

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, FEBRUARY 27, 2006**

The meeting was called to order by Mayor Alan E. Oberloh at 7:00 p.m., in the City Hall Council Chambers with the following Aldermen present: Roger E. Nelson, Bob Petrich, Lyle Ten Haken, Mike Woll and Honorary Council Person Mike Peil. Absent (Excused): Leland Hain.

City Staff present: Dwayne Haffield, Director of Engineering; Brad Chapulis, Director of Community/Economic Development; and Karen Buchman, City Clerk.

Others present: Darrell Stitt, KWOA Radio; Ryan McGaughey, Daily Globe; Dan Dahlgren, Lantern Development; and a delegation of people for the assessment hearings. Arriving later in the meeting was Steve Robinson, SEH.

INTRODUCTION OF HONORARY COUNCIL PERSON

Mayor Oberloh introduced Mike Peil as the Honorary Council person for the months of January and February. The Mayor presented him with a certificate and thanked him for serving. Mike Peil thanked Council for being invited, he enjoyed being involved, and is impressed with the program.

HEARING FOR IMPROVEMENT OF CERTAIN PROPERTIES IN SECTION 15 BY EXTENSION OF THE MUNICIPAL WASTEWATER COLLECTION SYSTEM - PROJECTED TERMINATED

Pursuant to published notice this was the time set for a public hearing on the proposed improvement of certain properties in Section 15 by Extension of the Municipal Wastewater Collection System. The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to open the hearing. Dwayne Haffield gave a hearing presentation of the project. He explained that this is the preliminary assessment hearing and the assessments shown are estimated assessments and explained how the rates are determined. Following his presentation Dwayne asked Council to terminate the project due to the petitioner withdrawing the petition.

The Mayor asked if anyone would care to give any testimony. None was received.

A motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to close the hearing.

The motion was made by Alderman Nelson, seconded by Alderman Woll and unanimously carried that the project not be ordered ahead at this time due to the petitioner withdrawing petition.

RESOLUTION NO. 3101 ADOPTED, ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

Pursuant to published notice this was the time set for a public hearing on the proposed improvement of proposed street by street, sewer, water and storm sewer extensions. This project is known as Prairie View Acres. The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to open the hearing. Dwayne Haffield gave a hearing presentation on the project. He explained that this is the preliminary assessment hearing and the assessments shown are estimated assessments and explained how the rates are determined. He noted Council may order an improvement less than that for which the hearing was ordered allowing for deletion of any of the street segments from the improvement. The project was initiated by petition and therefore, only a simple majority vote of the Council membership will be required to order the project ahead. The project report and preliminary assessment roll was submitted to Council at its February 13, 2006 meeting. A summary of the improvement costs and total estimated assessments for the project follows:

SANITARY SEWER

	<u>LATERAL</u>	<u>TRUNK</u>	<u>TOTAL</u>
Assessments	\$13,876.07	\$0.00	\$13,876.07 (32.1%)
Trunk Fund	-	\$6,250.00	\$6,250.00 (14.5%)
City Share	<u>\$23,123.93</u>	<u>\$0.00</u>	<u>\$23,123.93</u> (53.4%)
TOTAL	\$37,000.00	\$6,250.00	\$43,250.00

WATER MAIN

	<u>LATERAL</u>	<u>TRUNK</u>	<u>TOTAL</u>
Assessments	\$14,325.26	\$0.00	\$14,325.26 (28.2%)
Trunk Fund	-	\$12,500.00	\$12,500.00 (24.7%)
City Share	<u>\$23,874.74</u>	<u>\$0.00</u>	<u>\$23,874.74</u> (47.1%)
TOTAL	\$38,200.00	\$12,500.00	\$50,700.00

STREET

City share for non-assessable costs ¹		(\$0.02)
City share of assessable costs ²	<u>\$48,050.01</u>	
Total city share		\$48,049.99 (50.0%)
Assessments receivable	<u>\$48,050.01</u>	(50.0%)
TOTAL COST		\$96,100.00

