

**WORTHINGTON CITY COUNCIL REGULAR MEETING
MAY 26, 2026**

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: Amy Woitalewicz, Chris Kielblock, Dennis Weber, Amy Ernst and Mike Kuhle.

Staff present: Steve Robinson, City Administrator, Todd Wietzema, Public Works Director; Hyunmyeong Goo, City Engineer; Nate Grimmus, Deputy Chief; Cristina Adame, Community Relations and Communication; Angela Thiner, Assistant City Clerk.

Others Present: Chloe Farnsworth, *The Globe*; Ryan McGaughey, RadioWorks.

The Pledge of Allegiance was recited.

AGENDA APPROVED WITH ADDITIONS/CHANGES

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

CONSENT AGENDA

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

- Regular City Council Meeting Minutes of May 11, 2026
- Water & Light Commission Meeting Minutes of May 18, 2026
- LEC Joint Powers Board Meeting Minutes of May 13, 2026
- Application to Block Streets – FORWARD Worthington
- Application for Temporary On-Sale Liquor License – FORWARD Worthington
- Application for Temporary On-Sale Liquor License – Nobles County Fair Association
- 2026-2027 On-Sale Liquor, Wine, Club and Sunday On-Sale License Renewals
- Municipal Liquor Store Income Statement for the Period of January 1, 2026 through April 30, 2026
- Olson Park Statement of Revenue and Expenditures – Budget and Actual for the Period of January 1, 2026 through April 30, 2026
- Field House Statement of Revenue and Expenditures – Budget and Actual for Period of January 1, 2026 through April 30, 2026
- Bills Payable Totaling \$3,349,011.95

**DESIGNATION OF OFFICIAL CITY REPRESENTATIVE TO CUERO, TEXAS FOR 2026
TURKEY FEST AND AUTHORIZATION FOR REIMBURSEMENT OF EXPENSES**

Mr. Robinson said Turkey Fest is scheduled for October 8th -11th, 2026, travel dates will be October 9th and October 12th. Section 4.17 of the Worthington City Charter Historical

Partnerships, provides that “Council may authorize expenditures for one or more designated City officials to serve as official City of Worthington representatives to Crailsheim Germany, Cuero, Texas, and such other destinations that have a historical partnership/significance to the City.” Rick von Holdt represented the City of Worthington in Cuero in 2025.

Council Member Ernst stated that after checking her schedule she would be able to go.

The motion was made by Council Member Kielblock, seconded by Council Member Woitalewicz and unanimously carried to designate Council Member Ernst as the official representative to Cuero, Texas in October 2026, and to authorize reimbursement of his expenses.

MEMORIAL AUDITORIUM PERFORMING ART CENTER – ISD 518 RENTAL AGREEMENT APPROVED

Mr. Robinson said for many years, Worthington ISD 518 has utilized the City's Memorial Auditorium Performing Arts Center for school district productions. This agreement reserves the facility for ISD 518's use for a total of 62 days per contract year. Should the usage exceed 62 days per contract year, ISD 518 shall pay a pro-rated amount for the additional days. The current contract expires on June 30, 2026. Memorial Auditorium management and administration staffs from both the City and ISD 518 recommend renewing a three-year agreement, in effect from July 1, 2026 to June 30, 2029.

The proposed agreement includes an approximate five percent (5%) increase for each of the three years of the new contract and provides that the school district shall pay the City the following rental fees:

July 1, 2026 - June 30, 2027 \$40,000 annually
July 1, 2027 - June 30, 2028 \$42,000 annually
July 1, 2028 - June 30, 2029 \$44,000 annually

The fees received from ISD 518 represent approximately eighty percent of Memorial Auditorium's total budgeted annual user fees.

The ISD 518 School Board approved the agreement on May 19, 2026.

The motion was made by Council Member Weber, seconded by Council Member Woitalewicz. Council Member Kielblock asked whether the Auditorium Manager had been involved in the discussion, and Steve confirmed she had. The motion carried unanimously.

CITY COUNCIL CONSIDERATION OF COLLABORATING WITH ISD 518 FOR A SINGLE SHEET ICE ARENA LOCATED ON THE DISTRICT'S INTERMEDIATE SCHOOL PROPERTY SITE APPROVED

Steve Robinson stated the City has been the lead partner in the development of an ice arena project since early 2024 collaborating with representatives of ISD 518 and the Worthington Hockey Association. This group reviewed a number of site and design options along with probable costs.

