

**WORTHINGTON CITY COUNCIL
REGULAR MEETING
AUGUST 14, 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; Todd Wietzema, Public Works Director; Deb Olsen, Finance Director; Mindy Eggers, City Clerk.

Others Present: Ryan McGaughey, Radio Works; Stewart Chisom, The Globe; Kari Lucin, The Globe; Bradley Petersen, Coalition of Greater MN Cities.

The Pledge of Allegiance was recited.

AGENDA APPROVED WITH ADDITIONS/CHANGES

The Mayor stated there would be an addition of *G.9. GeoTek Agreement for Services* added to the agenda.

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

CONSENT AGENDA

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

- Regular City Council Meeting Minutes of July 24, 2023
- Special City Council Meeting Minutes of July 19, 2023
- Park & Recreation Advisory Board Meeting Minutes of August 2, 2023
- Housing & Redevelopment Authority Meeting Minutes of June 21, 2023
- Application for Parade Permit to Block Streets - City of Worthington
- Bills Payable Totaling \$4,722,865.62

RESOLUTION NO. 2023-08-26 ADOPTED ACCEPTING A DONATION OF FUNDS

Steve Robinson, City Administrator, said Velma and Gary Cortright generously donated \$25 to the Worthington Police Department.

The donation will be placed in Police Program Reserves and will be utilized to enhance crime prevention programs.

A motion was made by Council Member Cummings, seconded by Council Member Kielblock and

unanimously carried to adopt the following resolution:

RESOLUTION NO. 2023-08-26

A RESOLUTION ACCEPTING A DONATION OF FUNDS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2023-08-27 ADOPTED ACCEPTING A DONATION OF PERSONAL PROPERTY

Todd Wietzema, Public Works Director, said the Park & Recreation Advisory Committee has received a request to place a bench at Sailboard Beach by Sheila Pederson in memory of Rich Pederson.

Mr. Wietzema said the donation meets all of the requirements and the Park & Recreation Advisory Committee recommend the City Council accepts the donation.

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

RESOLUTION NO. 2023-08-27

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

COALITION OF GREATER MN CITIES UPDATE

Bradley Petersen, Executive Director, Coalition of Greater Minnesota Cities commended Worthington on all of the great things happening within the City.

Mr. Petersen then provided an update to Council on the CGMC's priorities during the past legislative year. He said the CGMC represents over 100 cities throughout Minnesota. During the session there was an LGA Formula update and an \$80 million appropriation increase to the LGA. There was also a \$240 million lead line inventory and replacement. He explained cities will have until October 2024 to do an inventory of the lead lines that are in the city's infrastructure. The funding can be used to replace lead lines on both the city's and the property owner's portion of service lines. A \$300 million dollar bonding bill was also passed in the closing days of the session. Allocations for childcare and housing were also included. Going into 2024 it is expected that priorities will be elections and another bonding bill.

Council thanked Mr. Petersen for the update and Mr. Petersen thanked Council for the opportunity.

SECOND READING PROPOSED ORDINANCE AMENDING TITLE III, CHAPTER 32.30 LOCAL SALES AND USE TAX OF THE CITY CODE OF WORTHINGTON, NOBLES

COUNTY

Steve Robinson, City Administrator, said pursuant to published notice this is the time and date set for the second reading of a proposed ordinance to do a Text Amendment - Title III, Chapter 32.30, Local Sales and Use Tax of the City Code of Worthington, Nobles County, Minnesota.

A complete copy of the ordinance was provided in your July 24, 2023 Council Agenda.

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

RESOLUTION NO. 2023-08-28 ADOPTED MODIFYING APPOINTMENTS TO CORPORATE AUTHORIZED SIGNATORIES FOR THE CITY OF WORTHINGTON

Mr. Robinson said banking institutions require resolutions approved by governing bodies, to make changes to position titles and authorized personnel to sign on City checking and investment accounts. First State Bank Southwest and United Prairie Bank currently have Michelle Ridd as a signer on our accounts and she no longer works for the City of Worthington. We will need to remove her and add Denise Deitchman, the new Assistant Finance Director.

Bank of the West currently has Debra Olsen, Finance Director, as the only signer on the Certificate of Deposit and the Money Market accounts. It is recommended to add the additional signer, Denise Deitchman, Assistant Finance Director to these accounts.

RESOLUTION NO. 2023-08-28

A RESOLUTION MODIFYING APPOINTMENTS TO CORPORATE AUTHORIZED SIGNATORIES FOR THE CITY OF WORTHINGTON

(Refer to Resolution File for complete copy of Resolution)

SOUTHWEST MENTAL HEALTH PROMISSORY NOTE INTEREST RATE ADJUSTMENT APPROVED

Mr. Robinson said the City of Worthington entered into an agreement with the Southwest Mental Health Center (SWMHC), Inc. in May 2012 for the advancement and repayment of funds to assist in construction of their facility in Worthington. The City advanced \$400,000.00 of Hospital Impact Funds in March 2013 for a term of 30 years at 2.0% interest. The Project also received funding from the following:

- Cottonwood County: \$131,000 at 2.0%
- Jackson County: \$115,000 at 2.0%
- Nobles County: \$500,000 at 1.0%
- Pipestone County: \$107,000 at 2.0%
- Rock County: \$150,000 at 2.0%

The agreement stipulates that the interest rate may be adjusted on October 1, 2023 and October 1, 2033. SWMHC has requested an interest rate adjustment from the City of Worthington to 3.0%.

