

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, AUGUST 13, 2012**

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: Amy Woitalewicz.

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

Others present: Julie Buntjer, Daily Globe; Verlin and Brenda Ostrem; Tom Steffl; Mick Eggers; Lori Gunnink; Steve Johnson; Bruce Viessman; Andy Johnson; Glenn Thuringer; members of the Worthington FC Youth 15 Soccer Team.

The Pledge of Allegiance was recited.

SOCCER TEAM RECOGNIZED

Andy Johnson, YMCA, introduced the Worthington FC Youth 15 Soccer Team, along with their coaches. Members introduced themselves and noted what position they play on the team. Mr. Johnson noted the team had all wins or ties with no losses, and won the State Championship July 25, 2012. Council congratulated the team on their achievement.

AGENDA APPROVED WITH ADDITION

Staff noted the addition of item D.4.a.7. to the consent agenda - *Application for Temporary On-Sale Beer License - Worthington Fire Department.*

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to approve the agenda with the addition.

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 July 23, 2012
- Minutes of Boards and Commissions - Water and Light Commission Minutes of Regular Meeting, July 23, 2012 and August 6, 2012; Worthington Area Convention & Visitors Bureau Board of Directors Minutes of June 11, 2012; Worthington Housing and Redevelopment Authority Board of Commissioners Minutes of July 12, 2012; Airport Advisory Board Minutes of July 24, 2012; Traffic and Safety Committee Minutes of August 1, 2012; Planning Commission /Board of Appeals Minutes of August 7, 2012; Worthington Economic Development Authority Minutes of July 23, 2012
- Municipal Liquor Store Income Statement for the period January 1, 2012 through July 31,

2012

- Exemption from Lawful Gambling Permit - Tomorrow's Turkeys to conduct raffles on September 22, 2012 at the Elks Lodge, 1105 Second Avenue
- Application from the Worthington Area Chamber of Commerce Retail Committee to block 10th Street from Second Avenue to Fifth Avenue on Tuesday, August 14, 2012 for their Shop Local/Cruise-In event
- Application to Block Street and Parade Permit from King Turkey Day, Inc. for the 2012 Annual King Turkey Day event as follows:
 - Saturday, Sept. 15, 2012 -
 - 10:00 a.m. to 10:00 p.m. - 3rd Avenue from 9th Street to 10th Street
 - 7:00 a.m. to 11:00 a.m. - 11th Street between 2nd and 3rd Avenue
 - 6:00 a.m. to 5:00 p.m. - designated parade route
- Applications for temporary on-sale beer license - King Turkey Day, Inc.:
 - King turkey Day Mixer:
 - 5:00 p.m. to 9:00 p.m., Monday, Sept 10, 2012, Pioneer Village
 - King Turkey Beer Garden:
 - 4:00 p.m. to 11:00 p.m. Friday, Sept. 14, 2012, Sheep and Poultry Barn, Nobles County Fairgrounds
 - 1:00 p.m. to 11:59 p.m. Saturday, Sept. 15, 2012, Sheep and Poultry Barn, Nobles County Fairgrounds
 - 5:00 p.m. to 11:59 p.m. Saturday, Sept. 15, 2012, Worthington Arena Nobles County Fairgrounds (Hairball Concert)
- Application for temporary on-sale beer license - Worthington VFW and Elks Lodge 2287
 - 2:00 p.m. to 11:00 p.m. Saturday, Sept. 15, 2012, jointly owned parking lot on Second Avenue
- Application for temporary on-sale liquor license - Worthington Country Club
 - August 31 through September 3, 2012 for their annual Labor Day Tournament
- Approved annual lease rate for Hangar 5 of \$2,000 to be pro-rated per month for remainder of 2012
- Approved Traffic and Safety Committee recommendations:
 - Placement of stop signs on east TH 60 frontage road at Ryan's Road intersection
 - Removal of "No U Turn" sign at Milton Avenue and Oxford Street
 - Removal of stop sign on Tenth Street at First Avenue
- Bills payable and totaling \$816,840.97 be ordered paid

INTRODUCTION AND UPDATE - SANFORD MEDICAL CENTER WORTHINGTON

Mike Hammer, CEO Sanford Medical Center Worthington, introduced himself to Council and provided an update on what had occurred with the facility over the past couple of years. Mr. Hammer's presentation included a power point display that included observations, successes, and

challenges, including electronic patient records and failing hospital infrastructure. Council thanked Mr. Hammer for the update.

SPECIAL USE PERMIT APPROVED - SOUTHWEST MINNESOTA OPPORTUNITY COUNCIL (Mayor Oberloh took Item G.1. out of order to accommodate those in attendance at the meeting for the item.)

Southwest Minnesota Opportunity Council was seeking a special use permit for the property owned by Verlin Ostrem at 713/715 Tenth Street to operate a child care facility (Head Start). The property is zoned as "R-4" District, and child care facilities are permitted in that classification. The property is legally described as follows:

Southeast 50 feet of Lots 11 & 12, Block 29, Plat of Worthington, Nobles County,, City of Worthington, Minnesota

The Planning Commission considered the application at its August 7, 2012 meeting and were unanimously recommending Council approval with the following conditions:

1. The applicant complies with the outdoor trash facilities requirements; and
2. The issuance of a variance for off-street parking (which was approved by the Board of Zoning Appeals on August 7th).