After many months, the City chose to pursue the Construction Manager at Risk (CMAR) method of project delivery and issued a request for Statements of Qualifications from CMAR professionals in September 2025. The project parameters were to perform necessary improvements to the existing ice arena and construct a new single-sheet arena addition at the Nobles County Fair Grounds site with a total project budget of \$16 million. Funding commitments were secured in December 2025 with \$10 million from the City of Worthington, \$5 million from ISD 518 and \$1 million from the Worthington Hockey Association.

The City received nine proposals with the Selection Committee choosing to interview the top two scoring firms ultimately deciding to enter into negotiations with Knutson Construction of Mankato. The Selection Committee also recommended that the design team continue working with HTG Architects.

The project design committee held a number of meetings between late January and the end of April this year. Over the course of these meetings the probable total project cost continued to incrementally increase as more construction costs were identified. The estimate as of April 30 was between \$19 million and \$21 million with no likely path to reach the budget of committed funds. In addition, the green space required to comply with storm water management requirements caused the Nobles County Fair Board to reconsider their approval of the project.

The ISD 518 School Board Operations Committee met on May 12 and discussed the possibility of amending the project. They recommended constructing a new single-sheet arena at the Intermediate School campus. This recommendation was subsequently forwarded to the full school board for their consideration.

The ISD 518 School Board met on May 19 and unanimously approved the motion *“to direct administration to enter into discussion with City of Worthington administration to develop an ownership, lease/rental and operational agreement for an arena facility to be built on the Intermediate School property site and enter into discussion with SitelogiQ (school district’s facility consultant) for the development of this project”*.

Council Member Kuhle stated he supports the idea of locating the new arena on school district property, noting he believes it would receive greater use. He expressed disappointment with the CMAR process and reservations regarding the City contributing \$10 million toward the project, emphasizing the importance of ensuring community access to the facility. He also suggested repairing the floor in the existing arena in addition to constructing a new facility.

Council Member Weber questioned whether it would be more practical to forego construction of a new arena and instead remodel the existing facility. Todd Wietzema responded that replacement of

the existing arena floor alone was estimated to cost between \$3 million and \$4 million and noted the Fair Board was unwilling to provide additional property for the project. Mr. Robinson added that both the School District and the City agreed they did not want to place additional burden on taxpayers.

Council Member Weber asked whether updated remodeling estimates had been prepared, noting earlier estimates from approximately two years ago were between \$8 million and \$9 million. Council Member Ernst inquired about the project budget being developed by SitelogiQ. Joel Heitkamp explained they were working within the established budget parameters and were awaiting direction to proceed.

Council Member Kielblock stated his original support for the increased funding was based on the arena being City-owned, City-operated, and located on City property. He indicated concern about continuing to operate the facility at a deficit and suggested the City contribute \$5 million while ISD 518 provide \$10 million.

Council Member Ernst stated she supported contributing up to \$10 million toward a new arena, noting the School District has adequate property available and supported continuing discussions. Council Member Kuhle agreed, stating the school district property appeared to be the best location for the project.

Council Member Woitalewicz moved to approve the same motion adopted by the School District, directing administration to continue discussion regarding developing ownership, lease/rental and operational agreement for the arena to be built on the Intermediate School property site and enter in discussion with SitelogiQ for the development of the project. The motion was seconded by Council Member Kuhle. Council Member Kielblock stated he supported continuing discussions but reiterated that his previous vote had been based on City ownership of the facility. The motion carried unanimously.

RESOLUTION 2026-05-25 ADOPTED APPROVING FORFEITURE FUNDS TRANSFER TO GENERAL FUND

Deputy Chief, Nate Grimmus, explained as a result of our collaboration with DEA, WPD has received federal forfeiture funds through the Department of Justice Equitable Sharing Program. Participating agencies are encouraged to utilize the funds to supplement public safety programs but may not use them to supplant local funding.

WPD intends to commit to a 24-month subscription to Citizen Observer's Tip411 program, for \$7,800. Tip411 will allow citizens to send anonymous tips directly to the WPD via web, text message, and customized iPhone and Android apps. Citizens can also attach images and video to

their tips to provide WPD with more specific information. WPD investigators will be able to participate in two-way conversations with sources who are able to remain anonymous.

