 3536 ADOPTED APPROVING THE 2014 FUND BUDGETS FOR THE CITY OF WORTHINGTON**

The motion was made by Council Member Wood, seconded by Council Member Nelson and unanimously carried to approve the following resolution approving the 2014 fund budgets for the City of Worthington:

RESOLUTION NO. 3536

A RESOLUTION FOR THE APPROVAL OF THE 2014 FUND BUDGETS FOR THE CITY OF WORTHINGTON, MINNESOTA

(Refer to Resolution File for complete copy of Resolution)

**ORDINANCE NO. 1076 ADOPTED VACATING A PORTION OF A PLATTED UTILITY EASEMENT - 1709 RUST ROAD**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would vacate a portion of a 16 foot wide platted utility easement along the west (rear) property line at 1709 Rust Road as follows:

An ordinance vacating that portion of the platted public utility easement in Lot 3, Block 2, Homewood Hills Third Addition, City of Worthington, Nobles County, Minnesota described as follows:

The east 8.00 feet of the west 16.00 feet of Lot 3, Block 2, Homewood Hills Third Addition, City of Worthington, Nobles County, Minnesota.

The motion was made by Council Member Nelson, seconded by Council Member Kuhle and unanimously carried to give a third reading to, and subsequently adopt, the following ordinance:

ORDINANCE NO. 1076

AN ORDINANCE TO VACATE A PORTION OF THE PLATTED PUBLIC UTILITY EASEMENT IN LOT 3, BLOCK 2, HOMEWOOD HILLS THIRD ADDITION

(Refer to Ordinance File for complete copy of Ordinance)

**2014 LEGISLATIVE PRIORITIES APPROVED WITH CHANGE IN ORDER**

Council reviewed the following 2014 Legislative Priorities as provided by staff:

- Completion of Highway 60 to St. James
- Lewis and Clark Bonding Project

- Biotechnology Advancement Center Bonding Request
- Housing
- Public Safety ARMER
- Greater Minnesota Economic Development Initiatives
- Trail Development
- This Old House

Council Member Wood suggested that Lewis and Clark needs to be moved to the top of the list, along with housing and the Biotechnology Advancement Center bonding request.

The motion was made by Council Member Sankey, seconded by Council Member Nelson and unanimously carried to approve the 2014 Legislative Priorities with the suggested re-order.

The City's legislative priorities will be included with those determined by the County and the School District when presented to the Governor and the state legislators who represent Worthington and our area.

#### **NOMINATING COMMITTEE RECOMMENDATIONS FOR COMMITTEE APPOINTMENTS APPROVED**

The Nominating Committee met on Monday, December 9, 2013 and were making the following recommendations to Council for Committee appointments:

Park Advisory Board - Appoint Joe Anderson to replace Sara Ricker, who was filling Rena Willardson's unexpired term and has now resigned, term to expire April 30, 2014

Planning Commission - Appoint Ethan Bates for a three-year term to replace Bruce Pass, term to expire April 30, 2016

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to approve the Committee appointments as recommended by the Nominating Committee.

#### **FIRE DEPARTMENT REQUEST TO CONDUCT CONTROL BURN APPROVED**

The Worthington Fire Department was seeking Council approval to conduct a control burn training exercise of an unoccupied dwelling at 860 S. Lake Street, Parcel #31-0979-000. Initial contact regarding the possibility of a control burn was made by Mel Janssen from Shine Brothers (Shine Brothers is the current owner of the property), who contacted Administrator Craig Clark for the City's interest. The Fire Department has applied for and received a permit from the DNR to proceed

with the exercise, which has a 30-day window.

The motion was made by Council Member Wood, seconded by Council Member Kuhle and unanimously carried to authorize the control burn training exercise.

Mayor Oberloh suggested that the Police Department be aware of the burn because of its proximity to Highway 60, so they can field any calls that may come in.

