

**CITY COUNCIL MINUTES  
REGULAR MEETING, DECEMBER 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: Scott Nelson, Diane Graber, Larry Janssen, Mike Harmon, Rod Sankey.

Staff present: Steve Robinson, City Administrator; Scott Hain, General Manager Worthington Public Utilities; Todd Wietzema, Public Works Director; Dwayne Haffield, Director of Engineering; Brad Chapulis, Director of Community/Economic Development; Janice Oberloh, City Clerk; Sgt. Brett Wiltrout, Public Safety Department.

Others present: Justine Wettschreck, KWOA; Julie Buntjer, Daily Globe; C.J. Nelson, YMCA; Jackie Tentinger, Worthington Event Center;

The Pledge of Allegiance was recited.

**AGENDA CLOSED / APPROVED**

Staff noted a correction to the 2016 Fund Budget Resolution included in item E.2. that should say 2016 instead of 2015.

The motion was made by Council Member Harmon, seconded by Council Member Nelson and unanimously carried to close/approve the agenda with the noted correction.

**CONSENT AGENDA APPROVED**

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

- City Council Minutes of Regular Meeting November 23, 2015
- Minutes of Boards and Commissions - Water and Light Commission Minutes of November 30, 2015; Planning Commission/Board of Appeals Minutes of December 1, 2015; NEON Committee Minutes of November 12, 2015
- Municipal Liquor Store Income Statement for the Period January 1, 2015 through November 30, 2015
- Application for Exemption from Lawful Gambling Permit as follows:
  - Organization: Worthington Area YMCA
  - CEO: Andrew P. Johnson
  - Type of Event: Raffle
  - Date & Location of Event: April 15, 2016  
MN West Comm. & Tech. College, 1450 Collegeway
- Application for Exemption from Lawful Gambling Permit as follows:
  - Organization: Minnesota West Foundation
  - CEO: Michael Van Keulen

Type of Event: Raffle  
 Date & Location of Event: February 13, 2016  
 MN West Comm. & Tech. College, 1450 Collegeway

- Additional 2016 License Renewal Applications:
  - On-Sale Beer - El Mexicano Restaurant, Efrain Patino, 304 10<sup>th</sup> Street
  - Off-Sale Beer - El Mexicano #3 (Grocery Store), Efrain Patino, 310 10<sup>th</sup> Street  
 Worthington Travel Plaza, 2411 Highway 60 NE
- Audit proposal for year-end audit services from Drealan Kvilhaug Hoefker & Co., P.A. - not to exceed \$20,500 excluding word processing of the report
- 2016 Industrial Wastewater Treatment Fund Budget
- Bills payable and totaling \$780,322.06 be ordered paid

**RESOLUTION ADOPTED APPROVING THE 2015 TAX LEVIES COLLECTIBLE IN 2016**

Staff presented a resolution approving the 2015 Tax Levies of \$3,441,568, collectible in 2016, for Council consideration. The levy represents a 5.5% increase over 2015, and includes a General Purpose Tax Levy of \$2,716,155 and Special Tax Levies of \$725,413. The General Purpose Tax includes an Economic Development Levy of \$86,000 - the Special Tax Levy includes Economic Development Tax Abatements of \$27,000.

Steve Robinson, City Administrator, told Council that, per legislation changes, public comment may be taken tonight regarding the proposed levies as opposed to the full Truth in Taxation hearing. Mr. Robinson provided a brief presentation regarding the proposed levies.

Mayor Kuhle asked if there was anyone present who wished to offer testimony regarding the proposed 2016 tax levies. None was received.

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

CITY OF WORTHINGTON, MINNESOTA

RESOLUTION APPROVING 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	1,065,014	G.O. Debt Service Funds Including Improvement Bonds	
Memorial Auditorium Fund	88,073	MS 275.50 Subd. 5e and MS 429.091)	

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Recreation Fund	972,946	PIR Series 2009C \$2,710,000	173,155
		PIR Series 2010A \$1,915,000	187,875
Economic Development Authority Fund	47,159	PIR Series 2012A \$2,570,000	<u>337,383</u>
Improvement Construction Fund	406,963	SUBTOTAL DEBT SERVICE FUNDS	698,413
Aquatic Center Facility Fund	50,000	Economic Development Tax Abatement	27,000
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TOTAL GENERAL PURPOSE TAX LEVY-CITY	2,630,155	TOTAL SPECIAL TAX LEVIES	<u>725,413</u>
EDA TAX LEVY	<u>86,000</u>		
TOTAL GENERAL PURPOSE TAX	<u>2,716,155</u>		

