

**WORTHINGTON CITY COUNCIL
REGULAR MEETING
MARCH 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, Larry Janssen, Alaina Kolpin, Amy Ernst.

Staff present: Steve Robinson, City Administrator; Hyunmyeong Goo, Assistant City Engineer; Matt Selof, Community Development Director; Todd Wietzema, Public Works Director; Mindy Eggers, City Clerk.

Others Present: Emma McNamee, The Globe; Ryan McGaughey, Radio Works, Cristina Adame, Honorary Council Member.

The Pledge of Allegiance was recited.

INTRODUCTIONS AND OPENING REMARKS

Mayor Von Holdt presented Cristina Adame with a certificate for serving as Honorary Council Member for the months of February and March, 2023.

AGENDA APPROVED WITH ADDITIONS/CHANGES

Mayor Von Holdt said *Item D.4. Additional Bills Payable and Item G.2. Approval of Direct Placement Service Agreement for Hiring Assistant City Engineer* would be added to the agenda.

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

CONSENT AGENDA

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

- Water & Light Commission Meeting Minutes of March 20, 2023
- Heron Lake Watershed District Special Meeting Minutes of March 2, 2023
- Heron Lake Watershed District Meeting Minutes of February 8, 2023
- Application for Temporary On-Sale Liquor License - Nobles County Fair Association for June 3, 2023, for a Special Event
- Application for Temporary On-Sale Liquor License - Nobles County Fair Association for August 3, 2023 - August 6, 2023, for the Nobles County Fair
- Application to Conduct Off-Site Gambling - Currie Town & Country Boosters, Inc. for April 5, 2023, at the Worthington Event Center
- Application to Conduct Off-Site Gambling - Nobles County Ducks Unlimited - April 21,

- 2023, at Lerma's Event Center
- Bills Payable Totaling \$2,995,322.65

PROFESSIONAL SERVICES AGREEMENT-LONG TERM FINANCIAL MANAGEMENT PLAN APPROVED

Steve Robinson, City Administrator, explained local governments are faced with a number of outside elements that are raising concerns beyond the typical one and two-year budget cycles. Inflation, supply-chain shortages, employee retention and unfunded mandates imposed by state and federal legislatures are challenging the ability to provide exceptional service to the constituents while maintaining the City's financial health and affordable property tax rates. He said the City is already witnessing significant increases in construction projects, equipment and vehicle replacement costs, employee benefits, and bonding interest rates.

Mr. Robinson said staff talked to Rebecca Kurtz of Ehlers Public Finance Advisors and is recommending engaging with the firm to assist in the preparation of a long-term financial management plan and develop a comprehensive funding strategy for the long-term operating and capital needs of the City.

Ehlers will develop a customized financial model for the City with cash flow projections for the following funds:

- General Fund
- Improvement Construction Fund
- Aquatic Facility Fund
- Economic Development Authority Fund
- Worthington Economic Development Fund
- Worthington Regional Hospital Fund
- Memorial Auditorium Fund
- Recreation Fund
- Liquor Store Fund
- Local Option Sales Tax Fund, and
- Debt Service Funds

Mr. Robinson said City Council will take an active role in the development of the plan and will establish their vision and spending priorities. and reach consensus on acceptable level of property taxes. The plan will provide Council the understanding on how the decisions made now will affect constituents in the future. The plan can also be updated in future years to show the impacts of different scenarios such as changes in project costs, adjustment to the timing of projects or changes in priorities and needs.

The scope of work would be performed on an hourly basis not-to exceed the fee of \$20,000.00. Unallocated ARP funds would be used for the fee.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the Long Term Financial Management Plan.

APPROVED MN WEST BALLFIELD MAINTENANCE CONTRACT

Todd Wietzema, Public Works Director, said the City of Worthington and MN West have a maintenance agreement that the City Public Works staff does annual maintenance on the athletic fields located on the MN West Worthington campus. These fields include the baseball, softball, and football practice fields. The maintenance duties will include mowing, dragging, lining, fertilizing, aerating, and general cleanup. MN West pays for the services and will not exceed \$15,000.00.

The motion was made by Council Member Ernst, seconded by Council Member Kolpin and unanimously carried to approve the Maintenance Contract with MN West.

APPROVE PLANS AND AUTHORIZE STAFF TO ADVERTISE FOR BIDS

Mr. Wietzema said the Worthington Municipal Airport, has been awarded a MN Department of Transportation Aeronautics grant for fiscal year 2023. The grant will be used for the roof replacement on the maintenance hangar and will not exceed \$250,000.00.

Mr. Wietzema explained the grant will cover 70% of all eligible cost with the airport funding the other 30%.

