

**WORTHINGTON CITY COUNCIL  
CONTINUED REGULAR MEETING, MARCH 12, 2014**

The meeting was reconvened at 7:00 p.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Council Members present: Mike Kuhle, Diane Graber, Rod Sankey, Ron Wood, Scott Nelson. Council Members absent: Honorary Council Member Andy Johnson (excused).

Staff present: Craig Clark, City Administrator; Brad Chapulis, Director of Community/Economic Development; Janice Oberloh, City Clerk.

Others present: Aaron Hagen, Daily Globe; Nicole Froderman, WREDC; Dana Oberloh and Scott Belz, New Fashion Pork; Marv Zylstra.

The Pledge of Allegiance was recited.

**AGENDA APPROVED/CLOSED WITH CHANGES**

Staff requested the following changes to the agenda:

- Remove Item E.2. *Update from Sanford Medical Center*, as Mike Hammer, CEO of Sanford Worthington Medical Center, was unavailable
- Note a correction to Item F.1. *Special Use Permit - 322 10<sup>th</sup> Avenue* - the correct address is 501 Oxford Street

The motion was made by Council Member Wood, seconded by Council Member Graber and unanimously carried to approve/close the agenda with the requested changes.

**CONSENT AGENDA APPROVED**

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

- City Council Minutes of regular meeting February 24, 2014
- Minutes of Boards and Commissions - Water and Light Commission Minutes of regular meeting March 3, 2014; Housing and Redevelopment Authority Minutes of regular Board meeting January 23, 2014; Worthington Public Arts Commission Minutes of December 29, 2013 and February 20, 2014; Planning Commission/Board of Appeals Minutes of March 4, 2014
- Temporary On-Sale Liquor License - Avera Medical Group Worthington, for one day for their Women's Expo on Saturday, March 22, 2014
- Application for Exemption from Lawful Gambling Permit - Pheasants Forever Nobles County Chapter #14, to conduct raffles at their Pheasants Forever Banquet on April 4, 2014 at the Long Branch, 206 Tenth Street - Scott Rall, Chief Executive Officer
- Amendment to the Loan Agreement for the real estate transaction with Prairie Holdings Group that was approved at the February 24, 2014 Council meeting to remove unnecessary

- requirements
- Bills payable and totaling \$571,852.96 be ordered paid

**APPROVAL OF SUPPORT FOR WORTHINGTON REGIONAL ECONOMIC DEVELOPMENT CORPORATION NOBLES HOME INITIATIVE PROPOSAL**

Based on the presentation provided at the beginning of the regular meeting on Monday, March 10, 2014 by Abraham Algadi, CEO of WREDC, regarding their Nobles Home Initiative proposal, the motion was made by Council Member Graber, seconded by Council Member Nelson and unanimously carried to support the Nobles Home Initiative Program and allow staff to begin development of a program.

**THIRD READING AND ADOPTION OF ORDINANCE NO. 1078 AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA, TO REZONE PROPERTY FROM "M-1" (LIGHT MANUFACTURING) TO "B-3" (GENERAL BUSINESS) AND "M-2" (GENERAL MANUFACTURING)**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would rezone the following area bounded by Oxford Street, Rowe Avenue, Stower Drive, and McMillan Street, and legally described as follows:

The following legally described area, presently included in the "M-1" district, shall henceforth be included in the "B-3" district:

Block 1, Prins Addition; Outlot 2 of the Auditor's Plat of Outlots 1-12, Section 14 T102N R40W; the southerly 334.35 feet of Outlot 1 of the Auditor's Plat of Outlots 1-12, Section 14, T102N, R40W; the southerly 230 feet of the former railroad right-of-way lying north of Oxford Street in the South ½ of the Southwest 1/4 Section 14, T102N, R40W; and the southerly 263.3 feet of that part of the South ½ of the Southwest 1/4 of Section 14, T102N, R40W lying west of the former railroad right-of-way and east of North Frederick Avenue except that part currently zoned B3; all in Nobles County, Minnesota.

