League of Minnesota Cities  
Board of Directors Meeting  
January 17, 2019  

MINUTES

Members Present: Heidi Omerza (Ely), Mike Mornson (Hopkins), Brad Wiersum (Minnetonka)  
Rita Albrecht (Bemidji), Mark Casey (St. Anthony Village), Jeremiah Ellison (Minneapolis) D.  
Love (Centerville), Joshua Malchow (Slayton), Brent Mareck (Carver), Justin Miller (Lakeville),  
Dave Smiglewski (Granite Falls), Kevin Staunton (Edina), Mary Gaasch (Lauderdale), Mary  
McComber (Oak Park Heights) and Sara Carlson (Alexandria)

Members Absent: Curt Boganey (Brooklyn Center), Amy Brendmoen (St. Paul), Jo Emerson  
(White Bear Lake)

LMCIT Board Members Present: Dave Callister, Clint Gridley and Jake Benson

Guests Present: Bret Weiss, CEO of WSB and Lydia Bjorge, Government Affairs for BNSF  
Railway

Staff Present: Dave Unmacht, Pat Beety, Luke Fischer, Kellie Sundheim, Ann Lindstrom, Laura  
Kushner, Marky Engler, Laura Zenz, Anne Finn, Irene Kao, Don Reeder, Kevin Frazell, Mel  
Reeder, Heather Corcoran, Dan Greensweig, Ted Bengtson, Craig Johnson and Daniel Lightfoot

1. Call to Order & Pledge of Allegiance  
   President Omerza called the meeting to order and led the Pledge of Allegiance. Introductions  
   were made.

2. Approval of Consent Items  
   Wiersum moved approval of the consent items, seconded by Mornson. Motion carried.

3. Presentations / General Communications  
   3.1 Business Leadership Council (BLC) Overview and presentation by BLC members Bret  
   Weiss, CEO of WSB and Lydia Bjorge, Government Affairs for BNSF Railway  
   Fischer introduced Weiss and Bjorge and gave some background information on the League’s  
   BLC Program. He mentioned that new staff members have been assigned to working on the  
   program and that the League is upping the energy to make it more meaningful to its current  
   members and more attractive to potential members.
Weiss commented that his organization WSB was the first organization to join the BLC program and appreciates being a part of it. Bjorge added that BNSF is the newest member of the program and they are looking forward to building relationships with other members as well as the League. Bjorge commented that the League is a trusted conduit and they are excited to be able to use us as a messenger for communications to our membership.

Mornson asked about our process for asking BLC members to sponsor events. Fischer explained that it goes by seniority. We ask our longest-standing members first and then go down the chain. BLC members are asked to fill out a form with potential topics to present on at our meetings and conferences.

Casey asked if there were guidelines on who can join the BLC. Fischer stated that there are no specific guidelines and that there haven’t been any issues in the past.

Mareck asked if any members had left the program. Fischer noted that there have been a couple due to it not being a good fit. The League does have the ability to revoke a membership.

3.2 LMCIT Board Discussion
Love gave a brief presentation on the Insurance Trust. He spoke about the member numbers for its Property/Casualty and Workers’ Compensation programs. The P/C has 822 city members and 380 other entities such as joint power entities in its membership. The P/C program handles about 3900 claims per year. The WC program has 782 city members and 209 other entities in its membership. It handles about 4400 claims per year.

Love noted that in 2008 the Trust developed a fund balance stress test tool to aid trustees in making fund balance level decisions. The test has three components – red flag ratios, stressor scenarios and a target range. The P/C program deals with a sizable amount of money which makes for some difficult decision making. The stress test is essential and has been a great tool over the past ten years.

Love concluded the discussion by talking a bit about the Trust’s Loss Control program. He stated that although the Trust is in the business of insurance they also consistently look ahead for ways to prevent losses.

3.3 Regional Meeting Summary
Fischer provided a summary on the 2018 regional meetings. There was a total of 8 meetings with 285 attendants, 96 of those being first timer attendees. Overall attendance was up 17%. 83% of attendees liked the new format and 96% said their experience matched their expectations.

Fischer also noted that during regional meetings over 43 city visits were made.
The plan for 2019 is to drop one of the meetings in northern Minnesota as we were stretched a bit thin up there and consolidating down to two meetings will mean more networking opportunities for attendees.

Wiersum added that the addition of the member engagement stops really add a level of richness.

Mareck commented that it was great to have League staff and board members come to visit his city at a recent council meeting.

3.4 Newly Elected Conference Update
Fischer provided registration numbers for the three upcoming Newly Elected Conferences:
- Mankato – 130
- Plymouth – 162
- Brainerd – 118

Fischer mentioned that during their member engagement stops they have been asking mayors and administrators what newly elected officials need to know and they have gathered some great content for the conference.

Miller commented on the attendance numbers and would still be interested in exploring possible incentives for getting more newly elected and experienced officials to this conference. Love mentioned that the Trust board has talked about incentives in the past, but he will bring it back for further discussion.

3.5 Local Government Innovation Award (LGIA) Winning programs – 2 videos
The group watched two of the winning videos from the recent LGIA meeting.

