

**McLEOD COUNTY
BOARD OF COMMISSIONERS
MEETING MINUTES – MARCH 16, 2010**

CALL TO ORDER

The recessed meeting of the McLeod County Board of Commissioners was called to order at 9:00 a.m. by Chairperson Kermit Terlinden in the County Board Room. Commissioners Bayerl, Nies, Terlinden, Wangerin and Wright were present. County Administrator Patrick Melvin, County Attorney Michael Junge, County Auditor-Treasurer Cindy Schultz and Administrative Assistant Bonnie Richter were also present.

PLEDGE OF ALLEGIANCE

At the request of the Board Chair, all present recited the Pledge of Allegiance.

CONSIDERATION OF AGENDA ITEMS

The following items were added to the agenda:

Regular Agenda

- Report from Engineer John Brunkhorst about road closures in McLeod County due to high water.
- Consider a request to replace a water heater in the Agribition building at the Fairgrounds.
- Consider purchasing ARMER radios to take advantage of a discount program that expires March 26, 2010.
- Discuss Commissioner laptop computers.

Nies/Wangerin motion carried unanimously to approve the agenda as revised.

CONSENT AGENDA

- Approval of March 2, 2010, County Board Meeting Minutes and Synopsis.
- Approval of February 23, 2010, Auditor's Warrants.
- Approval of February 26, 2010, Auditor's Warrants.
- Approval of March 3, 2010, Auditor's Warrants.
- Approval of March 5, 2010, Auditor's Warrants.
- Approval of Conditional Use Permit 10-01 for Wm Mueller & Sons, Inc. for continued mining and excavation of gravel which is to be used for various projects and stockpiled for later use. Upon completion of the mining operation the restoration will be utilized for wildlife purposes. This property is owned by Anna Ulrich. It is located in the East half of Northeast half of Section 26 in Hassan Valley Township.
- Approval of Conditional use Permit 10-02 for Wm Mueller & Sons, Inc. for continued mining and excavation of a gravel pit in the Agricultural District that has been abandoned for numerous

Wangerin/Bayerl motion carried unanimously to approve the consent agenda.

PAYMENT OF BILLS - COMMISSIONER WARRANT LIST

General Revenue	\$259,745.87
Road and Bridge	\$70,573.06
Solid Waste	\$12,982.73
County Ditch	\$32.74

Nies/Wangerin motion carried unanimously to approve payment of bills totaling \$343,334.40 from the aforementioned funds.

ROAD AND BRIDGE – Engineer John Brunkhorst, Maintenance III Worker Ray Bandas

- **Lester Prairie Shop Electrical Repairs**

Mr. Bandas reported that there has been some stray voltage in the Lester Prairie shop and two individuals have received shocks. Excel Energy has evaluated the shop and concluded that the electrical system posed a safety hazard requiring rewiring.

Bayerl/Wright motion carried unanimously to approve hiring Lite Electric, Inc. of Cokato, MN for \$1,500 plus applicable tax for rewiring the Lester Prairie shop. CR Electric, Inc. of Winsted quoted \$1,506.

- **Amendment to MnDOT Contract for Emergency Services**

Mr. Brunkhorst said the original contract does not contain language for emergency services including flood problems and recommends Resolution 10-RB04-11 to amend the Master Partnership Contract 92351 between McLeod County and the Minnesota Department of Transportation:

**RESOLUTION 10-RB04-11
FOR Mn/DOT MASTER PARTNERSHIP CONTRACT 92351
AMENDMENT 1**

WHEREAS, the County of McLeod entered into a State of Minnesota Professional and Technical Services Master Contract No. 92351 with the Minnesota Department of Transportation; and

WHEREAS, the original master contract did not contain language for Emergency Services;

NOW, THEREFORE, BE IT RESOLVED, that the County of McLeod approves the amendment to Master Contract No. 92351 as presented to the Board; and

BE IT FURTHER RESOLVED, the Chairman and the County Administrator are hereby authorized and directed for and on behalf of the County of McLeod to execute such amendments thereto.

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Bayerl/Terlinden motion carried unanimously to approve amendment number 1 to Master Partnership Agreement 92351 between McLeod County and the state of Minnesota, through its Commissioner of Transportation, Minnesota Department of Transportation and corresponding Resolution 10-RB04-11 to include language for emergency services.

• **Highway Lighting Systems Maintenance and Electrical Energy Provision**

Mr. Brunkhorst recommended an agreement and corresponding Resolution 10-RB05-12 with the Minnesota Department of Transportation for maintenance and electrical energy of the new highway lighting systems at the intersections of Trunk Highway 212/County State Aid Highway 15, Trunk Highway 7/County State Aid Highway 115 and Trunk Highway 15/County State Aid Highway 18. This agreement is similar to lighting agreements we have had in the past with Mn/DOT installing the new lights and removing the old lights and the County paying the monthly electricity bill which has been costing around \$45 per month at similar installations.

RESOLUTION 10-RB05-12

AGREEMENT NO. 96134M BETWEEN McLEOD COUNTY AND MN/DOT FOR HIGHWAY LIGHTING SYSTEMS AT TRUNK HIGHWAY 7 AND COUNTY STATE AID HIGHWAY 115; TRUNK HIGHWAY 15 AND COUNTY STATE AID HIGHWAY 18; AND TRUNK HIGHWAY 212 AND COUNTY STATE AID HIGHWAY 15.

BE IT RESOLVED that the County of McLeod enter into an agreement with the State of Minnesota, Department of Transportation for the following purposes, to wit:

To provide maintenance and electrical energy for new highway lighting systems to be constructed at the following intersections; Trunk Highway 7 and County State Aid Highway 115, Trunk Highway 15 and County State Aid Highway 18, and Trunk Highway 212 and County State Aid Highway 15, in accordance with the terms and conditions set forth and contained in Agreement No. 6134M, a copy of which was before the Board.

BE IT FURTHER RESOLVED that the McLeod County Board Chair and the McLeod County Administrator are authorized to execute the Agreement and any amendments to the Agreement.

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Wangerin/Nies motion carried unanimously to approve Highway Lighting Agreement No. 96134M between McLeod County and the Minnesota Department of Transportation and corresponding Resolution 10-RB05-12 for maintenance and electrical energy for highway lighting systems at the intersections of Trunk Highway 212/County State Aid Highway 15, Trunk Highway 7/County State Aid Highway 115 and Trunk Highway 15/County State Aid Highway 18.

- **Concrete Overlay Project for County Road 2**

Mr. Brunkhorst explained plans to perform a concrete overlay on County State Aid Highway 2 between County State Aid Highway 3 and County State Aid Highway 11 this summer. Payment for this project will be from 2010 and 2011 Federal funds. In order to construct the project in advance of receiving the 2011 federal funds, an advance construction agreement with Mn/DOT is needed.

**RESOLUTION 10-RB03-10
AGREEMENT NO. 96327 BETWEEN McLEOD COUNTY AND MN/DOT
FOR ADVANCE CONSTRUCTION OF SP 43-602-24, CONCRETE OVERLAY
ON COUNTY STATE AID HIGHWAY 2**

BE IT RESOLVED, that pursuant to Minnesota Statute Section 161.36, the Commissioner of Transportation be appointed as Agent of the County of McLeod to accept as its agent, federal aid funds which may be made available for eligible transportation related projects.

BE IT FURTHER RESOLVED, the Chairman and the County Administrator are hereby authorized and directed for and on behalf of the County of McLeod to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said federal aid participation as set forth and contained in "Minnesota Department of Transportation Agency Agreement No. 96327, a copy of which said agreement was before the County Board and which is made a part hereof by reference.

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Nies/Terlinden motion carried unanimously to approve agreement No. 96327 between the Minnesota Department of Transportation and McLeod County and corresponding Resolution 10-RB03-10 for SP 43-602-24 and SAP 43-602-25 concrete overlay project on County State Aid Highway 2.