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to approve the special use permit for 713/715 Tenth Street.

BIOVERSE OPTION TO PURCHASE APPROVED

Council considered a request from Bioverse for an option to purchase property in the Worthington BioScience Industrial Park Addition. The agreement has been amended to now include Lot 14, along with the original Lots 15 and 16, after concerns arose that Lots 15 and 16 would not be large enough to accommodate their future building, which is planned to be 20,000 square feet with a future expansion of 9,600 feet.

Staff was also requesting that Council establish the sales price for the property. Historically, the City transactions have been for approximately \$25,000 an acre while the break-even point within the BioScience Park is approximately \$50,000 an acre. Of the 4.12 acres under consideration, 38% is in the airport's Approach Zone, which does not allow for the construction of any buildings as a protection of the runway approach area. Craig Clark, City Administrator, noted that staff's opinion is that market value is somewhere between the two numbers, and was suggesting \$35,000 an acre.

The motion was made by Alderman Wood, seconded by Alderman Ten Haken and unanimously carried to approve the Bioverse Option to Purchase, to include Lots 14, 15 and 16, to set the purchase

price at \$35,000 per acre, and to authorize the Mayor to execute the document.

A real estate appraisal will be obtained with the establishment of the remainder of the bioscience park.

CITY REPRESENTATIVE TO CUERO, TEXAS FOR TURKEY FEST AUTHORIZED

The Worthington Area Chamber of Commerce is in the process of making travel arrangements to Cuero, Texas for Turkeyfest, which is scheduled October 12th - 14th. Mayor Oberloh asked Council for availability to officially represent the City at that festival. Alderman Ten Haken noted he would check his schedule.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to authorize a City Council member (yet to be named) to represent the City of Worthington at Turkeyfest in Cuero, Texas, and to reimburse him for his expenses.

EXTENSION OF AGREEMENT WITH EMC FOR OPERATION OF THE INDUSTRIAL WASTEWATER TREATMENT FACILITY APPROVED

The current contract with Environmental Management Corporation (EMC) for operation of the Industrial Wastewater Treatment Facility expires on December 31, 2012 unless extended by the City with not less than 90 days notice. The agreement was amended in 2011 to reflect new requirements in the facilities NPDES discharge permit, and establishes the scope of services to be provided and the fees to be paid by the City.

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to authorize extension of the contract with EMC for operation of the Industrial Wastewater Treatment Facility, for an additional three-year term.

AIRPORT LEASE AGREEMENT FOR AERIAL POWER LINE APPROVED

The Worthington Public Utilities overhead power line interconnect between the Rowe Avenue substation and the substation located east of TH 60 west of Joosten Road includes an alignment immediately north of Interstate 90 through airport property. The property within the proposed lease has recently been rezoned from Airport Safety Zone A, which prohibits such above ground structures, to Safety Zone B. The proposed power line lease between the City of Worthington and Worthington Public Utilities includes several provisions protecting airport safety and operations and preserving the use of the property for airport purposes. The 50 year lease payment is based on the damages paid for the other agricultural properties affected by the project, but does not include any payment for crop damages which Worthington Public Utilities is to make directly to the party having a farm lease. The Water and Light Commission approved the lease at their August 6, 2012 meeting.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve the lease and authorize the Mayor and Clerk to execute the document.

TASK ORDER #12 FOR PROFESSIONAL SERVICES FOR CONSTRUCTION PHASE FOR APRON A RECONSTRUCTION PROJECT APPROVED

Staff negotiated the proposed task order with Mead and Hunt for the construction phase of the Apron A Reconstruction project. The scope of services includes resident inspection, contract administration, and close out services. The total proposed fee for the construction phase services is \$77,746.25, and of the total, \$56,091 will be billed based on actual time and expenses with the remainder being fixed fees. The engineering services will be eligible for 90% FAA funding.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve Task Order #12 with Mead and Hunt for professional services for the construction phase of the Apron A Reconstruction project.

STORM WATER POND AGREEMENT APPROVED - MINNESOTA WEST COMMUNITY AND TECHNICAL COLLEGE

Minnesota West Community and Technical College is constructing a storm water pond on their campus that will not only serve the campus but provide treatment of runoff from a larger watershed. With the CSAH 10 grading and bikeway projects, an increased drainage change will result in additional runoff from the Middle School site being routed along CSAH 10 south to the college campus rather than through the Country Club and Cherry Point Park subdivision. The college was seeking an agreement between the State, Nobles County, Okabena Ocheda Watershed District and the City that defines the responsibilities of each party in regard to the pond. The City's obligations include continued maintenance of the West Shore Drive culvert and perpetuation of its capacity and administration of its storm water regulations. The City also agrees to hold the State harmless for damage to West Shore Drive. The agreement was reviewed by staff and the City Attorney, and was approved by the County and Watershed.

