

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 4, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Gray & Moorhead; Sheriff Ely; Chief Deputy Sheriff Yeiter; Engineer Pogodzinski; Finance Director Bradley; Jail Administrator Schiltz; John Pristash; Court Administrator Larson; County Attorney Hammell; Ted Hanson; IS Director Milde; Jill Hahn; Josh Wolf; female representative for Houston County News; HR Director Arrick-Kruger

Presiding: Auditor Meiners, Chairperson pro tem

Call to order.

Auditor Meiners requested nominations for Chairperson for the year 2011. Commissioner Zmyewski nominated Commissioner Miller. The nomination was seconded by Commissioner Walter and carried unanimously.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to cease nominations and to cast a unanimous ballot for Commissioner Miller.

Chairperson Miller requested nominations for Vice-Chairperson for the year 2011. Commissioner Walter nominated Commissioner Bjerke. The nomination was seconded by Commissioner Zmyewski and carried unanimously.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the December 28, 2010 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$86,069.61
Road & Bridge Fund	38,361.06

Total	\$124,430.67
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

John Pristash, of Knutson Construction, reported that the roof is no longer causing delay to progress. He stated that slab pours will be completed in approximately a week. Once the slabs have been completed, the steel cells which will arrive fully finished will be set on the slab. The second floor is being framed up and they will begin to hang sheetrock soon. The project is approximately a week behind. They are optimistic that the time will be gained back in the later stages of construction. Mr. Pristash commented that contractors are working well together.

Jail Administrator Schiltz reported that he has been busy working on policy, procedure and signage plans for the new building.

File No. 3 -- Finance Director Bradley presented a new credit card listing for approval. He stated that the listing has been updated to remove cards and names of those no longer employed by Houston County and to include new hires. It is an authorization for all county issued credit cards, both existing and new. Commissioner Bjerke questioned who is responsible for reviewing credit card statements. Finance Director Bradley provided information on the process by which credit card statements are approved and reviewed. Each statement is approved by the appropriate department head, Finance Director Bradley himself reviews the statements and all statements are presented to the finance committee for approval. He stated that there are no annual fees or rewards programs with the County issued credit cards, and they do not allow cash advances. Chairperson Miller questioned whether there have been any issues. Finance Director Bradley reported that there have been no issues. The credit card policy requires that original receipts are required. If no receipt is submitted, the individual who made the purchase is personally responsible for the charge. Finance Director Bradley commented that the card provider the County currently uses has better reporting than the previous provider. Commissioner Zmyewski questioned how credit limits were determined. Finance Director Bradley reported that discussion was held with departments to determine adequate credit limits. Credit cards are used for some purchases, but mostly for travel. Commissioner Walter questioned whether Finance Director Bradley preferred employees pay expenses and submit those for reimbursement or use a credit card. He responded that it is best, if it is a county expense, that the county issued credit card be used. If employees use personal funds to cover County expenses it may take approximately a month for the employee to be reimbursed. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve the credit card listing as presented.

IS Director Milde provided Commissioners Zmyewski and Walter with information on county e-mail and accessing that e-mail.

File No. 4 -- Auditor Meiners provided information on a resolution which is adopted during the first meeting of each year authorizing membership and meeting attendance. Chairperson Miller questioned whether travel and meeting attendance could be rescinded if budgetary concerns warranted. Auditor Meiners stated that this would be at the discretion of the Board. Commissioner Bjerke suggested that travel be discussed during department head meetings, and suggested that concerns regarding travel be discussed during the department head meeting scheduled for January 25th. Engineer Pogodzinski reported that the highway department has a significant amount of trainings and certifications scheduled already. The Board requested that a listing be submitted for their review so that they are aware of travel expenses. The Board wants the ability to review travel and meeting attendance so that they may request additional information if desired. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution with meeting attendance/travel expenses subject to pre-approval, effective January 26, 2011:

RESOLUTION NO. 11-1

RESOLVED, That under the provisions of Chapter 714, Laws of 1961, duly designated representatives of Houston County shall be authorized to participate in the meetings and activities of their respective State Association by membership therein and attendance at meetings thereof, as contemplated by Statute, and by the provisions of Chapter 529, Laws of 1963; and

RESOLVED FURTHER, That money be appropriated from the County Revenue Fund to defray expenses of such officials in connection therewith, said expenses to be paid upon presentation and allowance of properly itemized claims in an amount not to exceed statute limitations.

File No. 5 -- Engineer Pogodzinski requested adoption of a resolution that will allow his department to advertise via the State and County website, which are at no charge, instead of advertising in the newspaper and other printed publications which have fees associated with them. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-2

To Use Alternative Method To Disseminate Bids And Requests

WHEREAS, Minn. Statute § 311A.03 Subd. 3(b), allows a county to use its web-site or recognized industry trade journals as an alternative to disseminate solicitations of bids, requests for information and requests for proposals;

NOW THEREFORE, the Houston County Board of Commissioners hereby resolves:

BE IT RESOLVED, that the County of Houston will continue to use the Houston County website, www.houstoncounty.govoffice2.com , as an alternative means to disseminate solicitations of bids, requests for information, and requests for proposals for transportation related construction and maintenance projects.

BE IT FURTHER RESOLVED, that any dissemination by alternative means must be in substantially the same format and for the same period of time as a publication would otherwise be required under Minn. Statute § 331A.03 Subd. 3.

File No. 6 -- Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve an abatement for Terry L. Padrnos on parcels #23.0039.000 and 23.0040.000, being a reduction of \$156.00 due to incorrect classification.

File No. 7 -- Auditor Meiners provided information regarding the request of Senator Miller for the County to loan him something to display in his office containing information about Houston County. EDA Coordinator Wilms has been made aware of Senator Miller's request and is willing to assist with this. It was agreed that EDA Coordinator Wilms should prepare something and present it to the Board for approval prior to loaning it to Senator Miller. Commissioner Walter suggested that information about the townships be included if space allows.

HR Director Arrick-Kruger and Engineer Pogodzinski recommended the hire of Jim Houdek as a Maintenance Specialist at step 1 of the appropriate wage scale, effective January 18, 2011. HR Director Arrick-Kruger reported that Mr. Houdek is a highly experienced driver with six years of snowplow experience with MN DOT, several years of experience with Al's Concrete and also with the City of Caledonia's Fire Department. In addition to his driving experience, he has experience in vehicle maintenance. Engineer Pogodzinski stated that Mr. Houdek will not require training in operating the snowplow. Chairperson Miller expressed budget concerns and the fact that many places are not filling vacancies. HR Director Arrick-Kruger responded that there will be a salary savings due to the new hire being paid at a lower step than that of the incumbent. A study completed within the past year supports that the County will benefit financially from hiring a full time replacement for this position versus paying overtime to complete required work. It is difficult to project a break-even point because it is weather dependent. Engineer Pogodzinski reported that his department utilizes flex and comp time in an effort to reduce the amount of OT paid out. HR Director Arrick-Kruger commented that the Highway Department is very aware of the time necessary to maintain roads during snow events and at what point overtime is required. Routes are defined without overlap. Both HR Director Arrick-Kruger and Engineer Pogodzinski expressed that they believe they are justified in their request. Chairperson Miller questioned whether the county has reviewed the possibility of shared plowing with cities and/or the State. Engineer Pogodzinski stated that there is ongoing discussion

with the State. There has been no discussion with cities. The County does plow for some townships which are billed for the service. Commissioner Zmyewski questioned the need for a full time employee and overtime expenses in the off season. Overtime results during snow events, summer storms when trees are downed, during flooding and other times. HR Director Arrick-Kruger reported that overtime pay will be compounded if this vacancy is not filled. Commissioner Walter expressed that she felt there is definitely a need. Following lengthy discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the hire of Jim Houdek at step 1 of the appropriate wage scale effective January 18, 2011.

Chairperson Miller questioned both HR Director Arrick-Kruger and County Attorney Hammell whether the investigation regarding culpability and the DVD copying has been carried out. Commissioner Bjerke questioned where in the decision maker process the situation is at, and what options are available. County Attorney Hammell indicated that she will look into the matter and report back to the Board.

File No. 7 -- At this time the printing bids for calendar year 2011, filed pursuant to advertisement, were opened and read:

Heather M. Gray, managing editor of the Spring Grove Herald, quoted the following prices:

OFFICIAL NEWSPAPER FOR 2011: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$5.00 per inch.

MISCELLANEOUS NOTICES: Miscellaneous notices not required to be published in the Official Paper at legal or display rate per line. My display rates for legal publications are \$7.00 per column inch and display publications are \$7.00 per column inch.

FIRST PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$5.00 per column inch.

SECOND PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$5.00 per column inch.

PUBLICATION OF 2010 DELINQUENT TAX LIST:

OPTION 3: Houston County provides "raw data" and the successful bidder type sets the data at \$6.50 per column inch.

OPTION 4: Houston County provides the data in a "type set" format at \$5.00 per column inch.

ADDENDUM 1:

Houston County Household Circulation	543 per week
Houston County Counter Sales	193 per week

Ellyn Baumann, publisher/managing editor of the Houston Banner, quoted the following prices:

OFFICIAL NEWSPAPER FOR 2011: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$6.53 per column inch.

MISCELLANEOUS NOTICES: Miscellaneous notices not required to be published in the Official Paper at legal or display rate per line. My display rate for legal publications is \$6.53 per column inch and display publications are \$6.53 per column inch.

FIRST PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.53 per column inch.

SECOND PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.53 per column inch.

PUBLICATION OF 2010 DELINQUENT TAX LIST:

OPTION 3: Houston County provides “raw data” and the successful bidder type sets the data at \$6.53 per column inch.

OPTION 4: Houston County provides the data in a “type set” format at \$6.53 per column inch.

ADDENDUM 1:

Houston County Household Circulation	348
Houston County Counter Sales	89

Jill Hahn, office manager of the Caledonia Argus, quoted the following prices:

OFFICIAL NEWSPAPER FOR 2011: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$6.20 per column inch.

MISCELLANEOUS NOTICES: Miscellaneous notices not required to be published in the Official Paper at legal or display rate per line. My display rate for legal publications is \$6.20 per column inch and display publications are \$7.10 per column inch.

FIRST PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.20 per column inch.

SECOND PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.20 per column inch.

PUBLICATION OF 2010 DELINQUENT TAX LIST:

OPTION 3: Houston County provides “raw data” and the successful bidder type sets the data at \$6.20 per column inch.

Additional information included noted that, the Argus prints 2,750 regular newspapers and 3,758 shoppers.

Chase Rankin, regional advertising director of the Houston County News, quoted the following prices:

OFFICIAL NEWSPAPER FOR 2011: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$6.5067 per column inch.

MISCELLANEOUS NOTICES: Miscellaneous notices not required to be published in the Official Paper at legal or display rate per line. My display rate for legal publications is \$6.5067 per column inch and display publications are \$8.40 per column inch.

FIRST PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.5067 per column inch.

SECOND PRINTING OF 2010 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2010, subsequent publication, (Chapter 158, Laws for 1993) at \$6.5067 per column inch.

PUBLICATION OF 2010 DELINQUENT TAX LIST:

OPTION 3: Houston County provides “raw data” and the successful bidder type sets the data at \$6.5067 per column inch.

OPTION 4: Houston County provides the data in a “type set” format at \$6.5067 per column inch.

ADDENDUM 1:

Houston County Household Circulation	2,046
Houston County Counter Sales	21

Finance Director Bradley recommended tabling any decision to award the printing bid until next week to allow time to apply a formula to determine the cost per person served.

Josh Wolf, representing the Caledonia Argus, stated that, if the bid is awarded to the Caledonia Argus, they will print the first run of all legal notices in their shopper at no additional charge. The Shopper goes out to every household in the county with the exception of La Crescent City households.

There was concern expressed regarding the counter sales number listed on Addendum 1 submitted by the Houston County News. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to consult with County Attorney Hammell regarding the bid documents and to table any decision in this regard.

File No. 8 -- Following lengthy discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the 2011 Committee appointments.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence to payroll regarding status change
of Kelly Petersen

There being no further business and the time being 10:30 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 11, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 11, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Dave Phillips; Heather Gray; Diane Sullivan; Jesie Melde; IS Director Milde; Finance Director Bradley; County Attorney Hammell; Sheriff Ely; Chief Deputy Sheriff Yeiter

Presiding: Tom Bjerke, Vice-Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the January 4, 2011 meeting with the noted corrections.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$42,734.70
Road & Bridge Fund	48,376.79

Total	\$91,111.49
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- County Attorney Hammell reported that she provided written legal information to commissioners, which is available to anyone requesting it. She refrained from making any recommendation. She commented on concern regarding a late bid, and also one with incomplete data. County Attorney Hammell stated that the Board may accept or reject any bids provided it is in the best interest of the County. Case law is very clear in this regard.

Josh Wolfe, Caledonia Argus, stated that there was an error in the bid which he submitted. The error was due to a miscommunication between himself and his office manager, and was, in his opinion, negligible. He reported that he e-mailed Auditor Meiners a correction

following the January 4, 2011 Board meeting. He stated that it is difficult to nail down subscription numbers because they fluctuate monthly. Mr. Wolfe expressed his belief that his offer to print first run legal notices in the Argus Shopper will benefit the residents of Houston County. The Shopper product does not constitute a legal notice. However, publishing the notices in the product will make many more people aware. The legal notice would be published in the general circulation newspaper. Commissioner Zmyewski questioned whether subscribers of the Argus also receive the shopper. Mr. Wolfe responded that regular subscribers do not receive the Shopper, nor do residents of La Crescent City. He stated that the primary base of circulation is Caledonia City and the surrounding area. The shopper has limited content and advertisements. It is mailed to homes.

Dave Phillips and Heather Gray were present to represent the interest of the Spring Grove Herald. Ms. Gray stated that, it appears, both the Houston County News and Argus listed full subscription numbers which include subscriptions sent outside of the county. The circulation numbers provided do not match those which are published on the website for the one entity. In the event that incorrect information was provided on the bid, the bid should be rejected. County Attorney Hammell indicated that she did not have enough data available to her to determine whether The Banner qualifies as a legal newspaper or not. It is possible for a publication to qualify at one time, and fail to meet requirements at another.

Josh Wolfe commented that a large part of county business is in good faith. He admitted that there was an error in his bid, and he provided the appropriate correction. He expressed his belief that the county is trying to be fair in their discussion and decision making.

Charlie Warner clarified that the Argus Shopper goes to everyone with the exception of residents in La Crescent and Caledonia cities. Overall, the Shopper goes out to nearly 5,000 homes.

File No. 4 -- Commissioner Bjerke reported that the county budget is tight. He expressed a desire to provide information at a cost effective rate. There was discussion in sub-committee that the lowest cost is the bid submitted by the Spring Grove Herald. The County did accept the late submission and also the bid which did not include the addendum. Finance Director Bradley stated that the Spring Grove Herald submitted the lowest bid. However, the lowest bid, taking into consideration circulation, is that of the Caledonia Argus. Commissioner Zmyewski questioned if the cost per household served was of greatest concern. Josh Wolfe, of the Caledonia Argus, indicated that they structured their bid with consideration for the number of households they could serve.

Heather Gray commented that the joint bid, which was in effect for 20+ years, was the most cost effective taking into consideration households served.

Josh Wolfe stated that the only difference between past years joint bid and the 2011 Argus bid is La Crescent City coverage.

Commissioner Zmyewski stated that the decision is whether total cost or circulation is more important.

There is no publication that will provide 100% coverage of the county. Depending on the decision, it may be necessary to publish information on the Houston County website so that information is available at no cost to constituents. Commissioner Bjerke expressed concern that costs need to be kept low, and there is a need to ensure information is available to the elderly population. Commissioner Zmyewski questioned if the Board, were to award the bid to one paper, whether the county would publish a notice so that everyone was made aware of the official paper and would know that if they wanted information on the county's business they would need to purchase or subscribe to that publication. It would be at the discretion of the Board if they choose to publish such a notice. Commissioner Walter stated that the Argus would provide good coverage county-wide, and she feels strongly that coverage is most important. Commissioner Zmyewski questioned whether cost projections could be run utilizing last year's data. Commissioner Walter clarified that the decision will be based on cost alone or cost with consideration to the number of households served. Commissioner Zmyewski expressed his opinion that it is about the cost, with the lowest cost coming at the expense of circulation. Finance Director Bradley commented that in 2010, approximately \$52,000.00 was spent on publishing. Josh Wolfe commented that accepting their bid should result in a \$4,000.00 to \$6,000.00 savings to the county over the course of one year. Auditor Meiners reported that a truncated version of the board proceedings are published, however, the full proceedings are available on the county's website. The truncated version is published in the newspapers in an effort to keep costs down. Finance Director Bradley reported that the county will resume printing the financial statement. The county will not meet the publishing deadline. However, it will publish the final report. The county will refrain from printing the preliminary report because any amended report would be required to be published which would result in additional costs. Commissioner Walter made a motion to accept the bid of the Argus which would provide the greatest coverage. The motion failed for lack of a second. Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and carried, with Commissioner Walter voting in the negative, to accept the bid of the Spring Grove Herald for official newspaper, first publication 2010 financial statement, miscellaneous notices and the delinquent tax list. It was agreed to run a notice in all papers to notify the public of the official paper for the year 2011.

Diane Sullivan, WIC Coordinator, met with the Board and requested authorization to enter into a cell phone agreement for six phones to be used by the breastfeeding peer support counselors. Jessie Melde, Health Educator and Breastfeeding Peer Counselor Supervisor, provided information on the Peer Breastfeeding Support Program and the grant which was awarded jointly to Fillmore and Houston County to fund the program. Peer Counselors are available during WIC clinics and via phone to assist individuals. For reasons of confidentiality, cell phones would be beneficial to the program and grant funds are available to cover the expense. They are requesting approval for six phones, three each for Fillmore and Houston counties. IS Director Milde recommended they utilize the government contract which includes unlimited texting and pools

600 minutes per phone at a cost of \$53.00 per month on a month to month basis. Jesie Melde indicated that she will monitor usage and adherence to policy that the phones are used for county work only. Commissioner Bjerke questioned whether the government contract covers insurance on the cell phones if one were to be lost, stolen or damaged. IS Director Milde responded that it does not. The phones will be provided at no charge. In the event that one is lost, stolen or damaged, the county does have a few phones available which could be utilized. IS Director Milde reported that the government contract phones utilize a Verizon network and is a Verizon plan. Also included would be the free Verizon mobile to mobile. In the event the contract is discontinued, the phones will be property of Houston County. Diane Sullivan stated that the grant to cover the Peer Breastfeeding Support Program will be reapplied for in October 2011, that the cost of the phones will be covered by the grant and that no county dollars are necessary. Motion was made Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to authorize entering into an agreement through the government contract for six cell phones to be used by the Peer Breastfeeding Support Program subject to the availability of grant funding.

Commissioner Bjerke inquired how the commissioners received their e-mails and whether there was interest in approving Smartphone per diems for commissioners in this regard. He expressed a desire to get a Smartphone so that he could have his county e-mail directed to it. Commissioner Zmyewski indicated that he has a Smartphone and is already receiving his county e-mail on it. Commissioner Augedahl has no cell phone and no plans to acquire one. Commissioner Walter has a cell phone but currently has no desire to upgrade to a Smartphone. Commissioner Zmyewski stated that a phone per diem would be more cost effective than issuing laptops for commissioner's to receive county e-mail. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve cell phone per diems for the commissioners.

Finance Director Bradley stated that the Board needs to award the second printing of the 2010 financial statement to a second paper. On the recommendation of Finance Director Bradley, motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to award the bid for the second run of the 2010 financial statement to the Caledonia Argus.

County Attorney Hammell requested authorization to enter into a contract with Sandy Privet to complete a file cleaning project. Ms. Privet would be contracted to work a maximum of 50 hours at a rate of \$12.00 per hour with the cost being covered by forfeiture funds. Ms. Privet has completed like projects in the past. Motion was made by Commissioner Augedahl, seconded by Commissioner Walter and unanimously carried to authorize County Attorney Hammell to enter into a contract with Sandy Privet for said project.

At this time, discussion was held regarding elevator concerns. Statute and regulations regarding elevators is changing. The courthouse elevator has been grandfathered in for use, until 2012. Extensive renovation will be required to bring the courthouse elevator into compliance. In

addition, there will be renovations required to the electrical room which services the elevator. HR Director Arrick-Kruger has been preparing the RFP. It is the intention to make the required renovations once the Justice Center has been completed so that accommodations may be made to meet or provide service to the public in that building since it will be handicap accessible. Commissioner Bjerke questioned whether the elevator company awarded the bid for the Justice Center could complete the renovations in the courthouse. Finance Director Bradley explained that the cost of renovations is estimated to be over \$100,000.00 and requires that it be put out on separate bid. He stated that the same elevator could be specified in the bid for the renovations so that the same vendor would be able to service both elevators. The upgrade will increase the space in the elevator to accommodate a stretcher. The current elevator will not accommodate a stretcher. Chief Deputy Sheriff Yeiter indicated that the ability to accommodate emergency services is the driving force behind the new regulations. Because of the extensive renovations, it is estimated that the elevator will be unavailable for use for approximately 4 to 6 months. Commissioner Zmyewski questioned what would happen if the county did not have the funding to upgrade the elevator. Finance Director Bradley responded that the county would be unable to operate the elevator because it would fail to meet licensing requirements. Finance Director Bradley reported that the changes in regulation have been known since 2008. He is hoping that there will be excess funds available from the General Obligation bonds issued recently to help cover the cost of renovations. Commissioner Bjerke expressed a need for planning and preparation. Auditor Meiners expressed her concerns with the license center. Both the camera used for driver licensing and the DNR licensing terminal require that a State technician move them in the event a move is required. They are not items which can be temporarily moved on an as needed basis. The license center is a service to the public and it will not be accessible to the public if it remains in its current location and the elevator is unavailable. County Attorney Hammell stated that a plan needs to be developed, and the sooner the better. Commissioner Bjerke questioned whether the current building committee could work on this issue. Finance Director Bradley stated that the individuals on the building committee will be unaffected by the unavailability of the elevator and the committee to work on this should be comprised of those affected. He also stated that nothing is concrete until a vendor has been chosen. The RFP is the first thing that must be completed before the project can move forward. Once the RFP goes out and a vendor is chosen, much more will be known about the timeline for completion. There are many options to address the concerns which include, but are not limited to utilizing space in the Justice Center or renting space for services etc. It was agreed that to move the project forward there should be a committee. It was agreed that the committee should be comprised of Commissioners Walter and Augedahl, Finance Director Bradley, Auditor Meiners, Recorder Bauer and HS Director Rock.

File No. 4a -- Following discussion, it was agreed that Auditor Meiners would amend the commissioner's business card design to black and white and include county e-mail only. Following proofing, the minimum required order would be placed for each commissioner. Commissioner Zmyewski stated that black and white is simple and the most cost efficient.

File No. 5 -- Auditor Meiners reported that AMC is requesting committee assignment recommendations at the present time. Following discussion it was agreed to recommend the following: Commissioner Zmyewski for the Transportation Committee; Commissioner Augedahl for the Public Safety Committee; and Commissioner Walter for the General Government Committee and to continue Commissioner Bjerke as delegate on the Environmental & Natural Resources Committee and Commissioner Miller as delegate on the Human Services Committee. Ratification will take place at the District meeting.

File No. 6 -- Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the following Appropriations for 2011:

2011 APPROPRIATIONS

SE Minnesota Initiative Fund	2,700.00
SEMAAA	2,000.00
SELCO	123,000.00
Emergency Medical Service	10,000.00
SEMCAC - RSVP Program	1,000.00
SEMCAC - Senior Driving Program	1,000.00
SEMCAC - Senior & Caregiver Advocacy	1,000.00
SEMCAC - Senior Nutrition	1,000.00
Historical Society	31,700.00
Historical Society - Matching Funds	5,000.00 Maximum
Southern MN Tourism//Historic Bluff Country	986.00
Agricultural Society	18,000.00

It was agreed that Auditor Meiners would schedule Department Head reviews for Monday, January 24th beginning at 9:00 a.m. and in increments of ½ hour.

Commissioner Bjerke reported that meetings of both the Regional Radio Board and the advisory committee will be held prior to Radio 101 on February 7th at 12:30 p.m. at the Rochester Public Works Facility. This grouping of meetings is an effort to provide education and bring new commissioners up to speed with the migration to 800 MHz.

Commissioner Zmyewski reported on Southeast MN Water Resources Board meeting which he attended.

Commissioner Bjerke reported on a negotiations meeting he attended with AFSCME representatives.

Commissioner Walter clarified that trainings have been budgeted for within departmental budgets and requesting that Department Heads obtain pre-approval for travel is merely a double check and an effort to be aware of how funds are being spent.

Commissioner Zmyewski expressed concern that there are times when guests in the gallery are disrespectful of individuals conducting business with the Board. There is a lack of professionalism during meetings. It is unprofessional for guests to hold discussion when someone else has the floor. Conversations should be taken out into the hallway. Commissioner Zmyewski has had these concerns voiced to him from members of the public. It was suggested that this be discussed during the next scheduled department head meeting.

Motion was made by Commissioner Augedahl, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- Correspondence to payroll regarding hire of Jim Houdek

File No. 8 -- Correspondence to County Board regarding elevator replacement concerns

File No. 9 -- Correspondence to those appointed to committees and those who have completed terms on committees

File No. 10 -- Information provided to commissioners regarding printing bids

There being no further business and the time being 10:19 a.m., motion was made by Commissioner Augedahl, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 18, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Tom Bjerke, Vice-Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 18, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; Emergency Manager Kuhlers; HR Director Arrick-Kruger; EDA Coordinator Wilms; GIS Coordinator Krzoska; Chief Deputy Sheriff Yeiter; Sheriff Ely; Jim Scanlan

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the January 11, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$140,243.81
Road & Bridge Fund	71,900.82

Total	\$212,144.63
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Emergency Manager Kuhlers reported that he has received the annual Code Red contract renewal. Statute provides for funding of the Code Red system by E911 funds. He stated that the current contract is for 30,000 minutes and costs approximately \$10,000.00 per year. The county has used approximately 10,000 minutes each year. Emergency Manager Kuhlers stated that the county has the option to enter into a one, two or three year agreement. In addition, the county has the option to reduce the number of minutes it contracts for to 25,000. The vendor will not reduce the contracted minutes to anything less than 25,000. Emergency Manager Kuhlers stated that other vendors have entered the market to provide similar services. Two counties have

contracted with this alternate vendor. Emergency Manager Kuhlert expressed hesitance to immediately change vendors. He has spoken with one of the counties utilizing this new vendor, but they have not had much experience with the vendor yet. Commissioner Bjerke questioned whether cities could be included in an effort to reduce the overall cost. Emergency Manager Kuhlert expressed concern regarding overuse. This was a concern of the initial committee who researched this, and at that time, it was determined to use the service for life threatening emergency situations only. The system would not be used for mass notification, regarding something like snow removal. GIS Coordinator Krzoska reported that the funding for this is covered by E911 funds. There is concern that a significant amount of E911 funds will be needed to upgrade systems in the Justice Center. The funding is relatively stable. However, it is not known how much funding will be required for use by the Justice Center. Emergency Manager Kuhlert reported that, if the county was not renewing the contract with Code RED, a thirty day notice is required which was not completed. Commissioner Zmyewski questioned what happens in the event the county uses in excess of the minutes allowed. Emergency Manager Kuhlert responded that blocks of 3,000 minutes would be purchased at a rate of \$1,000.00 each. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and carried unanimously to approve renewing for 30,000 minutes, for one year.

At this time, Jim Scanlan questioned the Board's position with regard to the suit filed by the Concerned Landowners. Commissioner Bjerke responded that currently the courts are waiting to see whether the group submits the specific name/names of petitioners. This is due by Monday, January 24, 2011. The County Board will review the situation following any court action following Monday's deadline. He stated that the county will not be adopting the proposed resolution presented by Attorney Budd-Falen. The resolution is too broad. Mr. Scanlan inquired whether the Board was willing to meet with a small group. The Board agreed that they would be willing to meet with a small group provided there were no pre-conditions and provided the group is going to meet regarding a specific portion of the Zoning Ordinance. To date, the group has declined to meet under the terms the Commissioners have outlined being, no pre-conditions and confined to one or two zoning issues. Mr. Scanlan expressed his belief that the group does not want the entire zoning ordinance thrown out, but they do find portions of the ordinance too restrictive. Commissioner Bjerke indicated that there are too many individuals with too many strong feelings, and for discussion to be productive it would need to be kept to one or two specific items. Commissioner Miller stated that zoning is not cookie cutter, and each situation is unique.

PHN/HS Director Rock requested approval on an agreement providing for \$5,000.00 to continue work on the MRC (Medical Reserve Corp). Health Educator Jessie Melde works with the MRC. PHN/HS Director Rock reported that Health Educator Melde plans to solicit the support of local organizations, and to prepare a volunteer sheet outlining the needs of the program and encouraging registration with the MRC. Her goal is to educate people. Approval of the agreement is required in order to receive the funding. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the MRC contract and authorize PHN Director Rock to sign the same.

On behalf of the Economic Development Authority Board, (EDA board), EDA Coordinator Wilms recommended the following individuals be appointed to fill vacancies on the EDA Board; Christian Myrah, Kelly Meyer and Julia Crawford. Mr. Myrah has an organic farming background, and interest in promoting market to table initiatives. He would be a good addition to the ag sub-committee on this Board. Ms. Meyer is a realtor with Edina Realty. Currently, there are no members on this Board with a real estate background. Ms. Crawford is a member of the Caledonia Chamber, and small business (pet store) owner. These appointments will maintain district representation balance and expertise in varied areas. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to appoint Christian Myrah, Kelly Meyer and Julia Crawford to the EDA Board.

EDA Coordinator Wilms reported that he is working on the collage for Senator Miller. He expects to bring something in next week. The collage will be 3 feet by 3 feet, with 9 sections, 1 for each community, 1 for townships, and 1 for the county.

Chairperson Miller stated that HR Director Arrick-Kruger is out of the office. She was scheduled to bring in the AFSCME contract for approval. Her appointment will be rescheduled for next week.

Chairperson Miller indicated that he is pleased with the response following discussion regarding travel pre-approval. Employees are aware of expenses and seem to be seriously considering need. Departmental budgets for travel have been carefully scrutinized. Commissioner Bjerke expressed concern that budgets have been approved, travel needs were assessed prior to department heads budget requests, and it is inefficient to require pre-approval for travel following the individual budget approvals. Chairperson Miller stated that HR Director Arrick-Kruger has requested approval to attend a PELRA meeting. It was the consensus of the Board to approve HR Director Arrick-Kruger's request.

