

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING APRIL 27, 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, Larry Janssen, Mike Harmon, Rod Sankey and Diane Graber.

Staff present: Steve Robinson, City Administrator; Brad Chapulis, Director of Community/Economic Development; Dwayne Haffield, Director of Engineering; Mindy Eggers, Assistant City Clerk; Todd Wietzema, Interim Public Works Director.

Others present: Kristin Kirtz, Daily Globe; Justine Wettschreck, KWOA; Rebecca Kurtz, Ehlers & Associates; Ken Moser; Chad Cummings; Brian Pelowski; Tanya Duffy; Kevin Donovan; Abraham Algadi; Jose Euceda; Osmin Vasquez; Raul Godinez, Brian Standifer, Josh Miller, Jase Jaime Guardado.

The Pledge of Allegiance was recited.

**PUBLIC HEARING AND APPROVAL OF REDEVELOPMENT AND TAX INCREMENT  
FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT (TIF DISTRICT #16)**

Pursuant to published notice, this was the time and date set for a public hearing regarding the redevelopment and tax increment financing plan for tax increment financing district (TIF District #16)

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

Brad Chapulis, Community/Economic Development Director explained as Council is aware, there has been significant attention given to the continued deterioration of the Northland Mall property. While the City has and continues to seek legal action against the Mall ownership to have identified public nuisances properly abated, it also executed a term sheet with PBK Investments, identifying it as the sole/preferred developer for the redevelopment of the subject property. Based on the current status of both activities and having completed several exercises, it has become evident that financial assistance will be necessary to redevelop the subject property.

Mr. Chapulis stated that enclosed separately with the Council packet are copies of a proposed Tax Increment Financing (TIF) Plan and a proposed modification to the City's Redevelopment Plan that are related to the Northland Mall property and certain adjoining property. These documents were drafted by the City's financial advisors, Ehlers & Associates. The establishment of a TIF District allows the City to encourage the redevelopment of the subject property by leveraging the future tax base of the same to financially assist with TIF eligible expenditures. The District qualified as a redevelopment district, which allows a maximum of 26 years of tax increment. Based on the developer's proposed plan for the site and the maximum of 26 years of tax increment, there is a potential for approximately \$11,546,000 available for the eligible expenditures, including interest,

to assist with facilitating the redevelopment. These numbers are subject to change based on final development, tax rates and future changes to the TIF Law. It should be noted that approval of the TIF district does not obligate the City to anything at this point. Any and all obligations will be spelled out in a development agreement that will be forthcoming for Council consideration once the redevelopment plans are finalized. Staff is requesting that the Council/EDA establish the TIF district to assure that all eligible expenditures that may be incurred between now and the approval of a development agreement is eligible for reimbursement with future tax increment.

Should Council wish to allow the EDA to financially participate in the redevelopment of the subject property through the use of tax increment financing it must do the following:

1. Hold the public hearing scheduled; and
2. Pass the TIF Plan resolution.

Rebecca Kurtz from Ehlers and Associates provided a brief overview of the TIF plan. Ms. Kurtz explained Redevelopment Project area #5 and the establishment of TIF District #16. The modifications of redevelopment #5 would make the larger project area coterminous with the city limits providing some greater flexibility for this project and future development projects.

TIF District #16 will be a redevelopment district containing six parcels (Northland Mall site), a redevelopment district has a maximum term of 26 years, but does not obligate the city to that. The maximum budget is approximately \$11.5 million which is available for reimbursement for eligible expenditures that may be incurred during the term of project. As part of a TIF District it allows the City to recover administration costs related to the redevelopment up to 10% of it's costs related to the development.

Mayor Kuhle asked if there was anyone who wished to present testimony.

Brian Pelowski, PBK Investments explained that it will be two years in July since he first came to Worthington with the interest in the Northland Mall property. Mr. Pelowski stated this project is going to take some time, after the closing on May 18<sup>th</sup> he hopes that work can start to take place mid to late June. Mr. Pelowski thanked everyone involved and looks forward to moving ahead with this project.

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

The motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to approve the Redevelopment and Tax Increment Financing Plan for Tax Increment Financing District (TIF District #16).

**AGENDA APPROVED / CLOSED WITH ADDITION**

Staff requested the addition of item F.4. *Memorandum of Understanding (MOU): Interim Loan for Acquisition Costs Associated with Northland Mall* to the agenda.