The estimated assessment rate is **\$110.71/ft**

¹ Rounding

² *Retention Basin Frontage*

STORM WATER MANAGEMENT SYSTEM

Assessments Receivable	\$11,895.72 (6.1%)
City Share ¹	<u>\$181,554.28</u> (93.9%)
Total Project Cost	\$193,450.00

¹ *City share includes assessable costs for city right-of-ways, including the estimated area of the retention basin easement/ownership, or and the non-assessable costs relating to exceeding the assessment limit.*

TOTAL OF ALL IMPROVEMENTS

Assessments	\$88,147.06 (23.0%)
Trunk Fund	\$18,750.00 (4.9%)
City Share	<u>\$276,602.94</u> (72.1%)
TOTAL	\$383,500.00

Mayor Oberloh asked if anyone would care to give testimony pertaining to this project. None was received.

A motion was made by Alderman Ten Haken, seconded by Alderman Petrich and unanimously carried to close the hearing.

A motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to proceed with the project and the adopt the following resolution:

RESOLUTION NO. 3101

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 with the addition of H-1a, Conveyance of Title to Vacated Alley Right-of-Way.

MINUTES APPROVED

The motion was made by Alderman Petrich, seconded by Alderman Ten Haken and unanimously carried to approve the regular City Council minutes of February 13, 2006 as previously distributed.

MINUTES OF BOARDS AND COMMISSIONS

The motion was made by Alderman Petrich, seconded by Alderman Woll and unanimously carried to accept for review the Water and Light Commission minutes of February 21, 2006.

SUPPLEMENTAL AGREEMENT NO. 1 FOR DUGDALE STORM WATER IMPROVEMENTS PROJECT APPROVED

The C.S.A.H. 10/Sutherland Drive Drainage Area Improvements project consists of constructing a storm water basin west of Crailsheim Road near Olson Park. The project is identified as Dugdale Storm Water Improvements. A change in the grading plan for the pond was initiated following the bid award to reduce the shallow "deck" portion of the wet pond to the minimum recommended width. This change reduced the total volume of excavation required but did not reduce the volume of the excavation required within the wet pond area. The change also introduced an additional grade change requiring the contractor to alter grading operations.

As allowed for in the contract, the contractor requested an adjustment in the unit price for excavation based on there being a substantial change in quantity. A unit price adjustment utilizing the costs for extra equipment hours and a revision of the blended unit price based on actual total quantity was found to be \$.50, or a change from \$2.50 to \$3.00 per cubic yard of excavation. The increase in unit price and decrease in excavation quantity yields a net decrease of about \$465 for the excavation required.

The motion was made by Alderman Ten Haken, seconded by Alderman Petrich and unanimously carried to authorize the Mayor to execute the supplemental agreement as presented.

AUTHORIZED PROFESSIONAL SERVICES FOR PUMP STATION VENTILATION AT INDUSTRIAL WASTEWATER TREATMENT FACILITY

High hydrogen sulfide levels are developing in the wet well of the influent pumping station at the Industrial Wastewater Treatment Facility. Pharmer Engineering, made a preliminary determination of improvements needed to provide proper ventilation. An estimated cost of the improvement is \$30,050, which includes design and construction phase engineering services. Although the problem was known to exist, costs were not addressed in the treatment fund budget. Although a specific budget amendment is not proposed at this time, it is desired that design begin as soon as possible in order to remedy the situation. It is therefore proposed that design be initiated with the initial fees of \$3,650 to be recovered from user fees to be

established in a budget amendment sought prior to undertaking construction of the project. Given no further budget considerations, the fees could be included as an incidental cost in the budget of \$1,264,987 for miscellaneous professional services, a budget primarily for contract operations of the facility.

The motion was made by Alderman Woll, seconded by Alderman Nelson and unanimously carried to authorize acceptance of the proposal from Pharmer Engineering subject to staff/agent approval of the consultant's insurance. It was noted the fixed fee of \$3,650 does not include those for construction administration.