File No. 4 -- Chief Deputy Sheriff Yeiter requested approval of a 3 way agreement between Houston County, the SE MN Regional Radio Board and MN DOT for the 800 MHz radio system. This is the next step in the progression to migrate to 800 MHz. The agreement has been reviewed by the County Attorney. When asked about funding, Chief Deputy Sheriff Yeiter responded that the legislature has designated funding through E911 and also bonding for the project. The E911 funds are stable. Bonding for the project has been let. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the agreement and adopt the following resolution:

RESOLUTION NO. 11-3

BE IT RESOLVED that the Houston County Board of Commissioners do hereby approve Minnesota Department of Transportation Contract No. 98005, being a contract between Houston County and the South East Minnesota Regional Radio Board and the State of MN through its

Commissioner of Transportation for the design, procurement, construction and operation of an 800 MHz County/Regional Integrated Public Safety Radio Communication Subsystem.

Chief Deputy Sheriff Yeiter is hopeful that the AFG grant, in the amount of \$640,000.00, will be awarded to the county. He has not been notified officially of any grant award. However, bank information has been requested and that often happens when a grant is awarded. This is the grant for which \$1,500.00 was approved for the hire of a grant writer. It will cover radios for all county fire departments. The City of Caledonia and its fire department sponsored the grant and will be responsible for administering any resulting funding.

Commissioner Bjerke reported that the venue for the SE MN Regional Radio Board meeting scheduled for February 7th has been changed to the Rochester Event Center which is near the airport.

Commissioner Bjerke reported that annually there have been funding requests to continue the SE MN Regional Radio Board. These requests, or membership fees, cover administrative expenses to perform the mandated audit. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the 2011 membership fee in the amount of \$1,000.00, and to pay the fee from the same fund as it was paid from in 2010.

At this time discussion was held regarding elevator renovations. Chairperson Miller questioned why the renovations are needed, what has prompted concern regarding renovations, where the \$100,000.00 renovation cost estimate was derived from and whether planning and preparation has been in the works or why planning had not started prior to this time. Commissioner Bjerke responded that concerns regarding the renovations have come about because it is estimated that the elevator will be out of service for as long as six months during renovations. There will be renovations to the elevator shaft, the elevator itself and also to the mechanical room providing service to the elevator operation. These are changes which have been mandated by the State without accompanying funding. Commissioner Bjerke indicated that this is the type of project where it would be beneficial to have a facilities department head. Currently, HR Director Arrick-Kruger is in charge of facilities. She has been busy with union employee contract negotiations, is a member of multiple committees, has been assisting with the Human Services transition of directors and may be spread thin. Commissioner Bjerke expects a project of this scope will only spread HR Director Arrick-Kruger thinner. In addition, a facilities department head would be required to have greater expertise in the facilities area. Chairperson Miller expressed concern that facility needs should be prioritized and planned for. Commissioner Zmyewski clarified that there is no facilities only department head, and that facilities needs are addressed by HR Director Arrick-Kruger. He questioned where funding for an additional hire would come from. Commissioner Bjerke stated that, included in the budget is funding for an additional maintenance hire. Commissioner Bjerke indicated that, in his opinion, this new hire should have HVAC and/or a boilers license. He encouraged consideration that this hire be a department head in charge of facilities.

Chairperson Miller indicated that the elevator renovations need to be a priority and planning for it needs to begin immediately. The Elevator Renovations Committee is expected to meet this week.

File No. 5 -- HR Director Arrick-Kruger submitted a request that both she and Public Health Accountant Lillegraven be appointed to the finance committee. Commissioner Augedahl expressed concern that HR Director Arrick-Kruger is on several committees, and questioned how she is able to get anything done. Commissioner Bjerke expressed concern that committees lose their effectiveness once they've grown too large. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to appoint Loretta Lillegraven to the finance committee. It was agreed that HR Director Arrick-Kruger would not be appointed to the committee but should be invited to attend meetings where discussion may affect her department.

Commissioner Bjerke expressed a desire to appoint Finance Director Bradley to the personnel committee to assist with the financial aspects of adding staff, especially in light of consideration regarding a facilities department head. It was agreed that the personnel committee would hold discussion regarding facilities needs.

Auditor Meiners reported that most department head reviews had been scheduled. One department head has requested that their review be scheduled on a different day as they will be out of the office on Monday, January 24th. It was agreed that reviews still requiring scheduling would be scheduled on a Tuesday following the regular board meeting.

Chief Deputy Sheriff Yeiter requested a performance review by the Board. He stated that his position is unique in that he reports directly to the sheriff, however, the Board establishes his salary. It was agreed that the Board would grant said request.

Commissioner Augedahl reported on an ABLE, Inc. meeting which he attended.

Commissioner Bjerke provided information on a scheduled meeting with the ABC Board. He provided information regarding the Woodland program and ABC's plans and needs for the benefit of new commissioners.

Chairperson Miller stated that Tom Murphy and Helen Olson attended the HS sub-committee meeting held earlier today.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 6 -- Correspondence to payroll regarding contract with
Sandy Privet

File No. 7 -- Public Notice of special meeting on Monday,
January 24, 2011

File No. 8 -- Correspondence to individuals appointed to the
Elevator Replacement Committee

File No. 9 -- Correspondence to successful and unsuccessful
bidders for printing

File No. 10 -- Public Notice that the official newspaper for
2011 is the Spring Grove Herald

There being no further business and the time being 10:08 a.m., motion was made by
Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to
adjourn the meeting, the next advertised meeting being Tuesday, January 25, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 25, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Engineer Pogodzinski; Environmental Services Director Frank; Zoning Administrator Scanlan; IS Director Milde; PHN/HS Director Rock; HR Director Arrick-Kruger; Andrew Melde; Nichole Klug; Kayla Schwartzhoff; Bethany Zellmer; Karen Kohlmeyer; Kelly Smith; Suzanne Bublitz; Social Services Supervisor Poepping

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve the minutes of the January 18, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$250,269.17
Road & Bridge Fund	203,287.26

Total	\$453,556.43
	=====

File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

Engineer Pogodzinski stated that his department was notified a couple of years ago that the Eagle Point software, which was used in conjunction with Auto CAD, would no longer have software support. At that time, it was decided to purchase Civil 3D software. The new software meets the needs of the county. The Highway Department had budgeted for training on the new software. However, it failed to schedule the training and the budgeted funds were put into county fund balance when the budget year closed instead of being carried forward. Staff has found it

increasingly difficult to work efficiently in the new software and have requested formal training. Even though the software is designed to do the same things as the old software, it does them in a different way. Engineer Pogodzinski stated that he is considering in-house training that could be customized for the needs of the department instead of having staff attend a general training off site. Since the training would be for up to 8 individuals, and Houston County has 5 technicians needing the training, and it is possible that staff from the Surveyor's department would benefit from a portion of the training. He is also considering inviting neighboring counties to send participants to fill the remaining slots. Participation by staff from neighboring counties could reduce Houston County's expense by approximately \$1,500.00 to \$2,000.00. Engineer Pogodzinski has obtained quotes from 3 vendors for training. The quotes range in price from \$5,400.00 to \$6,900.00 for four days of on-site training. Engineer Pogodzinski stated that the high quote includes a subscription module which would otherwise have to be purchased separately. Taking the subscription module cost into consideration may make the high quote the most cost effective overall. This training was not budgeted for in the current year. Engineer Pogodzinski would like to utilize overages in the survey equipment replacement fund, in the amount of \$5,000.00, from last budget cycle along with monies budgeted to the same line item for the current budget cycle to cover the cost of the training. Engineer Pogodzinski requested authorization to accept a quote for the training. Chairperson Miller inquired whether the Highway Department and the Surveyor's Department share equipment. Engineer Pogodzinski responded that they do occasionally share equipment. Usually, this is done on a short term basis only as they both need and use equipment on nearly a daily basis. Chairperson Miller questioned if the new software was too specialized to prevent training by Houston County IS staff. Engineer Pogodzinski stated that the software is very specialized. IS Director Milde will assist by setting up terminals for use during the training. The county only has 3 licenses for the Civil 3D software, therefore, IS director Milde will install trial versions for use on the additional terminals and then remove that trial software from computer hardware upon completion. Commissioner Bjerke indicated that discussion was held during committee, and he expressed his opinion that there is definitely a need for the training. The Highway Department anticipates utilizing the Civil 3D software for a long time. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to authorize Engineer Pogodzinski to accept a quote and move forward with scheduling the necessary training. Commissioner Zmyewski questioned how expenses for any necessary survey equipment repair and/or replacement will be covered if the fund were depleted to cover the cost of training. Engineer Pogodzinski responded that he would be required to reduce a different line item.

File No. 3 -- Environmental Services Director Frank stated that in December 2010, Houston County adopted a new solid waste ordinance. The ordinance triggered a revision of agreements, contracts and licenses. In addition, the county is working with cities so that municipal agreements mirror that of the county. Houston County has been involved in an agreement with La Crosse Solid Waste, which will expire in 2023, and details contractual obligations. The new ordinance will ensure that all solid waste generated within Houston County is delivered to La Crosse Solid Waste allowing Houston County to meet its obligations. New contracts were drafted as part of the new solid waste ordinance. The contracts were sent out to

haulers who currently operate in the county. Four of five haulers have signed and returned their contracts to the county. Signed contracts are required to be on file with the county to make a hauler eligible to submit bids to the county. Licenses will also be required of anyone operating within the county. The licenses will have reporting requirements associated with them. Discussion was held regarding township obligations in regard to the solid waste ordinance, the difference between demo and refuse, and options for solid waste disposal available to residents living outside of city limits and within the county. Environmental Services Director Frank reported that the one hauler who did not return their contract has recently entered into an agreement with La Crosse County Solid Waste to qualify for a rebate when utilizing La Crosse County Solid Waste services. Mr. Frank commented that haulers could sign the agreement required by Houston County at any time and become eligible to submit bids. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve solid waste delivery agreements, to expire in 2023, with the following haulers:

Richards Sanitation, Caledonia, MN
Hilltopper's Refuse and Recycling, Onalaska, WI
Waste Management of La Crosse, La Crosse, WI
Midwest Roll-off Inc., La Crescent, MN

File No. 4 -- Environmental Services Director Frank recommended the approval of the Ag Best Management Practices (BMP) annual report and application for new funding in 2011. He stated that he is requesting \$250,000.00 for feedlots and \$60,000.00 for septic systems. He reported that the funds are used to provide low interest loans for feedlot and septic system projects. Environmental Services Director reported on the history and administration of the program. Commissioner Bjerke questioned whether all landowners requesting assistance would be granted the low interest loans. Environmental Services Director Frank responded that all county residents qualify to apply for funding. However, funding is limited. In 2010, Environmental Services Director Frank applied for additional funding so that two additional projects could receive funding. There was funding available from the state and the projects were awarded funding. At a different time, this may not be the case. All upgrades are voluntary. Many septic systems have been upgraded when inspections have uncovered deficiencies. Lending institutions require well and septic inspections when properties are sold. On occasion, a filed complaint has resulted in an upgraded system. Zoning Administrator Scanlan reported that if a feedlot is found to be non-compliant, there is a time-frame of approximately 2 years in which they must bring the lot into compliance. Chairperson Miller inquired regarding procedure in the event a landowner fails to bring a lot into compliance. Zoning Administrator Scanlan stated that he works with the landowner to the best of their ability. The county's ordinance does allow for sanctions. Fortunately, the county has not had to resort to enforcing sanctions. Generally speaking, farmers realize that manure is a fertilizer and desire to use it to the greatest benefit. Motion was made by Commissioner Walter and seconded by Commissioner Bjerke and unanimously carried to approve the report and submission of said application.

File No. 5 -- Zoning Administrator Scanlan reported that MPCA oversees the feedlot program. MPCA requires annual reporting regarding the past year and also a work plan regarding the intentions for the coming year. This is similar to the Ag BMP program. This involves MPCA and how his office regulates feedlots in Houston County. Zoning Administrator Scanlan provided information on some of the things reported on; included are the number of inspections performed, and computer models ran. The report results reflect the number of performance credits earned, which will result in additional funding being awarded. The performance credit funding will not have a match requirement. Performance credits are awarded when the county meets and exceeds MPCA requirements. The base grant is approximately \$39,000.00. Performance credits should result in an additional \$6,000.00. Grant funding is used to cover the administrative cost the county incurs from running the program. Additional funds may be used for technical assistance, and cost shares with operators for feedlot improvement and compliance. Performance credit funds are awarded two years following the filing of the report. In 2011, performance credit funding will be based on the 2009 report. Funding resulting from this report will be awarded in 2013. Chairperson Miller questioned what air quality exemptions are. Zoning Administrator Scanlan stated that farmers may contact his office with notification of the dates when they will be emptying manure holding basins and receive an air quality exemption. The request for air quality exemptions has been increasing each year. Most of the calls come in the summer and fall. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the report and to authorize the signature of Chairperson Miller on the same.

File No. 6 -- IS Director Milde reported that one of the quotes for hardware purchases that went out in commissioner's contained an error due to the omission of the cost for two laptops which are needed. He distributed a corrected quote. This will result in a slight increase to the overall cost for hardware. IS Director Milde has planned for the replacement of 16 to 19 computers. This equipment has been identified for replacement and appears on the master rotation schedule. IS Director Milde reported that the county has approximately 160 workstations operating at any given time. The purchases will be made off of the state bid. IS Director Milde stated that both the Highway and Human Services Departments cover the cost of their department's hardware purchases. Chairperson Miller questioned whether the replacement rotation schedule could be extended. IS Director Milde responded that he has developed a rotation schedule that will get 4 to 5 years out of each computer. Monitors are not purchased or included in the rotation schedule. They are only replaced when they no longer function. Software upgrades and/or additions do impact the rotation schedule by requiring increased power to operate the programs effectively. Commissioner Bjerke indicated that recently it was decided to have the IS department coordinate computer purchases countywide. Commissioner Bjerke expressed his belief that this is the most efficient. IS Director Milde reported that he is already purchasing hardware which will be utilized in the new Justice Center. This has been discussed with the building committee. The purchases have been budgeted for. Overall, he reduced the IS budget by approximately 10% over last year. Commissioner Zmyewski inquired how the county handles the computers which are rotated out. IS Director Milde stated that they are sold at public auction. However, they are non-functioning and have no hard drive or operating system.

Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the purchase of computers as presented by IS Director Milde.

File No. 7 -- PHN/HS Director Rock stated that there was a Youth in Transition presentation made to the Board recently. Andrew Milde reported that Youth in Transition is a 12 week program funded through private donations. The program is geared towards at risk youth, children aging out of foster care and between the ages of 15 to 21 years of age. There was one 14 year old participant due to space availability. The goal of the program is to provide youth with life skills to make them self sufficient and non-reliant on public aid/assistance. During each session participants used a budget to shop for groceries for use in making/cooking a meal, clean up following the meal, and hosted of a guest speaker. Chairperson Miller stated that a parent spoke during the recent presentation to express her satisfaction with the program. Chairperson Miller expressed his opinion that it was a good effort with good results. Andrew Melde reported that they provided schools with information for parents to enroll children in the program. If permission is granted to continue the program, the coordinators will approach schools differently. They will request that the schools make referrals and the coordinators will follow up with contacting parents/guardians of youth regarding participation. PHN/HS Director Rock reported that a cost to benefit ratio was not reported for the initial program offering. PHN/HS Director Rock recommended approval to continue the non-mandated program for a second session. She stated that they will only offer the program provided there are 10 to 15 participants enrolled for it. Chairperson Miller questioned whether the Youth in Transition coordinators felt confident that they would be able to secure donations to cover the expense. Andrew Melde expressed confidence that they could secure adequate donations. They are planning on doing a presentation for area Lions Clubs in hopes that they will support the program. Assistant County Attorney Bublitz expressed support of the program on behalf of the County Attorney's Office. She stated that this is a positive activity for youth to be involved with. In addition, if they are involved in activities such as this, they are not getting into trouble. PHN/HS Director Rock reported that the program coordinators flexed their time. They monitored their mandated duties and other staff was willing to fill in when necessary. There are similar programs offered. Many are larger by scale and funded through federal grants. PHN/HS Director Rock is pleased with this beneficial and cost effective program. Chairperson Miller expressed his appreciation for the staff's willingness to develop and implement this program. This should result in positive outcomes. Commissioner Walter expressed her opinion that this is a worthwhile program. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the continuance of the program.

At this time, Social Services Supervisor Poepping introduced Viterbo Intern, Bethany Zellmer. Ms. Zellmer is from La Crosse, Wisconsin and is working with the children's mental health division.

File No. 8 -- PHN/HS Director Rock stated that HR Director Arrick-Kruger assisted with contract renewals during her absence. Assistant County Attorney Bublitz has reviewed the

contracts. The supervisory team worked to keep the cost down. HR Director Arrick-Kruger presented a summary sheet with highlights from the contracts which are up for renewal. She indicated that the Board may want to carefully review the contract with ABC, Inc./Woodland Industries. Both Chairperson Miller and Commissioner Bjerke are in agreement and would like to have a written guarantee that services will continue through the end of 2011. Funding was dramatically reduced and the Board wants assurance that services will continue at the same level. Commissioner Bjerke stated that he has recommended that ABC Inc./Woodland Industries meet with the Board in October to request an appropriation for 2012. Discussion was held regarding the termination clause contained in the contract. It was agreed that the 30 day termination clause should be removed. HR Director Arrick-Kruger commented on the extensive listing of companies which Woodland Industries has contracts with. She expressed that, if the county had this information earlier in the budgeting process it could have been beneficial. Commissioners Augedahl and Walter also toured the Woodland Industries site and were impressed with the operation and contract listing.

File No. 9 -- PHN/HS Director Rock reported that Houston County will follow the lead of both Dodge and Fillmore counties and pay loaded miles at the IRS rate and no-load miles at ½ the IRS rate subject to restrictions. HR Director Arrick-Kruger reported that there is no change to services provided or fees charged by Unity House. However, the contract is new. The contract was drafted to cover issues of liability. The same is true of the contract for the Counseling Clinic. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the contracts, as presented:

Unity House for Men
Unity House for Women
Counseling Clinic
Franciscan Skemp Healthcare Behavioral Health Services
Franciscan Skemp Health Chemical Dependency Outpatient
Semcac

On behalf of the labor relations committee, HR Director Arrick-Kruger recommended approval of the tentative agreement with AFSCME Union Local 2166. HR Director Arrick-Kruger provided an overview of the changes and any costs associated with them. Most of the changes are non-substantive. They are being included for clarification of intent, and to bring the AFSCME agreement in line with other labor relations agreements in effect. New language has been included regarding home health aide compensation. This simply defines current practice. Definitions have been expanded to be in line with common family make up. There is no COLA increase, and step increases will be effectuated at the end of the year. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the agreement.

Chairperson Miller requested that the county policy on smoking be reviewed. HR Director Arrick-Kruger reported that she would be reviewing the Health and Safety policy and segregating them in the future.

HR Director Arrick-Kruger recommended approval of an amendment to Article IV of the Personnel Policy to bring compensation rates for meals in line with the recently approved labor agreements. Meal compensation has not been increased anytime during the past 10 years. She recommended that the change be made effective the date of adoption and not retroactive. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the \$1.00 per meal increase.

Reporter Charlie Warner questioned why the county is persistent with its objective to obtain a written guarantee that Woodland services will be continued through the calendar year 2011. He pointed out that there was a letter to this effect included the commissioner packets for this meeting. Commissioner Bjerke stated that there is a letter of intent. However, it is his desire to have a written guarantee. A guarantee in writing is important to the Board even though it may not come to fruition.

File No. 10 -- Following brief discussion, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to authorize the signature of Chairperson Miller on correspondence from the State Auditor regarding services to be provided pursuant to MS 6.48.

File No. 11 -- An addendum to the Master Agreement for Arbitrage Monitoring Services was presented, and signed by Chairperson Miller.

File No. 12 -- Commissioner Zmyewski reported on a sample staff development request form obtained from another county. It was agreed that the form would be provided to HR Director Arrick-Kruger for review.

Commissioner Walter reported on the Law standing committee meeting held earlier today. Concerns regarding courthouse security were discussed.

Commissioner Augedahl reported on an airport meeting which he attended.

Commissioner Zmyewski reported that he also attended the airport meeting along with Commissioner Augedahl.

Commissioner Bjerke reported on a building committee meeting and also department head evaluations which were completed.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 13 -- Correspondence regarding venue change for upcoming combined meeting of the Regional Radio Board

File No. 14 -- Correspondence to L. Lillegraven regarding appointment to the Finance Committee

File No. 15 -- Correspondence to newly appointed EDA Board members

File No. 16 -- Correspondence to commissioners regarding schedule for department head reviews to be held Monday, January 24th

File No. 17 -- Correspondence from ABC regarding 2011 funding to be provided by Houston County

There being no further business and the time being 10:54 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 1, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 1, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; John Pristash; Jail Administrator Schiltz; PHN/HS Director Rock; Engineer Pogodzinski; HR Director Arrick-Kruger; Mark Schneider; Recorder Bauer; Finance Director Bradley; Sheriff Ely; Chief Deputy Sheriff Yeiter

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the January 25, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$153,908.90
Road & Bridge Fund	42,311.21

Total	\$196,220.11
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

John Pristash, of Knutson Construction stated that he believes they are making up some time on the overall schedule with work being completed inside the building. The final two cells are being installed this week which will allow for the final outside panel to be set the following week. The panel had been left off to allow for the cells to be brought into the building. He reported that masonry work will be finished over the next few weeks. Masonry work is dusty and will be a nice portion to have completed. Mr. Pristash commented that you may not realize by looking at the outside of the building how much work is taking place within it. Mark Schneider, of Klein McCarthy, administers contracts, reviews pricing, answers questions and works with the construction manager and owner, and works with the State to ensure everything is meeting code.

File No. 3 -- Engineer Pogodzinski reported that there are FEMA sub-grant agreements in need of approval and signatures. The Board has two options available. It could designate authority to sign the agreements to the county engineer, or the Board could act on each item individually, including invoices related to the grants. Engineer Pogodzinski stated that previously the Board had designated authority for Marcus Evans to sign such agreements. Engineer Pogodzinski reported that FEMA has approved specific projects and dollar amounts for those projects. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to designate authority to sign the grant agreements to Brian Pogodzinski as the County Engineer and to adopt the following resolution:

RESOLUTION NO. 11-4

BE IT RESOLVED, That the jurisdiction of Houston County, has authorized Brian Pogodzinski, Houston County Engineer to sign any and all grants or required documentation from the Division of Homeland Security and Emergency Management at the Department of Safety, executed on behalf of the Houston County Highway Department.

File No. 4 -- Engineer Pogodzinski requested approval to purchase new accounting software and to utilize compliance funds to cover the expense. The Highway Department has been waiting for a new software package to become available that would allow for the Highway accounting to flow into the State required reporting. Currently, the Highway Department is utilizing a DOS based program. Because development has been delayed repeatedly, the Highway Department did not carry forward funding which had been set aside for a software purchase. Recorder Bauer believes this purchase is a qualifying use of compliance funds and adequate funds are available to cover the \$8,500.00 purchase price plus applicable tax. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Software License Agreement with ACS and the use of compliance funds.

Engineer Pogodzinski reported that a software support agreement is advised. There is a fee for the service which has been budgeted for. In the event the agreement was not entered into and a need for support arose, entering into the agreement would be required before any support was provided. Also included are any and all updates to the software which are released. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the software service agreement.

Engineer Pogodzinski recommended approval of a software service agreement for the new software. This no fee agreement provides for set up of the software by the vendor. It also allows for nominal charges if minor changes are required. If we do not have the agreement in place, and complications arise, it would delay and increase reimbursable expenses. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve said agreement.

Engineer Pogodzinski reported that, following a recent speed study of Houston County 29 from the La Crescent City limits to the county line where CSAH 29 turns into Winona County 1, it is recommended that the 55 mph zone be reduced to 50 mph. Engineer Pogodzinski expressed his opinion that this is a good change. There is an end speed zone sign that will be replaced with a 50 mph sign once weather conditions allow.

Engineer Pogodzinski stated that during a recent airport commission meeting lengthy discussion was held regarding designation of an airport manager. Currently, the airport manager is listed differently depending where the information is being gathered from. Some places list Engineer Pogodzinski, while other places list Maintenance Supervisor Molling. Engineer Pogodzinski recommended that the County Engineer be designated as the airport manager. The Engineer oversees the work of the Maintenance Supervisor and can delegate airport related tasks to that individual. Also, by designating the Engineer it eliminates the need for the Maintenance Supervisor to receive requests that will require approval of the Engineer. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to designate the County Engineer as the airport manager.

File No. 5 -- PHN/HS Director Rock stated that she has the ABC/Woodland contract with the noted revisions incorporated. Chairperson Miller stated that recently he and Commissioner Bjerke attended a Board meeting of ABC, Inc. The meeting was very beneficial. He stated that ABC, Inc. and Woodland appear to be very dedicated to their mission, to the residents they serve in Houston County and cognizant of the budgetary concerns of our Board. Commissioner Bjerke expressed agreement with Chairperson Miller's comments. PHN/HS Director Rock reviewed provisions within the contract which were revised. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the contract subject to the signature by ABC, Inc., and pending approval of County Attorney Hammell.

File No. 6 -- HR Director Arrick-Kruger recommended that the banding and salary of Deb Rock be adjusted to D-6-3 with a salary comparable to that of the previous Human Services Director, retroactive to December 11, 2010. Deb Rock was appointed as interim Human Services Director on that date in addition to her duties as PHN Director. Going forward, the position description for the combined PHN/HS Director position will be developed. Due to the job demands, PHN/HS Director Rock will be delegating job responsibilities to staff. Chairperson Miller expressed his appreciation for Ms. Rock's willingness to accept the director position of the combined departments and the challenges it presents. Motion was made by Commissioner Walter to approve the adjusted banding to D-6-3 and salary. Commissioner Zmyewski expressed concern that he is not fully aware of the situation and expressed that he would like to learn more before casting a vote. HR Director Arrick-Kruger expressed her willingness to supply any information that would be beneficial to commissioners in their decision making process. She stated that both departments carry a great amount of responsibility in the areas of oversight in child welfare and vulnerable populations coupled with the budgetary issues being faced. In addition, the public health role faces serious public health issues whether the general public is aware through news reports or not. There is also ongoing preparedness for things such as

pandemics. Chairperson Miller expressed his desire to allow time for Commissioner Zmyewski to learn and obtain the necessary information on which to base his decision. After discussion, Commissioner Walter withdrew her motion.

HR Director Arrick-Kruger reported that the Sheriff's Department has requested that Brooke Privet be hired as a 67 day employee. Ms. Privet was on staff temporarily for a year and her attendance at court proceedings resulting from cases she was involved with was necessary. In addition, the Sheriff's Department currently has two deputies out on leave and Ms. Privet could be utilized to fill shifts that would otherwise require the payment of overtime. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the hire of Brooke Privet as a 67 day employee effective retroactive to January 15, 2011.

Chief Deputy Sheriff Yeiter stated that a 67 day employee may be used to fill a shift at entry level pay with no benefits as opposed to paying overtime to a deputy. He also reported that, during Ms. Privet's temporary employ with the county, he received numerous positive comments regarding her performance.

At this time, HR Director Arrick-Kruger presented the final AFSCME contract, which was approved during the January 25, 2011 meeting, for signature.

HR Director Arrick-Kruger reported that negotiations with the Local 49er's is ongoing. Initial negotiation dates have been scheduled with the LELS union which will need to be rescheduled due to a conflict.

Chairperson Miller stated that he and Commissioner Augedahl are scheduled to attend a redesign meeting in Rochester. He questioned whether another commissioner would be willing to attend in Commissioner Augedahl's absence. It was agreed that Commissioner Walter would attend the redesign meeting in place of Commissioner Augedahl.

HR Director Arrick-Kruger stated that the IT Redesign Taskforce has requested that a representative from Houston County serve on the taskforce. HR Director Arrick-Kruger reported that the taskforce is made up of IT and HS staff, and administrators. When approached, both IS Director Milde and then HS Director Wilms declined to participate. PHN/HS Director Rock has also declined to participate. HR Director Arrick-Kruger is willing to represent the county on this taskforce to identify savings and maximize IT resources.

HR Director Arrick-Kruger encouraged the Board to consider participating in the Covey Leadership Institutes training entitled, Leading at the Speed of Trust. HR Director Arrick-Kruger reported that she is a certified trainer, and the county has a site license to conduct the training which is a two day training. Chairperson Miller expressed his desire to lead by example and participate in this training.

HR Director Arrick-Kruger reported that the elevator renovation committee met. The committee is hoping to attract the interest of three vendors. Currently, two vendors have expressed interest in the project, one of which currently has a contract with the county. One vendor is close to submitting a quote that addresses several concerns. HR Director Arrick-Kruger reported on the following which she hopes will clear up some confusion regarding the elevator renovations. Building Maintenance has been working with Finance to address options for the project. There are two statutes regarding elevator requirements. One statute addresses new construction, the other addresses existing buildings with elevators. The statute addressing existing buildings is the one driving renovations to the courthouse elevator. The renovations do not involve the shaft or the car size. The renovations are mechanical in nature, an example of requirements are an emergency telephone and a firewall for the mechanical room.

File No. 7 -- HR Director Arrick-Kruger presented a draft Safety and Loss Control Program for consideration. This is a workplace accident and injury reduction program. HR Director Arrick-Kruger would like to implement the program soon. She reported that the draft has been reviewed by MCIT, the safety committee and also the department heads. She requested the commissioners review the document and submit any concerns to her. She expressed a desire to close the comment period within a week or two. OSHA suggests that employers have a plan like this in place. In the event a fine is assessed, it may be reduced by 20 to 30% if the business has a safety plan implemented. Commissioner Walter questioned if the policy was new or if there were pieces in place which have been amended. HR Director Arrick-Kruger stated that she worked from policies which were in place, and other counties with like policies. There was considerable language revision. Following the comment period a final draft will be presented for adoption.

File No. 8 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the Monday, January 24, 2011 meeting to review department heads performance.

File No. 9 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve an abatement for EKMR, LLP on parcel #17.0321.000 in the amount of \$342.00 due to overstated acreage.

