



# CITY OF GRAND RAPIDS

## Meeting Agenda Full Detail City Council Work Session

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Monday, June 26, 2017

3:45 PM

Conference Room 2A

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**CALL TO ORDER:** Pursuant to due notice and call thereof a Special Meeting/Worksession of the Grand Rapids City Council will be held on Monday, June 26, 2017 at 3:45 p.m. in City Hall Conference Room 2A, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

**CALL OF ROLL:** On a call of roll, the following members were present:

### Discussion Items

1. 17-0384 Coalition of Minnesota Cities Update ~ Brad Peterson
  
2. 17-0373 Visit Grand Rapids - Megan Christianson  
**Attachments:** [Annual Report Low Res.pdf](#)  
[VGR Annual Report \(1\).jpg](#)  
[VGR Annual Report \(2\).jpg](#)
  
3. 17-0430 Enbridge Line 3 - Abandonment Letter ~ Councilor Tasha Connelly  
**Attachments:** [6-26-17 Letter to MN Dept Commerce.pdf](#)
  
4. 14-0789 Review 5:00 PM Regular Meeting

### ADJOURN

*Attest: Kimberly Gibeau, City Clerk*



CITY OF  
**GRAND RAPIDS**  
IT'S IN MINNESOTA'S NATURE

# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 17-0384      **Version:** 1      **Name:** CGMC Update  
**Type:** Agenda Item      **Status:** CC Worksession  
**File created:** 6/5/2017      **In control:** City Council Work Session  
**On agenda:** 6/26/2017      **Final action:**  
**Title:** Coalition of Minnesota Cities Update ~ Brad Peterson

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Coalition of Minnesota Cities Update ~ Brad Peterson



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# CITY OF GRAND RAPIDS

## Legislation Details (With Text)

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**File #:** 17-0373      **Version:** 1      **Name:** VGR Annual Report  
**Type:** Agenda Item      **Status:** CC Worksession  
**File created:** 5/30/2017      **In control:** City Council Work Session  
**On agenda:** 6/26/2017      **Final action:**  
**Title:** Visit Grand Rapids - Megan Christianson  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Annual Report Low Res.pdf](#)  
[VGR Annual Report \(1\).jpg](#)  
[VGR Annual Report \(2\).jpg](#)

Date	Ver.	Action By	Action	Result
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Visit Grand Rapids - Megan Christianson

# Annual Report

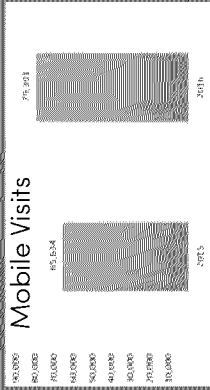
# VISIT GRAND RAPIDS

IT'S IN MINNESOTA'S NATURE

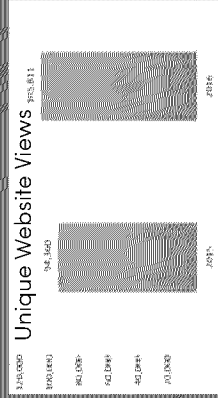
2016

## OWNED

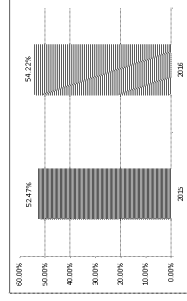
### Mobile Visits



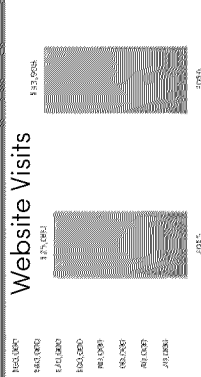
### Unique Website Views



### Bounce Rate



### Website Visits



1. Events Calendar
2. Theater Deals
3. Things To Do
4. Annual Events
5. Hotel/Motel
6. Sweepstakes
7. Trail Conditions
8. ATV/OHV
9. Stay
10. Head - North
11. Shopping
12. Resorts
13. Dining
14. Fishing
15. Giveaways
16. Hiking/Biking
17. Deals
18. Camping
19. Lodging Deals
20. Snowmobiling

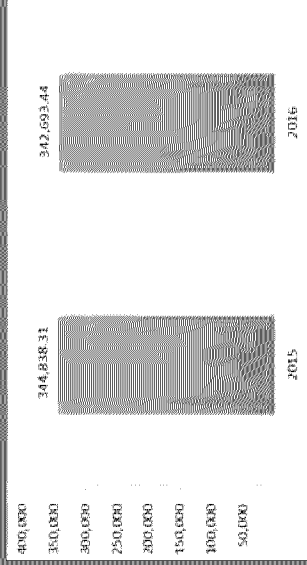
## PAID

Campaign	1/1/16 - 12/31/16	Impressions	Clicks	CTR
Brand   Search		40,673	644	1.58%
Interests   Search		105,856	1,185	1.12%
Adwords Search		1,136	61	5.37%
Display Ads		1,668,004	6,603	0.40%
Video		14,580	1,160	1,160 (0.10%)
Re-Marketing		12,727	48	0.38%
Facebook 2016		790,345	37,4923	8,981 (1.14%)

## Sample Facebook Ad

## EARNED

## LODGING TAX



# Traditional Advertising



Discover  
*Inspirational Travel Ideas*  
for Grand Rapids, MN

[www.visitgrandrapids.com/blog/](http://www.visitgrandrapids.com/blog/)



For More Information Contact:  
Megan Christianson  
Visit Grand Rapids Executive Director  
218-326-9607  
[megan@visitgrandrapids.com](mailto:megan@visitgrandrapids.com)

# Statewide Hospitality & Lodging Stats

## Economic Impact: Sales and Jobs

Travel/tourism in Minnesota generates:

### SALES

- \$14.4 billion in gross sales
- Almost \$40 million a day
- Almost 260,000 full- and part-time jobs
- 11% of total private sector employment
- \$5.1 billion in wages

### JOBS

### REVENUE

- \$930 million in state sales tax
- 17% of state sales tax revenues

Note: Data for leisure & hospitality sector, 2015

## International Travel to Minnesota

Minnesota's appeal as a travel destination extends across the globe, including:

- 505,000 Canadian travelers on overnight trips
- 311,000 additional international travelers from other countries

Note: Canadian estimate is for 2015; estimate for other countries is 2013-2015 annual average

## Growth in the Tourism Industry

Sales at leisure and hospitality businesses grew 41% from 2005 to 2015, including 6% annual growth for 2015.

# Regional Hospitality & Lodging Stats

## Northeast Minnesota

Carlton	\$71,008,633	\$4,254,554	1,091
Cook	\$62,042,952	\$3,930,955	978
Itasca	\$73,892,058	\$4,758,588	1,549
Kanabec	\$13,749,510	\$926,503	331
Koochiching	\$30,059,213	\$1,944,314	595
Lake	\$37,885,053	\$2,549,617	827
Pine	\$72,937,418	\$3,838,868	1,043
St Louis	\$552,268,576	\$37,225,210	10,726
<b>Region Total</b>	<b>\$913,843,413</b>	<b>\$59,428,609</b>	<b>17,140</b>

**Minnesota Total \$14,416,991,174 \$930,275,662 259,521**

### OWNED

#### Mobile Visits

Year	Mobile Visits
2015	85,674
2016	95,591

#### Unique Website Views

Year	Unique Website Views
2015	54,900
2016	61,856

#### Bounce Rate

Year	Bounce Rate
2015	54.2%
2016	46.5%

#### Website Visits

Year	Website Visits
2015	115,033
2016	124,608

1. Events Calendar
2. Theater Deals
3. Things To Do
4. Annual Events
5. Hotel/Motel
6. Sweepstakes
7. Trail Conditions
8. ATV/OHV
9. Stay
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20. Snowmobiling

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Facebook 2016		790,045	37,4923	8991	1.14%

#### Sample Facebook Ad

### EARNED

16,609 Likes

1,398 Followers

322 Followers

1 2,575 Avg Monthly Followers

48 Total 5,603 Views

12 Total 16,600 Open Rate

#### LODGING TAX

Year	Lodging Tax
2015	144,418.31
2016	147,941.44

# Traditional Advertising



Discover  
*Inspirational Travel Ideas*  
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## Legislation Details (With Text)

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**File #:** 17-0430      **Version:** 1      **Name:** Enbridge Abandonment Letter  
**Type:** Agenda Item      **Status:** CC Worksession  
**File created:** 6/19/2017      **In control:** City Council Work Session  
**On agenda:** 6/26/2017      **Final action:**  
**Title:** Enbridge Line 3 - Abandonment Letter ~ Councilor Tasha Connelly  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [6-26-17 Letter to MN Dept Commerce.pdf](#)

Date	Ver.	Action By	Action	Result
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Enbridge Line 3 - Abandonment Letter ~ Councilor Tasha Connelly





June 26<sup>th</sup>, 2017

Jamie Macalister  
Environmental Review Manager  
MN Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
Saint Paul, MN 55101-2198

Re: Line 3 Project Draft EIS Comment, specifically regarding Chapter 8 "Existing Line 3 Abandonment and Removal"

Dear Ms. Macalister,

We understand that Enbridge has filed a proposed abandonment plan per PHMSA regulations. We also understand, per the D-EIS, that Enbridge has filed with the Minnesota PUC a draft of the required plan that specifically show how the PHMSA abandonment regulations will be achieved. According to Enbridge, abandonment will include: removing the oil, cleaning the pipeline, disconnecting the pipeline, segmenting the pipeline, and monitoring and maintaining the pipeline, indefinitely. As Grand Rapids City Council Members, we would like you to consider how the proposed existing Line 3 abandonment will affect our City based on information provided in the Line 3 Project D-EIS. From 8.3.1 of the D-EIS, **Potential Impacts and Mitigation Measures: Leaving Existing Line 3 in Place Could Have Potentially Significant Effects:**

There are, however, some potentially significant impacts associated with abandoning the existing Line 3. These longer term impacts are caused by the continued presence of undiscovered legacy contamination that may exist surrounding the existing pipeline, as well as the potential hazards associated with the aging of the abandoned pipe. These impacts include soil and water contamination, the ability of the pipeline to serve as a water conduit, subsidence due to the failure over time of the pipeline, and loss of buoyancy control for the pipeline. (8.4)

The existing Line 3 runs through the NW part of Grand Rapids' Wellhead Protection Area (WHPA). A Wellhead Protection Area (WHPA) is the Minnesota Department of Health (MDH) approved surface and subsurface area that surrounds a public water supply well (or well field) that supplies a public water system, through which contaminants are likely to move toward and reach the well or well field. According to the D-EIS, "Soils and waters near the abandoned Line 3 could also be adversely affected where undiscovered contamination along the existing pipeline (from lubricants, process chemicals, and oil spills) are left behind.