Brian Bergstrom, Short Elliott Hendrickson, Inc, completed the design work and plans for the roof replacement. The proposed timeline is as follows:

- March 27th, 2023 Approve plans
- April 19th, 2023 Open bids
- April 24th, 2023 Bid Recommendation

A motion was made by Council Member Kielblock, seconded by Council Member Kolpin and unanimously carried to approve the roofing plans and authorize staff to solicit bids.

APPROVED BUDGET AMENDMENT

Mr. Wietzema said the 1993 John Deere road grader stopped functioning on March 6th. Since that time staff has been doing snow removal without the piece of equipment. Staff has been researching options for a replacement. He said while the grader is a necessary piece of equipment it is only used on a sporadic schedule approximately 200 to 300 hours.

Mr. Wietzema said replacing the grader it was quoted at slightly over \$388,000. The current ERS balance for the unit is \$103,018. Staff contacted multiple construction equipment dealers for options to rent or lease a similar piece of equipment, but have not been able to secure anything at this time. A quote was received from RDO Equipment to replace the damaged motor in the amount of \$24,159.52.

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to approve the use of funds from the ERS balance and accept the proposed quote from RDO Equipment.

BID RECOMMENDATION FOR AIRPORT REILS PROJECT APPROVED

Mr. Wietzema said on December 12, 2022, Council approved Work Order #4 with the airport consultants at Bolton and Menk. The project is for the replacement of the Runway End Identifier Lights (REILS), at the Worthington Municipal Airport. The bids were opened on March 22, 2023 and the results are as follows:

- Neo Electric \$80,065.00

Mr. Wietzema said only one bid was received and is over the engineer's estimate of \$60,092.00.

A recommendation letter from the consultant has been received and is contingent on receiving the FAA grant for this project.

A motion was made by Council Member Kolpin, seconded by Council Member Kielblock and unanimously carried to accept the bid from Neo Electric Maintenance in the amount of \$80,065.00 and authorize the Mayor and City Clerk to sign any necessary agreements.

BID RECOMMENDATION FOR AIRPORT APRON PAVEMENT SERVICES APPROVED

Mr. Wietzema said Council approved Work Order #5 on December 12, 2023, with the airport consultants at Bolton and Menk. The project is for the 2023 Airport Bituminous Apron Pavement Maintenance Project, at the Worthington Municipal Airport. The bids were opened on March 22, 2023 and the results are as follows:

- FlowSeal Surface Maintenance \$48,716.00
- Asphalt Surface Technologies \$67,230.00
- Farner Asphalt Sealers, LLC \$74,382.00
- Roadway Surfaces, Inc. \$78,415.00

Mr. Wietzema said that four bids were received with the low bid being below the engineer's estimate of \$54,250.00. A recommendation letter from the consultant has been received and is contingent on receiving the FAA grant for this project.

A motion was made by Council Member Kielblock, seconded by Council Member Ernst and unanimously carried to approve the low bid from FlowSeal Surface Maintenance in the amount of \$48,716.00.

BID RECOMMENDATION FOR SUNSET PARKING LOT PROJECT APPROVED

Mr. Wietzema said Council approved design and bidding services for the Sunset Park Boat Landing Parking project from Short Elliott Hendrickson Inc. Council approved plans and authorized SEH to advertise for bids on February 27, 2023. The project includes the parking lot, sidewalks, fish cleaning station, and boat cleaning station. Bids for the project were opened on March 22, 2023 and the results are as follows:

- Ideal Landscape & Design \$459,526.75
- Clair Van Grouw Construction \$502,818.27
- Duininck Inc. \$541,790.00
- Shoreline Landscaping & Contracting. \$731,126.00

Mr. Wietzema said four bids were received and the low bid was below the Engineers estimate of \$502,898.15. A recommendation letter was received from SEH.

A motion was made by Council Member Janssen, seconded by Council Member Kolpin and unanimously carried to accept the low bid from Ideal Landscape & Design in the amount of \$459,526.75 and authorize the Mayor and City Clerk to sign any necessary agreements.

RESOLUTION NO. 2023-03-09 ORDERING PREPARATION OF A FEASIBILITY REPORT FOR PROPOSED SHELL STREET IMPROVEMENTS

Hyunmyeong Goo, Assistant City Engineer, said Shell Street has deteriorated over the years and needs to be reconstructed. It is a one block section of street and is located between Lake Avenue and Ninth Avenue. Mr. Goo said that part of the street improvements will be assessed back to the benefitted property owners based on City policy as the City covers the center twenty-four feet of street width along with the sidewalk ADA ramps at the intersections with the property owners covering the remainder of the costs. Bituminous paving will be used since the curb and gutter will not be replaced at this time. The project is to completed in the summer of 2023.