Commissioner Walter reported that Richard Markos, of the Houston County Township Officers Association, has inquired about possible attendance of their quarterly meetings by a commissioner. He indicated that, at times, discussion during their meetings is in regard to county issues and it would be advantageous to have a representative for the county present. He offered to send an invitation if this type of business is on the agenda for a specific meeting. Commissioner Walter reported that the Association meets quarterly. Commissioner Bjerke expressed interest in developing a rotating schedule so that a commissioner could attend each meeting. Commissioner Zmyewski commented that townships are an important governing body within out county. It was agreed that Commissioner Walter would request a schedule of meetings and a rotating schedule for attendance would be developed.

The time being 10:30 a.m., the Board met with Sheriff Ely for his performance review. Sheriff Ely stated that, when the Board is going to talk about something that affects his department, he should be invited to attend. Sheriff Ely stated that he is the director of this district for the Sheriff's Association for 2011. He reported on proposed changes in permits to purchase and/or carry handguns. Commissioner Bjerke inquired whether there was something the Board should do to improve their working relationship with the Sheriff's Department. He stated that there was some disagreement with who has authority in certain areas. Sheriff Ely responded that the Sheriff is delegated certain responsibilities in the LELS Union contracts. Chairperson Miller suggested that the County Attorney should be involved with this discussion as the county's legal advisor. Discussion was held regarding personnel and moral issues.

The time being 11:00 a.m., the Board met with Chief Deputy Yeiter for his performance review. Mr. Yeiter reported on his duties. He indicated that he works various shifts so that he has contact with all of his employees. He also informed the Board regarding the various policies he has been working on, and the transition to the ARMER system. Discussion was held regarding staffing levels with regard to the new Criminal Justice Center facility. Discussion was held regarding the DVD copying issue. Chairman Miller inquired whether Mr. Yeiter is complying with the smoking policy with regard to the county vehicle he utilizes. Mr. Yeiter stated that he has not. Chairman Miller asked Mr. Yeiter to begin complying immediately. Mr. Yeiter stated that the main reason he wanted to meet with the Board is because the personnel policy indicates that the Chief Deputy is to be paid 20% over his subordinate, being the captain. The Board indicated that they would look into this.

The time being 11:30 a.m., the Board met with County Attorney Hammell for her performance review. Chairman Miller asked County Attorney Hammell to report on the transition in the office. She responded that it has gone smoothly. She enjoys the contract work. She plans to move forward with the diversion program. As far as the workload, the office is very busy. She indicated that the support staff does an excellent job. Chairman Miller inquired whether she has ever considered an intern. County Attorney Hammell indicated that she would be very open to this. Commissioner Bjerke inquired as to the status of the DVD matter. Discussion was held.

The time being 12:00 noon, the Board met with Environmental Services Director Frank for his performance review. Chairperson Miller stated that he worked with Mr. Frank on the ordinance and licensing changes, and he is very pleased with his performance. Discussion was held regarding the drop site services as compared to the services provided in the cities.

Commissioner Walter reported on the department head meeting which she attended. She also attended the new commissioner training.

Commissioner Zmyewski reported on new commissioner training which he attended.

Commissioner Bjerke reported on an ABC meeting which he attended with Chairperson Miller and also the department head meeting.

Chairperson Miller reported on the security meeting which he attended.

Commissioner Bjerke provided a reminder of the upcoming Regional Radio Board meeting and Radio 101.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 10 -- Minnesota Counties Extra newsletter

File No. 11 -- Information regarding upcoming Public Hearing
on Fees

File No. 12 -- Correspondence from Southern Minnesota
Initiative Foundation in appreciation of the appropriation.

File No. 13 -- Certification of Bridge Safety Inspection

There being no further business and the time being 12:30 p.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 8, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 8, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; HR Director Arrick-Kruger; County Attorney Hammell; Zoning Administrator Scanlan; Environmental Services Director Frank; Jail Administrator Schiltz; Sheriff Ely; Chief Deputy Sheriff Yeiter; Veterans Service Director Gross; Kermit McRae

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the February 1, 2011 meeting subject to the noted correction.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$155,730.99
Road & Bridge Fund	31,415.17

Total	\$187,146.16
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Jail Administrator Schiltz reported that Gundersen Lutheran has generously offered to donate several medical equipment items to Houston County for use in the exam room at the Justice Center. He estimates the value of the items to be approximately \$5,000.00 and recommended the Board act to accept the donation. Jail Administrator Schiltz indicated that the items are new or like new. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the donation of medical equipment

by Gundersen Lutheran. Jail Administrator Schiltz stated that he will draft a letter of thanks for the donation.

File No. 4 -- Environmental Services Director Frank reported that two additional haulers have signed the Solid Waste Delivery Agreement with the County. This agreement makes the bids submitted by these haulers eligible for consideration. On the recommendation of Environmental Services Director Frank, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve solid waste delivery agreements, to expire in 2023, with the following haulers:

Harter's Trash and Recycling, LLC, La Crosse, WI
Generation X Construction, LLC, Rushford, MN

Environmental Services Director Frank reported that he is working with the attorney, who assisted with drafting the new solid waste ordinance, to ensure that the hauler licenses that will be issued are in line with the new ordinance. He stated that Score funding is awarded contingent upon licensing and proper reporting.

File No. 5 -- HR Director Arrick-Kruger presented information regarding education and knowledge required of Public Health and Nursing and Human Services Directors, and salary range information for directors of standalone and combined departments. HR Director Arrick-Kruger stated that the Public Health and Human Services Departments are the largest departments within the county having a combined 85 employees. The supervisory and financial oversight role for these departments is substantial. Many Public Health programs, and several in Human Services, are grant funded with stringent reporting and recording requirements. HR Director Arrick-Kruger reported that the individual serving as the joint PHN/HS Director has several years experience in Public health and is the director of the Fillmore and Houston Counties Joint Board of Health. Chairperson Miller inquired whether HR Director Arrick-Kruger has been able to interview any county that has combined PHN and HS departments. HR Director Arrick-Kruger expressed it is her understanding that the combined departments is a temporary situation and that no official decision has been made in regard to it being made permanent. She indicated that there are significant savings in salary and benefits for counties with combined positions. HR Director Arrick-Kruger recommended that Interim PHN/HS Director Rock's banding be changed to D-6-3 and she be paid at the maximum range effective as of the date on which she was appointed to the position. Chairperson Miller expressed concern that this position be carefully assessed. Commissioner Walter stated her belief that the interim period will allow for research to determine the most cost effective organizational structure for Public Health and Human Services. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and carried with Chairperson Miller's support to change Deb Rock to D-6-3, and to increase her salary to the maximum range effective the date she was appointed interim PHN/HS Director. Commissioner Bjerke abstained from the vote.

File No. 6 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first variance is for Scott Johnson and Judy Wandling of Brownsville Township for a variance of 605 feet to meet the required ¼ mile setback for a dwelling from a registered feedlot. The second is for Richard Reinhart of Brownsville Township for a variance of 20 feet to meet the required 100 foot setback from the centerline of County 24 and a variance of 40 feet to meet the required 50 foot setback from the property line to build a shed.

File No. 7 -- Zoning Administrator Scanlan reported that decision regarding a third hearing for Ronald Fadness, Skyline Materials, was tabled. The Board of Adjustment scheduled an on-site meeting for March 10, 2011. Skyline Materials is seeking a variance of 27 feet to meet the required 50 foot setback from a property line for a quarry operation. The Board of Adjustment extended the deadline by which a decision must be made by 60 days to meet statutory requirements. Chairperson Miller clarified the setback requirements and the reasons for them. Zoning Administrator Scanlan indicated that not all property lines are identified by fence lines or survey stakes and the assumed line may be several feet different than the actual line. Setbacks provide a buffer zone to ensure that if one landowner erects a building it is 100% contained on his/her property. Environmental Services Director Frank stated that topography in our region plays a significant role in variances. He also provided historical information regarding zoning and quarry operations. When the original ordinances were adopted, quarries could be registered, which is to say they could be “grandfathered” in. The Skyline Materials quarry has been in existence since 1946, is a limestone quarry, and has a plan in place for refilling and seeding once quarry operations have ceased. Their variance request is a result of changes to zoning which took place in the 1970’s. The operation has removed a significant amount of material increasing the size of the hole. Chairperson Miller questioned where the setback was from. Zoning Administrator Scanlan responded that the setback is from the west property line. Commissioner Bjerke expressed concern that the setbacks could be in place to protect neighboring property in the event the quarry wall were to disintegrate and cause a landside which would result in the “hole” or quarry wall to encroach the property line. Zoning Administrator Scanlan stated that Commissioner Bjerke’s concern will be considered during the on-site meeting. In closing, Zoning Administrator Scanlan commented that the Board of Adjustment is a standalone board. Any appeal resulting from a decision made by the board would go directly to district court.

File No. 8 -- Veterans Service Director Gross reported that Winona and Houston Counties worked together to write a grant. As a result, the counties have been awarded \$20,000.00 to enhance the operations of the County Veterans Service Office. On the recommendation of Veterans Service Director Gross, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the grant contract and to adopt the following resolution:

RESOLUTION NO. 11-5

BE IT RESOLVED by Houston (Winona) County, that the County enter into the attached Grant Contract with the Minnesota Department of Veterans Affairs (MDVA) to conduct the following Program: **County Veterans Service Office Enhancement Grant Program**. This grant must be used to enhance the operations of the County Veterans Service Office under Minn. Stat. §197.608 Subd. 4(a), and should not be used to supplant or replace other funding.

BE IT FURTHER RESOLVED by Houston (Winona) County that Rob Gross (Steve Johnson), the Houston (Winona) County Veterans Service Officer, be authorized to execute the attached Grant Contract for the above-mentioned Program on behalf of the County.

Veteran Services Director Gross reported that the annual spring conference for veteran services officers will take place in St. Paul at the regional office April 19th thru 21st. There is no registration fee for the conference, and attendance is required. The cost will be two nights lodging plus mileage. Veterans Service Director Gross stated that he will book a room using priceline.com and expects the cost to range between \$30.00 and \$40.00 per night.

Veteran Services Director Gross reported that he is the County Veteran Services Officers (CVSO) liaison with the State. Next Tuesday, Mr. Gross will be attending Veterans Day on the Hill. The office will be closed that day because no one will be available at the office. This may cause a minor disruption. He will post a notice and change the voicemail to make clients aware of the office closure.

At this time, Kermit McRae provided information on the Green Acres bill which is a topic for discussion in the Minnesota House of Representatives. He stated that Assessor Dybing has been testifying with regard to this bill. Senator Miller is reported to be working on a companion bill for the Minnesota Senate.

Chairperson Miller provided information on a meeting to be held in La Crescent to discuss potential spring flooding issues. It was agreed that meeting details should be passed along to Emergency Manager Kuhlert. Commissioner Zmyewski expressed a desire to attend said meeting.

The time being 10:03 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to go into closed session. County Attorney Hammell stated that the reason for the closed session is to discuss an ongoing personnel investigation.

The time being 11:11 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to return to open session.

Commissioner Walter reported on the law committee and Regional Radio Board meetings which she recently attended.

Commissioner Zmyewski reported on a Water Planning, Extension and Building Committee meetings which he attended. Commissioner Zmyewski reported that the Extension Committee has requested that two commissioners be in attendance at their meetings. It was agreed that Commissioner Walter's committee status would be changed from alternate to regular member and she would begin attending meetings along with Commissioner Zmyewski.

Commissioner Bjerke reported on a Building Committee, Regional Radio Board and EDA meetings which he attended.

Commissioner Bjerke reported that he and Commissioner Ward, of Winona County had recently had conversation regarding Winona County embracing lean management ideas. Commissioner Ward indicated that they may be hosting some training in this regard. Commissioner Bjerke encouraged members of the board to consider attending. Discussion was held regarding lean management, and just in time inventory. Commissioners shared experiences they had with these management ideas.

Chairperson Miller reported on a PSAP and HVMHC meetings which he attended.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence to payroll regarding hire of
Brooke Privet as a 67 day employee

There being no further business and the time being 11:12 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 15, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 15, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Dave Prachar; EDA Coordinator Wilms; Jail Administrator Schiltz; Finance Director Bradley; Tom Murphy; HR Director Arrick-Kruger; Engineer Pogodzinski; Rory Lenton; IS Director Milde; Recorder Bauer; GIS Coordinator Krzoska; Lieutenant Swedberg

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the February 8, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$28,519.86
Road & Bridge Fund	24,816.66

Total	\$53,336.52
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File No. 2 -- Motion was made by Commissioner Zmyewski seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

At this time HR Director Arrick-Kruger introduced Mr. Rory Lenton, external relations manager for Minnesota Energy Resources. Mr. Lenton is pleased to be able to present Houston County with a rebate check in the amount of \$4,320.00. The rebate is a result of the installation of energy efficient boilers. He expressed his appreciation for Houston County's participation in energy conservation measures.

Dave Prachar met with the Board to present a general overview regarding the status of the Justice Center project. He began by presenting a brief history of the project and how he came to

work with Houston County. He provided information on the decision making process, and on the roles of various individuals and firms working on the project. The design of the Justice Center building is based on the operations which will take place within it. Houston County will be moving from an old building to a 21st century building with accompanying technology. This will be a significant change. John Pristash, of Knutson Construction, reports that the building is between 55 and 60% complete at this time. Mr. Prachar reported that the transition planning is approximately 50% complete. He stated that a major goal is to be ready to move into the building once it has been completed. He stated that a sound, well working policy and procedure manual is critical to a smooth operating facility. The manual must be in place prior to any training of existing or new staff. Mr. Prachar reported that both the Sheriff and Chief Deputy Sheriff have been working with Jail Administrator Schiltz and him to ensure that the manual is developed in a manner acceptable to them. Because they have been involved from the start, any major reworking of the manual should be prevented. Finance Director Bradley reported that the total budget is approximately 1% below projections at this time. In closing, Mr. Prachar expressed that Houston County will be ready to move into the building once it is ready for occupancy. Mr. Prachar reported that the projected completion date for the building is August 18th. He expects the building to be occupied two to four weeks following. Commissioner Walter expressed her opinion that Mr. Prachar's presentation was a good synopsis.

Engineer Pogodzinski requested authorization to advertise for quotes for maintenance rock, chloride, and crack filling and to advertise for bids for seal coating. Commissioner Walter questioned whether the lowest quotes and bids are always accepted. Engineer Pogodzinski reported that both quotes and bids are usually awarded to the lowest bidder unless there is a valid reason not to accept it. Engineer Pogodzinski reported that the seal coating budget for 2011 is approximately one and half times higher than past years. Roads in the north half/northeast portion of the county will be the focus for seal coating projects. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize advertising for quotes for maintenance rock, chloride, and crack filling and to advertise for bids for seal coating.

File No. 3 -- Auditor Meiners reported that the Houston Money Creek Snowmobile Club has requested approval of an equipment grant application. The county acts as the fiscal agent for area snowmobile clubs. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the application and to adopt the following resolution:

RESOLUTION NO. 11-06

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Federal Recreational Trail Program Equipment Grant application of the Houston Money Creek Snowriders Snowmobile Club, Inc. and authorizes the Board Chairman and the County Auditor to sign an agreement with the Department of Natural Resources.

File No. 4 -- Lieutenant Swedberg requested approval for an employee fund similar to the coffee fund. The fund would be overseen by a group of employees with the proceeds being used for events and/or items approved by the group. He has discussed the fiscal requirements with Finance Director Bradley. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Sheriff's Office employee fund.

File No. 5 -- Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION 11-7
Authorizing Application for Minnesota Housing & Finance Agency Family Homeless Prevention & Assistance Program

WHEREAS, the Minnesota Housing Finance Agency, State of Minnesota, has been authorized to undertake a program to provide funds for Family Homeless Prevention and Assistance Projects; and,

WHEREAS, the Southeastern Minnesota Housing Network, working through: 1) Olmsted Community Action, 2) Semcac, 3) Three Rivers Community Action and Y-Link, has developed a renewal application for the Minnesota Housing Finance Agency Family Homeless Prevention and Assistance Program; and

WHEREAS, the Southeastern Minnesota Housing Network through Olmsted Community Action, Semcac, Three Rivers Community Action and Y-Link has demonstrated the ability to perform the required activities of the Minnesota Housing Finance Agency Family Homeless Prevention and Assistance Program;

NOW, THEREFORE, BE IT RESOLVED that the Southeastern Minnesota Housing Network is hereby authorized as an entity to be charged with the administration of funds made available through the Minnesota Housing Finance Agency Family Homeless Prevention and Assistance Program in the county of Houston, in Minnesota.

It was agreed that Commissioners Miller, Bjerke, Zmyewski and Walter would be available to attend the Joint Board of Health meeting scheduled for Tuesday, March 8, 2011 in Rushford, Minnesota.

Discussion was held regarding the scheduling of the County Board of Equalization Meeting. It was agreed that the meeting would be scheduled for Tuesday, June 21st beginning at 6:00 p.m. Auditor Meiners reported that the meeting may not adjourn prior to 7:00 p.m.

Auditor Meiners requested approval to add Deputy Auditor Quinn as a user to the GIS software. This requires the purchase of an additional license and will impact the per year maintenance fee for the software. GIS Coordinator Krzoska requested approval to add both Deputy Auditor Quinn and EDA Coordinator Wilms as users. He reported that the cost per user license is \$1,500.00 and the maintenance fee will increase by \$400.00 per user per year. Maintenance agreements are renewed on an annual basis and it has been the practice to pay for the maintenance fees from the compliance fund. Recorder Bauer stated that the request for additional user licenses and the accompanying maintenance fees qualify for use and payment through the compliance fund. Commissioner Bjerke expressed concern that the county could be liable for maintenance fees in the event the compliance fund disappeared. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve adding two new GIS user's and maintenance fees, to pay for the expense through use of the compliance fund and to continue to pay resulting GIS maintenance fees using compliance funds.

Chairperson Miller shared information regarding lean manufacturing training which will be offered in Winona through a series of six progressive sessions at no fee. Lean practices are a systematic approach to eliminating waste through increased efficiencies. Commissioner Bjerke recently expressed interest in lean business techniques. Chairperson Miller expressed his belief that it would be beneficial for someone from the county to attend the training. He encouraged Engineer Pogodzinski or someone from the Surveyor's Office to attend. He believes that their departments may be able to benefit. EDA Coordinator Wilms indicated his intent to participate in the training so that he would be able to consult with local businesses on lean manufacturing best practices. Commissioner Bjerke questioned if the focus of lean manufacturing training would be well suited for our organization or if it would be too manufacturing orientated.

File No. 6 -- The time being 10:00 a.m. the Public Hearing on the proposed addition of new fees convened. Chairperson Miller invited public comment.

Recorder Bauer reported that her office would like to add the following fees: passport photos \$12.00; expedite fee \$25.00. The closest location for passport photos is La Crosse, Wisconsin. The fees range from \$10.00 to \$15.00 for passport photos. Recorder Bauer stated that, because we don't offer passport photos, customers travel to La Crosse to acquire the photo and often apply for their passport in La Crosse also. The recorder's office has already acquired the camera and has been practicing to take passport photos. Recorder Bauer reported that there are times when an individual fails to plan ahead and would like the option to pay a fee to have work expedited. Therefore, Recorder Bauer is proposing the addition of an expedite fee in the amount of \$25.00. This would be available for individuals who wish to have tract search or an abstract brought up to date to pay the expedite fee so that the work is completed next day instead of waiting the average 5 to 7 days. Recorder Bauer stated that she intends to advertise that passport photos are available from the Recorder's Office. This may allow the office to provide the service for those completing passport renewals who would have otherwise taken their business outside the county.

Recorder Bauer reported that County Treasurer Trehus has submitted a letter to request approval to become an acceptance agent for passports. Recorder Bauer has not received official notice, however she expects that after May 1, 2011, her office will no longer be able to process passport paperwork. Acceptance agents are required to attend a Federal training program and it is her hope that both Treasurer Trehus and Deputy Treasurer Schleich will have had the opportunity to participate in the required training by that date so that there will be no lapse in Houston County's ability to offer passport services.

Engineer Pogodzinski reported on new fees for his department. They are proposing the addition of a temporary access fee in the amount of \$50.00 and an entrance revision/extension or improvement to an entrance/driveway fee in the amount of \$175.00 which would include 10 cubic yards of rock upon satisfactory completion.

Following the public hearing, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the addition of new fees as listed for both the Highway Department and Recorder's office effective immediately.

File No. 7 -- HR Director Arrick-Kruger reported that Region 9 is exploring possible collaboration and consolidation with regard to information technology. A steering committee has been established and each county within the region has been asked to designate one individual to participate in meetings. The committee is made up of IT, administrative and Human Resources staff. Both IS Director Milde and PHN/HS Director Rock have declined the request. HR Director Arrick-Kruger has expressed a willingness to participate on behalf of Houston County. The steering committee has requested that counties submit a resolution designating their representative. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve HR Director Arrick-Kruger's membership on the Regional Technology Collaborative Steering Committee and to adopt the following resolution:

RESOLUTION NO. 11-08

BE IT RESOLVED that the Houston County Board of Commissioners do hereby appoint Tess Kruger to represent Houston County on the Regional Technology Collaborative Steering Committee.

HR Director Arrick-Kruger provided information regarding the history and requirements of comparable worth studies at the county. Historically, the goal was to review one fourth of positions each year. This is costly and redundant. HR Director Arrick-Kruger has looked at positions which have not been reviewed for some time and has reviewed administrative support positions within both Environmental Services and Public Health. She is currently reviewing the supervisory positions within those departments and she plans to review the nursing positions soon.

HR Director Arrick-Kruger stated that she is required every three years to complete a very burdensome process to review salaries. The legislature is considering rescinding this mandate. Houston County has hired an outside firm to complete this process. Houston County will be required to perform this review in 2011 if the mandate is not rescinded. HR Director Arrick-Kruger will keep the Board apprised of new developments in this regard.

HR Director Arrick-Kruger stated that an elevator committee meeting is scheduled for later today. She has proposals from 2 of 3 companies and it is her hope that the bid will be awarded soon.

HR Director Arrick-Kruger reported that there are grants available for building energy audits and she is looking into whether there are grants available to cover roofing issues. She also requested that the Minnesota Energy rebate which was presented earlier be deposited into the maintenance budget to offset the shortfall for the cost of the boiler replacement.

HR Director Arrick-Kruger reported that it was time for the annual review of the ethics policy. She will be distributing materials to the Board and all new committee members.

EDA Coordinator Wilms reported that the airport commission requested that he write a grant to assist with airport expansion costs. A grant from the Arlin Falck Foundation, in the amount of the \$25,000.00, has been awarded. These proceeds may be used to satisfy the 5% match requirement of a runway realignment project. The funds may be turned back in the event that the project is not undertaken. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept said grant award.

Commissioner Walter reported on a redesign meeting which she attended.

Commissioner Zmyewski reported on a 4 Wheel Drive Association meeting which he attended.

Chairperson Miller reported on an EDA meeting, and also tourism committee meeting which he recently attended.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 8 -- Correspondence to payroll regarding banding and salary changes for Deb Rock

There being no further business and the time being 10:30 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 22, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 22, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Ann Selness; Karin Eckdahl; PHN/HS Director Rock; Surveyor Walter; Jail Administrator Schiltz; Chief Deputy Sheriff Yeiter; HS Accountant Bahr; Finance Director Bradley

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve the minutes of the February 15, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Augedahl, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$57,301.31
Road & Bridge Fund	14,199.70

Total	\$71,501.01
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Chief Deputy Sheriff Yeiter recommended approval of a Joint Powers Agreement with the South East Minnesota Narcotics and Gang Task Force (SEMNGTF). We have entered into similar agreements in the past. This agreement has been reviewed by all 8 counties and 4 cities who are participating in the agreement. The agreement has been revised. However, it will function the same as past agreements. Commissioner Walter reported that the agreement was discussed during committee earlier today. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Joint Powers Agreement with SEMNGTF.

File No. 4 -- Ann Selness, park manager of Beaver Creek Valley State Park, reported that the park is interested in acquiring a 10 acre parcel which adjoins the park. The acquisition will be paid for by RIM (reinvest in Minnesota) funding. Ms. Selness stated that, the parcel is critical to acquire because it has significant scenic overlooks, and provides habitat for several threatened and endangered species. She requested adoption of a resolution in support of the acquisition. Commissioner Zmyewski asked if Ms. Selness was aware of any opposition to the acquisition. She responded that she is unaware of any opposition. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-09

In accordance with Minnesota Statutes 84.944, Subd. 3 and 97A.145, Subd.2, the Commissioner of the Department of Natural Resources on February 22, 2011 provided the county board with a description of lands to be acquired by the State of Minnesota for natural resource protection, scenic views and recreation purposes. Lands to be acquired are described as follows:

Beaver Creek Valley State Park

Parcel 23, 10 acres

Section 17, Township 102, Range 6

Houston County, Minnesota

The south 10 acres of the west 3/4ths of the west half of the Southwest Quarter of the Northeast Quarter of Section 17, Township 102 North Range 6 West of the 5th Principle meridian, Houston County, Minnesota

IT IS HEREBY RESOLVED, by the Board of County Commissioners of Houston County on February 22, 2011 that the State's proposed acquisition of the attached described property be approved.

File No. 5 -- Karin Eckdahl presented information regarding TWRx's Prescription Discount Card Program. This program is for uninsured or under-insured county residents. There is no cost for the program. The program also includes some vision, and hearing benefits. Dental benefits are available with an annual fee. TWRx is owned and operated by Thrifty White Pharmacy, a Minnesota based company with its headquarters located in Maple Grove. The goal of the program is to keep business local and within the county. There are participating pharmacies within Houston County. PHN/HS Director Rock commented that Witt Pharmacy had expressed concern with accepting these types of discount prescription cards. However, she is willing to work with both Ms. Eckdahl and the owner of Witt's Pharmacy to benefit the residents of Houston County. Ms. Eckdahl stated that a service agreement is required. Hubbard County entered into such an agreement in November 2010. Isanti County approved their agreement last week. Hubbard County has granted permission to share with other counties the savings resulting

from their participation in the program. Chairperson Miller questioned what the agreement provides for. Ms. Eckdahl reported that it is proof that there is support from the governing board for the distribution of information to residents. The information mailed to each county resident is paid for by TWRx. Prior to presenting the agreement, Ms. Eckdahl would like to confirm whether NACo cards have been distributed within the county.

File No. 5a -- PHN/HS Director Rock recommended approval of a contract with HVMHC for mental health and chemical dependency assessments, adult crisis services and case management supervision. This is a contract which is renewed on an annual basis. PHN/HS Director Rock reported that, due to liability concerns, the contract has been revised and each participating county will be approving a unique contract. In the past, there was one contract which provided coverage for Winona, Wabasha and Houston counties. Chairperson Miller provided information he had gleaned from a meeting he attended with HVMHC. He stated that HVMHC appears determined to provide services, contain costs and operate in the black. Commissioner Bjerke questioned whether County Attorney Hammell had given her approval on the contract. PHN/HS Director Rock responded that County Attorney Hammell has not reviewed the final document. However, it will be given to her for review. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the contract with HVMHC, subject to review by County Attorney Hammell.

PHN/HS Director Rock presented a proposal from Workforce Development. Workforce Development was eager to provide the proposal upon request. Winona Workforce Center declined to provide a proposal due to their relationship with Workforce Development. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the proposal of Workforce Development to provide employment and training services for MFIP and DWP clients in Houston County.

PHN/HS Director Rock stated that HS Accountant Bahr and HR Director Arrick-Kruger have been preparing numbers regarding the possible hire of a Financial Supervisor and/or a financial worker. She anticipates being prepared to present the information next week. HR Director Arrick-Kruger suggested advertising for both positions within the same advertisement. This will reduce the time frame for hiring in the event a position is filled from within.

File No. 6 -- Finance Director Bradley presented information on anticipated contract fees for the Sentence to Service Program (STS) for FY12 and FY13. No cost increase is being proposed. The state has offered the option of a joint powers contract which would make the STS program a county operated program. Bob Goede, of MCIT, has recommended continuing with the state run STS program. He expressed concern that making the program county operated could significantly increase liability. Fillmore County operates a county STS program, and the Fillmore County Sheriff has recommended to Finance Director Bradley to continue with the state run program. Fillmore County is responsible for all equipment and liability with their county run program. Finance Director Bradley recommended continuing with the state run STS program. Chairperson Miller commented that there was discussion that, if the STS program were a county

operated program, the crew could assist others, the county would be responsible to bill the other entities for hours, and revenue could be used to offset the cost of operating the program. As the program stands now, the county receives an allocation report reflecting work performed by the STS crew. Finance Director Bradley reported that the option to make the program county operated was put out to several counties. Rena Patterson stated that no county has exercised this option. Chief Deputy Sheriff Yeiter stated that the STS program is valuable. Inmates acquire job skills from the work they perform. It is difficult to put a cost figure on the reduced recidivism and job skills acquired. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to continue utilizing the State run program. Finance Director Bradley will respond that the county will not be exercising its option to operate the program at the county level.

Assistant County Surveyor Mauss reported that both staff members in the surveyor's department have been receiving a cell phone per diem. However, the amount is not equivalent to the per diems being paid to others under the new policy. She requested approval for two cell phone per diems per the new policy, one for her and one for Surveyor Walter. The budget has been reviewed and it has been determined that the increased cost can be absorbed within the budget. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve two \$30.00 cell phone per diems for the staff of the Surveyor's Office.

Commissioner Zmyewski questioned whether there was a list of staff that is or is not eligible to receive a cell phone/smart phone per diem. There is no such list, however, requests are brought before the board and evaluated based on policy criteria on a case by case basis.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to appoint Bob Engen to the Extension Committee for a 3 year term, to expire December 31, 2013.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to recess the meeting.

The board reconvened in open session.

File No. 7 -- HR Director Arrick-Kruger reported that PERA has billed the county for benefits plus interest on amounts which should have been contributed on behalf of employees. She explained that the employees are all temporary employees. They work as dispatchers, transport drivers or drop-site supervisors. The appropriate exempt status forms were filed. However, either the earnings cap or employment day's threshold was exceeded by each, resulting in PERA benefits due. HR Director Arrick-Kruger stated that exclusion reports are filed annually which should have identified these issues much sooner. She was notified by PERA staff that when reviewing the exclusion reports, these individuals weren't initially flagged as being PERA eligible. As a result, HR Director Arrick-Kruger has established procedures in-house to review

the earnings cap and employment day's thresholds so that our staff can submit the appropriate PERA benefits due. HR Director Arrick-Kruger reported that the county was billed \$10,798.71. The employee portion is \$245.69 which will be collected from the appropriate employee. The county will be responsible for the balance of \$10,553.02. This amount includes the employer share plus accrued interest. Finance Director Bradley has reviewed budget line items and reported that there is \$70,000.00 available in the commissioner's fund for professional and technical fees. Commissioner Bjerke questioned whether adequate checks were in place to prevent this from happening further. HR Director Arrick-Kruger stated that there were. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to pay \$10,553.02 from the commissioner's fund for professional and technical fees.

