

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING, SEPTEMBER 1, 2010**

The meeting was called to order at 6:30 a.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Aldermen present: Mike Woll, Lyle Ten Haken, Mike Kuhle, Scott Nelson, Ron Wood and Honorary Council Member, Bob Tims.

Staff Present: Craig Clark, City Administrator; Brian Kolander, Finance Director, Jim Laffrenzen, Public Works Director, Scott Rosenberg, Parks Department (6:50 a.m.), and Mindy Eggers, Assistant City Clerk.

Others Present: Peter Abelein, Munich, Germany and Laura Grevas, Daily Globe.(6:36 a.m.)

BUDGET DISCUSSION

Brian Kolander stated that the new handout included the corrected ERS amount for Prairie View Golf Links and the addition of the CWP reserves.

PUBLIC WORKS

Jim Laffrenzen, Public Works Director, distributed information regarding his 2011 budget operating costs comparisons. Mr. Laffrenzen presented each line item and explained the changes for the increase or decrease. Mr. Laffrenzen noted that he is working with Eric Joens, Schaap Sanitation on a new approach to the spring clean-up that would help keep people from bringing things into the city to get rid of it. That was the main factor in the increase of this budget item.

Mr. Laffrenzen explained that a new wing will be needed for the motor grader and a new V-plow will also need to be replaced, these two expenses will be taken from the reserves. A motion was made by Mike Woll, seconded by Lyle Ten Haken and unanimously approved to replace the wing for the motor grader and the v-plow.

The replacement of the play equipment at the Orchard Knoll Park will also come out of reserves but will be discussed further at the next Park & Recreation Board Meeting.

Mr. Laffrenzen explained that the two city owned tennis courts were scheduled for seal/color coat for this year (2010), however after having two companies inspect the courts along with talking to a third company, all three advised staff due to the cracking of the courts, it would not be cost effective to do the work as the cracks would reflect through within a year. A future decision will need to be made on to either reconstruct the existing courts or build new at different locations.

Discussion was held on the 6 unit "T" hangar construction. Mr. Laffrenzen stated that the engineers estimate based upon an early spring bid request is \$642,000.00. Mr. Laffrenzen noted that this is only an estimate as the actual cost would depend on the actual bids received. Breakdowns were shown for the City of Luverne hangar project and also the City of Rushford hangar project. Each of the bids received for those projects were under the engineer's estimate. The breakdown of

construction for our project is as follows:

50% Matching state grant	\$107,481.78
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Matching state grant includes all costs associated with the project except the pre-fabricated hangar and footings along with mobilization costs attributed to the construction of the hangar.

80% Hangar Loan Program	\$341,629.14—payable over a 10 year period 0% interest rate
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City share cost - 20% for hangar-matching grant	<u>\$192,889.08</u> up front cost
Total Project Estimate	\$642,000.00

Discussion was held on the proposed project and the positive impact that the project could have on the city, since it would be economic development. There was also concern on the project as to how long it would take for the project to pay off.

A motion was made by Ron Wood, seconded by Mike Woll, to approve the project using hospital impact dollars at the amount that was already approved with the stipulation that the revenue from this project would be put into a dedicated fund for the airport for future projects. The motion was approved with yes votes from Ron Wood, Scott Nelson, Mike Woll, and Mike Kuhle. Lyle Ten Haken voted no. Motion passed.

ADJOURNMENT

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adjourn the meeting at 8:10 a.m.

Mindy Eggers
Assistant City Clerk