WORTHINGTON CITY COUNCIL SPECIAL MEETING

3:30 P.M. - Wednesday, August 18, 2021 City Hall Council Chambers

A. CALL TO ORDER

B. CITY COUNCIL BUSINESS - ADMINISTRATION

- 1. CGMC Update Marty Siefert
- 2. Crailsheim Committee Presentation
- 3. Prairie Justice Center Land Acquisition

C. CITY COUNCIL BUSINESS - PUBLIC WORKS

1. Approve Field House Change Order

D. ADJOURNMENT



2021 Legislative Session: Final Outcomes on CGMC Priorities

	CGMC Goal	Governor	House	Senate	Final Outcome	
Local Government Aid (LGA)	Prevent cuts to LGA	No LGA cut	Proceedings of the second seco		No LGA cut One-time supplemental aid to prevent reduction to any city based on formula	
Public Facilities Authority (PFA) water infrastructure programs	\$100M in bonding and/or other sources	\$0 in bonding \$15.936M in Legacy bill for Point Source Implementation Grants (PSIG)	\$15M in bonding \$15.936M in Legacy bill for PSIG	No bonding bill \$16.936M in Legacy bill for PSIG \$165M using federal relief funds	No bonding bill \$15.9M in Legacy bill for PSIG	
Municipal PFAS Source Reduction Initiative	\$500,000 for source reduction at wastewater facilities Creation of stakeholder group to oversee the initiative	\$500,000 for source reduction at wastewater facilities No stakeholder group	\$500,000 for source reduction at wastewater facilities No stakeholder group	\$500,000 for source reduction at wastewater and solid waste recovery facilities Combined stakeholder group	\$600,000 for source reduction at wastewater and solid waste recovery facilities Combined stakeholder group	
Child Care - Facilities Grant Program	\$20M in bonding	\$0 in bonding	\$5M in bonding	No bonding bill Appropriates \$50M in federal relief funds to reopen closed facilities	\$22.5M statewide for facilities	
Child Care - Grants to Minnesota Initiative Foundations for child care business development	\$4M	\$0	\$2M \$3M		\$3M in 2022-23 \$2M projected in base budget for 2024-25	
Child Care - DEED child grants for training and business development	\$10M	\$750,000	\$10M	\$20M using federal relief funds	\$5M in 2022-23 \$3M projected in base budget for 2024-25	



2021 Legislative Session: Final Outcomes on CGMC Priorities

	CGMC Goal	Governor	House	Senate	Final Outcome
Greater Minnesota Business Development Public Infrastructure (BDPI) Grant Program	• \$20M in bonding • \$3.574M in cash	• \$0 in bonding • \$3.574M in cash	• \$0 in bonding • \$3.574M in cash	No bonding bill \$3.574M in cash	No bonding bill \$3.574M in cash
Housing - Greater Minnesota Fix-Up Fund (new program)	\$5M	\$0	\$0	\$0	\$0
Housing - Greater Minnesota Housing Public Infrastructure Grant Program (new program)	\$2.5M in bonding	\$0	\$0	No bonding bill	\$0 (no bonding bill)
Housing - Greater Minnesota Workforce Development Fund	\$6M	\$6M	\$4M	\$4M	\$4M
Large-City Streets (Cities with populations over 5,000 receive state funding through the Municipal Street Aid program)	\$25M/year increase	No increase	New, dedicated revenues increase MSA by \$16M/ year by 2025	Dedication of new general funds increase MSA by \$4M/year by 2025	No significant increase. MSA will see a small increase of less than \$700,000 per year as a result of other provisions in the transportation bill.
Small-City Streets (Cities with populations under 5,000 receive no dedicated funding from the state)	\$25M/year	\$0	\$19.6M/year in dedicated, ongoing funds	\$9M/year in ongoing dedicated funds; one-time general fund appropriations of \$6.1M in 2022, \$5.7M in 2023	



CGMC Environmental Program Successes, Emerging Issues & Continued Advocacy

Recent Successes

Per- and Polyfluoroalkyl Substances (PFAS)



PFAS are a class of pervasive chemicals that have been linked to various health concerns and have been found in waterbodies across the state. PFAS can be removed from drinking water through expensive treatment, but there is no technologically feasible method for removing them from wastewater.