Potential impacts on soil and water resources are highly uncertain; however, as they depend on the extent of the existing undiscovered contamination.” (8.6)

We understand from the D-EIS that the current Line 3 is in grave condition and the concerns of accidental release having “the most exposure” is in keeping the existing Line 3 in place. It remains unclear as to how a deteriorated Line 3 would handle the removal of the oil, cleaning, disconnecting, and segmenting of the pipeline, as proposed. There is no specific plan within the D-EIS that states how Enbridge will manage a contaminated site other than “Enbridge has indicated that it would....” (8.12).

The City of Grand Rapids has 11,000+ residents who rely on the WHPA to provide them with a safe public water source to supply our public water system. Our community brand is: Grand Rapids, It’s in Minnesota’s Nature. We pride ourselves on the precious resource that is our water. From 8.3.1 of the D-EIS, **Potential Impacts and Mitigation Measures: Long-Term Effects Could Be Significant and Would Require Site-Specific Mitigation Measures:**

In sum, impacts on human and natural resources due to potential subsidence of the ground above the abandoned Line 3 are anticipated to be minimal in the near term but could be significant in the longer term, absent effective monitoring, adaptive management, and the timely introduction of mitigation measures. Because of the length of Line 3 and the variety of resources crossed, mitigation measures would be site specific and would need to be designed in collaboration with those agencies and authorities responsible for the resources in question. (8.4)

The resource in question for our community is our public water supply and we cannot support the abandonment of Line 3 knowing that the impact “could be significant in the long-term.” According to the D-EIS, “The Longer the Pipe Is in the Ground, the More Likely It Is to Fail” (8-8). If Line 3 is not removed, and when it fails and/or buoyancy is lost; it is generally expected that Cities and its residents are responsible for the clean-up. Since Line 3 runs directly through our Well Head Protection Area (WHPA), which is the sole source of municipal water for two cities (Grand Rapids and LaPrairie), the City is requesting that you require the total removal of Line 3 within the WHPA. In addition, the City requests that any contaminated soils within the WHPA be removed. Lastly, we request that Line 3 be removed in any urban developed areas. Please find attached the Line 3 replacement project detailed map set (23A and 23B), aerial and topographic.

Sincerely,



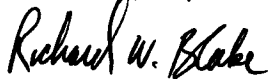
Dale Adams, Mayor



Tasha Connelly, Council Member



Dale Christy, Council Member



Rick Blake, Council Member

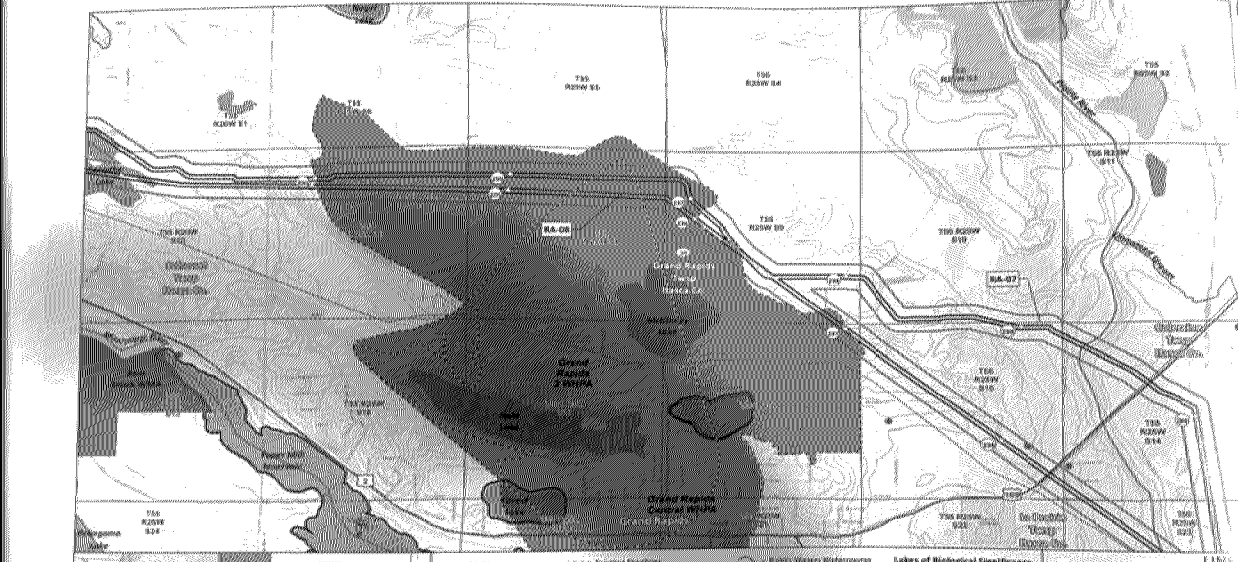


Bill Zeige, Council Member

CC: Tom Pagel, City Administrator, Denny Doyle, Grand Rapids Public Utilities



	<p>SA-04</p> <p>Applicant's Preferred Route (APR)</p> <p>Route Alternatives</p> <ul style="list-style-type: none"> <li>RA-04AM</li> <li>RA-06</li> <li>RA-07</li> <li>RA-08</li> </ul> <p>Mile Point</p> <p>Participated 3:27 Construction ROW</p> <p>Route Width (750')</p>	<p>Professional 3:27 Engineering ROW</p> <p>Route Width (500')</p> <p>County Boundary</p> <p>Public Water Body</p> <p>Public Access Infrastructure</p>	<p>Residences within 1/2 mile</p> <p>Mile Point</p> <p>Pump Station</p> <p>Interstate</p> <p>Highway</p> <p>Major Road</p> <p>State Boundary</p> <p>State Survey</p> <p>Section, Block, Range, Township</p>	<p>Land Ownership</p> <ul style="list-style-type: none"> <li>State Forest</li> <li>National Forest</li> <li>Tribal Reservation</li> <li>Tribal Trust Land</li> </ul>	<p><b>LINE 3</b> <b>REPLACEMENT PROJECT</b> <b>DETAILED MAP SET</b> <b>AERIAL</b></p> <p><b>RA-07 AND RA-08</b> <b>CLEARBROOK TO CARLTON</b></p> <p>Map 23A of 38</p>
	<p>Scale: 0 0.125 0.25 0.5 Miles</p>				



	<p>SA-04</p> <p>Applicant's Preferred Route (APR)</p> <p>Route Alternatives</p> <ul style="list-style-type: none"> <li>RA-04AM</li> <li>RA-06</li> <li>RA-07</li> <li>RA-08</li> </ul> <p>Mile Point</p> <p>Participated 3:27 Construction ROW</p> <p>Route Width (750')</p>	<p>Existing Pipeline</p> <p>State Boundary</p> <p>State Managed Lands</p> <ul style="list-style-type: none"> <li>WMA - Wildlife Management Area</li> <li>Wildlife Refuge Boundary</li> <li>ONA - Scientific and Natural Area</li> </ul> <p>Water Resource</p> <ul style="list-style-type: none"> <li>Navigable Waterway Channel</li> <li>Optional River Inventory Channel</li> </ul>	<p>Public Water Resources</p> <p>WMA - Wildlife Management Area</p> <p>Wildlife Refuge Boundary</p> <p>ONA - Scientific and Natural Area</p> <p>Public Water Body</p> <p>Public Access Infrastructure</p> <p>Participated 3:27 Construction ROW</p> <p>Route Width (750')</p>	<p>Lakes of Biological Significance</p> <ul style="list-style-type: none"> <li>Outstanding</li> <li>High</li> <li>Moderate</li> </ul> <p>Native Plant Communities with Biodiversity Significance</p> <ul style="list-style-type: none"> <li>Outstanding</li> <li>High</li> <li>Moderate</li> </ul>	<p><b>LINE 3</b> <b>REPLACEMENT PROJECT</b> <b>DETAILED MAP SET</b> <b>TOPOGRAPHIC</b></p> <p><b>RA-07 AND RA-08</b> <b>CLEARBROOK TO CARLTON</b></p> <p>Map 23B of 38</p>
	<p>Scale: 0 0.125 0.25 0.5 Miles</p>				



# 2017

## COALITION OF GREATER MINNESOTA CITIES LEGISLATIVE SESSION REPORT

### Frustrating legislative session yields modest results

After an election in which rural voters dominated much of the conversation, the CGMC’s message at the beginning of the 2017 legislative session was clear: Greater Minnesota residents want their needs addressed.

