

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, APRIL 24, 2017**

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: Larry Janssen, Chad Cummings, Amy Ernst, Mike Harmon. Excused Absence: Alan Oberloh. Honorary Council Member: Chris Kielblock.

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

Others present: Justine Wettschreck, KWOA; Karl Evers-Hallstrom, Daily Globe; Kathleen Kusz, Nobles County Attorney; Brett Wiltout, Public Safety; Tom Johnson, Nobles County Administrator.

The Pledge of Allegiance was recited.

HONORARY COUNCIL MEMBER

Mayor Kuhle presented Chris Kielblock with a certificate and thanked him for serving as the Honorary Council Member for the months of February, March and April, 2017.

AGENDA CLOSED/APPROVED WITH CHANGE

Steve Robinson, City Administrator, stated that Item G. 6 will be moved to G. 2. The motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to close/approve the agenda with the change.

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting of April 10, 2017
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting of April 17, 2017; Planning Commission Minutes of April 4, 2017; Worthington Housing and Redevelopment Authority Board Minutes of March 28, 2017; Public Arts Commission Minutes of April 4, 2017; Public Arts Commission Minutes of March 30, 2017;
- General Fund Statement of Revenues and Expenditures - Budget and Actual for the period January 1, 2017 through March 31, 2017; Municipal Liquor Store Income Statement for the Period of January 1, 2017 through March 31, 2017
- Set Public meeting date of June 12, 2017 for Review of Storm Water Pollution Prevention Plan
- Bills payable and totaling \$623,553.28 be ordered paid

PUBLIC HEARING AND RESOLUTION NO. 2017-04-01 APPROVING TAX ABATEMENT

FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - PARCEL NO. 31-3997-060 - SOUTH CRAILSHEIM ROAD)

Pursuant to published notice, this was the time and date set for public hearing for a Nobles Home Initiative Application - Parcel No. 31-3997-060 - South Crailsheim Road.

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

Brad Chapulis, Director of Community/Economic Development, said V & O Properties was seeking the approval of a tax abatement for the construction of a proposed duplex in its West Park Acres development 1030-1088 Crailsheim Road. Both units will be approximately 1,340 square feet, including a two stall attached garage on the property legally described as Sect - 28 Twp-102 Rang-40 1.516 Acre Tract in NE 1/4, SE 1/4 Acre 1.516, City of Worthington, Nobles County, Minnesota. Mr. Chapulis said the application meets all of the parameters of the NHI Guidelines, therefore, staff was recommending approval of the application.

Mayor Kuhle asked if there was anyone present who wished to present testimony regarding the application. None was received.

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

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adopt the following resolution approving the application for tax abatement for Parcel ID #31-3997-060 - V & O Properties - South Crailsheim Road:

RESOLUTION NO. 2017-04-01

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

PUBLIC HEARING AND RESOLUTION NOS. 2017-04-02 & 2017-04-03 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813 - PARCEL ID #31-1534-225 and PARCEL#31-1534-220 - GRAND AVENUE

Pursuant to published notice, this was the time and date set for public hearing for a Nobles Home Initiative Application - Parcel ID #31-1534-225 and Parcel ID #31-1534-220, Grand Avenue.

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

Brad Chapulis, Director of Community/Economic Development, said Larry Davis was seeking the approval of a tax abatement for the construction of a single family dwelling on each of the two properties he owns that are legally described as Lot 5 and Lot 6, Block 1, Davis Addition, City of Worthington, Nobles County, Minnesota. Both single family dwellings will include 1,566 square feet of living space on the main level, an unfinished basement and a two-stall garage. Mr. Chapulis said the application meets all of the parameters of the NHI Guidelines, therefore, staff was recommending approval of the application.

Mayor Kuhle asked if there was anyone present who wished to present testimony regarding the application. None was received.

