

Brookings City Council
June 24, 2014

The Brookings City Council held a meeting on Tuesday, June 24, 2014 at 5:00 p.m., at City Hall with the following members present: Mayor Tim Reed, Council Members Keith Corbett, Dan Hansen, Ope Niemeyer, Tom Bezdichok (arrived 5:10 p.m.) and Jael Thorpe. John Kubal was absent. City Attorney Steve Britzman, City Manager Jeffrey Weldon and City Clerk Shari Thornes were also present.

Executive Session. A motion was made by Niemeyer, seconded by Hansen, to enter into executive session at 5:02 p.m. to consult with legal counsel or reviewing communications from legal counsel about proposed or pending contractual matters and to discuss marketing or pricing strategies by a board or commission of a business owned by the state or any of its political subdivisions, when public discussion may be harmful to the competitive position of the business with the City Council, City Manager, City Clerk, City Attorney, and Mike Struck present. A motion was made by Niemeyer, seconded by Hansen, to exit executive session at 5:52 p.m.

6:00 p.m. Regular Council Meeting

Consent Agenda. A motion was made by Corbett, seconded by Hansen, to approve the consent agenda.

- A. Action to approve the agenda.
- B. Action to approve the June 10 Council Meeting Minutes.

All present voted yes; motion carried.

Mayor's Annual State of the City Message.

2014 STATE OF THE CITY ADDRESS
BY MAYOR TIM REED

"Brookings continues to be the place to Bring Your Dreams. Because of past investments and hard work, our community is resilient and growing. I feel we are poised for continued prosperity and growth. Our City Government is progressive. We are a benefactor of a growing University that provides us with economic, entertainment, and cultural benefits. Plus the community has non-governmental organizations that continue to improve and help make this City a special place.

David Brooks of the New York Times recently opined about the structures of growth. Not growth as in bigger, but growth as in progress. Brooks speaks to how we think growth is linear, you get better each day. In reality there are ups and downs in progress, and we all know losing that last pound is harder than the first ten. Growth is normally logarithmic or exponential. At times we see huge improvements and others it seems to be a struggle. David's column made me realize that it is important to understand we are currently in an exponential growth curve and what that means. He points out when experiencing exponential growth we can't sit back and relax. In that type of growth environment it doesn't get easier; we have an uphill climb to make sure Brookings remains the place to Bring Your Dreams.

Below is a summary of where we are and how we can continue to grow.



I used the picture of the Visitor Center within our award winning Nature Park to show what can be accomplished. Taking this area from a closed landfill to a Nature Park took a vision. We need to have a vision of what's next for Brookings.

SALES TAX REVENUE

Let's start with sales tax revenue, our 1st and 2nd Penny had an 8.9% revenue increase in 2013.

Please note that the increase includes taxes paid on equipment and some construction supplies in building the Bel Brands Plant. Much of these funds will be rebated to Bel Brands. We don't know what our exact growth is but we did achieve a 5.5% growth in retail sales in a sluggish economy. Although that growth is great the Council has identified a continued need for retail expansion in its 2014 strategic plan. We are a growing city and sales tax is still our largest revenue source. We must continue to aggressively work to stop retail leakage. For the first five months of 2014 our sales tax revenue is up more than 18%. Again, some of the increase will be rebated back to Bel Brands.

The 3rd Penny or Triple B had no growth compared to 2012. So far, for the first five months of 2014, the Triple B is up 4.75%. I'm hoping that last year's results were a one-year issue, and we will continue to see growth this year. Two new hotels are in the planning stages, one with a convention and banquet space. I hope these investments will help with Triple B growth. This funds our economic and visitor investments.



2014 STATE OF THE CITY

BUILDING PERMITS

Another good sign for our economy are building permits. In 2013, 54 permits were issued for a total value of more than \$58 million dollars. It is important to note that Bel Brands construction was a large part of the 2013 building permit value.

UNEMPLOYMENT

Unemployment in Brookings continued to fall in 2013. 2012 average level was 3.8% and 2013 is 3.2%. It looks like the unemployment rate has leveled off. April 2013 was 3.2% and there was no change for April of 2014. Al Heuton's report of workforce growth of 430 over the last year was good news.