### **2014 UTILITY DEPARTMENT STRATEGIC FINANCIAL PLANS APPROVED**

Scott Hain, General Manager Worthington Public Utilities, presented the 2014 Utility Department Strategic Financial Plans. Per Section 6.04 of the Worthington City Charter, the Water and Light Commission has the power to establish rates, fees, rules, regulations and policies for the operation and management of municipal utilities under control, subject to such ordinances as the City Council may adopt, but also directs that the Commission shall annually prepare a budget forecast for the ensuing years and to be reviewed and approved by City Council.

At their November 4, 2013 meeting, the Water and Light Commission approved no change in the water rates for 2014. However, Mr. Hain noted the purchased water expenses from Lincoln Pipestone Rural Water System were added as a straight pass-through in 2013, and not included in the rates. Mr. Hain said he anticipates they will do the same with the purchased water charges in 2014.

The 2014 Wastewater budget / sewer charge system was approved by the Water and Light Commission at their November 18<sup>th</sup> meeting, and includes a 5.2% decrease in the connection charge, and no change in the usage rates. Through the use of reserves, the average customer will see approximately an 80 cent decrease in their sewer bill. City Council approved the Sewer Charge System at their November 25, 2013 meeting.

The 2014 Electric Department Strategic Financial Plan was considered and approved by the Water and Light Commission at their December 2, 2013 meeting. Mr. Hain stated that a 7.1% increase in rates from Missouri River Energy and a 24.5% increase in transmission rates made up approximately 98% of the increase in the operations and maintenance budget, and a comprehensive rate study completed near the end of 2013 indicated that an overall rate increase of 6.3% would be necessary. Through the use of reserves and trimming of internal costs, however, the Commission approved half of the increase to be applied this budget and will see what happens next year. Based on the rates approved by the Commission for the three utility budgets, Mr. Hain said it would cost the average residential customer an additional \$1.63 on their monthly bill.

Following discussion, the motion was made by Council Member Wood seconded by Council Member Nelson and unanimously carried to approve the Worthington Public Utilities 2014 Strategic

Financial Plans.

**AUTHORIZATION FOR USE OF CHAUTAUQUA PARK FOR CAMPING - TOUR OF MINNESOTA BIKE RIDE THE SATURDAY OF REGATTA WEEKEND**

Council discussed a request from the Sports and Recreation Committee of the Worthington Area Convention & Visitors Bureau to allow participants of the Tour of Minnesota Bike Ride to camp overnight in Chautauqua Park the Saturday of the Regatta weekend. Council Member Nelson was opposed to the request, stating the proximity of the park to neighboring residences and the potential for garbage issues - they should camp in Olson Park instead. Darlene Macklin and Kenton Meier responded to the concerns, noting the riders were requesting Chautauqua Park because it is close to Sailboard Beach and they want to be part of the Regatta.

Following discussion, the motion was made by Council Member Graber and seconded by Council Member Wood to authorize the 2014 Tour of Minnesota Riders to camp in Chautauqua Park one Saturday, June 14, 2014, with the following members voting in favor of the motion: Kuhle, Graber, Sankey, Wood; and the following Council Members voting against the same: Nelson. Motion carried.

**2014 PARK USE FEES APPROVED**

The motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to approve the 2014 Park Use fees as follows:

- Chautauqua and Centennial Park shelters: \$45 rental fee/\$40 key/clean up deposit
- Ahlers, Ludlow, Slater and Sunset Parks open shelters: \$25 rental/\$40 key/clean up deposit
- Chautauqua Park Band Shell - \$45
- Park green spaces: 99 people or less-\$45; 100-499 people-\$100; 500 to 1,000 people - \$200

Permit requests for 100 people or more are evaluated on a case by case basis, and events larger than 1,000 people are considered too large to be accommodate.

