

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JULY 27, 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, Amy Ernst, Alan Oberloh, Mike Harmon, Larry Janssen.

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

Others present: Ryan McGaughey, The Globe; Jason Bransteter, Jeff Buysman, JBS; Gunner Beckering, Honorary Council Member.

The Pledge of Allegiance was recited.

Mayor Kuhle welcomed Gunner Beckering who will serve as the Honorary Council Member for the months of July, August, and September. Mr. Beckering thanked Council for the opportunity and he looks forward to learning the policy and procedures.

AGENDA CLOSED / APPROVED

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

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting of July 13, 2020
- Special City Council Minutes of July 15, 2020
- Water & Light Commission Minutes July 20, 2020
- Heron Lake Watershed Board Minutes of May 20, 2020
- Execute new easement with the U.S. Army of Corps of Engineers
- 2020 Private Dock Application
- General Fund Statement of Revenues and Expenditures - Budget and Actual - for the Period of January 1, 2020 through June 30, 2020
- Municipal Liquor Store Income Statement for the Period of January 1, 2020 through June 30, 2020
- Bills payable and totaling \$3,693,283.86 be ordered paid

APPROVED RECOMMENDATION FOR 10TH STREET PLAZA PROJECT - DK BUILDINGS

Todd Wietzema, Public Works Director, stated sealed bids were opened on July 22, 2020 for the 10th Street Plaza project. He said the project includes reconstruction of the paved area, a new shelter building, year round public restrooms, green space, a 10-foot trail and an area at the terminus of 10th Street dedicated for an art exhibit. The estimated cost for the project was \$1,601,799.82. The city received four bids and the low bidder was DK Buildings, LLC \$1,147,500.00.

Staff and Brian Bergstrom, SEH are recommending Council award the contract to DK Buildings, LLC, in the amount of \$1,147,500.00. This contracted amount is \$454,299.82 under the engineers estimate of the probable cost.

Council Member Oberloh asked if the estimate included any contamination removal if any is found. Steve Robinson, City Administrator stated that it did not.

Council Member Ernst asked the time line of the project. Mr. Robinson said the projected completion date is early May, 2021, utility construction will start this fall.

A motion was made by Council Member Ernst, seconded by Council Member Oberloh and unanimously carried to award the contract to DK Buildings, LLC.

CHANGE ORDER FOR DARLING DRIVE EXTENSION APPROVED

Mr. Wietzema stated Tri-State General Contracting submitted a third change order proposal which includes modifications to the aggregate base located under a portion of the Darling Drive road extension. He explained the modifications include an additional 9" sub cut and provide an additional 6" of quartzite crusher rock, 3" of pit run aggregate and 4" wrapped perforated subgrade pipe. The change order pricing is based on estimated quantities of product needed. The change order is an increase of \$24,516.80 increasing our total contract price to \$3,949,029.55.

A motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to approve the change order in the amount of \$24,516.80 for the Darling Drive Extension.

APPROVED PROFESSIONAL SERVICES CONTRACT FOR FLOWER LANE REALIGNMENT - FEASIBILITY REPORT

Jeff Faragher, Acting Engineer, said to accommodate future development of property currently owned by South Shore Acres LLC, the City is seeking the assistance of a consulting firm to explore potential layouts and determine their cost of development.

Mr. Faragher explained the Professional Services contract includes reviewing preliminary design information and developing a feasibility report to address removing the existing portion of Flower Lane (former TH 59 paralleling the UP railroad) that was part of the prior State turn back of TH

59/60, realign Flower Lane to service the future development of the South Shore Acres LLC property, and review the preliminary storm water drainage for both the proposed roadway realignment and the future development.

The City is planning to use the turnback funds received from the State when TH 59/60 was realigned and the old road was turned back over to the City, along with the addition of MSAS funding if/as needed, as the realigned Flower Lane will be a relocation of the MSAS designation of the current Flower Lane. A portion of the costs for the drainage improvements would likely have to be specially assessed. Mr. Faragher noted the funds are earmarked in the Construction Fund (401) reserves. Current balance of turnback reserve is \$1,087,080. The proposed services do not include final design, permitting or construction phase services.

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to approve the professional services contract for the Flower Lane realignment not to exceed \$28,001.00.

RESOLUTION NO. 2020-07-47 ADOPTED REAPPORTIONING THE SPECIAL ASSESSMENTS FOR PAVING IMPROVEMENT NO. 108

Mr. Faragher stated the Economic Development Authority (EDA) recently sold approximately 25 feet of property abutting 27th Street to The Patrick D. Janicek and Kimberly A. Janicek Family Trust. As a result of the reconfiguration of the properties, it will be necessary to reapportion the balance of special assessments for Paving Improvement No. 108 levied against the properties. It is appropriate for the assessments to be reapportioned to the two tracts in the same manner they would have been assessed at the time the improvement was completed. The original assessments were, and the reapportionments as proposed and petitioned for, are on a per lot basis with partial lots being pro-rated on a linear (per front foot) basis.