Aside from the agreement, the College was requesting participation in the funding of additional costs associated with providing a regional pond over their original college pond plans. Estimated cost based on bids received was \$196,701, excluding excavation costs which are included in the County's project. The college had budgeted \$100,000 for their original project, the Olson Trust Fund committed \$25,000 and the Okabena Ocheda Watershed District has committed \$10,000, leaving a shortage of \$61,701. Staff was proposing a City participation level of \$25,000. A breakdown of the distribution of the watershed area showed 29.2% was in the current city limits. Engineering fees for the regional pond are estimated at \$37,650, with \$25,508 of that amount attributable to the College's site pond. Mayor Oberloh suggested that the City split the difference of the increased engineering fees with MN West at an additional \$6,000, bringing the total contribution to \$31,000.

The motion was made by Alderman Wood, seconded by Alderman Nelson and unanimously carried to approve the storm water pond agreement including the City's responsibility for use, care and maintenance, and to contribute \$31,000 from the hospital sale proceeds.

AWARD OF CONTRACTS FOR CONSTRUCTION OF EVENT CENTER RESCHEDULED

Bids were received at 2:00 p.m. on Friday, August 10, 2012 for the following 17 schedules of construction work on the new Event Center:

Landscaping; Cast-in-Place Concrete Building & Dumpsters; Precast Concrete Panels; Masonry; Steel Supply & Installation; General Carpentry; Roofing and Sheet Metal; Window, Doors and Glazing; Drywall/Metal Stud Framing/Acoustical Ceilings; EIFS; Resilient Flooring/Carpet/Tile; Painting; Folding Panel Partitions; Fire Suppression; Plumbing & Piping; HVAC; and Electrical/Fire Alarm

Brad Chapulis, Director of Community/Economic Development, presented a letter from Consolidated Construction Company (CCC), Construction Manager for the project, which stated they were looking for Council to award Bid Package Two, which includes Bid Scope 3 (Precast Concrete Panels) and Bid Scope 5 (Steel Supply and Install) as they are time critical bids for keeping the project on schedule. CCC will continue to evaluate the remaining bids, which will be presented to Council for award at the August 27, 2012 Council meeting. The following bids were received for Bid Package Two:

Bid Scope 3 - Precast Concrete Panels

Fabcon Precast, LLC	\$161,157.00
Wells Concrete	\$211,101.00

Bid Scope 5 - Steel Supply and Install

New Metal Fabricating	\$218,776.00
Feagan Construction	\$244,450.00
Thurn Beck Steel Fab	\$179,080.00
Larson Contracting	\$213,606.00
Gil Haugen Construction	\$212,500.00

CCC was recommending that Council award the bid for Bid Scope 3 - Precast Concrete Panels to Fabcon Precast, LLC as the low qualified bidder in the amount of \$161,157.00, and to award the bid for Bid Scope 5 - Steel Supply and Install to Gil Haugen Construction, Inc. as the low qualified bidder in the amount of \$212,500.00

Mayor Oberloh questioned the large disparity between the bids received for the precast concrete panels, asking if the quality was the same. Following discussion on the information presented, Council determined to delay award of the bids for Bid Package Two until the Special City Council

meeting scheduled for 7:00 a.m. on Friday, August 17th to allow staff to obtain additional information.

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - nothing to report.

Alderman Ten Haken - Will be attending HRA meeting this week - they received 32 applications for the Executive Director position. The HRA is proceeding ahead with 36 units that the HRA will own on the previous Gilt Edge development site. The Housing Partnership will be the construction agent and Council will probably see something on it in the near future. Mayor Oberloh questioned the attendance of the HRA Board as noted in their minutes, noting that Alderman Wood needs to be replaced as the Council liaison to that Committee.

The motion was made by Alderman Wood, seconded by Alderman Woll and unanimously carried to appoint Scott Nelson to the HRA Board to replace Ron Wood.

Alderman Kuhle - Fly-in at the airport is scheduled for August 25th as a benefit to Proclaim Aviation Ministries, including a send off for Jon Armstrong and his wife, who will be going to South America on a mission trip.

Alderman Nelson - nothing to report.

Alderman Wood - Joint Transportation Committee met - MnDOT is going to be changing the way things are funded. Looks like there will be four counties working together on a grant that will allow them to work across county lines.

Alderman Woll - the Auditorium is moving forward with the plan to provide very minimal liquor services at the Auditorium for a handful of events each year. The Senior Committee is trying to change the name of the center, and the working title is The Center for Active Living.

CITY ADMINISTRATOR'S REPORT

Craig Clark, City Administrator, reported the Sports Authority Committee has developed a survey that will go out. Mr. Clark also wanted to thank all those who attended the Night to Unite and reminded Council of the scheduled budget meetings set for August 17th and August 29th. Members of the CGMC were in town for a meeting - Mayor Oberloh did a good job along with Mayor Coleman from St. Paul. Also noted that the open house for the new fire station is scheduled for August 25th.

ADJOURNMENT

The motion was made by Alderman Woll, seconded by Alderman Wood and unanimously carried to adjourn the meeting at 8:57 p.m.