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

The motion was made by Council Member Harmon, seconded by Council Member Cummings and unanimously carried to adopt the following resolutions approving the application for tax abatement for Parcel ID #31-0611-000 - and Parcel ID #31-1534-220 - Larry Davis - Grand Avenue:

RESOLUTION NO. 2017-04-02

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2017-04-03

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

NOBLES COUNTY ATTORNEY'S OFFICE REPORT TO COUNCIL

Kathleen Kusz, Nobles County Attorney, provided information on the work her office has performed over the past year for the City of Worthington in regards to prosecutions. The actual total case loads fell below the maximum recommended caseload, which seems to be the trend statewide. Ms. Kusz said she felt that, averaged over the past several years, the City was getting a lot of work from them for their money.

Also presented was an estimated proposed budget for County Attorney / City Prosecution Agreement

Fees. Ms. Kusz said she wanted to provide the information now so Council would have it when they started their budget discussions this year for 2018. The City's portion is 1/4 of the proposed budget but does not reflect actual amount in salaries/benefits as actual amounts will depend on contract negotiations. She also gave Council a "heads up" that they are looking at replacing their current MCAPS system, which is currently two duplicate systems - one for the County and one for the City's cases. At this time Murray County is making the switch and Nobles County is looking at switching over in a year or two.

Council Member Ernst encouraged one database to merge information for efficiency reasons.

Mayor Kuhle noted it would be appreciated to have the proposed figure of the MCAPS system before the City budget process.

Ms. Kusz thanked Council for the opportunity to talk to them, and Council in turn thanked her for the information.

NOBLES COUNTY PROJECT UPDATE

Tom Johnson, Nobles County Administrator, provided an update on the Prairie Justice Center garage addition and the new connecting road that will come straight out of the garage that will allow officers to get out quicker not having to go through the parking lot. The Nobles County Public Works Department will be doing the construction on the new road. Steve Schneider, County Engineer is surveying and preparing a plan for the project.

Mr. Johnson explained that the floor plan designer is working in conjunction with the roof designer on the Prairie Justice Center roof project. After investigating the condition of the roof it has been determined the roof membrane is very weak and after all the testing is complete the roofing designer will be making a recommendation that will include a couple options. Council Member Ernst asked if there would be a warranty on the new roof. Mr. Johnson stated yes but depending on the length of warranty it adds more cost to the project and by the time you get past the 20 year mark of the life of the roof there isn't much warranty left. Council Member Cummings stated it's important to note that the company that did the initial roof is not in business anymore so there is no warranty to fall back on. Mr. Johnson added that part of the bid process will include a history of each company that bids on the project. The goal is to finalize the project in May and get bids out for an August/September build date but the roofing company is estimating the roof to be a 24 week project since it's in such bad shape so the project may not be completed.

Details for the electrical and mechanical systems are being evaluated and EDI, the company that designed the building, will be down to take a look at the current system and possible ways to separate the jail from the main system. Currently one system runs the whole building and when the new chiller was installed the whole building had to be shut down for about fifteen minutes which isn't

convenient for the jail. The chiller, however, has is up and running and came in on budget.

Council Member Harmon asked the amount of the City's responsibility toward the projects. Mr. Johnson stated the City's portion of the garage addition is a 50/50 split and the general operations portion is 12.89%, the new roof would fall under general operations. Mr. Johnson noted that any repairs or security upgrades made on the County side only would not effect the City.

Mr. Johnson explained that the landscaping will be completely redone on the Tenth Street side of the Government Center bringing it up to ADA standards, more hard scape will be used instead of traditional landscaping to avoid a lot of maintenance. The project is slated to be redone between the International Festival and King Turkey Day.

Mayor Kuhle asked if it would be possible to have the Val Ruesch, Nobles County Assessor, come and give an update to Council. Mr. Johnson agreed that would be beneficial.

Mayor Kuhle and Council thanked Mr. Johnson for the update.

LIQUOR STORE APPROVAL OF PLANS AND AUTHORIZATION TO ADVERTISE FOR BIDS

Steve Robinson, City Administrator stated that TSP, the City's architect, has completed the construction documents for the liquor store relocation project. The construction documents include architectural and engineering plans, specifications, bid documents and contracts.

