

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, JANUARY 22, 2007**

The meeting was called to order at 7:00 p.m., in the City Hall Council Chambers by Mayor Alan E. Oberloh with the following Aldermen present: Mike Kuhle, Lyle Ten Haken, Mike Woll, Ron Wood and Honorary Council Person: Richard Hartzler. Absent (excused): Bob Petrich.

City Staff present: Joe Parker, City Administrator; Dwayne Haffield, Director of Engineering; Brad Chapulis, Director of Community/Economic Development; Mike Cumiskey, Director of Public Safety; Brian Kolander, Director of Finance; Armand Eshleman, Building Official; and Karen Buchman, City Clerk.

Others present: Darrell Stitt, KWOA Radio; Ryan McGaughey, Daily Globe; Scott Bradley, and Dave Skog.

**INTRODUCTION OF HONORARY COUNCIL PERSON**

The Mayor introduced and presented Richard Hartzler with a certificate of attendance for serving as Honorary Council Person for the months of December and January. Mr. Hartzler thanked Council for the opportunity and felt it was an interesting experience.

**RESOLUTION NO. 3265 ADOPTED, ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS**

Pursuant to published notice this was the time scheduled for the public hearing on the proposed Knollwood Drive Sanitary Sewer Extension Project. The project report on the improvement and preliminary assessment roll was submitted to Council at its January 8, 2007 meeting. A summary of the improvement costs and total estimated assessments for the project is provided below:

	LATERAL	TRUNK	TOTAL
Assessments	\$21,377.92	\$ 0.00	\$21,377.92 (9.9%)
Trunk Fund (due from)	\$45,350.00	45,350.00	(21.0%)
City Share	<u>\$148,772.08</u>	<u>                    </u>	<u>\$148,772.08</u> (69.1%)
TOTAL	\$170,150.00	\$45,350.00	\$215,500.00

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to open the hearing. Mayor Oberloh opened the hearing for presentation and comments. Dwayne Haffield, City Engineer presented the proposed project. Dwayne noted that Council may order an improvement less than that for which the hearing was ordered, but may not increase the scope of the improvement. The project was not initiated by petition; therefore, a 4/5's vote of the Council membership will be required to order the project ahead. The project report outlined certain scheduling issues and potential conflicts. Discussions with a representative of the developer and its engineer lead to acceptance of an approach to

commence infrastructure improvements within the development as soon as conditions allow without the Knollwood Drive mains until the sewer extension is complete. It will be attempted to coordinate the tie ins so as to require closure of Knollwood Drive only once for utility installation. The coordinated tie ins would also potentially reduce the length of time Knollwood Drive would remain closed and to minimize the length of time Knollwood Drive would remain unsurfaced. Placement of the surfacing would require a separate street closure.

Mayor Oberloh opened the floor for testimony from the audience, no questions were asked.

Following a lengthy discussion the motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to close the hearing. The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to approve the improvements as proposed and adopt the following resolution:

RESOLUTION NO. 3265

ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution file for complete copy of Resolution)

**AGENDA APPROVED**

The motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to accept the agenda as presented.

**MINUTES APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to approve the Regular City Council minutes of January 8, 2007 as previously distributed.

**MINUTES OF BOARDS AND COMMISSIONS**

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to accept for review the Water and Light Commission minutes of January 16, 2007 and Park Advisory Board minutes of January 11, 2007.

**APPROVED CONTRACT RENEWAL FOR WELFARE FRAUD INVESTIGATIVE SERVICES BETWEEN THE WORTHINGTON POLICE DEPARTMENT AND NOBLES COUNTY FAMILY SERVICES**

The Nobles County Family Services have asked the Worthington Police Department to conduct its Welfare Fraud investigations on a contractual basis for 2007. The Worthington Police Department provided these same services in 2006 under contract with Nobles County.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve entering into this agreement by authorizing the Mayor, Clerk and Police Chief signatures to the contract, executing the agreement.

### **AUTHORIZED EXECUTION OF CONTRACT FOR INVESTIGATION GRANT**

The City was awarded a \$30,000 Investigation Grant for steps leading to and including development of a Response Action Plan (RAP) for the former Campbell Soup Company site. The grant can fund 75% of the costs for environmental investigations and development of a RAP. The grant limit is \$30,000. In order to complete the grant application, a project and its site need to be defined. The multi purpose community building and principal facility site were identified. While the final project and site description may be able to be redefined or amended, the maximum grant amount is fixed. Following a discussion the motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to authorize the Mayor and Clerk to execute the contract as presented.