The time being 10:23 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to enter into closed session to discuss pending litigation.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to return to open session at 11:11 a.m.

Commissioner Walter reported on a law committee meeting she attended earlier today.

Commissioner Bjerke reported on a building committee meeting which he attended.

Chairperson Miller reported on a building committee meeting and also a meeting concerning the bike trail which he has recently attended.

There being no further business and the time being 11:12 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 1, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 1, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Engineer Pogodzinski; Jail Administrator Schiltz; John Pristash; HR Director Arrick-Kruger; PHN/HS Director Rock; Tom Murphy; IS Director Milde; Sheriff Ely; Chief Deputy Sheriff Yeiter; Social Services Supervisor Poepping; Karen Kohlmeyer; HS Accountant Bahr; Finance Director Bradley

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the February 22, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$86,695.29
Road & Bridge Fund	27,866.66

Total	\$114,561.95
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

John Pristash reported that the jail cells have been installed. Work is being completed on the installation of steel for the mezzanine area. He indicated that the masons have 3 to 4 days work on an area and then will have approximately 2 weeks work finishing the day room walls. He expressed excitement that the masonry work is nearing completion. He reported that painting and dry walling is taking place. Mr. Pristash stated that wall and in ceiling work will be completed soon.

Jail Administrator Schiltz provided a reminder about the staffing meeting scheduled for tomorrow.

Jail Administrator Schiltz presented a food service contract. He reported that the county is currently paying \$5.00 per inmate meal. The contract includes the cost for the meal, and wages and benefits for staff. The food service vendor awarded the contract will utilize the kitchen facilities within the Justice Center for meal preparation. Chairperson Miller questioned the cost of the kitchen facilities. It was agreed that the contract would be discussed at length later today during the Building Committee meeting. John Pristash stated that the cooler/freezer is being installed in the kitchen today.

File No. 3 -- Engineer Pogodzinski stated that, in 2007, there was major flooding around the county. As a result both the Traff Drive and Torgerson Drive bridges were awarded FEMA funding and approved for State Bond Funds. FEMA funding would be exhausted first. Bond funds would be utilized to cover any FEMA shortfall on the cost of the projects. The Traff Drive project has been covered 100% through FEMA funding. The Torgerson Drive project has exhausted FEMA funding and will be utilizing state bond funding for the balance remaining. Engineer Pogodzinski requested adoption of a resolution allowing for the use of state bond funds for said project. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-10

For Agreement to State Transportation Fund (Flood Relief Bonds)

Grant Terms and Conditions

Date: March 1, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on Torgerson Drive in Houston Township (SAP 28-599-67); and

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

WHEREAS, the amount of the grant has been determined to be \$ 310,935.50 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

Engineer Pogodzinski reported that on January 20, 2009, HSR was awarded a contract for the design of a proposed Public Works Facility. The site layout has been completed, and architectural and civil plans have been developed. However, no final details have been developed. Approximately nine months ago HSR was instructed to delay additional work on the project. Engineer Pogodzinski reported that HSR has contacted him to request an update regarding the status of the contract. Engineer Pogodzinski expressed concern that a decision should be made whether to move forward with the project or terminate the contract. It is unlikely that HSR can continue to honor contract pricing with unlimited delays which prevent completion and contract satisfaction. There is no fee to terminate the contract. The county would be required to pay for all work performed to date and provide 30 days notice of termination.

Commissioner Bjerke provided information that Dan Krzoska has developed a preliminary plan for space that will be vacated by departments and staff who move to the Justice Center. He encouraged a review of all facilities and space. Commissioner Bjerke indicated his opinion that county residents would not be able to shoulder the financial burden of constructing an \$8 million Public Works Facility at this time. Commissioner Bjerke suggested a committee consisting of Commissioner Zmyewski, PHN/HS Director Rock, Recorder Bauer, Engineer Pogodzinski, GIS Coordinator Krzoska and himself to review all facilities and space. Chairperson Miller expressed agreement that a committee would be beneficial. He expressed concern that department needs, space availability and moving costs be carefully considered prior to any vacant space being made available to the first person who laid claim to it. The county has the Highway Shop, the Historic Courthouse, the Community Services Building and the old jail to review. Commissioner Bjerke indicated that the Soil and Water department will be faced with renewing their lease, and perhaps space would be available within a county owned facility.

Commissioner Zmyewski stated it is his understanding that the county will not be moving forward with constructing the proposed Public Works Facility at this time. Chairperson Miller recommended the Board consider terminating the contract with HSR. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to terminate the contract with HSR for the proposed Public Works Facility.

Emergency Manager Kuhlert met with the board to provide an update regarding spring flooding concerns. He reported there is a 97% chance of minor flooding, an 86% chance of moderate flooding, a 59% chance of major flooding, and a 20% chance that flooding could equal that which occurred in 1965. A heavy snow cap, saturated ground from the wet 2010 fall, and a current Mississippi River stage that is approximately 1 to 2 feet higher than normal for the same time frame are all factors contributing to the concern. The concerns have prompted statewide discussion. Homeland Security has been working tirelessly on flood preparations. Emergency Manager Kuhlert stated that there are no sandbags available in the county. La Crescent City has approximately 4,000 sandbags on hand. Emergency Manager Kuhlert reported that he has been

contacted by the owners of Lawrence Lake Marina and residents living in low lying areas of Brownsville regarding their concerns and querying him regarding county flood preparations. He stated that poly sand bags are available at this time. The cost for the bags varies dependent upon quantity ordered. 5,000 bags may be purchased for \$0.29 each or \$1,450.00 delivered, 10,000 bags may be purchased for \$0.27 each or \$2,700.00. Emergency Manager Kuhlert recommended purchasing 10,000 poly sand bags. He stated that, in the event our area were to experience flooding resulting in a presidential disaster declaration, the cost of the bags would be reimbursed. Commissioner Bjerke questioned whether 10,000 bags are adequate. He expressed concern that, if a flood event were occurring, bags would be available from the Army Corps of Engineers on a first come first served basis. Commissioner Bjerke questioned the availability of sandbag filling equipment. Emergency Manager Kuhlert stated that there are two machines in the state. The closest machine is in Montevideo. He expressed concern regarding the availability of the machine. He also stated that cement trucks may be utilized to make the job of filling sandbags easier. Commissioner Bjerke recommended purchasing 20,000 poly bags in preparation for projected spring flooding. Sheriff Ely expressed his opinion that there will be flooding and it would be in the best interest of the county to be proactive in this regard. Chairperson Miller stated that he lives in a flood prone area and he understands that he should be cautious regarding his statements in this regard. However, he expressed his belief that the county should be prepared. Commissioner Bjerke commented that once we have bags on hand, work can begin at anytime to fill them. There will be no waiting or scrambling to acquire bags. Emergency Manager Kuhlert stated that bags can be delivered within one week. He will coordinate the storage of the bags. Commissioner's encouraged him to speak with staff from the highway department to determine whether bags could be stored at highway shops near areas with greater probability for flooding. Emergency Manager Kuhlert indicated that poly bags will not have a shelf life like burlap, as they won't deteriorate or disintegrate. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to purchase 20,000 poly bags for \$5,400.00 delivered with the expense being paid for from the commissioner's contingency fund.

Emergency Manager Kuhlert reported that Governor Dayton will be hosting a Mississippi River Basin flood meeting in Winona on March 15, 2011. Governor Dayton has requested a list of the names of individuals who would be available and willing to attend so that he may personally invite those individuals. He has hosted two meetings already which have been well attended. It was agreed that Mr. Kuhlert would share contact information for Commissioner's Miller and Zmyewski.

File No. 4 -- Chief Deputy Sheriff Yeiter requested approval of the State of Minnesota Annual Boat and Water Safety Grant in the amount of \$4,105.00. The amount is a decrease from the 2010 grant in the amount of \$4,785.00. Chief Deputy Sheriff Yeiter stated that the grant has been decreasing over the years. The current economic climate has prompted increased applications for the grant, resulting in the decreased amounts being awarded to increased entities. The overall funding amount has been level. However, the funds are being split more ways. In addition to the State Grant, a Federal Grant is often awarded. Together, these two grants cover a

portion of the expense for boat and water patrol. Chief Deputy Sheriff Yeiter reported that individuals have completed boat safety classes which he hopes will result in additional funding in future years. He also stated that he will be working with IS Director Milde to satisfy a grant requirement that grant funding is posted on the County's website. County Attorney Hammell has reviewed the grant agreement. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the State of Minnesota Annual Boat and Water Safety Grant Agreement.

HR Director Arrick-Kruger stated that she will return to the Board at a later date for action on the safety policy.

File No. 5 -- HR Director Arrick-Kruger reported on the following quotes received for elevator renovation:

Schumacher Elevator Company	\$63,348.00
\$165.00 per hour for elevator operations related to other trades/contractors work	
Minnesota Elevator, Inc.	\$72,104.00
\$132.00 per hour for elevator operations related to other trades/contractors work	
ThyssenKrupp Elevator Americas	\$97,716.00
\$175.00 per hour for elevator operations related to other trades/contractors work	

HR Director Arrick-Kruger stated that Schumacher Elevator Company was awarded the contract to install the Justice Center's Elevator. She reported that all three quotes provide like warranty guarantees, 100% performance bonds, the appropriate insurance documentation, and a one year service agreement. ThyssenKrupp Elevator Americas' bond fee would be in addition to the quote amount provided above. The county will be required to go out for a service agreement once the one year service agreement included in the bid expires. HR Director Arrick-Kruger discussed liability issues with County Attorney Hammell and performance bond issues with Finance Director Bradley prior to going out for quotes. Schumacher Elevator Company has the ability to be flexible with the start date for renovations. ThyssenKrupp Elevator Americas reported that they would be unable to begin work on renovations until October. HR Director Arrick-Kruger reported that there will be ancillary costs associated with the renovation project which are not included in the above quotes. These may include electrical and/or carpentry work and possibly some flooring. She expects the electrical costs to be the most expensive ancillary contract. Once the quote has been awarded, she will work with the vendor to discuss their needs and deadlines so that quotes for these ancillary items may be solicited. HR Director Arrick-Kruger will utilize the STS crew in an effort to minimize costs if there is necessary work which the crew can perform. Commissioner Zmyewski questioned whether the elevator company who is awarded the renovation project will also provide future service. HR Director Arrick-Kruger indicated that quotes/bids will be solicited for the service agreements for the Justice Center and Courthouse elevators. She is unsure whether cost savings will result from one contract to provide

service to both elevators or from individual service agreements. Finance Director Bradley reported that the cost of renovations may be covered by one of several options. He anticipates having proceeds available from the Justice Center project contingency funds. If there are no funds available from those contingency funds, the county could pass a resolution for reimbursement and bond for the expense or utilize fund balance. He indicated that funds are available to cover the upfront money necessary to move the project forward. On the recommendation of the Elevator Committee, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the bid of Schumacher Elevator Company.

File No. 6 -- HS Director Rock reported that discussion was held during the February Human Services Board meeting regarding the need for a Financial Supervisor. Since that meeting, a committee has met to further discuss the needs of the department, and hiring options. PHN/HS Director Rock indicated her understanding is that it would be preferred that a supervisor who carries a limited caseload be hired. HS Accountant Bahr has prepared a financial overview which shows savings captured as a result of combining PHN and HS Director positions into a single position. HR Director Arrick-Kruger has prepared data comparing similarly sized neighboring counties caseloads and FTE's with that of Houston County. This comparison clearly shows that, even with the addition of staff, the worker to case ratio will still exceed that of our neighbors who are similarly sized. HR Director Arrick-Kruger reported that it takes an estimated 2 years to bring a financial worker up to speed. It is extremely costly to train staff in these positions. Training is intensive because programming requirements are so detailed. She expressed concern that continuing operations at the current level could result in potential or high burnout and turnover. In addition, errors could result in financial liabilities. Karen Kohlmeyer has prepared several summaries for various programs. She highlighted the food support program. The State is currently facing a Federal audit of the program. If there are errors, penalties and/or sanctions could be assessed. In the event that penalties are assessed, the county could be responsible for 50% of the payback and/or penalty. She reported that the average error rate across the State is 3.95%. If you apply that average error rate to the \$89,000.00 worth of food benefits issued from Houston County in the month of December, one could expect that approximately \$3,900.00 worth of benefits were approved in error. This risk could be reduced with additional staffing and better supervision. HR Director Arrick-Kruger stated that, when the decision was made to combine the director positions, it was realized that there would be incremental staffing costs. Commissioner Zmyewski clarified his understanding that the Financial Worker Supervisor position is not newly created. Rather it is a standing position that, when vacated, was not filled. Now, the Board is considering filling this position. Commissioner Bjerke commented that this will fit nicely at this time, and savings resulting from combining positions may be utilized to defray the cost. HR Director Arrick-Kruger commented that Houston County is fortunate to have good staff doing good work. However, there is a need for a supervisor to complete the information loop. HR Director Arrick-Kruger stated that she is extremely supportive of promoting from within. However, she is concerned with limiting the candidate pool to internal candidates only. She prefers to advertise and look at the whole pool and choose the candidate with the very best skills for the position. Commissioner Zmyewski expressed his opinion that

promotion from within provides staff with an incentive to work hard and be rewarded. Chairperson Miller expressed that he would prefer to pay good help rather than paying fines. It was agreed that, if an internal candidate were chosen to fill the supervisory vacancy, the Board would act to back fill the position vacated by that individual. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to fill the position of HS Financial Worker Supervisor.

IS Director Milde reported that each department head must request cell phone per diem authorization from the Board. Therefore, IS Director Milde is requesting authorization to receive a Smartphone per diem. When asked who was monitoring cell phone per diems, IS Director Milde responded that, per policy, it is the responsibility of the department head to monitor per diems issued to staff within their department. Commissioner Bjerke has requested that Recorder Bauer review a listing of who receives cell and Smartphone per diems to evaluate whether the expense for the per diems may qualify for payment from the technology or compliance fund. IS Director Milde stated that payroll has a listing of those who have been approved to receive a per diem. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve a \$50.00 Smartphone per diem for IS Director Milde.

File No. 7 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION 11-11

WHEREAS, the County of Houston supports the grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Grant Program; The application is to purchase a trail groomer and drag to maintain approximately 56 miles of trail for the Viking Ridge Riders Snowmobile Club; and

WHEREAS, the County of Houston recognizes the fifty (50) percent match requirement for the Federal Recreational Trail grant program, and the 50 percent match will be provided by the Viking Ridge Riders Snowmobile Club;

NOW, THEREFORE, BE IT RESOLVED if the County of Houston is awarded a grant by the Minnesota Department of Natural Resources, the County of Houston agrees to accept the grant award, and may enter into an agreement with the State of Minnesota for the above referenced project. The County of Houston will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement; and

BE IT FURTHER RESOLVED, the County of Houston names the fiscal agent for the County of Houston for this project as:

Charlene Meiners
Houston County Auditor
304 S Marshall St; Room #111
Caledonia, MN 55921

BE IT FURTHER RESOLVED, the County of Houston hereby assures the grooming equipment acquired through this grant will be maintained for no less than twenty (20) years or until such time as appropriate disposition actions are approved by the Minnesota Department of Natural Resources.

File No. 8 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the following resolution:

RESOLUTION NO. 11-12

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the application of the Houston Money Creek Snowriders and authorizes the Board Chairman and the County Auditor to sign an agreement with the Department of Natural Resources.

It was agreed that PHN/HS Director Rock, GIS Coordinator Krzoska, Recorder Bauer, Engineer Pogodzinski, Commissioners Bjerke and Zmyewski would serve on the facilities space committee to review space allocation, costs of moving and heating.

Charlie Warner questioned the County's intentions with regard to the 22 acres which was purchased for the proposed Public Works Facility. Chairperson Miller commented that there are many options. He stated that the structure of the Highway Department Building is estimated to have a useful life of 40 years, it is the exterior of the structure that is in need of repair. Commissioner Zmyewski stated that, if the county were to build the proposed \$8 million dollar Public Works Facility, interest on the amount based on a 5% interest rate equates to \$400,000.00 in interest. He feels that money which would be paid on interest could go a long way towards refurbishing and repairing the current building. Mr. Warner stated that during a recent city Council meeting it was decided to move ahead with extending Warrior Road near the 22 acres. This could increase the potential that a developer may become interested in the county owned property. The county has options. They could choose to sell the property in the event an acceptable offer was made or they could choose to rent out the cropland. Commissioner Zmyewski encouraged the Board to consider good land stewardship practices be required if the county moves forward with offering the cropland for rent. He stated that doing so would promote good practices and cast a favorable light on the county. It was agreed that Auditor Meiners would prepare an advertisement and present it to the Board for review.

Commissioner Walter reported on an Association of Township Officers meeting which she attended. She provided information on a town hall meeting which has been scheduled for March 12th, from 10:00 a.m. to noon at the Four Seasons Community Center. Senator Miller and Representative Davids are expected to be in attendance and Representative Pellowski will be invited.

The Annual Association of Township Officers business meeting has been scheduled for March 29th at 7:00 PM at Good Times.

Commissioner Zmyewski reported on a Planning meeting which he attended.

Chairperson Miller reported on a bike meeting and a meeting on jails which he has attended.

It was agreed that Commissioner Zmyewski would attend the March 22nd Department Head Meeting in place of Commissioner Walter.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence to Bob Engen regarding
appointment to Extension Committee

There being no further business and the time being 10:40 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 8, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 8, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Jail Administrator Schiltz; HR Director Arrick-Kruger; Zoning Administrator Scanlan; Tom Murphy; Sheriff Ely; Finance Director Bradley; EDA Coordinator Wilms; Engineer Pogodzinski; Howard Lampert; Ken Miller

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the March 1, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$86,088.00
Road & Bridge Fund	14,884.75

Total	\$100,972.75
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve the Human Services disbursements.

File No. 3 -- Jail Administrator Schiltz requested approval of a contract with CBM Food Service of Sioux Falls, South Dakota. RFQ's were sent to three vendors and CBM Food Service submitted the best offer. Jail Administrator Schiltz provided information related to the contract including, the hours of the kitchen, breakfast will be a cold meal, lunch and dinner will be hot meals, and pricing per meal will be dependent upon jail census. Commissioner Bjerke commented on the need to provide minimal equipment for this service to be provided. Chairperson Miller expressed concern that we are opening the jail at less than half capacity, food service has been provided locally which will no longer be the case, and if census is low the cost per meal will increase. Jail Administrator Schiltz clarified who, the county or the vendor, is

responsible for various kitchen cleaning responsibilities. He also stated that the kitchen equipment has been purchased with certain pieces installed already. The building committee has approved all of this. It was agreed that there is funding available to install the kitchen equipment, if it were not installed when funding was available and later it was decided to finish the kitchen area the county would be faced with planning for the expense. Commissioner Miller stated that he recently attended a meeting where discussion was held regarding the decreasing jail populations. Commissioner Walter clarified that the vendor would provide staff to prepare inmate meals within the Justice Center facility. Jail Administrator Schiltz reported that the local vendor was approached. They were willing to continue providing meals. However, they had no interest in preparing those meals at the Justice Center facility. Commissioner Bjerke expects that it will take a minimal number of years for the cost per meal savings to cover the expense of the kitchen equipment. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the contract with CBM Food Service.

File No. 4 -- Jail Administrator Schiltz reported that a significant amount of training will be conducted prior to the opening of the Justice Center. Jail Administrator Schiltz stated that there is a need for space in which to provide said training. The Caledonia High School has granted Jail Administrator Schiltz use of school facilities for training. Jail Administrator Schiltz stated that additional staff is being required by the DOC in order to open the Justice Center. These staff members will require the same training as current staff. He reported that the DOC has reported that Houston County will need an additional 5 FTE's to provide acceptable levels of staffing for the Justice Center. Sheriff Ely stated that DOC determines staffing requirements. He expects to satisfy the requirement by hiring 4 full time staff and 2 part time staff. Commissioner Bjerke commented that there has been significant discussion regarding the additional positions. There has been financial planning taking place to adequately budget for the staffing requirements. HR Director Arrick-Kruger shared cost estimates developed recently. The estimates assume that each employee will elect family coverage, which has the greatest budgetary impact. She also reported that the county has been recently made aware that 3 staff members will need to be designated as and compensated for being "lead" staff. She has figured in the appropriate step increases over time and also a modest COLA increase in the future. The projections reflect cost estimates for the next 24 months. Jail Administrator Schiltz reported that a lead staff member is required to be on-site at all times. This will require several staff members being designated as "leads" to cover 3 shifts per day, 7 days per week, vacation and sick time. Sheriff Ely stated that a lead staff member is required on-site at all times, and this is a non-negotiable requirement of the DOC. HR Director Arrick-Kruger reported that counties deal with "lead" staff designations in various ways. The staffing structure will need to be determined. Some details will need to be negotiated through the LELS contract. Chairperson Miller clarified that the county is required to hire additional staff to equal 5 FTE's. Jail Administrator Schiltz stated that once population reaches 30 inmates, there will be a review by DOC regarding required staffing. He indicated that once the inmate population exceeds 40 he expects that the county will be required to add an additional 2 FTE's. Commissioner Bjerke clarified that to comply with DOC requirements the additional staffing is required. Motion was made by Commissioner

Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve the hire of 5 FTE's to staff the Justice Center and to comply with DOC requirements.

File No. 5 -- Jail Administrator Schiltz and Sheriff Ely reported that, recently it was discovered that neither cellular communication devices nor 800 MHz radios receive signal through the shell of the Justice Center. As a result, the building needs to be "cabled" in order for those inside the building to have coverage. This will allow staff to communicate using the devices in place. Quotes have been solicited for the necessary equipment and installation. Cellular Specialties, Inc. (csi) has provided the lowest quote in the amount of \$101,247.24. Commissioner Bjerke stated that the State has set aside funds for infrastructure needs, and this project should qualify for up to 50% reimbursement. Chairperson Miller expressed concern that no one was aware of or researched whether communications service would be acceptable within the building. He also expressed frustration that this lack of knowledge has put the county at a disadvantage because the county did not plan for this expense, it was prevented from making application for any possible grant which would have reduced the financial burden, and installation needs and timing have not been considered as part of the overall construction schedule. Commissioner Zmyewski questioned whether there was any way to receive guarantee of funding from the State. There is no way to confirm whether the project will be awarded reimbursement. Finance Director Bradley reported that there are adequate funds available within the contingency fund to cover the expense while maintaining an adequate balance for other unforeseen expenses. Jail Administrator Schiltz stated that County Attorney Hammell has reviewed the quote and has no concerns if the Board chooses to accept the quote. She did request that a contract be negotiated following any quote acceptance. Chairperson Miller questioned whether the quote provided by csi was all inclusive. Jail Administrator Schiltz stated that it was, and the contract should further reflect this. Commissioner Walter expressed her understanding that this is necessary. Commissioner Bjerke indicated that he will work with Sheriff Ely and other staff to make application for 50% reimbursement once a contract has been executed. Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and unanimously carried to accept the quote provided by Cellular Specialties, Inc. in the amount of \$101,247.24.

File No. 6 -- Zoning Administrator Scanlan reported that Howard Lampert has a smoke signal business. Smoke signals are used for military and police training. Smoke signals are not explosives, however they will burn for approximately 3 minutes. Mr. Lampert's home is the closest to operations and has not been ill affected in any way. Zoning Administrator Scanlan stated that recently an address was requested for a newly erected shed which alerted his office to the business operations taking place. The operations meet the criteria for a level II home occupation. The Planning Commission has recommended approving issuance of a Conditional Use Permit subject to the following 5 stipulations: 1.) Obtain and abide by all federal, state and local rules and regulations; 2.) Business will be limited to 4 employees and 2,500 square feet; 3.) The local fire department will be give a tour with an explanation of business operations and chemicals used in case of emergency; 4.) Raw products needs to be stored in a separate building or container; and 5.) Business is limited to building smoke signals only. Motion was made by

Commissioner Zmyewski seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permits:

Howard Lampert – Crooked Creek Township – Run a Level II home occupation

File No. 7 -- On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the issuance of the following Zoning Permits:

David Kinstler – Union Township - Build a grain bin (8,890 bushels)

Jim and Cindy Burg – Winnebago Township - Build 3 decks on existing structure (10' x 5') (30' x 10') (5' x 10')

Thomas Bronk – Houston Township - Build dwelling attached garage (36' x 80')

File No. 8 – At this time, discussion was held regarding the appeal for assistance from Ed Voight. Mr. Voight has cropland which borders CRP land. Gophers inhabit the CRP land and move onto his farmland causing disruption to his farming operation. Mr. Voight claims that the FSA contract specifically addresses gopher issues. This has not been confirmed. Chairperson Miller believes that Mr. Voight may have a legitimate complaint. It was agreed that Auditor Meiners and Zoning Administrator Scanlan would work together to draft a letter to the FSA requesting that the matter be reviewed.

File No. 9 -- HR Director Arrick-Kruger stated that she is required to file a stipulation on or before March 10 in regard to a collective bargaining unit which is being organized. The unit may cover all professional employees who are not presently organized. The group considering organizing a unit is working with Minnesota Association of Professional Employees (MAPE). HR Director Arrick-Kruger expressed caution that management should refrain from discussing this matter with those who have a right to organize. Commissioner Bjerke questioned what the process to organize a collective bargaining unit entails from this point forward. HR Director Arrick-Kruger stated that she will submit the stipulation. She expects that once the stipulation has been filed, BMS would allow a vote to organize. She will speak with BMS following her submission of the stipulation to learn more regarding the organization process.

File No. 10 -- HR Director Arrick-Kruger provided an update regarding spring flood projections. The Root River looks good and there is not a big concern about major flooding from that. Sandbags have arrived and have been distributed around communities at risk for flooding within the county. There will be organization to any sandbagging efforts. There is risk to pre-filling sandbags, storage is an issue and transporting them if there is a need in a different location than where they are filled at. Commissioner Bjerke inquired why we can't get the filling machine

stored closer or in Houston County. Commissioner Walter commented that cement trucks can be filled and the chute used to direct the sand. Sheriff Ely stated that it is the tying of the bags that takes the time. Many civic organizations will send crews to assist with sandbagging.

HR Director Arrick-Kruger requested approval of a \$30.00 cell phone per diem for Environmental Services Director Frank. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve said per diem.

EDA Coordinator Wilms reported that the EDA committee has met and recommends approval of a \$30,000.00 letter of credit for the Root River Market. EDA Coordinator Wilms stated that, in the event a balance is outstanding at the end of one year, the amount will be amortized and repayment will commence. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the letter of credit for Root River Market in Houston.

Chairperson Miller and Commissioner Bjerke shared their intentions to attend the Town Hall meeting scheduled for Saturday, March 12th.

Chairperson Miller expressed concern regarding rising gas prices. It was agreed that Auditor Meiners would draft a "good order reminder" and e-mail it to staff. The memo would remind staff to be conscious of gas consumption, and encourage them to reduce vehicle idling time and mileage when practical. Good conservation efforts will aid in keeping expenses in check.

File No. 11 -- Commissioner Zmyewski worked with Maintenance Foreman Molling to organize a cropland rental auction. Holding a live auction will ensure identification of the high bidder. If sealed bids were accepted, identical high bids could be submitted leaving the county to discern which of the two would be awarded the rental agreement. In addition, the County is encouraging good stewardship of the land by requiring conservation measures like no-till, crop rotation and the maintaining of soil fertility and pH levels. Commissioner Zmyewski suggested earmarking the income from the rent of the cropland for improvements to the Highway Department facility. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the advertisement as submitted and to run the ad in all four county newspapers.

File No. 12 -- Auditor Meiners reported that there are two small parcels of property which were cartways at one time, and exempt from taxation. The cartways run on the edge of the forty acre parcels. Once the cartways were no longer being used, the landowners did not update their legal descriptions to reflect or include the cartway lands. The main land owned by those individuals was sold. The small parcels that were cartway remain in the original landowners names. Recently the assessor determined that there was value to the small parcels and assigned value to the parcels. Tax statements were generated and directed to the owners of record, at least one of whom is deceased. It is the recommendation of both Assessor Dybing and Auditor

Meiners to abate the taxes. Assessor Dybing and Auditor Meiners will work with the current landowners and family members of the owners of record in an attempt to clean up the legal descriptions. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the tax abatements for Alma Wiebke on parcel 09.0200.000 for payable 2010 in the amount of \$36.00 and for Gladys Dahlberg on parcel 09.0202.000 in the amount of \$36.00, being \$18.00 for taxes payable 2010 and \$18.00 for taxes payable 2011.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to cancel the March 22 meeting and to schedule a meeting for March 29th. The department head meeting will be rescheduled for March 29th.

Commissioner Bjerke reported that Soil and Water is facing a \$40,000.00 budget reduction. Soil and Water's budget is 85% staffing expense. Their other significant expense is rent. They are locked into a lease agreement for office space through September 2013. The Board is currently exploring options that would reduce their budget prior to the July 1 budgeting deadline. Commissioner Bjerke stated that the office space which will be vacated by Court Administration would likely accommodate the six staff from Soil and Water.

Chairperson Miller commented that Extension is in the Community Services Building. The county is mandated by the State to provide the space, secretarial staff, and office supplies for the State run programs. Commissioner Bjerke commented that the State mandates and threatens to pull all services if the mandates are not met. There is no funding to cover the mandates.

Commissioner Zmyewski reported on a water planning meeting which he attended.

Commissioner Bjerke reported on a water planning meeting which he attended.

Commissioner Augedahl reported on a meeting which he attended.

Chairperson Miller attended a Hiawatha Valley Mental Health meeting.

Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to place on file the following items from the consent agenda:

File No. 13 -- Notice of Town Hall Meeting sponsored by
Houston County Township Association

File No. 14 -- Notice of revision of CY 2010 and 2011 Adult
Mental Health Grant Awards

File No. 15 -- Letter of Termination of Agreement Between
Owner and Architect (HSR Associates, Inc.) regarding the Houston
County public Works Facility

There being no further business and the time being 10:43 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 15, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 15, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; Suzanne Riley; HR Director Arrick-Kruger; Assistant County Attorney Bublitz; Veteran Services Director Gross; Bill Colopoulos; IS Director Milde; Jail Administrator Schiltz; Sheriff Ely; Chief Deputy Sheriff Yeiter; Finance Director Bradley; Recorder Bauer; Engineer Pogodzinski

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve the minutes of the March 8, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$111,166.60
Road & Bridge Fund	56,409.14

Total	\$167,575.74
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- HR Director Arrick-Kruger reported that Social Services Supervisor Sally Poepping has submitted her resignation, effective Friday, March 11, 2011. She requested authorization to appoint Sharen Lapham Interim Social Services Supervisor, to immediately begin the search for a Social Services Supervisor and to hire a 67-day employee as a social worker to backfill the vacancy created by Sharen Lapham's appointment. Commissioner Zmyewski questioned why the county would consider hiring a temporary employee for such a

short period of time while searching for a supervisor. HR Director Arrick-Kruger stated that under different circumstances it would be reasonable to forego appointing an interim supervisor and to expect the director to temporarily cover the staffing shortfall within the department. However, she does not believe that this is practical due to the fact that PHN/HS Director Rock has recently been appointed to head the combined Public Health and Human Services departments. She stated that the social workers case load is much higher than peer counties, and not hiring would shove that case load per worker even higher. She stated that the county has 24 hours in which to respond or review child protection reports and only 5 days to address mental health issues. Social Workers already struggle with meeting these deadlines. Providing staff with necessary help will also serve to maintain morale. Not hiring could also increase the potential for overtime. Overtime pay would cost the county more than pay for a 67-day employee. Chairperson Miller expressed his opinion that he would not be in favor of filling vacancies if they were the result of attrition. This vacancy could have open cases requiring action. Chairperson Miller inquired whether internships could be utilized more in this situation. HR Director Arrick-Kruger stated that the department currently has 2 interns. Educators have requirements which establish whether opportunities qualify as an internship or not. HR Director Arrick-Kruger does review staffing needs and opportunities which could result in efficiencies. Chairperson Miller encouraged consideration to determine whether adjustments within the department could be done so that hiring would not be necessary. Commissioner Bjerke stated that it is his understanding that the department is short by the equivalent of two employees. He believes HR Director Arrick-Kruger's requests are necessary to maintain a healthy, well functioning department. He agrees that it would be unfair to expect PHN/HS Director Rock to "pick up the slack" and could be detrimental to the efficiencies of the department to decline authorization to hire. HR Director Arrick-Kruger and PHN/HS Director Rock, at a recent staff meeting, encouraged interested employees to apply for the vacancies if they so desire. HR Director Arrick-Kruger also expressed appreciation for the contributions of Sally Poepping during her tenure with the county. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to appoint Sharen Lapham as Interim Social Services Supervisor effective March 16, 2011, to temporarily increase her banding to C-5-2 and to increase her rate of pay to Step 4 of the appropriate wage scale, to authorize the hire of a 67-day employee to assist the department for the period of the search as a C-4-1, at step 1 of the appropriate wage scale, and to authorize the search for a Social Services Supervisor beginning immediately.

File No. 4 -- HR Director Arrick-Kruger stated that negotiations with the Local 49er's have been completed. She recommended tentative approval of the Labor Agreement. She reported that the agreement reflects a 0% salary increase, and a step increase with advancement delayed until 11:59 p.m. on December 31, 2011. This is delayed implementation of step increases. In addition, the position of Maintenance Foreman will be added to the collective bargaining unit. Said position is held by Tom Molling. Both the employee and the union have made the request for the positions inclusion to the unit. HR Director Arrick-Kruger reported that she reviewed the position description, conferred with other counties and she concurs that the position should be included. Commissioner Zmyewski stated that he has spoken with State employees who are currently in a hard freeze. He expressed concern that the county is still

granting step increases, even if they are delayed. The resulting increases will be a fiscal liability to the next budget cycle. HR Director Arrick-Kruger stated that most employees are at the maximum step. She believes that there is only one employee within this unit who will be eligible for a step increase. There are two individuals who may become eligible for career progressions. Career progression increases are the result of an agreement already in place. HR Director Arrick-Kruger offered to compile financial obligation data resulting from the agreement. She also reminded those present that the Highway Department is experiencing labor savings by backfilling vacancies with staff hired at a lesser step. Commissioner Bjerke reported that, as a member of the negotiating committee, agreeing to delayed step advancement was a way for the county to finalize agreements, maintain equity among collective bargaining units and prevent Houston County staff from falling even further behind their counterparts in neighboring counties. Commissioner Bjerke stated that the collective bargaining groups are aware that, in the event the budget woes continue or increase, the result could be fewer positions. He also expressed concern that the county needs to keep pace with those around us in order to keep the good employees the county has. HR Director Arrick-Kruger stated that the agreement with both the 49er's and AFSCME are only one year agreements. She suggested entering into negotiations in May for the next year. The agreements we are approving at this time replace agreements which expired in December 2010. The county still has two collective bargaining units to settle with. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the Labor Agreement with the Local 49er's.

File No. 5 -- HR Director Arrick-Kruger requested adoption of the Safety Policy. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt said policy.

File No. 6 -- At this time Suzanne Riley and Bill Colopoulos, representatives of the SE Service Cooperative. Each year the service coop tracks how each member utilizes services. Most services are geared toward schools and collaboration. There are things that counties and cities can benefit from using. These benefits are assigned a value. The pool takes the risk for the pool. There is a benefit to self insure. Other benefits and savings can be realized. She provided information on how value is calculated and what services are tracked. Bill provided information on how the pool works. Each member chooses their own plan design. Each group is rated individually, then the average rate increase for all members is determined and the formula committee assigns a minimum and a maximum for increases. Groups with less than statewide trend received a benefit from the rate stabilization reserve. Houston County has had relatively good performance for the past two years, and rate increases assessed to Houston County have been quite modest.

Assistant County Attorney Bublitz stated that she has the general agreement for Cellular Specialties, Inc. The quote from csi is included. csi will work with SEH who is already our contractor on the Justice Center. Chairperson Miller asked what the agreement is providing for, and what we would be giving up if this is not approved. Chief Deputy Sheriff Yeiter reported that this would provide for communications between court security, jailers, dispatchers and other

emergency response units. This agreement would ensure that the signal gets to the handheld radios strongly enough to allow performance. If we don't do this, the county won't be able to have radio communications with those outside the building. The Sheriff's Department personnel deal with life and safety issues. Chairperson Miller stated that, in his ski patrol work, he takes people with life threatening injuries off Mount La Crosse using only double A battery powered radios. Chairperson Miller stated that a significant amount of money has been paid to consultants, and this was missed. 800 MHz was sold as having more dependable signal in comparison to other communication systems. The signal is either both strong and useable or there is no signal and therefore no ability for communications. There is no signal within the Justice Center. Assistant County Attorney Bublitz stated that anyone outside the building can call dispatch. Inside the building there are several things going on, including court, jail security, and etc. Neither the 800 MHz radios, nor cell phones will function in the facility. Traditional land line phones function well. Chief Deputy Sheriff Yeiter stated that there are no land line telephones within the cell block. This prevents anything other than radio communications from within that area. Chairperson Miller questioned whether jailers could utilize a different type of radio to communicate with dispatch. Chief Deputy Sheriff Yeiter responded that they could, however, choosing a different system would require acquiring the appropriate licenses, equipment and updating the 800 MHz participation plan. All these items will have a cost associated with them.

Commissioner Zmyewski stated that he did some research which revealed that three other jails have encountered the same issues. They have resolved the issue by utilizing rechargeable radios within the building. Commissioner Zmyewski commented that cabling the building could take place in the future. He does not expect that the expense would vary greatly because the building has false ceilings which allow for easy access to areas where installation of cabling equipment would take place. Chief Deputy Sheriff Yeiter responded that not all of the ceilings are false. Commissioner Zmyewski expressed his awareness that switching to a separate hand held radio when inside the building could be a slight inconvenience. He questioned the necessity of deputies within to Justice Center having the ability to communicate with deputies outside the building. Chief Deputy Sheriff Yeiter stated that the goal of 800 MHz was to allow communication with those outside. Commissioner Zmyewski pointed out that a deputy within the facility can put out a call for assistance and everyone within the facility will hear the call and respond. The dispatcher will hear the call and have the ability to call outside for backup if necessary. Chief Deputy Sheriff Yeiter expressed concern that there could be a delay in response time due to the need for the dispatcher to relay information between deputies within the building to those outside. Chief Deputy Sheriff Yeiter reported that the Stewartville High School was recently cabled to allow for communications with the outside. There will be no need to relay information, which will reduce delayed response times. Chief Deputy Yeiter expressed concern that times have changed and there have been numerous news reports of radical individuals entering government buildings and/or public meetings and doing harm to others. This shows there is need for public safety reasons. Chairperson Miller expressed concern that public safety is the reason for many costly requests. Unfortunately, with public safety, there are infinite wants and a finite amount of funding. Chairperson Miller expressed his difficulty in understanding, if

there were a jail disturbance, how direct communication with deputies outside the facility would impact the outcome of the situation in a significant way. Assistant County Attorney Bublitz reported that recently there was an issue in the Court Administration area and the panic button failed.

Commissioner Bjerke questioned whether the county had dual band radios on hand. Chief Deputy Sheriff Yeiter stated that the county purchased 5 dual band radios and has no plan to purchase additional dual band radios. Commissioner Bjerke expressed concern that budgets are getting increasingly leaner. If the county moves forward with plans to cable the Justice Center, the county is liable for a minimum of \$50,000.00. The county could be liable for the entire amount if grant funding is not secured or if grant funding was awarded in an amount less than 50% of the cost. He expressed concern that the lack of signal within the building was never discovered prior to this request. He believed that adequate testing was performed to allow for the assumption that 800 MHz would function within the new facility.

Chief Deputy Sheriff Yeiter stated that the process to migrate to 800 MHz started four years ago. There has been assessment, development of a participation plan and a listing of inventory needs created. Chief Deputy Sheriff Yeiter stated that the county made the decision to go to Armor. They did not decide to maintain and license 2 communication systems. The participation plan was developed based on Armor. The Sheriff's Department met with cities, townships, and other emergency response units and presented a plan utilizing one communications system. Commissioner Bjerke stated that the participation plan did not include cabling the Justice Center. Because this was not included, the cost was not budgeted for. He expressed concern again that such an expensive component was missed. Chairperson Miller stated that cabling would be an expensive addition to an already costly change. He stated that the La Crescent Police Department could communicate with dispatch, and he questioned how their inability to communicate with county jailers would affect their view of the communications system. Chief Deputy Sheriff Yeiter stated that operating a second public safety frequency will require a second FCC license. Commissioner Zmyewski stated that, regardless of decisions made today, the county will be a participant in Armor. Chairperson Miller stated that it is an assumption that it will be an issue if jailers within the Justice Center are unable to communicate with deputies outside the facility. Commissioner Bjerke again expressed concern that those planning our jail have built other jails and still failed to identify this communication issue. Chairperson Miller stated that there is a need to contain costs while preserving communications. Commissioner Zmyewski stated that neither Mower nor Wabasha county jails have cabled their facilities. They both operate utilizing other systems. Commissioner Bjerke suggested budgeting for cabling in the future, as he felt it could be installed at a later time. He felt that the county can function without cabling the facility immediately. Chairperson Miller expressed concern with approving expenses above and beyond those which were planned for, when we are fully aware that the facility will be opened at well below capacity.

Chairperson Miller raised concern that the county has also spent a good deal of funding to draft a policy and procedures manual. He questioned why the county chose to draft a policy from scratch, when it could have borrowed a policy and revised it to meet our needs.

Chief Deputy Sheriff Yeiter stated that we have funding sources available to cover the cost of the project. Moving forward with the project would complete everything for 800 MHz. There are contingency funds available, as well as the opportunity to recover 50% of the costs through local enhancement grant funding. He expressed concern that local enhancement grant funding will not be available in the future leaving the county to bear the full financial burden if the project were delayed. Commissioner Zmyewski stated that technology changes rapidly and it is also possible that, if the project is delayed, a more cost effective option will be developed to rectify the signal interruption caused by the shell of the facility. Commissioner Bjerke suggested that, since there are so many unknowns, there may be continued grant funding for enhancements. He stated that various agencies will be able to communicate through the 800 MHz system. He does not expect the inability to communicate from within the Justice Center to those outside to be a significant issue. He stated that communication from within the building to those outside was not a consideration when making decisions to migrate to 800 MHz. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and carried to forego cabling the Justice Center, with Commissioner's Augedahl and Walter voting in the negative.

Chairperson Miller questioned why on January 14th, a Dodge Charger was purchased under furniture and equipment and he questioned when the purchase was approved. Finance Director Bradley stated that the code should have been 01-201-6615, vehicles. He will correct the coding. Sheriff Ely stated that 3 cars were approved during 2011 budgeting. Chairperson Miller commented that reviewing expenses when conducting a meeting is not functioning well. He asked when expenses are prepared, and expressed a desire to review expenses prior to the Tuesday Board meeting. Finance Director Bradley stated that expenses are prepared on Friday, and offered to e-mail a PDF file to commissioners on Friday. This would allow commissioner's to review expenses prior to the meeting.

File No. 7 -- Commissioners commended PHN/HS Director Rock for operating the Public Health Department without the need to utilize tax levy dollars. Houston County is one of 4 counties in the state operating without tax levy funding. On the recommendation of PHN/HS Director Rock, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution and to submit it to the Commissioner of Health:

RESOLUTION NO. 11-13

BE IT RESOLVED that the Houston County Board of Commissioners, by this resolution, do hereby approve the 2010 Local Public Health Expenditure Report and recommend it be submitted to the Commissioner of Health for approval.

Veteran Services Director Gross reported that recently he traveled to Washington D.C. During his stay, he met with Tim Walz, attended Veterans Roundtable meeting, and various other meetings with veteran organizations. He indicated that the purpose of the trip was to provide the opportunity for staff working in the field to speak with those making decisions. Veteran Services Director Gross stated that it was an honor to attend. He brought forward concerns from his work here. He offered simple solutions that would alleviate certain issues. The solutions he offered would cost little to implement and should result in things functioning more smoothly. Veteran Services Director Gross reported that the cost of the trip was covered by grant funding. Chairperson Miller indicated that there are tough decisions that will be made. Employees may not always agree with the decisions. It is nice to have employees who participate in events such as this and are a source of pride for the county. Veteran Services Director Gross stated that this was his first trip to Washington D.C. He was fortunate to have time to take in the war monuments there. As a result of his participation, Mr. Gross has been asked to consider participating on a DAV legislative committee. He was pleased to report that some of the issues brought forward are being acted upon and legislation is taking shape.

Chairperson Miller commended Assessor Dybing for his work regarding green acres legislation, and also PHN/HS Director Rock for her excellence in preserving tax levy dollars.

File No. 8 -- Engineer Pogodzinski requested authorization to renew both the AutoCAD 2011 and AutoCAD Civil 3D 2011 subscriptions for a period of one year each. Renewing the software includes any and all updates to the software which may be released during the subscription period. The subscriptions are a qualifying use for Technology Funds. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the subscriptions and payment for the expense from the Technology Fund in the amount of \$3,262.63.

File No. 9 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 36 in connection with S.A.P. 28-996-11 on CSAH 20. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 11-14
APPROVING AND ACCEPTING HOUSTON COUNTY RIGHT OF WAY PLAT NO. 36
FOR RECONSTRUCTION PROJECT SAP 28-996-11

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 20, located between 0.57 and 0.89 miles South of JCT. of County State Aid Highway No. 20 and State Highway 44, (2.52 miles Southwest of the Village of Hokah, MN.). This project includes grading and aggregate surfacing and is identified as SAP 28-996-11; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 36 to identify and delineate the right of way and temporary slope easements required for this project; and

NOW THEREFORE BE IT RESOLVED that Houston County approves and accepts Houston County Right of Way Plat No. 36 as designating the definite location of that part of C.S.A.H. 20 located in Section 13, Township 103 North, Range 5 West, as presented on this date, March 15, 2011, and authorizes it to be filed of record with the Houston County Recorder.

BE IT FURTHER RESOLVED that Jack Miller, County Board Chairperson, is hereby authorized to execute and sign the certification statement on said plat on behalf of Houston County.

File No. 10 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 37 in connection with S.A.P. 28-996-12 on CSAH 20. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 11-15
APPROVING AND ACCEPTING HOUSTON COUNTY RIGHT OF WAY PLAT NO. 37
FOR RECONSTRUCTION PROJECT SAP 28-996-12

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 20, located between 2.99 and 2.59 miles South of JCT. of County State Aid Highway No. 20 and State Highway 44, (2.52 miles Southwest of the Village of Hokah, MN.). This project includes grading and aggregate surfacing and is identified as SAP 28-996-12; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 37 to identify and delineate the right of way and temporary slope easements required for this project; and

NOW THEREFORE BE IT RESOLVED that Houston County approves and accepts Houston County Right of Way Plat No. 37 as designating the definite location of that part of C.S.A.H. 20 located in Section 25 and 26, Township 103 North, Range 5 West, as presented on this date, March 15, 2011, and authorizes it to be filed of record with the Houston County Recorder.

BE IT FURTHER RESOLVED that Jack Miller, County Board Chairperson, is hereby authorized to execute and sign the certification statement on said plat on behalf of Houston County.

The time being 10:35 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to recess for the Human Services meeting.

The Board reconvened at 11:37 a.m.

Commissioner Zmyewski expressed concern with late submissions or meeting walk-in issues and the expectation that items brought to the Board will be acted upon immediately. Commissioner Bjerke stated that he believes there is a policy which addresses this. Commissioner Zmyewski used the recent csi cabling quote which was presented and acted upon without having conducted any research. Time should be allowed for thoughtful consideration and any research which may impact decision making. Commissioner Zmyewski encouraged members of the Board to table items which they would like additional time to review. He would also like additional information provided beforehand if a decision is to be made during the meeting when discussion on a matter has been scheduled. He used an example from this week's agenda where the item was listed as "personnel matters". In order to be prepared to make a decision, a detailed paragraph regarding the matters could have been submitted which would allow the commissioners to gather any pertinent data. Otherwise, the meeting should be used to advise the commissioners and action should follow during the next regularly scheduled meeting. He suggested that the Board reserve the right not to take action on the same day an issue is brought forward. There should be ample time allowed for research and preparation. It was agreed that Auditor Meiners would send out a memo to department heads in this regard.

File No. 11 -- Auditor Meiners reported that the Houston Money Creek Snowmobile Club has requested approval of an application. The county acts as the fiscal agent for area snowmobile clubs. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the application and to adopt the following resolution:

RESOLUTION NO. 11-16

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the capital improvement request for reimbursement of the Houston Money Creek Snowriders and authorizes the Board Chairman to sign said request with the Department of Natural Resources.

Commissioner Walter reported on a meeting she attended of the Joint Powers EMS.

Commissioner Zmyewski reported on a SE MN Water Resources Planning Board meeting and a Wildcat Committee meeting which he attended.

Commissioner Zmyewski reported that Finance Director Bradley, EDA Coordinator Wilms, Engineer Pogodzinski and he attended a meeting with Winona Airport Manager Dr. George Bolon. Dr. Bolon is an inductee of the Aviation Hall of Fame. The purpose of the meeting was to ask Dr. Bolon to review the operations of the Houston County Airport and to offer his expertise regarding issues to consider in the future, and how to operate the airport more efficiently and effectively. Dr. Bolon reviewed the financials of the airport and expressed

concern. He believes the airport could be self-sustaining. He pointed out that a \$0.50 markup on the cost of fuel does not provide adequate revenues to cover credit card service fees, fuel replacement costs, or budgeting for fuel system maintenance and/or upgrades. The cost of fuel at the Houston County Airport is significantly less than the cost charged at surrounding facilities. In addition, the amount charged for lot leases is also inexpensive when compared to surrounding facilities. Increasing fees to comparable levels would increase the revenues generated by the use of the facilities and could provide for self sustenance. Dr. Bolon also offered advice to Engineer Pogodzinski regarding the issuing of notems which cover the county in issues of liability. He encouraged Engineer Pogodzinski to review the advisory circulars which offer specific guidelines to follow regarding notems. Commissioner Zmyewski anticipates further discussion on various topics once he's had the opportunity to prepare some information and recommendations.

Commissioner Bjerke reported on the Town Hall meeting hosted by the Township Officers Association which he attended.

Chairperson Miller reported on the Town Hall meeting, a SMART meeting, and also a Wildcat Committee meeting which he attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 12 -- Memo to county staff regarding rising gas price concerns

File No. 13 -- Public notice regarding meeting cancellation and meeting scheduled

File No. 14 -- Correspondence to FSA regarding gopher issue

There being no further business and the time being 11:58 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 22, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 29, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Environmental Services Director Frank; Finance Director Bradley; Recorder Bauer

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve the minutes of the March 15, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$75,338.17
Road & Bridge Fund	48,447.54

Total	\$123,785.71
	=====

File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and unanimously carried to approve license center and Human Services disbursements.

Environmental Services Director Frank provided information regarding a meeting to be hosted by La Crosse County Solid Waste on Wednesday, May 4th from 8:30 a.m. to 12:00 noon. All regional partners are invited. Environmental Services Director Frank stated that his department would submit the registrations if the Board would inform him of who would be attending. It was agreed that Mr. Frank would register both Chairperson Miller and Commissioner Walter.

File No. 3 -- Environmental Services Director Frank provided copies of the 2010 Drop-site report. The report is also sent out to cities and townships. He will discuss the report during this evenings Association of Township Officers meeting. Environmental Services Director Frank

asked if there were any questions regarding the report. Commissioner Bjerke questioned whether tonnages had increased, decreased or remained steady. Mr. Frank responded that it is difficult to determine due to the impact flooding in 2007, 2008 and 2010 had on drop-site data. He indicated that he has not recognized any dramatic changes in the most recent 5 to 8 year period. He reported that current high metal prices have benefited the drop-sites. Typically, it costs to recycle appliances. Currently, appliances can be recycled and the drop-sites are actually receiving revenue from them. These are profitable conditions which will aid in keeping costs down. Environmental Services Director Frank reported that \$2.50 per month per household is assessed for the drop-site services available within the county. This amount has remained steady for several years. Cities assess the fee through city services billing and townships assess the fee through their levy upon property taxes. Commissioner Bjerke questioned whether consideration was being given to adjusting the fee. He indicated that increasing the fee by \$0.25 to \$0.50 would be beneficial to ensure the program supports itself in the future, and would not be a significant burden on taxpayers. Environmental Services Director Frank stated that, in the event a fee increase is considered, this should take place during the county budgeting process so that information could be extended to townships that set their levies in March. Commissioner Bjerke encouraged Environmental Services Director Frank to consider a \$0.25 per household fee increase. He stated his belief that this would not cause complaint. Environmental Services Director Frank expressed concern that even a modest fee increase would generate complaint. Commissioner Bjerke reported on information gleaned during his recent visit to the capital. He expects that budget cuts are pending. He expressed his opinion that any opportunity to generate revenue that will offset the cuts should be explored.

File No. 4 -- Engineer Pogodzinski requested approval of a grant agreement for airport improvements. He reported that recently, the software for the acceptance of credit card payment for fuel sales was upgraded. The cost for the software upgrade was \$1,075.00. The grant agreement will provide for 50% reimbursement for the cost of the upgrade. Commissioner Bjerke indicated that he believed improvements qualified for 75% reimbursement. Engineer Pogodzinski reported that grant amounts for improvements vary based on categorization of the improvements. This particular item qualifies for 50% reimbursement. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the grant agreement and to adopt the following resolution:

RESOLUTION NO. 11-17
AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF
TRANSPORTATION GRANT AGREEMENT FOR AIRPORT
IMPROVEMENT

BE IT RESOLVED by the Houston County Board of Commissioners as follows:

1. That the State of Minnesota Agreement No. 98575,
“Grant Agreement for Airport Consultant Services,” for State Project No. A2801-20 at
the Houston County Airport is accepted.

2. That the County Board Chairperson and County Auditor are authorized to execute this Agreement and any amendments on behalf of Houston County.

Engineer Pogodzinski reported that the Airport Land Lease has been reviewed. The fees charged for land leases are also being reviewed. Engineer Pogodzinski reported that the county is required to notify leasee's of changes to the Airport Land Lease 90 days prior to lease expiration. He recommended sending notification at this time, and including a copy of the revised Airport Land Lease excluding fees. An airport commission meeting has been scheduled to discuss lease fee recommendations and gather input regarding fees. Following the April 18th meeting, final lease agreements could be sent. Commissioner Zmyewski indicated that a recommendation has been made to operate the airport to ensure that it becomes and remains self sustaining. A review of land lease fees and fuel price markups are being performed to establish rates which will attain the goal to be self sustaining. Commissioner Zmyewski reported that Eric Benson has requested the lease fees charged over the past several years. Auditor Meiners reported that she had this information and it was agreed that she would send the information directly to Mr. Benson. Commissioner Zmyewski indicated that Mr. Benson is in agreement that land lease fees and fuel pricing should reflect a goal of self sustenance. Commissioner Zmyewski stated that Mr. Benson intends to present data for comparison purposes which has been gathered from the Preston airport and also airports around the metro area. Commissioner Zmyewski expressed hesitation regarding the data because it will not provide apples to apples comparison. He noted that Preston has a maintenance shop at the airport facility and airports around the metro area likely experience significantly greater air traffic than the Houston County Airport by virtue of their location. Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to authorize sending the appropriate notification regarding the upcoming renewal of Airport Land Lease Agreements.

Engineer Pogodzinski requested authorization to purchase the county's salt supply through the state bid. Engineer Pogodzinski reported that the county used to secure its own pricing. It was typical that by doing so, the county saved money over the state bid amounts. One year, the county paid \$80.00 per ton over the cost of the state bid, therefore, the county began purchasing salt through the state bid. Engineer Pogodzinski would prefer action on this request today so that he may provide the amount needed by Houston County to the State. He expressed his understanding if the Board needs time to consider this request. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to purchase the county's supply of salt through the state bid.

File No. 5 -- Engineer Pogodzinski reported that the Wildcat Committee is recommending a new mower be purchased for the park. Three quotes have been solicited. The low quote was provided by Ken's Small Engine, Inc. in the amount of \$4,415.01. Engineer Pogodzinski reported that in 2010 a mower was budgeted for, no mower was purchased, the funds were not carried forward and went back into the General Fund. Engineer Pogodzinski requested use of General Funds for the purchase of the mower. Chairperson Miller expressed

concern that Wildcat Park, like the Airport needs to be self sustaining. The only way to determine whether they are or are not is to identify and segregate revenues generated by each entity. Revenue funds generated in excess of expenses need to be carried forward. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to direct Finance Director Bradley to identify revenues and expenses generated by both Wildcat Park and the County Airport and to segregate these funds and carry them forward accordingly allowing for the evaluation whether the venues are self sustaining.

Commissioner Bjerke expressed concern on the amount of tax being paid on the mower for Wildcat Park. He is concerned at the sales tax burden the county shoulders for major equipment purchases. He suggested contacting Representative Davids in this regard.

File No. 6 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the quote of Ken's Small Engine, Inc. for a mower for Wildcat Park in the amount of \$4,415.01.

Engineer Pogodzinski reported that shelters at Wildcat Park are rented by groups for events. Often fuses blow when groups plug in multiple electrical appliances such as crock pots. A recommendation was made to upgrade the electrical service to the shelters. Hoskins Electric has provided a quote, in the amount of \$970.00 to add four – 20 amp services to each of the three shelters so that they can handle the load. Engineer Pogodzinski reported that upgrading the electrical of the shelters has been budgeted for. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to authorize the upgrade of the electrical service to all 3 shelters in the amount of \$970.00.

Engineer Pogodzinski reported that a new air conditioning unit has been budgeted for, since the unit in the concession stand at Wildcat Park needs to be replaced. A low quote in the amount of \$399.99 was provided by Cox True Value in Houston. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the purchase of a new air conditioning unit for the Wildcat Park concession stand from Cox True Value.

Engineer Pogodzinski reported that a trailer to move picnic tables and equipment around Wildcat Park has been budgeted for. Quotes have been solicited and range between \$900.00 and \$1,200.00. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the purchase of a 5' x 8' single axle trailer in the amount of \$900.00 plus tax and license from D & B Sealcoating.

Commissioner Bjerke questioned whether the conditions of the boat landing at Wildcat Park were discussed during the most recent Wildcat Park Committee meeting. He indicated that individuals had expressed concern with how difficult it is to land a boat at the Wildcat Park boat landing. He suggested that Engineer Pogodzinski, who has a boat and is familiar with the

landing, consider how the landing could be improved for ease of use. Engineer Pogodzinski could discuss the issues with the Corps of Engineers and bring forward any recommendations.

File No. 7 -- Engineer Pogodzinski reported that, in order to secure the best possible bid for the 22 acres of cropland advertised for lease, the county needs to work with the FSA office to have the property's status changed to ag production. This status would aid in qualifying the lessee for federal farm subsidy payments on crops grown on the property. The classification will affect the lease rate/bid amount. Engineer Pogodzinski indicated that signed paperwork is required. He recommended that the Board appoint an individual familiar with the situation to work with FSA and be the designated signatory. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to appoint Tom Molling to work with the FSA office to complete the required paperwork and to designate him as signatory for the county in this regard.

Commissioner Zmyewski expressed concern with regard to the access route for the 22 acres of cropland. He was interested to know whether large farm equipment would be allowed to travel the access route. Engineer Pogodzinski indicated that he is unaware of any weight access issues on the city streets that would be traveled to access the property. He also stated that access to property may not be denied by both the city and the state.

File No. 8 -- HR Director Arrick-Kruger recommended that the Board accept the resignation of Maintenance Specialist John Dewey, effective April 30, 2011. Engineer Pogodzinski reported that Mr. Dewey will have worked for the County for 39 years and 3 months upon his retirement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to accept the resignation of Mr. Dewey and to send a letter of appreciation for his many years of service.

File No. 9 -- HR Director Arrick-Kruger requested authorization to immediately begin a search for a maintenance specialist. She provided data regarding the financial implications of filling the position which will be vacated by Mr. Dewey. She indicated that there will be short term salary savings. Engineer Pogodzinski and HR Director Arrick-Kruger have been working together to review staffing needs. A Highway Department Staffing Analysis was distributed. The analysis showed that over a 16 year period staffing has increased just over 10%. The increase can be attributed to the increased complexity of projects and the administrative requirements to maintain an adequate level of documentation to qualify for external funding.

HR Director Arrick-Kruger noted that for 16 years there has been no increase to maintenance staffing levels. She expressed her belief that, if the Board chooses not to replace staff, a substantial risk in expending premium pay or a significant decrease in service will be the result. HR Director Arrick-Kruger reported that the analysis process has led her to believe that Houston County is effectively utilizing both staff and equipment.

