

**WORTHINGTON CITY COUNCIL/NOBLES COUNTY COMMISSION
SPECIAL JOINT MEETING - WORK SESSION, NOVEMBER 30, 2016**

The meeting was called to order at 12:00 noon in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Scott Nelson, Diane Graber, Mike Harmon, Rod Sankey. Larry Janssen arrived at 12:10 p.m.

The meeting was called to order at 12:00 noon by Chair Gene Metz in City Hall Council Chambers with the following County Commissioners present: Marv Zylstra, Don Linssen, Robert Demuth, Jr., Matt Widboom.

City Staff present: Steve Robinson, City Administrator; Troy Appel, Public Safety Director; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk.

Nobles County Staff present: Tom Johnson, County Administrator; Sue Luing, Deputy County Administrator.

Others present: Council Elects Chad Cummings, Amy Ernst, Alan Oberloh (12:05 p.m.); Nobles County Commission Elect Justin Ahlers; Justine Wettschreck, KWOA; Karl Evers-Hillstrom: Daily Globe.

CITY COUNCIL / NOBLES COUNTY COMMISSION DISCUSSION ITEMS

County Bonds

State Aid Road Bond - Nobles County Administrator Tom Johnson said the County has ordered the issue of \$10 million worth of road bonds for state-aid roads. There will be no impact to the levy as the bond is completely paid by the State. They can do about 70 miles of state-aid highway resurfacing with the bond. None of the roads are within Worthington. The time frame for completion is to be less than five years, but the County has targeted the projects to be completed next year.

CIP Bond - PJC Garage Addition, Law Enforcement Access Road, Roof, Chiller, Building Improvements - Steve Robinson, City Administrator, distributed a drawing of the recommended addition to the Prairie Justice Center as adopted by the Joint Powers Committee, to be brought back to the County and City Boards. The current garage had been reduced in size when the facility was built as a cost saving measure, and can hold six vehicles. The new garage will have 18 spaces and the existing garage will become storage. They are also recommending some site improvements including a dedicated driveway for Police and emergency vehicles. Three options for cost estimates were considered by the Committee, which settled on what was referred to as Option 2A at \$1,265,000 total project cost. This would be part of the County's building bond. The City pays \$195,000 annually to the County for the current bond, which will be retired in 2022. The proposal to the County is that the City's portion of the construction costs would not be paid until our portion of the bond is retired - then we would continue budgeting and making those payments of

approximately \$195,000 in the future to pay for our portion so we're not increasing any immediate tax levy on the City's part - it would come out of our existing budget level. Payments would continue for less than five years. This project does not include the dedicated road, which is estimated to be an additional \$55,000.

County Administrator Tom Johnson said the roof of the structure has failed after only 15 years, and the company that installed it is no longer in business. The installation was obviously sub-standard - they've found seams without glue and it is continually being patched. The City's lease says we're obligated for 12.89% of the costs based on usage of space. Council Member Janssen suggested that they contact the Attorney General's office regarding the failed work of the installer. Mr. Johnson said he would follow up on that. Estimate for the roof repair is \$1.5 - \$2 million.

Government Center Tenth Street Landscape - Tom Johnson reported that the landscaping on Tenth Street in front of the County facility has a number of issues, including that it does not meet ADA requirements any longer. A handout was distributed of their proposed project - Mr. Johnson stated he is providing the information to the City because of its investment in Tenth Street.

Liquor Store Plan - The City has a purchase agreement in place for the Dollar Store on Ryan's Road that expires December 16th. The plan/design for moving the Municipal Liquor Store to that location will go before Council at their December 12, 2016 meeting. The plans do not include taking down the existing structure at that location. The current Liquor Store space will be used by the Public Works or Public Utilities Department.

Economic Development / Housing Update - The North Development Group out of Illinois is proposing to build a 72 unit market rate housing project in Worthington and has applied for an \$865,000 grant from DEED - the application is still being reviewed. MN West put out a request for proposals for on-campus housing that would provide 105 to 120 beds for students. They've received 2 proposals - the deadline for submission is tomorrow. The Nobles Home Initiative program is scheduled to end towards the end of 2017 - the County will look at the program in a year. Spec home building in the community has increased, and the Southwest Minnesota Housing Partnership is constructing a 40 unit project on Grand Avenue.

Oxford / Diagonal Intersection Plan - Tom Johnson said the first step will be a traffic study - and that proposal will come before the Board at the next meeting. Both culverts that run beneath the intersection are in the 70 years old range, and a portion of one of them collapsed two years ago and was replaced so the intersection will need to be torn up at some point. Best case is probably a 3-5 year process. The concept for the intersection is a round-about as they slow traffic and are safer for pedestrians.

Administrators' Updates -

Tom Johnson - The Budget Committee at the County arrived at a figure that they shared with the Board this morning that will go to the public for a hearing next Thursday evening - a levy increase of 2.98%. There were a lot of concerns going into this budget this year and their goal was to be under 3%. In response to a question from Mayor Kuhle, Mr. Johnson said they do not yet have a figure for the increased taxable property in the County and how their increase would apply.

Steve Robinson - The soccer fields were completed within the last month - 50,000 yards of soil and 10 acres of sod were incorporated. The sod experts said the roots will grow through the winter, and it is hopeful the fields will be ready for play by early next summer. Nobles County Health has applied for a \$50,000 grant to be used for equipment at the soccer fields - the grant is still under consideration.

Legislative priorities include requesting stand alone legislation to be brought forward in the first few weeks of the session for the Lewis and Clark project- the Phase II project that moved it from Magnolia to Adrian limited funding geographically to Adrian, and it came in significantly under budget. Part of the bonding bill last year that did not get passed lifted that restriction - so we're asking for a stand alone bill that would lift that geographic restriction and allow use of the remaining funds from Phase II immediately. Also, the City's current local option sales tax was originally permitted for 10 years or until collections of \$6.3 million were reached. Projections are that the \$6.3 million in collections will be reached approximately 20 months before the 10 years time frame. We will ask that it be extended for the full 10 years, which will raise an additional \$1.2 million approximately, which could be used for Council directed projects. We will also be working on LGA with the target to have it restored to the 2002 level - an additional \$20 million. LGA is 47% of the City's total budget.

Tom Johnson added the County program aid very similar in that it's gone down since 2005 and they are trying to get some stability there as well.

ADJOURNMENT

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to adjourn the meeting at 1:00 p.m.

Wgtn. City Council/Nobles County Commission
Special Joint Meeting - Work Session
November 30, 2016
Page 4

City Clerk