Council Member Ernst asked why bituminous would be used instead of concrete. Mr. Goo said that it is much easier to use bituminous when the curb and gutter is not replaced and the traffic is also minimal on this street.

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

RESOLUTION NO. 2023-03-09

RESOLUTION ORDERING PREPARATION OF A FEASIBILITY REPORT FOR PROPOSED SHELL STREET IMPROVEMENTS

(Refer to Resolution File for complete copy of Resolution)

APPROVED DIRECT PLACEMENT SERVICES AGREEMENT FOR HIRING AN ASSISTANT ENGINEER

Mr. Goo said the Assistant City Engineer position became vacant a year ago due to a retirement. The position was advertised in late fall of 2022 no viable applications were received. While the position remains open until filled, colleges have been contacted to post the position, college visits have been arranged to recruit candidates and there still have been no applications received.

Staff is now proposing to use an employment search company. Mr. Goo said a few companies have

been contacted but the one that stands out is Ektello, LLC. They provide an employment service to help find candidates to fill positions. They have informed staff they would have a couple of viable candidates available.

Council Member Kolpin asked if we have researched if other communities have used the company and what the success rate is. Mr. Goo responded he had not but after talking to other companies Ektello, LLC had the lowest fee that is only paid after a successful hire.

Mr. Robinson said that in being transparent and in full disclosure his son works for the firm that is being proposed. He said that the company screens the candidates for qualifications and then determines if they should move forward. He explained if someone would be hired on or around June 1st, the total compensation and hiring fee would still come in at approximately \$16,700.00 under the 2023 year end budget. Staff feels they have exhausted all other avenues in trying to hire for this position.

A motion was made by Council Member Kolpin, seconded by Council Member Janssen and unanimously carried to approve the Direct Placement Service Agreement for Hiring an Assistant Engineer.

CONDITIONAL USE PERMIT - 2385 HIGHWAY 60 APPROVED

Matt Selof, Community Development Director, said Ron Prins, owner of Ron's Repair, located at 2385 Highway 60 has applied for a conditional use permit that would allow for an approximately 150' x 182' expansion to the existing building. Pursuant to Minnesota Statute §462.3595 and as outlined in Worthington City Code Chapter 155 Appendix E, auto/truck repair centers are permitted by conditional use permit only in the 'B-3' General Business District, the zoning designation of the subject property. The legal description of the subject property under consideration is as follows:

That part of the West Half of the Southwest Quarter of Section 18, Township 102 North, Range 39 West, City of Worthington, Nobles County, Minnesota, described as follows: Commencing at the west quarter corner of said Section 18; thence on an assumed bearing of South 0 degrees 13 minutes 06 seconds East, along the west line of said Section, a distance of 300.62 feet to a Minn. D.O.T. right of way monument; thence continuing South 0 degrees 13 minutes 06 seconds East, along said west line, a distance of 832.74 feet to the point of beginning of the tract to be described; thence South 89 degrees 01 minutes 06 seconds East a distance of 421.85 feet to an iron monument located on the northwesterly line of a Robert J. Boots tract as recorded in Document No. 234855; thence South 47 degrees 53 minutes 04 seconds West, along the northwesterly line of said tract, a distance of 168.51 feet to the most westerly corner of said tract; thence South 42 degrees 06 minutes 56 seconds East, along the southwesterly line of said tract, a distance of 200.00 feet to the most southerly corner of said tract; thence North 47 degrees 53 minutes 04 seconds East, along the southeasterly line of said tract, a distance of 200.00 feet to the most easterly corner of said tract; thence South 42 degrees 06 minutes 56 seconds East a distance of 70.00 feet to the northwesterly right of way line of Minnesota Trunk Highway No. 60; thence South 47 degrees 53 minutes 04 seconds

West, along said northwesterly right of way line, a distance of 200.00 feet; thence South 47 degrees 51 minutes 57 seconds West, along said northwesterly right of way line, a distance of 596.18 feet; thence North 0 degrees 13 minutes 06 seconds West, along said northwesterly right of way line, a distance of 67.19 feet; thence South 47 degrees 52 minutes 09 seconds West, along said northwesterly right of way line, a distance of 44.34 feet to the west line of said Section 18; thence North 0 degrees 13 minutes 06 seconds West, along said west line, a distance of 683.04 feet to the point of beginning, containing 5.365 acres, subject to easements now of record in said county and state.