The CGMC hoped this would mean legislators would set aside the political back-and-forth that has been “business as usual” and focus on Greater Minnesota priorities such as Local Government Aid (LGA), transportation, public works funding and environmental regulatory reform.

After a legislative session that extended to a three-day “special session,” there were ultimately mixed results for Greater Minnesota issues. Read on for more information on how CGMC priorities fared.

#### LGA remains the top priority

After the Legislature failed to pass a tax bill in 2015 and 2016, LGA funding was left stagnant. As the 2017 session kicked off, the CGMC once again made passing a tax bill with an LGA increase its number one priority.

Hopes for an LGA increase got a bit brighter when the state released the February budget forecast. The forecast

indicated that for the third consecutive legislative session the Legislature would be working with a large budget surplus — this time \$1.65 billion.

#### CGMC leads the charge for an LGA increase

The CGMC hit the ground running after the election and immediately began drumming up support for an LGA increase and helping to draft legislation. Within the first few weeks of the session, a bill was introduced that would increase LGA funding by \$45.5 million, the amount needed to bring it back to the 2002 level.

Rep. Paul Anderson (R-Starbuck) and Sen. Bill Weber (R-Luverne) were the chief authors of the legislation, which included a strong bipartisan mix of co-authors representing every corner of the state. The Senate bill had five co-authors (the maximum allowed in that body), while 25 representatives signed on to the bill in the House.

Greater Minnesota city leaders were instrumental in pushing for an LGA increase. Officials from CGMC member cities testified in committees in support of the proposal and several CGMC cities passed resolutions in support of it.



CGMC President Sara Carlson and other Greater Minnesota city leaders held a press conference to call on the Legislature and Gov. Dayton to pass an LGA increase.

CGMC members and staff also launched a media campaign focused on the need for more LGA. CGMC leaders held a press conference at the start of the session, and they continued to tout LGA as one of the most important issues for Greater Minnesota as the session progressed.

#### Early proposals don’t inspire optimism

There were early indications that the path toward an LGA increase was going to be littered with a few potholes.

On Jan. 4, Gov. Dayton released a tax proposal which contained a permanent \$20 million increase in LGA. While this was appreciated, the CGMC felt a larger increase was warranted given the state’s strong fiscal footing.

Far worse, however, were attempts by the some House GOP lawmakers to weaken the LGA program. For example, Rep. Duane Quam (R-Byron) pushed bills that would automatically direct LGA funds to wastewater infrastructure or housing needs. House Property Tax Division Chair Rep. Steve Drazkowski (R-Mazeppa) also introduced several bills to reduce

#### CGMC 2017 Legislative Outcomes at a Glance

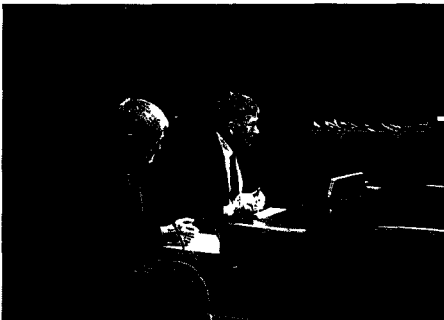
- \$15M increase in LGA
- \$117M for clean water infrastructure grants and loans
- \$12M for the Greater Minnesota BDPI program
- \$300M in bonding, plus \$25M per year in cash, for Corridors of Commerce
- \$16M for small-city streets
- \$8M for workforce housing grants
- Passed law allowing additional 30 days to comment on some environmental permits
- Prevented passage of harmful annexation legislation

LGA in cities that pursue policies such as employment regulations (like minimum wage), hire a lobbyist or contribute to the World's Fair.

### Initial House, Senate tax bills shortchange LGA

Despite strong bipartisan support for an LGA increase, House leadership chose to not include one their tax bill. In fact, the initial House proposal included no LGA increase at all.

The Senate GOP similarly did not support a permanent LGA increase. Their proposal included only a one-time \$12 million boost, with significant cuts to Minneapolis.



At a House committee hearing, Glencoe Mayor Randy Wilson and Rep. Paul Anderson (R-Starbuck) testified in support of more funding for LGA.

### Legislature passes modest LGA increase

In May, the CGMC ramped up efforts to urge legislators to support more LGA funding. In particular, the CGMC held a lobby day to make a "final push" at the Capitol. CGMC members led a press conference and a press release was sent to newspapers across the state.

At the end of the special session, the Governor and Legislature agreed to a \$15 million permanent increase in LGA, including the formula fixes proposed by the CGMC. While the increase is certainly better than another year of frozen funding, it is disappointing that the Legislature could not find the will to fully restore LGA to its 2002 level despite the significant budget surplus.

### \$1B bonding bill gets projects rolling

A bright spot in this year's tumultuous session was the passage of a \$987 million bonding bill. After the failure to pass a capital investment bill in 2016, a serious state investment in infrastructure projects was greatly needed.

### CGMC pushes for water infrastructure, BDPI funding

The CGMC had two main bonding priorities: clean water infrastructure and the Greater Minnesota Business Development Public Infrastructure (BDPI) Grant Program.

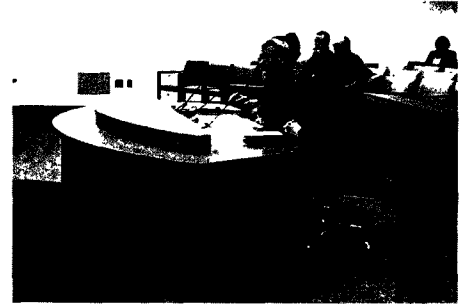
Gov. Dayton set the bar high on both issues when he unveiled a bonding proposal that included \$167 million for water infrastructure grant and loan programs and \$21 million for BDPI. While they released bonding bills that were smaller overall, both the House and Senate also included substantial funding for both priorities.

The final bonding bill included nearly \$117 million for water infrastructure programs (of which \$11.5 million is earmarked for specific projects) and \$12 million for BDPI. The bill also includes funding for several local projects in CGMC member cities.

### Environmental reforms left out of final bill

In recent years, cities have expressed growing concern about the onslaught of water-quality regulations being imposed by the Minnesota Pollution Control Agency (MPCA).

To address some of these concerns, the CGMC pursued legislation authored by Sen. Scott Newman (R-Hutchinson) and Rep. Tim O'Driscoll (R-Sartell) that called for judicial reform to ensure that sound science prevails in water quality regulations. The initial version of the bill required courts to provide a detailed review to confirm that the MPCA's science is on par with independent expert science and required the courts to review the MPCA's administrative record, as the federal courts do. Under the bill,



Sen. Bill Weber (R-Luverne) and Slayton City Administrator Josh Malchow testified at a Senate committee hearing on the need for an LGA increase.

the courts would have to convene an external scientific peer review panel when a scientific dispute—backed by expert opinion—arises. As the bill moved through the Legislature, it was modified to only apply to municipal governments requesting review.

The bill also tackled the MPCA's troublesome habit of using internal guidance documents to make or amend rules without proper comment. The bill created a presumption that an "unadopted rule" (one that has not gone through appropriate rulemaking channels) is not valid, and it required the MPCA to go through the public notice and comment process prior to amending certain guidance documents.

This independent review/unadopted rules bill took a circuitous route through the Legislature, with hearings in multiple committees in the Senate, but no hearings in the House. Despite the struggles in the House, the bill was included in the first iteration of the omnibus environment and natural resources policy and finance bill.

The CGMC also supported a bill authored by Sen. Carrie Ruud (R-Breezy Point) and Rep. Chris Swedzinski (R-Ghent) that would give cities more time to comment on and challenge the Impaired Waters List. It also required the MPCA to share new or amended National Pollution Discharge Elimination System (NPDES) permits (a.k.a. wastewater discharge permits) with a city 30 days before they go on public notice and provide an additional 30 days of public comment. This would give cities more time to seek assistance to assess and understand the MPCA's proposals. The bill received hearings in the House and



# 2017 Legislative Session: Outcome of CGMC Priorities

CGMC Goal		Governor		Legislature		Final Bill	
<b>Local Government Aid (LGA)</b>	\$45.5M increase in base funding over two years	\$20M increase in base funding	\$6 million one-time, one-year increase for 2018. Funding would revert back to the 2017 level thereafter.	\$15M increase in base funding			
<b>Workforce housing</b>	<ul style="list-style-type: none"> <li>\$40M over six years</li> <li>Yes</li> <li>\$6.6M/year for 2018-19</li> </ul>	<ul style="list-style-type: none"> <li>\$0</li> <li>No position</li> <li>\$0</li> </ul>	<ul style="list-style-type: none"> <li>\$0</li> <li>Yes</li> <li>\$2M/year for 2018-19 and 2020-21</li> </ul>	<ul style="list-style-type: none"> <li>\$0</li> <li>Yes</li> <li>\$2M/year for 2018-19 and 2020-21</li> </ul>			
<b>Clean water infrastructure grant &amp; loan programs</b>	<ul style="list-style-type: none"> <li>CGMC supports Governor's position for \$167M in funding and policy changes in bonding bill</li> <li>CGMC supports Governor's position for \$17M in Legacy bill</li> </ul>	<ul style="list-style-type: none"> <li>\$167.9M in funding (including \$900,000 in earmarks) and policy changes in bonding bill</li> <li>\$17M in Legacy bill</li> </ul>	<ul style="list-style-type: none"> <li>Senate bonding bill included \$143.3M in funding (including \$9.8M in earmarks) and policy changes</li> <li>House bill included \$115M in funding (including \$9.2M in earmarks) and policy changes</li> <li>Legacy bill included \$15.75M</li> </ul>	<ul style="list-style-type: none"> <li>Bonding bill included \$116.9M in funding (including \$11.15M in earmarks) and policy changes</li> <li>Legacy bill included \$15.75M</li> </ul>			
<b>Environmental regulatory reform</b>	<ul style="list-style-type: none"> <li>Require independent review of disputed MPCA science</li> <li>Require independent expert science to be evaluated on par with MPCA science</li> <li>Prohibit MPCA from imposing requirements that have not gone through rulemaking</li> <li>Allow cities more time to analyze and comment on permits and the Impaired Waters List</li> </ul>	MPCA opposed all	<ul style="list-style-type: none"> <li>Allow local gov'ts to petition for independent scientific review</li> <li>Require Office of Administrative Hearings to evaluate MPCA science on par with independent expert science</li> <li>Prohibit MPCA from imposing requirements that have not gone through rulemaking</li> <li>Allow cities more time to analyze and comment on permits and the Impaired Waters List</li> </ul>	<ul style="list-style-type: none"> <li>Allow cities more time to analyze and comment on permits and the Impaired Waters List</li> <li>The other CGMC provisions were not included</li> </ul>			
<b>Greater MN Business Development Public Infrastructure (BDPI) Grant Program (bonding)</b>	At least \$15M	\$21M	House and Senate bonding bills both included \$12M	\$12M			