RECAP OF TAX LEVY TOTALS	
General Purpose Levy	2,716,155
Special Tax Levies	725,413
TOTAL NET LEVY	<u>3,441,568</u>

RESOLUTION APPROVING 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 Subd. 1)	
Special Tax for Operations	\$86,000.00
NET CERTIFIED LEVY \$86,000.00	

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:

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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

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with the following voting in favor of the resolution: Graber, Janssen, Harmon, Sankey; and the following voting against the same: Nelson. Motion carried.

**RESOLUTION NO. 3627 ADOPTED APPROVING THE 2015 FUND BUDGETS FOR THE CITY OF WORTHINGTON**

The motion was made by Council Member Graber, seconded by Council Member Harmon and unanimously carried to adopt the following resolution approving the 2016 Fund Budgets for the City of Worthington:

RESOLUTION NO. 3627

A RESOLUTION FOR THE APPROVAL OF THE 2016 FUND BUDGETS FOR THE CITY OF WORTHINGTON, MINNESOTA

(Refer to Resolution File for complete copy of Resolution)

**SECOND READING PROPOSED ORDINANCE AMENDING TITLE V, CHAPTER 54, SECTION 54.04 (C) OF THE WORTHINGTON CITY CODE - STORM WATER UTILITY RATES**

Pursuant to published notice, this was the time and date set for the second reading of a proposed ordinance amending Title V, Chapter 54, Section 54.04 (C) of the Worthington City Code - Storm Water Utility Rates as follows:

SECTION I.

Worthington City Code, Title V, Chapter 54, Section 54.04 (C), is hereby amended and shall read as follows:

(C) The annual fee per acre for residential is \$243.00.

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to give a second reading to the proposed ordinance.

**RESOLUTION NO. 3628 ADOPTED SUPPORTING INCREASING LOCAL GOVERNMENT AID IN THE 2016 LEGISLATIVE SESSION**

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to adopt the following resolution in support of an increase in the base appropriation for Local Government Aid of \$45.5 million effective for aid payable in 2017:

RESOLUTION NO. 3628

A RESOLUTION IN SUPPORT OF INCREASING LOCAL GOVERNMENT AID IN THE 2016 LEGISLATIVE SESSION

(Refer to Resolution File for complete copy of Resolution)

**NOMINATING COMMITTEE RECOMMENDATIONS FOR COMMITTEE APPOINTMENTS/REAPPOINTMENTS APPROVED**

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to approve the Nominating Committee's recommendation for committee appointments/reappointments as follows:

Airport Advisory Board -

Appoint Bill Wetering to fill the unexpired term of Keith Wilson who resigned, term to expire 09/30/2019

Center for Active Living Committee:

Reappoint Jerry Perkins - current term expires 12/31/2015, is eligible for a second term and has agreed to serve, term to expire 12/31/2018

Reappoint Julie Haas - current term expires 12/31/2015, is eligible for a second three-year term and has agreed to serve, term to expire 12/31/2018

Appoint Marie Hoffmann for a three-year term to replace Chuck Magyar, who declined to serve a second term, term to expire 12/31/2018

Appoint Leon Betz to fill the unexpired term of Jesse Liepold who resigned his term, term to expire 12/31/2016

Housing & Redevelopment Auth- Reappoint Royce Boehrs for a first full five-year term, term to expire 10/31/2020

Reappoint Bridgit Huber for a first full five-year term, term to expire 10/31/2020

Memorial Auditorium Adv Board- Appoint Karen Fury to fill the unexpired term of Matt Oleske, who resigned his term, term to expire 07/31/2017

Police Civil Service Commission- Appoint Michael (Mick) Eggers for a three-year term to replace Cindy DeGroot who's term will expire 12/31/2015 and is not eligible to serve another term

Public Arts Commission - Reappoint Gail Holinka for a second three-year term, term to expire 10/31/2015

Reappoint Alice Hoffman for first full three-year term, term to expire 10/31/2018

### **2016 UTILITY DEPARTMENT STRATEGIC FINANCIAL PLANS APPROVED**

Scott Hain, General Manager Worthington Public Utilities, presented the 2016 Utility Department Strategic Financial Plans to Council. Mr. Hain noted that Section 6.04 of the City Charter provides that the Water and Light Commission shall have the power to establish rates, fees, rules, regulations and policies for the operation and management of municipal utilities under their control subject to such ordinances as the City Council may adopt. Section 6.04 of the Charter also directs that the Commission shall annually prepare a budget forecast for the ensuing years and furnish a copy to the City Council for their review and approval.

