

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, JUNE 23, 2008**

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

Staff present: Gary Hoffmann, Interim Administrator; Brian Kolander, Finance Director; Dwayne Haffield, Director of Engineering; Janice Oberloh, City Clerk.

Others present: Ken Moser and Darlene Macklin, Event Center Committee; Wayne Drealan, Turbes Drealan Kvilhaug Mammen and Co. P.A.; Lisa Graphenteen, Southwest Minnesota Housing Partnership; Darrell Stitt, KWOA; Ryan McGaughey, Daily Globe; Steve Meyer.

**INTRODUCTIONS**

Mayor Oberloh noted the presence of Steve Meyer, independent photographer from New York, who was reporting on small town America.

**AGENDA APPROVED**

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

**CONSENT AGENDA APPROVED WITHOUT BILLS PAYABLE**

A motion was made by Alderman Wood and seconded by Alderman Petrich to approve the consent agenda as presented. Alderman Ten Haken requested that Bills Payable be removed from the Consent Agenda and acted on independently as one of the payments listed was for an item that would be presented for approval later in the meeting.

A motion was then made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to remove Bills Payable and approve the Consent Agenda as follows:

- City Council Minutes: Regular Meeting May 27, 2008; Special Meeting June 2, 2008; Regular Meeting June 9, 2008.
- Minutes of Boards and Commissions: Water and Light Commission Minutes May 27, 2008; Housing and Redevelopment Authority Minutes of May 15, 2008; Memorial Auditorium Advisory Board Minutes of June 3, 2008; Planning Commission/Board of Appeals Minutes June 3, 2008.
- Financial Statements: Municipal Liquor Store Income Statement for the Period January 1, 2008 through May 31, 2008.
- Application to Block Streets for the International Festival as follows:

Third Avenue between Ninth Street and Tenth Street

Fourth Avenue between Ninth Street and Tenth Street

- Application for a temporary On-Sale Beer License from Noble County Fair Association for the period July 1, 2008 through September 30, 2008.
- Application for a temporary On-Sale Beer License from King Turkey Day, Inc. on behalf of JBS Swift and Company for a one-day celebration for their employees, from 5:00 p.m. to 9:00 p.m. on Saturday, July 19, 2008 at Centennial Park.

**2007 COMPREHENSIVE FINANCIAL REPORT ACCEPTED**

Mayor Oberloh requested that item F.4., 2007 Comprehensive Annual Financial Report be pulled out of order. Wayne Drealan, Turbes Drealan Kvilhaug Mammen and Co., Pa., was at the meeting to present the 2007 Comprehensive Annual Financial Report for the City of Worthington. The enterprise funds operated quite consistently compared to other years. Mr. Drealan noted the City is quite unique in that we approved approximately \$196,000 in budget amendments, anticipating a deficit of \$139,000. However, by transferring funds and selling some capital assets, we ended up with a deficit of \$24,245, a relatively small decrease in the fund balance. Mr. Drealan also discussed the governmental funds, bonding, special revenue funds, debt service funds, and internal service funds. The general fund ended up relatively flat but with the bonding and the construction improvement fund it brought the reserves up by just over a \$1.1 million increase.

Mr. Drealan also discussed the enterprise funds noting the utility fund showed increases for the year and the Liquor Store did very well also. There were no new debt obligations for 2007, but there was a flow through issue for the Lewis and Clark project. In response to a question from Mayor Oberloh, Mr. Drealan noted he has had some discussions with Brian Kolander regarding the proceeds from the sale of the municipal hospital

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to accept the 2007 Comprehensive Annual Financial Report.

**REVISED RESOLUTION NO. 3341 ADOPTED**

At its May 27, 2008 regular meeting, City Council adopted Resolution No. 3341, indicating their support and financial commitment toward the Southwest Minnesota Housing Partnership's proposed 24 unit rental housing development known as the New Castle Townhomes. Shortly after the adoption of the resolution, DEED informed staff that the use of the Small Cities program income toward the project would trigger the State's prevailing wage requirements for the construction of the housing units and public infrastructure. The Housing Partnership determined that applying prevailing wages to the construction of the public infrastructure would be detrimental to the project. The Partnership was requesting the following revisions to the adopted resolution:

- Continue its commitment of \$20,000 through the SCDP program income as a 0% deferred

loan for 30 years. Such funds would be directed toward the construction of the housing units instead of splitting it with assessment reduction as originally proposed.