Council Member Kuhle stated that he felt the funds would be put to great use. Deputy Chief Grimmus explained that the program provides two-way communication and allows direct communication with local law enforcement agencies.

Council Member Kielblock moved to adopt the resolution approving the transfer of forfeiture funds to the General Fund for a two-way anonymous tip communication tool, seconded by Council Member Weber. The motion carried unanimously.

RESOLUTION NO. 2026-05-25

RESOLUTION APPROVING TRANSFER FROM THE FORFEITURES FUND TO GENERAL FUND

(Refer to Resolution File for complete copy of Resolution).

APPROVED BUDGET AMENDMENT

Public Works Director, Todd Wietzema, explained that when public works staff attempted to start the watering system at Buss Field Soccer Complex this spring, there was a problem with the motor in the pump house. It was determined that the motor needed to be replaced. Staff received a quote from MTI Distributing in the amount of \$5,405.34 for the same model and horsepower of the unit needing replacing.

The current 2026 Soccer ERS budget has a balance of \$24,616 for replacement of pump station equipment. Staff is requesting a budget amendment in the amount of \$5,405.34, from the current ERS, to purchase the new motor for the watering system at Buss Field.

The motion was made by Council Member Weber, seconded by Council Member Woitalewicz and unanimously carried to approve staff to use ERS funds to purchase the new pump house motor.

RESOLUTION NO. 2026-05-26 ADOPTED ACCEPTING A DONATION OF PERSONAL PROPERTY

Mr. Wietzema stated the City of Worthington has been given a \$100 donation from the Haack-Good Post American Legion, to be used at Veteran's Memorial Park. These funds will be used for future flag replacement at the Memorial.

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

RESOLUTION NO. 2026-05-26

RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution).

APPROVED GAS EASEMENT AGREEMENT WITH MINNESOTA ENERGY RESOURCES CORPORATION (MERC)

Hyunmyeong Goo, City Engineer, stated Minnesota Energy Resources Corporation (MERC) has requested a perpetual gas easement across portions of City-owned property identified as PIN 31-3925-600 and 31-3925-700 near Park Avenue and Tenth Avenue. The easement will allow MERC to construct, install, operate, maintain, inspect, replace and remove natural gas pipeline to facilities and related equipment necessary for gas transmission service.

The easement agreement also grants MERC access rights for maintenance and emergency purposes and requires restoration of disturbed property following construction or maintenance activities. In addition, the agreement restricts construction of buildings, structures, or significant grade changes over the gas facilities without prior written approval from MERC.

Amy Woitalewicz moved to approve the Gas Easement Agreement with Minnesota Energy Resources Corporation, seconded by Dennis Webber. The motion carried unanimously.

RESOLUTION 2026-05-27 ADOPTED APPROVING AGENCY AGREEMENT FOR FEDERAL PARTICIPATION IN ADVANCE CONSTRUCTION WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MnDOT)

The Minnesota Department of Transportation (MnDOT) has presented an Advance Construction Agency Agreement to the City of Worthington for the Okabena Lake Trail project (State Project 177-090-006). Under this agreement, MnDOT will act as the City's agent to accept and disburse federal transportation-related funds allocated for the project.

The total estimated project cost is \$1,820,602. In federal fiscal year 2027 or sooner, MnDOT will request the federal funds and subsequently reimburse the City for the 80% federal aid share, which amounts to \$592,000.

The agreement remains in effect for five years from its execution date or until all contractual obligations are fully satisfied. The City Council must pass a resolution authorizing designated City officials to execute the contract and certify the agreement.

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

RESOLUTION NO. 2026-05-27

RESOLUTION APPROVING THE ACTIVE TRANSPORTATION GRANT AGREEMENT

(Refer to Resolution File for complete copy of Resolution).

The motion was made by Council Member Ernst, seconded by Council Member Kielblock and unanimously carried to adopt the agency agreement for federal participation in advance construction with the Minnesota Department of Transportation.