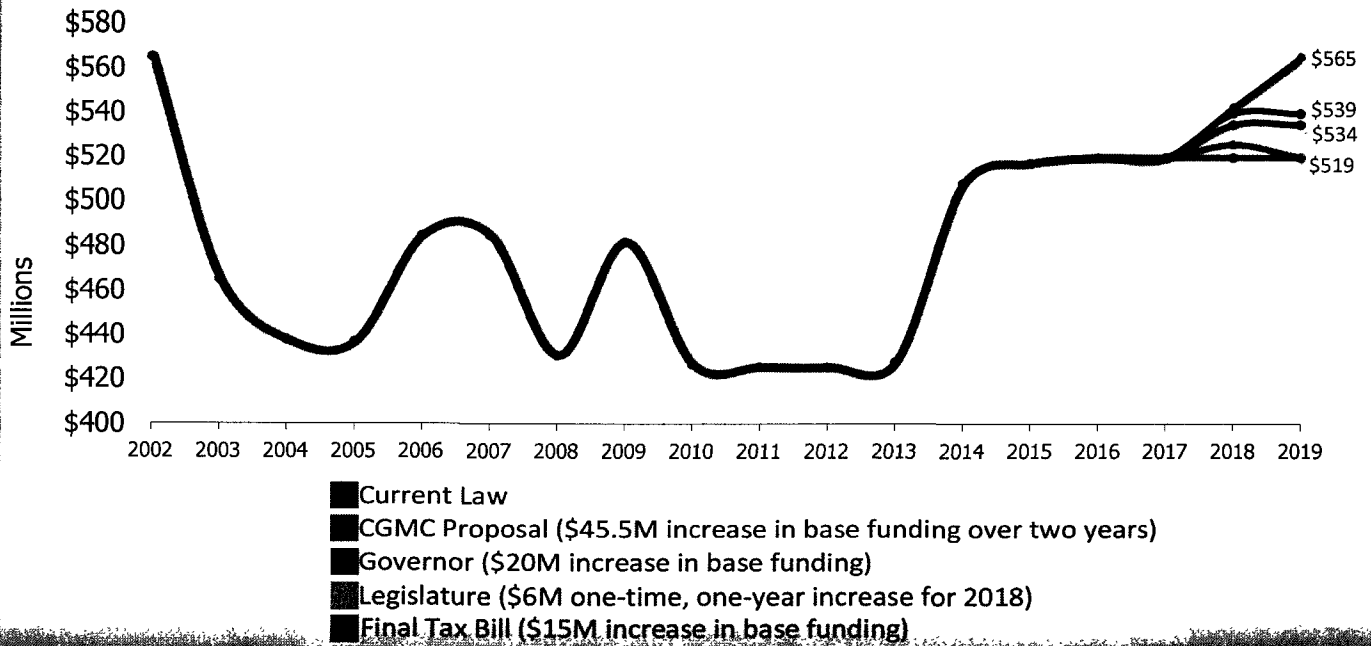
## 2017 Legislative Session: Outcome of CGMC Priorities - Transportation

CGMC Goal	Governor	Legislature	Final Bill
<ul style="list-style-type: none"> <li>• Long-term, comprehensive transportation plan with new revenue</li> <li>• No ongoing General Fund revenues for highways</li> <li>• Support metro funding for metro transit</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term, comprehensive plan funded by a 16.5-cent "gross receipts" tax on gas (\$440M+Yr) and \$145M/year tab fee increase</li> <li>• No General Fund revenues for highways</li> <li>• Metro funding for metro transit</li> </ul>	<ul style="list-style-type: none"> <li>• Limited funding for roads, bridges, transit and airports with no new revenue</li> <li>• \$254M to Highway User Tax Distribution Fund (HUTDF) from General Fund in 2018-19; \$535M from General Fund in 2020-21</li> <li>• Controversial Met Council reforms</li> <li>• \$300M in one-time highway construction bonds</li> <li>• Cuts to Greater Minnesota transit</li> </ul>	<ul style="list-style-type: none"> <li>• Limited funding for roads, bridges, transit and airports with no new revenue</li> <li>• \$173M to Highway User Tax Distribution Fund (HUTDF) from General Fund in 2018-19; \$415M from General Fund in 2020-21</li> <li>• No Met Council language; some limits on transit</li> <li>• \$640M in one-time highway construction bonds</li> <li>• Cuts to Greater Minnesota transit</li> </ul>
<p><b>Corridors of Commerce</b></p> <ul style="list-style-type: none"> <li>• \$200M/year (cash and bonding)</li> </ul>	<ul style="list-style-type: none"> <li>• \$2B in bonding over eight years</li> <li>• Assumes cash available from increased new revenues in Trunk Highway Fund</li> </ul>	<ul style="list-style-type: none"> <li>• \$300M in Trunk Highway bonds (one-time funding)</li> <li>• \$25M/year in cash (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>• \$300M in Trunk Highway bonds (one-time funding)</li> <li>• \$25M/year in cash (ongoing)</li> </ul>
<p><b>City Streets</b></p> <ul style="list-style-type: none"> <li>• \$25M/year for cities with populations under 5,000</li> <li>• \$25M/year for cities with populations over 5,000</li> </ul>	<ul style="list-style-type: none"> <li>• \$19M/year sustained, new funding for cities under 5,000</li> <li>• \$19M/year sustained, new funding for cities over 5,000</li> </ul>	<ul style="list-style-type: none"> <li>• \$10M/year for two years for cities under 5,000</li> <li>• No funding for cities over 5,000</li> </ul>	<ul style="list-style-type: none"> <li>• \$8M/year for two years for cities under 5,000</li> <li>• No funding for cities over 5,000</li> </ul>