**2014 OLSON PARK CAMPGROUND FEES APPROVED**

The motion was made by Council Member Wood, seconded by Council Member Nelson and unanimously carried to set the 2014 Olson Park Campground Fees, as recommended by the Park Advisory Board, as follows:

Sites 1-12 (Bay electric sites)	\$30.00
Sites 13-63 (Electric sites)	\$25.50
Sites 64-68 (Tent sites)	\$19.50

Weekly rate	\$175.00
Monthly rate	\$450.00

**PROPOSED 2014 CONCESSION FEES RETURNED TO PARK ADVISORY BOARD FOR FURTHER REVIEW**

Staff presented the following proposed 2014 Concession fees, which represented no change over the 2013 fees as recommended by the Park Advisory Board:

<u>Permit Type</u>	<u>Proposed 2014 Fee</u>
One day permit (non-profit) <i>(Generating revenue for city supported recreational activity)</i>	\$65
One day permit (profit making) <i>(General group)</i>	\$75
Annual nonprofit permit	\$80
Annual profit making permit	\$175
Annual mobile permit (nonprofit) <i>(Allows utilization of all city parks where off street parking is available, with the exception of Centennial Beach/Shelter)</i>	\$275
Annual mobile permit (profit making) <i>(Allows utilization of all city parks where off street parking is available, with the exception of Centennial Beach/Shelter)</i>	\$375

\*All permits require a \$100 cleanup deposit which is refunded if all trash/garbage is removed and disposed of in a proper manner.

The motion was made by Council Member Sankey and seconded by Council Member Wood to approve the 2014 Concession fees as presented.

Following discussion on fees, clean up deposits and language for usage, Council Members Sankey and Wood rescinded their motion and second. Council directed staff to take this item back to the Park Advisory Board, along with their concerns, to be brought back to Council at a future meeting.

**MAINTENANCE AGREEMENT FOR OLD TH 59/60 APPROVED**

As agreed to between the City of Worthington and the Minnesota Department of Transportation in 2012, the old TH 59/60 from Flower Lane to its easterly connection with new TH 59/60 is proposed to be turned back to the City and County. The turn-back will not occur until after the winter



maintenance season, and MnDOT is seeking to have the road segment maintained by a local road authority again this season. In past discussion between MnDOT, Nobles County, and City staff, it was determined that it would be most efficient and effective for the City to undertake the maintenance of the subject segment of old TH 59/60. The proposed agreement between the City and MnDOT for the 2013-2014 winter season is the same as the previous year, and provides for a payment of \$2,625 to the City for providing the required maintenance. The agreement terminates May 31, 2014.

Dwayne Haffield, Director of Engineering, pointed out that because the City can provide maintenance of the old TH 59/60 in an efficient and timely manner, it is anticipated that the City will continue to provide for maintenance of the segment of old TH 59/60 from County Road 57 easterly to new TH 59/60 through a maintenance agreement with the County. This designation, along with others resulting from the TH59/60 project, will be presented to the City and County at a future date.

The motion was made by Council Member Nelson, seconded by Council Member Wood and unanimously carried to approve the maintenance agreement between the City of Worthington and the Minnesota Department of Transportation for old TH 59/60 from Flower Lane to its easterly connection with new TH 59/60, and to adopt the following resolution:

#### CITY OF WORTHINGTON

#### RESOLUTION

IT IS RESOLVED that the City of Worthington enters into Mn/DOT Agreement No. (tbd) with the State of Minnesota, Department of Transportation for the following purposes:

To provided for routine maintenance by the City upon, along and adjacent to Old Trunk Highway No. 60, the limits of which are defined in said Agreement.

IT IS FURTHER RESOLVED that the Mayor and the Clerk are authorized to execute the Agreement and any amendments to the Agreement.