The Water and Light Commission reviewed and approved the 2016 Water Department Strategic Financial Plan at their regular meeting on November 9, 2015, along with the 2016 Wastewater Department Strategic Financial Plan, including the 2016 sewer rates as established by the Sewer

Service Charge System approved by City Council at their regular meeting on November 9, 2015. The 2016 Electric Department Strategic Financial Plan was considered and approved by the Water and Light Commission at their meeting on November 30, 2015.

Mr. Hain said the Commission approved use of reserves in all three budgets, resulting in no increases to retail electric or water rates, but there will be a slight increase of 4/10's of a percent in the wastewater connection charge and 2.8% increase in the usage charge, resulting in an increase of about \$.42/month to the average residential customer.

The motion was made by Council Member Sankey, seconded by Council Member Harmon and unanimously carried to approve the 2016 Utility Department Strategic Financial Plans as presented.

**YMCA 2016 SUMMER YOUTH RECREATION PROGRAMS AGREEMENT APPROVED**

Todd Wietzema, Public Works Director, presented the proposed 2016 YMCA Summer Youth Recreation Programs agreement for Council consideration. The Park Advisory Board considered the agreement at their November 18, 2015 meeting and voted unanimously to recommend Council approval of the agreement, which provides that the YMCA will promote, manage and operate the City's summer youth recreation programs for its residents, for a management fee of \$47,740.00, paid in twelve monthly installments. Mr. Wietzema also provided information regarding registration and attendance for the programs.

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to approve the YMCA Summer Youth Recreation Programs Agreement as presented.

**2016 OLSON PARK CAMPGROUND RATES AND PARK USER FEES APPROVED**

Staff presented the following proposed 2016 Olson Park Campground rates and park user fees for Council consideration, noting the proposed schedule represented no increase over the 2015 fees:

Chautauqua, Centennial Shelter	\$ 50.00	\$40.00 Key, Damage, Clean up Deposit
Park Open Shelters	\$ 30.00	\$40.00 Damage, Clean up Deposit
Chautauqua Band Shell	\$ 50.00	\$40.00 Damage, Clean up Deposit (add)
Park Open Space	\$ 50.00	99 People or Less
	\$ 110.00	100 to 499 People
	\$ 220.00	500 to 1,000 People
		\$40.00 Damage, Clean up Deposit For Park Open Space.

Olson Park

Sites 1-12 (Bay Electric)	\$ 31.00
Sites 13-63 (Electric)	\$ 26.50
Sites 64-68 (Tent)	\$ 20.50
Weekly	\$ 180.00
Monthly	\$ 465.00

Concession Fees

One Day, Non-Profit	\$ 65.00	
One Day, Profit	\$ 75.00	All one day permits require \$100 clean-up deposit
Annual, Non-Profit	\$ 80.00	
Annual, Profit	\$ 75.00	All annual permits require \$300 clean-up deposit
Annual Mobile, Non-Profit	\$ 275.00	
Annual Mobile, Profit	\$ 375.00	

The Park and Recreation Advisory Board approved the proposed fee schedule at their November 18, 2015 meeting, noting rates were increased last year in anticipation of the upgrade to 50 amp services at the campground but were not completed.

The motion was made by Council Member Nelson, seconded by Council Member Harmon and unanimously carried to approve the 2016 Olson Park Campground Rates and Park User Fees as presented.

