

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, AUGUST 8, 2005**

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: Leland Hain, Roger E. Nelson, Lyle Ten Haken and Mike Woll. Honorary Council Person: Mike Kuhle. Absent (excused): Bob Petrich.

City Staff present: Bob Filson, City Administrator; Brad Chapulis, Director of Community/Economic Development; Jim Laffrenzen, Supt. of Public Works; and Karen Buchman, City Clerk.

Others present: Darrell Stitt, KWOA Radio; Doug Woltjer, Daily Globe; Steve Johnson, Johnson Builders & Realtors; and Steve Robinson, SEH.

**HONORARY COUNCIL PERSON**

Mayor Oberloh introduced Mike Kuhle who has agreed to serve as the Honorary Council person for the months of July and August.

**AGENDA APPROVED**

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

**MINUTES APPROVED**

The motion was made by Alderman Hain, seconded by Alderman Woll and unanimously carried to accept the Regular City Council minutes of July 25, 2005 as previously distributed with one correction to the item concerning the Long Branch Dance for Turkey Day. The original motion was approved by all with the exception of Alderman Ten Haken voting against. The amended motion was approved by all with the exception of Alderman Nelson voting against.

**MINUTES OF BOARDS AND COMMISSIONS**

The motion was made by Alderman Hain, seconded by Alderman Nelson and unanimously carried to accept for review the Water and Light Commission minutes of August 1, 2005; and Housing and Redevelopment Authority minutes of July 14, 2005.

**COUNCIL COMMITTEE VERBAL REPORTS**

- Mayor Oberloh reported on a meeting Alderman Nelson and he had attended with the Okabena Ocheda Watershed Board with the ongoing discussion being plans for Lake Okabena. A discussion followed on the smell of the lake the last couple of weeks. Mayor Oberloh and Alderman Nelson reported that the committee discussions have been on cleaning up what comes into the lake, not cleaning up what we have now. Alderman Nelson noted that the algae's growth and smell are due

to the life cycle of a Prairie Lake. He said his sister lives on one of the lakes by Okoboji and that the lake is like green latex paint right now, especially when the wind goes down at night and he noted that lake is a glacial lake.

Mayor Oberloh also reported on a trip to the cities he had taken with Brad Chapulis and Jorge Lopez of the SW MN Housing Partnership to accept a grant that was awarded to the Housing Partnership by the MN Green Communities. This is for the rehabilitation of the Viking Terrace Apartment Complex - new geo thermal units.

- Aldermen Hain, Woll, and Ten Haken had nothing to report at this meeting.
- Alderman Nelson noted an upcoming HRA meeting.

### **CITY ADMINISTRATOR REPORT**

Bob Filson, City Administrator reported on a Coalition meeting, and a League meeting he had attended. He noted that he had visited with Pat Hentges, Manager of the City of Mankato, and they have a housing program going that he thinks we should visit with them to learn more about. He reported that Yourway Transportation should be closing by the end of the week if they receive all the information needed from their architect.

### **FINANCIAL STATEMENTS**

The motion was made by Alderman Ten Haken, seconded by Alderman Hain and unanimously carried to accept the Prairie View Golf Links Statement of Revenues and Expenditures for the period January 1, 2005 through July 31, 2005; and Municipal Liquor Store Income Statement for the period January 1, 2005 through July 31, 2005. Council members had questions on the Prairie View Golf statement pertaining to Personnel Costs, Capital Outlay and Advertising.

### **SECOND READING PROPOSED ORDINANCE TO AMEND CHAPTER 90 ANIMALS**

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 amend Title IX of the City Code, Chapter 90 Animals. This amends the animal regulations in the City. Jim Laffrenzen, Supt. of Public Works noted the changes that were made following the discussions at the last worksession and meeting including: beach area, dangerous dogs, waiving fees, time limits before licensing, a correction of a typographical error, and noted that the fee structure will be in place for the third reading.

### **APPROVED AMENDING LICENSES FOR THE WHISKEY DITCH MOTORCYCLE RALLY**

On June 13, 2005, Council approved a Temporary Dance and a Temporary On-Sale Beer License Application received from the Convention & Visitor's Bureau for the Whiskey Ditch Motorcycle

Rally to be held August 26 and 27 at the Nobles County Fairgrounds. They have requested their licenses be amended to show a change from the Nobles County Fairgrounds to the Pioneer Village. The motion was made by Alderman Woll, seconded by Alderman Nelson and unanimously carried to approve amending their license as follows with it noted that in case of rain the alternate location for both will be the Worthington Hockey Arena:

2005-6 Whiskey Ditch Motorcycle Rally Temporary Dance License, 9:00 p.m. - 1:00 a.m., Saturday, August 27, 2005 to be held in the Pioneer Village Barn

