

**WORTHINGTON CITY COUNCIL  
REGULAR MEETING, NOVEMBER 23, 2020**

The meeting was called to order at 7:00 p.m., in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Chad Cummings, Alan Oberloh, Larry Janssen, Amy Ernst and Mike Harmon.

Staff present: Jason Brisson, Assistant City Administrator/Director of Economic Development; Jeremiah Cromie, City Planner; Todd Wietzema, Public Works Director; Steve Robinson, City Administrator; Debra Olsen, Staff Accountant; Mindy Eggers, City Clerk.

Others present: Justine Wettschrek, Radio Works; Ryan McGaughey, The Globe; Chris Kielblock, Paulette Sjogren, Loreena Luetgers, Clair Williams, Cheniqua Johnson, Honorary Council Member.

The Pledge of Allegiance was recited.

**HONORARY COUNCIL MEMBER**

Mayor Kuhle welcomed Cheniqua Johnson as the Honorary Council Member for the months of October, November, December 2020.

**AGENDA APPROVED WITH ADDITIONS/CHANGES**

A motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to approve the agenda as presented.

**CONSENT AGENDA APPROVED**

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to approve the consent agenda as presented.

- City Council Minutes of Regular Meeting of November 16, 2020
- Water & Light Commission Meeting Minutes of November 16, 2020
- Board of Canvass Meeting Minutes of November 13, 2020
- Planning Commission Meeting Minutes of November 4, 2020
- Economic Development Meeting Minutes of November 10, 2020
- Park & Recreation Advisory Board Meeting Minutes of November 4, 2020
- Public Arts Commission Meeting Minutes of October 13, 2020
- Heron Lake Watershed Board Meeting Minutes of September 16, 2020
- Municipal Liquor Store Income Statement for the Period of January 1, 2020 through October 31, 2020
- Bills payable and totaling \$2,699,768.99 be ordered paid

**RESOLUTION NO. 2020-11-106 ADOPTED ACCEPTING A DONATION FROM EARLY RISERS KIWANIS**

Steve Robinson, City Administrator, said in November of 2018, city staff was approached by members of the Worthington Early Risers Kiwanis, looking to start a fundraising campaign for a new All-Inclusive Playground in one of our city parks. After discussions among the group and city staff it was determined that the best location for this new playground would be Chautauqua Park.

The new All-Inclusive Playground idea was presented to the Park and Recreation Advisory Committee and City Council receiving approval that Chautauqua Park would be the best location for the park.

The Kiwanis group started their fundraising efforts in the summer of 2019 and were awarded a \$125,000.00 matching grant by the Worthington Regional Healthcare Foundation. The City of Worthington pledged \$100,000.00 dollars of their sales tax revenue towards the project, making the total playground budget \$350,000.00, if all the matching funds were granted. They have successfully continued fundraising and as of last week have hit the goal of \$125,000.00 and will receive the matching grant from the Worthington Regional Health Care Foundation.

Early Risers Kiwanis members Paulette Sjogren, Loreena Luetgers, and Clair Williams gave an overview of the fundraising campaign. Ms. Luetgers stated out of the 31 pieces of equipment 16 pieces have been sold. She explained there are pickets available for sale for \$75.00 a piece and a name or business can be put on them. Mr. Williams said out of over 200 donors 98% of the money has come from 20 miles around Worthington. There is also a donor board that will be in the park that will list the people that have donated equipment.

Mr. Wietzema stated that a grant for \$25,000.00 was received from Legacy of Play as well. Council Member Cummings said that all of the funds from the Deep Freeze Dip will be donated to the All Inclusive Park this year.

Jeff Rotert, Executive Director, Worthington Regional Healthcare Foundation stated that this was made possible by the generosity of our community. A check was presented to the City of Worthington for \$253,228.51, to go towards the new All-Inclusive playground in Chautauqua Park.

**THIRD READING AND ORDINANCE NO. 1166 ADOPTED TO AMEND WORTHINGTON CITY CODE, TITLE IX and XV, CHAPTERS 92,97,99 AND 155 LIMITING STORAGE OF INOPERABLE VEHICLES BY AUTO REPAIR SHOPS**

Pursuant to published notice this is the time and date set for the third reading of a proposed ordinance to amend City Code, Title IX and XV, Chapters 92, 97, 99 and 155 Limiting Storage of Inoperable Vehicles by Auto Repair Shops.

