



CITY COUNCIL WORK SESSION MINUTES

Tuesday, October 06, 2026 at 6:00 PM

Baxter City Hall, 13190 Memorywood Drive, Baxter, MN

CALL TO ORDER

Mayor Olson called the meeting to order at 6:00 p.m.

ROLL CALL

Mayor Darrel Olson and Council Members Connie Lyscio, Zach Tabatt, Patrick Sundberg, and Mark Cross were present.

City Administrator Brad Chapulis, Assistant City Administrator Kelly Steele, Finance Director Jeremy Vacinek, Community Development Director Josh Doty, Police Chief Matt Maier, and Public Works Director Trevor Walter were present.

BUSINESS ITEMS

1. Hwy 371 Interchange Project Update

City Administrator Chapulis explained MnDOT will provide the council with an update on the progress of the design work related to the Highway 371 interchange project.

Eric Schiller, MnDOT District 3 Project Manager, presented an update.

Mr. Schiller explained the project is currently at 60% design for the construction plans. MnDOT will work with the public and businesses to communicate project updates, traffic switches and schedule.

Construction in 2028 will include preparation work, including Dellwood Drive, Edgewood Drive, and Isle Drive/Inglewood Drive.

Construction in 2029 will consist of construction on the interchange. Motorists can expect long-term road closures and signed detour routes. Business access will be maintained, though access routes may change. Excelsior Road will be open across Highway 371.

Traffic will be detoured for the 2029 construction season. The detour for Highway 371 will be routing traffic along College Road, Cypress Drive, and Clearwater Road. The detour for Highway 210 will be routing traffic along Highland Scenic Road, College Drive, to South 6th Street in Brainerd.

In 2030 the Excelsior Road connection will be completed.

The aesthetics recommended by the committee have now been incorporated into the plan visualizations.

MnDOT has developed video animation of how traffic will flow through the new overpass and through the roundabouts.

Project information can be found on MnDOT's website.

The council discussed concerns with the detour routes. During school, the stop light at County Road 48 and Highway 371 causes traffic to back up. Drivers taking the detour route through Brainerd will take the short cut to Quince Street, near the high school, rather than go south to go north.

Mr. Schiller explained decorative flags will not be allowed on the overpass street lights.

2. 2027 Health Insurance Renewal Presentation

City Administrator Chapulis explained in early August the city's health insurance advisor, North Risk Partners, went out to the open market to solicit 2027 health insurance premium quotes for the city, including the city's current health insurance provider, the Better Health Collective. The solicitation helps ensure the city obtained the best health insurance rates for 2027.

North Risk Partners is recommending the city remain with Sourcewell for 2027.

The Sourcewell quote included the requirement the city offer Kavira Health coverage to employees in exchange for reducing the premiums by the same amount. The City is required to offer and pay for the Kavira Health monthly subscription for all employees on the city's health insurance coverage. Kavira Health offers care via telehealth and in-person home visits.

The solicitation North Risk Partners completed also included the submission of quotes for high-deductible HSA plans. This was conducted as a directive from Administration as an opportunity to explore health insurance plan alternatives that have been required over the years by employees. Finance and Administration believe it is a good time to offer an HSA alternative to employees to stabilize premium increases to the employees and the city. The council is being asked to consider offering Sourcewell's HSA Smart Plan 3 as an alternative health insurance option. This option would include offering an employer annual contribution to an employee's HAS account for \$1,750 for single coverage or \$3,500 for family coverage. The contribution would be payable on a quarterly basis upon the completion of service each quarter.

City Administrator Chapulis summarized the city's cost for health insurance will vary based on which plan employees elect.

Finance and Administration recommend awarding the 2027 health insurance contract to Sourcewell and Blue Cross Blue Shield at the quoted rates for both the existing insurance plan and Smart Plan 3 as outlined in the staff report. A contract with Kavira Health will be considered at a future date.

Approval of the 2027 health insurance renewal is on the regular council agenda.

3. Discussion on City Ordinance Requiring Dog License

Chief Maier explained in August Council Member Tabatt asked for council support to remove the licensing requirements from the dog ordinance.

City ordinance currently requires every dog over six months of age be licensed annually, including fee payment, city-issued tag and proof of rabies vaccination.

Over the last 7 years the city has issued approximately 858 dog licenses. It appears the number of licenses issued is decreasing annually and not all residents are licensing their dog. Due to the

administrative burden, low compliance rates, and minimal revenue generated, it raises the question about the continued effectiveness of the ordinance.

A dog with a visible city dog tag can help animal control and law enforcement identify the owner and prevent bringing the dog to an animal shelter. However, there are other means of identifying lost and found dogs.

Animal control and law enforcement are not checking rabies vaccinations unless investigating a dog bite incident.

The city's animal control officer is okay with the proposed changes to the ordinance.

The council consensus was to move forward with updating the dog ordinance to remove the dog licensing requirement.

City Administrator Chapulis provided clarification that the annual family contribution to the HSA is \$3500.

ADJOURN

MOTION by Council Member Tabatt, seconded by Council Member Lyscio to adjourn at 7:02 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Kelly Steele
Assistant City Administrator