CGMC's Role: We advocated for a municipal source reduction strategy, which the Legislature established and funded this year. We also blocked legislation that could have held cities liable for the presence of PFAS in wastewater or drinking water. We continue to defend against detrimental proposals and seek ways to reduce sources of PFAS.

Chloride

More than 100 cities could face chloride limits in their wastewater permits, but there is no feasible method to remove chloride at a wastewater facility. Most cities will need a variance from these permit requirements, and a variance will still require efforts by the city to reduce chloride. Some cities may be required to install central water softening, but others may be able to address the issue by working with citizens to remove and/or upgrade home water softening equipment.



CGMC's Role: We sought state funding for grants to assist cities with the removal or upgrade of home water softeners, which the Legislature passed this year. We also submitted comments to the Minnesota Pollution Control Agency (MPCA) in favor of chloride variances that were approved. We continue to support cities on this issue.



Funding for Innovative Approaches and Climate Impact

As the cost of wastewater treatment increases, cities are looking to alternative approaches to address water quality issues and the impacts of the changing climate. Current state funding may not always support innovative projects because they do not fit into traditional program definitions.

CGMC's Role: We advocated in favor of a new MPCA grant program that will help cities plan for the infrastructure needed to address extreme weather. The 2021 Legislature created and funded this program.

Lake Pepin TMDL

Nearly two-thirds of Minnesota's watersheds drain into Lake Pepin and are therefore subject to the Lake Pepin Total Maximum Daily Load (TMDL) plan. This plan seeks to impose phosphorus limits on cities' wastewater and stormwater even though data shows the lake is no longer impaired.



CGMC's Role: We joined with other local government advocacy organizations to bring a contested case action on the TMDL and negotiated several process changes that will assist cities in the future.





Several CGMC members have unnecessary permit limits based on MPCA's outdated Class 3 and 4 water quality standards, which have caused major impediments to economic development. In addition to the cities that currently have problematic permit limits, more than 20 CGMC members are slated to receive outdated permit limits unless MPCA updates the underlying water quality standards.

CGMC's Role: We participated in MPCA's rulemaking process and submitted comments in favor of MPCA's plan to update the standards. The plan was recently affirmed by an Administrative Law Judge and we will continue to support these changes until they are finalized by the U.S. Environmental Protection Agency (EPA).



CGMC Environmental Program Successes, Emerging Issues & Continued Advocacy

Emerging & Ongoing Issues

Water Infrastructure Funding



As facilities age and regulatory burdens increase, cities face increasing water infrastructure costs. Ensuring that cities receive help from the state in the form of Public Facilities Authority (PFA) grants and loans is vital.

CGMC's Role: We continue to advocate for PFA funding from bonding and the Clean Water Fund. The 2020 bonding bill included an historic \$125 million for PFA programs, and the 2021 Legacy bill included \$15.9 million for the PFA's Point Source Implementation Grant Program. In 2022, we will continue to push for a large bonding bill that includes substantial PFA funding and will review whether current programs are meeting the needs of our member cities.

Wild Rice Sulfate Rule

Minnesota's standard for sulfate in wild rice waters is outdated and may result in permit limits that require expensive facility upgrades that would not actually improve water quality. In the spring of 2021, the U.S. EPA proposed adding 30 waterbodies to the impairment list which could result in cities facing sulfate limits in their permits.



CGMC's Role: We submitted comments objecting to the inclusion of these waterbodies on the impairment list and urging the U.S. EPA to work with Tribal Nations and other stakeholders to protect wild rice. We will continue to monitor and advocate on this issue.