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

**CONSENT AGENDA APPROVED**

Council Member Sankey requested a correction to the Regular City Council Meeting Minutes of April 13, 2015, under Members Present Todd Wietzema was incorrectly listed as the Interim Public Safety Director and should be the Interim Public Works Director. Council Member Sankey also requested the correction of the EDAU Meeting Minutes of April 13, 2015, under minutes approved it read that the EDAU Meeting Minutes of December 8, 2015 were approved and should be changed to the EDAU Meeting Minutes of December 8, 2014.

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to approve the consent agenda with the requested corrections.

- City Council Minutes of Regular Meeting, April 13, 2015; City Council Minutes of Special Meeting April 22, 2015
- Minutes of Boards and Commissions - Water & Light Commission Minutes of Regular Meeting April 6, 2015; Water & Light Commission Minutes of Regular Meeting April 20, 2015; Heron Lake Watershed Minutes of February 17, 2015; Worthington Housing and Redevelopment Authority Board Minutes of April 13, 2015
- Approved Application to Block Street - Worthington Okabena Windsurfers
- Approved Application for Temporary On-Sale Liquor License - Worthington Okabena Windsurfers
- Bills payable and totaling \$565,657.11 be ordered paid.

**APPROVED CONVEYANCE OF CERTAIN REAL ESTATE TO THE CITY OF WORTHINGTON ECONOMIC DEVELOPMENT**

Steve Robinson, City Administrator explained that Bedford Industries has expressed interest in acquiring the real estate that the City owns at 1551 Rowe Avenue (Parcel ID#s 31-3886-500 & 31-3886-750). The property is currently utilized by the Public Works Department and Worthington Public Utilities for the storage of various equipment/materials. The Company is looking to acquire this property and others to enlarge and improve their corporate campus. A sale of the property would require the City to construct replacement storage facilities at an undetermined location. The building

on the property is unheated and approximately 4,000 square feet in size. Both entities also use the site for outside material storage. Sale of the property may be conditional on the City having an option to lease back the facility/property for approximately one year.

Per the City's Property Disposal Policy, the City may only "dispose" of real property by public sale, directed sale, or conveyance to the Worthington Economic Development Authority (EDA) for economic development purposes. A copy of the Policy is provided. Since a directed sale would not be applicable in this particular case, the City would be allowed to dispose of the property by either of the remaining methods. With the property of the greatest and best use for the campus expansion of Bedford Industries, staff is of the opinion that conveyance to the EDA for economic development purposes would be the MOST appropriate method to "dispose" the subject property if Council was receptive to the sale of the subject property.

Discussion was held on a price that had been set and if the building could be moved and reused. Staff stated that a price has not been set at this time and has asked for one year to find another location.

The motion was made by Council Member Harmon, seconded by Council Member Sankey and unanimously carried to convey the subject real estate to the EDA.

### **NOMINATING COMMITTEE RECOMMENDATIONS**

The Nominating Committee met on Friday, April 24, 2015 to consider various vacancies on City Committees, and are making the following recommendations to City Council for appointment/reappointment:

Center for Active Living	Appoint Twyla Henning to replace Paula Ausham who declined to serve a second term - term to expire December 31, 2017
Public Arts Commission	Appoint Alice Hoffman to replace Kelly Henkels who resigned her seat, term to expire October 31, 2015
Park & Recreation Advisory Board	Reappoint Nick Raymo for a second term, which term will expire March 31, 2018  Reappoint Ken Jansen for a second term, which term will expire March 31, 2018

The motion was made by Council Member Sankey, seconded by Council Member Janssen and unanimously carried to approve the Nominating Committee recommendations for committee appointments/reappointments.

**MEMORANDUM OF UNDERSTANDING APPROVED - INTERIM LOAN FOR ACQUISITION COSTS ASSOCIATED WITH NORTHLAND MALL**

Steve Robinson, City Administrator explained that staff is requesting City Council to execute and to authorize the Mayor to execute a Memorandum of Understanding prepared by the City's legal counsel noting that the City intends to enter into an interim loan with PBK Investments for acquisition costs associated with the Northland Mall property. The loan shall not exceed \$1,200,000.00. The loan shall be issued upon agreement of terms including:

- Interest rate,
- Loan duration,
- Satisfactory annulment of all existing leases,
- Proof of executed purchase agreements, and
- Financial review of loan recipient.