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

RESOLUTION NO. 2020-07-47

A RESOLUTION REAPPORTIONING THE SPECIAL ASSESSMENTS FOR PAVING IMPROVEMENT NO. 108

(Please refer to Resolution File for complete copy of Resolution)

CONDITIONAL USE PERMIT (JBS, INC.) APPROVED

Jeremiah Cromie, City Planner stated Swift Pork Company submitted an application for a conditional use permit for their property at 2550 Hwy 60 NE. If approved, the applicant will be

allowed to construct an 186,083 square foot freezer warehouse with an option of adding an 84,682 square foot warehouse addition in the future for the meat packing business utilizing the property. Meat packing businesses are identified as a “conditional use” in the “M-2” General Industrial District, which is the zoning classification of the subject property. The legal description of the property under consideration is as follows:

A tract of land lying in the West Half of Section 18, Township 102, Range 39, described as follows:

Commencing at the southwest corner of Section 18, Township 102, Range 39; thence East along said Section line a distance of 1,293.5 feet; thence North at 90° to said section line a distance of 1,010 feet to the point of beginning; thence North a distance of 100 feet to a point; thence West at 90° 397.38 feet to a point on the southeast right-of-way line of the C.St.P.M. & O. Railroad; thence northeast at an interior angle of 42° 08' and along said right-of-way a distance of 2,657.69 feet to a point on quarter section line; thence South at an interior angle of 47° 41' and along said quarter line a distance of 1,882.90 feet; thence West at an interior angle of 90° 11' a distance of 1,567.51 feet to the point of beginning.

Less and Except:

All that part of the following described tract:

That part of the Southeast Quarter of the Northwest Quarter and of the Northeast Quarter of the Southwest Quarter of Section 18, Township 102, Range 39 lying southeasterly of the railroad right-of-way;

Which lies northerly of a line run parallel with and distant 184 feet southerly of the following described line:

Beginning at a point on the east line of said Section 18, distant 100 feet south of the east quarter corner thereof; thence run westerly at an angle of 89° 14' 15" with said east section line (when measured from south to west) for 3,300 feet and there terminating; Together with all that part of the above-described tract adjoining and southerly of the above described strip, which lies northerly of the following described line: From a point on the above-described line, distant 2,629.78 feet westerly of its point of beginning; run southerly at right angles to said line for 184 feet to the point of beginning of the line to be described; thence run southwesterly to a point distant 199 feet southerly (measured at right angles) from a point on the above-described line, distant 2,729.78 feet westerly of its point of beginning; thence run westerly and parallel with the above-described line to the northwesterly boundary of the above-described tract and there terminating.

AND ALSO

A tract of land in the West Half of Section 18, Township 102, Range 39, described as follows:

Commencing at the southwest corner of said Section 18; thence East along said section line a distance of 1,293.5 feet; thence North at 90° to said section line a distance of 1,010 feet; thence East at 90° a distance of 522 feet to the point of beginning; thence easterly on said projected line a distance of 798 feet; thence South at 90° a distance of 250 feet; thence at 90° West a distance of 798 feet; thence at 90° North a distance of 250 feet, to the point of beginning.

Together with:

The northerly 50 feet of the following described tract:

Commencing at the southwest corner of Section 18, Township 102, Range 39; thence East along section line, a distance of 1,293.5 feet; thence North at 90° a distance of 740 feet to the point of beginning; thence North along same said line, a distance of 270 feet; thence East 90° a distance of 522 feet; thence South at 90° a distance of 270 feet; thence West at 90° a distance of 522 feet to the point of beginning.

AND ALSO

That part of the West half of the Southeast Quarter of Section 18, Township 102 North, Range 39 West, Nobles County, Minnesota, described as follows:

Commencing at the South Quarter corner of said Section 18; thence on an assumed bearing of North 0 degrees 01 minutes 48 seconds West, along the north-south quarter line of said section, a distance of 900.00 feet to an iron monument, said iron monument being the point of beginning of the tract to be described; thence North 90 degrees 00 minutes East a distance of 615.35 feet to an iron monument; thence North 0 degrees 00 minutes 27 seconds West a distance of 1456.84 feet to an iron monument located on the southerly right of way line of Interstate Highway 90; thence South 89 degrees 40 minutes 44 seconds West, along said southerly right of way line, a distance of 615.93 feet to an iron monument located on the north-south quarter line of said section; thence South 0 degrees 01 minutes 48 seconds East, along said north-south quarter line, a distance of 1453.39 feet to the point of beginning, containing 20.57 acres, subject to easements now of record in said county and state.

