

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, SEPTEMBER 27, 2010**

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. Absent: Honorary Council Member Bob Tims (excused).

Staff present: Craig Clark, City Administrator; Jim Laffrenzen, Public Works Superintendent; Mike Cumiskey, Public Safety Director; Brad Chapulis, Director of Community/Economic Development; Janice Oberloh, City Clerk.

Others present: Matthew Wagner, Mead & Hunt, Inc.; Dan Greve and Brian Hagen, WREDC Board of Directors; Rich Lowe and Keith Wilson, Airport Advisory Board; Jim Arndt; Judy Johnson; Peter Abelein, Munich Germany.

AGENDA APPROVED

Mayor Oberloh asked if City pick up of flood damaged items should be added to the agenda. Following discussion, it was determined not to add this item to the agenda.

The motion was made by Alderman Kuhle, seconded by Alderman Ten Haken and unanimously carried to approve the agenda as presented.

CONSENT AGENDA APPROVED

The motion was made by Alderman Ten Haken, seconded by Alderman Woll and unanimously carried to approve the Consent Agenda as follows:

- City Council Minutes of Regular Meeting September 13, 2010.
- Minutes of Boards and Commissions: Worthington Area Convention and Visitors Bureau Board of Directors Minutes of August 30, 2010; Airport Advisory Board Minutes of September 7, 2010.
- Application to Block Street from Chamber of Commerce Retail Committee for a Customer Service Appreciation event on Tuesday, October 5, 2010, to block 10th Street from Second Avenue to Fifth Avenue from 3:00 p.m. to 8:00 p.m.
- Appointed Sarah Ricker to replace Rena Willardson on the Park & Recreation Advisory Board in her unexpired term, which will expire April, 2011.
- Bills payable and totaling \$757,602.98 be ordered paid.

**WORTHINGTON REGIONAL ECONOMIC DEVELOPMENT CORPORATION (WREDC)
REQUEST FOR FUNDS APPROVED**

Council considered a request from WREDC for the remaining \$29,800 of the Economic Development Levy. The funds would provide planning dollars for lab space in the Testing and Training Center, additional funds for past and future conference attendance, and the development

and updating of marketing materials. Some Council expressed concern over the additional dollars for past conferences and that all of the Economic Development Levy funds are being spent instead of putting some in a pool to tap into to work on and make some deals.

Following discussion, the motion was made by Alderman Wood and seconded by Alderman Woll to approve the request from WREDC for the release of the remaining funds from the Economic Development Levy in the amount of \$29,800, with the following Alderman voting in favor of the motion: Kuhle, Nelson, Wood, Woll; and the following Aldermen voting against the same: Ten Haken. Motion carried.

REQUEST FOR MODIFICATION TO WIND ENERGY SERVICES (WES) LEASE AGREEMENT APPROVED WITH CHANGES

Council discussed a request from Wind Energy Services for a modification to their lease agreement with the City. Their proposal is to issue a check to the City of \$33,000 for their second year of the lease and to be released by the City from the third year. Council discussed the improvements to the facility, some of which were necessitated by the WES lease and total around \$400,000, and also looked at the marketability of the building.

Following discussion, the motion was made by Alderman Ten Haken, seconded by Alderman Wood and unanimously carried to request payment from WES at the rate specified in the lease for the third year of \$36,000, and to approve the release.

SECOND READING PROPOSED ORDINANCE AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA TO REZONE PROPERTY - 1924 DOVER STREET

Pursuant to published notice, this was the time and date set for the second reading of a proposed ordinance amending Title XV of the Worthington City Code by rezoning the following legally described property from "B-3" - General Business to "R-3" - Low Density Preservation Residential:

The East 53.3 feet of Lots 10 and 11, Block 2, Clifton Addition, City of Worthington,
Nobles County, Minnesota.

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

OCTOBER 11, 2010 COUNCIL MEETING

Craig Clark, City Administrator, noted for the public's information that the regular City Council meeting scheduled for Monday, October 11, 2010 has been rescheduled for Tuesday, October 12,

2010 due to lack of quorum.