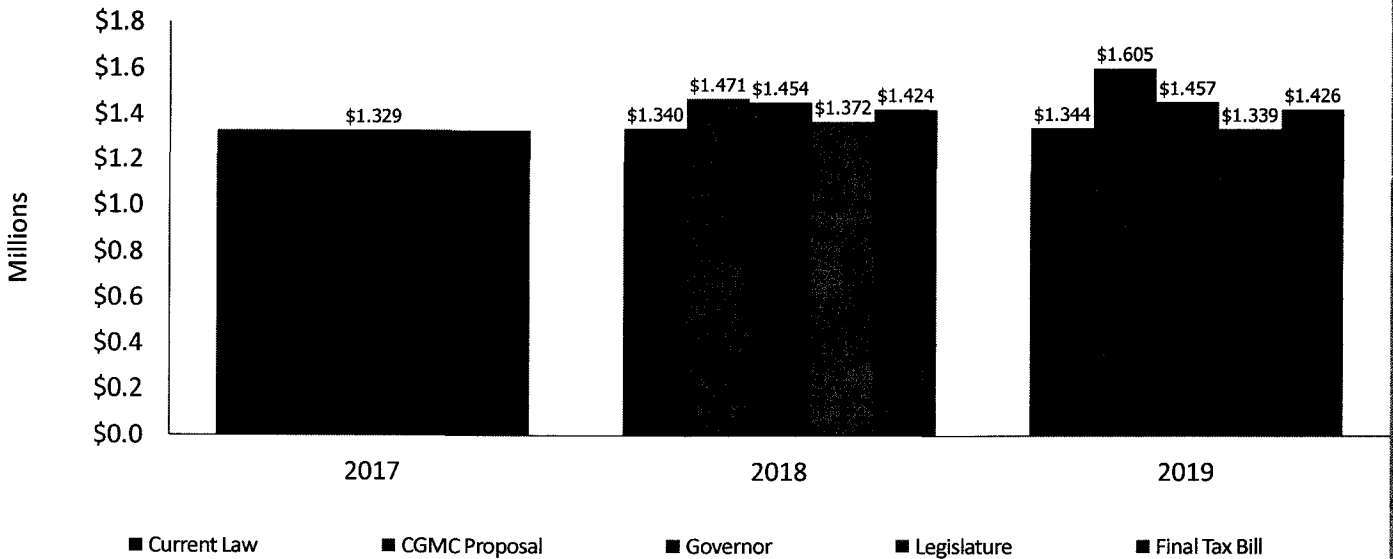


## CGMC City Report - Grand Rapids

### State LGA Appropriation History and 2017 Proposals



### Impact of LGA Proposals on Grand Rapids LGA Funding



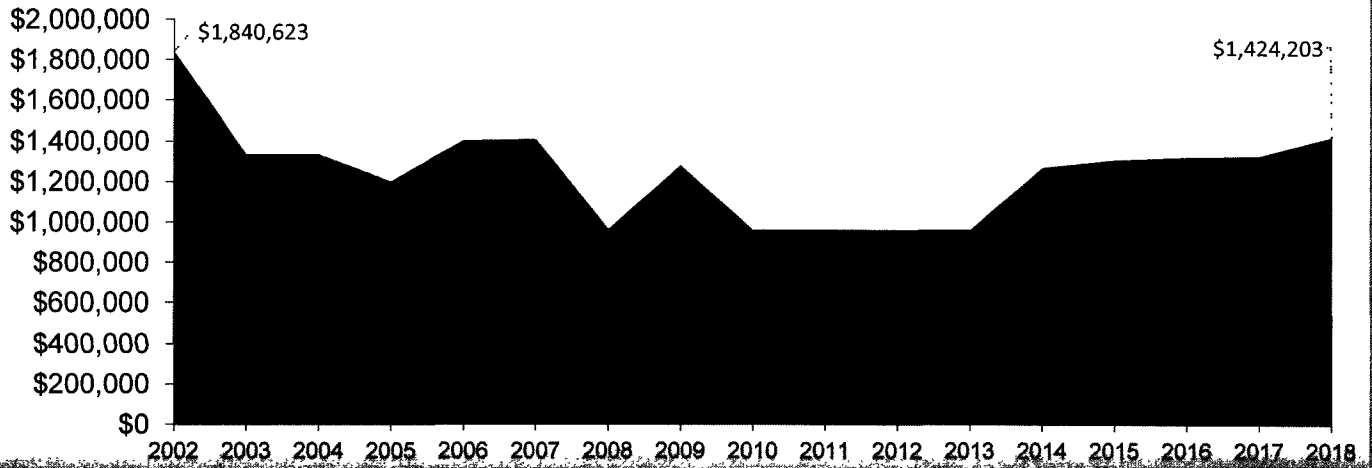
The City of Grand Rapids is expected to receive \$1,424,203 for its 2018 LGA under the 2017 Tax Bill, which is an increase of \$93,042 from its 2017 LGA (\$1,329,161). Under the CGMC proposal, Grand Rapids' LGA would have been \$1,470,894 in 2018 and \$1,605,476 in 2019.



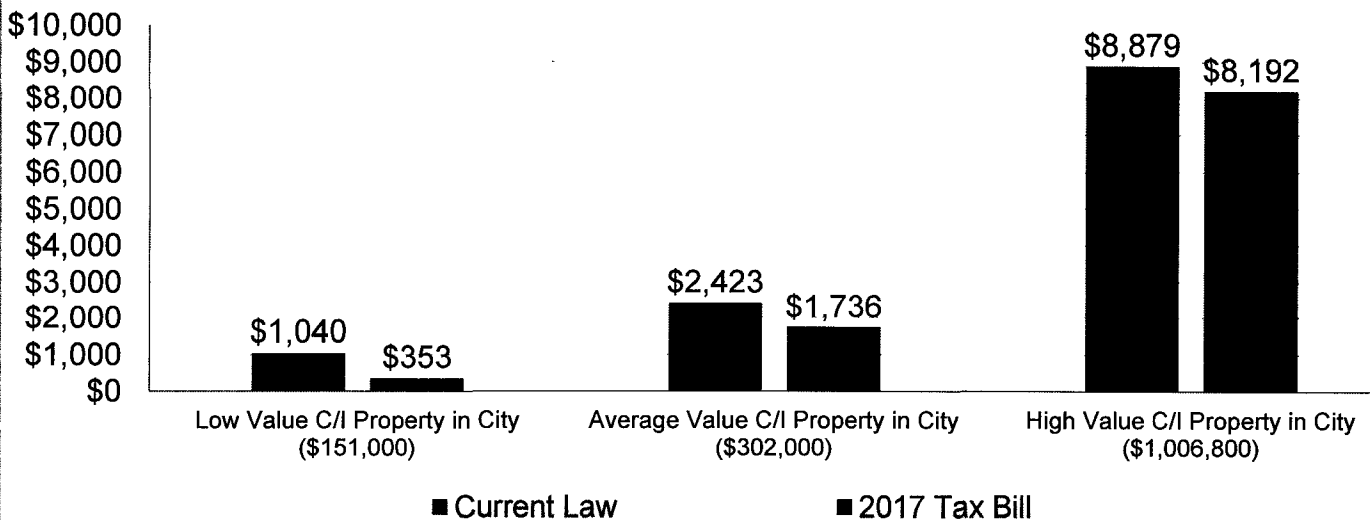


## CGMC City Report - Grand Rapids

### Grand Rapids LGA, 2002-2018



### The State Business Property Tax Impacts of \$100k Exemption on Representative Business Property in Grand Rapids



Under the exemption on property value up to \$100,000 included in the 2017 Tax Bill, businesses in the City of Grand Rapids will see reductions in their state business property taxes.



*Detroit Lakes Director of Public Utilities Vernell Roberts and Morris City Manager Blaine Hill were among the city leaders who testified on the need for more state funding for clean water infrastructure.*

Senate, and was incorporated into the first omnibus environment bill.

### Meetings with Governor's staff, MPCA

The CGMC sought to avoid a veto by focusing on developing and passing legislation that was reasonable and could gain acceptance by the MPCA, even if they did not favor it.

CGMC lobbyist Elizabeth Wefel met twice with MPCA staff before the bills were even introduced. As the session continued, Wefel and CGMC lobbyist Bradley Peterson embarked on a series of meetings with the Governor's staff and MPCA Commissioner John Linc Stine and his staff. Initial discussions focused on the issues facing Greater Minnesota cities, while later meetings zeroed in on the language of the bills.

### CGMC provisions watered down

In mid-May, the Republican majority passed the environment bill, fully aware that the Governor would veto it. The Senate and House then reintroduced a new bill that they hoped the Governor would sign. The new bill included modified versions of the CGMC's proposals.

As the session moved into its final days, the MPCA negotiated directly with the lead authors of the bill and demanded that the provision on unadopted rules be dropped and that the independent peer review process be modified in such a way that would make challenging MPCA science ever harder. Therefore, the CGMC asked the authors to pull the provisions from the bill.

The final environment bill signed by the Governor includes CGMC-supported the provisions that provide advance notice on NPDES permits and additional time to comment on NPDES permits and the Impaired Waters List.

### Push for workforce housing continues

The CGMC and its sister organization, the Greater Minnesota Partnership (GMNP), pursued several plans aimed at increasing the supply of workforce housing in Greater Minnesota. Proposals included a new workforce housing TIF district, a workforce housing tax credit and state grants for workforce housing projects.

The CGMC/GMNP supported a bill, authored by Sen. Michael Goggin (R-Red Wing) and Rep. Rod Hamilton (R-Mountain Lake), which would give a 40% tax credit on investment into workforce housing projects in Greater Minnesota. The proposal was included in the Senate tax bill, but it did not gain traction in the House. It was ultimately excluded from the final tax bill.

However, the workforce housing TIF provision made it into the final bill. In addition, the workforce housing grant program was funded at \$2 million a year through 2021.



*GMNP Executive Director Dan Dorman, Rep. Rod Hamilton (R-Mountain Lake) and Thief River Falls Mayor Brian Holmer spoke up about the lack of middle-income housing in many communities.*

### Other economic priorities find success

The CGMC and GMNP pushed for several other economic development proposals, many of which were successful this session:

- The Greater Minnesota Job Training Incentive Program was funded at \$2.7 million per biennium for 2018-19 and 2020-21.
- The Border-to-Border Broadband Development Grant Program was funded at \$20 million.
- The BDPI program received \$1 million for the 2018-19 biennium (excluding a \$1.6 million earmark) and approximately \$3.6 million for the 2020-21 biennium in the jobs bill, as well as \$12 million in the bonding bill.
- The Minnesota Investment Fund received \$25 million per biennium for 2018-19 and 2020-21.
- The Job Creation Fund received \$17 million for the 2018-19 biennium and \$16 million for the 2020-21 biennium.

### Transportation bill relies heavily on general fund

This session the CGMC lobbied for two issues in a transportation bill: Corridors of Commerce funding and street funding for cities of all sizes.

The Legislature ultimately passed a multi-modal transportation bill funded with re-directed general fund revenue and trunk highway bonds.

For Corridors of Commerce, the bill appropriates \$300 million in trunk highway bonds spread out over four years and an ongoing \$25 million per year in cash. The bill did not include sustained funding for city streets, but it does provide \$16 million (over two years) for streets in cities with populations under 5,000.