- The City agree to provide a \$1,000 contribution designated for proposed assessments. Staff would recommend the utilization of the Community Development's grant writing budget for the proposed contribution.

Council briefly discussed the issue with Lisa Graphenteen from the Housing Partnership.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to adopt the following revised resolution:

AMENDED RESOLUTION NO. 3341

A RESOLUTION OF THE WORTHINGTON CITY COUNCIL FOR THE SUPPORT & COMMITMENT OF A HOUSING DEVELOPMENT PROJECT

(Refer to Resolution File for complete copy of Resolution)

**CONTRACT WITH SOUTHWEST MINNESOTA HOUSING PARTNERSHIP FOR ADMINISTRATIVE SERVICES APPROVED**

Council considered a proposed contract with the Southwest Minnesota Housing Partnership for administrative services related to the \$891,757 Tri-City (Worthington, Round Lake, & Wilmont) Residential Rehabilitation Project. Approval of the contract will authorize the Housing Partnership to act as the administrative agent on behalf of the three cities for the project.

The motion was made by Alderman Ten Haken, seconded by Alderman Kuhle and unanimously carried to approve the Contract with the Southwest Minnesota Housing Partnership for Administrative Services.

**MEMORANDUM OF UNDERSTANDING APPROVED - WORTHINGTON EVENT CENTER**

With authorization from City Council, the Event Center Committee had advertised a Request for Qualifications (RFQs) in four regional newspapers to gauge the interest of the hospitality industry in partnering with the City for the proposed Event Center project. The Committee received two RFQs (Ruhr Development of Plymouth, MN and Hegg Companies of Sioux Falls, SD. After reviewing the RFQ statements and interviewing both companies, the Committee concluded that Ruhr Development would best suit the City's interest. The Event Center Committee was recommending that Council enter into an exclusive negotiation with Ruhr Development for the acquisition of land (hotel portion) and professional services for the design, construction/project management, and

operational management of the proposed center. The MOU would give Ruhr the exclusive right to negotiate with the City on the proposed project, and in return, Ruhr will provide the Worthington Chamber of Commerce with conceptual renderings of the proposed project and construction estimates for the promotion of the ½ cent sales tax. If the ½ cent sales tax is not approved or negotiations fail between both parties, the City would reimburse Ruhr the costs it incurred in preparation of the conceptual renderings at an amount not to exceed \$2,500.

Alderman Ten Haken suggested that we look at the ½ cent sales tax as the best alternative to fund the project, but not the only alternative. Council needs to decide what would happen if the tax does not pass. Alderman Ten Haken requested that Brian Kolander, Finance Director, obtain general numbers from the State, and put something together showing what the sales tax would look like out of pocket compared to what the impact of bonding for the project would be on property taxes. The City Clerk will also check with the State to see if there are limits set for tax on the sale of big ticket items other than automobiles.

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to approve the Memorandum of Understanding - Worthington Event Center.

#### **SPECIAL USE PERMIT DENIED - 1008-1012 FOURTH AVENUE**

Phil Willardson had submitted an application for a special use permit for property he owns at 1008-1012 Fourth Avenue. The legal description of the subject property is:

Northeast 91 feet 4 inches of Lot 6, Block 14, Plat of Worthington, Village (now City) of Worthington, Nobles County, Minnesota

The permit would allow the applicant to convert a vacant ground level storefront into a residential housing unit. The Planning Commission considered the application at its June 10, 2008 meeting, and after holding a public hearing, voted unanimously to deny the permit due to the negative impact ground level residential would have on the purpose and intent of the central business district.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to support the Planning Commission's decision and deny the special use permit.

#### **SPECIAL USE PERMIT APPROVED - 706 JAMES BOULEVARD**

Bill Keitel submitted an application for a special use permit for property he owns at 706 James Boulevard. The legal description of the property under consideration is:

Lots 1, 2, and 3, Block 1, Shalom Estates, City of Worthington, Nobles County, Minnesota.

The permit would allow the applicant to convert the community room of the existing 8 unit multi-family building known as Shalom Manor into a 9<sup>th</sup> rental unit. The Planning Commission considered the request at its June 10, 2008 meeting, and after holding a public hearing, voted unanimously to approve the special use permit.

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to approve the special use permit.