Mr. Cromie said the Planning Commission considered the application at its July 14, 2020 meeting. After holding a public hearing, the Commission voted unanimously to recommend the City Council approve the conditional use permit subject to the following conditions:

1. The location of the building be constructed as illustrated in the site plan.
2. The applicant provides 74 parking stalls within 1 year of receiving a building permit and provides a parking plan showing where an additional 59 parking spaces would go if employment were to intensify; and
3. The applicant and owner of the property comply with all applicable local, state and federal regulations.

Mr. Cromie explained since existing parking currently meets demands and the lower standard would provide sufficient parking to accommodate the demand from the new development, staff recommends requiring 74 additional stalls and having the applicant provide a parking plan showing

where an additional 59 parking spaces would go if employment were to intensify. The new site plan was received this afternoon with the additional parking.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the Conditional Use Permit for JBS, Inc.

APPROVED WORTHINGTON ECONOMIC DEVELOPMENT AUTHORITY APPOINTMENTS

Jason Brisson, Assistant City Administrator/Director of Economic Development stated that after holding a public hearing the Worthington City Council passed and adopted the Amended and Restated Resolution Enabling the Creation of the City of Worthington Economic Development Authority (EDA). Mr. Brisson explained the City's Enabling Resolution states that the EDA shall consist of the five members of the Council, the Mayor of the City, and one member of the City Water and Light Commission that does not serve as a Council member or Mayor of the City. It also states that vacancies shall be filled by appointment by the Mayor with the confirmation of the City Council. Minnesota Statute 469.095 also requires that each member of the city EDA shall be appointed by the Mayor with the approval of the city council. The Worthington Public Utilities Water and Light Commission has forwarded their request for Randy Thompson to be appointed as their representative for the Worthington EDA.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to appoint Mike Kuhle, Chad Cummings, Amy Ernst, Mike Harmon, Larry Janssen, Alan Oberloh, and Randy Thompson to the City's Economic Development Authority.

WORTHINGTON ECONOMIC DEVELOPMENT AUTHORITY MEETING DATE SET

Mr. Brisson said a scheduling conflict with the proposed EDA date of the third Tuesday of the month at 5:15pm was discovered. Discussion was held on scheduling a monthly meeting going forward, the 4th Tuesday of the month at 4:00 p.m. was determined to be acceptable. The first meeting will take place on Tuesday, August 25, 2020, 4:00 p.m., in City Hall Council Chambers.

RESOLUTION NO. 2020-07-48 ADOPTED SUPPORTING FIRST CHILDREN'S FINANCE GRANT APPLICATION TO THE SOUTHWEST INITIATIVE FOUNDATION (SWIF)

Mr. Brisson stated that a developer looking at a childcare center within the City of Worthington communicated to the City that an independent childcare demand study, will be required by most lending institutions who would partner with a developer on a childcare center project. Worthington does not have a current, independent professional housing study, the developer advised the City to have one completed.

First Children's Finance will submit the \$15,000 grant application to SWIF to cover the costs of conducting a full childcare study for the City of Worthington. The City will own the housing study once it is completed and may utilize the study with providers and developers exploring adding additional childcare projects in the City.

In addition to reviewing data and demographic information, First Children's Finance will also conduct interviews and gather community input as part of their process while taking precautions to prevent further spread of COVID-19. They are prepared to communicate in and interpret multiple languages.

A motion was made by Council Member Harmon, seconded by Council Member Oberloh and unanimously carried to adopt the following Resolution supporting First Children's Finance Grant Application to the Southwest Initiative Foundation.

RESOLUTION NO. 2020-07-48

RESOLUTION SUPPORTING FIRST CHILDREN'S FINANCE GRANT APPLICATION TO
THE SOUTHWEST INITIATIVE FOUNDATION
COUNCIL COMMITTEE REPORTS

(Please refer to Resolution File for complete copy of Resolution)

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Felt the City/County Joint meeting was beneficial and will be helpful for all of the small businesses in Worthington and the County.

Council Member Jansen - No report.

Council Member Oberloh - City Council and School District filings open tomorrow.

Council Member Cummings - The YMCA Cruise Dinner will be a virtual event on August 14th and the auction will be online as well. There is a \$60,000 matching grant available from the Worthington Health Care Foundation so please consider taking part in the event.

Council Member Ernst - No report.

Council Member Harmon - Attended the Water & Light Commission meeting on July 20th.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, stated that a meeting on the Field House project was held with the Engineer's on Tuesday, new drawings will be coming.

Jeff Buysman, JBS, Inc., presented Mayor Kuhle and the City a check for 1 million dollars for the Field House project investing in their Hometown Strong Campaign. Mayor Kuhle thanked JBS for their generous donation.

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ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to adjourn the meeting at 7:41 p.m.

Mindy L. Eggers, MCMC
City Clerk