**RESOLUTIONS 3629 AND 3630 ADOPTED ACCEPTING PARK BENCH DONATIONS**

The Park and Recreation Advisory Board has received the following requests from two parties to place park benches along the bike trail:

- Bob Demuth - to place a bench within Olson Park along the bike trail in honor of Bob and Betty Demuth.
- Shirley M. Olson - to place a bench along the bike trail in Ehlers Park in memory of Irwin Olson

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to adopt the following resolutions accepting the park bench donations:

RESOLUTION NO. 3629

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)



RESOLUTION NO. 3630

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

**RESOLUTION NO. 3631 ADOPTED APPROVING PLANS AND AUTHORIZING  
ADVERTISEMENT FOR BIDS - GRAND AVENUE STREET AND SIDEWALK  
EXTENSIONS**

Dwayne Haffield, Director of Engineering, said plans and specifications for the Grand Avenue street and sidewalk extensions have now been completed by I & S Group, as Council ordered at their June 22, 2015 and October 26, 2015 meetings. The plans are for the rebid of the street and walk extensions up to the northerly line of the Southwest Minnesota Housing Partnership property, and the initial bid of the extensions continuing to Darling Drive. Staff was requesting that Council approve the plans and specifications, and authorize advertisement for bids to be received on January 20, 2016 and considered for award at the January 25, 2016 Council meeting.

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to adopt the following resolution:

RESOLUTION NO. 3631

APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

(Refer to Resolution File for complete copy of Resolution)

**PLANS APPROVED AND ADVERTISEMENT FOR REBIDS OF 2015 STATE AID  
STREET OVERLAYS PROJECT AUTHORIZED**

At their August 10, 2015 meeting, Council rejected a lone bid received for the 2015 State Aid Street Overlays Project as the bid was considerably over the budgeted amount, and directed that the project be rebid early in 2016. The streets to be overlaid are Clary Street from Omaha Avenue to Milton Avenue and 1<sup>st</sup> Avenue from 12<sup>th</sup> Street to 16<sup>th</sup> Street. Pedestrian ramps on Clary Street abutting the overlay will also be improved to meet current American with Disabilities Act standards. Total estimated cost of the project is \$234,000, which is \$39,000 more than that used last year but about \$51,000 less than that which would have been projected based on the sole bid received. All cost will be paid for through MSAS funding.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to approve the plans and specifications for the 2015 State Aid Street Overlays

Project Rebid and authorize advertisement for bids to be received on January 20, 2016 and considered at the January 25, 2016 Council meeting.

**RESOLUTION ADOPTED APPROVING DESIGNATION OF MUNICIPAL STATE AID STREET AND COUNTY STATE AID HIGHWAY**

With the completion of the Highway 60 project, the Minnesota Department of Transportation (MnDOT) has turned back the segment of the former TH 59/60 between Flower Lane and County Road 57 to the City, and the segment of former TH 59/60 between County Road 57 and the intersection of new TH 59/60 and East Gateway Drive to Nobles County. MnDOT has given preliminary approval to these segments being eligible for designation as a Municipal State Aid Street (MSAS) and a County State Aid Highway (CSAH), respectively. Because state aid routes must be contiguous between equivalent or higher order state or state aid designations, the proposed CSAH designation must include the segment of CR 57 between old and new TH 59/60. Any CSAH designation by a county within a city must be approved by the City. Staff presented a resolution for Council consideration that establishes the Municipal State Aid street, and a resolution approving the designation of the CSAH within the city.

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to adopt the following resolutions establishing a Municipal State Aid Street and approving the designation of County State Aid Highway within the City of Worthington:

RESOLUTION  
ESTABLISHING MUNICIPAL STATE AID STREET

WHEREAS, it appears to the City Council of the City of Worthington that the street hereinafter should be designated Municipal State Aid Street under the provisions of Minnesota Law.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Worthington that the road be described as follows, to-wit:

Former TH 59/60, now known as Flower Lane, from its intersection with Flower Lane to County Road 57, also known as West Gateway Drive. Total length being approximately 2,365 feet, 0.448 miles.

be, and hereby is established, located and designated a Municipal State Aid Street of said City, subject to the approval of the Commissioner of Transportation of the State of Minnesota.

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to forward two certified copies of this resolution to the Commissioner of Transportation for consideration, and that upon his approval of the designation of said road or portion thereof, that same be constructed, improved and maintained as a Municipal State Aid Street of the

City of Worthington, to be numbered and known as a Municipal State Aid Street.

RESOLUTION  
APPROVING DESIGNATION OF COUNTY STATE HIGHWAY  
WITHIN THE CITY OF WORTHINGTON

WHEREAS, the County Board of the County of Nobles did adopt a resolution on December 1, 2015 locating, establishing, designing and numbering the County State Aid Highway System of Nobles County, and

WHEREAS, said resolution locates and establishes certain County State Aid Highways within the corporate limits of the City of Worthington.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Worthington that the resolution adopted by the County Board, a copy of which is attached hereto and made a part thereof, locating or establishing the County State Aid Highway system within the City limits is in all things approved.