- **Resolution 10-RB07-14 Supporting Funding for TH 212**

Mr. Brunkhorst said the South West Corridor Transportation Coalition requested the Boards' support for additional funding for continued work on Trunk Highway 212 in the next transportation bill. He said this has been done in the past and it is good to have the County's support.

**RESOLUTION 10-RB07-14
IN SUPPORT OF FUNDING FOR TRUNK HIGHWAY 212**

WHEREAS Highway 212 is a major US highway serving the southwest portion of the state and has been in need of expansion to improve safety and freight movement for decades;

WHEREAS forty-one communities and local chambers of commerce have passed resolutions supporting improvements to Highway 212 to expand the capacity of this highway and the Board of Commissioners of every county along the corridor has passed such a resolution;

WHEREAS the current highway poses serious safety problems as it switches from a four lane facility west of Chaska to a two-lane highway, then switches back to a four lane highway around Cologne and back to a two-lane highway from Cologne to Norwood Young America and would be much safer and much better able to handle present and projected traffic flows if it were a continuous four-lane highway through this area;

WHEREAS Congress and the State of Minnesota have recognized the need to expand this critical trade link to the Twin Cities Metropolitan Area and have previously provided funding through the ISTEA Transportation Authorization bill, TEA-21 Authorization bill, the 2002 Transportation Appropriations bill, the 2003 Transportation Appropriations bill, the 2004 Transportation Appropriations bill and SAFETEA-LU;

WHEREAS, the improvement of critical transportation infrastructure will not only create immediate construction jobs but will support increased economic development in our State;

NOW, THEREFORE, BE IT RESOLVED that the McLeod County Board strongly supports the inclusion of funding to improve and expand US Highway 212 in the FY2011 Transportation and HUD Appropriations bill and in the next Surface Transportation Authorization Act which will succeed SAFETEA-LU.

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Wangerin/Terlinden motion carried unanimously to adopt Resolution 10-RB07-14 of support for the inclusion of funding to improve and expand US Highway 212 in the FY2011 Transportation and HUD Appropriations bill and in the next Surface Transportation Authorization Act which will succeed SAFETEA-LU.

- **Hot Water Pressure Washer**

Mr. Bandas said that the washer-steamer is no longer operable and unable to be repaired. The Highway Department has used MnDOT's steamer in the past but needs to have their own culvert steamer which will be used in the Glencoe shop. This item is not budgeted but will be covered by other cost savings that have occurred within the budget.

Nies/Wright motion carried unanimously to approve a purchase of a hot water pressure washer from All American Pressure Washers of St. Peter, MN for \$5,445 plus applicable tax. Hotsy Equipment of Fridley, MN quoted \$8,085.50 for a similar unit.

• **McLeod County Highway and Bridge 5-Year Plan**

Engineer Brunkhorst presented the Highway and Bridge 5-Year Plan.

2010 CONSTRUCTION PLAN									
ROAD	LOCATION & DESCRIPTION	FUNDING SOURCES							
		State Aid Regular Account	State Aid Municipal Account	County Funds	TWP/City Funds	Federal Funds	Town Bridge Account	Bridge Bonding Grant	Total Project Cost
CSAH 23	Between Lester Prairie & Carver Co. Line Grading ** Federal Funds SECURED	\$340,000				\$720,000			\$1,060,000
	Replace Bridge L0307 ** Contingent on Bridge Bonding Funds	\$80,000						\$80,000	\$160,000
CSAH 2	Between Glencoe and Silver Lake Rehabilitation - Mill/Concrete Overlay ** Federal Funds SECURED 2010/2011	\$2,550,000				\$728,393 \$288,027 \$440,366			\$3,278,393
CSAH 25	Adams Street Reconstruction - Hutchinson \$5 Million Mn/DOT TURNBACK FUNDS								\$5,000,000
CSAH 25	Adams Street - Crow River to CSAH 115 Rehabilitation - Mill/Concrete Overlay	\$1,100,000							\$1,100,000
CSAH 116	Winsted Rehabilitation - Mill/Overlay ** Contingent on Turnback to City			\$580,000					\$580,000
CR 79	CSAH 16 to Swan Lake Boat Access Bituminous Surfacing (State Park Road Funding)								\$275,000
CR 71	Construct Bridge CD 40 ** Contingent on Bridge Bonding Funds			\$10,000				\$120,000	\$130,000
various	CSAH Funded Rehabilitation Projects TBD	\$0							\$0
various	County Funded Rehabilitation Projects TBD			\$680,000					\$680,000
various	County Funded Seal Coat Projects TBD			\$400,000					\$400,000
2010 FUNDING SUMMARY		\$4,070,000	\$0	\$1,670,000	\$0	\$1,448,393	\$0	\$200,000	\$12,663,393
2011 CONSTRUCTION PLAN									
ROAD	LOCATION & DESCRIPTION	FUNDING SOURCES							
		State Aid Regular Account	State Aid Municipal Account	County Funds	TWP/City Funds	Federal Funds	Town Bridge Account	Bridge Bonding Grant	Total Project Cost
CSAH 23	Between Lester Prairie & Carver Co. Line Surfacing	\$560,000							\$560,000
CSAH 23	Lester Prairie - Between CSAH 9 and Pine Ave Mill & Overlay		\$150,000						\$150,000
Various	Various Intersections - County wide Install overhead lighting & ITS Intersection warning devices ** Federal Funds SECURED	\$17,500				\$157,500			\$175,000
CSAH 115 S Grade Rd	Construct Bridge Otter Lake ** Contingent on Bridge Bonding Funds	\$50,000			\$50,000			\$300,000	\$400,000
CSAH 15	Replace Bridge 7193 S Fork Crow River ** Contingent on Bridge Bonding Funds	\$125,000						\$800,000	\$925,000
various	CSAH Funded Rehabilitation Projects TBD	\$0							\$0
various	County Funded Rehabilitation Projects TBD			\$690,000					\$690,000
various	County Funded Seal Coat Projects TBD			\$400,000					\$400,000
2011 FUNDING SUMMARY		\$752,500	\$150,000	\$1,090,000	\$50,000	\$157,500	\$0	\$1,100,000	\$3,300,000

2012 CONSTRUCTION PLAN									
ROAD	LOCATION & DESCRIPTION	FUNDING SOURCES							
		State Aid Regular Account	State Aid Municipal Account	County Funds	TWP/City Funds	Federal Funds	Town Bridge Account	Bridge Bonding Grant	Total Project Cost
CSAH 111	Between TH 212 to Main in Stewart Reconstruction		\$500,000						\$500,000
CSAH 3	TH 22 to CR 72 Rehabilitation - Reclaim/Bituminous Overlay 5.1 Miles	\$1,350,000							\$1,350,000
various	CSAH Funded Rehabilitation Projects TBD	\$0							\$0
various	County Funded Rehabilitation Projects TBD			\$690,000					\$690,000
various	County Funded Seal Coat Projects TBD			\$400,000					\$400,000
2012 FUNDING SUMMARY		\$1,350,000	\$500,000	\$1,090,000	\$0	\$0	\$0	\$0	\$2,940,000
2013 CONSTRUCTION PLAN									
ROAD	LOCATION & DESCRIPTION	FUNDING SOURCES							
		State Aid Regular Account	State Aid Municipal Account	County Funds	TWP/City Funds	Federal Funds	Town Bridge Account	Bridge Bonding Grant	Total Project Cost
CSAH 3	CSAH 1 to 9 Widening & Rehabilitation	\$1,600,000							\$1,600,000
various	CSAH Funded Rehabilitation Projects TBD	\$0							\$0
various	County Funded Rehabilitation Projects TBD			\$690,000					\$690,000
various	County Funded Seal Coat Projects TBD			\$400,000					\$400,000
2013 FUNDING SUMMARY		\$1,600,000	\$0	\$1,090,000	\$0	\$0	\$0	\$0	\$2,690,000
2014 CONSTRUCTION PLAN									
ROAD	LOCATION & DESCRIPTION	FUNDING SOURCES							
		State Aid Regular Account	State Aid Municipal Account	County Funds	TWP/City Funds	Federal Funds	Town Bridge Account	Bridge Bonding Grant	Total Project Cost
CSAH 15	Morningside Drive - RR Tracks to 16th Street Reconstruction & RR Crossing ** Federal Funds Tentative for RR Crossing	\$1,200,000			\$500,000	\$270,000			\$1,970,000
various	CSAH Funded Rehabilitation Projects TBD	\$0							\$0
various	County Funded Rehabilitation Projects TBD			\$690,000					\$690,000
various	County Funded Seal Coat Projects TBD			\$400,000					\$400,000
2014 FUNDING SUMMARY		\$1,200,000	\$0	\$1,090,000	\$500,000	\$270,000	\$0	\$0	\$3,060,000

Wright/Bayerl motion carried unanimously to approve the 2010 to 2014 Highway and Bridge 5-year Plan.

