

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, MAY 9, 2011**

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 Kuhle, Scott Nelson, Ron Wood, Mike Woll. Honorary Council Member: Martin Rickers.

Staff present: Mike Cumiskey, Public Safety Director; Dwayne Haffield, Director of Engineering; Jim Laffrenzen, Public Works Superintendent; Janice Oberloh, City Clerk.

Others present: Ryan McGaughey, Daily Globe; Darlene Macklin, Worthington Area Chamber of Commerce; Trey Davis; Ken Jansen; Jim Henderson; Colin O'Donnell; Scott Kraft; Joe Bartlett; Phil Smith, Mike Smith, and Pat Smith, Smith Trucking; John Landgaard, ISD 518.

**HONORARY COUNCIL MEMBER**

Mayor Oberloh presented Marti Rickers with a certificate and thanked him for serving as Honorary Council Member for the months of February, March and April, 2011. Mr. Rickers said it had been a real education regarding the number of meetings that Council attends, and that the responsibilities are huge. He has a new appreciation for the Council members.

**CONSENT AGENDA APPROVED**

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to approve the consent agenda as follows:

- City Council Minutes of Regular Meeting April 25, 2011; City Council Minutes of Special Meeting April 26, 2011
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting May 2, 2011; Planning Commission/Board of Appeals Minutes of May 3, 2011
- Application for temporary on-sale beer license for Worthington Okabena Windsurfers - Sailboard Beach for the 2011 Regatta, from 12:00 noon to 12:00 midnight on June 10, 2011, and from 12:00 noon to 12:00 midnight June 11, 2011
- Application to block streets for the 2011 Regatta as follows:  
From 8:00 a.m. June 9, 2011 to 12:00 Noon June 13, 2011  
-Lake Avenue from 2<sup>nd</sup> Avenue to 7<sup>th</sup> Avenue (this segment will re-open at 5:00 p.m. on Sunday)  
-3<sup>rd</sup> Avenue from 8<sup>th</sup> Street to Lake Avenue  
-4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> Avenues to the alleys.
- Approval for Downtown Farmers Market at the former Campbell Soup Parking Lot from 4:00 p.m. to 7:00 p.m every Tuesday evening from June 7<sup>th</sup> to October.
- Bills payable and totaling \$542,790.03 be ordered paid.

**ORDINANCE #1040 ADOPTED AMENDING TITLE IX CHAPTER 99.02 (K) OF THE  
WORTHINGTON CITY CODE - RV PARKING**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance amending Title IX, Chapter 99.02 (K) of the Worthington City Code to allow, through a permit process, occupation of a recreational vehicle while parked in a zoned residential district as follows:

Section I.

The Worthington City Code Chapter 99.02 is hereby amended to read as follows:

- (K) A recreational vehicle which is parked shall not be occupied nor be provided with separate utility hook-ups except that upon application made to the City Clerk on a prescribed form, the City Council may issue a temporary permit so as to allow off-street parking within a residential district which would otherwise be a violation of Section 99.02(K), subject to the following conditions:
- (1) The days and hours of each temporary permit shall be determined and set on an individual basis by the City Council after appropriate investigation and based upon considerations which may include but shall not be limited to the following
    - (a) The support or opposition of property owners and/or residents within 350 feet of the proposed location;
    - (b) The character of the person or organization that makes application; and
    - (c) The purpose for which the license is sought.
    - (d) The person making application on behalf of an individual or organization must be a local resident and, if on behalf of an organization, his or her relationship to the organization is fully set forth in the application.
    - (e) No temporary permit may be issued for more than a 72-hour period of time.
    - (f) No more than two temporary licenses shall be issued to any person or organization in any calendar year.
  - (2) The proposed location;
  - (3) Fees for the temporary permit shall be established by City Council.

The motion was made by Alderman Ten Haken and seconded by Alderman Wood to give a third reading to, and subsequently adopt the proposed ordinance, with the following Aldermen voting in

favor of the motion: Ten Haken, Wood, Woll; and the following Aldermen voting against the same: Kuhle, Nelson. Motion carried.

ORDINANCE NO. 1040

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE TITLE IX, GENERAL REGULATIONS, CHAPTER 99.02(K) RELATING TO THE RECREATIONAL VEHICLES PARKED IN A RESIDENTIAL DISTRICT

(Refer to Ordinance File for complete copy of Ordinance)

**PERMIT FOR RV PARKING APPROVED - WORTHINGTON CHRISTIAN CHURCH**

The Worthington Christian Church was seeking a permit for a celebration event June 3<sup>rd</sup> and 4<sup>th</sup>, which would include tents and some RV's set up over the weekend. Issuance of the permit was possible based on Council earlier giving a third reading to, and subsequently adopting Ordinance No. 1040 allowing occupancy of RV's in a residential district.

The motion was made by Alderman Woll, seconded by Alderman Wood, and unanimously carried to approve the permit for RV parking for Worthington Christian Church on June 3<sup>rd</sup> and 4<sup>th</sup>, 2011.