**RESOLUTION NO. 3632 ADOPTED ORDERING PREPARATION OF REPORT ON PROPOSED STREET RECONSTRUCTION IMPROVEMENT STUDY**

Following an improvement hearing at their May 26, 2015 meeting, Council ordered improvement to the following streets:

- Darling Drive - 186 feet east of the center line of North Burlington Avenue to Grand Avenue extended
- Hagge Street - Tower Street to Diagonal Road
- Schaap Drive - 1<sup>st</sup> Avenue Southwest to 1<sup>st</sup> Avenue Southwest

A single bid was received for the project and was considered and rejected by Council at their July 13, 2015 meeting. Dwayne Haffield, Director of Engineering, said the resolution presented to Council tonight would redirected the project back to staff for investigation into pricing changes and evaluation of alternative methods of the street reconstruction. By switching materials and cutting off a half-inch of surface we could get the package down to something close, but after feeding back in all of the other items on the project they were still looking at costs that were quite a bit higher than those represented at the hearing. Mr. Haffield said there is probably nothing legally binding to go back to hearing, but it is recommended.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to adopt the following resolution rescinding the action to order the street reconstruction improvements and order preparation of a new study on the proposed improvements:

RESOLUTION NO. 3632

ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

**AUTHORIZATION TO SUBMIT 2016 MINNESOTA CITY PARTICIPATION PROGRAM APPLICATION**

The Minnesota City Participation Program (MCP), offered through the Minnesota Housing Finance Agency (MHFA), is an annually funded program that provides below market interest rate home mortgage loans for low to moderate income first-time buyers purchasing homes within the awarded communities. The loans are originated by an MHFA contracted lender and sold to the MHFA. If awarded, the funds are placed into a fund exclusively for mortgages within the community for six months, and unused funds are then placed into a pool that is available to any MCP community until exhausted, or the end of the year, whichever occurs first. The program is administered by the MHFA and does not require a local match.

The motion was made by Council Member Graber, seconded by Council Member Harmon and unanimously carried to authorize City staff to submit an application for the MCP funds for 2016.

**FIRST READING PROPOSED ORDINANCE - CHANGE OF ZONE - 500 AND 620 STOWER DRIVE**

At their November 9, 2015 meeting, Council tabled action on an the Planning Commission's recommendation to deny Lori Klooster's application to rezone 500 Stower Drive from "M-2" - General Manufacturing to "M-1" - Light Manufacturing. The decision was to allow the Planning Commission to consider re-zoning the segment of the south side of Stower Drive to the "M-1" zoning designation. The Commission considered the request at their December 1, 2015 meeting, and after holding a public hearing, voted on a 4 to 1 vote to recommend Council approve the change of zone for the properties referred to as 500 and 620 Stower Drive from the current "M-2" designation to "M-1" as follows:

The following described properties, presently included in the "M-2" district, shall henceforth be included in the "M-1" district:

500 Stower Drive — Parcel ID #31-0648-200

620 Stower Drive — Parcel ID #31-0648-100

The motion was made by Council Member Harmon, seconded by Council Member Graber and unanimously carried to give a first reading to the proposed ordinance that would change the zone for

the properties referred to as 500 and 620 Stower Drive from the current "M-2" - General Manufacturing to "M-1" - Light Manufacturing.

**SPECIAL USE PERMIT APPLICATION APPROVED - 2001 NOBLES STREET**

Lori Klooster was seeking the approval of a special use permit that would allow for establishment of an adult day care service business on the property owned by June Farwick at 2001 Nobles Street. The property is zoned "R-2" - One Family, Low Density Residential. Child Care land uses are permitted in the "R-2" district through the issuance of a special use permit. The property is legally described as:

That part of Lot 9 and Street Lot "A" of Auditor's Plat of Brower Subdivision of a part of the South Half of the Southeast Quarter of Section 24, Township 102 North, Range 40 West, lying south of the right-of-way of the Chicago, Rock Island and Pacific Railway Company, City of Worthington, Nobles County, Minnesota, described as follows:

Commencing at the southwest corner of Street Lot "A" of Auditor's Plat of Brower Subdivision, according to the recorded plat thereof; thence on an assumed bearing of North 0 degrees 24 minutes 43 seconds West, along the west line of said Street Lot "A," a distance of 2.00 feet to a point 35 feet north of the south line of said Section; thence South 89 degrees 41 minutes 05 seconds East, parallel with the south line of said Section, a distance of 20.00 feet to an iron monument, said iron monument being the point of beginning of the tract to be described; thence North 0 degrees 24 minutes 43 seconds West a distance of 125.01 feet to an iron monument; thence South 89 degrees 41 minutes 05 seconds East a distance of 124.34 feet to an iron monument; thence South 0 degrees 14 minutes 19 seconds West a distance of 125.00 feet to an iron monument located 35 feet north of the south line of said Section; thence North 89 degrees 41 minutes 05 seconds West, parallel with said south line, a distance of 122.92 feet to the point of beginning, subject to easements now of record in said county and state.

The Planning Commission considered the request at their December 1, 2015 meeting, and after holding a public hearing voted unanimously to recommend Council approval of the special use permit with the following conditions:

1. The applicant obtain the proper license(s) from the Minnesota Department of Health for the adult day care facility at this location;
2. The applicant properly screen any outdoor trash area in compliance with City Code;
3. The applicant complies with the off-street parking requirements outlined in City Code.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to approve the special use permit application - 2001 Nobles Street, contingent on the conditions as determined by the Planning Commission.

**SITE PREPARATION ASSISTANCE EXTENSION APPROVED - KD SLAYTON PROPERTIES, LLC**

KD Slayton Properties, LLC, was formally requesting an extension to an award of \$122,797.82 in Site Preparation Assistance funds that Council approved December 8, 2014 to commence construction of their proposed project at 1324 Ray Drive. Brad Chapulis, Director of Community/Economic Development, said shortly after Council had awarded the assistance, the company entered into a purchase agreement to sell the subject property, which fell through this November. The Company is now looking to move forward with its original plans to construct a strip mall. The Site Prep program requires that the owner/applicant must have a project ready to proceed immediately - City staff has used 12 months as the unofficial deadline for the commencement of an awarded project. Mr. Chapulis said it is staff's opinion that an extension is warranted but that it should be just long enough to allow the project to commence in the spring.

The motion was made by Council Member Nelson, seconded by Council Member Janssen and unanimously carried to approve the site preparation assistance extension for six months to June 30, 2016.

**FIRST READING PROPOSED ORDINANCE - CHANGE OF ZONE - 1720 BURLINGTON AVENUE**

Larry Davis and the American Reformed Church were seeking a change of zone for the property owned by the Church at 1720 Burlington Avenue from its current "R-1" - Single Family Detached Residential designation to "R-2" - One Family, Low Density Residential. If approved, Mr. Davis intends to develop the eastern portion of the subject property for residential development. The property is legally described as:

Lots 1 and 2, Block 2, Darling's Second Addition to the City of Worthington, Nobles County, Minnesota; the vacated unnamed north-south street in the plat of Darling's Second Addition to the City of Worthington, Nobles County, Minnesota, abutting Block 2 of said Darling's Second Addition; that part of the vacated Cecilee Street lying north of Lot 11, Block 1, Darling's First Addition, City of Worthington, Nobles County, Minnesota; and Lots 5, 6, 7, and 8, EXCEPT the easterly 20.00 feet of said Lots 5, 6, 7, and 8, Auditor's Plat of Part of the West Half of the Southwest Quarter of Section 13, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota.

The Planning Commission considered the request at their December 1, 2015 meeting, and after holding a public hearing, the Commission voted 4 to 1 to recommend Council approval of the proposed change of zone.

The motion was made by Council Member Harmon, seconded by Council Member Janssen and unanimously carried to give a first reading to the proposed ordinance that would change the property

located at 1720 Burlington Avenue from its current "R-1" designation to "R-2".

### **COMPREHENSIVE PLAN AMENDMENT APPROVED**

Based on direction from the Planning Commission and City Council, staff has been developing a Comprehensive Plan amendment to reflect the City's intentions to promote urban development in the area opened up by the relocation of US Hwy. 59/60. The City's Comprehensive Plan serves as the City's adopted official document which is intended to guide growth and development and include recommendations on the present and future welfare of the community, including transportation, open space, land use, etc. Brad Chapulis, Director of Community/Economic Development, said the annexation study strongly recommends the extension of the business park/business flex land use designation that is currently in place to the properties directly north of the subject area.