Work force development has been a key issue for the Council during 2013. And as Mr. Heuton commented, it is going to keep us busy for the next 10 years. Where can the Council directly affect attracting and retaining a work force? - Community amenities. More on this later.

2013 PROJECT HIGHLIGHTS

2013 was much different than 2012. Although we still have several large scale projects it was much less than 2012. Some highlights of 2013 projects.

32nd Avenue – Completing the Foster Industrial Park. – Okay this picture just shows the start of the project but we all know it is complete.



Main Avenue South – A lot of planning was completed in 2013. This picture shows the start of the project this spring – when it wasn't raining.



Bel Brands Digester – City Hall normally constructs building, roads, drainage – as you can see this was a different project with tanks, pipes, valves and computer controls. But with help from Brookings Municipal Utilities we completed it and are in the process of turning it over to Bel Brands to operate.



And the Nature Park had many of its sub-projects completed like the new bridge across the ponds.

A list of some of the other projects completed:

- Debt Analysis
- Lean Government
 - Time Card System
- Airport project planning and construction
- Rotary Park Storm Drainage
- 20th and Medary Avenue Storm Drainage
- Signalization at 12th Street South and 17th Avenue
- Gateway Project, Phase II
- Recodification
- Engage Brookings
- Smart phones rolled out to city personal
- Expanded East Fire Station
- Brookings Public Library's 100th Anniversary
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The Council receives annual reports from all the Departments highlighting all of great work that was accomplished in 2013. Thank you to all the Departments.

2013 was a great year for the city. But how do make sure 2014-2024 are great years?

SETTING THE BAR

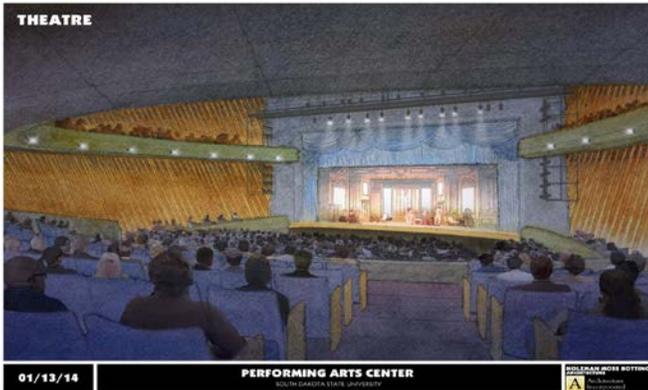
In 2002 shortly after the opening of the Larson Ice Arena, Brookings hosted the State Hockey Tournament. While watching it on TV I saw someone holding a sign sign trying to get the attention of then Sioux Fall's Mayor Munson, letting him know that this was what an Ice Arena looked like. I wasn't a part of City Council at the time, but I remember the pride in seeing that sign. We were ahead of Sioux Falls. Sioux Falls is now in the process of building a new ice arena this year.

A couple of weeks ago Watertown announced an overwhelming approval by its citizens to build a new \$25 million recreation center. Remember in 2010 when we overtook Watertown as the 4th largest City? I think they do.

The bar has been raised. We have done a great job over the past several years making sure city infrastructure; roads, buildings, and equipment are a good as possible to insure good government services. Now it is time to look at amenities for our citizens. We need to attract and retain a work force. We need to attract and retain young families, mobile professionals, and retirees to keep this community vibrant. I don't believe we would be talking about the success of Brookings if it wasn't for the investments in Larson Ice Arena, SDSU Performing Arts Center, Swiftel Center, Library Expansion, and many other projects. Amenities are crucial to our future success. It is time we focus our investments on proposed community amenities like:

- An indoor practice and tennis facility

- The Performing Arts Center Expansion – a new performing arts theater



- The Boys & Girls Teen Center



Much more detail will be needed before we make any decisions. We may need to make some tough budget priority decisions to accomplish projects like these. But if we don't, we fall behind and if we fall behind, so will our revenue and success.

FOCUS AREAS FOR 2014

Here are a several areas that I think we should also focus on during 2014.

Expanded retail options are always asked for during conversation with constituents. And the more sales tax revenue we retain in Brookings, the more we can improve the city and the services it provides. Retail attraction is a marathon; let's not give up.

We need to continue to focus on becoming a high performing city government. Please continue to embrace lean practices. Let's provide great services efficiently.