The analysis highlights differences in geographical terrain. No two counties are the same.

Maintenance staffing levels have been based on snowplowing needs. Even with Houston County's hilly terrain, maintenance staff plows routes average 33 miles each. This is average or exceeds the average for many area counties who responded to a request for plow route lengths. With the hills and curves common in our county, it would be reasonable to expect plow route lengths to be less than the average. Flat terrain can be plowed at a faster rate and do not require as much road treatment as do hills and curves. When there are hills and curves to treat, drivers can be expected to have to reload more frequently than drivers operating on flat terrain with fewer curves. Failure to replace the retiring maintenance specialist will result in increased payment of premium pay or decreased service.

Engineer Pogodzinski reported that during the summer months, maintenance staff persons are kept busy applying gravel to roads and road shoulders, cutting brush, assisting the engineering staff with surveying and staking, and assisting sign specialists with sign replacements. Engineer Pogodzinski that there is work to keep ten maintenance specialists busy throughout the construction season.

HR Director Arrick-Kruger has been cognizant of the fact that the Board has considered reducing staff through attrition. However, the analysis and benchmarks support the current level of maintenance specialist staffing. Houston County plows many miles and outperforms staff from counties with flat terrain. This shows how well Houston County staff is performing. Houston County has 10 plow routes and 11 staff members which include 10 Maintenance Specialists and Maintenance Foreman Molling. In the event an individual is on vacation, ill or has a family emergency all remaining staff are on the roads. It has been county practice to limit maintenance staff time spent on the roads to 12 hours or less per day. Chairperson Miller commented that there may be 2 to 3 weeks between snowfalls. He questioned what maintenance staff does in between times. Engineer Pogodzinski reported that there is clean up plowing to do between events and drifting to clear, cutting blades need to be replaced, there is maintenance to be performed on trucks, sand, salt and brine mixtures need to be prepared, and stocks of road treatments supplies need to be replenished at various reloading locations. Commissioner Bjerke expressed concern regarding maintaining the current level of staffing when the county has reduced its road work budgets. Engineer Pogodzinski stated that the county funding is just one portion of their budget. There are state aid budgets dedicated to areas of maintenance, bridges, bonding, and road construction. These budgets have remained steady or increased slightly. Engineer Pogodzinski indicated that the loss of one FTE could result in the loss of \$2 million dollars plus worth of work in a single construction season. Engineer Pogodzinski expressed his opinion that saving one \$60,000.00 salary does not justify jeopardizing \$2 million dollars worth of construction work and contracts.

Commissioner Bjerke questioned whether consideration had been given to staffing winter plowing duties with 67 day employees. This would minimize or eliminate the need to have work to keep these staff busy during the summer. Engineer Pogodzinski responded that staffing levels have been determined based on plowing needs in winter months. These maintenance specialists have been kept busy during the summers. In 2007, 2008 and again in 2010 these staff members

were very much needed when the area was hit with severe flooding for clearing and clean up. In addition, the Highway Department has not had adequate staffing and has resorted to hiring outside firms to complete various projects. Engineer Pogodzinski expressed concern that summer help may not best serve the needs of the county. Summer help is often college students who need to return to school in late August or September. Summer help is needed for the entire construction season which may last well into November and perhaps even December.

Engineer Pogodzinski recommends hiring a full time sign specialist to replace the position vacated by Bob Jacobson who recently retired. He would utilize this position ½ time in the sign shop and ½ time in engineering. He believes that the skill set required for each position would be complimentary and cross-over well between the positions. In the winter the individual would work in the sign shop with required inventory and maintenance and during the construction season work with engineering. This would not be a position where a portion of each day would be spent completing work in each area. This would be full time in one area or the other dependent upon the season. Engineer Pogodzinski acknowledged that the sign shop has been functioning in spite of the vacancy created by Mr. Jacobson's retirement. This has been possible because in 2009, the township sign program was completed. New signs had been installed throughout the county. There was little need for repair, replacement or addition. However, as time passes, signs will require replacement, the annual inventory certification will be required to be completed and routine maintenance will increase as signs age or become damaged or vandalized. In 2010, there was between \$16,000.00 and \$17,000.00 worth of staff time spent replacing damaged signs. This routine maintenance is required. There are many circumstances when two individuals are required to repair and/or replace a damaged sign. Knowledge of code requirements, setbacks, and height requirements is necessary when repairing and/or installing replacement signs. It isn't as simple as handing an individual a sign and bolting it to a post. It may be possible to operate the sign shop with .5 FTE less personnel. However, the .5 FTE reduction in that area is very much needed in engineering staffing. Engineer Pogodzinski stated again that the complexity of projects has increased significantly. There is a need to expend awarded funding within a given amount of time. To do so, adequate staffing is required. The county has many bridges to inspect, maintain and replace. If the county is unable to maintain its bridges there will be an increased risk that bridges will be closed. Preventative maintenance is important and can result in long term savings. Engineer Pogodzinski reported that Houston County currently has \$10 million in unused bonding that could disappear if there is not adequate staff to complete projects in the allowable time. Commissioner Bjerke questioned whether 2 part time staff could be hired. He expressed concern that one individual could be hired to perform well in both areas of the sign shop and engineering. Engineer Pogodzinski stated that he has staff that are currently doing just this, and he expressed his strong belief that he could attract a qualified applicant pool for this combined position. Commissioner Bjerke inquired whether a maintenance specialist/sign specialist could be hired instead of an individual to work in engineering and the sign shop. Engineer Pogodzinski stated that the required certifications cause issues for this type of position combination. He stated that hiring someone with the required engineering certifications or eligible to receive those certifications part time would be extremely difficult. Engineer Pogodzinski stated that he has a staff person who received formal education

for construction management performing in both the sign shop and on the engineering side. He has the qualifications and skill set to perform well in both areas. There is a very different knowledge base necessary to excel in the sign shop as opposed to operating the snow plow. Engineer Pogodzinski is the only licensed engineer employed by the county. Employees working in the engineering division average 14 certifications each to be qualified to perform their duties. Commissioner Bjerke stated that he understands that the Highway Department needs help. He would like to explore whether they could function with 1.5 FTE rather than 2 FTE. He expressed his belief that a marriage of maintenance specialist/sign specialist would serve the county well. Engineer Pogodzinski indicated that a .5 FTE position in engineering is not favorable. There are an average of 14 certifications required to perform the necessary duties. Houston County applicant pools usually include individuals from Wisconsin and/or Iowa. He feels there would be little interest in acquiring all certifications for a part time position. He also expressed concern regarding the potential dollar amount the County could spend on consulting. Those consultants are often hired from areas of central Minnesota. These funds would not be available for right of way acquisitions, engineering or inspection of projects which would require payment by local funding sources. HR Director Arrick-Kruger expressed agreement with Engineer Pogodzinski that it would be difficult to fill a part time engineering position. It would be easier to fill a part time maintenance position. Commissioner Zmyewski expressed his desire to research the possibilities further now that the concerns have been established. Engineer Pogodzinski and HR Director Arrick-Kruger will provide whatever data necessary for commissioners to feel confident in their decision. Commissioner Bjerke indicated that he believed the positions should be shared one way. He questioned how Engineer Pogodzinski would structure 1.5 FTE if it were approved. He also stated that, if there was considerable risk of losing funding, additional consideration would be required.

File No. 10 -- HR Director Arrick-Kruger reported that some part-time Home Health Aides (HHA) have reduced the number of hours they will work. This has resulted in the loss of 56 client hours and having insufficient staff available to fulfill the need. She requested that the status of Dorothy Schulte and Laurie Meyer be changed from 67 day employee to part-time (28 hours per week), and authorization to hire 2 replacement roster HHA's. HR Director Arrick-Kruger stated that all positions are externally funded. These changes should provide adequate staffing levels to meet needs. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve changing the status of both Dorothy Schulte and Laurie Meyer to part-time and to authorize the hire of 2 roster HHA replacements.

Chairperson Miller announced that Houston County is the recipient of a grant in the amount of \$40,208.00 for children's mental health services.

File No. 11 -- Finance Director Bradley reported that the Recorder's Office recently began offering passport photo services. The fee for the photo is \$12.00 plus tax in the amount of \$0.83. Some customers pay in cash. The Recorder's Office has had to send those individuals to the Treasurer's Office for correct change because they do not have a change fund. The

Recorder's Office is a cash collection office with established policies and procedures. Recorder Bauer is requesting a \$25.00 change fund so that the office may make change for those customers who pay in cash. Commissioner Bjerke stated that granting the request makes sense. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to establish a \$25.00 change fund for the Recorder's Office and to adopt the following resolution:

RESOLUTION NO. 11-18

WHEREAS, the County Recorder has requested a change fund in the amount of \$25.00; and

NOW THEREFORE BE IT RESOLVED, that the Houston County Board of Commissioners hereby authorizes the following petty cash/change funds:

County Revenue Fund:	
Treasurer	\$ 500.00
Motor Vehicle	100.00
Driver License	35.00
Auditor's Office/License Center	100.00
Sheriff	500.00
Public Health Nursing	200.00
Extension	200.00
Recycling	15,000.00
Solid Waste	300.00
Recorder	25.00

Total County Revenue Fund	\$16,960.00
 Road & Bridge Fund	 \$100.00

Total	\$17,060.00
	=====

Recorder Bauer was pleased to report that, in the 5 weeks her office has been offering passport photos, they have processed \$324.00 worth of business. She stated that the cost of the camera was approximately \$1,100.00 so nearly 1/3 of the investment has been recaptured already.

Chairperson Miller stated that he has received correspondence regarding an annual single audit of federal fund. Finance Director Bradley responded that he is aware of the audit. The State Auditor will be conducting the review of county reports. There will be testing of 3 programs, one of which is a Human Services program and two which are Highway Department programs.

Finance Director Bradley will submit the appropriate documentation as directed to the Federal Clearing House.

Chairperson Miller shared concern expressed by the EMS Committee that no commissioner has been present at their meetings. Commissioner Bjerke stated that this particular committee is responsible for a significant amount of work and funding and it is imperative that Houston County be represented. Chairperson Miller reported that Commissioner Walter has volunteered to attend if the assigned commissioner is unavailable or would prefer not to participate on this committee. Commissioner Augedahl indicated that he has been in attendance and will continue to represent Houston County on said committee.

File No. 11 -- Following discussion, it was the consensus of the Board to delay the county auction until September or October instead of holding the auction in August. This will allow for the inclusion of any excess items resulting from various office moves which will take place following the opening of the Justice Center.

File No. 12 -- Auditor Meiners recommended approval of a tax abatement for an additional small parcel of property which had previously been exempt because it was a cartway. She stated that this is similar to 2 abatements which were approved recently. She reported that she and Assessor Dybing will work with current landowners and family of the owner of record to update the legal description. Auditor Meiners stated that it will be more cost effective to work with landowners and owners of record versus tax forfeiting the property in the future. Motion was made by Commissioner Augedahl, seconded by Commissioner Bjerke and unanimously carried to approve the tax abatement for John Gallagher on parcel 16.0013.000 for payable 2010 in the amount of 176.02.

File No. 13 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Viking Ridge Riders Snowmobile Trail application for reimbursement and to authorize the signatures of Chairperson Miller and Auditor Meiners.

File No. 14 -- Chairperson Miller read a response received from the FSA office in regard to Mr. Voight's gopher control concerns.

Commissioner Zmyewski reported on a finance committee meeting and a Planning and Zoning meeting which he attended.

Commissioner Bjerke reported on a finance committee meeting and also an AMC Conference which he attended.

Commissioner Zmyewski expressed concern that some department heads and/or elected officials who are invited to attend the monthly department head meetings habitually send a proxy. He expressed his expectation that department heads and/or elected officials should be attending

the meetings personally unless they are on vacation or unavailable due to some other extenuating circumstance beyond their control. It was agreed that a memo would be sent out regarding this concern and encouraging department heads and/or elected officials to attend and refrain from sending a standing appointee.

Commissioner Bjerke stated that he has been advised that, due to the collection efforts of Jean Becker, several large estates which owe the county are being settled. The county is collecting on some sizeable debts. He has discussed the success of the collections with Winona County. They are not experiencing debt recovery to the same extent. He commended staff for working diligent to recover debts owed. Commissioner Zmyewski stated that he is pleased that staff is working diligently to settle these debts. He stated that resources are wasted if debt is allowed to remain outstanding when recovery was possible.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and unanimously carried to place on file the following items from the consent agenda:

File No. 15 -- Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 16 -- Correspondence to Department Heads regarding board appointments and action

File No. 17 -- Notice of annual meeting & election of Houston County Township Officers Association

File No. 18 -- Correspondence to payroll regarding various Human Services hires

There being no further business and the time being 10:39a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 5, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 5, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Jail Administrator Schiltz; GIS Coordinator Krzoska; Emergency Manager Kuhlers; Assistant County Attorney Bublitz; HS Accountant Bahr; Environmental Services Director Frank; HR Director Arrick-Kruger; Engineer Pogodzinski; Zoning Administrator Scanlan; Kevin Kelleher; County Attorney Hammell; Chief Deputy Sheriff Yeiter; Sheriff Ely; IS Director Milde; John Pristash; Denise Schaffer; Court Administrator Larson; PHN/HS Director Rock; Accounting Manager Lapham; Tim Irwin

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the March 22, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$42,817.28
Road & Bridge Fund	4,508.80

Total	\$47,326.08
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve Human Services disbursements.

File No. 3 -- John Pristash reported that the masonry contractor has finished on the first level. He stated that this signals the completion of the major structural work. Masonry work is dusty, therefore, with its completion cleaning may begin. The painter is working north to south on the second level. Finishing materials such as casement, laminate, ceramic tiles and paneling have been delivered. Overall there is a nice workflow. Mr. Pristash indicated that mechanical

unites /the heating and cooling systems are expected to go online May 1st. He expressed his opinion that things are right on track.

File No. 4 -- Jail Administrator Schiltz reported that he and others have worked with cellular specialties, Inc. (csi) to negotiate a lower quote for the cabling of the Justice Center. The Department of Corrections (DOC) was able to confirm that the cabling is not required to be encased in conduit if it is installed to meet various other requirements, which can be satisfied. A significant savings has resulted because there is no longer a need for the conduit. A revised quote, in the amount of \$59,915.70 has been submitted to cable the Justice Center. Commissioner Bjerke indicated that he had significant concerns about cabling the Justice Center when the cost exceeded \$100,000.00. Due to discussion held at a recent Regional Radio Board meeting, he believes that the cabling project would qualify for 50% match grant funding because it builds out infrastructure. The Department of Public Safety would need to approve the project for grant eligibility. This is one of the rules governing how the funding may be spent. Once a project is approved, the Regional Radio Board is able to disburse funding.

Commissioner Bjerke reported that Chatfield High School lacked reception. Grant funding was awarded to cover a portion of the cost to cable that building. Through the process of migrating to 800 MHz radio, buildings without sufficient radio coverage will be discovered. Cabling projects will be completed in an effort to enhance emergency preparedness. Commissioner Bjerke admitted that he was not comfortable spending \$100,000.00 for the cabling project from the contingency funds set aside for the entire Justice Center Project. Through discussion, GIS Coordinator Krzoska has indicated that the cabling project would qualify for funding by designated E911 funds. He reported that Houston County receives approximately \$90,000.00 per year of E911 funds. These funds are derived from a fee placed on each landline and cellular phone and paid out to counties for qualifying expenditures. GIS Coordinator Krzoska reported that he expects there to be a balance in the E911 fund of approximately \$478,000.00. Of these funds, it is estimated that \$138,000.00 will cover the cost of the E911 phone system upgrade, \$250,000.00 will be needed for the 800 MHz console, and \$40,000.00 will be reserved for emergency purposes leaving adequate funds to cover the cost of the cabling project. Commissioner Bjerke expressed concern that with the state budget crisis the fund should be spent down so that the state doesn't notice a significant fund balance and consider pillaging the account to help balance their budget. GIS Coordinator Krzoska reported that the county is aware of the need to replace the current E911 system and has been saving the E911 proceeds to build the account so that the system can be replaced about the time the Justice Center comes online. He reported that the new system will be compatible with text and next generation ready. Commissioner Bjerke is hopeful that grant funding will be awarded to cover a portion of the cost of the cabling project reducing the amount needed from the E911 fund. The E911 fund was established to cover expenses such as the cabling project.

Chairperson Miller clarified that the original concern was regarding the ability of staff within the cell block to have the ability to communicate with dispatch.

Commissioner Zmyewski stated that this problem was brought to light on March 15th. He questioned what the original problem was. Jail Administrator Schiltz responded that the ability for communications between EMS, Fire Departments, Deputies and Jail Staff utilizing 800 MHz radios was the concern. Also, the lack of cell phone signal was a concern. Chief Deputy Sheriff Yeiter interjected that signal strength within the building is poor for 800 MHz and cell phones. Jail Administrator Schiltz stated that there are places near exterior walls and/or windows where both the 800 MHz radios and cell phones work adequately. Commissioners asked how communications with deputies on the roads takes place currently. The response was non-800 MHz radios. When asked if this could continue, Chief Deputy Sheriff Yeiter responded that the FCC is mandating a switch to narrow banding by January 1, 2013. Commissioner Zmyewski asked what will happen in the event the mandate is not met. Chief Deputy Sheriff Yeiter responded that the FCC will assess heavy fines. When asked for a specific fine amount, Chief Deputy Sheriff Yeiter was unable to provide a specific amount. He did state that during many meetings he has attended regarding the switch to 800 MHz they have been cautioned repeatedly regarding sizeable fines for non-compliance. Commissioner Bjerke stated that the FCC is mandating different technologies for communications. Currently wide band technology is utilized, in 2013 narrow band technology is being mandated with another mandate going into effect in 2017. The FCC wants everyone transferred over. Commissioner Bjerke indicated that as a result, the state is offering millions of dollars in incentives to switch.

Commissioner Zmyewski asked for clarification whether or not there will be land line phones within the cell block. Jail Administrator Schiltz stated that there are land line phones for inmate communications. There are no other land line phones located within the cell block. Commissioner Zmyewski stated that it is his understanding that dispatch/central command can see the cell block and they have land line and 800 MHz communication capabilities. Jail Administrator Schiltz indicated this was correct. Commissioner Zmyewski stated that earlier it was reported that signal strength was greatest near exterior walls and/or windows and asked Jail Administrator Schiltz who his cell phone carrier is. Jail Administrator Schiltz stated that Verizon is his cell phone carrier. Commissioner Zmyewski reported that on two separate occasions he went into the Justice Center. He placed a call from the center of first floor and the center of second floor and was able to move about and complete the call without issue. He indicated that the center of the building should be the area where signal strength is the weakest. Chief Deputy Sheriff Yeiter stated that the center is not the area with the worst signal because it is near a significant amount of glass. He indicated that the areas with the weakest signal are in booking and the basement. Commissioner Zmyewski and Chairperson Miller performed an additional test using \$200.00 radios similar to those used by Ski Patrol. The radios worked well throughout the building. They were even able to communicate between the Courthouse and the Justice Center using the same radios. Chief Deputy Sheriff Yeiter reported that 800 MHz radios work off the tower system. The nearest tower is 4 miles east of Caledonia. There will be antennae on the top of the building to ensure dispatch communications. However, this does not enhance the ability for communications in areas with little or no signal strength such as the Sheriff's offices or basement. Chairperson Miller questioned why another type of handheld radio could not be utilized within the building. Jail Administrator Schiltz expressed concern that in the event of a

fire, the fire department will respond, but he questioned whether they will remember to grab a different radio on their way in so that they have communications within the building, as their radios will be 800 MHz. With EMS it would be a similar scenario in the event they were responding to a call. All these organizations are going to 800 MHz radios and once they enter the Justice Center their communications devices will not function adequately. Commissioner Bjerke expressed concern with expecting dispatch to be responsible to field 911 calls and in the event there is an issue within the building to be able to relay information from inside the building to those outside the building who may be needed to provide additional assistance. Commissioner Bjerke stated that the goal of 800 MHz was to increase communication efficiencies and to allow various organizations to communicate with one another, from the State Patrol to City Police and across police, fire and emergency service providers everyone would be able to communicate. Commissioner Bjerke expressed concern that we could be putting emergency service personnel at risk because the county is trying to save a couple thousand dollars. It seems barbaric to him not to cable the Justice Center so that the 800 MHz radios have the ability to function as intended. Commissioner Bjerke admitted that he was not comfortable with the first quote. However, he is comfortable with the quote before him now.

Commissioner Zmyewski stated that there will be many buildings that lack adequate 800 MHz signals which emergency service personnel will respond to for various reasons. They will lack communications abilities within those buildings also. Jail Administrator Schiltz reported that all local Fire Departments will be replacing their current radios with 800 MHz. Commissioner Zmyewski stated that the Fire Department is just as likely to receive a call for assistance from the Caledonia High School as it is likely to receive one from the Justice Center. The Caledonia High School isn't cabled either. There will be many cases where the building they are responding to will not have been cabled.

Commissioner Zmyewski commented that when the first cabling quote was presented to the Board for consideration, it was reported that cell phones and 800 MHz radios did not function within the Justice Center. This was inaccurate as there are areas with adequate signal strength which allow for good communications. He expressed concern that he does not want to spend taxpayer dollars if it is not absolutely necessary. He stated that if the Board had accepted the initial quote, \$40,000.00 would have been wasted. Everything included in that quote was not necessary. He stated that the current quote is to cable all levels of the Justice Center. He questioned, when there is adequate signal strength in certain areas, whether cabling the entire building is absolutely necessary and whether the quote has been submitted at the bottom dollar. Commissioner Zmyewski expressed concern that perhaps more could be omitted from the quote with the result still being adequate signal strength throughout. He suggested looking into whether it was necessary to cable the first and second floors when perhaps it is only the basement that lacks adequate signal, or perhaps not cabling the first and second floors for cell service when that service works adequately. Jail Administrator Schiltz reported that it is a single cable run through the building, there are two antennae styles placed on the roof, one to enhance the signal strength for cell phones and the other for 800 Mhz. A single cable transmits both signals throughout the interior of the building. Chairperson Miller stated his understanding that if the fire department

responded to a fire in the basement of the building, they would have no communications. He expressed concern that \$200.00 radios work and the 800 MHz system was marketed as being a better system. Chief Deputy Sheriff Yeiter stated that the 800 MHz will have functionality on a “scene of action” channel. This functionality works within a mile of the “scene”. Both Commissioner Zmyewski and Chairperson Miller questioned why there is such a great concern with cabling if the radios have functionality. Chief Deputy Sheriff Yeiter stated that those within the building would be able to communicate, however, they would not have the ability to communicate with another fire department to request additional assistance on the scene. It was suggested that they could go through dispatch to call in additional assistance. Commissioner Bjerke indicated that it would be counterproductive to go through dispatch when the 800 MHz system was designed to allow for direct communication between emergency response units. Commissioner Bjerke stated that during the flooding in 2007, dispatch was inundated with 911 calls. They were unavailable to relay messages. Cell phones were the only communication between entities. The 800 MHz technology is mandated. Commissioner Zmyewski stated that there would still be scene of action communications. All functionality could be utilized outside of the building. The commissioners requested an example of when the need to relay information would be detrimental. Jail Administrator Schiltz commented that the dispatcher could be unavailable responding to a 911 call when a jailer needed a call put in for an ambulance to respond to something such as a heart attack. Jail Administrator Schiltz expressed concern that there is assistance protocol which is required when entering cells. The need to relay data could jeopardize safety. In addition, the basement will house the emergency command center, and it could be inefficient to attempt to operate two communications systems which would require the relay information from within the building to those outside the building who may be needed to provide assistance. It isn’t practical nor would it be efficient.

Commissioner Zmyewski requested a copy of the mandate requiring the switch to 800 Mhz. Chief Deputy Sheriff Yeiter responded that the mandate was on the FCC website. He also stated that the county was given three options regarding the mandate: do nothing, spend \$700,000.00 to migrate to one type of system which would require a second migration prior to 2017, or spend \$1.6 to \$2 million to migrate to 800 MHz with no further changes required in 2017. The Board voted unanimously to migrate to 800 Mhz. Commissioner Zmyewski expressed appreciation for the explanation. He commented that technology changes quickly, the cost of technologies decreases and they change. Commissioner Zmyewski stated that he wonders if technology will be developed soon which would enhance the signal strength within the Justice Center at a lower cost than cabling the building now. He questioned whether the county could get by with cabling the basement only.

At this time, John Pristash, asked if he may be allowed to speak. Mr. Pristash stated that one option would be to use a separate frequency within the building. He reported that there are still open walls and open ceilings and for \$60,000.00 they can utilize all 800 MHz functionality within the building. The county has already made a \$1.2 to \$1.6 million investment and the additional expense at this time is minimal. He encouraged them to consider the increased cost that could result later once the ceilings and walls are no longer open. Not all of the ceilings are

false, some areas have “hard lids” or sheetrock ceilings. Commissioner Walter reminded everyone that there is a good possibility that grants could be secured to cover 50% of the cost. Commissioner Zmyewski expressed concern regarding using tax levy funding to cover the cost. Commissioner Bjerke reminded him that E911 funding could be used because there is an adequate amount in the fund to cover all qualifying projects and maintain desired reserves. In addition, it was budgeted in the FE & E for the Justice Center project. Commissioner Bjerke stated that it was his goal not to fund this with taxpayer dollars. He suggested they table the matter until the next scheduled meeting. It was questioned whether there was a need to table a vote because funding was available through the E911 account. Commissioners questioned whether waiting to vote would adversely affect construction. Jail Administrator Schiltz commented that the contractors are at a point where they could be closing up the ceilings and walls. Mr. Pristash stated that there has been good discussion and debate today. He encouraged the Board not to rush their decision. However, he did state that time is of the essence. Chairperson Miller commented that, if this had been discovered by our consultant early on, there would have been no concern whether the Board was rushing a decision as they would have had adequate time to plan accordingly. Chairperson Miller encouraged members of the Board to move forward with a decision. Commissioner Zmyewski confirmed that there were adequate E911 funds available to cover the entire cost in the event grant funding is not awarded. Commissioner Zmyewski admitted that he needed to play the devil’s advocate on behalf of taxpayers. Sheriff Ely apologized that he brought to the board only the information he had available to him without further researching the situation. Commissioner Zmyewski requested that there be a guarantee. Jail Administrator Schiltz reported that per agreement, once the cabling is complete there will be thorough testing to ensure there are no dead spots. Commissioner Bjerke indicated that once approved, the project will need to be submitted to Public Safety for determination of grant qualifications. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quote of csi, Inc. in the amount of \$59,915.70, to pay the expense from E911 proceeds and to seek grant funding for partial reimbursement.

GIS Coordinator Krzoska stated that it is his intention to have figures for the cost of the E911 upgrade to commissioners prior to next week’s meeting.

Commissioner Zmyewski reported that there has been confusion regarding the storage location of 20,000 county owned sandbags. There are also questions regarding who may have or use the sandbags. Emergency Manager Kuhlers stated that the sandbags belong to the county. They were purchased in a preparedness effort to protect county infrastructure. This could include city water treatment plants or other entities as determined by the Board. The Board determines who may or may not have the bags. The Board has the authority to issue them to private homeowners. However, typically private homeowners are responsible to protect their property. Emergency Manager Kuhlers reported that there are ample supplies of sandbags available in La Crosse, Wisconsin from various vendors. Commissioner Miller inquired regarding the sandbags at Shore Acres. Emergency Manager Kuhlers indicated that those bags are from 2007 stockpiles.

Commissioner Miller questioned whether the Board could seek reimbursement from cities in the event the city utilizes the bags and the area is not declared a disaster. Emergency Manager Kuhlers stated that the Board could seek reimbursement. He did state that many of the bags are being stored by the cities, and the cities could assess storage fees. The cities are not currently charging a storage fee. He reported that he knows where all 20,000 bags are stored. Commissioner Zmyewski encouraged Emergency Manager Kuhlers to notify both the Sheriff's Office and the Highway Department regarding the storage locations, and priority listing for issuing the bags. Commissioner Bjerke reported that it was an issue when Maintenance Foreman Molling received multiple calls regarding the bags. He expressed his agreement that it would be appropriate for the Sheriff's Office and the Highway Department to be aware of the storage locations. Commissioner Zmyewski stressed that Emergency Manager Kuhlers is the individual responsible for coordinating emergency efforts in Houston County, and departments should work with him if bags are issued. It was agreed that private homeowners are responsible to obtain sandbags from retail vendors. The county owned bags are to be used for infrastructure protection. Commissioner Zmyewski encouraged the Board to consider issuing bags, which may be subject to shelf life expiration, to private individuals. Sheriff Ely requested that the Board provide Emergency Manager Kuhlers with some direction regarding prioritizing to whom or for what structures bags should be issued in the event of a flood emergency.

The county purchased the sandbags and placed them strategically at various locations throughout the county to be prepared in the event a flood event occurs. The storage locations are in city buildings. It is possible that once the threat of flooding has subsided, the cities may want the bags to be picked up and removed from their facilities. It is possible that, because the bags are stored by the cities, the cities may issue them in which case the county may seek reimbursement. Emergency Manager Kuhlers reported that if the bags were used and a disaster declaration resulted there would be no need to seek reimbursement from the cities because FEMA would reimburse the county for the cost of the bags. Commissioner Zmyewski expressed concern that denying issuing the bags to individuals or allowing cities to distribute them could result in an outcry that they were purchased with taxpayer dollars and their use should be allowed. The county tax dollars should not be used to protect city or private property. The cities have the authority to levy tax dollars which could be used to protect city infrastructure. Emergency Manager Kuhlers stated that the county has an excellent working relationship with the cities in the county. He doesn't expect any issues as this group has worked together several times in recent years to protect against flood damage.

Emergency Manager Kuhlers reported that the Mississippi River is the only waterway of significant concern at this time. At current projections and barring any significant rain events it is anticipated that the areas of concern are Shore Acres, Lawrence Lake Marina and the Harbor Lights area of Brownsville. The river is expected to crest at approximately one foot above flood stage. He indicated that, to date, none of the supply of 20,000 sandbags had been issued out. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to allow cities to distribute bags. However, cities will be billed for all bags used not used in protection efforts of county infrastructure and /or property.

File No. 5 -- Assistant County Attorney Bublitz reported that she had provided information to the law committee some time ago regarding ongoing work on estate recovery efforts. She indicated that several major projects are ongoing. She requested authorization to acquire, retain and sell personal and real property related to the estate recovery efforts.