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to concur with the Planning Commission's recommendation and approve the amendment to the City's Comprehensive Plan.

### **2016 EVENT CENTER RENTAL FEE ADJUSTMENTS APPROVED**

Brad Chapulis, Director of Community/Economic Development, said Article 5.2.1 of the Worthington Event Center Management Agreement requires the Council to establish the fees for use of the facility after consultation with the Manager. The fees are to be competitive for use of facilities and services similar to those offered at the Event Center. According to information provided by the Management Team, they were able to show a positive net income of 5.7% for the first time in 2015. Mr. Chapulis said with expected increases in operating expenses in 2016, the Event Center management was seeking Council approval of new rental rates for 2016 based on the expectation of increased operating expenses. A comparable survey of like facilities was provided to Council that indicated the proposed 11% increase would still keep the Event Center fees comparable to other like facilities in the area.

Jackie Tentinger, Sales and Event Manager, was present at the meeting to discuss the proposed rate increase with Council, noting she was booking events into 2017 now and the prime three months for weddings in 2016 is completely booked, and were agreed to at the proposed rate for 2016. Occupancy rate for peak Saturdays is 100%, yearly, and maybe 70% non-peak. The increase will apply to events that are scheduled during the peak days. Ms. Tentinger said a marketing manager has been hired by the Hotel and will also market the Event Center non-peak times. The marketing manager's wages will be paid by the Hotel.

The motion was made by Council Member Nelson, seconded by Council Member Janssen and unanimously carried to approve the Event Center Rental Fee Adjustments as proposed.

## **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - Not a lot to report - he did receive a letter regarding openings on the Work Force Council for Southwest Minnesota, and he encourages someone from Council to apply.

Council Member Nelson - Attended a Joint Jurisdictional City/County meeting - the rendering plant had received some storm damage last spring and shut down- they are now going through the process of tearing it down and rebuilding it - they will eventually be getting into the pet food business, which will result in additional employees.

Council Member Graber - Planning Commission has been very active. She also attended the Cultural Corner event last Friday, encouraged other Council members to attend next year, it was a great event. At the Memorial Auditorium Board Advisory they talked about adding a new program for January - Michael Johnson. The Albs Concert was a huge success, well attended and well done. The Auditorium needs new seats and they know they can't rely on the City for funds - they are thinking about projects they can work toward in the spring - the seats are estimated to be \$350,000. The Board received a \$1,500 grant to improve the basement of the Auditorium with a costume room, etc., the Prairie Justice community service people will do the work.

Council Member Janssen - NEON met, they put their final draft together for the Legislative top priorities.

Council Member Harmon - Center for Active Living committee met - they had a little discrepancy regarding the Sr. Net Group Programming and will be meeting with Steve in the morning about it.

Council Member Sankey - Attended the NEON meeting - the Minnesota Public Broadband Alliance gave a presentation and is looking for members. They also received information from the Minnesota Association of Counties. The next NEON meeting is January 14<sup>th</sup> and it is open to anyone. The Okabena-Ocheda Bella Clean Water Partnership Board had a special meeting and reviewed the Best Management Practices for performance of the Analysis and Safety for the proposed work to be done out there to the creek. It is projected that the project will result in a 15% reduction in phosphorous going into the lake. It was also suggested that we start to set money aside for dredging the lake within the next 20 years.

## **CITY ADMINISTRATOR'S REPORT**

Steve Robinson, City Administrator, reported that Olson Park has had a very good year, year-to-date revenue is 30% over budget and expenditures only 8% over budget. He worked with Kathy Craun to finish the grant application for the Crailsheim bridge project and it was to be submitted today. Last week we interviewed police officer candidates on December 9<sup>th</sup> - we had a number of very good candidates and offers have been extended to two with the hope they will be working in early January. Regarding the County Road 57 annexation, which Council approved the change to the Comprehensive Plan, we are on our way to being ready to accommodate a petition request for annexation when that comes in - they are waiting for ownership transfer on some of the portions of land.



**ADJOURNMENT**

The motion was made by Council Member Sankey, seconded by Council Member Nelson and unanimously carried to adjourn the meeting at 8:41 p.m.

Janice Oberloh, MCMC  
City Clerk