Mr. Robinson shared the site plan, floor plan, and building elevations with Council. He noted that existing shelving, checkout counters and some of the false ceiling tiles would be used in the new location. The ceiling tiles will be suspended from the open ceiling adding to the aesthetics.

Mr. Robinson provided the proposed bidding schedule would be:

- April 27, 2017 - Advertisement for Bids
- May 18, 2017 - Bid Opening
- May 22, 2017 - Council consideration of awarding contract

A motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously approved the Liquor Store plans and authorization to advertise for bids.

SUMMARY OF PERFORMANCE EVALUATION OF CITY ADMINISTRATOR

At their April 10, 2017 meeting, Council completed a performance evaluation of City Administrator Steve Robinson in closed session as allowed by MS § 13D.05 Subd. 3(a). The statute also provides that Council must provide a summary of the performance evaluation at their next open meeting.

Mayor Kuhle stated that a performance evaluation was conducted for City Administrator Steve Robinson, the evaluation was satisfactory and a salary adjustment was granted. The Mayor congratulated Mr. Robinson and noted that Council appreciated his service.

APPROVED FIRST READING PROPOSED ORDINANCE AMENDING CHAPTER 116 OF THE WORTHINGTON CITY CODE - LAWFUL GAMBLING

Steve Robinson, City Administrator, stated that the Minn. Stat. § 349.213, Subd. 3 provides that Cities may impose a tax of up to 3% on a lawful gambling organization's gross receipts, less prizes paid, to cover the amount necessary for costs incurred by the City to regulate lawful gambling. Pursuant to statute, any amounts in excess collected through the tax must be refunded to the organization. The City of Worthington currently imposes the full 3% tax, as established by Ordinance No. 725 August 8, 1988 and revised Ordinance 924 August 27, 2001. Based on collections the 3% has exceeded the amount needed to regulate lawful gambling, resulting in annual refunds to the organizations. It is staff's opinion that a 1% lawful gambling tax would sufficiently cover the costs incurred by the City for enforcement, however, staff will monitor the receipts in relation to costs incurred and recommend further adjustments if necessary. Staff is recommending changing the lawful gambling tax rate from its current 3% to 1% for organizations engaged with lawful gambling.

A motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously approved to give first reading to the Ordinance Amending Chapter 116 of the Worthington City Code - Lawful Gambling.

BURNING PERMIT APPLICATION - PHEASANTS FOREVER - NOBLES COUNTY CHAPTER APPROVED

Steve Robinson, City Administrator, stated an application for a burning permit has been received from Pheasants Forever, Nobles County Chapter, for a controlled burn near the Prairie Justice Center. The intent of the burn is to prep the site for conversion to an extensive pollinator habitat. The burn is planned to be from 3:00 p.m. to 6:00 p.m. sometime during the week of April 23, 2017 to April 30, 2017, subject to wind conditions. The main concern during the burn is its proximity to the airport, therefore, the following conditions should be included in approval of the permit.

1. Conditions at the time of the proposed burn must be approved by the Airport Manager to ensure smoke drift will not interfere with air traffic and that any appropriate NOTAMs are issued. In general, conditions will need to allow for the preferred runway, given the wind direction, to be used without a reduction in visibility.
2. Individual burns need to be kept small so as to be more easily managed and give off less smoke.

3. Representatives of the Worthington Fire Department shall be on-site to assist with the burn.
4. Prefer Northeast winds of 15 mph or less

Todd Wietzema, Public Works Director/Airport Manager, stated that he has discussed the burning permit with the Rick Von Holdt, Fire Chief.

Honorary Council Member Chris Kielblock asked why in the application that northwest winds were recommended and in the staff recommendation it said northwest winds were preferred. Mr. Wietzema stated that he would prefer northwest winds so the smoke would not blow towards the homes in the area.

A motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to approve the burning permit application for Pheasants Forever - Nobles County Chapter.

2017 PRIVATE DOCK APPLICATIONS APPROVED

Todd Wietzema, Public Works Director, reported that additional applications to install private docks on public property for 2017 have been received from the following people:

Bruce Pass	214 Lake Street
Clarence Kremer	916 W. Lake Avenue
Jeff Meinders	512 W. Lake Avenue

All of the applicants meet all of the City Dock Policy requirements.

The motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to approve the additional applications as listed for 2017 Dock Permits.

APPROVED PLANS AND AUTHORIZED ADVERTISEMENT FOR MCMILLAN STREET RECONSTRUCTION AND RYAN'S ROAD WALK PROJECT

Dwayne Haffield, Director of Engineering, explained the firm of SEH has completed the plans and specifications for the reconstruction of McMillan Street from Oxford Street to Ryan's Road which includes a 5' walk on the west side of the street and an 8' walk (multi-use trail) on the east side of the street. The project plans also include installation of a 5' walk on the south side of Ryan's Road from McMillan Street to Ray Drive. Modifications to Ryan's Road curb line are needed at certain locations to allow installation of the walk. The typical section for McMillan Street is a 30' street width and 6' separation from face of curb (5.33' grass boulevard) to the walks. The sidewalk on

Ryan's Road is typically located 7' feet from the face of curb. On both streets the street width and/or walk separation stated above is typical, the actual street width and walk location varies depending on the presence of a turn lane or utility facilities. Walk construction also includes pedestrian ramp modifications and a walk extension on the east side of McMillan Street south of Oxford Street.

Mr. Haffield explained the project involves storm sewer modifications to intercept storm water flows in order to minimize the width of flow into the driving lanes and to intercept residual flows across the Stower Drive intersection. The valley gutters or "flow through" gutters at the Stower Drive intersection will, however, not be eliminated. The project also includes modifications to the McMillan Street and Oxford Street traffic signal system. The key modifications include updating for ADA compliance (pedestrian signal heads revised to have count down timers, and push buttons updated to be ADA compliant audible buttons) and inclusion of left turn flashing yellow arrows. The left turn (permitted) flashing yellow arrows will be preceded by a protected left turn green arrow for all four intersection approaches at the beginning of the left turn signal movement. The total estimated project cost including engineering and contingencies is \$1,258,000. The project is eligible for Municipal State Aid Street (MSAS) funding except those costs for storm sewer modifications estimated to be \$78,580. The Storm Water Utility Fund budget included only \$18,580 in utility revenue for the storm work in anticipation of MSAS funding being available for the remaining costs. It is proposed that the remaining costs for the storm sewer modifications be funded by amending Storm Water Utility Fund budget to decrease the increase in reserves for the Centennial Park lift station from \$160,000 to \$100,000 (\$60,000 decrease) and increase the use of utility revenue for the McMillan Street storm sewer work. The Centennial Park lift station project financing involves increasing reserves over a period of years so as to accumulate necessary funds. Future budgets will need to reflect this year's adjustment to the reserve increase. It may be noted that the storm sewer adjustment costs are not eligible for MSAS funding due to deficiencies in the existing pipe sizing. The current under sizing has not created a problem and the necessary changes are not seen as warranted. Replacing the piping would increase the current project cost by an estimated \$91,000 and involve deeper roadbed disturbances.

Mayor Kuhle asked if the remainder of the trail system on Ryan's Road would be done sooner rather than later. Mr. Haffield stated that it is in the projected plans and acquiring the right away takes some time but would remain a priority.

Honorary Council Member Chris Kielblock asked if there was discussion held on putting the wider sidewalk on the business side of McMillan between Oxford Street and Stower Drive. Mr Haffield explained that at the open houses maintenance was discussed in general and eventually the houses will disappear in that area.

A motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to approve plans and specifications for the McMillan Street reconstruction and Ryan's Road Walk project and authorize advertisement for bids to be received on May 19, 2017.

