

**WORTHINGTON CITY COUNCIL/WATER AND LIGHT COMMISSION  
SPECIAL JOINT MEETING, OCTOBER 16, 2024**

The meeting was called to order for the City Council at 4:00 p.m. in City Hall Council Chambers by Mayor Rick Von Holdt with the following Council Members present: Larry Janssen, Chad Cummings, Amy Ernst, Chris Kielblock. Members absent: Dennis Weber.

The meeting was called to order for the Water and Light Commission at 4:00 p.m. in City Hall Council Chambers by President Deb Weg with the following Commissioners present: Kathy Hayenga, Mike Fury, Chad Nixon, Amy Ernst.

Staff present: Steve Robinson, City Administrator; Scott Hain, General Manager Worthington Public Utilities; Kristy Taylor, Administrative Assistant, Worthington Public Utilities; Deb Olsen, Finance Director; Denise Wethor, Assistant Finance Director; Mindy Eggers, City Clerk.

Others present: Sam Martin, The Globe; Tom Olinger, ABDO Solutions.

**2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) APPROVED**

Tom Olinger, Abdo Solutions, presented the 2023 Annual Comprehensive Financial Report.

A motion was made by Council Member Kielblock, seconded by Council Member Cummings and unanimously carried to accept the 2023 Annual Comprehensive Financial Report (ACFR).

A motion was made by Commissioner Hayenga, seconded by Commissioner Nixon, and unanimously carried to accept the 2023 Annual Comprehensive Financial Report.

President Weg declared the Water & Light Commission meeting adjourned at 4:49 P.M.

**EAST 9<sup>TH</sup> AVENUE ASSESSMENT DISCUSSION HELD**

Hyunmyeong Goo, City Engineer presented information on the proposed construction on the East Ninth Avenue Sanitary Sewer. He explained the Assessment Policy noted, per State Statute the amount of a special assessment cannot exceed the special benefit to the property as measured by increase in market value due to the improvement.

Mr. Goo said because there are only three properties on the street the estimated project cost is extremely high with an estimated assessable rate per lot at \$102,207.00. The alternate project cost would be an estimated assessable rate of \$51,676.75, which is still substantial considering the property value of these homes. Mr. Goo said that if the curb and gutter was not done the assessable amount could be reduced by \$25,000.00.

Council discussed the options and determined the best route is to proceed with the alternate project cost of \$51,676.75 minus the curb and gutter cost of \$25,000.00 leaving \$26,676.75 to be assessed per lot which would be the maximum assessed amount.

**CELL TOWER LAND LEASE AMENDMENT DISCUSSION HELD**

Steve Robinson, City Administrator, said the Worthington EDA and Alltel Communications dba Verizon Wireless currently has a Memorandum of Lease for Parcel #31-3786-385 located near the intersection of Industrial Lane and Diagonal Road for a tower. Staff was approached earlier this summer with a request to execute an amendment to the lease. The proposed amendments are as follows:

- a. Alltel to pay the Worthington EDA a one-time payment of \$20,000.00 payable within 30 days of the effective date contingent on the EDA executing the lease amendment by December 1, 2024.
- b. The lease is otherwise scheduled to expire on March 1, 2029. The lease is amended to provide the tenant eight (8) additional five (5) year extensions terminating on March 21, 2069.
- c. Rent shall be \$500.00 per month commencing on the first payment following execution of the amendment.
- d. Commencing on March 22, 2029 and on the beginning of renewal term thereafter, rent shall be increased by the percent increase in the Consumer Price Index (CPI).

Mr. Robinson said the lease was reviewed by the City Attorney and has the following suggestions:

- Questioned the 40-year extension thru 2069. Suggested that a 25-year extension may be more reasonable.
- Suggested that the current “going rate” for cell tower lease is around \$1,000.00 per month
- Suggested a fixed rental rate adjusted 15% for each 5-year renewal term and is comfortable using the CPI factor.
- Recommended the last two sentences of paragraph 7 regarding indemnification.
- Add tenant’s responsibility for “Removal of Equipment Clause”.

Council Member Cummings said he likes the suggestions from the City attorney. Council’s consensus was to ask for the following changes:

- Change the date from December 1, 2024 to December 31, 2024 as the deadline to execute the lease,
- Change the lease extension from eight additional five-year renewal terms to five additional five-year renewal terms,
- Change proposed initial rent from \$500.00 per month to \$1,000.00 per month, and
- Add a removal of equipment clause to the agreement.

Mr. Robinson said he will submit these changes to Alltel.

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**ADJOURNMENT**

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adjourn the City Council meeting at 5:37 p.m.

Mindy Eggers, MCMC  
City Clerk