### **APPROVED PROFESSIONAL SERVICES FOR FORMER CAMPBELL SOUP COMPANY SITE CLEANUP**

At its October 23, 2006 meeting, Council authorized Peer Engineering to provide professional services pertaining to the redevelopment of the former Campbell Soup Company site. These services include those to conduct an updated Phase 1 Investigation, Building Assessment, and General Services. The Phase 1 Investigation and the Building Assessment have been completed and draft reports have been prepared for both elements of work. As anticipated, the Phase 1 Investigation led to the recommendation to proceed with profiling the subsurface conditions of the site to allow for development of a Response Action Plan (RAP).

Substantial completion of the Phase 1 Investigation provided the information needed by Peer Engineering to prepare a proposal/contract amendment to proceed with the specific exploration (Phase II Investigation) needed to develop a RAP. The proposed contract amendment with Peer Engineering to provide professional services for the following:

Phase II Investigation	\$21,750
Evaluation RAP alternatives	\$5,000
RAP Development	\$3,500
DEED Cleanup Grant Application	\$1,500

The proposed amendment also includes an add alternate to include a geotechnical testing of soil recovered from the borings to be conducted as part of the Phase II work. The geotechnical testing would provide the type of information used for redevelopment separate from that needed for contamination investigation. It would be recommended that such testing only be conducted on soils encountered that differ from those commonly found throughout the community.

Following a discussion the motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to authorize acceptance of the contract amendment with Peer Engineering with the understanding that the geotechnical testing would only be conducted as found appropriate. Funding for the local share of the costs of these services will need to be from the general fund undesignated unreserved fund balance as have been all other costs associated with the site to date.

### **FINAL PLAT - WOODLAND RIDGE ADDITION APPROVED**

The FDAC, LLC seeks final plat approval for its proposed 21 lot residential - 15.19 acre subdivision known as Woodland Ridge Addition which is located in the northwest corner of the intersection of First Avenue Southwest and Knollwood Drive. At its January 8, meeting, Council approved the preliminary plat of the proposed subdivision subject to certain conditions necessary to assure it complied with the City's Subdivision Ordinance. As of January 19, the applicant had addressed the preliminary plat conditions within its control. Before a final plat can be approved and recorded, the subdivider is required to install all applicable public infrastructure improvements. In lieu of the completion of the public improvements prior to final plat approval, the subdivider may submit a financial guarantee (i.e. cash deposit, certified check, irrevocable letter of credit) with the City to assure that the improvements will be installed within one year. Following is a list of public improvements the applicant is responsible for installing in conjunction with the proposed development:

1. The construction of Woodland Court including the street grading, base including fabric, curb and gutter;
2. The installation of the water main and services within the subdivision;
3. The installation of the proposed storm sewer and management system located in Outlot A; and
4. The installation of the sanitary sewer main and services within the subdivision.

The engineer's estimate for the identified public improvements is \$475,992.25. Due to weather and other reasons, FDAC, LLC has chosen to submit an irrevocable letter of credit.

Following discussion, the motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to approve the final plat of Woodland Ridge Addition subject to the following:

1. Submission of an irrevocable letter of credit in the amount of the engineer's estimate or the amount of the awarded contract(s) should it exceed the engineer's estimate.
2. The applicant deed the 50'x139.79' area located directly southwest of Lot 5, Block 1 for

right-of-way purposes. The land is owned by the applicant but not included in the Woodland Ridge Addition.

### **RENTAL REGISTRATION/INSPECTION PLAN APPROVED**

A copy of the proposed Rental Registration/Inspection Plan that implements the enforcement of the recently adopted Rental Housing Ordinance was presented. The plan outlines the registration fees, inspection procedures, and the fines affiliated with the enforcement of the proposed Ordinance. The purpose of the plan is to ensure that rental housing facilities protect and promote health, safety and welfare for people who reside in Worthington. All rental units in Worthington will be required to be registered annually with the city. Registration forms for this year will be \$15 per unit, with forms accepted from April 1 through June 30 without penalty and valid through December 31. Beginning in 2008, the annual registration renewal fee will be \$30 per unit, with registration renewals due no later than February 1 of each year. The registration fee for all new rental units after June 30 of a given year will be \$15; before June 30, it's \$30. Failure to register shall be construed as a direct violation of the city's housing code and subject to specified penalties. Following a discussion the motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to approve the Rental Registration/Inspection Plan as presented.