- **Road Closures**

Engineer John Brunkhorst reported on road closures in McLeod County due to high water. The Highway Department has installed signage and barricades at several locations, including some Township roads and is monitoring several locations where water is getting close to flooding roads.

- **Washington Fly-In**

Commissioner Nies will not be able to attend The Transportation Alliance Washington Fly-In and would like John Brunkhorst to go in his place.

Nies/Wangerin motion carried unanimously to approve out-of-state travel for John Brunkhorst to attend the June 8 through 10, 2010, Transportation Alliance Washington Fly-In at Washington D.C.

PUBLIC HEALTH – Public Health Nurse II Linda Senst

- **Out-of-State Travel for Public Health Nurse**

The National Association of County and City Health Officials (NACCHO) will sponsor Public Health Nurse Deb Butler to attend the 2010 Integrated Medical, Public Health, Preparedness and Response Training Summit May 12 through 16 in Nashville, TN including registration, five nights at a hotel, and airfare. This goes along with the \$10,000 grant we received from NACCHO to implement a Medical Reserve Corp.

Nies/Wangerin motion carried unanimously to approve out-of-state travel for Public Health Nurse Deb Butler to attend the 2010 Integrated Medical, Public Health, Preparedness and Response Training Summit sponsored by NACCHO May 12-16, 2010, in Nashville, TN.

- **Joint Powers Shared Services/Income Agreement**

Ms. Senst requested the Board consider a Shared Services/Income Agreement between McLeod County and the Southwestern Minnesota Adult Mental Health Consortium effective January 1, 2010 to December 31, 2014. This is an administrative document and is cost neutral.

Wangerin/Wright motion carried unanimously to approve a Shared Services/Income Agreement between McLeod County and the Southwestern Minnesota Adult Mental Health Consortium effective January 1, 2010 to December 31, 2014.

- **Laptop Computer Purchase**

Ms. Senst requested the purchase of a laptop computer, carrying case and software with Tobacco Free Youth grant dollars.

Nies/Terlinden motion carried unanimously to approve the purchase of a Lenovo ThinkPad laptop computer and carrying case from Compar, Inc. of Minnetonka, MN (State contract) totaling \$1,148.07 with Tobacco Free Youth grant funds.

- **Medical Reserve Corps Grant Agreement**

Bayerl/Wangerin motion carried unanimously to authorize the signature of Public Health Agency Coordinator Kathy Nowak for a \$10,000 Medical Reserve Corps grant agreement

between McLeod County and the National Association of County and City Health Officials (NACCHO.)

AUDITOR-TREASURER – Auditor-Treasurer Cindy Schultz

Auditor-Treasurer Cindy Schultz reported that 12 County and Joint Ditch fund balances are in the negative as of December 31, 2009. She recommended approval of Resolution 10-CB-09:

**RESOLUTION 10-CB-09
TEMPORARY LOAN**

BE IT RESOLVED, the McLeod County Board of Commissioners authorizes County Auditor-Treasurer Cindy Schultz to make a temporary loan of \$25,100.00 from the General Revenue Fund to the Ditch Fund to cover negative County and Joint Ditch fund balances dated December 31, 2009.

<u>Ditch No.</u>	<u>Ditch Name</u>	<u>Amount</u>
(624)	County Ditch #11	\$1,000.00
(626)	County Ditch #13	\$300.00
(629)	County Ditch #16 Red	\$1,200.00
(634)	County Ditch #21	\$4,800.00
(644)	County Ditch #35	\$700.00
(646)	County Ditch #36	\$100.00
(649)	County Ditch #40	\$9,000.00
(666)	JD # 5 SMC	\$300.00
(669)	JD #9 McLeod	\$1,100.00
(673)	JD #11 SRMC	\$1,100.00
(675)	JD #14 WMCM	\$5,000.00
(680)	JD #18 SMC	\$500.00
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		\$25,100.00

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Wright/Wangerin motion carried unanimously to approve Resolution 10-CB-09 to make a temporary loan of \$25,100 from the General Revenue Fund to the Ditch Fund to cover the negative County and Joint Ditch fund balances dated December 31, 2009, with an interest rate of 3 percent.

PARKS – Park Director – Al Koglin

• Computer Purchase of Laptop Computer for Parks Department

Mr. Koglin requested a replacement for the computer used for the parks weed program since it is five years old. The Department plans to use the current computer for projection since it is 10 years old. There is money for the computer purchase in the Parks fund.

Nies/Wangerin motion carried unanimously to approve the purchase of a Lenova ThinkPad notebook computer, mini-dock and memory from Compar, Inc. of Minnetonka, MN (State contract) for the Park Department for a total of \$1,305.69 including tax from the Parks Fund.

- **Water Heater Purchase for Agribition Building**

Mr. Koglin said that the 80-gallon water heater at the Agribition Building is leaking. He has asked for quotations for a new water heater. He requested authorization to purchase the water heater and have it installed by the vendor who gives him the lowest quotation and can do the job the quickest.

Bayerl/Wright motion carried unanimously to purchase a water heater for the Agribition Building at the Fairgrounds from the vendor who submits the lowest quotation and/or can do the work the quickest.

NO NET GAIN – Commissioner Ray Bayerl

Commissioner Bayerl presented a resolution for “No Net Gain” of land by the Minnesota Department of Natural Resources (DNR), United States Fish and Wildlife Service (USF & WS) or any tax exempt land trust.

Penn Township Board of Supervisors unanimously approved the resolution at their meeting August 10, 2009. The McLeod County Association of Townships passed a motion unanimously to support the resolution at their meeting September 28, 2009.

Commissioner Bayerl learned that the Department of Natural Resources has plans to purchase up to 750,000 acres to be purchased by government entities for wildlife preservation. He said he is not against grass strips on ditches but is concerned about the loss of taxable land that is bought by government agencies and how it would affect counties. He learned that some of these agencies have had problems managing the land that they already have now.

Numerous citizens and agencies were present to express their concerns, ideas and educate the public.

Nies/Wangerin made a motion to defeat the “No Net Gain” resolution draft as presented.

Commissioner Nies called for the motion to defeat the “No Net Gain” resolution draft as presented. Roll Call vote: Ayes: Nies, Wangerin, Wright, Terlinden. Nays: Bayerl.

Commissioner Ray Bayerl and Paul Wright will continue to work on this issue and there was direction to revisit this issue again at a future Board workshop.

The meeting recessed at 11:38 a.m.

The meeting resumed at 11:55 p.m.

PUBLIC HEARING - BUSINESS SUBSIDY PROGRAM

A public hearing was held to consider adoption of a Business Subsidy Policy that would offer money to business that may be interested in moving or starting businesses in McLeod County.

BUSINESS SUBSIDY POLICY

I. Introduction

This Policy is adopted for the purposes of the business subsidies act (the “Act”), which is Minnesota Statutes, Sections 116J.993 through 116J.995, as amended. Terms used in this Policy are intended to have the same meaning as used in the Act, and this Policy shall apply only with respect to subsidies granted under the Act if and to the extent required thereby.

