

September 19, 2017
Cottonwood County Board of Commissioners
Regular Meeting
Minutes

The Cottonwood County Board of Commissioners met in regular session on Tuesday, September 19, 2017 at 9:00 a.m. at the Cottonwood County Courthouse in Windom, MN. Present for all or portions of the meeting were: Commissioners Tom Appel, Donna Gravley, Jim Schmidt, Kevin Stevens, Norm Holmen; County Coordinator Kelly Thongvivong, Auditor/Treasurer Jan Johnson, County Attorney Nick Anderson, Kathy Marsh, Nick Klisch, Rod Byam, Jason Purrington, Kay Gross, Kyle Pillatzki, Gale Bondhus, Andrew Spielman, and Rahn Larson.

Chairman Appel called the meeting to order. The Pledge of Allegiance was recited. Motion by Stevens, second by Gravley, unanimous vote to approve the agenda as amended. Motion by Holmen, second by Schmidt, unanimous vote to approve the minutes of the September 5, 2017, regular meeting as amended.

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Nick Klisch, County Engineer/Public Works Director, presented bids for Project 017-604-020 – CSAH 4 Bridge Replacement in Germantown Township. Bids are as follows: M&K Bridge Construction - \$244,942.30; Structural Specialties - \$286,152.00; River Ridge Construction - \$289,101.00; Prahm Construction, Inc., - \$295,046.05; and Redstone Construction - \$361,765.95. Motion by Holmen, second by Schmidt, unanimous vote to accept the low bid from M&K Bridge Construction in the amount of \$244,942.30 for Project 017-604-020 – CSAH 4 Bridge Replacement in Germantown Township.

Motion by Gravley, second by Schmidt, unanimous roll call vote to adopt resolution as follows:

RESOLUTION 17-09-19
For Agreement to State Transportation Fund
Local Bridge Replacement Program
Grant Terms and Conditions
SAP 017-604-020

WHEREAS, Cottonwood County has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for construction of Bridge No. 17535; and

WHEREAS, the Commissioner of Transportation has given notice that funding for this bridge is available; and

WHEREAS, the amount of the grant has been determined to be \$109,401.25 by reason of the lowest responsible bid;

NOW THEREFORE, be it resolved that Cottonwood County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required. The proper county officers are authorized to execute a grant agreement with the Commissioner of Transportation concerning the above-referenced grant.

DATED: September 19, 2017

S/Thomas D. Appel, Board Chairman

S/Jan Johnson, Auditor/Treasurer

Motion by Stevens, second by Schmidt, unanimous vote to approve final payment to Veenstra & Sons, LLC in the amount of \$154,913.10 for Project 017-599-100 – Bridge Replacement in Ann Township.

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Rod Byam met with the board to discuss consideration of possibly relocating the Amateur Radio Emergency Service (ARES) Repeater to Jeffers on the county owned tower. Byam stated that this would be advantageous as Jeffers is in the center of the county. Byam asked that the county take this into consideration when any decisions are made regarding buildings.

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Jason Purrington, Sheriff, met with the board to get approval on a few items. Purrington presented the Off Highway Vehicle (OHV) Grant for fiscal years 2018 and 2019. Purrington stated that the grant is for the amount of \$5,007.00 per year. Motion by Schmidt, second by Stevens, unanimous vote to approve the Off-Highway Vehicle Safety Enforcement Grant for fiscal years 2018 and 2019 in the amount of \$5,007.00 per year.

Purrington presented quotes for a new vehicle for the Sheriff’s department. Quotes are as follows: Higley Ford - \$26,340.00 and Nelson Auto Center - \$29,468.61. Motion by Gravley, second by Holmen, unanimous vote (Commissioner Schmidt abstained) to accept the low bid from Higley Ford for a new Sheriff’s Department vehicle in the amount of \$26,340.00.

Purrington informed the board that there is the possibility of heated rental space in the old fire hall in Windom on a short term basis at a cost of \$100 per stall. Purrington stated the Sheriff’s Department is looking at the possibility of renting one or two stalls for equipment.