The following legally described area, presently included in the "M-1" district, shall henceforth be included in the "M-2" district:

That part of the Southwest 1/4 Section 14, T102N, R40W, Nobles County, Minnesota lying south of Stower Drive, north of Oxford Street, east of Rowe Avenue and west of McMillan Street except those parts currently zoned B3 and except that part proposed to be rezoned to B3 as described above

The motion was made by Council Member Nelson, seconded by Council Member Kuhle and unanimously carried to give a third reading to, and subsequently adopt the following ordinance:

ORDINANCE NO. 1078

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA, TO REZONE PROPERTY FROM "M-1" (LIGHT MANUFACTURING) TO "B-3" (GENERAL BUSINESS) AND "M-2" (GENERAL MANUFACTURING)

(Refer to Ordinance File for complete copy of Ordinance)

**REQUEST FROM LUTHERAN SOCIAL SERVICES FOR LEASE PAYMENT  
ADJUSTMENT APPROVED**

In January of 2014, the City entered into an agreement with Lutheran Social Services Program that allows compensation to the City for the use of the Center for Active Living to distribute meals for the senior dining program, both at the Center and to those who are home-bound. Based on a reduction in their federal support, Lutheran Social Services was asking for an adjustment to the current payment to the City from \$10 per day to \$5 per day, effective April 1, 2014. The Center for Active Living Committee met and discussed the issue, and felt the adjustment was warranted.

The motion was made by Council Member Kuhle, seconded by Council Member Graber and unanimously carried to approve the request from Lutheran Social Services to adjust the current payment to the City from \$10 per day to \$5 per day, effective April 1, 2014.

**SPECIAL USE PERMIT APPROVED - 501 OXFORD STREET**

NutriPro Biosystems, Inc. was requesting approval of a special use permit for their property at 501 Oxford Street which would allow them to remove several existing structures and replace them with a new 40,000 bushel grain bin and new corn receiving leg and pit. Grain mill operations are only permissible through the issuance of a special use permit in the M-2 General Manufacturing district. The subject property is legally described as follows:

Lot 1 and that part of Lot 7, Auditor's Outlots 1 to 12, inclusive, in the South Half of Section 14, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota, described as follows:

Beginning at the intersection of the East line of Lot 1 of said Auditor's Outlots and a line 481.60 feet North of and parallel with the South line of said Section 14; thence on an assumed bearing of North 19° 12' 39" West, along the East line of said Lot 1, a distance of 160.90 feet to the North line of said Lot 1; thence on a bearing of West, along last said line, 250.00 feet to the West line of said Lot 7; thence on a bearing of North 19° 12' 39" West, along last said line, 294.98 feet to the North line of said Lot 7; thence on a bearing of East, along last said line, 400.00 feet; thence on a bearing of South, 430.50 feet to the point of beginning. Containing 2.34 acres, more or less.

TOGETHER WITH

That part of a tract 100 feet by 2805 feet in the Southwest Quarter (SW ¼) of Section Fourteen (14), Township One Hundred Two (102), Range Forty (40) West of Auditor's Outlots One (1), Seven (7)

and Eight (8) and East of Tracts I and J, formerly railroad right-of-way, recorded in that certain Conveyance of Forfeited Lands recorded as Document Number 248828 in the office of the Nobles County Recorder, described and bounded as follows: All of said tract bounded in the North by the South boundary of Stower Street, and bounded on the South by the North boundary of Oxford Street, subject to all easements and restrictions of record. EXCEPTING THEREFROM the South 230 feet thereof.

TOGETHER WITH

Commencing at the intersection of the easterly right of way line of a former railroad as recorded in Doc. No. 248828 and the north line of Oxford Street, being 67 feet north of the south line of said Section 14; thence on an assumed bearing of North 19 degrees 12 minutes 39 seconds West, along said easterly right of way line, a distance of 95.31 feet to an iron monument, said iron monument being the point of beginning of the tract to be described; thence continuing North 19 degrees 12 minutes 39 seconds West, along said easterly right of way line, a distance of 81.99 feet; thence South 68 degrees 51 minutes 15 seconds West a distance of 8.43 feet to an iron monument; thence South 21 degrees 08 minutes 45 seconds East a distance of 79.76 feet to an iron monument; thence North 90 degrees 00 minutes 00 seconds East a distance of 6.07 feet to the point of beginning, subject to easements now of record.