While it is recognized that the creation of good paying jobs is a desirable goal that benefits the county, it must also be recognized that not all projects assisted with business subsidies derive their public purposes solely by virtue of job creation. In addition, the imposition of high job creation requirements and high wage levels may be unrealistic and counter-productive in the face of larger economic forces and the financial and competitive circumstances of an individual business.

McLeod County further believes that each economic development opportunity offers its own unique benefits to the county whether it is retail, commercial or industrial in nature. These benefits may be in the form of added tax base, new or retained jobs, higher incomes, overall investment in the area, business diversification and / or increased economic activity and vitality.

It is the desire of McLeod County to promote job creation, redevelopment and investment in the county as well as to expand the county’s tax base and diversify the county’s industrial, commercial and retail base.

To effectively promote economic development within McLeod County, be competitive vis-à-vis other communities and meet the diverse needs of business and industry, the county must have use of all the economic development incentives and tools legally available to it. The use of these incentives and tools cannot be judged nor can they be provided by a single measure, but must rather be evaluated in terms of county need, market trends, job creation, capital outlay and / or technology.

II. Intent to Retain Flexibility

Because it is not possible to anticipate every type of project that may provide benefit to McLeod County, the county shall retain the option to amend or waive sections of this policy when it is determined to be necessary and / or appropriate. Minnesota Statute 116J.994, Subd. 2 allows the county to deviate from its criteria by documenting in writing the reason for the deviation and attaching a copy of the document to its next annual report to the State.

III. Business Subsidy Public Purpose

Business Subsidies shall be provided in order to achieve the following public purposes:

1. Enhance the economic diversity of the county
2. Create high quality job growth
3. Provide for job retention
4. Stabilize the county
5. Increase the tax base

This policy is adopted in compliance with M.S. § 116J.994 Subd. 2.

IV. Definitions

“JOBZ Business Subsidy” means tax exemptions or tax credits available to a qualified business located in a job zone under the Job Opportunity Building Zone (JOBZ) statute M.S. §§ 469.310 - 469.320.

JOBZ Business Subsidies shall include:

1. Exemption from individual income taxes as provided under M.S. § [469.316](#); and
2. Exemption from corporate franchise taxes as provided under M.S. § [469.317](#); and
3. Exemption from the state sales and use tax and any local sales and use taxes on qualifying purchases as provided in M.S. § [297A.68](#), subdivision 37; and
4. Exemption from the state sales tax on motor vehicles and any local sales tax on motor vehicles as provided under M.S. § [297B.03](#); and
5. Exemption from the property tax as provided in M.S. § [272.02](#), subdivision 64; and
6. Exemption from the wind energy production tax under M.S. § [272.029](#), subdivision 7; and
7. The jobs credit allowed under M.S. § [469.318](#).

“Business Subsidy” means a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business, and as defined by the Business Subsidy statute M.S. §§ 116J.993 - 116J.995.

Business Subsidies **do not** include the following:

1. Assistance of less than \$150,000.
2. Business loans or loan guarantees of \$150,000 or less
3. Federal loan funds provided through the U.S. Economic Development Administration.
4. Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of businesses, size, location or similar general criteria;
5. Public improvements to buildings or lands owned by the County of McLeod that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;

6. Property polluted by contaminants being redeveloped as defined in M.S. § 116J.552, subd. 3.
7. Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance to designated historic preservation sites or districts, provided that the assistance is equal to or less than 50% of the total cost of the development;
8. Assistance to provide job readiness and training services;
9. Assistance for housing;
10. Assistance for pollution control or abatement, including assistance from a TIF hazardous substances sub district;
11. Assistance for energy conservation;
12. Tax reductions resulting from conformity with federal tax law;
13. Workers compensation and unemployment compensation;
14. Benefits derived from regulation;
15. Indirect benefits derived from assistance to educational institutions;
16. Funds from bonds allocated under M.S., Chapter 47A refunding bonds and 501(c)(3) bonds;
17. Assistance for collaboration between a Minnesota higher education institution and a business;
18. Assistance from a tax increment financing soils condition district as defined under M.S.469.174, subd.19;
19. Redevelopment when the Recipients or Qualified Business' investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current years estimated market value;
20. General changes in tax increment financing law and other general tax law changes of a principally technical nature;
21. Federal assistance until the assistance has been repaid to and reinvested by the local governmental unit;
22. Funds from dock or wharf bonds issued by a seaway port authority;

“Business Subsidy Report” means the annual reports submitted each year for each business receiving a business subsidy in the county. The report is submitted by the local government unit in order to comply with M.S. § 116J.994 Subd. 7. (b).

“Criteria” means the equitably applied, uniform standards by which the Economic Development Agency and /or the County bases its decision to award any business subsidy to a private business or development project establishing a business and creating jobs in the County of McLeod.

“DEED” means Minnesota Department of Employment and Economic Development.

“Economic Development Agent” means the County department, local or regional economic development agency or other authorized entity that is empowered to solicit, negotiate and form business subsidy agreements on behalf of the County of McLeod. The Economic Development Agent for the *County of McLeod* shall be the Economic Development Authority (COUNTY) Board of Directors, hereinafter “Agent”.

“Operation Start Date” shall mean the date by which the business begins its operations in the zone as evidenced by constructing a facility or relocating to an existing building and beginning revenue generating operations and / or hiring employees.

“Qualified Business” means a legal entity that carries on a trade or business within a Job Opportunity Building Zone as referenced in M.S. § 469.310 Subd. 11; and complies with the reporting requirements specified by M.S. § 469.313 Subd. 2. (5); and shall comply with the job and wage criteria established by this policy and shall also mean “Recipient” as defined by Business Subsidy law.

“Recipient” means any business entity that receives a business subsidy as defined by M.S. § 116J.993, and that has signed a Business Subsidy Agreement with a County.

“Relocating Business” A business relocating from another Minnesota non-JOB Zone location.

“Relocation Agreement” means a binding written agreement between a relocating qualified business and the commissioner of DEED pledging that the qualified business shall either: (a) increase full-time or full-time equivalent employment in the first full year of operation within the Job Opportunity Building Zone by at least 20 percent, *or* (b) make a capital investment on the property equivalent to 10% of the gross revenues of the operation that was relocated in the immediately preceding taxable year; and provides for repayment of all tax benefits if the requirements of (a) or (b) are not met.

“Subzone” means the parcel or parcel of land designated by the Commissioner of Employment and Economic Development within a Job Opportunity Building Zone within the boundaries of Hutchinson to receive certain tax credits and exemptions specified under M.S. § 469.310-469.320.

“Zone” means a Job Opportunity Building Zone or an Agricultural Processing Facility Zone designated by the commissioner of Employment and Economic Development under M.S. § [469.314](#).

V. Business Subsidy Policies and Requirements

McLeod County hereby adopts the following:

1. Any time **McLeod County** provides a business subsidy to a Qualified Business or Recipient, the business is subject to the wage levels, job creation and other criteria set forth in this policy and specified in the Business Subsidy Agreement made with the County. In the event of a conflict between the requirements of the Business Subsidy statute M.S. §§ 116J.993 - 116J.995 and the JOBZ statute M.S. §§ 469.310 - 469.320, the JOBZ statute shall supersede.