Proposed Permit Fee Increase



MPCA is seeking to impose a fee increase on water quality related permits to generate more funding for its water quality operations. A significant portion of this increase will fall on municipalities.

CGMC's Role: We are pushing for increased state general fund spending for water quality operations, rather than requiring local municipalities to pay for these increases. The 2021 Legislature appropriated \$3 million for the water quality budget, but we anticipate MPCA will seek an increase for the remaining deficit. We will monitor and advocate as the proposed fee increases move forward.

Drinking Water and Water Access





CGMC's Role: We are working to better understand our members' concerns, monitor emerging issues and trends, and develop strategies to ensure Greater Minnesota communities have access to affordable water resources for generations to come.



Nitrogen and Nitrate Standards (EPA Nutrient Criteria)

The U.S. EPA is developing nutrient criteria for lakes that will regulate nitrogen and nitrate. These standards could have major negative economic impacts for municipal wastewater facilities.

CGMC's Role: CGMC is participating in the federal rulemaking process and will monitor state developments.



LABOR & EMPLOYEE RELATIONS PROGRAM

Purpose

The purpose of the Coalition of Greater Minnesota Cities Labor & Employee Relations Program is to 1) to develop a coordinated effort among Greater Minnesota cities on managing labor and employee relations and negotiating labor contracts through researching and developing databases, advocating positive changes to labor processes, and by providing a forum for networking, discussing and implementing uniform labor policies and negotiating strategies; and 2) to make available expert and coordinated advice—at a significantly reduced rate—on employment and labor relations issues facing Greater Minnesota cities.

CGMC Labor Program Services



Quarterly newsletter on relevant labor relations and public employment issues



Maintain wages and insurance database to track contract settlements and interest arbitration awards



Analyze and summarize labor relations and public employment **legislative changes** to report to cities



Sustain **cluster analysis database** to identify comparable cities for contract negotiations and interest arbitrations



Prepare and present Labor and Employee Relations Seminars



Develop **arbitrator selection database** for cities to analyze and select arbitrators in grievance and interest arbitrations



Prepare and present information at Labor Committee Meetings and Webinars



Develop joint labor contract negotiation **strategy and policy positions/guidelines**



Coordinate efforts with the League of Minnesota Cities and other organizations and governmental agencies

Individual Consultation Services

CGMC members have access to consultation services on labor relations and public employment issues impacting their individual city on a reduced fee-for-service basis through the law firm of Flaherty & Hood, P.A. Examples of services provided by Flaherty & Hood are listed below.

Employment Law Services

Represent cities in negotiations, mediation, arbitrations, administrative proceedings, litigation, and appeals

Advise on compliance with labor and employment laws, hiring employees, investigating misconduct, harassment and discrimination, and discipline and discharge actions

Investigate misconduct, performance problems, harrassment, and discrimination



Labor Relations Services



Represent cities in **labor contract negotiations** and mediations with employee unions



Compile and summarize data from comparable cities on wages, health insurance, and other data



Investigate employee and union **grievances**, draft responses and settlement proposals, and attend grievance meetings



Represent cities in **arbitration hearings** and compile and analyze relevant data



Research state-provided lists of arbitrators and provide ranking order for purposes of striking and selection



Prepare filings with the **Bureau of Mediation Services** (BMS)

Job Classification and Compensation Services



Review job classifications, conduct interviews, and analyze job descriptions



Prepare and establish **comparisons of jobs** to determine the appropriate job worth



Draft classification and **compensation** plans, establish pay structure, and total compensation packages



Review, analyze, and advise on **pay equity** and represent in any legal compliance matter



Analyze and **make organizational recommendations** on work processes, structure, staffing, and retention

Human Resources

Draft, revise, and interpret employee handbooks, evaluations, manuals, and job descriptions



Conduct **training session for management** on hiring, performance matters, handling grievances, and other employee matters.

Contact Us

For more information, call Flaherty & Hood, CGMC's representative, at 651-225-8840 or email at CGMC_Communications@Flaherty-Hood.com or contact the labor and employment attorneys or analyst.