AND

A tract of land lying in the Southwest Quarter of Section 18, Township 102, Range 39, described as follows: Commencing at the northwest corner of the Southwest Quarter of Section 18, Township 102, Range 39; thence southerly along said section line for 304.09 feet; thence southeasterly at an angle of 93 degrees 51 minutes 35 seconds for 245.36 feet; thence southeasterly on a 6.86 degree curve for 653.91 feet; thence southeasterly along the tangent line of said curve for 406.31 feet to the northwesterly right-of-way of Highway #60; thence southwesterly at 90 degrees and along said highway right-of-way line for 617.9 feet; thence northwesterly at 90 degrees for 70 feet to the point of beginning; thence southwesterly at 90 degrees and parallel to said right-of-way line for 200 feet; thence northwesterly at 90 degrees for 200 feet; thence northeasterly at 90 degrees for 200 feet; thence southeasterly at 90 degrees for 200 feet to the point of beginning.

The Planning Commission met on March 7, 2023 and voted unanimously to recommend approval of the requested conditional use permit subject to the following conditions:

1. The subject property must maintain compliance with all applicable local, State, and Federal standards and requirements.

Mr. Selof said staff has also received feedback from MnDOT regarding the application, unfortunately after the Planning Commission meeting so they were not able to make any kind of recommendation.

He said as part of this project, they are requesting that the City require approximately 100 feet of curb to be installed along the frontage road (this would follow their right-of-way.) The request is being made by MnDOT to help tighten up access to Ron's Repair and push the access point further back from the intersection. They outlined the following three goals for this:

1. Reduction of conflicts between traffic entering/exiting Ron's and northbound/southbound Armour Road traffic.
2. Reduction of conflicts between trail users and traffic entering/exiting Ron's.
3. Allowing a greater amount of Armour Road traffic to stack in and utilize the existing dedicated right and through/left lanes at TH 60.

Mr. Selof explained installation of a curb would nullify the existing variance which provides relief from the hardsurfacing requirement for the parking lot, meaning Ron's Repair would now need to hard surface their parking lot. An alternative option – if Council wishes to maintain the variance is to require fencing, landscaping, or some other types of traffic obstruction along that area.

The MnDOT had indicated they would be happy with anything that helps push the site access further back along the frontage road. MnDOT's comments were included with a staff report to City Council on March 13, 2023.

Mr. Selof said the City Planning Commission held a special meeting on Wednesday, March 22, 2023 at the direction of the Council. At that meeting after hearing a staff report and input from the applicant, the Commission voted unanimously to maintain their previous recommendation and not require the parking lot access to be tightened. Their decision to not require any changes to the parking lot focused primarily on the lack of evidence showing that safety concerns exist. He said the DOT partially retracted their statements when they informed city staff that, "after further review and consideration, we have decided to not require anything further of the applicant, and will defer to the city on what you decide is appropriate for this application."

Mr. Selof noted that the City's engineering staff does feel this would be the appropriate time to require the applicant tighten the parking lot access and would recommend adding a condition. Council Member Kolpin asked what the specific reasons were from our Engineering department. Mr. Goo responded for safety reasons. Council Member Cummings said the DOT had previously asked for easements on this property and did not follow through and then offered these suggestions and now have retracted them. Council Member Ernst asked if they gave reasons why they were retracting the suggestions. Mr. Selof said they did not offer any reasons and did not answer the questions that he had previously asked.

A motion was made by Council Member Cummings, seconded by Council Member Kolpin and unanimously carried to approve the conditional use permit for 2385 Highway 60 with no additional conditions.

COUNCIL COMMITTEE REPORTS

Mayor Von Holdt - Said the only thing he had was the SW MN Regional Development Commission received favorable results from the grant response in continuing the trail from the lake to Highway 60. The JOBS program that is being led by the Southwest Mayor's has gone through the tax committee and now is going to the Senate.

Council Member Janssen - No report.

Council Member Ernst - Attended a church service on Sunday on behalf of the CCAC and held discussion with the congregation. Congratulated the Lady Jays basketball team on placing second in the National Basketball Tournament.

Council Member Kielblock - No report.

Council Member Kolpin - Attended a Special HRA Meeting where they accepted a bid for the duplex construction on one of the lots they purchased on Cecilee. Attended a YMCA Board meeting, will be conducting a new Director search. The YMCA continues to coordinate staffing for the Aquatic Center.

Council Member Cummings - No report.

CITY ADMINISTRATOR REPORT

Mr. Robinson said Cristina Adame will be starting as the new Community Relations and Communications staff member on April 3, 2023. Attended interviews for a company to aid in

writing a new Comprehensive Plan. Have narrowed the search down to two firms. A recommendation should be made in the next couple of days. The new Public Works plow truck ordered in 2021 is almost ready for pick up. The new hydraulic stage was delivered on Wednesday.

ADJOURNMENT

The motion was made by Council Member Kolpin, seconded by Council Member Kielblock and unanimously carried to adjourn the meeting at 6:18 p.m.

Mindy L. Eggers, CMC
City Clerk