In the months preceding the session, the CGMC heard widespread concern

#### SAVE THE DATE!

#### CGMC Summer Conference

Aug. 2-4, 2017  
Bigwood Event Center  
Fergus Falls, MN

#### CGMC Fall Conference

November 16-17, 2017  
Arrowwood Resort  
Alexandria, MN

# 2016-2017 Board of Directors

## **PRESIDENT**

Sara Carlson, Mayor, Alexandria

## **1ST VICE PRESIDENT**

Dave Smiglewski, Mayor, Granite Falls

## **2ND VICE PRESIDENT**

Ron Johnson, Councilor, Bemidji

## **SECRETARY**

Tom Stiehm, Mayor, Austin

## **TREASURER**

Scott Hutchins, Community Services Dir, Moorhead

## **PROPERTY TAX/LGA CO-CHAIRS**

Pat Baustian, Mayor, Luverne  
Heidi Omerza, Councilor, Ely  
Greg Zylka, Mayor, Little Falls

## **ECONOMIC DEVELOPMENT CO-CHAIRS**

Craig Clark, City Administrator, Worthington  
Brian Holmer, Mayor, Thief River Falls  
Michelle Alexander, Councilor, Winona

## **LABOR RELATIONS CO-CHAIRS**

Shaunna Johnson, City Administrator, Waite Park  
Michael Zelenak, HR Director, Albert Lea

## **ENVIRONMENT AND ENERGY CO-CHAIRS**

Del Rae Williams, Mayor, Moorhead  
Pat Hentges, City Manager, Mankato

## **TRANSPORTATION CO-CHAIRS**

Karen Foreman, Councilor, Mankato  
Clinton Rogers, City Administrator, Janesville  
David Sturrock, Councilor, Marshall  
Rick Blake, Councilor, Grand Rapids

## **ANNEXATION AND LAND USE CO-CHAIRS**

Rita Albrecht, Mayor, Bemidji  
Rick Schultz, Mayor, St Joseph

## **MEDIA COMMITTEE CO-CHAIRS**

Ardell Brede, Mayor, Rochester  
Suzanne Hilgert, Mayor, Olivia

## **RECRUITMENT COMMITTEE CO-CHAIRS**

Tom Kuntz, Mayor, Owatonna  
Josh Malchow, City Administrator, Slayton  
Robert Broeder, former Mayor, Le Seuer

## **AT-LARGE REPRESENTATIVES**

Marshall Hallock, Finance Director, Red Wing  
Vern Rasmussen, Mayor, Albert Lea  
Audrey Nelsen, Councilor, Willmar  
Randy Wilson, Mayor, Glencoe  
Jeff Brand, Councilor, St Peter  
Britt See-Benes, City Administrator, Virginia

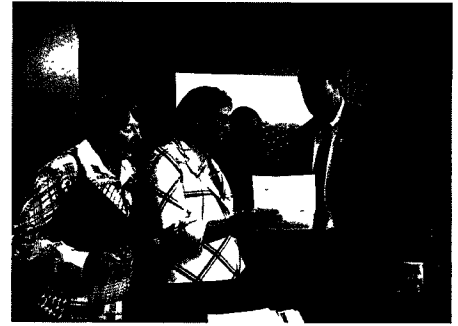
about the need for street repair funding. The GOP legislative majority also made it clear that they were not interested in raising new revenues for street repair. In response, the CGMC worked with legislators to introduce a bill that funded city streets of all sizes with general fund money. The bill had hearings in both the House and Senate.

However, the focus of legislative leaders was to put general fund money into general road repair. The result was \$300 million for the 2018-19 biennium and \$447.9 million for the 2020-21 biennium.

With a broad coalition of business, labor and transportation groups supporting general fund money for transportation, there is little surprise in the final makeup of the transportation bill. However, it provides far less than the amount needed to truly address the state's transportation needs.

## **CGMC defeats harmful annexation legislation**

The Minnesota Association of Townships (MAT) sought to upset the annexation equilibrium this year by pursuing a harmful annexation bill that would have prohibited a city from pursuing an annexation if the potential annexation area was covered by an orderly annexation agreement with another city. Such legislation would pit cities against each other and prevent them from having a say in how they develop.



*Mankato City Councilor Karen Foreman and CGMC lobbyist Carolyn Jackson discuss Corridors of Commerce funding with Sen. Nick Frentz (DFL-North Mankato).*

Working with the League of Minnesota Cities (LMC), the CGMC fought against this proposal. After hearing from the CGMC and their city officials, several senators began questioning the bill. The CGMC and MAT met with the committee chair, Sen. Dan Hall (R-Burnsville), to provide each side's views on the issue. Five minutes after the meeting ended, the hearing was cancelled and the bill did not move forward.

The MAT also killed an annexation reform bill that the CGMC, LMC, Office of Administrative Hearings (OAH) and the MAT had been working on for almost two years. The groups had come close to agreeing upon reform language, but new leadership at the MAT decided the previous compromises were no longer acceptable. As a result, the OAH chose to stop moving forward with this important reform legislation.

## **About the CGMC**

The Coalition of Greater Minnesota Cities is dedicated to a strong Greater Minnesota. Our mission is to develop viable, progressive communities for through strong economic growth and good local government. We support fair property taxes, sound land use planning, sensible environmental regulation, a balanced transportation system and effective economic development tools to meet that goal.

### **Contact Us**

Email: [CGMC\\_Communications@flaherty-hood.com](mailto:CGMC_Communications@flaherty-hood.com)  
Online: [greatermncities.org](http://greatermncities.org)

## **About Flaherty & Hood, P.A.**

With more than 25 years of experience at the Capitol, Flaherty & Hood, P.A. has the expertise needed to successfully create change at the state level for the CGMC. Our unique approach integrates strong policy analysis and media relations with traditional, bipartisan lobbying to effectively communicate with key decision makers.

### **Contact Us**

Phone: 651-225-8840  
Fax: 651-225-9088  
Email: [FH@flaherty-hood.com](mailto:FH@flaherty-hood.com)  
Online: [flaherty-hood.com](http://flaherty-hood.com)

# 2017 CGMC Summer Conference

Wednesday, Aug. 2 - Friday, Aug. 4

Fergus Falls, Minn.



## ◆ Registrant Information

Please fill out a separate form for each city official (spouses/guests may be included on the same form).

Name: \_\_\_\_\_

Title: \_\_\_\_\_

City: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name of guest(s): \_\_\_\_\_

## ◆ Tour Options

Tours will be held in the morning on Thursday, Aug. 3. Space is limited, so please rank your 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> choice.

### \_\_\_\_\_ Option 1: Downtown Walking Tour

This guided tour will explore the vibrant art, architecture, history and future of Fergus Falls' downtown and riverfront.

### \_\_\_\_\_ Option 2: Lakes & Prairies

Learn about the area's wildlife and natural history at the Prairie Wetlands Learning Center, then head to beautiful Lake Alice for a walk-and-talk about water resources.

### \_\_\_\_\_ Option 3: Golf at Pebble Lake Golf Course

Play a round of nine holes at this city-owned course. Cost: \$32, includes golf cart. (Must provide your own transportation to course)

### \_\_\_\_\_ Option 4: Bike the Central Lakes Trail

Enjoy a 20-mile guided ride. Bring your bike or rent one for \$10. (Must provide your own transportation to the trailhead.)

## ◆ Registration Fees

\_\_\_\_\_ Full conference registration= \$250/person

\_\_\_\_\_ Wednesday lunch guest= \$15/person

\_\_\_\_\_ Thursday lunch guest= \$15/person

\_\_\_\_\_ Thursday dinner guest= \$25/person

\_\_\_\_\_ Friday breakfast guest= \$10/person

\* Please let us know if you request any special dietary accommodations (i.e. vegetarian, vegan, gluten-free, etc.)

Total \$ \_\_\_\_\_

\_\_\_\_\_ Bill me

\_\_\_\_\_ Payment Enclosed (make checks payable to CGMC)

## ◆ Submit Registration To:

**Mail:** Coalition of Greater Minnesota Cities  
c/o Dana Johnston  
525 Park Street, Suite 470  
Saint Paul, MN 55103

**Fax:** 651-225-9088

**E-mail:** [RSVP@flaherty-hood.com](mailto:RSVP@flaherty-hood.com)

## Conference Agenda (tentative)

### Wednesday, August 2

CGMC Board of Directors Meeting  
Conference Welcome & Lunch  
Legislative Update  
Speakers/Presentations  
City-Sponsored Dinner & Entertainment

### Thursday, August 3

City Tour Options  
Exhibitors' Tradeshow  
Keynote Luncheon  
Legislative Panel Discussion  
GMNP Membership Meeting  
Cocktail Reception  
Legislative Awards Dinner

### Friday, August 4

Continental Breakfast  
Labor Relations Update  
Speakers/Presentations  
Full CGMC Membership Meeting

## Conference & Hotel Venue

Bigwood Event Center/Country Inn & Suites  
925 Western Avenue  
Fergus Falls, MN 56537

## Hotel Reservations

Country Inn & Suites  
Phone: 218-739-2211

**Rooms are blocked at \$99.99 (plus tax) until July 2. Mention "CGMC" when booking.**

**Note:** Conference attendees are responsible for making their own hotel reservations.

**Questions? Contact Julie Liew at  
(651) 259-1917 or  
[jlliew@flaherty-hood.com](mailto:jlliew@flaherty-hood.com)**

**Please register by Monday, July 24.**

**Coalition of Greater Minnesota Cities Summer Conference**  
**August 2-4, 2017**  
**Fergus Falls, Minn.**

**Wednesday, August 2**

**10:30 a.m.-12 p.m. – Registration at Bigwood Event Center**

**10:30 a.m. – CGMC Board of Directors Meeting**

**12 p.m. – Conference Begins – Welcome Remarks from Fergus Falls Mayor Ben Schierer**

**12:05-1:30 p.m. – Lunch and legislative wrap-up with an interactive discussion**

CGMC Executive Director Bradley Peterson will provide a recap of the 2017 Legislative Session and how its outcomes will affect your community and Greater Minnesota as a whole. *Lunch will be served.*

**1:30-2:30 p.m. – Panel discussion: “The Minnesota Capitol Press Corps: Front-Row Seats at the Circus”**

Journalists who work in the Capitol Press Corps have been invited to participate in this panel discussion about the joys and frustrations of covering the state’s political scene. They will also share their tips on how to develop a positive relationship with the media and advice on ways to keep the media — and the public — interested in issues that are important to your city.