A motion was made by Council Member Ernst, seconded by Council Member Kolpin and unanimously carried to approve the interest rate adjustment to 3.0% effective October 1, 2023.

Council action is requested to approve the requested interest rate adjustment.

MOTORIZED GOLF CART DRAFT ORDINANCE

Mr. Robinson said staff has prepared a draft ordinance for their review and consideration that may authorize motorized golf carts on designated roadways within the City. The items noted in "red" are options for various requirements that may be considered. Discussion was held and since there wouldn't be time to have it for this season, Council asked staff to continue to work on it and look into the possibility of adding it the current ATV ordinance.

APPROVED REVISIONS TO THE ACCOUNTING CLERK POSITION GUIDELINES

Mr. Robinson said Administration and Human Resources staff periodically review the position guidelines and update the essential duties, responsibilities and qualifications as needed. The revisions include adding the special assessment responsibilities to this position. Special assessments will now be under Finance rather than the Engineering Department. This does not result in added staff, changes to the respective salary grade or current budget.

A motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to approve the amendments to the Accounting Clerk position.

DISCUSSION REGARDING POSSIBLE AMENDMENT TO CITY OF WORTHINGTON/NOBLES COUNTY PRAIRIE JUSTICE CENTER LEASE

Mr. Robinson said the City and Nobles County entered into a lease in June 2002 to facilitate the construction of the Prairie Justice Center (PJC). The City's obligation in the lease was to fund 43.34% of the 20-year Phase III Bonds in annual payments of approximately \$200,000. The lease was amended in 2016 adjusting the City's lease space from 12.72% of the PJC to 12.89%. The lease was amended again in 2021 adjusting the City's lease space from 12.89% of the PJC to 15.97%. The current amended lease also stipulated that the City would issue capital improvements reimbursement to Nobles County once the Phase III bond was retired in February 2022. The capital improvements reimbursement terms included the City issuing annual payments of \$197,500 to the County until the debt was retired. The lease stipulated an annual simple interest 2.433% would accrue on the outstanding principle. The current outstanding principle is approximately \$958,000. Members of the Nobles County Board of Commissioners have indicated they will be amending the current lease by having the capital reimbursement annual simple interest rate adjusted annually based upon a mutually agreed upon formula.

AUTHORIZATION TO ADVERTISE FOR BIDS - CENTER FOR ACTIVE LIVING

Mr. Robinson said the racquetball courts at the Center for Active Living (CAL) were damaged late last year as a result of water intrusion from the roof. The roof membrane over the 1984 addition was

replaced along with selected areas of corroded metal roof decking. New insulation was installed to meet current energy code requirements.

The improvements will include the restoration of two racquet ball courts to their original condition as the base bid. The work would include installing new hardwood floors, laminate clad wood wall and ceiling panels, new interior lighting, and replacement of the doors. An alternate bid item will also be included to provide additional improvements to the northern racquet ball court to create a needed meeting space. The alternate bid items will include an acoustical ceiling with LED lighting, acoustical wall panels throughout the room, widening of the existing entry door to create an accessible entry and new HVAC system for the meeting room. Additional power, data and wireless internet access points will also be provided in the meeting space as part of the alternate bid item.

Mr. Robinson explained the racquetball court restoration work would be covered by insurance while the additional work to add meeting capabilities will be covered with City funds.

The schedule is as follows:

Advertisement for bids - August 16th.
Bid Opening - September 7th
Council Consideration - September 11th

A motion was made by Council Member Kolpin, seconded by Council Member Kielblock and unanimously carried to approve the plans and authorize the advertisement for bids for the Center for Active Living.

COUNCIL COMMITTEE REPORTS

Mayor Von Holdt - Said he did a Proclamation at Goodwill for Goodwill of the Great Plains Day on August 8th. He also attended a SW Initiative Fund meeting.

Council Member Janssen - No report.

Council Member Ernst - No report.

Council Member Kielblock - Attended the CGMC Conference in Thief River and the Joint Transit Authority Board meeting.

Council Member Kolpin - Attended the Joint Powers Transit Authority meeting. The Dial a Ride is doing very well but the City Bus Route may see some changes due to the low numbers that use the service. Attended a Childcare Task Force meeting and an open house is being planned for September 6th. Attended the Prairie Justice Joint Task Force meeting and looking at slightly changing the storage facility location.

Council Member Cummings - Attended the Prairie Justice Task Force meeting, the storage building location needs to be slightly moved a few feet due to the wetland ponds. Attended a Park Board meeting, Water World sold \$33,000 day passes in June, he noted it has been a very successful season.

CITY ADMINISTRATOR REPORT

Mr. Robinson said a couple of budget meetings will need to be scheduled in the next couple of weeks.

YMCA Director interviews will be held on August 24th and 25th.

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 6:41 p.m.

Mindy L. Eggers, MCMC
City Clerk