**SPECIAL USE PERMIT APPROVED - 2550 HIGHWAY 60**

Swift & Company submitted an application for a special use permit for their property at 2550 Highway 60 NE. The legal description of the property under consideration is:

A tract of land lying in the West Half of Section 18, Township 102, Range 39, described as follows:

Commencing at the southwest corner of Section 18, Township 102, Range 39; thence East along said Section line a distance of 1,293.5 feet; thence North at 90° to said section line a distance of 1,010 feet to the point of beginning; thence North a distance of 100 feet to a point; thence West at 90° 397.38 feet to a point on the southeast right-of-way line of the C.St.P.M. & O. Railroad; thence northeast at an interior angle of 42° 08' and along said right-of-way a distance of 2,657.69 feet to a point on quarter section line; thence South at an interior angle of 47° 41' and along said quarter line a distance of 1,882.90 feet; thence West at an interior angle of 90° 11' a distance of 1,567.51 feet to the point of beginning.

Less and Except:

All that part of the following described tract:

That part of the Southeast Quarter of the Northwest Quarter and of the Northeast Quarter of the Southwest Quarter of Section 18, Township 102, Range 39 lying southeasterly of the railroad right-of-way;

Which lies northerly of a line run parallel with and distant 184 feet southerly of the following described line:

Beginning at a point on the east line of said Section 18, distant 100 feet south of the east quarter corner thereof; thence run westerly at an angle of 89° 14' 15" with said east section line (when measured from south to west) for 3,300 feet and there terminating;

Together with all that part of the above-described tract adjoining and southerly of the above-described strip, which lies northerly of the following described line:

From a point on the above-described line, distant 2,629.78 feet westerly of its point of beginning; run southerly at right angles to said line for 184 feet to the point of beginning of the

line to be described; thence run southwesterly to a point distant 199 feet southerly (measured at right angles) from a point on the above-described line, distant 2,729.78 feet westerly of its point of beginning; thence run westerly and parallel with the above-described line to the northwesterly boundary of the above-described tract and there terminating.

Together with:

A tract of land in the West Half of Section 18, Township 102, Range 39, described as follows:

Commencing at the southwest corner of said Section 18; thence East along said section line a distance of 1,293.5 feet; thence North at 90° to said section line a distance of 1,010 feet; thence East at 90° a distance of 522 feet to the point of beginning; thence easterly on said projected line a distance of 798 feet; thence South at 90° a distance of 250 feet; thence at 90° West a distance of 798 feet; thence at 90° North a distance of 250 feet, to the point of beginning.

And Also:

The northerly 50 feet of the following described tract:

Commencing at the southwest corner of Section 18, Township 102, Range 39; thence East along section line, a distance of 1,293.5 feet; thence North at 90° a distance of 740 feet to the point of beginning; thence North along same said line, a distance of 270 feet; thence East 90° a distance of 522 feet; thence South at 90° a distance of 270 feet; thence West at 90° a distance of 522 feet to the point of beginning.

The permit would allow the applicant to construct a 9,581 square foot addition to its meat packing facility. The Planning Commission considered the application at its June 10, 2008 meeting and, after holding a public hearing, voted unanimously to recommend City Council approval of the special use permit with the following condition:

1. The applicant completes the proposed addition as outlined in the Site Plan.

Mayor Oberloh questioned why the project has moved ahead without the approval of the special use permit. In the absence of Brad Chapulis, Director of Community/Economic Development, Dwayne Haffield, Director of Engineering, responded that the company was not aware of the special use permit requirement. Council noted that the company had been through several prior expansions and knew the requirements. Mayor Oberloh requested an explanation from the Community/Economic Development Director when he was available.

The motion was made by Alderman Kuhle, seconded by Alderman Woll and unanimously carried to approve the special use permit.

**RESOLUTION AUTHORIZING PLACING CITY QUESTION BALLOT BEFORE VOTERS AT THE GENERAL ELECTION ON NOVEMBER 4, 2008 AND APPROVING**

**THE FORM OF THE CITY QUESTION BALLOT TABLED**

Staff presented a proposed resolution to authorize placing the question of the half-cent sales tax before voters at the General Election on November 4, 2008, and approving the form of the City Question Ballot. Mark Shepherd, City Attorney, had prepared the resolution and was present at the meeting to discuss it with Council. Alderman Ten Haken noted there was nothing in the question as to what the sales tax would be used for, he would like something more specific. Council agreed noting they want to be sure the public knows what they're voting for. Mr. Shepherd noted the title of the question was limited to ten words or less by the State, however, he would do some further checking on what could be done regarding the wording of the question itself. All agreed there needs to be a major effort made with the Worthington voters as to what the tax would be for and that this would be the best way to fund an event center as opposed to bonding for it. Alderman Wood suggested we match the wording used in the legislation authorizing the tax. Mr. Shepherd will check for clarification on the wording.