2005-3 Whiskey Ditch Motorcycle Rally Temporary On-Sale Beer License, 5:00 p.m. - 12:00 midnight, Friday, August 26, 2005 and from 12:00 noon - 1:00 a.m., Saturday, August 27, 2005 - fenced in area in Pioneer Village

#### **APPROVED TEMPORARY ON-SALE BEER LICENSE - FIRE DEPARTMENT**

The motion was made by Alderman Woll, seconded by Alderman Hain and unanimously carried to approve the following temporary on-sale beer license application:

2005- 6 Worthington Fire Department, Saturday, September 10, 2005, 2:00 p.m. - 9:00 p.m. Fenced in Beer Garden at Centennial Park Shelter House

#### **REQUEST FOR SITE PREPARATION ASSISTANCE APPROVED - JOHNSON BUILDERS & REALTORS**

Johnson Builders & Realtors, Inc. (JBR) submitted a request for site preparation assistance for their proposed redevelopment project at 1114 Oxford Street. The subject property currently has a structure that is defined by the Zoning Ordinance as non-conforming. The structure does not comply with the setback requirements and contains a considerable amount of asbestos. The applicant is requesting assistance in the costs affiliated with the removal of the asbestos and demolition of the existing structure. The legal description of the subject property is as follows:

The East 40' of Lot 7 and all of Lot 8, Block 2, Auditor's Plat of Chermak's Subdivision, City of Worthington, Nobles County, Minnesota

Staff assessed the application using the established Site Preparation Guidelines to determine the applicant's eligibility for assistance. The guidelines 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 \$36,936.82, which is less than the \$61,050 requested. The motion was made by Alderman Hain, seconded by Alderman Nelson and unanimously carried to approve the request with the following criteria: the subject property has a detailed budget for the redevelopment (including associated private financing) illustrating that without assistance the project would not be economically feasible; the maximum amount of assistance be limited to costs affiliated with asbestos abatement, building demolition, and any contingencies at an amount not to exceed \$36,936.82.

**REQUEST FOR SITE PREPARATION ASSISTANCE APPROVED - THE FAIGUS GROUP, LTD**

Eugene Faigus, owner of The Faigus Group, LTD, submitted a request for site preparation assistance for his proposed redevelopment project located at 1321 Oxford Street. This is for the construction of a new Walgreen's Store. The applicant is requesting assistance in the costs affiliated with the demolition of existing structures, the relocation of public infrastructure and soil remediation. The legal description of the subject property is as follows:

Lots 2 & 3, Block 1, Darling's Fourth Addition, City of Worthington, Nobles County, Minnesota

Staff assessed the application using the established Site Preparation Guidelines. The guidelines 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 \$167,525.30 which is less than the amount requested. The motion was made by Alderman Ten Haken, seconded by Alderman Hain approve the request by opening for discussion. Council addressed what site preparation assistance money is to be used for, they were very concerned with the amount of the funding request and its usage, and the dollars left in the City's Tax Increment Financing coffers for any other projects that might come in with a request.

Following discussion a motion was made by Alderman Woll, seconded by Alderman Nelson and unanimously carried to amend the original motion to not exceed \$70,000 and to prioritize where the funds go with the first dollars to go to the relocation of public infrastructures and then to soil remediation. Council did not include demolition of the facility as part of the \$70,000 fund expense.

**PROFESSIONAL SERVICES AGREEMENT FOR PRAIRIE EXPO INFRASTRUCTURE IMPROVEMENTS APPROVED**

Staff submitted the Prairie Expo infrastructure plan to the state as documentation for development of a grant agreement. The development and approval of the grant agreement is anticipated in the near future. As identified at the time of layout approval, it is planned to initiate construction of the subsurface (sewer, water, storm sewer) improvements as soon as possible. City staff is committed to current construction projects and is scheduled through the upcoming design season for development of anticipated 2006 projects. Therefore, in order to accommodate an aggressive schedule for the Prairie Expo subsurface improvement, it is necessary to obtain consulting engineer services to complete construction plans and specifications, and to provide construction phase services. The motion was made by Alderman Woll, seconded by Alderman Hain and unanimously carried to approve the proposed contract with SEH and authorize the execution of the agreement subject to acknowledgment from the state that the engineering costs will be eligible for funding. It was noted that SEH is qualified to undertake the work, is available to immediately commence work on the development of construction documents, is familiar with the project and local conditions, and is able to provide a local contact and most all other project services from within 60 miles.

Familiarity with the project includes involvement with the storm water management system preliminary design. Familiarity with local conditions includes projects undertaken within the city, southwest Minnesota and southeast South Dakota.

**BILLS PAYABLE**

The motion was made by Alderman Hain, seconded by Alderman Woll and unanimously carried that bills payable and totaling \$567,193.96 be ordered paid.

**ADJOURNMENT**

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to adjourn the meeting at 8:38 p.m.

Karen Buchman  
City Clerk