#### **SPECIAL USE PERMIT APPROVED - 322 10<sup>TH</sup> AVENUE**

Randy Junker, owner of the property located at 322 Tenth Avenue, was requesting approval of a special use permit that would allow him to construct a 352 square foot addition to the existing principal structure (house). The property is located within the flood plain boundary and is subject to the Flood Plain Management Ordinance which allows for construction within the flood plain subject to flood proofing by fill. Any alternative method of flood proofing must be approve by the City through the special use permit process. Based on the existing condition, the applicant is looking to flood proof by structurally designing the addition's foundation for hydrostatic equalization. The property is legally described as:

Lot 6, Block 1, Auditor's Plat of Ager's Subdivision, City of Worthington, Nobles County, Minnesota

The Planning Commission considered the application at its December 3, 2013 meeting and voted unanimously to recommend City Council approval of the special use permit subject to the following conditions:

1. The minimum floor elevation of the addition shall be at or above 1,576.8 feet;
2. The addition be constructed in accordance with SEH's plan and report; and
3. The applicant properly utilizes a method as to minimize sediment runoff during construction.

The motion was made by Council Member Kuhle, seconded by Council Member Sankey and unanimously carried to approve a special use permit for property located at 322 Tenth Avenue subject to the conditions set forth by the Planning Commission.

**FIRST READING PROPOSED ORDINANCE AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA - ZONING FEE SCHEDULE**

Staff presented a proposed ordinance for a text amendment that would repeal the existing Zoning Application Fee schedule, gives proper title of Zoning Application Fees, and provides that Council can adopt changes to the zoning fees by resolution as opposed to changing it by ordinance. The current fee schedule shown in section 155.224 of the Zoning Ordinance is the schedule established in 1969, and all of the fee increases since 1969 have not been made by ordinance. The most recent schedule was set in the mid 1990's. Staff had assisted in conducting a zoning fee survey and presented those results to Council during their 2014 budget meetings. The survey showed Worthington as the second lowest for zoning fees, and Council indicated their support of an increase.

Along with the proposed ordinance, staff presented a resolution that would establish the following new schedule of fees effective January 1, 2014:

Variance, SUP, Rezoning, and Text Amendments - \$200  
Preliminary Plat - \$150 + \$2 per lot  
Final Plat - No Charge  
Planned Unit Development - \$350  
Planned Unit Development Amendment - \$150  
Appeals - \$30

The motion was made by Council Member Kuhle, seconded by Council Member Wood and unanimously carried to give a first reading to the proposed ordinance, and to adopt the following resolution:

RESOLUTION NO. 3537

A RESOLUTION ESTABLISHING FEES FOR ZONING ACTIVITIES

(Refer to Resolution File for complete copy of Resolution)

**COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - attended the WREDC Strategic Planning Session - good discussion but a low turnout. There is a builders meeting scheduled for 6:00 p.m. this Thursday at the BAC.

Council Member Kuhle - noted that it is vitally important to have representation there from our builders in town - there was only one signed up as of today.

Council Member Graber - attended a Park Advisory Board meeting - the minutes are included with this agenda - they also had a discussion on who should maintain the new trails. Also attended BAE training in Luverne so is now certified for Board of Equalization/Review. Heron Lake Watershed won recognition for the project of the year for their cleanup of the Fulda lake.

Council Member Sankey - also attended the Board of Appeals/Equalization training in Luverne, and participated in a trip to Storm Lake, Iowa regarding economic development - and attended the open house at WREDC.

Council Member Wood - regarding the Water and Light presentation, it took a lot of conversation to move the rates to where they were from where they could have been, they're still highly competitive.

Council Member Nelson - The HRA Board is still pushing forward on the HRA housing project.

**CITY ADMINISTRATOR'S REPORT**

Craig Clark, City Administrator, reported that, based on the interest by City representatives at the CGMC conference, he contacted the Scott County Administrator who agreed to come give a presentation to the County Board and City Council - looking at January 10<sup>th</sup> as a possible date, and will be focusing on collaboration between the City and the County, and County participation in economic development projects. The SW Mental Health Center open house is from 3 to 5 this Friday the 13<sup>th</sup>, and the small working group of the Sports Authority will be meeting at 5 p.m. on the 19<sup>th</sup>.

**ADJOURNMENT**

The motion was made by Council Member Wood, seconded by Council Member Kuhle and unanimously carried to adjourn the meeting at 8:10 p.m.

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Janice Oberloh, MCMC  
City Clerk