

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING, DECEMBER 20, 2023**

The meeting was called to order at 4:00 p.m. in City Hall Council Chambers by Mayor Rick Von Holdt with the following members present: Chris Kielblock; Chad Cummings; Amy Ernst; Alaina Kolpin, Larry Janssen (absent).

Staff present: Steve Robinson, City Administrator; Hyunmyeong Goo, Assistant City Engineer; Chad Nickel, Public Works Supervisor; Matt Selof, Community Development Director; Deb Olsen, Finance Director; Mindy Eggers, City Clerk.

Others Present: Jay Milbrabdt, Bedford Industries; Travis Winters, Bolton & Menk; Sam Martin, The Globe; Ryan McGaughey, Radio Works.

EIGHTH AVENUE LIQUIDATED DAMAGE REDUCTION REQUEST

Hyunmyeong Goo, Assistant City Engineer, said the reconstruction project of Eighth Avenue was awarded to Larson Crane Service Inc. (LCS) on May 9, 2022. The contract was awarded in the amount of \$1,267,405.95, with a substantial completion date of September 30, 2022.

Mr. Goo explained LCS started construction on June 13, 2022. The concrete was poured on November 7, 2022, and the street was opened to traffic on November 14, 2022. Due to the cold weather conditions, operations were stopped on November 14, 2022, leaving the driveway, sidewalks, and turf establishment incomplete. Gravel driveways were established temporarily to provide access to residents during the winter. LCS resumed operations the following spring, on April 17, 2023. Sidewalks and driveways were poured on May 17, 2023, and opened to pedestrians on May 22, 2023 with seeding completed on June 9, 2023.

Mr. Goo explained the contract included liquidated damages of \$1,200 per calendar day. The final pay application, which includes 40 days worth of liquidated damages totaling \$48,000, was forwarded to the contractor on August 29, 2023. The contractor has not returned the pay application, thus final disbursement has not been made. The 40-day liquidated damages does not account for the work completed in spring of 2023. The delay in completion resulted in approximately \$131,000 in extra costs to the City. The liquidated damages are intended to cover the additional costs incurred by the department in overseeing the project (or in this case, a consultant overseeing the project), and, more importantly, to compensate for the substantial inconvenience experienced by the residents and general public.

He said LCS claims that the delay in operations was a result of the postponed delivery date for storm water structures. Travis Winters, Bolton & Menk, said construction daily records kept by Bolton and Menk, Inc. do not mention any operation pauses due to the storm structure missing and said the project took way longer than it should have.

Steve Robinson, City Administrator, said staff has conferred with the City Attorney and the City is

within their rights to withhold the liquidated damages and noted the City has past precedence for this type of occurrence.

Council directed staff to move forward.

COUNCIL DISCUSSION REGARDING THE CITY’S FINANCIAL PARTICIPATION IN PROPOSED ICE ARENA PROJECT

City Council discussed potential funding options for the ice arena. Mr. Robinson said that 2.5 million of the sales tax revenue was set aside for the hockey arena and of that \$413,000 has been used. Another option could be to do a 10 million dollar bond over 15 years.

Council Member Cummings said it’s going to take community leaders to move forward with this and asked if there were enough people in the association that would be invested and have the momentum for a capital campaign.

Jay Milbrandt, president of Bedford Industries, said his family's company is interested in contributing up to \$2 million and have naming rights, should the community move forward with plans to build a new, two-sheet ice arena.

Mr. Milbrandt commended council on all of the amenities that have been done in the community to date and by adding this additional one it would benefit city residents and potentially bring expansion to the city and other things like restaurants, hotels, and just more activity overall.

Councilman Cummings said adding a new arena would facilitate more than just hockey for the community as the venue could be used for much more.

Council Member Kolpin agreed and said that it is really disappointing to hear that the County won’t be participating. Council Member Cummings said the disheartening fact is this is not the first time the County seems to forget that over 60% of the residents of that county reside in the city of Worthington.

Council agreed to continue discussions and be active players in the proposed project.

POSITION GUIDELINES AND CLASSIFICATION APPROVED

Mr. Robinson said the City was awarded the Minnesota Department of Labor and Industry's (DLI) Building Official Training grant for the period of January 1, 2024 through December 31, 2024. The award was for the maximum amount of up to \$65,000. Staff has prepared the Building Inspector I Position Guidelines with a salary grade of Non-Exempt 5. The beginning wage for this position is \$24.50/hour.

He said upon Council approval, staff will begin advertising for applicants.

A motion was made by Council Member Kielblock, seconded by Council Member Kolpin and unanimously carried to approve the position guidelines and classification for the Building Inspector I position.

REVISED POSITION CLASSIFICATIONS APPROVED

Mr. Robinson said staff frequently reviews position guidelines and classifications to ensure their completeness and accuracy. Minor changes in the salary grade position classifications were completed for the following:

- Police Officer (590 points): Salary Grade N-11
- Detective, Drug and General Investigator and School Resource Officer (610 points):
Salary Grade N-12
- Police Sergeant (630 points): Salary Grade N-13

He explained the revisions are classified as clean up and corrections. None of the positions changed from their current salary grade nor do any personnel move from their current wages.

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the revised position classifications.

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Ernst and unanimously carried to adjourn the meeting at 5:02 p.m.

Mindy L. Eggers, MCMC
City Clerk