She provided information regarding the acquisition of farm equipment, a Spring Grove farmstead, a residence in Spring Grove and property in the Eitzen area. She recommended the county sell the farm equipment as soon as possible and not wait for the annual county auction. Her reason for this recommendation is that when the county auction is held the farming season will be coming to a close resulting in a reduced value of the equipment.

Assistant County Attorney Bublitz expressed her belief that there is an opportunity for significant monetary gains through the collection of MA claims. The MA claims are 6 and 7 figures. The assets will not satisfy the claim amounts. With regard to these MA claims the families have agreed to quit claim or deed the assets to the county in an effort to settle the MA claims. Assistant County Attorney Bublitz explained how the process works and how the county may benefit. For example, a residence is deeded to the county, the MA claim is \$100,000.00, the residence sells for \$80,000.00, and the county is entitled to expenses and 25% of the net proceeds. She stated that the county acts as the collection agent and is rewarded with a percentage of the amount collected.

Assistant County Attorney Bublitz reported that Winona, Mower and Olmsted Counties do not pursue these MA collections for the state because they are unwilling to devote the necessary manpower to the efforts. Assistant County Attorney Bublitz indicated that the collection efforts will be well worth it. Commissioner Miller questioned where the collected funds will go. HS Accountant Bahr responded that the funds will be deposited into the Human Services general fund. Commissioner Bjerke inquired whether the funds generated from these collections could be used to balance the budget. It was noted that Human Resources receives tax levy dollars already. HS Accountant Bahr indicated that it is likely that the funds will be required to stay within the department.

Assistant County Attorney Bublitz stated that Jean Becker initiates collection of assets for MA claims. The process includes Ms. Becker sending correspondence to heirs. Typically, there is no response. The next step is for Ms. Becker to work with Assistant County Attorney Bublitz to send correspondence from the County Attorney's Office. There is increased response to the correspondence received from the County Attorney's Office. Historically, the county has not devoted the necessary resources to this process. However, in these economic times, the benefit of these collections outweigh the costs. Commissioner Miller stated that it is his belief that this is worthwhile. Commissioner Bjerke questioned whether there are additional claims that could be collected if additional resources were devoted to the process. HS Accountant Bahr indicated that there were. Commissioner Bjerke requested a listing of other claims that could be pursued. HS Accountant Bahr reported that Ms. Becker assists with coding in addition to her collection work.

She reported that there are deadlines and timeframes which must be met to be successful in this type of collection. In addition, there are expenses to obtaining real property. The property must be insured once it has been deeded to the county and coverage must be maintained until the property is sold. Of course, it would be the hope that the asset sells quickly. Commissioner Miller questioned what would allow Ms. Becker to pursue collections more. Assistant County Attorney Bublitz requested authorization to pursue these collections and to accept, monitor and sell the resulting assets. Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to empower Assistant County Attorney Bublitz and Jean Becker to pursue collections on behalf of MA claims.

File No. 6 -- Zoning Administrator Scanlan reported that KB Materials has requested a Conditional Use Permit on behalf of property owner Linda Marks. Ms. Marks owns property where materials will be removed from for the Highway 44 project. The area is vulnerable to erosion and has a nearby waterway which could be affected. A conservation plan has been developed to protect the area. Approval is recommended provided the conservation plan and all federal, state and local regulations are followed.

File No. 7 -- Zoning Administrator Scanlan reported that Justin Zmyewski has applied for a Conditional Use Permit to operate Level II Home Occupation. Approval is recommended provided the business does not exceed 5,000 square feet or 6 employees and all federal state and local regulations are followed.

On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Augedahl and carried to approve the issuance of the following Conditional Use Permits, with Commissioner Zmyewski abstaining:

KB Materials for Linda Marks – Houston Township - Move more than 10 yards of fill in a shore land area.

Justin Zmyewski – Houston Township - Run a Level II home occupation in an ag district (welding shop)

Zoning Administrator Scanlan reported that Conditional Use Permit #118 for Bonanza Grain is up for renewal. Bonanza Grain has requested the permit be renewed and reported that there are no changes planned for the operation. Zoning Administrator Scanlan indicated that Bonanza Grain removes sand for livestock bedding in this operation. There have been no complaints regarding the operation and, if approved, this will be the third 5 year renewal.

Zoning Administrator Scanlan reported that Conditional Use Permit #240 issued to Tom and Todd Tollefsrud is also up for renewal. The Tollefsrud's have requested the permit be renewed for a period of 5 years, and reported that there are no changes planned for the operation. Commissioner Bjerke questioned whether all conditions were being met. Zoning Administrator

Scanlan reported that the operation is monitored on an annual basis and all conditions are being met.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve 5 year extensions for both permit #118 and #240.

File No. 8 -- On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Allyn and Kaye Jacob – Yucatan Township - Build a machine shed (72' x 100')

Dennis Holte – Black Hammer Township - Build pole shed (60' x 80')

Mathy Construction Co. – Mayville Township - Set up a temporary asphalt plant

Jason Schroeder – Winnebago Township - Build a shop (48' x 72') with lean-to (30' x 20')

Farmer's Co-Op Elevator – Houston Township - Build grain bin (255,000 bushels)

File No. 9 -- Environmental Services Director Frank reported on a wetland permit on behalf of the City of La Crescent for the area bordering Monte Carlo Road. The city was instructed by the State to expedite the project which would negate the impact of spring flooding. The project is for the placement of a culvert under Monte Carlo Road allowing water to back up from the south of the road to wetlands on the north side of the road. In cases of moderate to severe flooding water can overrun the roadway causing damage to it. The culvert will prevent damage to the roadway. The TEP recommended approval of the project. TEP recommended the culvert be placed at the same elevation as the culvert under Shore Acres Road to allow water to equalize between the wetlands south and north of Monte Carlo Road. They also recommended that a geo-synthetic material be used for turf reinforcement instead of rip rap. The project has been completed and will go to a 15 day hearing. There was no conflict with any Federal or State agencies. Environmental Services Director Frank reported that there are 15 acres in the south wetland and an additional 45 acres in the north wetland that water will be allowed to back into when the river stage increases. Commissioner Miller questioned why the permit was applied for “after the fact”. He did agree that this is a prudent project to carry out. On the recommendation of the TEP, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the permit.

Environmental Services Director Frank reported that fluorescent bulb collections are taking place this week. He has been working to collect the commercial bulbs so that more focus can be dedicated to residential bulb collections on Saturday. He indicated that he will be out of the office much of the week.

Environmental Services Director Frank confirmed that he will submit registration to the La Crosse Solid Waste meeting for Commissioners Walter and Miller who will be attending the event with him.

File No. 10 -- HR Director Arrick-Kruger stated that the Board approved the hire of two roster HHA's last week. Lori Engen and Sharon Lukert are recommended for these positions. Ms. Engen was previously employed by the county as an HHA. Ms. Lukert is a licensed vocational nurse. The roster HHA positions are reimbursed positions, and are 67-day employees who work as needed. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the hire of Lori Engen and Sharon Lukert as 67-day roster HHA's as A-12-2 with wages of \$12.92 per hour.

File No. 11 -- HR Director Arrick-Kruger reported that it is her responsibility to review positions descriptions as needed. The county has a policy to review one quarter of its positions annually. HR Director Arrick-Kruger indicated that she has been unable to meet this policy quota. She expressed her belief that this is not practical and redundant. She has reviewed positions which have experience substantial change or positions that have not been reviewed for an extremely long period of time.

The process of position review is extensive. HR Director Arrick-Kruger analyzes work performed with other departments, considers the percent of high level duties, level of policy making, supervisory authority, budgetary control, and the level of liability in the event the employee is not doing their job. This study reflects the work an individual does not what volume of it.

She has recently completed this process for all positions within the Environmental Services Department. The last position to be reviewed, the Environmental Services Director position currently held by Rick Frank, has been submitted to Fox Lawson for comparable worth banding. Fox Lawson is recommending a banding change from C-5-2 to D-6-1. In the event of a banding increase, the employee's wages should be adjusted by 3% or advanced to the next step, whichever is greater. In this instance, the step increase would be greater. Generally position banding does not change, sometimes it could result in a banding decrease. In this instance, an increase has been recommended. This recommendation reflects how much this position has changed since it was last reviewed. Commissioner Bjerke indicated that in six years he has only received recommendations for increases when a position has been reviewed for comparable worth. He suggested that comparable worth studies should be discontinued until the wage freeze is lifted.

HR Director Arrick-Kruger stressed that this review is for comparable worth purposes. It is completed in an effort to ensure that individuals performing jobs with similar levels of authority, responsibility and accountability are compensated equitably. They compare internal positions and wages only. They do not take into consideration wages paid outside the organization.

Commissioner Bjerke expressed great concern that last year the Board moved to freeze wages, wages will be frozen again this year, and approving this banding adjustment could reflect negatively that an employee was granted a raise when others have received no increase for two years. He believes this will put other department heads behind the department head whose banding was adjusted. HR Director Arrick-Kruger reported that most department heads are banded higher. She offered to provide department head bandings to the commissioners. This department head was banded considerably lower than the rest. Commissioner Zmyewski expressed concern that this could appear like someone was granted a raise during a wage freeze period.

HR Director Arrick-Kruger stated that the comparable worth study takes up to six months to complete. She did not understand that comparable worth study recommendations would be viewed as subject to a wage freeze. Commissioner Miller questioned the driving force for the completion of comparable worth studies. He questioned whether it was discretionary and how it was determined which positions should be reviewed. HR Director Arrick-Kruger has complete comparable worth studies on various positions within the Sheriff's Office, Human Services, Public Health and Environmental Services. The studies in Environmental Services were triggered by a desire to review departmental needs following the retirement of a staff member. In addition, the policy mandates the comparable worth review of ¼ of the positions within the county on an annual basis. Commissioner Bjerke recommended the policy mandating comparable worth review be suspended. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to suspend comparable worth reviews until further notice.

Pursuant to M.S. 13D.05 subd. 3(b) Assistant County Attorney Bublitz requested the Board convene a closed session to discuss matters protected by attorney-client privilege, and specifically regarding pending litigation. Motion was made Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to go into closed session.

The time being 11:11 a.m., motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to return to open session.

HR Director Arrick-Kruger reported that she and Engineer Pogodzinski were directed to review a combining of half time maintenance specialist and half time sign specialist positions versus combining of half time sign specialist and half time engineering. HR Director Arrick-Kruger reported that the duties and analytical skills of a sign specialist are more akin to the engineering side. Engineer Pogodzinski expressed agreement that the sign specialist is more suited to the engineering side, as the skill set and knowledge compliment and cross-over between

the positions. The technical manual for signage is 1,100 pages, and there are a significant amount of requirements. In the event a sign is not placed according to the manual, the sign specialist must be able to justify why the sign placement deviated from requirements and document this. Engineer Pogodzinski expressed strongly that, in order to capitalize on funding, the department needs additional engineering assistance. The county is at risk of losing funding if projects are not completed. Both the position of sign specialist and maintenance specialist have been budgeted for the entire year. The positions were vacated due to a medical issue and a retirement. Engineer Pogodzinski expects it to take two months to fill the positions and requested authorization to hire so that staff is on board when the construction season ramps up. Engineer Pogodzinski expects to hire an individual who can immediately perform entry level engineering duties. In 2011 the individual can add to their skills so that they can contribute more in the busy 2012 construction season. Engineer Pogodzinski indicated that on the maintenance side he will need a staff member full time during the winter season. This would result in a seasonal position. MN DOT has limited seasonal positions. Engineer Pogodzinski has been unable to identify any county which staffs with seasonal positions. He expressed concern that staffing in this way could result in a different employee each winter season, and a need to constantly be re-training new employees. Houston County Maintenance Specialists have difficult terrain and plow slightly more miles each than counterparts with simple, flat terrain. Commissioner Bjerke stated that MN DOT utilizes 67 day employees all across the state. He believes there could be advantages to utilizing 67 day employees for plowing in the winter and seasonal summer help. It will provide job skills to college kids. Engineer Pogodzinski expressed concern that temps will work one season and then be gone. Each new employee requires training. He expressed his opinion that a full time permanent employee would be more efficient because they would know what is going on.

Engineer Pogodzinski suggested that weed cutting could be reduced if summer maintenance staff is reduced. Commissioner Zmyewski stated that these are tough economic times and a reduction in weed cutting may be justified. There is an opportunity before us to reduce expenses through natural attrition. Perhaps there are other things that can be done differently to reduce expenses. Engineer Pogodzinski would prefer to look at other ways to reduce expenses rather than through a reduction in staffing. He suggested that perhaps the department could reduce township road service. Commissioner Bjerke expressed his belief that staffing a temporary or part time plowing position will not be difficult. He stated that there are many farmers with mechanical aptitude who may not be busy during the winter months when there are no crops to plant or harvest. This would be an ideal position for someone like this. He also believes that 67 day summer help could provide valuable training opportunities for other individuals. Commissioner Miller questioned why townships do not perform their own work, and why La Crescent doesn't plow their own city streets. He encouraged more consideration of collaborative or sharing opportunities. Engineer Pogodzinski expressed concern that townships lack the resources to care for their own roads or to get them opened up timely following significant snow events. In La Crescent, the county may plow a short distance when traveling between two sections of county road. He reported that these small sections don't increase our expenses. The sections must be traveled regardless of whether the plow is down or not. Commissioner Bjerke expressed concern that there are no guarantees of snowfall. Commissioner

Miller expressed his desire to explore all possible ways to gain efficiencies. Both Commissioner Bjerke and Commissioner Zmyewski expressed their belief that 67 day employees could be utilized to meet the needs for maintenance staffing during summer and snow plowing. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to authorize the hire of 1 full time sign specialist/engineering technician, and 67 day employees to assist with maintenance, the use of 67 day employees to meet the needs of maintenance shall be reviewed in one year.

Engineer Pogodzinski reported that crack filling increases the life expectancy of hard surface roads. Recently, quotes were solicited for crack filling. B & D Sealcoating provided a quote in the amount of \$88,000.00. This amount is 10% over budget. Engineer Pogodzinski may decrease quantities to meet budget. Commissioner Miller questioned if crack filling was put off last season. Engineer Pogodzinski responded that seal coating was not completed, however, crack filling was completed. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the quote of B & D Sealcoating for crack filling.

File No. 12 -- Engineer Pogodzinski reported on quotes received for Calcium Chloride. The low quote was provided by Freeborn County Coop Oil. They quoted \$0.80 per gallon delivered to tanks located at two different shops or \$1.00 per gallon applied. Typically, Houston County does not have the vendor apply the product. Since Houston County has not worked with Freeborn County Coop Oil, Engineer Pogodzinski obtained references. He reported that of the three counties contacted, each provided excellent references and indicated that they would be using the vendor again. Engineer Pogodzinski recommended accepting the quote provided by Freeborn County Coop Oil for calcium chloride. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the quote of Freeborn County Coop Oil.

File No. 13 -- At this time, Kevin Kelleher, met with the Board to discuss the new jail facilities and to share a PowerPoint Presentation. He stated that he is the friend of a sitting commissioner. He has not previously shared the thoughts that he will be sharing today, nor was that individual aware of his presentation until it appeared on the agenda. Mr. Kelleher made it clear that he was not "carrying water" for anyone present.

Mr. Kelleher reported that there are two things which have contributed to his need to share his concerns. His job with the State has him working in counties in southeast Minnesota. He is aware that there are jails within 10 days of having to lay off staff in this area. The average daily population of inmates is so low that they are faced with laying off staff. He has spoken with the commissioner representing the district he lives in regarding the new jail. Mr. Kelleher admitted that he led the battle to build the new Justice Center. Recently, the Caledonia Argus printed an article regarding costs related to operating the Justice Center which includes the jail. The numbers from that article do not match reality. The potential for layoffs and the article are the reasons for his presentation today. He expressed his desire to share his thoughts. He is here only as a citizen. He expressed his belief that there are errors with the numbers printed in the

Argus. Mr. Kelleher expressed concern that commissioners are not receiving good data. He indicated that, if he were still a commissioner, he would not be satisfied with the numbers reported to the Argus. As a citizen and taxpayer, he is not satisfied with the numbers. These numbers indicate that there are problems. He provided information from articles printed regarding the Faribault County Jail. The average daily population (adp) is 24 inmates. The jail has a 60 bed capacity. Faribault County wants to reduce costs to operate the facility by housing inmates from other jails. Prior to the jail opening, Faribault County anticipated revenues of approximately \$350,000.00 from housing inmates in their excess jail beds. They believed they could profit from the additional beds. There are no inmates available to fill those beds and no resulting revenues. Faribault County was able to secure an ICE (Immigration and Customs Enforcement) contract which has spared the county from laying off staff.

Mr. Kelleher expressed his belief that there is an abundance of mis-information. This mis-information comes from many sources including the DOC, local sheriffs, consultants and others. Often there is a focus to get where you are going. Consultants have an interest in encouraging the commencement of projects because that ensures their employment. If there is no project, there is no job. Mr. Kelleher expressed that he did not believe there were legitimate lies told, but rather, there have been changes in information. Information used to initiate the justice center project was 4 years old. That information indicated that there would be a jail bed shortage in the state. There has been no jail bed shortage. Since 2002, the Board has continued to move forward with an expandable to 82 bed facility. Mr. Kelleher reported on the number of jail beds available in various southeastern counties and on their average daily population. Dodge County does not operate a jail. With the exception of Dakota and Fillmore Counties, all jails regionally are at less than 50% capacity.

Minnesota passed legislation allowing Minnesota inmates to be transported and housed in Wisconsin facilities. Wisconsin lacks similar legislation and they are not allowed to transport and house prisoners in Minnesota.

Mr. Kelleher encouraged the Board to consider this new data prior to hiring five additional employees as they could be faced with laying off those new employees once reality sets in. He empathized with commissioners regarding the tough decisions which lie ahead of them.

Mr. Kelleher reported that Mower, Wabasha, Freeborn, and Steele Counties have new jails. Dodge County does not operate a jail. Dodge County is similar to Houston County in size. Fillmore County is operating in excess of 50% capacity and doing fine. Freeborn County struggles in spite of their ICE contract. Commissioner Bjerke indicated that these other jails may be operating closer to capacity than reported. Due to segregation requirements, they may be nearing capacity with only 80% of the beds being filled. Commissioners Miller and Zmyewski both attended the recent Inmate Housing Workshop. They reported that no one in attendance indicated that the information being presented was misleading or irrelevant to the situation. Attendees were all wondering how to fill capacity.

There are a significant number of inmates who qualify for work release. These inmates may be housed in very minimum security situations. Mr. Kelleher reported that there is an individual who has purchased private homes with the intention of housing work release inmates in the private sector and in amongst residential neighborhoods. A minimum security facility can be built for far less than a maximum security facility. Houston County built a maximum security facility because we were advised that is what was necessary.

Houston County has an adp of 17.2. Mr. Kelleher questioned the need for 5 additional staff. He indicated that, when he was on the Board, the intention was to build an efficient facility that would require only minimal additional staffing.

Mr. Kelleher encouraged the Board to seek DOC approval that would allow dispatchers to act as jailers. He indicated that it is likely that this would not be approved, and cautioned against making assumptions that it would. He reiterated how many area jails are operating at less than 50% capacity. He indicated that decisions made regarding jails have resulted in new commissioners being elected to Boards. Mr. Kelleher repeated that he was very much a part of the decision to build the new jail, and he expects people to question why he would express his concerns now. He realizes that there was opposition to the location of the building which greatly slowed the building process. The opposition was not in regard to the size. Commissioner Bjerke questioned why the opposition was in regard to the location and not the size. He stated that the Justice Center has been built as part of the plan for future needs, not current ones. Mr. Kelleher again encouraged the Board to consider all options and the costs associated with each. Commissioner Bjerke commented that jail populations are down. He does not expect the populations to remain low. Mr. Kelleher stated that information provided to the Board he served on was that the average daily populations would continue to trend higher. Unfortunately, Mr. Kelleher expressed his belief that adp has peaked. No one expected this. However, the fact is that inmate adp has declined. Electronic home monitoring has come into play. Commissioner Bjerke pointed out that Mr. Kelleher was instrumental in planning this, educating the taxpayers and selling the public on the need for the Justice Center. One major concern that was used to sell it was the need for safety. He questioned if the need for safety no longer existed. Commissioner Bjerke commented that he believed Mr. Kelleher was here today to suggest that the new facility not be opened. He reminded Mr. Kelleher that would mean continuing to march inmates from a transport vehicle to court. Mr. Kelleher stated that prisoners are transported daily throughout the State. He reminded everyone that the facility will be built. He is not suggesting that the new facility be knocked down. He is suggesting that the Board consider utilizing it differently. Commissioner Bjerke expressed concern that there will still be exposure to the public. Mr. Kelleher encouraged the Board to look at the costs. He admitted that there will continue to be minimal risks but it is the costs that he wants the Board to focus on and review. Commissioner Bjerke stated that he fails to understand how continuing to transport prisoners could prove cost effective versus housing them on site. Mr. Kelleher stated that he left the Board prior to the decisions being made regarding the final sizes being determined. It is unfortunate that today's realities were not known so that the size could have been scaled back. Commissioner Miller

stated that he came on board once the train had left the station. He is faced with decision making going forward. He admitted that the facility was built based on 14 year old demographics. He mentioned the fact that both La Crescent and Caledonia High Schools have witnessed declining enrollment. Declining enrollment is projected to continue through 2014.

It was mentioned that, Reporter Charlie Warner, had presented a news article to a previous Board Chairperson regarding legislation which allows Minnesota to house prisoners out of state in Wisconsin. La Crosse County had inmate housing available. This article was never discussed nor was any consideration given to utilizing housing in Wisconsin for inmates. The information was never used to provoke discussion regarding adjusting the size of the planned facility.

Commissioner Miller expressed concern that the Justice Center has many private conference rooms located within suite areas that are not available for general use. The office of the Sheriff is twice the size of that of a CEO in La Crosse who manages a corporation with over 200 employees and does business in excess of \$18 million per year. The cost of the Sheriff's Office alone can be calculated to be approximately \$55,000.00 when considering square footage by the cost of construction per square foot. Commissioner Miller finds this bothersome. Mr. Kelleher stated that the size of offices and other spaces is not his concern. He again admitted that he was part of the reason the Justice Center is here today. He did state that given these new realities there is a need to re-evaluate the situation prior to moving forward. He expressed concern that there are many jails in the area which are operating well below capacity while costs increase exponentially.

The jail portion can be opened at a later date when inmate adp is at an adequate level to justify the cost. The other areas of the facility may open and be used as planned. Mr. Warner's article, which appeared in the Caledonia Argus, was to consider how the expenses for this facility will be covered. Commissioner Bjerke questioned whether Finance Director Bradley explained to Mr. Warner how much of the annual expense has already been levied. The article could be interpreted that \$1.5 million of new costs will be put on the taxpayers. This is alarming. \$1.425 million of this amount has already been levied. Commissioner Bjerke indicated that there is an anticipated \$158,000.00 that will need to be levied for. He commented that earlier today there was discussion that leads him to believe that much of that will be revenue generated through Human Services collections of MA claims. Commissioner Bjerke stated that, if we do not open the new jail, the County will be made a 72 hour hold facility and required to transport all inmates to various locations for housing. Mr. Kelleher addressed the fact that, regardless of when the costs were levied for, the taxpayer still bears the burden. He suggested that the Board consider the fact that it could be inefficient and wasteful to open the new jail with a considerable adp below 50% capacity. Commissioner Bjerke expressed his belief that transporting all prisoners while paying for an idle facility would be inefficient and wasteful.

Mr. Kelleher expressed belief that there are other efficiencies that could have been considered when planning the Justice Center. He reported that Commissioner Duane Bakke of

Fillmore County had contacted then Chairman, Larry Connery, to discuss the possibility of a regional dispatch center. Mr. Bakke indicated that he felt as if there was no consideration given to his proposal. Commissioner Bjerke stated that Houston County has dispatcher/jailers. The County has the approval letter to continue this. He reported that there was a period during the staff planning where it was thought that there would be the need for 15 additional employees and they have been able to get the number of additional staff required down to 5. He expressed his belief that, if the new jail does not open, there will be a need to lay off staff. Mr. Kelleher stated that, when he was involved in the planning, it was anticipated that a new efficient facility would require minimal, 1 or 2 additional staff, not 5. He is hearing that an efficient facility is planned, the adp remains unchanged and increased staffing is required. Commissioner Bjerke stated that for each position, 3 employees are need to cover a 24 hour time period. Mr. Kelleher stated that he was part of the initial planning. He was not part of the decision.

Commissioner Zmyewski reported that he recently attended the regional inmate housing collaborative. The statistics presented today are the same as what was presented at that meeting. They are accurate. He questioned whether cost figures have been calculated at the local level.

Commissioner Bjerke reported that Fillmore County may remodel their jail. They have no intention of adding inmate beds. To his knowledge Winona County has a similar plan.

Mr. Kelleher repeated that Minnesota has the option to house inmates in Wisconsin. In addition, southeastern Minnesota has a significant number of empty jail beds which are costing taxpayers. He encouraged the Board to consider these facts. He reported that he follows the Board minutes. He expressed his opinion that the Board has not had adequate information or discussion to base good decisions on. Commissioner Bjerke stated that he has difficulty considering these things when the individual expressing concern is the same individual who was instrumental in paving the way for the facility to be built. Mr. Kelleher stated that he has been wrong and he has changed his mind. There is the current reality and facts which have been persuasive in changing his perspective. Mr. Kelleher clarified that he is not attacking anyone, nor does he believe that the project shouldn't have moved forward. He is saying that, because new facts and current statistics are available, they should be considered going forward.

Commissioner Zmyewski indicated that he understands Mr. Kelleher's concerns. There have been 3 new jails opened in the area. There has been discussion regarding the overabundance of beds. This discussion is in full swing and the Houston County facility is not open yet. Commissioner Miller agreed that housing outside inmates is not an option with current adp and the surplus of available beds. He indicated there is discussion regarding a standardized cost to house inmates to prevent "bidding wars." Houston County is at a disadvantage to house outside inmates due to its location in the corner of the state.

When Houston County was in the planning stages, Board members were led to believe that there would be a huge influx of prisoners. Commissioner Bjerke admitted this has not been the case. However, during the planning stages the minimum the County was advised to plan for

was 40 expandable to 80. This was the reality at that time. Mr. Kelleher expressed his opinion that the Board was not provided with accurate information. Furthermore, the reality today is very different. Jail Administrator Schiltz reported that, when the study was completed, it was determined that adding the double bunking option initially would be more cost effective than adding it at a later date.

Commissioner Bjerke questioned why the article written by Mr. Warner did not include the fact that over \$1 million needed for the cost of operation of the facility had already been levied. Mr. Warner stated that he failed to mention that in addition to all the costs he did highlight in the article he failed to include the \$1 million spent to acquire property prior to the project taking shape. Mr. Warner stated that there are many ways to look at the figures. He is reporting to make taxpayers aware of the cost to them to build and operate this facility. Each year the levy is new. Mr. Kelleher expressed concern that the Board is unaware what the operating costs will be.

Commissioner Zmyewski expressed concern that there is one staff member in IS who has sole access to the entire computer system. He expressed his belief that for certain areas of the IS system there should be split passwords so that accessing the area is the responsibility of two individuals. He expressed his belief that it may be ill advised to allow one person sole power. He suggested that the e-mail journal require a split password. Commissioner Miller expressed his agreement. He questioned if this change would be simple. IS Director Milde stated that this would be a simple adjustment. It was agreed that IS Director Milde and Accounting Manager Lapham would each be responsible for a portion of the split password to access the e-mail journal.

Commissioner Zmyewski questioned whether Digital Evidence Technician Pierce provided IS support for the Sheriff's Office and whether he was approved to receive a cell phone per diem. Commissioner Zmyewski stated that IS staff is frequently contacted. Sheriff Ely responded that Digital Evidence Technician Pierce does provide IS support to the Sheriff's Office. However, he does not receive a cell phone per diem. He indicated that the Board could consider this. He stated that he had offered Mr. Pierce use of a county paid cell phone which he declined because he did not want to carry 2 phones. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve a cell phone per diem for Lindsey Pierce.

Commissioner Zmyewski stated that it has come to his attention that there is a new Dodge Charger being stored. He indicated that he is aware of a 1997 policy requiring all expenditures exceeding \$1,000.00 require Board approval even if they were budgeted items. He questioned whether the policy was being adhered to. Sheriff Ely stated that he has not presented prisoner meal or ammunition invoices which exceed the amount to the Board. He stated that he does present requests for big items, such as vehicles, to the board. Commissioner Zmyewski questioned when the purchase of the car was approved. Sheriff Ely responded that he believes that he did receive Board approval. The car was purchased at a good rate. The car has been stored

because the vehicle it is to replace has not exceeded the mileage the Sheriff planned to get out of it. Commissioner Zmyewski reported that he has been unable to find where any large purchases were approved during 2009 or 2010. Sheriff Ely responded that the previous Board Chairperson had indicated that, if the items were budgeted for, it was not necessary to present it for Board approval. He also expressed concern that he was being reprimanded. Commissioner Zmyewski stated that he was simply asking questions. He stated that it was not his intent for this discussion to be taken in a negative way, and that he is only asking questions. He expressed concern that the car has been stored since January 21, 2011. The vehicle has depreciated over those 4 months. He questioned whether the savings was greater than the depreciation at this time. Sheriff Ely reported that a deputy went on FMLA and his vehicle sat idle. Sheriff Ely has a 5 year rotation of vehicles and expects to operate them until they exceed a mileage threshold. Because the vehicle being replaced sat idle, it has not exceeded the mileage threshold. Therefore, the vehicle has remained in operation until the mileage is exceeded at which time the new car will be put in service. He will adjust the rotation schedule of that vehicle. Commissioner Zmyewski expressed appreciation for the explanation. Sheriff Ely stated that he is not attempting to stymie the Board. Commissioner Miller expressed concern that large purchases, such as vehicles, are not being approved by the Board. The Board is responsible for the budget and should be aware before large amounts are expended. Commissioner Bjerke expressed his belief that the Highway Department may not be seeking approval for large purchases, such as equipment, either. It was agreed that a memorandum should be distributed reminding staff of the 1997 policy regarding purchases exceeding \$1,000.00. Commissioner Zmyewski expressed appreciation that Sheriff Ely is attempting to get as much out of a vehicle as possible. He encouraged everyone to consider maintenance costs and how those costs may extend vehicle life and exceed a breakeven point in comparison to making payments on new. Commissioner Miller noted that budgets can change in the event of an emergency, which makes one expense have priority over another. Commissioners expressed a need to be aware of when money has been spent, so that if the need arises to shift funds, they can easily identify where funds are available. Sheriff Ely indicated that it was his understanding that, once his budget has been set, it would not change. He expressed his desire to continue this discussion in a different forum. He indicated that he is available to commissioners anytime.