**ORDINANCE 1041 ADOPTED AMENDING TITLE VII CHAPTER 72, SECTION 72.07 OF THE WORTHINGTON CITY CODE - PARKING VEHICLES TO FACILITATE SNOW REMOVAL**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance amending Title VII, Chapter 72, Section 72.07 of the Worthington City Code, Parking Vehicles to Facilitate Snow Removal.

The ordinance allows declaration of a snow emergency and ticketing and towing of vehicles to facilitate snow removal, and allows enforcement of odd-even parking during such a snow emergency even if it falls outside the posted odd-even parking period of November 15<sup>th</sup> through March 31<sup>st</sup>.

The motion was made by Alderman Woll, seconded by Alderman Ten Haken and unanimously carried to give a third reading to, and subsequently adopt the following Ordinance No. 1041:

ORDINANCE NO. 1041

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE TITLE VII, TRAFFIC CODE, CHAPTER 72 PARKING REGULATIONS, SECTION 72.07 PARKING VEHICLES TO FACILITATE SNOW REMOVAL

(Refer to Ordinance File for complete copy of Ordinance)

**ORDINANCE NO. 1042 ADOPTED VACATING PORTIONS OF FIRST AVENUE AND NINTH STREET**

Pursuant to published notice, this was the time and date set for the third reading of a proposed ordinance that would vacate portions of First Avenue and Ninth Street for construction of the proposed fire hall, as follows:

All that part of 9<sup>th</sup> Street and First Avenue abutting Block 3, Plat of Worthington, Nobles County, Minnesota, also described as 9<sup>th</sup> Street and First Avenue from the southeasterly line of Second Avenue to the southwesterly line of 10<sup>th</sup> Street, is hereby vacated.

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to give a third reading to, and subsequently adopt the following Ordinance No. 1042:

ORDINANCE NO. 1042

AN ORDINANCE TO VACATE RIGHT-OF-WAY IN THE CITY OF WORTHINGTON,  
NOBLES COUNTY, MINNESOTA

(Refer to Ordinance File for complete copy of Ordinance)

**SPECIAL USE PERMIT APPROVED - 1224 SECOND AVENUE**

Council considered a request for a special use permit for the property located at 1224 Second Avenue that would allow the applicant to utilize a portion of the property to conduct his small engine repair business. Automotive services, including small engine repair, are only permissible through the issuance of a special use permit to the "B-2" - Central Business District, which is the zoning classification of the subject property. The legal description of the property is as follows:

The northeasterly 10 feet of Lot 3, and all of Lots 4 and 5, Auditor's Plat of Block 38,  
Original Townsite, City of worthington, Nobles County, Minnesota

Exterior storage and display is prohibited. The Planning Commission considered the request at its May 3, 2011 meeting and was unanimously recommending approval of the special use permit.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to approve the special use permit for 1224 Second Avenue.

### **DECLARATION OF SURPLUS PROPERTY**

The City recently received an inquiry into its interest in selling the blue building located on the former Campbell Soup property, currently leased by Worthington Warehouse & Pallet, Inc. on a verbal month to month basis. According to the City's property disposal policy for personal property, the building would first have to be declared as surplus property before Council can consider its disposal, and after that, based on a lack of an exact evaluation of it, would jump to the open bid method as prescribed by the policy. Mr. Haffield reminded Council that it is a policy and is not 100% binding but can be changed by Council to include directed sale.

Worthington Warehouse & Pallet was notified of the potential for their lease to come to an end, and Mr. Haffield noted that by law, would require one full rental period notice, which in this case, would put it out to July 1<sup>st</sup>. Mike and Pat Smith, owners of Worthington Warehouse & Pallet, Inc., had also requested, by letter, that the City consider a direct sale to them of the property which was part of an understanding with prior administration and Council. Mr. Haffield discussed bid time lines noting he wasn't sure if it would work for the party that had submitted the inquiry.

The Smiths were present at the meeting, and Mike Smith told Council that they didn't have an immediate need to do anything with the building, but the offer from the bus company precipitated them to address it now and they wanted to know where they stood with Council.

Alderman Ten Haken pointed out that the other company had included removal of the concrete in their offer. Mr. Haffield responded that there will be environmental issues with this property too and we will need to have a plan to address that. He isn't sure if the other company was aware of that. Mr. Smith noted their only interest was the blue building, not the site. Mayor Oberloh added that the City's comprehensive plan was to get the buildings out of there and redevelop the area, and suggested we declare the building as surplus and get staff working on a time line for redevelopment.

Following discussion, the motion was made by Alderman Kuhle, seconded by Alderman Ten Haken and unanimously carried to declare the blue building currently occupied by Worthington Warehouse and Pallet as surplus property.