Following discussion, the motion was made by Alderman Ten Haken, seconded by Alderman Wood and unanimously carried to table this item for better clarification.

**RESOLUTION NO. 3343 ADOPTED AUTHORIZING SIGNATURES ON WORTHINGTON REGIONAL HOSPITAL ACCOUNTS AND CONCLUDING THE AFFAIRS OF THE HOSPITAL**

Staff presented a resolution designating Interim Administrator, Gary Hoffman, and Finance Director, Brian Kolander, as signatories on all remaining Worthington Regional Hospital accounts in order to conclude the affairs of Worthington Regional Hospital. Mark Shepherd, City Attorney, explained the purpose of the authorization was to have all hospital accounts closed out at the date of closing except the account in which to receive automatic payments from various insurance companies. Mr. Hoffmann and Mr. Kolander would be signatories on that account.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to adopt the following resolution designating Interim Administrator, Gary Hoffman, and Finance Director, Brian Kolander, as signatories on all remaining hospital accounts:

RESOLUTION NO. 3343

A RESOLUTION AUTHORIZING SIGNATURES ON WORTHINGTON REGIONAL HOSPITAL ACCOUNTS AND CONCLUDING THE AFFAIRS OF THE HOSPITAL

(Refer to Resolution File for complete copy of Resolution)

**AUTHORIZATION GIVEN TO EXECUTE AGREEMENTS RELATED TO THE SALE OF**

### **THE WORTHINGTON REGIONAL HOSPITAL**

Mark Shepherd, City Attorney, was requesting Council authorization for the Mayor and Clerk to execute three agreements related to the sale of Worthington Regional Hospital. The documents included:

1. A MRI/CT Business Venture Agreement between the City of Worthington, Avera McKennan, and Sanford
2. A Second Amendment to the Asset Purchase Agreement
3. A Receivables Collection Services Agreement Between Sanford and the City of Worthington

City Attorney, Mark Shepherd, briefly discussed each of the agreements with Council, noting the following:

The MRI/CT agreement had only a couple of minor changes from the original. Sanford had opposed a couple of things in the original agreement that Avera had with Worthington Regional Hospital. The new document presented for Council consideration has a few minor changes that came about because the entities involved are different. There are still some blanks to be filled in but Mr. Shepherd he was asking for authorization for the Mayor and Clerk to execute document with the expectation of a couple of minor additional changes that would not affect the City.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to authorize the Mayor and Clerk to execute the MRI/CT Business Venture Agreement between the City of Worthington, Avera McKennan, and Sanford.

Mr. Shepherd said the Second Amendment to the Asset Purchase Agreement contained a couple of minor changes that Council had previously been told were coming. One of the changes had to do with the replacement of a main elevator, which the City and Sanford had reached an agreement on, and another change was regarding the payment of sick leave benefits. Mr. Shepherd noted the City would be responsible for paying \$42,000 (\$41,000 of which is deed tax) of the approximately \$500,000 of closing costs from the sale, which is usual. Alderman Ten Haken reported one of the subcontractors on the linear accelerator project had not yet been paid his final contract payments. Mr. Shepherd will look into that report as it should be taken care of before closing. Discussion continued.

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to authorize the Mayor and Clerk to execute the Second Amendment to the Asset Purchase Agreement.

Regarding the Collection Agreement, and because of the time required to settle insurance claims and

the fact that we will no longer have people to collect those accounts, Sanford has agreed to take over account collections at a rate of 6.5% of the accounts.

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to authorize the Mayor and Clerk to execute the Receivables Collection Services Agreement Between Sanford and the City of Worthington

**ORDINANCE NO. 1012 ADOPTED - TO VACATE PART OF A PLATTED PUBLIC UTILITY EASEMENT IN BLOCK "1", COUNTRY VILLAGE APARTMENTS SUBDIVISION**

Pursuant to notice, this was the time set for the third reading of a proposed ordinance to vacate part of a platted public utility easement in Block "1", Country Village Apartments Subdivision, City of worthington, Nobles County, Minnesota described as follows:

The east 10.00 feet of the south 166.27 feet of Block "1", Country Village Apartments Subdivision, City of Worthington, Nobles County, Minnesota

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to give a third reading to and subsequently adopt Ordinance No. 1012.