2. Job Creation & Wage Guidelines:

Assistance may be provided as follows:

Project Type	Retail	Commercial	Industrial
Job Creation Goal	At least 1 FT or FTE	At least 2 FT or FTE	1 FT or FTE for each \$25,000 in assistance provided.
Wage Goal	At least 100% of State or Federal Minimum Wage* (\$7.25 / hr.)**	At least 125% of State or Federal Minimum Wage* (\$9.06 / hr)**	At least equal to the U.S. Dept. of Health and Human Services Poverty Level for a family of four (\$10.60 / hr)**

*Whichever is higher **Wage as of 2/2/2009

3. **McLeod County** may deviate from the wage and job criteria in this section by documenting the reason in writing for the deviation and attaching a copy of this reason to the next annual Business Subsidy Report submitted to DEED.
4. The qualified business that received JOBZ tax benefits shall be identified in the Business Subsidy Agreement as one of the following:
 - a. Trade or business located and operating in a JOBZ at the time of Zone designation; or,
 - b. Business start-up located within the sub-zone; or,
 - c. Business expanding in the subzone which is a business that maintains its current operations in its present location and is expanding its operations *and* its payroll within the **McLeod County** sub-zone; or,
 - d. Business relocating from another state; or,
 - e. Business relocating from another Minnesota non-Zone location (specifying the county).
5. A public hearing shall be held by McLeod County as provided by M.S. § 116J.994, when the value of the subsidy exceeds or is expected to exceed \$150,000 from local sources.

The purpose of the hearing is to identify and define the criteria that the qualified business or recipient shall meet in order to be eligible to receive a business subsidy or become a

“Qualified Business” for purposes of the JOBZ statute. The hearing shall specify all information required to be included in the Business Subsidy Agreement as listed in section 7 (a) (below).

As provided by M.S. 116J.994, Subd. 5., a public notice shall be published in print and if possible, on the internet, at least 10 days prior to the hearing identifying the location, date, and time of the hearing and providing information about the business subsidy proposed, including a summary of the terms of the subsidy.

6. **Requirements of Businesses**

- a. The business must enter into a **“Business Subsidy Agreement”** with the County that includes:
 - (1) A description of the subsidy, including the amount and type of subsidy, and the type of district if the subsidy is tax increment financing;
 - (2) A statement of the public purpose(s) of the subsidy;
 - (3) Measurable, specific and tangible goals for the subsidy;
 - (4) A description of the financial obligation of the recipient if the goals are not met;
 - (5) A statement of why the subsidy is needed;
 - (6) A commitment to continue operations in the jurisdiction where the subsidy is used for at least five years after the benefit date, or in the case where JOBZ tax benefits are provided, for the duration of the Job Zone term;
 - (7) The name and address of the parent corporation of the recipient, if any; and,
 - (8) A list of all financial assistance by all grantors for the project
- b. Businesses failing to meet the goals agreed to in the Business Subsidy Agreement must repay the assistance provided with interest, which is set at no less than the implicit price deflator as defined in the Business Subsidy Statute, M.S. §§ 116J.993 - 116J.995. Repayment may be prorated to reflect partial fulfillment of goals.
- c. If the business is locating in a JOBZ zone and the qualified business is a relocating business under the definition provided in this policy, the business shall also be required to enter into a **“Relocation Agreement”** between the qualified business and the commissioner of DEED pledging that the qualified relocating business shall:
 - (1) Increase full time employment by 20% (measured relative to the operations that were relocated) within the first full taxable year of operation within the Zone and maintains the required level of employment during each year of zone designation;

OR

(2) Make a capital investment in the Zone equivalent to at least 10% of gross revenues for the taxable year immediately preceding relocation to the Zone.

AND

(3) Report to DEED if the business will:

1. Cease one or more operations or functions at a non-Zone location and begin performing substantially the same functions inside the McLeod County Zone; **and / or,**
2. Reduce employment at the non-Zone location starting one year before and ending one year after beginning operations in the Zone where its employees in the Zone are engaged in the same line of business as the employees at the location where it reduced employment; and,

(4) Identify the date when operations are planned to begin in the JOBZ zone.

* * * * *

Comments were heard from Citizens.

Wangerin/Nies motion carried unanimously to adopt the Business Subsidy Policy as presented.

RELOCATION OF JOBZ ACRES – Administrator Patrick Melvin

Mr. Melvin presented a request from the City of Hutchinson EDA Director Miles Seppelt for the relocation of JOBZ acres from the City of Hutchinson to Hassan Valley Township. The state Department of Employment and Economic Development (DEED) authorizes all transfers of JOBZ acres and one of their requirements is a resolution from the County board approving the transfer.

The City of Hutchinson and the Hassan Valley Township Board accepted Resolution 10-CB-13 authorizing relocation of JOBZ acres:

RESOLUTION 10-CB-13

AUTHORIZING RELOCATION OF JOBZ ACRES

WHEREAS, the Job Opportunity Building Zone (JOBZ) Program created in Minnesota Session Laws 2003, 1st Special Session, Chapter 21, Article I allows for the formation of tax free zones; and such zones were designated in the City of Hutchinson in 2005; and,

WHEREAS, an opportunity has arisen for an out-of-state agricultural-based business to be located in Hassan Valley Township in McLeod County; and,

WHEREAS, said business could potentially create up to 60 high-paying jobs and add to the tax base of the Township, School District and County; and,

WHEREAS, JOBZ is a critical element needed to bring this opportunity to Minnesota and McLeod County; and,

WHEREAS, the Minnesota Department of Employment and Economic Development (DEED) allows JOBZ boundary modifications to promote economic development; and,

WHEREAS, the City of Hutchinson has agreed to transfer 10 JOBZ acres from parcel number 23-06-005-0600, containing 10.15 acres and designated as Hutchinson JOBZ sub-zone 194.1 to Hassan Valley Township; therefore,

BE IT RESOLVED that the County of McLeod requests and supports the boundary modification of Hutchinson JOBZ sub-zone 194.1 by transferring 10.00 acres from parcel number 23-06-005-0600 to parcel number 23-06-036-0100 in Hassan Valley Township, containing 10.00 acres; and,

BE IT FURTHER RESOLVED that the County of McLeod approves the use of tax exemptions and tax credits within the designated zone and encourages the Minnesota Department of Employment and Economic Development to approve this request.

* * * * *

Wangerin/Wright motion carried unanimously to adopt Resolution 10-CB-13 for the relocation of JOBZ acres from the City of Hutchinson to Hassan Valley Township.

PRAIRIE COUNTRY RC&D – Randy Nelson

Mr. Nelson reported on the Dry Hydrant project, watershed projects, Crow River Watershed-wide cleanup, outdoor learning centers, Swift Soil and Water Conservation District (SWCD) Water Festival, Yellow Medicine Grazing Workshop & Tour, Mini-grant Program, West Central Clean Energy Resource Team (CERT's), Glacial Ridge Trail and Red Cedar Market Report.

ENVIRONMENTAL SERVICES – Environmentalist Roger Berggren

- **Rain Garden at North Complex**

Environmentalist Roger Berggren requested authorization to apply for the McLeod County SWCD State Cost Share Program for funds to install a rain garden at the North Complex in Glencoe. He presented a drawing by Highway Department Project Engineer Tim Becker for the rain garden. The State cost share would pay up to 75 percent of the installation cost if the application is approved. The estimated total cost of the project is \$25,077. Mr. Berggren requested the County contribute the remaining 25 percent of the cost estimated to be \$6,269.

The Board asked Mr. Berggren to look for in-kind work to help fund the remaining 25 percent of the cost. Mr. Berggren is also exploring other possibilities for funding.

Wangerin/Nies motion carried unanimously to approve application to the McLeod County Soil and Water Conservation District (SWCD) State Cost Share Program for 75 percent of

the \$25,077 funds to install a rain garden at the North Complex and to bring the request for the County's contribution back to the Board if the 75 percent is granted.

- **Policy and Guidelines for Repairs of Joint County Drainage Systems**

McLeod County has an agreement with Meeker, Renville and Sibley Counties with guidelines for repairs of Joint County Drainage Systems and Mr. Berggren would like to have the same agreement with Wright County. This agreement helps each county to administer joint ditches under the same policies and procedures for doing maintenance work.

Mr. Berggren said that Wright County and Meeker County have approved this policy but Carver County is on hold.