### **CONTRACT FOR CONSULTING SERVICES APPROVED**

For the past six months, a blue ribbon committee consisting of representatives from the County, City, Worthington/Lorain Townships have met to discuss the impact existing and future development within the outlining areas of Worthington has or would have on the community and its infrastructure. After exploring opportunities to regulate unplanned growth within these areas and consulting with other communities experiencing the same issues, the Committee concluded that the establishment of separate zoning/subdivision regulations for an area surrounding Worthington that is governed by a Joint Planning/Zoning Board with equal representation would serve the best interest of all parties. Due to the amount of work necessary to establish the Joint Planning/Zoning Board and the time availability of City/County staff, it was determined that hiring a qualified planning firm to assist would make sure it stays within the time line it has established (8 months - September 2007) to present the final product to each entity for their approval. Upon reviewing 3 proposals, the Committee selected to enter into negotiations with Short Elliot Hendrickson (SEH) for their services for an amount not to exceed \$12,496.

As the Committee does not have funds or ability to enter into a contract, it is requesting the Worthington City Council and Nobles County Commissioners equally share the expenses. They request that the City act as the client on its behalf and execute contract agreements with SEH. Following discussion the motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried to agree to provide the financial assistance requested and act as the client on behalf of the Committee, subject to the County's approval.

**APPROVED ORDER DEMOLITION/REPAIR OF 90 EAST 12<sup>TH</sup> STREET**

In July 2004, the building located at 90 East 12<sup>th</sup> Street, owned by Steve Jeppesen, sustained severe damage due to portions of its roof structure collapsing. After months of staff attempting to have the structural problems abated by either repair, rehabilitation or demolition, Mr. Jeppesen obtained the services of a MN licensed structural engineer to assess the stability of the structure. On October 14, 2005, Mr. Jeppesen obtained a building permit to complete the building improvements recommended by the structural engineer. The building permit expired on October 14, 2006 and Mr. Jeppesen failed to commence demolition/repair of the building. Failure to abate the problem has caused further damage to the structure. MN Statute 463.15 through 463.26 outlines the procedure to lawfully order an owner to repair/demolish “hazardous” buildings, or portions thereof. Failure to comply with the order would allow the City to step in and demolish/repair the “hazardous” building. It is staff’s belief that they have exhausted all potential avenues to have the problem abated administratively and request Council concurrence by ordering Mr. Jeppesen to complete the building improvements outlined by his structural engineer. Following discussion the motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to concur with staff’s assessment that the building is “hazardous” and authorize the Mayor to execute the Notice of Order for Mr. Jeppesen to complete the building improvements.

**BIO-SCIENCE SPEC BUILDING FUNDING**

Phase I of the spec building in the bio-science park was completed in 2006 at a total cost of \$405,714.83. The City and County partnered 50/50 in the project, with the County reimbursing the City for their obligation in December 2006. The fund from which the City paid for their portion has a deficit cash balance due to the project. Staff requests a one-time transfer and a 2006 budget amendment from retired debt service fund (#325) into fund 231 for \$202,857.42 to cover the City’s portion of the spec building expense. Following a discussion the motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to approve the one-time transfer and 2006 budget amendment from retired debt service fund (#325) into fund 231 for \$202,857.42 to cover the City’s portion of the spec building expense.

**2007 INDUSTRIAL WASTEWATER TREATMENT FUND BUDGET APPROVED**

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the 2007 Industrial Wastewater Treatment (605) Fund Budget, Equipment Revolving Schedules, and Capital Improvement Programs as presented. It was noted that a meeting was held with Swift regarding the budget, and in addition, they had a 30-day comment period for the Industrial Wastewater Budget with no comments received.

**SECOND READING PROPOSED ORDINANCE AMENDING TITLE XV OF THE CITY CODE - REZONING PROPERTY**

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to give a second reading to the proposed ordinance to amend Title XV of the City Code to rezone property located at the northwest corner of the intersection of First Avenue Southwest and Knollwood Drive from "T" Institutional to "R-1" One Family Detached Residential.

### **CITY COUNCIL COMMITTEE REPORTS**

Mayor - Nothing to Report

Alderman Ten Haken - Nothing to Report

Alderman Woll - City Health Insurance meeting to discuss rates looking at 25% increase - another meeting is scheduled for January 31 to look at options. Worthington Rediscovered - redevelopment program - received (5) bids to demolish homes. Hospital Board - the hospital saw a 1 ½ % increase last year one of the smallest increases.

Alderman Wood - Nothing to Report.

Alderman Kuhle - Nothing to Report.

### **CITY ADMINISTRATOR REPORT**

Nothing to Report.

### **BILLS PAYABLE**

The motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried that bills payable and totaling \$623,060.90 be ordered paid.

### **ADJOURNMENT**

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to adjourn the meeting at 8:25 p.m.

Karen Buchman

City Clerk