**ORDINANCE NO. 1013 ADOPTED - TO VACATE PART OF A PLATTED PUBLIC UTILITY EASEMENT IN BLOCK 1, WORTHINGTON INDUSTRIAL PARK**

Pursuant to notice, this was the time set for the third reading of a proposed ordinance to vacate a portion of the 20 foot wide platted public easement in block 1, Worthington Industrial Park, City of Worthington, Nobles County, Minnesota described as follows:

The south 283.68 feet of the east 10.00 feet of Lot 30 and the south 283.68 feet of the west 10.00 feet of Lot 31, all in Block 1, Worthington Industrial Park, City of Worthington, Nobles County, Minnesota

The motion was made by Alderman Kuhle, seconded by Alderman Wood and unanimously carried to adopt Ordinance No. 1013.

**SECOND READING PROPOSED ORDINANCE AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA**

Pursuant to notice, this was the time set for the second reading of a proposed ordinance amending Title XV, Section 155.086 (C) (3) of the City Code of Worthington, Nobles County, Minnesota as follows:

(3) Ground level uses permitted in this district shall be as designated in Table 5 of this title for non-residential use groups (A, B, C, D, E, F). ~~If none of these permitted uses can be found to occupy a store front which has remained vacant for a period of one year, then a~~ Any use permitted in the underlying zoning district, as indicated on the official zoning map, may be allowed as a conditional use in accordance with §§§§ 155.185 and 155.186 of this chapter.

The motion was made by Alderman Kuhle, seconded by Alderman Ten Haken and unanimously carried to give a second reading to the proposed ordinance.

**REQUEST FOR FUNDING APPROVED - SOUTHWEST INITIATIVE FOUNDATION**

The City had received a letter from the Southwest Initiative Foundation requesting support from the City in their 2009 budget. Along with the letter, a fact sheet was submitted outlining the real-money return the City of Worthington's people, businesses, and communities have experienced from SWIF. The requested amount was \$7,500.

The motion was made by Alderman Petrich, seconded by Alderman Woll and unanimously carried to approve the funding request to the Southwest Initiative Foundation in the 2009 budget in the amount of \$7,500.

**BID AWARDED FOR THE 2008 BITUMINOUS SURFACING PROJECT**

Bids were received at 2:00 p.m. on June 23, 2008 for the 2008 Bituminous Surfacing Project. The project includes the overlay of Oxford Street from Smith Avenue to McMillan Street and the final surfacing of the streets in BioScience Park. The following bids were received:

	<u>Engineer's Estimate</u>	<u>Worthington Excavating, Inc.</u>	<u>Duininck Bros., Inc.</u>
Schedule 1	\$261,024.30	\$246,729.12	\$322,692.78
Schedule 2	<u>\$85,976.00</u>	<u>\$89,546.50</u>	<u>\$111,313.24</u>
Total schedules 1 & 2	\$347,000.30	\$336,275.62	\$434,006.02

Based on the bids received, staff was recommending award of the bid to Worthington Excavating, Inc.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to award the bid to Worthington Excavating, Inc. as the low qualified bidder in the total amount of

schedules 1 & 2 of \$336,275.62.

**BID AWARDED FOR 2008 CITY BITUMINOUS OVERLAYS PROJECT**

Bids were received on June 23, 2008 for the 2008 City Bituminous Overlays Project. The project consists of milling (most locations) and overlaying the following street segments:

- South Shore Drive Causeway
- Grand Avenue from Okabena Street to Oxford Street
- Industrial Lane from Diagonal Road to 860 feet east
- 13<sup>th</sup> Street from 9<sup>th</sup> Avenue to Clary Street
- Lake Street from near 4<sup>th</sup> Avenue to 7<sup>th</sup> Avenue
- 13<sup>th</sup> Street and Sherwood Street intersection
- 9<sup>th</sup> Avenue for 75' beginning 170' southwest of 13<sup>th</sup> Street
- Douglas Avenue from Oxford Street to 100' South

The following bids were received:

<u>Engineer's Estimate</u>	<u>Worthington Excavating, Inc.</u>	<u>Duininck Bros., Inc.</u>
\$347,026.02	\$376,779.20	\$439,510.20

Staff was recommending award of the bid to Worthington Excavating, Inc., and requesting Council authorization to spend the additional amount over the engineer's estimate from reserves.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to award the bid to Worthington Excavating, Inc. as the low qualified bidder in the amount of \$376,779.20, and to authorize spending of reserves for the additional amount over the engineer's estimate.