The motion was made by Council Member Nelson, seconded by Council Member Harmon and unanimously carried to approve the Memorandum of Understanding (MOU): Interim Loan for Acquisition Costs Associated with the Northland Mall.

**MINNESOTA GENERAL RECORDS RETENTION SCHEDULE ADOPTED**

Steve Robinson, City Administrator stated in the past, the Worthington City Council adopted the Minnesota General Records Retention Schedule for the City's Public Safety Department. The schedule provides direction on which records may be destroyed and when, which records need to be retained, and for how long, and which records must be kept for historical purposes. The City overall has tried to follow the Minnesota General Records Retention Schedule even though it has not been formally adopted. Staff has requested that Council formally adopt the Minnesota General Records Retention Schedule for the remaining departments within the City of Worthington, which would include Worthington Public Utilities based on concurrence by the Water and Light Commission at a future meeting. Once adopted, the signed Notification of Adoption of City General Records Retention Schedule form will be sent to the Minnesota Historical Society for their approval.

The motion was made by Council Member Graber, seconded by Council Member Sankey and unanimously carried to adopt the Minnesota General Records Retention Schedule.

**WORTHINGTON AIRPORT FIXED BASED OPERATOR AGREEMENT APPROVED**

Todd Wietzema, Interim Public Works Director stated since 2005, the City of Worthington has engaged Integrity Aviation, Inc., a division of Prairie Holdings Group, as their fixed base operator (FBO). The current five year agreement expires on May 24, 2015. In exchange for their services, Worthington currently compensates Integrity Aviation \$1995.00/month.

The Airport Advisory Board has reviewed the attached agreement and recommends that the City enter into a new five year agreement with Integrity. The proposed FBO compensation will be increased 3% per year during the length of the agreement (\$2,055.00/month beginning in year one of the new agreement).

The City will receive from Integrity Aviation \$435.00/month for use of the Maintenance Hangar (Buildings #2 and #3) and Fuel Flowage of \$0.07/gallon. Integrity receives use of the house at no charge.

The motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to approve the Worthington Airport Fixed Base Operator Agreement as presented.

#### **WORTHINGTON SOCCER LEAGUE AGREEMENT APPROVED**

Todd Weitzema, Interim Public Works Director explained that City staff met with executive members of the Worthington Soccer League (WSL) on April 14, 2015 in which we were informed of their intent to continue with the adult soccer league for the 2015 season. The Park and Recreation Advisory Board, in anticipation of the league's request, met on March 31, 2015 and recommended the annual fee for the league remain at the 2014 level of \$2,100.00.

Under the agreement, WSL may utilize the outdoor soccer fields at the Buss Athletic Field for the purpose of playing organized soccer games and team practice for the period beginning now through the last day of October. The WSL shall also be allowed to use the restroom facilities at Buss Field.

The motion was made by Council Member Nelson, seconded by Council Member Harmon and unanimously carried to approve the Worthington Soccer League Agreement

#### **PRIVATE DOCK ON PUBLIC RIGHT-OF-WAY APPLICATION APPROVED**

Todd Wietzema, Interim Public Works Director explained that the City received a request from Brian Standafer, 713 May Street, to place a private dock on the May Street right-of-way as it extends into Lake Okabena.

At the January 12, 2015 Council meeting, Council set the maximum number of private docks on public property at nine. All nine permits have been issued. It has been the practice, although there is no written policy, that permit holders live directly across the street from the public property on which the docks were placed.

A similar request was denied at the June 9, 2014 council meeting. Reasons for denial included:

- 713 May Street is not across the street from the lake.
- All of the private docks on City property are either on City Park Land or small City-owned parcels. None are on City owned right-of-way.
- Concerns were raised regarding setting precedent in allowing a private dock within a roadway right-of-way.

Mayor Kuhle stated he has never been in favor of setting a maximum number of permits every year and feels that it has never been a problem. Council Member Harmon stated that in the past there were docks allowed on May Street and years ago the homeowner lived down the street on Lake Avenue. The applicant has offered to take care of the mowing of the 30x30 city owned property in the area that the dock would be placed. Council Member Nelson stated he does not feel comfortable with changing the previous agreement of nine docks to ten. Council Member Graber also agreed that by changing the number to ten docks would break the City's own rule and shows no consistency and allows for more requests to come forth. Council Member Sankey also agrees that changing the number of docks allowed shows no consistency and asked where the city should draw the line. Council Member Harmon stated that this dock was in the lake a year ago on private property and unfortunately became an insurance issue.