EXCEPTING THEREFROM

That part of Lot 1 of the Auditor's Outlots 1 to 12, inclusive, according to the recorded plat thereof and that part of Oxford Street Right-of-Way Plat and that part of the former railroad right-of-way all being in the South Half of the Southwest Quarter of Section 14, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota, described as follows:

Beginning at the intersection of the easterly right-of-way line of a former railroad, as recorded in Doc. No. 248828 and the north line of Oxford Street, being 67 feet north of the south line of said Section 14; thence on an assumed bearing of North 19 degrees 12 minutes 39 seconds West, along said easterly right-of-way line, a distance of 95.31 feet to an iron monument; thence South 90 degrees 00 minutes 00 seconds West a distance of 6.07 feet to an iron monument; thence North 21 degrees 08 minutes 45 seconds West a distance of 79.76 feet to an iron monument; thence North 68 degrees 51 minutes 15 seconds East a distance of 8.43 feet to the easterly right-of-way line of said former railroad; thence North 19 degrees 12 minutes 39 seconds West, along said easterly right-of-way line, a distance of 66.26 feet to an iron monument; thence continuing North 19 degrees 12 minutes 39 seconds West, along said easterly right-of-way line, a distance of 39.67 feet to an iron monument; thence North 90 degrees 00 minutes 00 seconds East a distance of 199.79 feet to an iron monument; thence South 19 degrees 12 minutes 39 seconds East a distance of 198.78 feet to an iron monument; thence South 0 degrees 00 minutes 00 seconds West a distance of 79.64 feet to an iron monument located on the north line of Oxford Street Right-Of-Way Plat, according to the recorded plat thereof; thence North 89 degrees 55 minutes 21 seconds West, along said north line, a distance of 71.77 feet to a 2 inch diameter aluminum capped monument; thence South 89 degrees 53 minutes 02 seconds West a distance of 100.23 feet to the point of beginning.

EXCEPTING THEREFROM

That part of Lot 7 of the Auditor's Outlots 1 to 12, inclusive in the South half of the Southwest Quarter of Section 14, Township 102 North, Range 40 West, City of Worthington, Nobles County, Minnesota, described as follows:

Commencing at the Northwest corner of said Lot 7 of Auditor's Outlots 1 to 12, inclusive, according to the recorded plat thereof; thence on an assuming bearing of North 90 degrees 00 minutes 00 seconds East, along the north line of Lot 7, also being the north line of a tract as recorded in Document No. 219705, a distance of 100.62 feet to an iron monument, said iron monument being the point of beginning of the tract to be described; thence continuing North 90 degrees 00 minutes 00 seconds East, along said north line, a distance of 300.00 feet to the Northeast corner of said tract; thence South 0 degrees 00 minutes 00 seconds West, along the east line of said tract, a distance of 200.00 feet to an iron monument; thence South 90 degrees 00 minutes 00 seconds West a distance of 200.00 feet to an iron monument; thence North 26 degrees 33 minutes 54 seconds West a distance of 223.61 feet to the point of beginning.

The Planning Commission considered the request at their March 4, 2014 meeting, and after holding a public hearing voted on a 3 to 1 vote to recommend Council approval of the special use permit subject to the following conditions:

1. The third and final reading of the proposed rezoning ordinance is approved / adopted by the City Council; and
2. The proposed improvements are done in accordance with the submitted site plan.

The motion was made by Council Member Nelson and seconded by Council Member Wood to approve the special use permit.

Discussion was held regarding potential dust and gravel issues. Dana Oberloh, representing NutriPro, said he didn't think the company would be opposed to looking at paving the drive in the future. Mr. Chapulis noted that if Council is concerned about the potential for gravel on Oxford Street from turning trucks they could make NutriPro responsible for the clean up as a condition of the special use permit.

Following additional discussion, Council Member Nelson amended his motion to include NutriPro's responsibility for making sure there is no accumulation of gravel on Oxford Street - Council Member Wood accepted the amendment - the motion was unanimously carried.

**FIRST READING PROPOSED ORDINANCE - TEXT AMENDMENT (FLOOD PLAIN MANAGEMENT)**

For the past eight years City and County engineers have been working with FEMA and their consultants to complete a Flood Insurance Study and update FEMA's Flood Insurance Rate Map (FIRM) within Nobles County. The new FIRM was delivered to the local units of governments in Nobles County earlier this year and included a letter indicating that each of the governmental units had to adopt legally enforceable flood plain management measures that complied with Title 44 Code of Federal Regulations prior to the effective date of the FIRM, which is May 19, 2014. Failure to adopt federal compliant flood plain measures by the deadline would result in the community's suspension from the National Flood Insurance Program.