The City Clerk is hereby directed to file a certified copy of this ordinance in the office of the Recorder in and for the County of Nobles, State of Minnesota.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the third reading and subsequently adopt the proposed ordinance:

ORDINANCE NO. 1166

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE, TITLE IX and XV, CHAPTERS 92,97,99 AND 155 LIMITING STORAGE OF INOPERABLE VEHICLES BY AUTO REPAIR SHOPS

(Refer to Ordinance File for complete copy of Ordinance)

**THIRD READING AND PROPOSED ORDINANCE NO. 1167 ADOPTED TO AMEND WORTHINGTON CITY CODE XV, CHAPTER 152.012 TO INCLUDE A LETTER MAP REVISION FOR FLOOD PLAIN MAPS EFFECTIVE DECEMBER 31, 2020**

Pursuant to published notice this is the time and date set for the third reading of a proposed ordinance to Amend Worthington City Code Title XV, Chapter 152.012 to Include a Letter Map Revision for Flood Plain Maps Effective December 31, 2020.

The City Clerk is hereby directed to file a certified copy of this ordinance in the office of the Recorder in and for the County of Nobles, State of Minnesota.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the third reading and subsequently adopt the proposed ordinance.

ORDINANCE NO. 1167

AN ORDINANCE TO AMEND WORTHINGTON CITY CODE XV, CHAPTER 152.012 TO INCLUDE A LETTER MAP REVISION FOR FLOOD PLAIN MAPS EFFECTIVE DECEMBER 31, 2020

(Refer to Ordinance File for complete copy of Ordinance)

**RESOLUTION NO. 2020-11-107 ADOPTED ESTABLISHING A SEASONAL FEE FOR MOBILE FOOD UNITS AS SPECIFIED IN CITY CODE TITLE XI, CHAPTER 113**

The proposed ordinance adding a new subchapter in Chapter 113: Peddlers, Solicitors and Transient Merchants Code to allow seasonal Mobile Food Units was given a third reading and adopted at the November 9, 2020 Council meeting. In coordination with the ordinance the resolution establishing the fee and insurance requirements is being presented as specified in City Code Title XI, Chapter 113. Seasonal Mobile Food Units will pay an application fee of \$500.00 and must have a State of Minnesota sales tax number and Department of Health license. A Certificate of Insurance showing general liability insurance in the amount of \$1,000,000.00 per seasonal permit in which the City is named an additional insured must also be included.

Council action is requested on the proposed resolution shown in *Exhibit 2*.

A motion was made by Council Member Oberloh, seconded by Council Member Ernst and

unanimously carried to receive the report and adopt the following resolution:

RESOLUTION NO. 2020-11-107

A RESOLUTION ESTABLISHING A SEASONAL FEE FOR MOBILE FOOD UNITS AS SPECIFIED IN CITY CODE TITLE XI, CHAPTER 113

(Refer to Resolution File for complete copy of Resolution)

**APPROVED WORTHINGTON FIRE FIGHTERS RELIEF ASSOCIATION PENSION ADJUSTMENT**

Steve Robinson, City Administrator, stated the Voluntary Firefighters meeting eligibility requirements are entitled to receive retirement benefits in the form of a lump sum payment. Each eligible firefighter receives the benefit level in effect at the time of their retirement from active service. The benefit level has been adjusted from time to time to reflect inflation and to remain attractive in recruiting new volunteers. The current benefit is \$2,921.00 per year of active service. The last adjustment occurred in January 2019. The relief association is requesting a two percent adjustment effective January 1, 2021 representative of an annual adjustment of one percent. The new retirement benefit will then be \$2,979.00. Required City annual contributions to the Pension Relief Fund would increase \$2,692 per year.

A motion was made by Council Member Janssen, seconded by Council Member Ernst and unanimously carried to approve the Worthington Fire Fighters Relief Association Pension adjustment to \$2,979.00 per year.

**TRAFFIC AND SAFETY COMMITTEE'S DOWNTOWN PARKING RESTRICTIONS RECOMMENDATION - INFORMATIONAL ITEM**

Mr. Robinson stated at the October 27, 2020 Traffic & Safty Committee meeting, members were asked to review the current City Center parking restrictions, to see if there were any recommended changes. Currently there is a mix of 2 and 4-hour parking restrictions in this area. After a lengthy discussion there was a motion presented and unanimously approved to leave the parking restrictions as they are currently posted.

Some of the reasons cited by the committee for leaving the restrictions the same included:

- These restrictions were originally proposed by the downtown businesses
- The worry that if these spaces were made longer term, downtown employees would use retail spaces.
- There are a number of areas relatively close with longer term parking.
- The availability of city owned parking lots.

**RESOLUTION NO. 2020-11-108 ADOPTED APPROVING CHANGES IN THE SEWER RATE SCHEDULE**

Scott Hain, Public Utilities Manager, explained the proposed 2021 Sewer Service Charge System Sewer Rates. He said the "average" residential user (4,000 gallons per month) will see about a \$3.09/month or 9.9% increase.