AUTHORIZATION REQUESTING QUOTES FOR CONSTRUCTING LAKE STREET TRAIL/SIDEWALK CROSSINGS APPROVED

Dwayne Haffield, Director of Engineering, stated that the 2017 Construction Fund budget includes \$55,000 (as a carry over from 2016) for constructing pedestrian crossings/trail access openings on Lake Street at 3rd Avenue, 5th Avenue and 6th Avenue. The current estimated total project cost, including engineering and contingencies, is \$45,000. The walk extensions on the easterly side of Lake Street are walk width. The extensions from Lake Street to the existing trail are 10' in width. Mr. Haffield explained that construction would not be allowed to commence until after the annual Windsurfing Regatta. Mr. Haffield noted although more routine budgeted projects that only require quotes are not typically brought to Council for approval to proceed, the nature of the project and the change in Council membership since it's budget was approved is seen as cause to seek Council approval at this time.

Mayor Kuhle asked the reason for the 10 foot width for the trail when across the street is regular sidewalk width. Mr. Haffield explained that the trail width gives access to bicycles.

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously approved to authorize requesting quotes for constructing Lake Street Trail/Sidewalk Crossings and award to the successful quoter subject to remaining within budget.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - reported the Freedom Veteran's Park will be celebrating their 10 year anniversary on Saturday, July 1st, there will be a program along with food to celebrate.

Council Member Janssen - attended the Joint Powers Transit meeting, work continues on finalizing the new bus routes that will be introduced next month.

Council Member Oberloh - Absent.

Honorary Council Member Chris Kielblock - Thanked Council for the opportunity to serve as Honorary Council Member, learned a great deal, been a real pleasure working with the Council.

Council Member Cummings - Attended the PJC Joint meeting Tom Johnson covered everything in his update, attended the YMCA Board meeting, tickets are still available for the Cruise Dinner on Friday evening, will be announcing a new rock climbing wall that will be added to the facility made possible by private donations, Matt Widboom is one of ten finalists for the National DOW Grant program, Matt would receive \$10,000 if chosen and has made the decision to donate it the YMCA to kick-off a new Family to Family Mentoring program. Chad Hibma from Lake Park, IA is also a finalist and if chosen would donate his \$10,000 to the Harris-Lake Park, IA FFA Chapter. Only three individuals will be picked nationwide and voting started today and can be done daily until May 21st. The Annual Beach Bash planning has begun and fireworks will again be held after the festivities on July 3rd. Fireworks will also be held on July 4th.

Council Member Ernst - Attended the Ehlers Finance & Economic & Development Workshop and learned a little more information on finance and economic development, attended the Public Arts Commission meeting, the group worked with the people finishing the Crailsheim Bridge last year, considering three new projects and funding options that would be for a globe that would be placed at the Event Center, an Amelia Earhart statue at the north end of Sailboard Beach, and Harmony Park, also looking into what the focus of the group should be.

Council Member Harmon - attended the Water & Light Commission meeting, received the National APA Safety Award again this year, the Lewis & Clark funding has passed out of the Senate Finance and will now move the Senate Floor, the House Capital Investment Committee hasn't scheduled anything as of today, the wells are maintaining at 7 ½ feet above average, will attend the first session of the strategic planning session, will hear from all of the department heads with the second session taking place on May 9th, attended the PJC Joint meeting and the Ehlers Finance & Economic Development Workshop.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, provided an update on the sale of the golf course equipment that was on an auction held on March 25th in Glencoe, MN, the gross sales were \$44,640.00, with a commission of \$3,725.00 which netted \$40,945.00, all of the equipment was sold. The St. James City Administrator polled cities in our area about Municipal Liquor Stores being open on Sundays and received responses from sixteen cities and of the responses, two will be open, Marshall and Windom is planning on being open from July thru Labor Day, six are undecided, eight will not be open, locally staff has discussed possibly being open on Christmas Eve and New Year's Eve as both fall on Sunday, staff will continue to evaluate the options as we go forward. Attended the Joint Powers Transit Board meeting, the bus has been delivered and will hold 14 passengers, the city bus route will run between 7:30 a.m. - 4:30 p.m. and will maintain a 1 hour route schedule, twelve or thirteen stops have been identified, he advised Karen DeBoer to have a start date of June 1st to make sure everything was in order.

ADJOURNMENT

The motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to adjourn the meeting at 8:31 p.m.

Mindy Eggers, MCMC
Assistant City Clerk