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Kay Gross, SWCD District Administrator, informed the board that the Minnesota Department of Agriculture (MDA) would like to begin testing for nitrates in private wells, in select townships, during the summer of 2018. Gross stated that the goals of the testing program are: (1) to determine current nitrate concentrations in private wells in selected townships; (2) educate the well owners on the nitrate concentrations in their wells; (3) assist counties in fulfilling their county water plans with regard to nitrate in groundwater; and (4) support decision making in the nitrogen fertilizer management plan. Gross stated that the two counties the MDA has selected are Germantown and Southbrook. Gross asked if the Board wanted any other townships tested. Consensus of the board is to add Amboy Township if possible.

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Andy Spielman, Windom Building Inspector, informed the board that a Cottonwood County Home Initiative application has been received from Ryan Elston and that a public hearing date should be set. Motion by Gravley, second by Stevens, unanimous roll call vote to adopt resolution as follows:

Resolution No. 17-09-19A

Resolution Calling for a Public Hearing on Proposed Tax Abatement for New Residential Project

WHEREAS, Cottonwood County is committed to the best interests of the citizens of Cottonwood County; and

WHEREAS, Minnesota Statutes §469.1813 gives authority to a County to grant an abatement of taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners approved the Cottonwood County Home Initiative Guidelines (the "Guidelines") and program documentation; and

WHEREAS, Charles Elston holds a life estate and Ray and Patricia Elston are the owners of the following described real estate within Cottonwood County, Minnesota:

Parcel #: 08-017-0400

Address of Property: 44480 County Road 15, Windom, MN 56101

Legal Description of Property: A 2.5 acre tract in the SE¼ SE¼ SE¼ of SW¼
of Section 17, Township 105 North, Range 36
West of the 5th P.M., Cottonwood County,
Minnesota (abbreviated description); and

WHEREAS, Ryan Elston is the son of Ray and Patricia Elston. Ryan Elston, and his wife, Jennifer Elston, (the "Elstons") will be purchasing the above property and propose to construct a new home on this property; and

WHEREAS, the Elstons have requested tax abatement on this property pursuant to the Guidelines and the property owners concur with this request; and

WHEREAS, the abatement of taxes on the above-described parcel would be for the period of five (5) years commencing on the first year of taxes, payable for the assessed value related to the capital improvements, as outlined in the Guidelines; and

WHEREAS, based on an Estimated Market Value of not to exceed \$350,000 to \$400,000 for the new home and based on 2017 tax rates, the estimated tax abatement for Cottonwood County for this property would be in the range of approximately \$1,226 per year to \$1,421 per year. The total estimated tax abatement by Cottonwood County for the five-year period is in the range of approximately \$6,130 to \$7,105. (These figures were calculated using 2017 tax rates. The market value for the project is only an estimate, since the building has not been constructed and the tax rates will change each year.)

WHEREAS, Minnesota Statutes require that a public hearing be held prior to the approval of the proposed tax abatement.

Now, therefore, **BE IT RESOLVED by the COUNTY COMMISSIONERS FOR COTTONWOOD COUNTY, MINNESOTA**, as follows:

1. Public Hearing. A public hearing to consider the proposed tax abatement, as set forth above, shall be held on Tuesday, October 17, 2017, at 9:05 a.m. in the County Commissioners' Room in the Cottonwood County Courthouse, 900 Third Avenue, Windom, Minnesota.
2. Notice of Public Hearing. The Cottonwood County Auditor is authorized and directed to cause notice of the hearing to be published once in a newspaper of general circulation in the County at least 10 days, but less than 30 days, prior to the date for the hearing. The public hearing notice shall include a description of the property for which the abatement is being considered and the total estimated amount of the proposed tax abatement based on current information.

Adopted this 19th day of September, 2017.

S/Thomas D. Appel, Board Chairman

S/Jan Johnson, Auditor/Treasurer

Kyle Pillatzki, Assistant County Engineer/Solid Waste Administrator, met with the board to review committee recommendations for recycling assessment fee guidelines. Pillatzki stated that the original recycling assessment fee guidelines were drafted in 1990 and the fees haven't changed since 2004. Pillatzki also asked the board to set a public hearing date for public comment. Motion by Gravley, second by Holmen, unanimous vote to set a public hearing date for public comment on the increased recycling assessment fees for Monday, October 30, 2017 at 6:30 p.m. at the Law Enforcement Center.