Council Member Graber asked if there were any concerns about safety issues. Steve Robinson, City Administrator stated that there would be no greater risk than any other area. Council Member Graber stated that council is dealing with two issues one being the number of docks, and two allowing a dock in the public right of way. Mayor Kuhle stated that council can act on the dock approval and revisit the dock policy and number of docks allowed at a future meeting.

The motion was made by Council Member Graber, seconded by Council Member Harmon and carried to approve the dock application and revisit the dock policy and the number of docks allowed at a future meeting. Council Members Janssen, Graber, and Harmon voted in favor of the motion with Council Members Nelson and Sankey voting against the same motion. Motion carried.

### **2015 FIREWORKS DISPLAY CONTRACT**

Todd Wietzema stated that representatives of RadioWorks have requested that the City move the annual 4<sup>th</sup> of July fireworks display to Friday July 3<sup>rd</sup> so as to be performed in conjunction with a

fund-raising event with proceeds to be donated to the Lake Okabena Improvement Association. City staff has contacted our fireworks contractor and received notification that they can accommodate either July 3 or 4. City staff has not yet executed the agreement with Lew's Fireworks of Watertown, SD awaiting a final decision on the date. Council is requested to consider moving the 4<sup>th</sup> of July fireworks display to July 3, 2015.

Chad Cummings, Radio Works explained that moving the fireworks from the fourth of July to the third was a request put forward to coordinate with the fund-raising event that they are planning for July 3<sup>rd</sup>. Mr. Cummings stated that Radio Works plans to move forward with the fund-raiser regardless of the decision concerning the fireworks and money has already been donated towards a fireworks display for the finale of the event on July 3<sup>rd</sup>.

Discussion was held on the pros and cons of moving the fireworks, as Council has received many emails from community members concerning the movement of the fireworks.

Mr. Cummings stated that Radio Works met with the Todd Wietzema, Interim Public Works Director and Troy Appel, Public Safety Director about traffic flow and road closure at the Ehlers Park venue and it was favorable concerning traffic flow and safety issues. Mayor Kuhle encouraged staff to look at moving the fireworks from Centennial Park to Ehlers Park so that the largest City park could remain open as well as the Beach Nook on the July 4<sup>th</sup> holiday.

Mayor Kuhle and Council Members thanked Radio Works for coming forward with this event to raise money for the Lake Association to help aid in lake improvement efforts.

A motion was made by Council Member Janssen to move the fireworks to July 3<sup>rd</sup>, motion died for lack of a second.

A motion was made by Council Member Sankey, seconded by Council Member Graber and unanimously carried to keep the fireworks on July 4<sup>th</sup>. Council Members voting in favor were Graber, Sankey, Nelson, and Harmon. Voting against the same motion was Council Member Janssen. Motion carried.

Mr. Cummings asked what the procedure would be to move forward with fireworks on July 3<sup>rd</sup> from Ehlers Park as the finale to their fund-raising event. Steve Robinson, City Administrator stated that staff could work with them as it is a permit issue.

**RESOLUTION NO. 3588 ADOPTED APPROVING IMPROVEMENT OF GRAND AVENUE- DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT**

Dwayne Haffield, Director of Engineering, stated that this item has three components. The first item

is a petition for improvement for the extension of Grand Avenue from the current end of the pavement (about 200 feet) north of Oxford Street to the north line of the South Half of the Southwest Quarter of Section 13. This extension of approximately 1,050 feet was, in part, petitioned for to accommodate multi-family residential development proposed by the Southwest Minnesota Housing Partnership. The petition also includes representation of property on the east side of an extension of Grand Avenue immediately north of the current end of the street pavement. This property owner desires the extension for potential development of that property. The petition does represent 41% of the frontage abutting the improvement as petitioned for and therefore the petition is adequate as defined in the provisions of state statutes pertaining to special assessment for public improvements.