**POLICY AND GUIDELINES FOR REPAIRS OF
JOINT COUNTY DRAINAGE SYSTEMS IN
MEEKER, MCLEOD, RENVILLE, SIBLEY AND WRIGHT COUNTIES**

The following policy is intended to supplement Minnesota Statutes Chapter 103E in the Maintenance and Operation of Joint Drainage Systems within Meeker County, McLeod County, Renville County, Sibley County and Wright County. This policy does apply to the Joint operation of Joint drainage systems in Meeker, McLeod, Renville, Sibley and Wright Counties.

Most of the drainage systems in the Counties were established with the aid of federal wetlands grant monies, starting in 1890 and ending in 1925. Minnesota adopted its drainage laws in the 1800's and with the exception of a few changes, most of these laws still read as originally worded. Most of the original drainage work was done to add value to the land for agricultural purposes or to prevent diseases caused by mosquitoes.

1. DEFINITIONS:

County Drainage Inspector (CDI): appointed by a County Ditch Authority

Drainage Authority Representative (DAR): The member of the Drainage Authority who's County Commissioner District encompasses the portion of the Drainage System where repairs are contemplated pursuant to this policy.

Joint County Drainage Authority: Drainage Authority Representative that is part of a Joint Ditch System with another county.

County Ditch: A term that means either an open ditch or a tile in the drainage system.

Combined: When used, this is to include total expenditures on all activities in all affected counties on a ditch for the year; these activities would include repairs, cleanouts, crossings, vegetation control and drop inlet structures. These expenditures are approved subject to final approval at the Annual Joint Ditch Meeting.

2. VEGETATION CONTROL:

Spraying Program: The intent of vegetation control is primarily to prevent a growth of any type of tree or brush within the ditch itself or its right-of-way and to reduce future repair and

maintenance costs. The County Drainage Inspector or Drainage Authority Representative may conduct an annual review of the County Ditch Systems. After review, the CDI or DAR will present a spraying program to the Joint Drainage Authority for approval for spraying costs greater than \$20,000 combined.

Approved Chemicals: On ditches selected by the CDI or DAR only approved chemicals will be applied to eliminate trees and brush within the ditch bank and within the 16.5-foot right-of-way. If landowner sprays any of their own ditches within the drainage system, they also must use only approved chemicals for such an application.

Opt Out of Spraying Program: Landowners who do not approve of chemical application shall notify the CDI or DAR in writing each year. Upon receipt of said notification, the CDI or DAR shall provide a “start date” after which the proposed spraying will be commenced. The landowner shall have the option to remove all trees and brush in the ditch right-of-way at their own expense. Upon completion, the landowner shall notify the CDI or DAR who shall then inspect the removal. If the removal is satisfactory, the CDI or DAR shall remove that portion of the ditch from the chemical spraying area. If the removal is not satisfactory, or if it is not completed by the “start date,” chemical spray will be applied.

Tree Growth: Pursuant to the Meeker, McLeod, Renville and Sibley County Joint Ditch Policy, no person shall plant trees within 75 feet of the center of the ditch unless: 1.) A property owner may plant trees within 16.5 feet of the top of the ditch within 100 feet of the ditch’s inlet or outlet from a lake as measured from the lake ordinary high water level; 2.) A property owner receives approval by the appropriate County Zoning Department through a variance procedure.

Tree Removal: Trees that need to be removed from a drainage system will be removed in a manner that will reduce erosion. Trees will be piled, burned and buried when dry. Landowner may remove trees themselves for wood before the repair is started, at their own expense.

Crop Damage: During the course of the spraying operations and when crops are encountered, the Drainage Authority or its designee will use reasonable and prudent care in the operation of vehicles to minimize crop damage.

3. DITCH CLEAN OUTS:

Repair Authorization: Minor ditch cleaning (repairs costing less than \$20,000 combined) commonly referred too as “dip outs,” will be done on a request basis. These requests must be directed to the CDI or the DAR in appropriate county’s written format. The CDI or DAR may make arrangements for an appropriate contractor to be involved with the clean out, but shall not authorize such work until the Drainage Authority Representative is informed.

Repairs anticipated to cost more than \$20,000 combined shall be brought to the full Joint County Drainage Authority for approval. The repair work documentation shall become part of the drainage system permanent file.

Scope of Work: All clean out requests will be reviewed to determine the appropriate limits of work so that any work done will return the ditch to proper operating condition. That may mean that work may extend downstream and upstream of an area that a request for clean out occurs.

4. **TILE REPAIR:**

Repair Authorization: Minor tile repairs (repairs costing less than \$20,000 combined) will be done on a request basis. These requests must be directed to the CDI or DAR in appropriate county's written format. The CDI or DAR may make arrangements for an appropriate contractor to be involved with the repair, but shall not authorize such work until the Drainage Authority Representative is informed.

Repairs anticipated to cost more than \$20,000 combined shall be brought to the full Joint County Drainage Authority for approval. The repair work documentation shall become part of the drainage system permanent file.

Scope of Work: All repair requests will be reviewed to determine the appropriate limits of work so that any work done will return the tile to proper operating condition. That may mean that work may extend downstream and upstream of an area that a request for repair occurs.

5. **DROP INLET PIPE STRUCTURES:**

The Joint County Drainage Authority will actively promote erosion control measures within their County's Drainage System to prevent future costly ditch clean outs. Since the most common cause of erosion in ditches is a lack of adequate structures to control side inlet water flow into the ditch, the Joint County Drainage Authority will have drop inlet pipe structures installed in areas where it determines erosion is a problem as a maintenance procedure. The Drainage System shall be responsible for paying for the following expenses, which are necessary to install a drop inlet tile structure:

- a. Forty-(40) feet of pipe; dual wall plastic pipe preferred, the first twenty (20) feet of the outlet end being non-perforated steel pipe.
- b. The blind tee.
- c. The marker flag.
- d. Five (5) foot perforated riser, which must extend one (1) foot above ground level. A six (6) inch diameter hole must be cut in the side of the riser above ground, near the top to handle heavy rains.
- e. All necessary digging and dirt moving to install the drop inlet pipe structure.

The above changes are recommended, any further changes must be approved by the DAR of the affected county. All expenses associated with extending the horizontal pipe beyond forty (40) feet will be paid by the landowner or the person requesting the extension.

Sites will be selected based on the requests by property owners and inspections of the ditches by the CDI or DAR. Drop inlet pipe inspection authorization will rest with the Ditch Authority Representative. The design of a drop inlet structure must be approved by the CDI and/or DAR. If the installation of drop inlet pipe and dip out is expected to exceed \$20,000,

the project, in order to proceed, shall be brought to the full Joint County Drainage Authority for their approval.

Attached to this policy is a diagram of what a typical drop inlet pipe structure would look like.

A property owner who has a tile system that brings sub-surface water drainage into the Drainage System shall be solely responsible for installing and payment for an adequate inlet into the System.

6. BEAVER CONTROL:

Trapping: When beaver dams are reported or discovered when inspecting drainage systems, a trapper will be retained by the CDI or DAR to remove the problem beaver. In order to be compensated, trappers will be responsible for providing the CDI or DAR with the number of beaver trapped along with their tails and where they were trapped. It is the trapper's responsibility to contact the DNR for appropriate approval for trapping beavers out-of-season. The Joint County Drainage Authority will annually set the rate of payment for the removal of beaver.

Beaver Dams: After the beaver have been removed, the CDI or Drainage Authority Representative may hire a contractor to remove the beaver dam(s) by mechanical means, if possible. If explosives are to be used by a contractor, it must be approved by the County Sheriff and provide proper permits and insurance.

The Joint Drainage Authority should participate in the State's nuisance control program for beavers if it is available.

7. GRASS BUFFER STRIPS:

Requirements: A permanent grass buffer strip of at least five feet wide from the top edge of the channel, should, wherever possible, be maintained for those systems not required to comply with Minn. Stat. 103E.021, up to the maximums required for Minn. Stat. 103E.021 compliance. For all other systems, Minn. Stat. 103E.021 shall be complied with including a permanent grass buffer strip being maintained on the banks and on a strip of land 16 ½ feet in width or the crown of the leveled spoil bank, whichever is greater, on each side of the channel or ditch. Grass buffer strips may be required on systems when repairs are done that require re-sloping of the ditch banks within the system. All landowners are encouraged to contact the Farm Service Agency concerning the installation of grass buffer strips.