**2:30-2:45 p.m. – BREAK and Check-in at Country Inn & Suites**

**2:45-4:15 p.m. – “Art as an Economic Driver in Rural Minnesota”**

Rural cities of all sizes are increasingly discovering that the arts can be a powerful tool to help improve their economies. Learn how your city can adopt techniques used by other communities throughout Minnesota and the United States to drive economic growth through art.

**4:45-7 p.m. – City of Fergus Falls-sponsored social hour and dinner at Pebble Lake Golf Course**

The City of Fergus Falls will host a rib dinner, catered by the American Legion, at the city-owned Pebble Lake Golf Course. Live entertainment will be provided by local musicians, including Mayor Ben Schierer and his family. *Transportation will be provided to and from the event center/hotel.*

**8:30 p.m. – Karaoke at Z103 Bar & Grill (optional; located at the Country Inn & Suites)**

**Thursday, August 3**

*\*Breakfast on own\**

**8:30-10:30 a.m. – City Tours (attendees will indicate their top choices when they register)**

- **Option 1: Downtown Walking Tour** - This guided tour will explore the vibrant art, architecture, history and future of Fergus Falls’ downtown and riverfront. *(Transportation provided)*
- **Option 2: Lakes & Prairies** - Learn about the area’s wildlife and natural history at the Prairie Wetlands Learning Center, then head to beautiful Lake Alice for a walk-and-talk about water resources. *(Transportation provided)*
- **Option 3: Golf at Pebble Lake Golf Course** - Play a round of nine holes at this city-owned course. Cost: \$32, includes golf cart. *(Must provide your own transportation to the course)*
- **Option 4: Central Lakes Trail Bike Tour** - Enjoy a 20-mile guided ride. Bring your own bike or rent one for \$10. *(Must provide your own transportation to the trailhead)*

**11 a.m.-noon – Exhibitor Break**

Visit the more than two dozen businesses and organizations that will be showcasing their products and services. *Snacks will be served.*

**Noon-1 p.m. – Keynote Luncheon – Speaker TBA**

**1-2 p.m. – Presentation on the Minnesota Rural Equity Project: “Taking off the Training Wheels: What We’ve Learned, Where We’re Going”**

In 2016, the CGMC joined forces with Growth & Justice, the Greater Minnesota Partnership and the Minnesota Asset Building Coalition to explore issues pertaining to economic growth and equity in rural Minnesota. MREP Director Matt Schmit and Growth & Justice President Dane Smith will provide an update on where the project stands, its goals for the future and how Greater Minnesota community leaders can get involved.

**2-2:30 p.m. – Exhibitor Break**

Visit the more than two dozen businesses and organizations that will be showcasing their products and services. *Snacks will be served.*

**2:30-3:30 p.m. – Panel discussion: “Representing Constituents at Home and at the Capitol: Perspectives on the Evolving State-Local Relationship”**

State legislators who formerly served in city government have been invited to participate in this panel discussion about always evolving relationship between the state and local governments. In light of recent preemption measures proposed at the Legislature, this panel will discuss issues pertaining to local control, as well as the differences between serving in elected office at the city and state levels.

**3:30 p.m. – “The Census is Counting on You” – Susan Brower, Minnesota State Demographer**

Local leaders are instrumental in helping to ensure everyone is counted in the U.S. Census. This is extremely important for rural areas because it determines where state and federal resources are directed, and even impacts state and federal representation. State Demographer Susan Brower will outline the small steps you can take to make sure your city’s residents are counted.

**4 p.m. – Greater Minnesota Partnership (GMNP) Membership Meeting (*optional*)**

**5:30 p.m. – Cocktail Reception – Bigwood Event Center lobby**

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.

**Friday, August 4**

**8 a.m. – Continental Breakfast**

**8:30-9:30 a.m. – Labor & Employee Relations Update**

Brandon Fitzsimmons, labor attorney with Flaherty & Hood, will discuss the CGMC Labor and Employee Relations Committee's proposed work plan, budget and policies for 2017-18 and provide an update on labor laws and settlements.

**9:30-11 a.m. – Membership Meeting**

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

**11 a.m. – Adjourn**

*\*Please note that this is a tentative agenda. Agenda items and speakers may change.*

# Save the Date!

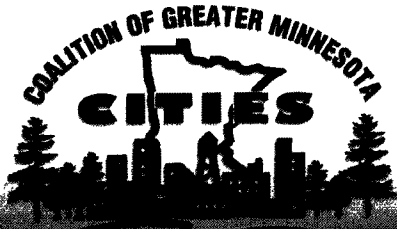
Mark your calendar for these upcoming CGMC conferences and events:

- CGMC Summer Conference – Aug. 2-4, 2017, Fergus Falls
  - CGMC Fall Conference – Nov. 16-17, 2017, Alexandria
  - Legislative Action Day – March 14, 2018, St. Paul
- 
- 

## Follow the CGMC on Social Media

Join in the conversation by “liking” us on Facebook (search for “Coalition of Greater Minnesota Cities”) and following us on Twitter @greatermncities.

In addition, be sure to regularly check out our website at [greatermncities.org](http://greatermncities.org) for up-to-date information on key issues affecting Greater Minnesota.



# Labor & Employee Relations Committee

## Purpose

The purpose of the Coalition of Greater Minnesota Cities Labor & Employee Relations Committee (Labor Committee) is 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.

## Labor Committee Services

The Labor Committee provides the services listed below to CGMC cities as part of its joint action program:

### Publications

Quarterly newsletter on relevant labor relations and public employment issues.

### Wages and Insurance Database

Database tracking greater Minnesota labor contract settlements and interest arbitration awards on wages, health insurance contributions and cost-saving measures.

### Cluster Analysis Database

Computer Cluster Analysis Database for cities to identify comparable cities for purposes of labor contract negotiations and interest arbitrations. Cluster Analysis is a statistical data analysis tool, which sorts cities into groups where the degree of socio-economic association is strong based on input criteria commonly considered by arbitrators.

### Arbitrator Database

Maintain and further develop an arbitrator selection database. This database allows cities, on a reduced fee-for-service basis (see Individual Consultation Services), to request an analysis of those lists of seven arbitrators received from the Bureau of Mediation Services, whereby the listed arbitrators are analyzed and ranked for purposes of selecting arbitrators in grievance and interest arbitrations.

### Legislative Services

Analyze and summarize labor relations and public employment law changes made during the legislative session and report to cities.

### Labor Seminar

Prepare and present a Labor and Employee Relations Seminar, based on topics selected by the Committee, one time each in the northern and southern parts of the state.

### Committee Meetings

Prepare materials and present information at Labor Committee meetings.

### Strategy

Develop joint labor contract negotiation strategy and policy positions/guidelines for member cities to use as benchmarks in their labor contract negotiations.

### Coordination

Coordinate efforts with the LMC and other labor and management organizations and governmental agencies.

## Contact Us

For more information, call Flaherty & Hood, P.A., CGMC's representative, at 651-225-8840, or contact:  
Brandon Fitzsimmons: [bmfitzsimmons@flaherty-hood.com](mailto:bmfitzsimmons@flaherty-hood.com)  
Carol Loncar: [clloncar@flaherty-hood.com](mailto:clloncar@flaherty-hood.com)  
Erica Heikel: [egheikel@flaherty-hood.com](mailto:egheikel@flaherty-hood.com)



# CGMC Labor & Employee Relations Committee

## Individual Consultation Services

Through the Labor Committee program, CGMC cities have access to consultation services on labor relations and public employment issues impacting their individual city on a reduced fee-for-service basis. Examples of services available to CGMC cities are listed below.

### Labor Relations Services

#### Labor Contract Negotiations

Represent cities in labor contract negotiations and mediations with employee unions; develop strategies and proposals; review labor contracts and recommend changes; and collect, compile and summarize data from comparable cities on wages, health insurance and other data.

#### Grievances

Investigate employee and union grievances, draft responses and settlement proposals for cities, and attend and represent cities at grievance meetings.

#### Arbitrations

Represent cities in grievance and interest arbitration hearings, and compile and analyze relevant data, including ability to pay and comparable cities analyses.

#### Arbitrator Selection

Research state provided lists of arbitrators for grievance and interest arbitrations and provide ranking order for purposes of striking and selection.

#### Bureau of Mediation Services (BMS) Proceedings

Prepare responses to and filings with the Bureau of Mediation Services (BMS) and represent cities at meetings, negotiations, mediations and hearings related to strikes; certification, decertification and affiliation; unit determinations and clarifications; fair share fee challenges; and independent review.

### Human Resources Services

#### Policy and Job Audits

Draft, revise and interpret policies, employee handbooks, administrative manuals, performance evaluations and job descriptions.

#### Management Training

Conduct training sessions for management employees on hiring, performance matters, discipline, handling grievances and other employment matters.

### Employment Law Services

#### Representation

Represent cities in negotiations, mediation, arbitration, administrative proceedings, litigation and appeals.

#### Advice

Advise cities on compliance with public labor and employment laws; selecting and hiring employees; investigating misconduct, harassment and discrimination; and discipline and discharge actions.

#### Investigations

Investigate personnel misconduct, performance problems, harassment and discrimination.

### Job Classification and Compensation Services

#### Job Analysis

Review job classification systems, conduct incumbent and supervisor interviews, prepare and analyze job questionnaires, observe jobs and draft job descriptions.

#### Job Evaluation

Prepare and establish comparisons of jobs to determine the appropriate job worth using point factor, factor comparison, job ranking, job classification or market data methods.

#### Compensation

Draft a classification and compensation plan. Establish pay structure and total compensation packages. Analyze market data.

