League of Minnesota Cities
Board of Directors Meeting
April 18, 2019

MINUTES

Members Present: Heidi Omerza (Ely), Mike Mornson (Hopkins), Brad Wiersum (Minnetonka)
Jo Emerson (White Bear Lake), Rita Albrecht (Bemidji), Amy Brendmoen (St. Paul), Mark Casey
(St. Anthony Village), D. Love (Centerville), Josh Malchow (Slayton), Brent Mareck (Carver),
Justin Miller (Lakeville), Dave Smiglewski (Granite Falls), Kevin Staunton (Edina), Mary Gaasch
(Lauderdale) and Mary McComber (Oak Park Heights)

Members Absent: Curt Boganey (Brooklyn Center), Jeremiah Ellison (Minneapolis), Jon Smith
(Perham) and Sara Carlson (Alexandria)

Staff Present: Dave Unmacht, Pat Beety, Luke Fischer, Kellie Sundheim, Ann Lindstrom, Laura
Kushner, Marky Engler, Laura Zenz, Anne Finn, Don Reeder, Mel Reeder, Gary Carlson, Laura
Honeck, Ted Bengtson, Craig Johnson, Daniel Lightfoot, Adriana Temali-Smith and Claudia
Hoffacker

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

2. Presentations/General Communications
   2.1 Presentation by Margaret Anderson Kelliher, Commissioner of the Minnesota Department
   of Transportation
   Finn introduced Commissioner Anderson Kelliher to the board. The Commissioner talked a
   bit about the Governor’s funding proposal and where both parties in the legislature currently
   stand. She stated that Governor Walz is passionate about transportation and the need for
   additional funding to get our roads and bridges fixed and safe. The Governor’s proposal asks
   for a .20 tax hike over the next two years. An increase to the motor vehicle sales tax and
   registration fees will also benefit transit.

   Minnesota bridges currently have a “C” rating and many of our roads are at a “D+”. 50% of
   our roads are 50+ years old.

   In response to arguments that new technologies will make gas tax funding for future
   infrastructure problematic, the Commissioner noted that there are currently 4.9 million
vehicles registered in the state with only 4,000 of them being fully electric. Technology for these cars makes them expensive and the state needs to find a better recharging structure. The state is currently looking at different models from around the country on how to tax these vehicles. Washington, Oregon and California currently have policies that we are looking at.

Several board members talked about the amount of misinformation going around about the Governor’s transit funding proposal and asked the Commissioner to provide them with good information they can share with their cities. The Commissioner talked about MnDOT’s website and noted that there are some cool graphics on there that will help in future discussions.

Members and staff thanked the Commissioner for her time.

2.2 Resolution Requesting Comprehensive Road and Transit Funding
Finn talked about the resolution and noted that several cities large and small have passed the resolution.

Miller made a motion to adopt the Resolution Requesting Comprehensive Road and Transit Funding, seconded by Emerson. The motion carried.

3. Approval of Consent Items
Mornson moved approval of the consent items, seconded by Wiersum. The motion carried.

4. Discussion Items
4.1 Legislative Conference Summary
Bengtson provided a quick summary on the recent Legislative Conference. Even though the weather conditions for the conference were not ideal, attendance was close to previous years. There were 126 attendees – 74 from Greater Minnesota and 52 from the Metro area. 41% indicated that the conference exceeded their expectations while 55% said it met their expectations.

Omerza thought the conference was great and indicated that meeting with the legislators is always a benefit.

Albrecht also enjoyed the conference and was pleased to see that attendance from Greater Minnesota was strong.

4.2 Newly Elected & Leadership Conference Summary
Temali-Smith noted that the Newly Elected Conference had a total of 467 attendees. 158 attendees from cities over 5,000 and 309 attendees from cities under 5,000. The participants liked the interaction with our board members and staff. The summary indicated that they appreciated the breakout sessions and the Q &A panel was highly valuable.
Question cards were available at the tables and some questions were answered throughout the conference. Our Research Department reached out to those individuals whose questions were not answered during the session.

Participants would like more networking time. Newly elected would appreciate more training in public finance. The League is conducting a webinar on this subject in May.

The Leadership conference was also well attended. Of the 203 attendees 89 were from cities over 5,000 and 114 from cities under 5,000. All of the sessions got very high ratings. Attendees indicated that they would like more networking time and more adult learning features built in to the content. Webinars and podcasts are being developed to deliver additional content.

