

**WORTHINGTON CITY COUNCIL
REGULAR MEETING
NOVEMBER 27, 2023**

The meeting was called to order at 5:30 p.m., in City Hall Council Chambers by Mayor Rick Von Holdt with the following Council Members present: Chad Cummings, Chris Kielblock, Alaina Kolpin, Larry Janssen, Amy Ernst.

Staff present: Steve Robinson, City Administrator; Hyunmyeong Goo, Assistant City Engineer; Todd Wietzema, Public Works Director; Scott Hain, Public Utilities Manager; Mindy Eggers, City Clerk.

Others Present: Sam Martin, The Globe; Ryan McGaughey, Radio Works; Jill Cuperus, Director, Center for Active Living.

The Pledge of Allegiance was recited.

AGENDA APPROVED WITH ADDITIONS/CHANGES

Mayor Von Holdt said Administration Case Item 3 - *Approval of Position Guidelines and Salary Grade - Center for Active Living Manager* would be added to the agenda.

A motion was made by Council Member Kielblock, seconded by Council Member Kolpin and unanimously carried to approve the agenda with the noted addition.

CONSENT AGENDA

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

- Regular City Council Meeting Minutes of November 13, 2023
- Water & Light Commission Meeting Minutes of November 20, 2023
- Water & Light Commission Meeting Minutes of November 6, 2023
- Heron Lake Watershed Board Meeting Minutes of October 18, 2023
- Cross Cultural Advisory Committee Meeting Minutes of October 17, 2023
- Municipal Liquor Store Income Statement for the Period of January 1, 2023 through October 31, 2023
- Olson Park Statement of Revenue and Expenditures - Budget and Actual for the Period of January 1, 2023 though October 31, 2023
- Fieldhouse Statement of Revenue and Expenditures - Budget and Actual for the Period of January 1, 2023 through October 31, 2023
- Application for Exemption from Lawful Gambling Permit - Worthington Area YMCA
- 2024 Off-Sale Beer License Renewals
- Bills Payable Totaling \$3,650,298.23

RESOLUTION NO. 2023-11- 59 ADOPTED APPROVING CHANGES IN THE SEWER RATE SCHEDULE

Scott Hain, Public Utilities Manager, said the proposed 2024 Sewer Service Charge System (Sewer Rates) has been developed by staff and was approved by the Water and Light Commission at its November 20, 2023, meeting. The “average” residential user (4,000 gallons per month) will see about a \$5.60/month or 12.75% 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. The 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 \$0.411/1,000 gallons, or 8.5%, 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 \$3.96 or 16.1%.

The total revenue of \$3,431,855 to be generated by the 2024 rates is \$386,941 (12.7%) more than the \$3,044,914 budgeted to be generated from the 2023 rates. The reason for the rate increase is the inclusion of \$844,000 in 2024 debt service to be collected through rates in 2024. The 2024 Wastewater budget includes a projected debt service payment of \$1,688,000 with 50% coming from current-year revenue and 50% coming from reserves. The 2023 Wastewater budget included a projected debt service payment of \$1,643,200 with 33% coming from current-year revenue and 67% coming from reserves. The increase in current-year revenue collected to fund debt service from 2023 to 2024 is \$300,800.

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

RESOLUTION NO. 2023-11-59

RESOLUTION APPROVING CHANGES IN THE SEWER RATE SCHEDULE

(Refer to Resolution File for complete copy of Resolution)

APPROVED CENTER FOR ACTIVE LIVING BID RECOMMENDATION

Todd Wietzem, Public Works Director, stated the re-bids for the CAL improvement project were opened on November 16, 2023. There were 4 bids submitted and there were two parts to each bid,

a bid for the Base amount (water damage covered under our insurance) and an alternate #1 amount (add meeting room amenities). The low base bid was received from Robert W. Carlstrom Co., Inc. in the amount of \$298,000.00. Their alternate #1 bid amount was \$183,500.00.