Violations: Landowners will be notified by the Joint County Drainage Authority if a violation of the buffer strip requirement is found. The landowner will be given 60 days to bring the area of non-compliance into compliance. If the area is not brought into compliance during this period, the Joint County Drainage Authority will proceed in a manner described in Minnesota Statute 103E.021 subd. 4 and 5.

Agricultural Practices: Agricultural practices such as plowing, tilling, pasturing livestock or other practices, which are not consistent with the purpose of the grass buffer strip, are not

permitted. The grass buffer strip may be cut from time to time, but the cut hay must be removed. Grasses used to seed slopes and grass buffer strip will need to be resistant to sprays and chemicals used to control brush. Alfalfa seeding will not be allowed on the slopes or grass buffer strips.

8. **APPROACHES AND CROSSINGS:**

Field and Approach Crossings: All replacement of existing crossings must be requested in writing by the landowner and approved by the CDI or Joint County Drainage Authority, combined costs greater than \$20,000 must be approved by Joint Ditch Authority. The CDI will size the culvert needed to replace or repair approaches and crossings needed by the landowner. Private crossings shall be maintained by the landowner. All costs associated with widening of a private crossing will be the responsibility of the landowner. All new crossings must be approved and sized by the CDI or DAR and all costs will be paid by the landowner. The CDI or DAR will set the width, depth and size of the crossing and will inspect the crossing after installation.

Bridges: Bridge expenses will need to be reviewed by the Joint Ditch Authority on a case by case basis.

Irrigation Crossings: Irrigation crossings should be of a bridge type that will not affect the flow of water, be installed in a manner that will not restrict repairs on a system, and be able to be removed easily. All costs associated with the crossings will be the responsibility of the landowner. The CDI or DAR will set the width, depth and size of the crossing and will inspect the crossing after installation.

9. **ADDITIONAL DRAINAGE BY USING DITCHES AND NEW TILE:**

Adding Drainage within the Drainage System: Landowners on the benefited property list may be allowed to drain into the system whether by open ditch or by tile, if it is done in a correct manner. When the work is completed, a GPS map or the GPS coordinates which identifies the location where the tile or open ditch enters the County ditch, should be submitted to the CDI or DAR. The information submitted also shall include the size of the tile and the location of drop pipes used.

Adding Drainage from Outside the Drainage System: Landowners wishing to bring water from property not included in the benefited property list, need to follow MN Statute 103E.401. The Joint County Drainage Authority will determine the fee and prorated assessment base for adding land to the drainage system. This may include outlet fees and assessments for benefits.

Construction Methods: Open ditches must have drop pipes (prefer steel) and enough elevation to drop water away from the slopes of the ditch. Plastic pipe will not be allowed either as exposed or drop inlet pipes. It is not recommended that tile outlets be installed below the normal flow level water height of the ditch.

Municipal Discharge: Municipalities requesting to discharge into a drainage system must follow MN Statute 103E.411, must obtain a permit from the Joint County Drainage Authority

and meet minimum discharge standards at all times. Continuous monitoring equipment should be installed at their expense.

10. DRAINAGE SYSTEM IMPROVEMENTS:

All improvements to a drainage system will follow MN Statute 103E.215 or .221. Signed petitions and bonds will be required. Petitioners or benefited property owners of the improvements will be required to pay the costs of the improvements.

11. REVIEW OF BENEFITS:

Prior to recommending any project herein, the CDI or DAR shall review the benefits for the affected drainage system and determine whether the project is cost effective for the most recent determination of property benefited. If the CDI or DAR determines that the benefits need to be reviewed and subsequently re-determined, he shall include a preliminary recommendation to the Joint County Drainage Authority prior to any work being performed.

12. REMOVAL OF PROPERTY OR ABANDONMENT:

Removal of property or abandonment of any section of ditch or tile will follow MN Statutes 103E.805 or 103E.811.

13. DRAINAGE SYSTEM REPAIR FUNDS:

According to MN Statute, 103E.735, the Joint County Drainage Authority may establish a maintenance repair fund for each of the drainage systems. The repair fund for each of the drainage systems may not exceed 20% of the most recent benefit determination or \$40,000 whichever is greater. Assessments will be prorated according to the determination of benefits. The CDI or DAR may recommend to the Joint County Drainage Authority which systems should have repair funds and how much the yearly assessments should be. If land has drainage system benefits when it is sold and is assessed into the drainage system, the purchaser, even if it is the State or Federal government, should be responsible for paying future assessments.

14. MISCELLANEOUS DRAINAGE SYSTEM ISSUES:

Livestock: Livestock will not be allowed to be in a drainage ditch except to cross at approved locations. If livestock must cross a ditch, the preferred method is to have them cross at an installed crossing to prevent the livestock from entering the water. Livestock may be watered from a ditch but the access to the amount of ditch must be controlled. Livestock will be allowed to graze along the ditch banks for a short period of time. Owners wishing to graze the spoils and slopes must contact the CDI or DAR to work out a rotation for the livestock to be allowed to graze.

Manure: Manure shall be spread a minimum of 100 feet and any stockpiling of manure shall be a minimum of 300 feet from crown of the spoils, unless County regulation require a greater distance.

Feedlot Runoff: Feedlot runoff that is determined to be above state standards for contaminants must be prevented from entering the ditch system either by direct or indirect methods.

Fences: No permanent fence may be installed closer than 16.5 feet from the crown of the spoils. When ditch repair is performed, gates may be installed in the property line fences next to each side of the ditch to allow for the access of equipment used for repairing the ditch.

Erosion-Pollution: If erosion areas are discovered, proper measures shall be taken to correct the problem. If erosion is discovered due to water entering the system over the spoil's bank, then drop inlet pipe structure should be installed to drop the water in the bottom of the ditch. See Section 5 for Drop Inlet Pipe Structures.

No septic system will be allowed to discharge into a drainage system.

Obstructions: Any existing or proposed obstructions in a drainage system must have proper engineering, have a hearing as provided by State Statute and be permitted by the Joint County Drainage Authority.

Deer stands and other facilities used for recreation should not be placed closer than 16.5 feet from the crown of the ditch.

Rock and debris: Rocks or debris will not be allowed to be dumped within the in-slope of a drainage ditch. Landowners should be encouraged to stockpile rock when removing from fields for later use as riprap.

Wetlands: Wetland areas that are part of a drainage system should be used for temporary storage for large rain events. These areas should be allowed to drain out naturally so storage is available for future storm events.

Landowner Rights: None of these policies are intended to allow for additional access to landowners property which is not already allowed by law. Contractor, or CDI or DAR personnel should contact landowners before entering property if possible.

* * * * *

Bayerl/Wright motion carried unanimously to approve adding Wright County to the Policy and Guidelines for Repairs of Joint County Drainage Systems in Meeker, McLeod, Renville and Sibley Counties.

- **Amendment No. 1 to Loan Agreement No. SRF0196**

Mr. Berggren requested approval of Amendment No. 1 to Loan Agreement No. SRF0196 that transfers state septic loan money in the amount of \$50,000 that Renville County has given back to the Minnesota Pollution Control Agency (MPCA) to McLeod County to be used to upgrade failing septic systems in the Crow River Watershed. This money is part of the MPCA Minnesota Clean Water Partnership through the Crow River Organization of Water (CROW) and is available to participating counties.

**RESOLUTION 10-CB-15
AMENDMENT NO. 1 TO LOAN AGREEMENT NO. SRF0196**

BE IT RESOLVED by the McLeod County Board of Commissioners, that it hereby designates McLeod County Environmentalist Roger Berggren as Project Representative for the improving rural water quality in the Crow River Basin Clean Water Partnership Project for McLeod County.