Brandon M. Fitzsimmons Shareholder Attorney bmfitzsimmons@flaherty-hood.com Chad Arnesen Attorney charnesen@flaherty-hood.com Christina Petsoulis Attorney ccpetsoulis@flaherty-hood.com Karina G. Patino Legal Analyst kpatino@flaherty-hood.com

CGMC Is Greater Minnesota's Voice on LGA

For more than 40 years, CGMC has been the most prominent and outspoken advocate for Local Government Aid (LGA). No one fights harder, brings the level of expertise, or looks out for Greater Minnesota like CGMC does.

A TIMELINE OF CGMC'S RECENT ADVOCACY ON LGA

POP LAUNCHES "THANK LGA" CAMPAIGN

CGMC staff organized and hosted townhall meetings with city leaders around the state on the vital role LGA plays in providing local services and keeping property taxes down. The THANK LGA campaign generated significant media attention and set the stage for discussions on formula reforms and increasing LGA funding.

2014 SUCCESSFULLY ADVOCATES FOR \$9.3M INCREASE IN LGA APPROPRIATION

2017 Successfully advocates for \$15M INCREASE IN LGA APPROPRIATION

2020-21 HIGHLIGHTS IMPORTANCE OF LGA DURING PANDEMIC

As the state faced a potential deficit and economic uncertainty due to the COVID-19 pandemic, CGMC was quick to speak out about the importance of LGA. Through meetings with legislators and the Governor's staff, press releases, guest columns in newspapers across the state, social media efforts and an "LGA Week" campaign, CGMC brought attention to the vital role LGA plays in helping cities power through the pandemic — and its role in providing a strong foundation for recovery afterward.



DEDICATED TO A STRONG GREATER MINNESOTA

2018 KEY PLAYER IN LGA REFORM AND \$80M INCREASE IN LGA APPROPRIATION

CGMC was a vocal critic of a Dayton Administration plan that would have reduced LGA for numerous Greater Minnesota cities and channeled minimal new aid to rural communities, despite a proposed \$80 million increase to the LGA program.

Due to our pushback, the Legislature initiated a stakeholder process that included legislators and municipal organizations. CGMC was the only group at the table to exclusively represent Greater Minnesota.

2015 DEFENDS LGA AGAINST ARBITRARY CUTS

CGMC successfully pushed back against legislative proposals that would have significantly reduced LGA for first-class cities. The proposals would have undermined the integrity of the LGA formula and presented a long-term danger to the LGA program for all cities.

2019 Successfully advocates for \$30M increase in LGA appropriation, restoring LGA to 2002 level

After the 2013 LGA increase and reform, CGMC set its sights on restoring the LGA program to its 2002 funding level — the high-water mark for the program. After a few years of modest increases, LGA finally returned to its 2002 funding level thanks to a strong campaign led by CGMC.

2022 & Beyond Fighting for Greater Minnesota in LGA reform discussions

Since the start of the 2021 legislative session, all four chairs of the legislative committees that control LGA have indicated they want to revise the program's formula. Formula revisions present opportunities, but also bring serious risks. CGMC will be fighting for our member cities every step of the reform process. CGMC membership is your city's seat at the negotiating table!



COALITION OF GREATER MN CITIES SUMMER CONFERENCE 2021

JULY 29-30, 2021 ALEXANDRIA, MN

Venue

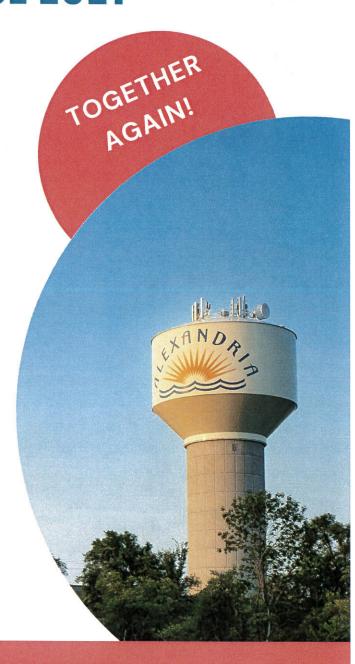
Arrowwood Resort & Conference Center 2100 Arrowwood Lane Alexandria, MN 56308

Hotel Information

The CGMC has reserved a block of hotel rooms at Arrowwood at a rate of \$139/night. Call Arrowwood at 320–762–1124 by June 28 to make a reservation under the CGMC's block.