Mr. Hain explained the monthly sewer charge consists of two components, a usage charge and a connection charge. The usage charge is to recover the cost of conveying and treating wastewater. This charge is comprised of debt service and user charges for flow and the pollutant loading parameters of Biological Oxygen Demand (BOD), Total Suspended Solids (TSS), and Total Phosphorus (TP). The usage charge is billed to non-industrial customers based on water consumption and assumed pollutant levels. The usage charge per 1,000 gallons is proposed to increase \$0.347/1,000 gallons, or 9.56%, for non-industrial users. The "connection charge" or minimum monthly charge is to recover costs such as those for billing, collection system improvements, treating inflow and infiltration (I&I), and debt service on reserve capacity. The monthly connection charge is proposed to increase \$1.70 or 10.28%. The connection charge increase is primarily attributable to the amount of the increase in the budget for system capital improvements. Mr. Hain explained the increases in rates is being driven by the need for a new Industrial Waste Water Plant. He said the new plant will be constructed on the property directly east of the current plant with final design work to be completed by May 202 and advertise for bids in July 2021. Construction is slated to start late summer with completion in 2023.

Mr. Hain explained several funding options have been investigated and WPU falls short of qualifying for some of the grants that are available. There is a Clean Water Revolving Fund loan that is available with an interest rate of 1.09% for 20 years. He said that WPU has not had debt since 2001 and the substantial reserve fund could be used to pay debt service.

Mr. Hain said the total revenue of \$2,427,257 to be generated by the 2021 rates is \$238,869 (10.9%) more than the \$2,188,388 budgeted to be generated from the 2020 rates. The large increase this year would allow to mitigate rates going forward.

A motion was made by Council Member Janssen, seconded by Council Member Harmon and unanimously carried to adopt the following resolution:

RESOLUTION NO. 2020-11-108

A RESOLUTION APPROVING CHANGES IN THE SEWER RATE SCHEDULE

(Refer to Resolution File for complete copy of Resolution)

**DEVELOPMENT AGREEMENT APPROVED - (CLARK - VINROOT PROPERTIES, LLC)**

Jason Brisson, Assistant City Administrator/Economic Development Director, said at its November 9, 2020 meeting, the City Council approved a development agreement with Clark Unlimited Properties, LLC to provide tax increment financing to assist with the redevelopment of the historic Hotel Thompson building. However, between the timeframe when the development agreement was drafted and the developer was asked to execute the agreement, the developer's company finalized

an ownership and company name change.

Mr. Brisson explained Mitch Clark has bought out Bob Buysse's interest in the Hotel Thompson property and formed a new company, Clark-Vinroot Properties, LLC, with Marcus Vinroot. After speaking with legal counsel, it was determined the best course of action would be to approve a new development agreement with Clark-Vinroot properties rather than assign the recently approved agreement to the new company.

A motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to approve the modified agreement for Clark-Vinroot Properties, LLC.

### **WORKFORCE HOUSING PROGRAM APPLICATION (HEH KU AND PAW EH KHE)**

Mr. Brisson stated Heh Ku and Paw Eh Khe have applied for a forgivable loan through the City's Workforce Housing Program for the eligible developer installed infrastructure improvements installed for the newly constructed house they have purchased at 2242 Eleanor Street. Mr. Brisson explained the program, which was adopted in 2008, and most recently updated in June of 2020, was created to encourage the construction of affordable housing units within the boundaries of TIF District #7 by offering forgivable loans to qualified home buyers.

Upon review of the infrastructure costs submitted by the Developer, staff has determined the value of the eligible expenditures is \$24,701.19.

Mr. Brisson said based on the program policy, the forgivable loan would be structured for five years and at an interest rate of 5%. For each year the applicant owns and resides in the home, the annual mortgage payment would be forgiven. After five years, the loan is fully forgiven. Should the applicant move or sell the house during the loan period, they would be responsible for the outstanding loan balance. After reviewing the application, staff has been able to determine that the applicant meets the eligibility criteria (i.e. income qualifications, loan-value ratio, debt-income ratio) and are eligible for the forgivable loan. As such, staff recommends the approval of a five-year forgivable loan in the amount of \$24,701.19 with an interest rate of 5%.

A motion was made by Council Member Cummings, seconded by Council Member Harmon and unanimously carried to approve the Workforce Housing application for Heh Ku and Paw Eh Khe.

### **COUNCIL COMMITTEE REPORTS**

Mayor Kuhle - No report.

Council Member Janssen - No report.

Council Member Oberloh - Reminded the community to support your local businesses.

Council Member Cummings - He said Radio Works is working on a guide for businesses that will be doing take out, curbside pick up.

Council Member Ernst - Wished everyone a Happy Thanksgiving.

Council Member Harmon - Happy Thanksgiving.

Honorary Council Member Johnson - No report.

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

Mr. Robinson had no report.

**ADJOURNMENT**

The motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to adjourn the meeting at 7:57 p.m.

Mindy L. Eggers, MCMC  
City Clerk