The Project Representative shall have the authority to represent the McLeod County Board of Commissioners in all project matters that do not specifically require action by the McLeod County Board of Commissioners.

BE IT FURTHER RESOLVED by the McLeod County Board of Commissioners that, as Loan Sponsor, the McLeod County Board of Commissioners enters into the attached Amendment to the Minnesota Clean Water Partnership Project Implementation Loan Agreement SRF0196 along with Crow River Organization of Water, as Project Sponsor, and the Minnesota Pollution Control Agency to conduct the implementation of the improving rural water quality in the Crow River Basin Clean Water Partnership Project.

BE IT FURTHER RESOLVED by the McLeod County Board of Commissioners that the County Board Chair, Kermit D. Terlinden be authorized to execute the attached Minnesota Clean Water Partnership Project Implementation Loan Agreement Amendment No. SRF0196 for the above referenced Project on behalf of the Board as Loan Sponsor.

* * * * *

Bayerl/Wangerin motion carried unanimously to adopt Resolution 10-CB-15 Amendment No. 1 to Loan Agreement No. SRF0196.

SHERIFF OFFICE – CHIEF DEPUTY TIM LANGENFELD

- **ARMER Radios Purchase**

Mr. Langenfeld requested the purchase of 19 ARMER radios for the Sheriff's Office. The Public Safety Interoperability Committee (PSIC) grant would cover 80 percent of the cost. There would be a 20 percent match from McLeod County. The purchase of new radios will be required when McLeod County migrates to the ARMER system in 2012. The grant deadline is September 30, 2010, but the Regional Advisory Committee has set an earlier deadline of June 1, 2010. There is a national promotion from Motorola of \$300 off of each portable radio that expires March 26, 2010.

Wright/Nies motion carried unanimously to approve paying \$8,865.38 from the Capital Equipment Notes Fund, which is 20 percent of the total cost of \$44,326.88 including tax for 19 ARMER radios from Motorola of Schaumburg, IL. The Public Safety Interoperability Committee (PSIC) grant will cover the remaining 80 percent.

ADMINISTRATION – County Administrator Patrick Melvin

The Commissioners Calendar was reviewed. Commissioners reported on committee meetings attended since March 2, 2010.

- **Staffing Request Committee**

- A. Environmental Services and Planning and Zoning staff reviewed the current sharing of a Secretary II position. Mr. Melvin expressed his appreciation that Environmental Services and Planning and Zoning have been willing to share one secretary position.
- B. The Highway Department requested Summer Help and a contract with Pellinen Land Surveying to assist with some parcel mapping. The surveying is in the Geographic Information System (GIS) budget. The Committee recommended hiring five Summer Workers: one for GIS, two for Engineering and two for maintenance, for the Highway Department up to 14 weeks, 40 hours per week and to work with Central Minnesota Jobs and Training to find a temporary maintenance worker at no cost to the County. The Committee also recommended entering a contract between McLeod County and Pellinen Land Surveying of Hutchinson, MN to assist with parcel mapping for up to \$10,000 from funds available in the GIS Professional Services budget.
- C. Solid Waste Management discussed the need for interim staff during the recruitment of the Secretary II position and for training of the new Secretary II. The Committee recommended increasing the training hours for the previous Secretary II position incumbent from 20 to 40 hours. If the Department needs more time, they will come back to the Board.
- D. Court Services requested temporary clerical help due to a medical/vacation leave. The Committee recommended hiring a retired staff member to assist up to 40 hours during this period and to work with Central Minnesota Jobs and Training to find a temporary clerical worker at no cost to the County.
- E. Building Services requested an increase of one on-call temporary worker to reduce overtime costs. The Committee recommended increasing the temporary help from two to three people.

Nies/Wangerin motion carried unanimously to approve staffing recommendations.

- **NACo Prescription Discount Card Program**

Mr. Melvin introduced a new National Association of Counties NACo Prescription Discount Card Program in the absence of Project Manager, Ashley Raitz. This Program will be available County-wide April 1, 2010. The Program allows residents of McLeod County to obtain cards and purchase prescription drugs that are not covered by insurance at a discount rate through participating pharmacies including CVS/Pharmacy, Rite Aid, Walgreens and Wal-Mart. This may apply to uninsured individuals and individuals with insurance coverage that excludes certain prescription. Discount cards will be available at various locations throughout McLeod County,

including city halls and libraries. This program is at no cost to the County and the average savings for prescriptions drugs is 22 percent of retail.

- **Revision to Board Meeting Schedule**

It was pointed out that the June 22 Board meeting that was previously scheduled to occur in the township would pose a conflict since Commissioners would have to be in Glencoe for the Social Services meeting that afternoon. With that in mind it was proposed that the June 1, 2010 meeting be rescheduled to occur at 7:00 p.m. at a County township. The Board agreed with the Board meeting schedule revision.

- **Change to Board February 16, 2010 Meeting Minutes**

Mr. Melvin requested a change to the February 16, 2010, Board Meeting Minutes because a portion of the minutes including several motions were not included.

Wangerin/Bayerl motion carried unanimously to approve changes to the February 16, 2010 minutes:

... Nies/Wright motion carried unanimously to approve costs not to exceed \$20,000 for Miles Seppelt to assist the County in attracting and arranging financing for a business to locate in McLeod County.

- **Brownton Garage Door Replacement**

At a previous meeting John Brunkhorst requested authorization to purchase two garage door openers. The rationale for not ordering three, being the County owns three garages in Brownton, was because the City leases the third garage. Commissioner Nies has been in discussion with a city official who agreed that the City will contribute one half the money towards the purchase of a garage door opener.

Nies/Terlinden motion carried unanimously to approve purchasing a third garage door opener for the Brownton Shop not to exceed \$500 and receipt of one-half of the payment from the City of Brownton.

- **Demolition Expenses**

Commissioner Nies shared with the Board that the cost for demolition of the farmhouse located to the east of the Solid Waste Facility came in higher than expected and that the previous Board motion fails to cover all the costs. He is asking that the Board approve costs not to exceed \$1,000 for demolition.

Nies/Wangerin motion carried unanimously to approve costs not to exceed \$1,000 for demolition of property east of Solid Waste.

- **Proposed Health Insurance Change**

Human Resources Director Mary Jo Wieseler proposed to the Board that they adopt a policy for married couples both working for the County to be eligible to receive family health insurance instead of two single policies. This would deviate from the previous requirement that all employees must carry an individual health insurance plan through the County. This arrangement would result in monthly savings to the employees and the County because of the cost difference between two single plans being more than the full cost of the family plan. There was some concern that the number participating would decrease and how would employees be treated following a divorce, etc.

The Board directed Mary Jo to bring this issue up to the Health Insurance Committee for further discussion .

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- **Commissioners' Lap Top Computers**

Mr. Melvin informed the Board that their laptops are ready to go and he was hoping to go with electronic packets at board meetings beginning April 6, 2010. He asked the Commissioners to stop by Information Systems to obtain their lap top computer and participate in some brief training. Administration will continue to provide Commissioners with a hard copy of the agenda, and some Commissioners will receive both a hard copy and electronic packet. The packet will also be made available to the newspaper through the internet starting April 6, 2010.

- **Extension of Hiring Freeze**

The Staffing Request Review Committee informed the Board that they have received some requests for new positions and inquired as to whether or not the County was planning to continue the freeze on hiring of new positions. There was some discussion about the proposed State's funding cuts.

Bayerl/Terlinden motion carried unanimously to continue the hiring freeze of McLeod County employees until further notice.

RECESS

Bayerl/Wangerin motion carried unanimously to recess at 1:17 p.m. until the evening meeting at 7:00 p.m. March 30, 2010, at the Acoma Town Hall, 23486 230th Street, Hutchinson, MN.

ATTEST:

Patrick T. Melvin, County Administrator

Kermit D. Terlinden, Board Chair