Staff along with adjusters from the League of Minnesota Cities, reviewed the bids and feels the best course of action would be to accept the low base bid and reject the alternate #1 bid at this time. Carlstrom Co. was contacted and they are comfortable with this option.

Mr. Wietzema said the Alternate #1 could be put out for quotes at a later date since it falls below the threshold allowed.

The motion was made by Council Member Kolpin, seconded by Council Member Kielblock and unanimously carried to accept the base bid from Robert Carlstrom Co. in the amount of \$298,000 and reject the alternate #1 bid.

APPROVED AMENDMENT STATE OF MINNESOTA DOT AERONAUTICS GRANT

Mr. Wietzema said the City has received a Department of Transportation Aeronautics Grant to replace the roof on Worthington Municipal Airport's Maintenance hangar. The grant received is for the project design and construction portions of the project. Mr. Wietzema explained after construction was started a change order was approved for the project in the amount of \$18,235.00. The grant amendment will fund 70% of the change order cost, equaling \$12,764.00. The city's share will be \$5,471.00.

A motion was made by Council Member Cummings, seconded by Council Member Kielblock and unanimously carried to approve the amendment to the State Grant and authorize the Mayor and City Clerk to sign any necessary agreements.

SECOND READING PROPOSED ORDINANCE - STORM WATER UTILITY RATES APPROVED

Steve Robinson, City Administrator, said pursuant to published notice this is the time and date set for the second reading of a proposed ordinance relating to Storm Water Utility Rates.

A complete copy of the ordinance was provided in your November 13, 2023 Council Agenda.

A motion was made by Council Member Kolpin, seconded by Council Member Janssen and unanimously carried to give a second reading to the proposed ordinance.

RESOLUTION NO. 2023-11-60 ADOPTED AUTHORIZING GRANT ACCEPTANCE - CENTER FOR ACTIVE LIVING

Mr. Robinson said the Center for Active Living has received a grant for \$51,015 from the Minnesota River Area Agency on Aging.

The grant period will run from January 1, 2024 - December 31, 2024. The Center for active Living was granted this renewal opportunity to continue with the good work we started and invested in this year under what the Center for Active Living Director Jill Cuperus called "The Good Life Grant".

Under the education and training category of funding, they will continue to offer technology classes with the machines that were bought in 2022 in the "investment" year (16 iPads, and 14 laptops) and a continued partnership with MN West for technology instructions using them. They will also continue the raised garden programming and having local musicians come in and play and talk about the music. New this year will be some art instruction, history of Worthington discussions with local experts, and some mural work in a lower level stairway. Under Health promotion, they will have YMCA exercise instructors come multiple times a week to teach classes. There is also some money included for translation services, Wi-Fi, website fees, advertising, and a portion of the director's salary. We are excited to continue to offer our active older adult population these amenities to truly live "The Good Life".

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

RESOLUTION NO. 2023-11-60

RESOLUTION AUTHORIZING GRANT ACCEPTANCE - CENTER FOR ACTIVE LIVING

(Refer to Resolution File for complete copy of Resolution)

APPROVED POSITION GUIDELINES AND SALARY GRADE - CENTER FOR ACTIVE LIVING

Mr. Robinson said as discussed at budget planning sessions, Administration recommended terminating the agreement with the Worthington YMCA in managing the Center for Active Living (CAL) and taking operations, management and staffing of the CAL as a City function. The operations budget was included in the preliminary budget approved by Council on September 11, 2023. The total 2024 operations budget would be \$147,636 which is slightly more than presented in September based on updated salary and benefits information. The increase would be approximately \$34,226 over the 2023 budget.

Mr. Robinson noted the CAL Manager is classified as a salary grade non-exempt 5 (N-5) which has a 2024 minimum hourly wage of \$24.50.

A motion was made by Council Member Ernst, seconded by Council Member Kolpin and unanimously carried to approve the position guidelines for the Center for Active Living Manager

Position Guidelines as presented.