4.3 Informational Presentation on *Minnesota Cities* Magazine Reader Survey Findings
Zenz talked briefly about the history of the magazine. The magazine started back in 1916 and the League has copies of every edition since then. She added that surveys have been done several times over the years and the magazine has been changed a little bit after each one.

Hoffacker talked about the most recent survey done in January of this year. The magazine currently has 4,600 readers and 575 of those responded to our survey. Ratings on the magazine continue to be high.

Some of the topics rated highly are:
- Laws
- Council
- Legislation
- Financial
- Public Safety

The findings are very similar to previous survey years.

Hoffacker notes that no changes are being made to the magazine in the near future.

4.4 Financial Summary
Engler thanked Fischer and Eric Haugen for their assistance on the new look of the financial summary. She went over the summary at a high-level noting that dues revenue has been 100% collected as of 2/28/19 and finances are stable.

4.5 Annual Briefing on Cybersecurity
M. Reeder reviewed her departments 2018 goals and stated that the group is now in detect mode since all their audits have been completed.
Mornson and Staunton both asked about “phishing” and wondered if the product the League uses could be sold as a package to city IT departments. Reeder thought it might be possible to get volume pricing but added that many small cities don’t have their own email server which is a requirement for the product.

5. Action Items
5.1 Adoption of the 2019 Board & Officer Nominating Process and Selection Criteria
Unmacht noted that the Governance Committee held a conference call on April 10th to review the guidelines and proposed a process. A quorum of the committee participated and voted unanimously to recommend the process and selection criteria as outlined.

Malchow made a motion to adopt the 2019 Board & Officer Nominating Process and Selection Criteria as presented, seconded by Staunton. The motion carried.

6. Discussion Items
6.1 Legislative Update
Carlson noted that we are 99 days in the current session with 31 to go. The House has sent their omnibus bills to the floor, but the Senate is running a bit behind. A rapid-fire number of bills are going to the Governor already.

The city of Virginia received $5 million in a one-time LGA payment for their new bridge.

PERA is on a good trajectory to be fully funded. PERA is also looking at extending the phased retirement option that benefits transferring knowledge to new employees.

Finn commented that the Omnibus Transportation bills are not aligned, and they will need to start over.

Johnson mentioned that the environment bills are in the same shape. There is a $100 million-dollar difference between the House and Senate.

Lightfoot talked about the conditions on housing provisions.: 26 million going towards housing needs, 7 million going towards local housing trust funds and 4 million for economic development.

Regarding the Jobs bill the House is asking for 70 million to fix the border to border broadband issue. There are currently 156 cities still considered to be unserved.

Lindstrom noted that the Senate has still not heard the Paid Leave bill.

6.2 LMCIT Update – none given
6.3 Legal Update
Beety discussed a new case where the League filed a request to participate as an amicus. The City of Duluth is appealing a district court order, denying a motion to vacate an arbitration award that reinstated a police officer who used unreasonable force after responding to a trespass call including dragging a homeless and handcuffed Native American man down a hallway. As in the recent Richfield arbitration case, Duluth seeks to vacate the arbitration award because it believes its enforcement will violate public policies against unreasonable use of force and proper reporting of the use of force. Beety also provided an update in the Minnesota Sands v. County of Winona case where recently the Minnesota Supreme Court heard oral argument. The case involves a challenge to a County ordinance banning industrial-mineral operations. The Minnesota Court of Appeals ruled in the County’s favor concluding the ordinance does not discriminate against interstate commerce because it “evenhandedly bans both in-state and out-of-state interests from mining all silica sand in Winona County.” The court of appeals also concluded that Minnesota Sands had not raised a viable regulatory taking claim because it “does not have a compensable property interest. Finally, Beety mentioned that the Minnesota Court of Appeals will soon be releasing its decision in the White Bear Lake/MN DNR water level case which is expected to have broad impact.

7. Affiliate Organizations Update
7.1 Coalition of Greater Minnesota Cities
Smiglewski shared the CGMC will be hosting an ice cream social on May 8th at 2:00.

7.2 Minnesota Association of Small Cities
McComber commented that their board is meeting on May 7th to conduct interviews for their open executive director position. She mentioned that she is looking forward to hosting the Minnesota Mayor’s Conference next week.

7.3 Metro Cities
Metro Cities Annual Meeting is next week at the Como Zoo.

8. Executive Director Update and Adjournment
Unmacht hoped the group liked the new format for the summaries that were presented earlier in the meeting. We believe it is a more creative and effective way to report information. It gives a better understanding of what we do, and we hope to eventually share this information with our members.

Dave Unmacht, Executive Director