I believe we do a good job on transparency, but always need to look for new opportunities to share information with the public. I have been reading with interest that several city governments are using the internet to share all financial records of the city. I believe that a citizen should be able to see details of all expenditures of the city. This is a topic I hope to bring to the Council's attention in 2014 or early 2015.

The Sustainability Council will present in July an indicator system to provide guidance on what initiatives would provide the most value. We need to continue to make sure we are looking toward a sustainable future for the City of Brookings.

So much more that could be discussed. Consider this a taste of the exciting opportunities for Brookings.

A big thank you to the citizens of Brookings, our volunteer boards and committee members, Jeff and his staff, the City Clerk's Office, and my fellow Council Members. Without ALL of you, none of our accomplishments would be possible. Thank you for the opportunity to serve this great City."

Presentation of City of Brookings Annual Financial Report. Representatives from BKD, LLP presented the City of Brookings 2013 Annual Financial Report. No action was taken.

Brookings Health Systems Financial Report. Representatives from Brookings Health Systems provided the City Council with a financial report and update on current and pending issues. The Council will review a letter of support for Brookings Health Systems regarding the impact of State of South Dakota's Health Plan on the Brookings Health System at the July 8th meeting.

Engineering Consultants Report regarding Airport Drainage. Bob Babcock, Helms & Associates, provided an update on the storm drainage for the Airport Project. *Thorpe left at 7:30 p.m.*

A motion was made by Bezdichek, seconded by Niemeyer, directing the consulting engineer to prepare a design modification to the airport drainage plan to pick up the 24" culvert crossing 8th Street South. All present voted yes; motion carried.

First Reading – Ordinance 10-14. A first reading was held on Ordinance No. 10-14, an Ordinance rezoning the Christie Heights Addition in the SW ¼ of the NW ¼ of Section 2-T109N-R50W from an Agricultural A District to a Residence R-1B and R-2 District. (26th St. So. and Western Ave.) Public Hearing: July 8, 2014.

First Reading – Ordinance 11-14. First reading was held on Ordinance No. 11-14, an Ordinance rezoning the Christie Third Addition in the NW ¼ of Section 2-T109N-R50W from an Agricultural A District to a Residence R-1B District. (26th St. So.) Public Hearing: July 8, 2014.

First Reading – Ordinance 12-14. First reading was held on Ordinance No. 12-14, an Ordinance rezoning the east 675' of the west 1,075' of the north 157' of the south 670' from a Residence R-3 District to a Business B-2 District; and the east 245' of the north 157' of the south 670' from a Residence R-3 District to a Business B-2A District, all in the SW ¼ of the SW ¼ of Section 36-T110N-R50W. (20th St. So. across from soccer complex) Public Hearing: July 8, 2014.

First Reading – Ordinance 13-14. First reading was held on Ordinance No. 13-14, an Ordinance amending Chapter 94, Zoning, creating the Airport AP District. Public Hearing: July 22, 2014.

Revised Preliminary Plat. A public hearing was held on a revised Preliminary Plat of the Christie Heights Addition in the SW ¼ of the NW ¼ of Section 2-T109N-R50W. No public comment. A

motion was made by Hansen, seconded by Corbett, to approve. All present voted yes; motion carried. *Thorpe returned at 7:40 p.m.*

Review of City of Brookings 5-Year Capital Improvement Plan. City Manager Jeff Weldon reviewed the Five-Year Capital Improvement Plan. No action was taken.

Action to appoint the Deputy Mayor. A motion was made by Hansen, seconded by Niemeyer, to appoint Keith Corbett as the Deputy Mayor. Term expires June 1, 2015. All present voted yes; motion carried.

Council Topics for future discussion. A motion was made by Hansen, seconded by Corbett, to consider requiring a drainage plan as part of a rezoning request in the Joint Jurisdictional Area. *Discussion: This item will be discussed at a future study session and will also require County Commission concurrence.* All present voted yes; motion carried.

Adjourn. A motion was made by Hansen, seconded by Reed, to adjourn. All present voted yes; motion carried. Meeting adjourned 8:15 p.m.

CITY OF BROOKINGS

Tim Reed, Mayor

ATTEST:

Shari Thornes, City Clerk