#### Pay Equity

Review, analyze and recommend changes to classification and compensation system to ensure legal compliance. Prepare pay equity report to State and advise and represent in any contested matter involving legal compliance.

#### Organizational

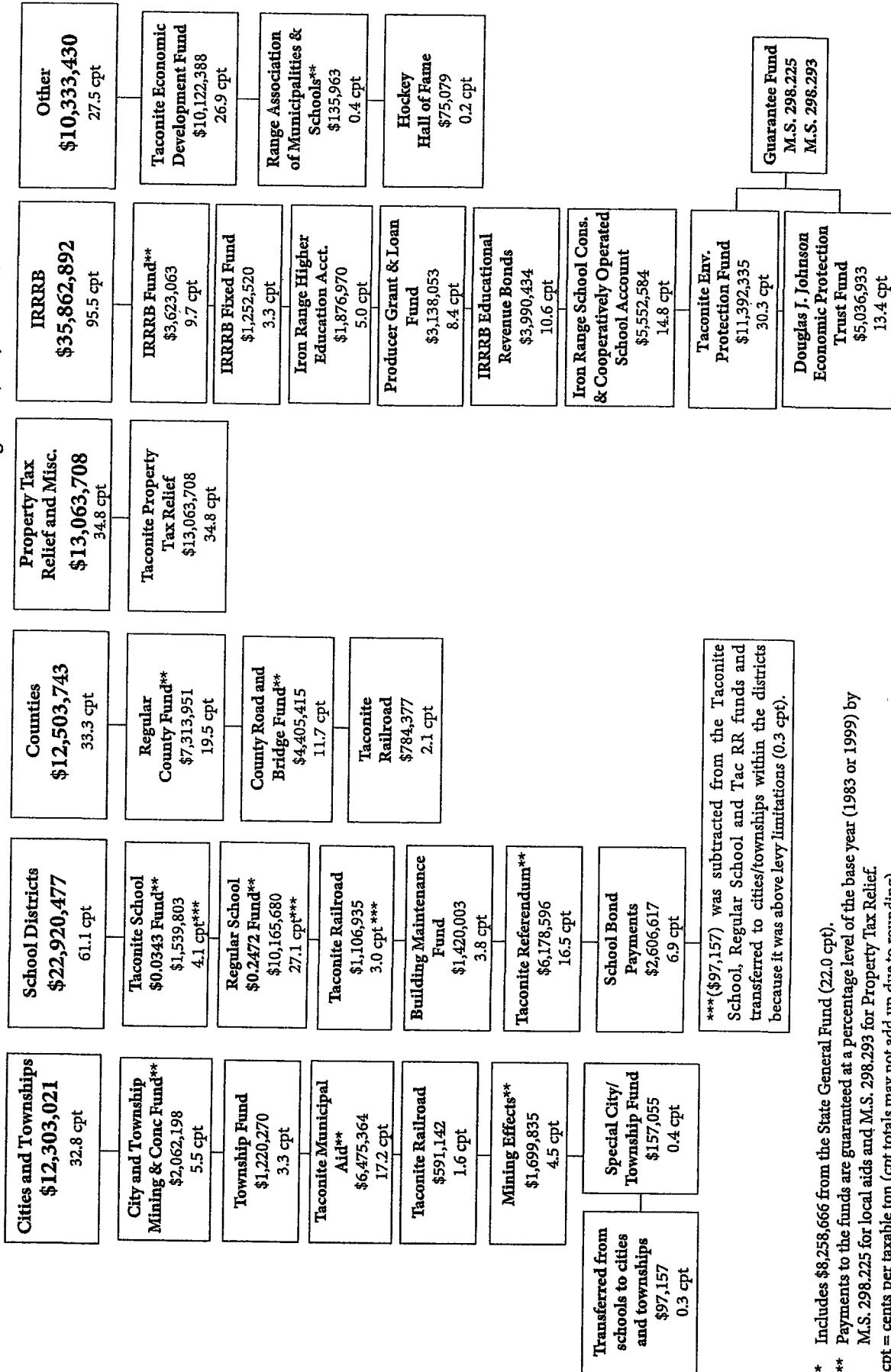
Analyze and make recommendations related to work flow processes, organizational structure, workforce staffing, productivity, retention, workplace environment, communication, innovation and collaboration.

# 2016 Distribution of Production Tax

(Based on 2015 Production Year)

## Total Production Tax -- \$106,987,271\*

Production Tax per taxable ton -- \$2.630. Taxable tonnage -- 37,539,393 tons.



\*\*\*(\$97,157) was subtracted from the Taconite School, Regular School and Tac RR funds and transferred to cities/townships within the districts because it was above levy limitations (0.3 cpt).

\* Includes \$8,258,666 from the State General Fund (22.0 cpt).

\*\* Payments to the funds are guaranteed at a percentage level of the base year (1983 or 1999) by M.S. 298.225 for local aids and M.S. 298.293 for Property Tax Relief.

cpt = cents per taxable ton (cpt totals may not add up due to rounding).

#5a.

Figure 4

## Production Tax Distribution by Fund/Recipient\*

Production Year	2011	2012	2013	2014	2015
City and Township	\$1,706,822	\$2,066,752	\$2,134,737	\$2,125,786	\$2,062,198
Township Fund	949,390	1,223,128	1,287,505	1,281,952	1,220,270
Taconite Municipal Aid	5,223,462	6,355,475	6,633,334	6,589,995	6,475,364
Special City/Township Fund**	157,055	157,055	157,055	157,055	157,055
Mining Effects	1,472,299	1,758,238	1,794,389	1,789,718	1,699,835
School District — Taconite	1,294,390	1,566,247	1,610,748	1,604,891	1,539,803
School District — Regular	5,662,383	6,908,326	10,676,982	10,634,759	10,165,680
School Building Maintenance Fund	1,214,044	1,506,072	1,535,158	1,531,417	1,420,003
Taconite Levy Shortfall Payment	-	-	-	-	-
Taconite Referendum Fund	3,077,212	3,091,236	6,178,596	6,178,596	6,178,596
County	8,866,377	9,000,065	9,095,093	7,114,672	7,313,951
County Road and Bridge	3,652,361	4,486,556	4,623,110	4,605,134	4,405,415
Taconite Property Tax Relief	12,801,910	16,493,071	13,783,501	13,724,064	13,063,708
IRRRB (\$.065 Indexed)	2,840,686	3,636,468	3,819,425	3,803,209	3,623,063
Range Association of Municipalities and Schools	110,110	137,802	142,382	142,200	135,963
Taconite Railroad (fixed)	2,482,454	2,482,454	2,482,454	2,482,454	2,482,454
IRRRB (fixed)	1,252,520	1,252,520	1,252,520	1,252,520	1,252,520
School Bond Payments	3,542,825	3,363,147	2,631,867	2,608,285	2,606,617
Taconite Environmental Protection Fund	6,897,113	13,318,892	12,938,216	12,993,550	11,392,335
Producer Grant & Loan Fund	2,780,307	3,176,600	3,241,471	3,232,931	3,138,053
Douglas J. Johnson Economic Protection Trust Fund	1,214,783	5,017,442	5,080,122	5,633,213	5,036,933
IRRRB Educational Revenue Bonds	1,408,525	1,411,925	4,147,804	3,993,464	3,990,434
Iron Range Higher Education Acct	1,519,224	1,915,517	1,980,388	1,971,848	1,876,970
Iron Range School Consolidation...Acct-	-	-	-	4,916,476	5,552,584
Taconite Economic Development Fund	9,845,732	12,231,412	12,621,936	10,598,678	10,122,388
Hockey Hall of Fame	-	76,621	79,216	78,874	75,079
Excess School Levy Replacement Money***	(309,725)	(1,742,074)	(2,313,588)	(633,976)	(97,157)
Levy Replacement Money to Cities/Townships***	309,725	1,742,074	2,313,588	633,976	97,157
<b>Total</b>	<b>79,971,984</b>	<b>102,633,021</b>	<b>109,928,009</b>	<b>111,045,741</b>	<b>106,987,271</b>

Dash indicates not eligible.

\* The Production Tax is collected and distributed in the year following production. For example, the 2015 Production Tax was collected and distributed during 2016.

\*\* Prior to 2009, this amount was included in the taconite municipal aid amounts.

\*\*\* If the combined total of the school district fund, regular school fund and taconite railroad exceeds the levy replacement amount, the excess is transferred to cities & townships within the district.



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**Legend**

- Surface Water Withdrawal Permit
- ▲ PrecipStations\_MN
- Channel
- Culvert
- Open Ditch
- ✕ Surface Water Sample Station
- Impaired Water Body
- Public Water
- Basin
- Wetland
- Major Watershed Boundary
- Wetlands
- DWSMA
- DWSMA Vulnerability
- SWCA High
- GW High
- GW Moderate
- GW Low
- Municipal Wells



Data Source  
 City of Grand Rapids,  
 MDH, MPCA, DNR  
 and U of MN

0 750 1,500 3,000 Feet

**Figure 8**

**Water Resources**

**GRPUC  
 Wellhead Protection Plan  
 Update**



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**Legend**

- Surface Water Contribution Area (SWCA)
- Drinking Water Supply Management Area (DWSMA)
- 1 Year Groundwater Capture Zone
- Parcels
- T55N/R25
- Municipal Wells
- High Yield Wells

**DWSMA Vulnerability**

- SWCA High
- GW High
- GW Low
- GW Moderate



0 750 1,500 3,000 4,500 Feet

**Figure 1**  
 Drinking Water  
 Supply Management Area  
 (DWSMA) Vulnerability  
 GRPUC  
 Wellhead Protection Plan  
 Update