APPROVED VACATING INGRESS AND EGRESS IN THE NW 1/4 OF SECTION 13, T102N, R40W

In 1998, during the development of Prairie Expo, the Southwest Regional Development Commission granted the City a 50 foot wide ingress and egress easement over a portion of the property now being included in the plat of Worthington Bioscience Industrial Park. The easement extended from TH 59 east and north to the property remaining under City ownership. The easement provided access to the city property for maintenance purposes. The north south leg of the easement extends through property to be available for sale and development. Access to the city property can be through Outlot A or, if found necessary, through an alternate access easement established at the time of sale of applicable lots north of Bioscience Drive. It may be noted that the easement does not extend to the north line of the plat which lays north of the previous property line. Although the easement could be vacated at any time as needed to address development, it is recommended that it be vacated at this time to avoid the need for it to be shown on the final plat.

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adopt the following resolution vacating all of the ingress and egress easement recorded as document number 272102:

RESOLUTION

VACATING AN EASEMENT IN THE NW 1/4 OF SECTION 13, T102N, R40W

WHEREAS, An ingress and egress easement granted to the City over part of the Northwest Quarter of Section 13, Township 102 North, Range 40 West, Nobles County, Minnesota is no longer required.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WORTHINGTON, MINNESOTA:

1. That the easement described in Document No. 272102, recorded in the office of the County Recorder, Nobles County Minnesota, be hereby vacated and released.

2. That the City Clerk is hereby directed to file a certified copy of this resolution in the office of the Recorder in and for the County of Nobles, State of Minnesota.

REQUEST FOR SITE PREPARATION ASSISTANCE - LANTERN DEVELOPMENT, LLC APPROVED

Lantern Development, L.L.C. submitted a request for site preparation assistance for their proposed project at 1190 Ryan's Road. The applicant is requesting assistance in the costs affiliated with correcting existing soil conditions to allow development on their site. To determine the applicant's eligibility for assistance, staff assessed the application using the established Site Preparation Guidelines. Staff presented an analysis for each of the eligibility requirements. The guidelines do limit the amount of assistance the City may consider at the present value of 10 years of property taxes at a market rate of return (3% discount rate). Using this method, the maximum participation that may be considered is \$188,226.00, which is greater than the \$39,032.75 requested.

Following a lengthy discussion the motion was made by Alderman Ten Haken, seconded by Bob Petrich and unanimously carried to mitigate anything below 18" and not to exceed the \$39,032.75 with quantities monitored.

ORDINANCE NO. 982 ADOPTED, VACATE A PORTION OF ALLEY IN THE CITY OF WORTHINGTON

Pursuant to published notice this was the time scheduled for the third reading of the proposed ordinance to vacate a portion of the public right-of-way (alley) located directly north of the Worthington High School Athletic Complex between Oslo Street and the north/south alley formerly known as 13th Street. The motion was made by Alderman Ten Haken, seconded by Alderman Petrich and unanimously carried to give a third reading to the ordinance as follows:

ORDINANCE NO. 982

AN ORDINANCE TO VACATE A PORTION OF ALLEY IN THE CITY OF WORTHINGTON,
NOBLES COUNTY, MINNESOTA

(Refer to Ordinance file for complete copy of Ordinance)

AUTHORIZED CONVEYANCE OF TITLE TO VACATED ALLEY RIGHT-OF-WAY

The City, through quiet title action, obtained underlying interest to certain of the alley and streets lots in Chermak's Sub-Division. Upon passing Ordinance No. 982 vacating a portion of the alley, it was recommended that Council authorize conveyance of the City's interest in the vacated portions of the street

right-of-way to the abutting owners. The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to authorize conveyance of the City's interest in the vacated right-of-way as follows:

To Dennis and Linda Heidebrink:

That part of Alley Lot C, Auditor's Plat of Chermak's Sub-Division, City of Worthington, Nobles County, Minnesota described as follows:

Beginning at the southeast corner of Block 2, Auditor's Plat of Chermak's Sub-Division; thence west along the south line of said Block 2 a distance of 54.90 feet; thence south and perpendicular to the south line of said Block 2 a distance of 7.50 feet; thence east and parallel with the south line of said Block 2 a distance of 52.40 feet; thence northeast a distance of 10.61 feet, more or less, to a point on the easterly projection of the south line of said Block 2 distant 5.00 feet east of the southeast corner of said Block 2; thence west along an easterly projection of the south line of said Block 2 a distance of 5.00 feet to the point of beginning.

To Steven D. Johnson and Michael K. Johnson:

That part of Alley Lot C, Auditor's Plat of Chermak's Sub-Division, City of Worthington, Nobles County, Minnesota described as follows:

Commencing at the southeast corner of Block 2, Auditor's Plat of Chermak's Sub-Division; thence west along the south line of said Block 2 a distance of 54.90 feet to the point of beginning; thence continuing west along the south line of said Block 2 a distance of 94.00 feet; thence south and perpendicular to the south line of said Block 2 a distance of 7.50 feet; thence east and parallel with the south line of said Block 2 a distance of 94.00 feet; thence north a distance of 7.50 feet to the point of beginning.

ORDINANCE NO. 983 ADOPTED, TO REZONE PROPERTY FROM "TZ" TRANSITIONAL ZONE DISTRICT TO PLANNED UNIT DEVELOPMENT (PUD) NO. 7

Pursuant to published notice this was the time scheduled for the third reading of the proposed ordinance to amend the Prairie Expo Planned Unit Development (PUD #7). The amendment would revise the master plan for the 90 acre development and rezone the northern 55+/- acres from the current "TZ" designation to "PUD #7". Both amendments are necessary for the City to proceed with the establishment of

Worthington Bio-Science Industrial Park Addition. The motion was made by Alderman Petrich, seconded by Alderman Nelson and unanimously carried to give a third reading to the ordinance as follows:

ORDINANCE NO. 983

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA

(Refer to Ordinance file for complete copy of Ordinance)

SECOND READING PROPOSED ORDINANCE - REZONE PROPERTY FROM "R-3" TO "B-3"

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to give a second reading to the proposed ordinance to rezone property from "R-3" Low Density Preservation Residential to "B-3" General Business. This change of zone allows the applicant to provide on-site parking for his existing business.

COUNCIL REPORTS

Mayor Oberloh reported on Rei Tech. They are looking for direction from Council on allowing a structure of payments. They are buying 30 days. If we accept a partial payment it does not preclude foreclosure. The Mayor also reported on the Bio-Science conference held in Worthington. It was a very good conference with many talented people presenting information.

Bob Petrich - reported on the Water and Light Commission meeting - they discussed repairs needed at the Wastewater Treatment Plant. Memorial Auditorium had a great Valentine Day fund raiser. DPAD will be holding a meeting next week to talk about disbanding the board. Council briefly discussed the Lewis & Clark issue. What happens if the water gets to Sioux Falls and the funds dry up?

Alderman Nelson reported on the Airport remodeling project. An Airport Advisory Board meeting is scheduled at the facility for March 7 and they will get to view the project to date.

Alderman Woll - Attended a Hospital Board meeting earlier in the day and the Oncology/Radiation center continues to move forward. He touched on green space - walking paths, in new developments.

Alderman Ten Haken - Reported on his attendance at the League Elected Officials meeting in Bloomington and noted some of the sessions held.

BILLS PAYABLE

The motion was made by Alderman Woll, seconded by Alderman Nelson and unanimously carried that bills payable and totaling \$605,949.02 be ordered paid.

ADJOURNMENT

The motion was made by Alderman Nelson, seconded by Alderman Ten Haken and unanimously carried to adjourn the meeting at 8:51 p.m.

Karen Buchman

City Clerk