**RESOLUTION ADOPTED VACATING CERTAIN EASEMENTS ON HOSPITAL PROPERTY**

In preparation for transferring hospital property to Sanford Health, it was determined that necessary provisions should be made to ensure that the City maintains interest in all easements that cover active utilities. Likewise, it was found appropriate to clearly release those easements that are no longer required. A review of eleven easements over the properties to be conveyed to Sanford Health revealed that three easements are no longer needed. At its June 16, 2008 meeting, the Water and Light Commission concurred with the recommendation that Council pass a resolution vacating the easements.

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to adopt the following resolution vacating the easements:

RESOLUTION

VACATING EASEMENTS IN BLOCKS 25 AND 27 PLAT OF WORTHINGTON

WHEREAS, An easement in Lots 5 and 6, Block 25, Plat of Worthington, Sections 23 and 24, Township 102, Range 40, Nobles County, Minnesota is no longer required by the City; and

WHEREAS, An easement in Lot 8, Block 25, Plat of Worthington, Sections 23 and 24, Township 102, Range 40, Nobles County, Minnesota is no longer required by the City; and

WHEREAS, An easement in Lots 5 and 6, Block 27, Plat of Worthington, Sections 23 and 24, Township 102, Range 40, Nobles County, Minnesota is no longer required by the City.

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

1. That the easements described in Document No. 188383, Document No. 188420, and Document No. 133672 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.

Adopted by the City Council of the City of Worthington, Minnesota, this the 23<sup>rd</sup> day of June, 2008.

**CHANGE ORDER ONE TO FORMER CAMPBELL'S SOUP FACILITY DEMOLITION PROJECT APPROVED**

Staff presented a proposed Change Order 1 to the Former Campbell's Soup Facility Demolition project. Item one of the change order provides \$3,835 in payment for removal of an unknown elevator shaft. Removal included the hydraulic cylinder and fluids. Item 2 addresses a weak pocket of soil, similar to an old lake bottom, that was exposed. The petroleum in it needed to be removed and hauled to a permitted land fill. Item 2 provides for \$8,747.20 in compensation for transportation and disposal of the slurry. Item 3 requires the contractor to replace existing storm sewer yard piping and provides payment of \$10,791.00 for the additional work. The work in this item replaces unusable piping and provides a replacement drain inlet.

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried

to authorize the Mayor to execute the change order.

### **COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - reported the Regatta and the visit by the delegation from Germany went well.

Alderman Ten Haken - Attended a Highway 60 Transportation meeting.

Alderman Woll - Attended an Aquatic Center meeting, things seem to be going well. Wants to be sure we keep moving with the \$800,000 in public purpose funds. Also wanted to mention the mail boxes being installed by the Post Office. Dwayne Haffield will follow up on a phone call to the post office - concerned about the parking issue.

Alderman Wood - nothing to report.

Alderman Kuhle - reminded Council the Whiskey Ditch Rally was coming this weekend.

Alderman Petrich - Nothing to report.

### **CITY ADMINISTRATOR'S REPORT**

Gary Hoffmann, Interim Administrator, reported Springsted was trying to finish their contacts to Council and would hopefully list the Administrator's position next week. Also noted the hospital closing was scheduled for 2:00 p.m. on Wednesday and the Council is invited to attend. Reminded Council they still need to discuss the use of hospital sale proceeds. Also reported the majority of the street striping is done.

### **BILLS PAYABLE**

The motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried that bills payable and totaling \$959,381.89 be ordered paid.

Mayor Oberloh requested that Council checked their calendars to set a special meeting for ongoing discussions. The special meeting was set for 6:30 a.m. on Monday, June 30, 2008.

### **ADJOURNMENT**

The motion was made by Alderman Woll, seconded by Alderman Petrich and unanimously carried to adjourn the meeting at 9:08 p.m.

Janice Oberloh  
City Clerk