The second item is complete streets/sidewalk considerations, whereas the proposed street extension would be considered a minor collector, City improvement standards would require installation of sidewalks on each side of the street. The complete streets policy adopted by Council on March 25, 2013 further requires that consideration be given to all forms of transportation when undertaking street projects. At a minimum, consideration of sidewalk installation should be integrated into the process of advancing the street extension project. Typically, installation of sidewalks might be considered part of a street improvement and included in the description of the improvement. Whereas no sidewalk is located on either side of Grand Avenue from Oxford Street to its current northerly end (approximately 200 feet), it is proposed that sidewalk installation be considered as a related improvement project commencing at Oxford Street and ending at the northerly termini of the street extension.

The third item is the improvement considered in 2014. The improvement petitioned for at this time was also petitioned for last year however last year's petition did not include representation of enough properties to be declared adequate. The improvement as petitioned for does not result in the extension of Grand Avenue to Darling Drive. The project as petitioned for was expanded by Council to be an extension to Darling Drive. The expanded improvement was advanced to a hearing last year. The improvement of Grand Avenue from Oxford Street to either termini (as petitioned for or to Darling Drive) by installation of sidewalks was concurrently advanced to hearing. The hearing process ultimately included receiving bids for either improvement length with concrete or bituminous surfacing options. The improvement was not ordered ahead. The improvement process initiated in 2014 has been terminated by time limitations.

Mr. Haffield explained in order to minimize conflicts between construction of the residential development and street construction, the Southwest Minnesota Housing Partnership requested last year that the street improvement be advanced in 2014 although the petition was not received until June 2, 2014. In order to grant the Southwest Minnesota Housing Partnership's request, the City entered into an agreement with I & S Group for services needed for assistance in development of the feasibility report and for development of plans and specifications. I & S Group is the consultant working with the Southwest Minnesota Housing Partnership on the housing project and was available to commit to the project.

Whereas the street improvement is being initiated late relative to the potential start date for the housing project, staff is committed to continue with developing projects currently being developed, and I & S Group has already completed much of the work needed to advance the improvement petitioned for, staff recommends that I & S Group be contracted with for the necessary professional services. The proposal accounts for two project length options and two pavement types. The consulting fees of \$11,000 or \$12,300, depending on project length, would be part of the project costs and included in the funding proposed for the project which is anticipated to be bonding with revenue from special assessment and special levy utilized for making bond payments.

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

RESOLUTION NO. 3588

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

(Refer to Resolution File for complete copy of Resolution)

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to adopt the following resolution ordering preparation of feasibility report on proposed improvement:

RESOLUTION NO. 3589

ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to accept the proposal from I & S Group and authorize execution of an agreement reflecting the services required for the street improvement petitioned for and the corresponding sidewalk construction subject to the City Attorney's approval of the contract.

**APPROVED GRAND AVENUE/CECILEE STREET EXTENSION TRAFFIC STUDY**

Dwayne Haffield, Director of Engineering explained at its October 13, 2014 meeting Council authorized a study to project potential traffic impacts on Darling Drive and the TH 59 (North Humiston Avenue) frontage road and its access to TH 59 as a result of future Grand Avenue and Cecilee Street extensions. The study was to also recommend any improvements that might be needed

to mitigate any projected detrimental impacts. The firm of SEH completed the study earlier this year. In summary, the report finds that “The extension of Grand Avenue and the future development in that area can be adequately accommodated with the existing roadway geometries and intersection control”. The report did note certain alterations in the vicinity of the Ryan’s Road and east TH 59 frontage road that could improve function at that intersection. These

changes are to locate the driveways at and immediately south of the intersection further from the intersection. Staff did discuss the report with a representative of the car dealership located at the intersection and introduced the topic with the property owner immediately south of the dealership. The dealership indicated that they are receptive to considering the recommendations in any site changes they may make. The party to the south has not responded to the request to meet. Whereas the report does not find it essential to make changes at the intersection and alternative measures are available in the future if needed, staff is presenting the report to Council at this time without continuing to pursue further discussion with the property owner south of the dealership.

The motion was made by Council Member Graber, seconded by Council Member Sankey and unanimously carried to accept the report for use as an aid in any future planning and design it may apply to.