4. Action Items
4.1 Proposed 2019 Intergovernmental Relations Work Plan
Finn introduced the work plan and provided a brief description on the priorities for 2019 which includes:
- City Street Funding
- Funding Local Government Aid (LGA)
- Housing
- Infrastructure Fees
- Local Control
- Police and Fire Disability Benefits
- Presidential Primary
- Sales Tax Exemption on Construction Materials
- Telecommunications (Local Authority)
- Urban Forest Management Funding
- Water Policy and Funding
She noted that it is not a comprehensive list and will be constantly changing as we go through the session. The IGR team will be providing updates in the Cities Bulletin, Capitol Updates as well as at each board meeting during the session.

Albrecht asked Finn when committee work will begin for the session. Finn noted that it may be a few weeks out yet since there are 41 new legislators. Right now, time is spent getting them up-to-speed. Albrecht also asked if the League is coordinating our positions with other organizations. Finn reported that IGR is working hard to find like-minded associations to work with.

Wiersum wanted to know how IGR will work with the new legislators. Finn commented that IGR typically prioritizes based on the committees they serve on. Right now, it is about building relationships and keeping them positive.

Staunton asked about the status of the city street funding initiative. Finn said she recently had a very positive meeting with stakeholders and feels there is a lot of support now.

Miller made a motion to accept the 2019 Intergovernmental Relations Work Plan as presented, seconded by Carlson. Motion carried.

5. Legislative Update

Finn highlighted a few things going on at the capitol these first few weeks of the session.
- Celebrations and training
- Many hearings going on
- Already a backlog of bill requests – around 2,000 already
- Governor’s office named 23 commissioners
- Authors and co-authors have been identified
- Webinar tomorrow from 2:00 to 3:00 on 2019 Legislative Preview and City Advocacy
- Legislative Conference – February 20th and 21st

Lindstrom talked a bit about the government shutdown. She didn’t have any new information to share but noted that the state is paying some federal workers wages and the state has the authority to require reimbursement from the federal government.

She also spoke about some new legislation regarding paid leave. The new legislation would make paid leave a state-wide program like our current unemployment system. The funds would travel with the employee and can be used for medical and parental leave.

Kushner spoke about a recent drug price transparency bill supported by insurance companies and unions. The bill would make drug companies report any large price increase to the Department of Health with information on why they are increasing the cost of the drug. The
drug company may be fined if the Department of Health is not supplied the appropriate information in a timely period. California and Oregon already have this system in place. The League is recommending that we sign on in support of the bill.

Miller showed some concern since the bill hasn’t gone through our policy committee process yet and he doesn’t feel that it fits our brand. Kushner felt that way initially but thinks it’s time to have some transparency when it comes to setting drug prices.

Love mentioned that our brand is to advocate for cities and that we should be in support of this bill especially if employee union groups are signing on. The cost of health insurance is sky-rocketing for cities and this could be a way to help minimize any future rate increases.

A vote was taken by the board to support the drug price transparency bill. The vote passed by majority with Justin Miller and Joshua Malchow voting no.

5.2 LMCIT Update
Greensweig mentioned that their retreat is coming up the beginning of February. The focus of the retreat will be strategic planning, wellness for members and PTSD.

Regarding the earlier incentive conversation, Greensweig mentioned that Lena Gould has been working on developing an incentive program and he will bring her findings to a future board meeting for further discussion.

5.3 Legal Update
Beety discussed the recently released City of Victoria data practices advisory opinion. The Minnesota Department of Administration’s Data Practices Office (DPO) found that under the specific facts and circumstances of the situation, a Facebook page that was started and maintained by an elected official was not “government data.” As a result, the opinion advises that the city did not have to supply the data on this privately held Facebook page when faced with a request under the Minnesota Government Data Practices Act.

Beety also mentioned that on January 15, the Minnesota Supreme Court accepted review of the on-going Bloomington organized waste collection case. The Supreme Court previously weighed in on this case and concluded that the state Waste Management Act does not preempt local authority over the process for adopting organized collection. After more litigation, and another round at the court of appeals, the Supreme Court will now decide whether the city council properly rejected the proposed charter amendment, seeking to invalidate the City’s ordinance establishing organized collection.

The League is participating with amicus assistance in these and several other cases at the appellate courts right now and are expecting a decision on the Richfield/LELS arbitration case very soon.
6. Affiliate Organizations Update
   6.1 Coalition of Greater Minnesota Cities
   Carlson noted that their legislative day is January 30th and their board meeting is on the 31st. She mentioned that the Coalition’s policies align nicely with the Leagues.

   6.2 Minnesota Association of Small Cities
   McComber shared that the association is working on hiring a new executive director and has assigned John Dogle as its interim director.

   6.3 Metro Cities
   Gaasch reported that their board meeting is tonight. They will be making appointments to the Metropolitan Council’s TAB/TAC committees.

7. Executive Director Update and Adjournment
   Unmacht mentioned that Laura Harris’s last day is the 23rd and that Amy Harger will be filling that position on an interim basis. There will be a party for Laura at Louis’s on W. 7th on the 23rd starting at 4:00pm.

   He also mentioned a joint LMC/LMCIT board dinner is planned for Wednesday, February 20th during the Legislative Conference.

   [Signature]

   Dave Unmacht, Executive Director