### **FLOATING FISHING PIER UPDATE**

Jim Laffrenzen, Public Works Superintendent, presented information to Council on the floating fishing pier, formerly located at Sailboard Beach, which has sustained moderate damage due to wave action as a result of high winds for the past several years, resulting in major repairs and modifications to the pier. Mr. Laffrenzen noted the proposed relocation site of Slater Park was determined based on conversations with the Southwest Minnesota Fishing Club.

The Park Advisory Board considered this location at their May meeting and expressed concerns

regarding safety issues with boat traffic, specifically skiing and tubing, in addition to the area being very dark. The Board suggested that input from users of the lake should be obtained on this prior to Council action to approve the relocation at the May 23, 2011 Council meeting. Some Council members stated there should be a dock at Sailboard Beach because of the event there each year.

Mr. Laffrenzen thanked Council for their considerations.

#### **ISD 518 TENNIS COURT PROJECT UPDATE**

John Landgaard, ISD 518 Superintendent, presented an update to Council regarding the District's tennis court project and the bids received. Mr. Landgaard said one bid was received, and that came in significantly over the estimate at \$1.1 million. He was willing to forego the lighting until a later time and just deal with the courts now in order to keep the project moving, and to reject the building numbers and do a re-design of the structure. With the proposed deductions, financing for the project is still \$150,000 short. Alderman Wood suggested that Council defer a decision on this until the City knows what the School Board is willing to do on this.

Following discussion, the motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to table this item for further information.

#### **PROFESSIONAL SERVICES FOR PREPARATION OF ENVIRONMENTAL SPECIFICATIONS FOR FIRE STATION CONSTRUCTION APPROVED**

Council considered a proposal from Peer Engineering to provide the services to develop the environmental technical specifications (excluding vapor barrier) as part of incorporating the Response Action Plan and Construction Contingency Plan (RAP/CCP) that they are developing for the City into the Fire hall project plans. Approximate cost for the services is \$2,500 to \$3,500.

The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to approve the proposal from Peer Engineering for preparation of contract documents for environmental soil cleanup for the new fire station at the former Campbell Soup Company Site, 115 Ninth Street.

#### **SALE OF CITY-OWNED SURPLUS PROPERTY APPROVED - ROWE AVENUE**

At their April 25, 2011 meeting, Council declared a 193' x 360.74' piece of City-owned real estate on Rowe Avenue as surplus property. The property is located 157 feet west of the Rowe Avenue right-of-way approximately 815 feet north of Oxford Street. Bedford Industries has submitted an offer to purchase the property to accommodate the construction of their proposed 40' x 128' storage building. Bedford's offer was based on the City's land acquisition policy for \$38,214, which equates to \$0.549 per square foot. The policy allows the actual sale price to be reduced by the

present value of the property taxes generated by a new facility, over a 20-year period at a 6.5% rate of return. The present value is then structured as a forgivable loan. Because the sale rate of \$.55 per square foot was established long ago by the City, staff was recommending the outdated rate be increased to \$.60 to \$.70 per square foot. Council agreed it should be increased for future sales but because this project has been in the works, and because the property is odd shaped and not a frontage property, the established rate of \$.55 should apply.

Staff also suggested that, should Council determine the sale as requested by Bedford is acceptable, and if the City determines the land acquisition is applicable, the following conditions should be included:

1. The City sells the property to Bedford at the offered price or at a price acceptable to Council;
2. The City structures the sale in accordance with the land acquisition policy's loan structure including the forgivable component, the loan terms and the interest rate;
3. Bedford agrees to construct a facility with an estimated market value for tax purposes of at least \$123,400 and that the facility is constructed within twelve months;
4. Bedford is not relieved of the actual sale price until such time the facility is completed.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve the sale of the subject property on Rowe Avenue to Bedford Industries, Inc, at \$.55 per square foot through the land acquisition policy, including the four conditions as recommended by staff, and to update the City's policy to a fair market value.

### **COUNCIL COMMITTEE REPORTS**

Mayor Oberloh - Attended the Minnesota Mayor's Conference in Owatonna. One of the topics was wage increases and based on a show of hands at the conference, about half of the cities in attendance gave 0% increase in 2009, most gave 0% in 2010, and almost all of them gave 0% in 2011. The League will compile a report on information received.

Alderman Ten Haken - nothing to report.

Alderman Kuhle - participated in a tour of the City's wellhead area - the DNR and Pheasants Forever controls most of the area - it's a good partnership. Lewis and Clark will provide 1.9 million gallons per day but the city uses 3 million. Industry is a real driver in water usage, but residential usage is down.

Alderman Nelson - nothing to report but requested information on the DUR units that are being installed on residential air conditioners by the Public Utilities.

Alderman Wood - wanted to comment on the wellhead protection - over 60% now protected, it is a great partnership with the DNR and Pheasants Forever.

Alderman Woll - nothing to report.

### **ADJOURNMENT**

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The motion was made by Alderman Wood, seconded by Alderman Kuhle and unanimously carried to adjourn the meeting at 847 p.m.

Janice Oberloh, CMC  
City Clerk