

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING, NOVEMBER 6, 2017**

The meeting was called to order at 7:00 a.m. in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Larry Janssen, Alan Oberloh, Chad Cummings, Amy Ernst, Mike Harmon.

Staff present: Steve Robinson, City Administrator; Brian Kolander, Finance Director; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk; Dwayne Haffield, Director of Engineering (8:07 a.m.); Dan Wycoff, Liquor Store Manager (8:08 a.m.).

Others present: none.

REQUEST FOR STREET CLOSURE FOR 2017 HOLIDAY PARADE APPROVED

The Retail Committee of the Worthington Area Chamber of Commerce submitted an application for a parade permit/street closure from 2:00 p.m. to 8:00 p.m. on Friday, November 10, 2017 for the 2017 Holiday Parade. The request was for the following closures:

- 1st Avenue from 10th Street to 11th Street
- 10th Street from 1st Avenue to 6th Avenue
- 3rd Avenue from 10th Street to Park Lane and bank drive-thru
- 4th Avenue from 10th Street to Park Lane and Panda House

Matt Kennedy and Robyn Moser were designated as safety officers for the event, and a \$1,000,000 liability insurance policy naming the City of Worthington as additional insured will be provided.

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to approve the parade permit/street closures as requested.

2018 BUDGET DISCUSSION

Liquor Store Budget - Staff noted the estimated 2018 revenues reflected a 10.77% increase over 2017, based on the estimated completion date of the new liquor store project. The target date is May or June, but could go into July. The contribution to the general fund from the liquor store fund will be kept at the current level of \$225,000 until the debt is paid off. Debt service for the first year, which is 2017, is \$89,847. Total debt service is scheduled to be paid off 10 years after December of 2016, however, in response to a question from Council Member Oberloh, Steve Robinson, City Administrator, noted it is the intent to pay it off as soon as possible. Dan Wycoff, Liquor Store Manager, said he was conservative with the numbers when he put them together. Labor for moving the stock will be supplied largely by City employees.

Street Lighting Budget - Dwayne Haffield, Director of Engineering, said there are two expense items under the street lighting budget - purchased power and the transfer to utilities. The transfer covers the installation of street lights and their maintenance. Because of the increasing use of LED lights, they are projecting a 15% decrease in usage, which is a conservative number, and which could result

in a decreased transfer in the future. Council Member Oberloh asked if, instead of going with a decrease, couldn't we go with a flat rate fee, or keep the rate at the same level as now and use it to fund installation of lighting in Centennial and Olson Parks by the paths - or ask utilities to pay for it. Mr. Haffield said it would be Council's call - the 15% is a conservative number and will still build up a reserve. Steve Robinson, City Administrator, asked if anything in our ordinances would prevent using the funds for a non-street purpose. Mr. Haffield will look in to it. The estimate for lighting both of those trails was \$65,000 for the equipment.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to keep the rate the same as last year and designate it to Olson Park and Centennial Park Trails through capital reserves, if allowed by ordinance.

Storm Water Budget - Mr. Haffield said there was no real shakeup in this budget. The proposed budget for the County Ditch 12 mitigation is showing a 6% increase, which will get us half way to where we need to be to bond - we could justify even more of an increase. The funds could be used for other projects if we aren't awarded the grant. We have solicited for legal services for eminent domain if needed. Street sweeping expenses were down following renegotiation of the contract. Staff will be bringing a proposed ordinance forward at the next Council meeting for the storm water rate. Mr. Haffield noted that storm water is the only rate adjusted by ordinance, all others are set by resolution, and perhaps at some point Council may want to change that.

Other Budget Discussions - Brian Kolander, Finance Director, reviewed a list of changes made since Council set the pre-certification number at 8.78% increase over last year. The changes as noted would result in an increase of 7.77% over 2017.

Additional budget considerations now were:

- We were notified by the State Inspector in September that the Memorial Auditorium Boiler requires inspection by a certified boiler inspector whenever there is someone in the building, which is 7 days a week. Several options were discussed including use of the HRA's certified boiler, contracting with someone else, have a staff person be licensed, or use of a monitoring system if that would satisfy the state. It was decided that contracting would be the best way to go.

Council inquired if Tammy Makram, Auditorium Manager, had been made full time yet with the addition of showing movies at the Auditorium. Staff responded no, but it had been looked at, it would be an additional \$12,000 plus insurance costs to the budget. Council consensus was to make her full time.

- Civic promotions currently:
 - 1) KTD (\$1,500) plus in-kind services of \$500 to \$1,000
 - 2) International Festival - \$0.00 but in-kind services estimated at \$500
 - 3) Regatta (\$1,000) plus in-kind services

Following discussion, consensus was to increase the KTD donation to \$3,500 and not request money back from them for the Mayor's Brunch but put that in the Mayor's budget, provide a donation of \$1,000 to the International Festival, increase the donation to the Regatta to \$2,000. All of the festivals would have use of the pavilion when built. Staff reminded Council that the City can't pay for liquor. It was also suggested that perhaps a donation could be made to the Chamber of Commerce.

- The Public Works Warehouse Roof needs replacement - Public Works 1/3 (\$50,000) and WPU 2/3 (\$100,000) - Public Works if funded with reserves - no impact to levy

Council Member Oberloh also suggested that the City pay for 1/3 of the repair of the road that goes into the fairgrounds, as was in the paper. Council and staff discussed the suggestion and decided that as it would be a County project, it would be preferred that someone else fund it up front and then the City could pay back 1/3 over three years. Mr. Robinson suggested that the 1/3 be up to \$100,000. Brian Kolander noted that if we did the 1/3 for road it would take the levy precertification increase back up to where it was set by Council, so it could be done. Mr. Robinson and Council Member Cummings will meet with the County.

Discussion was held on a request from the Cemetery Association for City funding as they are out of money. They have a fund but can only use the interest. State statute would allow them to default ownership to the County, and potentially the City. Mr. Robinson will work with County Administrator Tom Johnson to pursue the option of looking into the ability of prisoners to perform maintenance at the cemetery.

Final Budget/Levy Certification - Brian Kolander, Finance Director, said if Council approved of the \$4,500 increase as discussed today, it would take the proposed levy from a 7.77% increase to 7.89%.

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to set the precertification level at 7.89%.

Final certification will be made in December.

ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:29 a.m.