Questions?

Please contact CGMC Media & Communications Director Julie Liew at jlliew@flaherty-hood.com or 651-259-1917.



REGISTER ONLINE TODAY!

BIT.LY/CGMCSUMMER21

CONFERENCE AGENDA - THURSDAY, JULY 29

10:30 a.m. - CGMC Board of Directors meeting

11 a.m. – Registration begins at Arrowwood

12 p.m. - Conference Begins - Welcome Remarks from CGMC President Greg Zylka

12:05 p.m. - Keynote lunch with Governor Walz

1:05 p.m. – "Legislative Session Through a Greater Minnesota Lens — What Happened and What May Be Coming"

CGMC Executive Director Bradley Peterson will provide in-depth analysis of the 2021 legislative sessions and what city leaders need know about the next two-year state budget. He will also discuss issues on the horizon for 2022, including a possible overhaul of the LGA formula. Attendees will also share their thoughts during an interactive discussion.

2:10 p.m. - "Paths to Common Ground"

City officials represent a diverse array of constituents — including those with strong opposing viewpoints. Ambassadors from Braver Angels will discuss the work their nonpartisan, nonprofit organization is doing to help foster better understanding and communications in our increasingly polarized society. They will provide tips on how to listen, share ideas and seek common ground despite our differences.

3:45 p.m. – "LGA & Legislative Tax Policy: Perspectives from the Chairs"

Chairs of the House and Senate committees on taxes and property taxes will provide insights into bills passed during the regular and special sessions, the future of LGA and state taxes, and other important legislative issues like COVID-19 recovery and infrastructure needs. Panelists:

- Sen. Carla Nelson (R-Rochester)
- Rep. Paul Marquart (DFL-Dilworth)
- o Sen. Bill Weber (R-Luverne)
- Rep. Cheryl Youakim (DFL-Hopkins)

5:30 p.m. – Cocktail Reception

Join legislators and your fellow community leaders for a cash bar and light hors d'oeuvre.

6:30 p.m. - Legislative Awards Dinner

Enjoy a delicious meal as the CGMC honors the legislators and city officials who worked tirelessly to advance Greater Minnesota's interests over the past year.

CONFERENCE AGENDA - FRIDAY, JULY 30

8 a.m. - Continental Breakfast at Arrowwood

8:30 a.m. – "Playing in a Pandemic: How Local and Regional Parks & Trails Prevailed Over a Crisis"

Minnesota's parks and trails saw a tremendous uptick in visitors over the past 18 months as people clamored to find safe and fun outdoor activities. Our panelists will share the creative and unique ways they engaged with the public during the pandemic — and how they plan to build on this growth for the future. Panelists:

- o Brad Harrington, Parks & Recreation Operations Manager, Wright County
- o Marcia Larson, Parks & Recreation Manager, City of Bemidji
- o Brad Bonk, Parks Superintendent, Douglas County Parks

9:30 a.m. - "Lessons Learned from the COVID-19 Pandemic"

One of the most glaring issues preventing Greater Minnesota from achieving full post-COVID economic recovery is a lack of workers. To address the worker shortage, cities must also address concerns such as child care, workforce housing, and transportation. Julie Tesch, President & CEO of the Center for Rural Policy & Development, will present their research on how the rural workforce was impacted by the pandemic and what Greater Minnesota will need to be successful moving forward.