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Kelly Thongvivong, County Coordinator, met with the board to discuss a few items. Thongvivong presented an invoice for payment from Microsoft Azure services on behalf of Glenn Johnson, Director of Information Systems. Motion by Holmen, second by Schmidt, unanimous vote to approve payment of Microsoft Azure Services in the amount of \$3,639.00.

Thongvivong led discussion regarding the rental leases for DVHHS – Family Services and Public Health to determine if monthly rental rates should be increased. Motion by Stevens, second by Gravley, unanimous vote to allow the County Attorney to draft new lease agreements for space leased by DVHHS at a rate of \$8.00 per square foot for office space and \$0.38 per square foot for storage space. The draft lease agreements should be brought back to the board for final approval.

Thongvivong informed the board that at the August 15 board meeting a motion was made to cease cell phone allowances for 12 Law Enforcement employees. Thongvivong stated that due to cell phone reimbursement allowances being a part of the union contract, a motion is needed to reinstate the cell phone reimbursement allowance for 8 Deputy Sheriffs. Motion by Gravley, second by Holmen, to reinstate the cell phone reimbursement allowance for 8 Deputy Sheriffs for the remainder of the year, retroactive to September 1, 2017. Voting Aye – Holmen, Gravley, Stevens and Appel. Voting Nay – Schmidt. Motion passed.

Thongvivong asked the board to decide which of the health insurance options is the best choice for Cottonwood County employees for 2018 based on information that was provided by SW/WC Service Cooperative and Flexible Benefit Consulting. Consensus of the board is to stay with the three BCBS options through the SW/WC Service Coop. The three BCBS options are: \$2,250 deductible VEBA, \$3,375 deductible VEBA/HSA, and \$6,350 deductible HSA.

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After discussion on the proposed 2018 budget, motion by Stevens, second by Schmidt, to set preliminary levy for 2018 at \$10,425,185, which is an increase of 4% from the 2017 levy and as per state levy limit requirements. Voting Aye – Gravley, Stevens, and Schmidt. Voting Nay – Holmen and Appel. Motion passed.

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Motion by Schmidt, second by Holmen, unanimous vote to approve September warrants as follows:

County Revenue Fund	\$ 28,953.56
Long Term Capital Outlay	\$ 6,346.83
County Building Fund	\$ 777.27
Agency Fund	\$ 165.92

Taxes and Penalties Fund	\$ 11,276.50
County Revenue Fund	\$ 4,412.70
Road and Bridge Fund	\$136,559.18
Waste Abatement/Score Fund	\$ 1,905.20
Landfill Enterprise	<u>\$ 26,036.96</u>
	\$216,434.12

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Commissioner Appel updated the board on the Fall AMC Policy Conference he and Commissioner Holmen attended on September 14 and 15 at Breezy Point.

Commissioner Holmen informed the board that Apex Clean Energy would be holding an Open House from 12 to 7:30 p.m. today, September 19, in Comfrey for landowners in the area to discuss the Big Bend Wind farm project.

Commissioner Gravley updated the board on the City/County/School meeting she attended on September 18 and stated she was asked to attend a tour of the Career Technical Education Center in South Dakota on September 26.

Commissioner Gravley asked to be paid a per diem for this trip. Motion by Holmen, second by Schmidt, unanimous vote to allow Commissioner Gravley to claim a per diem if she attends the Career Technical Education Center tour in South Dakota on September 26.

Commissioner Schmidt informed the board that he has toured the Courthouse with representatives from Anderson Windows and that representatives from Marvin Windows will be here in the near future. Schmidt said he has not heard from the representative from Pella Windows. Schmidt stated that later this winter each representative will give a presentation to the board.

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Motion by Gravley, second by Schmidt, unanimous vote to close the meeting at 11:15 a.m. to discuss strategy for upcoming labor negotiations. Present for the closed session were: Commissioners Appel, Schmidt, Stevens, Gravley, and Holmen; Kelly Thongvivong, Nick Anderson, Jan Johnson, and Kathy Marsh.

Motion by Gravley, second by Schmidt, unanimous vote to open the closed session at 12:17 p.m.

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Commissioner Appel led a short discussion on buildings.

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There being no further business, the meeting was adjourned at 12:25 p.m.

Jan Johnson, Auditor/Treasurer

Thomas D. Appel, Board Chairman

Kelly Thongvivong, County Coordinator