**RESOLUTION NO. 3590 ADOPTED APPROVING ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT**

Dwayne Haffield, Director of Engineering, explained that Exhibit 3 is a resolution ordering preparation of a report on the proposed street improvements (street reconstruction) described as:

Improving the following described streets by regrading, base reconstruction, resurfacing, and necessary curb and gutter reconstruction:

Schaap Drive - 1st Avenue Southwest to 1st Avenue Southwest

Darling Drive - 186 feet east of the center line of North Burlington Avenue to Grand Avenue extended

Hagge Street - Tower Street to Diagonal Road

The improvements are reconstruction projects proposed to be assessed to abutting owners. Upon receipt of the reports, Council will be requested to order a hearing on the proposed improvements.

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

RESOLUTION NO. 3590

ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

**APPROVED SALE OF A PORTION OF OUTLOT A, WORTHINGTON BIOSCIENCE INDUSTRIAL PARK**

Brad Chapulis, Director of Community/Economic Development explained that Prairie Holdings Group Real Estate, LLC has expressed interest in acquiring the portion of Outlot A in the Worthington Bioscience Industrial Park. Mr. Chapulis noted that although Outlot A was originally intended to remain in public ownership as the site for regional storm water basin, a currently unused portion of the Outlot was offered to another company last summer for their office complex. PHG is concerned that an above grade use such as a building in that portion of the Outlot would threaten their visual presence along HWY 59. To protect this interest and to create an attractive entrance onto their corporate campus, the company would like to acquire the 97,574 square feet of land for \$14,636.10, or \$.15 a square foot. While other methods of preventing a change in use of the site (easement, etc...) were discussed with the company, it has indicated its preference would be to acquire the subject property. If successful in acquiring the property, PHG intends to construct a monument sign along Hwy 59, relocate its windmill onto the subject property and create a landscape feature.

Mr. Chapulis noted should Council be interested in selling this portion of Outlot A to PHG, staff would suggest Council consider the following:

1. Sales price - Council must either accept the offer of \$.15 a square foot or present a counter offer. It should be noted that the City sold 4.76 acres immediately north of the Park to PHG last year for \$.20 a square foot.
2. Require compliance with FAA requirements. The PHG would need to agree that all improvements on the subject property will comply with recommendations of the Federal Aviation Administration Advisory Circular 150/5200-33B to prevent attraction of wildlife that may be hazardous to air navigation.
3. Creation of new easements and maintenance of the current ones. A sale should be subject to the maintenance of the current easements on site as well as the issuance of new ones that are necessary to protect the current public utilities along the south property line and for maintenance of the storm water system.
4. Inclusion of Re-Acquisition provision. With the sale being fairly favorable to PHG, the City should preserve the right to re-acquire property at the same price should the City need to acquire any or all of it for storm water management purposes in the future.

The motion was made by Council Member Graber, seconded by Council Member Harmon to

approve the sale of a portion of Outlot A, in the Worthington Bio Science Industrial Park for 15 cents per square foot. Council Member Sankey stated that he feels the price of 15 cents per square foot is below the City's cost and would like to amend the motion and raise the amount to 30 cents per square foot. Mayor Kuhle noted that the land was originally paid for by the state.

Council Member Sankey stated he had not taken that into consideration and would like to withdraw his amendment to the motion of 30 cents per square foot. The motion was unanimously carried to approve the sale of Outlot A, in the Worthington Bio Science Industrial Park for 15 cents per square foot.

### **APPROVED DECLARATION OF A VEHICLE AS EXCESS PROPERTY AND AUTHORIZING FOR DISPOSAL**

Brad Chapulis, Director of Community/Economic Development explained the 2015 budget for the Community Development Department includes the purchase of a new vehicle for the Building Official. With the acquisition of the new vehicle, the plan was to keep the existing vehicle (2001 Chevy Malibu - 104,000 miles) for the Rental Housing Inspector's use until 2017 when there would be enough in the ERS to purchase a new one.

Uncertain that the Malibu would remain a reliable vehicle over the next 2 ½ years without significant investment (spent \$1,667 in the past 7 months), staff began to look at various options. The Water and Light Commission recently declared a 2002 Ford Ranger as surplus property. This vehicle has low miles and has been well maintained. Staff is intending to acquire the vehicle from Public Utilities for \$4,500 utilizing the proceeds of the sale of the Malibu, the remaining ERS after the other vehicle purchase, and department budget, if necessary. Staff is requesting Council to declare the 2001 Malibu as excess property and authorize it to be sold per City policy.

The motion was made by Council Member Janssen, seconded by Council Member Nelson and unanimously carried to declare the vehicle as excess property and authorize disposal per city policy.