Staff presented a proposed ordinance amending the City's current flood plain management ordinance to bring it in compliance with Title 44 regulations with the following purpose:

*Section 152.2 Purpose -*

*(A) This ordinance regulates development in the flood hazard areas of Worthington. These flood hazard areas are subject to periodic inundation, which may result in loss of life and property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures for flood protection and relief, and impairment of the tax base. It is the purpose of this ordinance to promote the public health, safety, and general welfare by minimizing these losses and disruptions.*

*(B) National Flood Insurance Program Compliance. This ordinance is adopted to comply with the rules and regulations of the National Flood Insurance Program codified as 44 Code of Federal Regulations Parts 59-78, as amended, so as to maintain the community's eligibility in the National Flood Insurance Program.*

*(C) This ordinance is also intended to preserve the natural characteristics and functions of watercourses and flood plains in order to moderate flood and storm water impacts, improve water quality, reduce soil erosion, protect aquatic and riparian habitat, provide recreational opportunities, provide aesthetic benefits and enhance community and economic development.*

The ordinance was developed by the MN DNR and modified by staff to conform to the format of the City Code. The Planning Commission held a public hearing on the proposed ordinance at its March 4, 2014 meeting, and after closing the hearing, voted unanimously to recommend Council adoption of the proposed ordinance as presented.

The motion was made by Council Member Wood, seconded by Council Member Graber and unanimously carried to give a first reading to the proposed ordinance.

**REQUEST FOR SITE PREPARATION ASSISTANCE APPROVED - DAN & TANYA WAGNER - 1425 N. McMILLAN STREET**

Dan and Tanya Wagner were requesting site preparation assistance for their proposed 2,800 square foot commercial facility to be constructed at 1425 N. McMillan Street. The applicants were requesting assistance with the costs associated with demolition of the existing residential structure, with a quote received of \$13,000. The legal description of the property is as follows:

*The north 71.2 feet of the east 172.25 feet of Outlot 6, Auditor's Outlots 1 to 12, Section 14, Township 102 North, Range 40 West, Nobles County, Minnesota*

Staff assessed the application using the established Site Preparation Guidelines, and it is staff's opinion that the application meets all five criteria. Under the guidelines, the maximum participation that may be considered is \$57,000, which is more than the amount requested.

The motion was made by Council Member Kuhle, seconded by Council Member Sankey and

unanimously carried to approve the application for site preparation assistance from Dan and Tanya Wagner at an amount not to exceed \$13,000, subject to the applicant providing proof of competitive bidding.

### **COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - nothing to report.

Council Member Kuhle - Went to St. Paul with Craig and Diane - had good appointments with legislators - talked about Lewis and Clark - we're lucky to have Representative Hamilton - Lewis and Clark is his new "Highway 60" project.

Council Member Graber - Agrees with Council Member Kuhle and also noted was impressed with Craig - he is a connector up there. Attended a CAL meeting on the 10<sup>th</sup> - Council will receive the minutes in a future packet. There needs to be an increase in the number eating at the facility. The Committee is developing a mission and vision statement. Memorial Auditorium Advisory Board talked about signs and met regarding the re-rigging project - everyone was pleased and the report should be received in about two weeks. The Friends have little or no money for the upcoming season - paying rental fees are an issue for them since they bring in the acts - that has been referred to Craig.

Council Member Sankey - Attended the LMC meeting with Craig and Scott - also commended the City Administrator on getting things done there. Traveled to St. Paul with Craig to testify for the bonding bill regarding the BAC - sounded positive.

Council Member Wood - nothing to report.

Council Member Nelson - Met with Leroy Stumpf, Thief River Falls, while at St. Paul, hoping that he signed on to the Lewis and Clark bill - also gave kudos to Craig.

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

Craig Clark, City Administrator, reported that Hamilton, Weber and Schumacher introduced a bill for the whole \$69 million of government support needed for the Lewis and Clark project, noting that it would not release the federal government from their obligation - any funds from them would go to repaying the state. The BAC build-out doesn't look like it will have a lot of success - we'll keep pushing its importance and that we're only asking for a repurposing of funds already authorized. The City has sent a letter to the mall owner regarding the state of the rest of the mall and requiring him to abate the nuisance - he has 30 days from receipt of the letter to submit a plan.

### **ADJOURNMENT**

The motion was made by Council Member Wood, seconded by Council Member Sankey and unanimously carried to adjourn the meeting at 7:37 p.m.