APPROVE TASK ORDER NO. 40 WITH BOLTON & MENK, INC. FOR GIS DATA ADDITIONS – SANITARY MANHOLE INVENTORY

Mr. Goo stated the City of Worthington initiated its Geographic Information System (GIS) platform in 2022 to centralize and manage public utility assets. Since its inception, staff has successfully populated the system with critical mapping data, including the initial GPS location data collection for visible sanitary, storm, and water structures. To continue building upon this foundation, the City has identified that the current system lacks sufficient structural and attribute information for both the sanitary sewer and storm sewer systems. Because the City does not currently have the internal staff resources required to execute this extensive field data collection, and given that Bolton & Menk, Inc. performed the initial setup of the GIS system and collected the existing structural data, it is most practical and efficient for them to continue this work. For the current phase, the City is prioritizing the collection of sanitary sewer data, with plans to address and collect the storm sewer system data next year. Task Order No. 40 has been prepared under the existing September 14, 2020 Master Agreement for Professional Services.

Under this task order, field personnel will open and inspect approximately 1,275 sanitary sewer manholes to collect missing attribute information, including structure materials, depths, and individual pipe characteristics such as size and invert elevations. Additionally, 360° panoramic interior photos will be captured and linked directly to the web GIS platform to document the current physical condition of each asset.

Completing this task will drastically increase overall efficiency in future utility infrastructure design processes and generate substantial cost savings in the long run. Furthermore, having detailed data will allow City staff to respond more rapidly to emergency utility calls and efficiently fulfill information requests from third party contractors or regulatory agencies.

The total cost for these professional services is set at an hourly rate not to exceed \$97,650.00. Funding for this project has been fully approved and is allocated within the 2026 General Engineering Fund. Field collections are scheduled to take place between June 1 and August 15, with all final deliverables integrated into the City's system by October 31, 2026.

Dennis Weber moved to approve Task Order No. 40 with Bolton & Menk, Inc., seconded by Chris Kielblock. In additional discussion, Council Member Kielblock asked what else GIS Data is used for. Hyunmyeong Goo responded it is also used for GPS, AutoCAD and also surface level of locations. The motion carried unanimously.

APPROVED PUBLIC UTILITIES EASEMENT AGREEMENT

Mr. Goo explained, as part of the U.S. Highway 59/60 Turn Back project, underground utility reconstruction is required at various points along the corridor. During the project's design, it was discovered that an existing municipal water main line runs through property owned by the James I. Nickel Trust (Nickel/James I Trust) with no formal utility easement.

Because the upcoming highway construction limits slightly encroach upon the Nickel property, a temporary construction easement is necessary to execute the utility work. Staff determined that this would be the ideal opportunity to establish the permanent utility easement.

The James I. Nickel Trust has agreed to convey a perpetual public utilities easement to the City in exchange for a compensation payment of \$7,500.00. Staff has reviewed this valuation and finds the price to be fair and reasonable when compared to the costs, sizes, and locations of similar utility easements acquired by the city on past infrastructure projects.

Council Member Woitalewicz moved to approve the Public Utilities Easement with the James I. Nickel Trust, seconded by Dennis Weber. The motion unanimously carried.

COUNCIL COMMITTEE REPORTS

Mayor Rick Von Holdt – No report.

Council Member Ernst – No report.

Council Member Weber - No report.

Council Member Woitalewicz – Water World will be opening May 30, 2026.

Council Member Kuhle – The HRA's first rehab house will be done by the end of May. They are looking at possible incentives for 1st time home buyers or helping pay down interest rates. The HRA has authorized the tear down of the 2nd house which is located a block from the one going on the market. He noted he sees an increase in the economic development coming to Worthington and offered his thanks to City staff for their work.

Council Member Kielblock – No report.

CITY ADMINISTRATOR REPORT

In response to Kuhle's comment about the increase in economic development in Worthington, Steve noted City Council sets the policy, it's staffs' job to carry them out. He reported that bonding for street reconstruction projects will occur this summer. The projects are expected to be completed over a three-year period, with approximately \$8 million in bonds being issued to replenish funds. A call for the sale of bonds is scheduled for June 22, with bond proceeds expected to close and be available in mid-August. Interest rates are anticipated to be between 3.5% and 3.75%.

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Weber and unanimously carried to adjourn the meeting at 6:30 p.m.

Angela Thiner, MCMC
Assistant City Clerk