### **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - Due to time will defer his report to next month.

Council Member Nelson - The Housing and Redevelopment Authority continue to move forward on the housing project, Highland Homes has manufactured the last unit, have run into one snag as the crane company will not be able to be in Worthington until May 17<sup>th</sup>, looking at mid June to start renting out the units and have 22-23 individuals interested, three of the buildings will be done the first week in May. Attended the Community Prayer Breakfast as Mayor Pro Tem, great presentation by Paul Ten Haken of Click Rain, who was originally from Worthington and started his company in Sioux Falls, SD, he spoke that his companies theory is faith, family, work, very inspiring.

Council Member Graber - Attended Arbor Day Program at MN West and read the proclamation, 250 trees are being planted within the City to replace the trees affected by the ice storm, attended the Prairie View Long Range Planning Committee meeting, came up with several options for the golf course but need to wait to get the results of the Wenck water study, attended the Joint Transit Powers Board and reviewed the transit operations for Nobles, Rock, Pipestone, and Murray counties and the Buffalo Ridge and Prairieland Transit and the good use of the Worthington Taxis, attended an Evaluating Arts Conference, attended the Public Arts Commission meeting and discussed the proposed Crailsheim bridge and how we wanted it to look, along with money options for training and sculptures, attended a conference on land training and making solid decisions and not getting hung up on setting precedence when it comes to permits, attended the Memorial Auditorium Advisory Board meeting the finances are on budget for the year and have been receiving positive feedback on the entertainment, etc., Branson On the Road will be here May 2<sup>nd</sup>, the rigging will be done soon and for information purposes the chairs will also have to be dealt with as there are many that are bent and broken.

Council Member Janssen - Attended Joint Powers Transit Board meeting, very lucky to have the transit system in our area.

Council Member Harmon - Attended the Golf Advisory Board meeting, elected Paul Hoffman as chairman, welcomed new members Ken Moser and Ryan McGaughey, went over financials, heard updates from Marty Vande More, Dakota Golf and Kevin Black, the course came through winter very well, staff has started to install foot golf holes which are located in the rough. Kevin gave members a flyer on foot golf and reported they held an introduction seminar demonstration on April 25<sup>th</sup> for foot golf, so far the golf budget is looking good due to the nice weather and the course being able to open on March 11<sup>th</sup>, attended the Water & Light Commission meeting, the wells are down 3 feet plus discussed the Stage 1, 2, 3 Policy, fiber optics have been run to all the wells and are still working on getting it to the office so that wells and pumps can be controlled from the office location, received a Certificate of Accommodation from MN Pollution Control Agency, discussed involvement in Bio Science Conference, the Missouri River Annual Meeting will be held on May 6<sup>th</sup> and 7<sup>th</sup>, attended the Prairie View Long Range Planning Committee meeting and compared the deficits of the auditorium and Center for Active Living to Prairie View Golf Links.

Council Member Sankey - did not have any city meetings but attended a Broadband sub-committee meeting working with a wireless network company on cost there will be another meeting on May 4<sup>th</sup>.

### **CITY ADMINISTRATOR REPORT**

Steve Robinson, City Administrator, reported that the Chautauqua Park Bandshell will be considered by the State Review Board to be named to the national registry of historical places, we

will be hosting the Chamber of Commerce Membership Mixer on Monday, May 4<sup>th</sup> at the Airport from 4:30 - 6:30 p.m., last week met with the High School Dynamic 407 group which is part of the Integration Collaborative, lively session.

**CLOSED SESSION UNDER MS § 13D.05, SUBD. 3 (B) - ATTORNEY CLIENT PRIVILEGE  
- MEET WITH SPECIAL COUNSEL, TO DISCUSS SCHEDULED MEDIATION**

Mayor Kuhle stated Council would be going into closed session under MS § 13D.05, Subd. 3 (B) - Attorney Client Privilege to discuss scheduled mediation.

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to close the meeting at 8:50 p.m.

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to re-open the meeting at 9:04 p.m.

The motion was made by Council Member Nelson, seconded by Council Member Sankey and unanimously carried to settle with the landowner for \$230,000.00.

**ADJOURNMENT**

The motion was made by Council Member Janssen, seconded by Council Member Sankey and unanimously carried to adjourn the meeting at 9:07 p.m.

Mindy L. Eggers, MCMC  
Assistant City Clerk