BID AWARDED FOR FUEL IMPROVEMENT PROJECT AT MUNICIPAL AIRPORT

Staff received the following bids on Monday, September 27, 2010 for the fuel improvement project at the Municipal Airport:

<u>Bidder</u>	<u>Total Project Cost</u>
All Phase Electric, Inc.	\$174,457.00
Minnesota Petroleum Service	\$179,542.00
O'Day Equipment, LLC	\$229,671.00
Westmor Industries	\$174,457.00

Total project cost including engineering and construction is \$198,214, which creates a shortfall in the amount Council previously authorized of \$175,000. Matt Wagner, Project Manager from Mead & Hunt, noted the grant request for State funds was written based on a preliminary estimate, and after reviewing the bid results with MnDOT, it is anticipated that the State grant will be amended for an additional \$12,732.00. Mr. Wagner was recommending award of the bid to Westmor Industries as the low qualified bidder, with the intent of having the State grant amended by \$12,732.00, with Council approving an equal match to complete the funding.

The motion was made by Alderman Kuhle, seconded by Alderman Nelson and unanimously carried to award the bid for Fuel Improvement Project at the Municipal Airport to Westmor Industries and to approve the an equal match to the State.

REQUEST APPROVED FOR FUNDING OF SPRAY LOADING PAD/CHEMICAL STORAGE BUILDING AT THE MUNICIPAL AIRPORT

At their May 10, 2010 meeting, Council approved \$150,000 of Hospital impact funds for the construction of a spray loading pad/chemical storage building at the municipal airport, based on the availability of 50/50 matching State funds. Approval included a proposal from Mead & Hunt for design services on the contingency a memorandum of understanding would be in place by Friday of that week between the City and Jim Arnt relating to leasing of the facility and what the dollar value would be of his participation. Staff was unable to develop the MOU by the deadline, and the project was also determined to be ineligible for State funding based primarily on the intent to lease the facility to a sole party.

Staff subsequently developed the MOU with Mr. Arnt based on a new design, with an engineer's estimate for the project of \$130,015 including design/contingencies. Alderman Wood expressed concern over giving up state dollars because of how we were structuring this and suggested action

on this be delayed to complete a grant application without the 25 year sole source application.

The motion was made by Alderman Woll and seconded by Alderman Kuhle to move forward as presented, with the Engineer's Estimate of \$130,000 being funded with hospital impact dollars, with the pad, with the following Aldermen voting in favor of the motion: Kuhle, Nelson, Woll; and the following Aldermen voting against the same: Ten Haken, Wood. Motion carried.

REPRESENTATIVES APPOINTED TO INTERIM/JOINT POWERS AGREEMENT COMMITTEE

The motion was made by Alderman Woll, seconded by Alderman Kuhle and unanimously carried to appoint Aldermen Wood and Ten Haken to serve on the Interim Agreement Committee.

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - thanked City staff for their efforts during the recent storm in getting pumps out, etc.
Alderman Ten Haken - nothing to report.

Alderman Kuhle - Attended a Convention and Visitor's Board meeting - they approve up to \$1,000 to send a City rep to Turkeyfest in Cuero, Texas October 8, 9, and 10.

Alderman Nelson - Attended a Highway 60 Landscape Committee meeting - they worked hot and heavy on a resolution for a theme for the bridge and wall. They'll also be looking for a resolution to the pedestrian underpass.

Alderman Wood - had a Prairie View Advisory Board meeting last week - they'll be submitting proposals at the next City Council meeting.

Alderman Woll - Will be having a fairly significant Parks Board meeting tomorrow night - looking at some quorum issues and use of impact dollars. Attended a YMCA meeting and is happy to report the pool is still open. Swim team touch pad sign is going up.

CITY ADMINISTRATOR REPORT

Craig Clark, City Administrator, noted the LMC regional meeting in Walnut Grove is October 13th with sign up deadline of October 11th. We're looking at October 18th to do a Clean Water Partnership workshop/presentation at 5:30. Alderman Nelson will be gone October 5-18. Council determined they should bring their presentation at 5:30 on October 25th prior to the regular City Council meeting.

ADJOURNMENT

The motion was made by Alderman Ten Haken, seconded by Alderman Wood and unanimously carried to adjourn the meeting at 8:56 p.m.