10:30 a.m. - CGMC Membership Meeting

The full CGMC membership will adopt the annual budget and assessments, elect officers and conduct other important business as needed.

11:30 a.m. - Adjourn

Please note that this is a tentative schedule and may be subject to change.



SAVE THE DATE

Mark your calendar for upcoming CGMC events:

Summer Conference
July 29–30, 2021, Alexandria

Fall Conference Nov. 18–19, 2021, Willmar

Legislative Action Day March 2, 2022, St. Paul

Website

greatermncities.org

Facebook

facebook.com/greatermncities

Twitter

<u>@greatermncities</u>

YouTube

youtube.com/GreaterMNCities



PUBLIC WORKS MEMO

DATE: AUGUST 18, 2021

TO: HONORABLE MAYOR AND CITY COUNCIL

SUBJECT: CITY COUNCIL WORK SESSION

CASE ITEM

1. APPROVE FIELD HOUSE CHANGE ORDER

Tri-State General Contracting, our contractor for our field house project has submitted a change order proposal, included as *(Exhibit 1)*. Included in this change order is:

Provide and install liner panel on the interior walls of the Field House.
 This proposed liner panel will extend from the concrete floor to a height of eight feet.

Total change order

\$20,627.37

This proposed change order was reviewed and approved by our architect on the project. The proposed change order is an increase of \$20,627.37 increasing our total contract price to \$1,976,615.08.

Council action is requested to approve the Field House Change Order

Tri-State General Contracting 131 Torgerson Ln Jackson MN 56143

www.tristategc.net 507-849-7429 507-849-7430



Change Order Request

COR Number: 019

Date: 7/26/2021 **Project Number:** 2020008 **Contract Date:** 10/23/2020

To:	Project:	-
City of Worthington 303 9th St PO BOX 279 Worthington MN 56187	700 2nd A	on Field House we. on MN 56187
Description of Change:		
Install Liner Panel on interior of fie	eld house.	
Project Original Contract Sum		1,709,999.00
Total of Previously Approved Char	ge Orders	245,988.71
Contract Amount Prior to this Chair	nge Order	1,955,987.71
Proposed Contract Amount of this	Change Order	20,627.37
Proposed Contract Amount Includi	ng this Change Order	1,976,615.08
Accepted By:		
Contractor (Company Name)	Owner (Company Name)	Other (Company Name)
By (Signature)	By (Signature)	By (Signature)
Printed Name	Printed Name	Printed Name
Date	Date	Date

Owner's Change Order Number

Tri-State General Contracting 131 Torgerson Ln Jackson MN 56143

www.tristategc.net 507-849-7429 507-849-7430



Change Order Request

COR Number: 019 **Date:** 7/26/2021

To: City of Wo	rthington	Project: Worthington Field	d House		
Item	Description	Quantity UOM	Unit Price	Extended Price	
01.10 - Bond			,		
2 % Bond Cha	arges	1.00 LS	404.46	404.46	
			Bond Total:	404.46	
07.40 - Roofing a	nd Siding Panels				
8'-4" 29 ga. Lii	ner	190.00 EA	28.41	5,397.90	
18'-2" 29 ga. L	iner	20.00 EA	61.96	1,239.20	
Base Trim		60.00 EA	8.22	493.20	
J Channel		100.00 EA	9.86	986.00	
Install Liner Pa	anel	5,082.00 SF	1.50	7,623.00	
		Roofing and	Siding Panels Total:	15,739.30	
13.30 - Special St	ructures				
Base Angle		550.00 LF	2.53	1,391.50	
Install Base An	ngle-	8.00 HR	75.00	600.00	
		Speci	Special Structures Total:		
50.00 - Material T	'ax				
Material Tax		1.00 LS	653.66	653.66	
			Material Tax Total:	653.66	
50.20 - Profit					
Tri-State Profit	: and	1.00 LS	1,838.45	1,838.45	
			Profit Total:	1,838.45	
			Change Order Total:	20,627.37	