RESOLUTION NO. 2023-11-61 ADOPTED ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT- SECOND AVENUE

Hyunmyeong Goo, Assistant City Engineer, said staff is proposing a segment of Second Avenue from Twelfth Street to Thirteenth Street for a street reconstruction improvement project. The project would include improving the described street by regrading base reconstruction, resurfacing, and curb and gutter. The improvements are proposed to be assessed to abutting property owners.

Staff is recommending approval of the resolution ordering the preparation of a feasibility report. Upon receipt of the report, Council will be requested to order a public hearing on the proposed improvements.

The motion was made by Council Member Kielblock, seconded by Council Member Ernst and unanimously carried to approve the following resolution:

RESOLUTION NO. 2023-11-61

A RESOLUTION ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2023-11-62 ADOPTED ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT - CHURCH AVENUE

Mr. Goo said staff is proposing a segment of Church Avenue from Oxford Street to Clary Street, for a street reconstruction improvement project. The project would include improving the described streets by regrading base reconstruction and resurfacing. The improvements are proposed to be assessed to abutting property owners.

Staff is recommending approval of the resolution ordering the preparation of a feasibility report. Upon receipt of the report, Council will be requested to order a public hearing on the proposed improvements.

The motion was made by Council Member Kielblock, seconded by Council Member Janssen and unanimously carried to approve the following resolution:

RESOLUTION NO. 2023-11-62

A RESOLUTION ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2023-11-63 ADOPTED AUTHORIZING THE PURSUIT OF 2023 LOCAL ROAD IMPROVEMENT PROGRAM FUNDING FOR THE WORTHINGTON INDUSTRIAL SERVICE ROAD PROJECT

Mr. Goo, said the City of Worthington is in the process of applying for Local Road Improvement Program (LRIP) Grant from the Minnesota Department of Transportation. The proposed project includes construction of the Service Road from Spring Avenue to Service Drive, connecting to Highway 60.

The LRIP will provide grant funding up to \$1,500,000 of construction cost. The funds may not be used for right of way acquisition, engineering, public or private utilities. The application requires a resolution of support from the Council to be included.

The motion was made by Council Member Kolpin, seconded by Council Member Ernst and unanimously carried to approve the following resolution:

RESOLUTION NO. 2023-11-63

A RESOLUTION AUTHORIZING THE PURSUIT OF 2023 LOCAL ROAD IMPROVEMENT PROGRAM FUNDING FOR THE WORTHINGTON INDUSTRIAL SERVICE ROAD PROJECT

(Refer to Resolution File for complete copy of Resolution)

APPROVED TASK ORDER 24 WITH BOLTON AND MENK TO PROVIDE PROFESSIONAL SERVICE FOR LRIP GRANT APPLICATION

Mr. Goo said Task Order 24, would provide professional services by Bolton and Menk for the grant application for the Service Road project proposed for 2025. The task order would cover essential components, including analysis of the right-of-way acquisition, gathering letters of support from the public and business owners, and also preliminary analysis data compilation. The cost is not to exceed \$7,000. The LRIP application deadline is December 8th. Staff is recommending the approval of Task Order 24 with Bolton and Menk, Inc.

A motion was made by Council Member Cummings, seconded by Council Member Cummings and unanimously carried to approve Task Order 24.

COUNCIL COMMITTEE REPORTS

Mayor Von Holdt - No report.

Council Member Janssen - No report.

Council Member Ernst - No report.

Council Member Kielblock - No report.

Council Member Kolpin - No report.

Council Member Cummings - Attended the CGMC Fall Conference. Spoke to Congressman Finstead about usable workforce housing funds. Attended a comp plan meeting for the Comprehensive Plan.

CITY ADMINISTRATOR REPORT

Mr. Robinson said Congressman Finstead plans to make a personal trip to Worthington but there has not been a specific date scheduled. Staff is wrapping up the 2024 budget and it is looking favorable. Reminded Council of the Joint Special City Council, Nobles County and School District meeting on Wednesday, November 29, 2023, 7:00 p.m., in the High school Band Room. He also noted two more lots have been sold on Cecilee Street.

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 6:06 p.m.

Mindy L. Eggers, MCMC
City Clerk