File No. 14 -- Following brief discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-19

BE IT RESOLVED that the Houston County Board of Commissioners does hereby approve the Minnesota Lawful Gambling Application for Exempt Permit on behalf of ABLE Foundation, Inc. for gambling activities to be conducted at Ma Cal Grove Country Club in Caledonia Township, with no waiting period.

File No. 15 -- HR Director Arrick-Kruger requested renewal of the employee voluntary furlough program. She recommended the program continue to offer 40 hours per year of unpaid leave. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION 11-20
SPECIAL VOLUNTARY LEAVE WITHOUT PAY PROGRAM

BE IT RESOLVED, in an effort to reduce the burden placed upon the tax payers of Houston County, the Houston County Board of Commissioners hereby adopts a voluntary leave without pay program (Program) that provides employees an option of taking up to forty (40) hours of leave without pay per year;

BE IT FURTHER RESOLVED, that all employees are highly encouraged to consider participating in this Program;

BE IT FURTHER RESOLVED, that Department Heads shall approve requests pursuant to this Program **only** when it does not compromise public safety and/or their departments' effective delivery of mandated services. Thus, the hours of operation of any County office shall not be impacted;

BE IT FURTHER RESOLVED, to maximize the outcomes of this Program, Department Heads and supervisors are encouraged to work with employees to identify potential cost savings cross function/department collaboration opportunities, that maintain appropriate delivery of County services while facilitating the use of the Program within their departments;

BE IT FURTHER RESOLVED, that the exercise of this program shall not negatively impact any employee's benefits eligibility, leave accruals or leave provisions as set forth in the Houston County Employee Policies or the collective bargaining agreements;

BE IT FURTHER RESOLVED, that the Human Resource Director is directed to work with union business representatives to achieve and facilitate the use of this Program as may be necessary and appropriate; and

BE IT FURTHER RESOLVED, that the County Finance Director and the Human Resource Director will report to the Board at the end of each fiscal year the results of the Special Leave Without Pay, including the number of participating employees and the wage and salary cumulative savings for the year.

Commissioner Zmyewski reported on a regional inmate conference which he attended.

Commissioner Bjerke reported on the insurance committee and regional radio board meetings which he attended.

Commissioner Miller reported on a regional inmate conference which he attended with Commissioner Zmyewski.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No 16 -- Correspondence to Department Heads and Elected Officials regarding department head meeting attendance expectations

File No. 17 -- Correspondence to payroll regarding status changes for Laurie Meyer and Dorothy Schulte

There being no further business and the time being 12:38 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 12, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 12, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Robert Augedahl, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Engineer Pogodzinski; Finance Director Bradley; Surveyor Walter; Assistant Surveyor Mauss; Jail Administrator Schiltz; Eric Benson; GIS Coordinator Krzoska; Chief Deputy Sheriff Ely; Emergency Manager Kuhlers; County Attorney Hammell; LeAnn Benson; Vern Fruechte; Bob Cummings; Arnie Beneke; EDA Coordinator Wilms; Chief Deputy Sheriff Yeiter; HS Accountant Bahr

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Augedahl and unanimously carried to approve the minutes of the April 5, 2011 meeting, with noted corrections.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$119,438.99
Road & Bridge Fund	17,071.65

Total	\$136,510.64
	=====

File No. 2 -- Motion was made by Commissioner Augedahl, seconded by Commissioner Bjerke and unanimously carried to approve license center and Human Services disbursements.

Engineer Pogodzinski reported that, recently, the Board hosted a live auction to secure a cropland lease for approximately 22 acres which had been purchased with the intention of building a new Highway Department Complex. A suggestion was made to designate the revenue from the cropland lease for use in maintaining and/or improving the Highway Department Building. Engineer Pogodzinski reported that the invoice for the advertising for the auction has

been received. He inquired whether the lease revenue could be used to cover the cost to advertise. Commissioner Zmyewski expressed his opinion that the proceeds should be designated for use by the Highway Department to maintain and/or upgrade their building. It was noted that the Highway Department has an established maintenance and repairs account. Chairperson Miller expressed his belief that it would be easier to use an established account rather than to create a new account. The land lease is expected to generate approximately \$8,300.00 annually. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to designate the cropland rental proceeds resulting from the 22 acres of land purchased with the intention of erecting a new Highway Department Complex be designated for Highway Department use for the maintenance, repairs and/or upgrades to the Highway Department Building and those proceeds should be used to cover the cost to advertise the cropland.

File No. 3 -- Finance Director Bradley expressed concern regarding the directive to establish special revenue accounts for the Airport and Wildcat Park. He provided historical data showing expenses, revenues and whether the venues operated in the black or red. It is his understanding that it is the objective of the Board to ensure that these venues are self-sustaining. Wildcat Park has been reasonably self-sustaining, although there have been years when it has not. Finance Director Bradley recommended monitoring revenues and expenses for a period of two years before establishing special revenue funds. He reported that, in the event the venues do not self-sustain, he would be required to transfer general funds to the special revenue fund. In addition, once established, there will be additional reporting required. Monitoring will help to ensure that once special revenue accounts are established there will be minimal, if any, need to be transferring general funds into them, because it will be known that they are operating in a self-sustaining fashion. Chairperson Miller stated that Wildcat Park needs to be self-sustaining or consideration should be given to returning it to the Corps as they dictate its use and terms. Commissioner Zmyewski expressed the importance for the Park to plan for improvements and to base them subject to revenues. Finance Director Bradley repeated that he would prefer to see consistency with regard to self-sustenance prior to establishing special revenue accounts. Finance Director Bradley reported that the airport revenues and expenses report is skewed. It appears that the operation has acquired a positive balance of approximately \$62,000.00. This balance is the result of fuel upgrade expenses posted in one year which were partially reimbursed through grant funding distributed in a subsequent fiscal year. Commissioner Zmyewski questioned differences in numbers provided and budget numbers provided at a different time. Finance Director Bradley responded that the earlier numbers were budget numbers. They take into consideration funding for projects which may or may not come to fruition. The numbers distributed today reflect actual revenue and expense amounts. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to monitor the Airport and Wildcat Park funds for two years at which time the establishment of special revenue funds will be re-evaluated.

Finance Director Bradley requested clarification regarding the memo directing Department Heads to adhere to the 1997 Policy directing them to seek Board approval for expenditures exceeding \$1,000.00. Finance Director Bradley stated that Capital Purchases are purchases which exceed \$5,000.00. Commissioners Bjerke and Zmyewski stated that there is a

need to be aware of monies which have been expended and where there are remaining funds. Auditor Meiners requested clarification regarding the policy also. It was the consensus of the Board that the intent of the policy was to require Board authorization for furniture, equipment and vehicle purchases which exceed \$1,000.00. Operating bills which exceed \$1,000.00 would not require Board authorization.

Finance Director Bradley reported that budget bills have passed the Minnesota House and Senate. The bills have been forwarded onto the Finance Committee which includes the Governor. It is anticipated that the Governor will approve the ag bill, and not bills which include significant reductions to CPA.

HS Accountant Linda Bahr reported that the Houston Hoedown Committee has donated \$300.00 to the Youth-In-Transition program. She recommended the Board accept the donation. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept the donation from the Houston Hoedown Committee in the amount of \$300.00 to the Youth-In-Transition program.

File No. 4 -- Chief Deputy Sheriff Yeiter recommended approval of new K9 lease agreements. The initial contracts for Deputy Erickson and K9 Virgil and Deputy Sass and K9 Chance were for a six month period. Chief Deputy Sheriff Yeiter mentioned that the contracts have lapsed. However, everyone has been operating as if a contract were in place. The contracts presented today will rectify this situation. He reported that the K9 program is completely funded through donations. Donations come from private citizens, as well as various organizations, some of which donate on an annual basis. At this time, there is an adequate fund balance to support both K9 units for over one year. Handlers are fully aware that, in the event donations fail to support the program, the program will be terminated. Chief Deputy Sheriff Yeiter reported that there were minor changes to the lease agreement made at the request of County Attorney Hammell. There is one significant change to the lease agreement with Deputy Erickson. K9 Virgil sustained an injury and Deputy Erickson has decided to retire him. He has purchased a replacement K9 named Ike. The lease agreement would be for Ike, not Virgil. Chief Deputy Sheriff Yeiter expressed his opinion that Virgil was an excellent first K9 for the County. He was impressive to watch work. Ike is a German Shepherd imported from Europe that is certified in narcotics. It is very impressive to watch Ike work. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve a Police Canine Lease Agreement with Luke T. Sass for Chance and one with Tracie L. Erickson for Ike. Both agreements expire April 12th, 2012.

Chief Deputy Sheriff Yeiter reported that the City of Caledonia has been awarded an AFG Grant, in the amount of \$630,000.00, for the purchase of ARMER radios. There is a local match of approximately \$33,000.00 required. On February 9, 2010 the County agreed to cover the cost for a grant writer. Chief Deputy Sheriff Yeiter stated that the County also agreed to pay for the 5% local match requirement in the event that grant funding was awarded. The grant has been secured, and the Caledonia City Council is prepared to order radios. They requested

affirmation that the County remains willing to cover the 5% local match amount required. Chief Deputy Sheriff Yeiter recommended covering the match from Other Professional and Technical Fees, and to adopt a resolution to repay the fund from bond proceeds. He indicated that he is preparing information regarding all funding received to date, balance required and an anticipated amount for which to bond. He reported that many portable radios have been purchased. He has not purchased any mobile units. There are radios to be purchased for several entities including, Highway, Environmental Services, various city maintenance entities and others. It was suggested that the information include what E911 funding will be used for, what the balance of needs is and how the cost of expenses will be covered. Commissioner Bjerke questioned whether the County would be partially responsible for the radios if it covers the local match portion of a grant. Chief Deputy Sheriff Yeiter reported that the agreement with the various entities was that the County would provide necessary equipment and each entity would be responsible for maintenance and/or replacement of that equipment. He reported that because the City of Caledonia is the grant recipient, they will be responsible for tracking the equipment to satisfy grant requirements. Commissioner Zmyewski stated his understanding that the County is funding much of the migration to ARMER. He questioned whether the Fire Departments were contributing to the cost of their ARMER equipment. Commissioner Bjerke responded that the County is providing the equipment. However, the recipient entity will be responsible for maintenance and/or replacement costs. This agreement was settled upon to ensure that the various organizations within the County all migrated to the ARMER system at the same time. If Cities, Townships and various emergency service organizations were responsible for the initial costs, there was concern whether funds could be raised in time for them to make the migration at the same time as the County.

Commissioner Zmyewski questioned what the total price for this migration to ARMER is expected to be. Chief Deputy Sheriff Yeiter responded \$1.2 to \$1.6 million. He expects that the County will be required to bond for between \$800,000.00 and \$1.2 million to complete the project. The County has bonding authority for radio systems. Cities and townships do not have the same authority. When the County presented the plan, representatives explained that the need to bond would affect the taxes. They were also clear to explain that the first equipment would be provided and that it would be the responsibility of each entity to maintain and/or replace that equipment going forward. The radios will cross jurisdictional boundaries constantly. Therefore, it was a great concern that all entities within the County migrate to the ARMER system at the same time. Chief Deputy Sheriff Yeiter reported that there is currently incentive funding on radios which will expire soon. Placing an order during the incentive funding period could result in a \$65,000.00 savings. Those funds could be utilized to purchase additional radios.

Commissioner Zmyewski stated that this information is new, there are significant fiscal implications and he would prefer to table any decision until the next meeting so that he could gather additional information. This would leave 3 days in which to place the order prior to the incentive funding expiring. The order could be prepared prior to the meeting and placed immediately following provided the purchase is approved. Chief Deputy Sheriff Yeiter expressed concern that it would be difficult to bring Commissioner Zmyewski up to speed in such a brief period. However, he expressed willingness to provide as much information as possible during

that time. It was agreed that Chief Deputy Sheriff Yeiter would meet with Commissioners Bjerke, Zmyewski and Miller for educational purposes. Chairperson Miller expressed concern that this Board is faced with making a decision with significant fiscal implications which are the result of actions taken by a Board made of different individuals.

File No. 5 -- Jail Administrator Schiltz and Assistant County Attorney Bublitz met with the Board and presented the cabling contract with Cellular Specialties, Inc. This agreement changed due to the submission of a revised quote. The agreement has been approved by Cellular Specialties, Inc. and County Attorney Hammell and Assistant County Attorney Bublitz. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the agreement as presented. Chairperson Miller questioned whether the expense would be covered by County funds or whether grant funding would be secured prior to the invoice due date. Commissioner Bjerke indicated that the invoice would need to be submitted to the Department of Public Safety for approval. If approved, he would then submit it to the Regional Radio Board for partial reimbursement. The Department of Public Safety reviews requests to ensure the items fall within the scope of the bond fund. It was noted that there are adequate reserves in the E911 fund to cover the entire cost.

File No. 6 -- At this time, Eric Benson presented the Board with 5 questions regarding the airport which he would like answered during the next scheduled Airport Commissioner Meeting. He went over each question briefly. He indicated that one question appearing on the handout had been answered by Finance Director Bradley earlier during this meeting. Mr. Benson invited the Board to attend the Airport Commission meeting scheduled for next Monday. Both Commissioner Zmyewski and Chairperson Miller expressed their appreciation for Mr. Benson's presentation and questions. Chairperson Miller questioned whether the County has been receiving the \$150,000.00 referenced during Mr. Benson's questioning. Finance Director Bradley stated that those funds are deposited into a State Aid Account and expire 3 years following deposit. It is correct that Houston County loaned their funds to Winona County. It was agreed that Winona County would repay those funds in 2012, at which time the 3 year expiration on those funds will commence. By loaning the funds, Houston County has been able to preserve the availability of those funds in the future. The loan is interest free and essentially a money shuffle to ensure the funds wouldn't expire in our account.

Vern Fruechte stated that personal property taxes are paid on hangars at the airport. He expressed his opinion that the revenue from those taxes should be included as revenue for the airport. He also expressed concern that there are 14 acres of cropland at the airport which are rented out. The rental revenue is minimal, and he encouraged the County to review land rental rates and the agreement for those 14 acres as the rate "seems too cheap." He stated that he understands that the land may not be used to produce corn and expressed his opinion that it should still generate a higher rental amount.

Chairperson Miller questioned the airport maintenance expenses listed. Finance Director Bradley reported that the maintenance expenses appear as multiple line items. Finance Director

Bradley was questioned how much in actual tax payer dollars was being spent to operate the airport. He explained the differences between the numbers reflected on the historical expense and revenue handout versus that which has been budgeted. He indicated that whether projects are completed or fail to progress affects reports differently. In the event expenses are budgeted for and do not result, the budgeted amount will be returned to the General Fund. The spreadsheet represents actual cash values of expenses and revenues. It does not include depreciated values. The County budgets for replacement and improvement costs. There are no guarantees that improvements will qualify for reimbursement. Commissioner Zmyewski stated that there is concern whether reimbursement funds will continue to be available. Establishing a Special Revenue Account would provide for the designation of excess revenue funds to the Airport in the event they were generated within that fund. Commissioner Bjerke stated that these issues will be discussed during the scheduled Airport Commission Meeting. Consideration was given to making the Airport Commission Meeting a special meeting to allow for full Board participation. It was agreed that no more than two commissioners would attend the Airport Commission Meeting, and they would report to the full Board during the next regularly scheduled Board Meeting.

File No. 7 -- GIS Coordinator Krzoska requested authorization to upgrade the E911 phone system. The current system will be operational until the new system is fully functioning. He stated that Dispatch houses the E911 equipment. Currently, there are two stations with one running full time. The new system will be housed within the Justice Center. It will have 2 fully functioning stations. Commissioner Bjerke questioned the goal of this upgrade. GIS Coordinator Krzoska reported that support for the current equipment will be expiring. The new system will have new equipment and support will be provided. GIS Coordinator Krzoska reported that the county has mapping which functions well. However, he did have a mapping add-on quoted. He compared the mapping services and reported that no savings would result by accepting the mapping add-on quote. Chairperson Miller stated that there is consideration being given to the possible consolidation of dispatch centers. He questioned whether our equipment would be saleable or useable if consolidation became a reality. GIS Coordinator Krzoska stated that the equipment would likely be utilized within a consolidated facility. Chairperson Miller questioned the life expectancy of the new system. He inquired regarding the E911 fund balance after the upgrade was paid for. GIS Coordinator Krzoska reported that the fund would be depleted to approximately \$59,000.00 and that the fund typically gains approximately \$8,000.00 per month as a result of surcharges placed on all land and cell phones. He indicated that the State retains a portion of the surcharge and the balance is divided among counties for use on 10 qualifying items. Commissioner Bjerke shared his opinion that depleting these high fund balances may be beneficial. He expressed his belief that high balances may tempt the State to reduce the amount allotted for county distribution. Motion was made by Commissioner Bjerke, seconded by Commissioner Augedahl and unanimously carried to approve the purchase of new E911 equipment and upgrade of the E911 system.

Emergency Manager Kuhlert requested authorization to purchase wireless microphones for addition to our video conferencing equipment. He reported that an extension was granted to

the expiration of HSEM grant funds. He indicated that he would like to use those funds to purchase 4 wireless microphones with recharging docking stations at a cost of \$5,584.13. There are adequate grant funds available to cover the entire cost for this purchase. The County will pay the invoice and be reimbursed for that amount. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to authorize the purchase of 4 wireless microphones with recharging docking stations.

Emergency Manager Kuhlers reported that Houston County has been declared a county in a state of emergency by Governor Dayton. The river is above flood stage and expected to rise resulting in moderate flooding.

Emergency Manager Kuhlers reported that Sunday's weather resulted in reports of damage. Some of the damage was the result of 70 mph winds, not a tornado. There was damage to power poles resulting in downed lines and one pole being snapped off. Repair of the power poles will include man labor to straighten several poles and the replacement of the snapped pole. There were outbuildings which were blown down. The State activated its Emergency Operations Center (EOC) approximately 3 weeks ago due to flooding. Damage estimates, resulting from the recent wind and hail, will be reported to the EOC.

Emergency Manager Kuhlers stated that April is severe weather awareness month. Two statewide tornado drills will take place on Thursday. One drill will take place during the workday and the other in the evening hours. Houston County will participate in the drills to satisfy EMPG grant requirements. Chairperson Miller expressed concern that, when significant storm events are predicted which do not materialize, complacency issues increase with subsequent predictions. Emergency Manager Kuhlers stated that he viewed weather radar multiple times before 4:00 p.m. and there was nothing appearing. All of a sudden the storm blossomed and moved through rapidly. He expressed his belief that the County was fortunate that there were no injuries as a result.

Commissioner Zmyewski reported on Extension Committee and Soil and Water meetings which he attended.

Commissioner Bjerke reported that both he and Chairperson Miller had attended a LELS negotiating meeting recently.

Chairperson Miller reported on a 7 Rivers meeting which he recently attended. He indicated that it may be more appropriate to designate EDA Coordinator Wilms to attend these meetings in the future as they are EDA focused.

Commissioner Walter and Commissioner Augedahl discussed who would attend the upcoming Workforce Development/EMS meeting on behalf of the County.

It was agreed that Commissioner Zmyewski would attend the April 26 department head meeting in place of Commissioner Bjerke.

File No. 8 -- Auditor Meiners was pleased to report that the cost to publish this year's delinquent tax list came in at less than ½ the cost of last year.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Augedahl and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence from DHS regarding single audit report findings

File No. 10 -- Correspondence to Payroll regarding the hire of Lori Engen and Sharon Lukert as roster HHA's

File No. 11 -- Memorandum regarding county policy on capital equipment purchases

File No. 12 -- Correspondence to John Dewey in appreciation for years of service

There being no further business and the time being 10:34 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 19, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 19, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Chief Deputy Sheriff Yeiter; Assistant County Attorney Bublitz; Maintenance Foreman Molling; Tom Murphy; Chuck Gavin; Jeff Adamson; Finance Director Bradley; Bob Burns; Ellen Baumann; Sheriff Ely; Steve Borckhardt; Tom Johnson; Jail Administrator Schiltz; Dave Prachar

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the April 12, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$57,490.85
Road & Bridge Fund	15,359.11

Total	\$72,849.96
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Maintenance Foreman Molling reported that Mathy Construction had approached Engineer Pogodzinski to request permission to place a job trailer at the airport. The request has been approved by the Airport Commission. Mathy will park the trailer so that it will not interfere with access for the pancake breakfast and will pay a fee of \$400.00 to have the trailer parked at the airport for the months of May, June and July 2011. Mathy Construction will pay all fees related to electrical hook up. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the request as presented.

File No. 3 -- Chief Deputy Sheriff Yeiter introduced Tom Johnson, a State Interoperability Coordinator, and Steve Borckhardt, the Southern Region Interoperability Coordinator. They have attended today to answer questions and to provide information regarding the ARMER radio system. Chairperson Miller stated that he had the opportunity to meet with these individuals to learn more about the ARMER system. He understands that the Federal Communications Commission (FCC) has mandated a switch to narrow band radio. Chairperson Miller indicated that, since last week's Board meeting, he has received numerous phone calls regarding the Board's decision to table a vote regarding the commitment to provide funding for the required 5% local match for the AFG grant which was awarded to the City of Caledonia. He explained that there are debt issues facing all levels of government. He expressed concern that money should be spent in the best interest of the public. He shared the following statistics and facts: since 2005, 100,000 homes in Minnesota have been foreclosed upon; there has been no cost of living adjustment (COLA) for social security recipients for the past 2 years; and the need for social services has increased exponentially. He reported that in 2000 the County levy was \$4.2 million, in 2009 it was over \$9 million and now it is \$10.8 million. If county program aid (CPA) were removed from levy calculations, the levy would still exceed \$9.8 million. CPA is tentative and could be reduced and/or eliminated at any time. During this same time period, inflation was minimal and didn't exceed 4.2% annually. If the 2000 levy had been increased annually by 5%, an estimated inflationary rate which exceeds historic levels, the 2009 levy would have been only \$6 million. Considering these calculations, expenditures need to be carefully considered.

File No. 4 -- Chief Deputy Sheriff Yeiter reported that Finance Director Bradley has prepared cost projections regarding the ARMER project. The total cost is projected at \$1.727 million, which is close to the original estimate. This projection takes into account all equipment needed for public safety, emergency services, environmental services and highway. It also identifies all funding which has been secured to date totaling in excess of \$1.4 million. The greatest single funding source is the AFG grant which has been awarded to the City of Caledonia. Using the current projections, the county will be required to provide funding for a remaining balance of approximately \$286,000.00. Using information gathered, and assuming worst case scenario the county could be required to provide funding for no more than \$450,000.00.

Chief Deputy Sheriff Yeiter indicated that, if the County were to change course, it would cost more to transition to a narrowband VHF frequency. He explained that the grant funding options to migrate to ARMER would not be available to provide for a transition to narrowband frequency. There are numerous funding options available including incentive funding on equipment and state and federal grant funding. As a result of these funding options, migrating to the ARMER system is the best and least expensive option available. Chairperson Miller questioned what the driving force was which has resulting in the funding options available. Mr. Johnson and Mr. Borckhardt stated that federal funding was made possible as a result of the 9/11 and Katrina disasters. At this time, emergency response services did not have interoperable means of communication which greatly hampered a coordinated response. The Federal Government recognized this disadvantage and put money into enhancing interoperability so that

future response could be coordinated among various agencies and become more efficient. Prior to the availability of resulting funding, the State of Minnesota was actively involved in developing a trunk system for interoperability. The federal grant funding has been awarded based on whether a proposed project would be successful in enhancing interoperability. Transitioning to narrowband would provide compliance with FCC mandates. However, it would fail to qualify for federal grant funding because narrow banding fails to enhance interoperability. The State wanted to enhance communications of MN DOT, DNR and State Patrol. They determined that an 800 MHz system was the best option. The State learned that the 800 MHz system had the capacity to support the inclusion of counties and cities and their emergency service providers. The State would own and maintain the towers, counties and cities could participate and everyone could benefit from cost savings. All entities throughout Minnesota would be compliant with FCC requirements.

Chief Deputy Sheriff Yeiter indicated his understanding that the decision to migrate to the ARMER system was made prior to some of the Commissioner's joining the Board. The ARMER project has continued to progress. As part of the project, discussion was held with cities and townships who agreed to participate with the understanding that the county would bear the expense for initial equipment purchases. These municipalities will be at a serious disadvantage if the County decides not to continue the ARMER project. The municipalities would have limited time in which to develop a plan to become compliant with FCC requirements and only one budget cycle in which to fund the plan. Chief Deputy Sheriff Yeiter indicated that it has been understood since the beginning that the County would be funding this migration to ARMER. It was agreed between the County and the municipalities that the ARMER system would be the best option for all entities within the county.

Once the County has migrated to the ARMER system, it will be better prepared to handle any emergency situation which may present itself. Chief Deputy Sheriff Yeiter expressed his belief that this will be a great advantage to the County. He noted that in 3 of the past 4 years a presidential disaster was declared within Houston County. He shared his opinion that communications were the greatest barrier for response during the flooding which took place in 2007. The ARMER system would have alleviated this barrier. He encouraged the Board to consider their continued financial support of the ARMER project.

Commissioner Walter reported that she had attended a 4 hour meeting regarding the ARMER system. She expressed her belief that it is essential to provide the 5% local match to secure the AFG grant funding.

Finance Director Bradley indicated that Chief Deputy Sheriff Yeiter was able to negotiate a deadline extension for incentive funding on Motorola radios. The incentive funding reduces the cost of each radio by \$350.00. The incentive funding expired at the end of March. Chief Deputy Sheriff Yeiter was able to negotiate an extension of the incentive funding through this week. The AFG grant lists equipment to be purchased. If the equipment is purchased this week, the savings

resulting from the incentive funding would be approximately \$64,000.00. It is possible that this savings could be utilized to purchase additional equipment as part of the project.

Chief Deputy Sheriff Yeiter reported that Motorola has offered various incentive funding options recently. The current incentive of \$350.00 is the greatest. He is unsure whether there will be incentive funding during the 3rd quarter.

Chairperson Miller stated that he is convinced that migration to the ARMER system should be pursued by the County. He noted that the County is in the same financial situation as the cities and financial resources are finite. He indicated that he will not support a levy increase in the next budget cycle. He stated that everyone is in difficult economic times. He expressed concern that the recent census reveals that Houston County and City of La Crescent populations have decreased. He expressed concern that increasing gas prices may result in continued population decreases as people may consider moving to Wisconsin, closer to employment opportunities. Chairperson Miller indicated that each decision involving spending is significant. Chief Deputy Sheriff Yeiter expressed his agreement. He believes that providing the local match to secure the AFG grant is the smartest way to spend public money. There has been 2 to 3 years of planning that went into the decision to migrate to the ARMER system. He expressed confidence that he could defend the decision to spend on the ARMER system.

Chairperson Miller expressed his appreciation of Mr. Johnson and Mr. Borkhardt's attendance and willingness to provide information and answer questions. Sheriff Ely expressed his appreciation of Commissioners for the time taken by them to learn what was necessary to understand the issues and to make an informed decision.

Commissioner Zmyewski indicated that he has performed a significant amount of research during the past week. He reported that he had spoken with representatives of the FCC, county administrators and others. He stated that, in his opinion, the ARMER system is a Cadillac. Last week he wanted to learn more about the system before making financial decisions. He expressed his understanding that the County has been actively pursuing a migration to the ARMER system. Commissioner Zmyewski indicated that he requested financial decision making be tabled to allow him time to gather additional data and cost estimates. He expressed concern that many of the costs are estimated and/or assumed. It appears that very little is known or certain. He expressed concern that a vote was requested prior to cost data being presented. He expressed his desire to see a detailed compliance plan, timeline and cost comparison data. There is \$1 million in taxpayer dollars at risk and very little data on which to base a decision. Commissioner Zmyewski stated that he is acting as a representative of his constituents. He expressed his opinion that the Board does not have adequate data on which to base this decision. He stated that he does not question the system or its benefits. He expressed his belief that there has been a good assessment which supports migrating to this system. He expressed his concern regarding expenses related to vehicle installation of radio equipment and the fact that there has been little for comparison purposes such as costs estimates for retooling current radios to meet FCC mandates. He indicated that it is his expectation that this type of cost comparison data be

provided to the Board to enable them to make good decisions. The lack of this type of data led to his request for the matter to be tabled. Without this information, Commissioner Zmyewski finds it difficult to cast a vote which he will be required to defend. Chief Deputy Sheriff Yeiter stated that cost details will be available soon. Firm pricing and figures are being gathered at this time. Chairperson Miller questioned when the drop dead date by which a decision must be made is. Chief Deputy Sheriff Yeiter stated that incentive pricing expires this week. Failure to place an order this week will result in the loss of \$64,000.00 in incentive savings. There is no need to order the consoles at this time. Chief Deputy Sheriff Yeiter is concerned with placing an order for the equipment outlined in the AFG grant. In order to access the grant funding to cover the cost of equipment, the City of Caledonia/the grant recipient is asking for confirmation that the County will provide the 5% local funding match.

If savings are realized, Chief Deputy Sheriff Yeiter will work with the grant administrator to see if the savings could be applied towards the purchase of additional radios or other expenses to enhance interoperability and move the project toward completion of migration. If the grant administrator approves this, the County will further reduce the 'out of pocket' needs by the savings which are estimated at \$64,000.00. Chairperson Miller indicated that he is carefully considering Commissioner Zmyewski's concerns. Various departments have approached the Board requesting immediate action when, in reality, immediate action was not necessary. The Board will make decisions once adequate information has been supplied on which they are comfortable basing their decisions. Chairperson Miller stated it was his understanding that in order to capitalize on savings resulting from incentive pricing a decision needs to be made at this time. Commissioner Zmyewski would have preferred receiving information regarding incentive pricing in February prior to the March expiration. He indicated that he is not prepared to make a decision with the information he has currently.

Mr. Johnson stated that it was not his place to comment on internal timing, however, he would like to speak regarding the big picture. Mr. Johnson stated that the entire nation is dealing with the FCC mandate and deadline. Minnesota is fortunate in that they are way ahead of counterparts in both Wisconsin and Iowa. Houston County is ahead of others in this area of Minnesota. Motorola is experiencing high demand. The greatest rush is expected next year. 34 counties are expected to migrate to the ARMER system this year. The balance will migrate next year. Those migrating next year will be required to have radios installed and debugged by next August. He encouraged the Board to take into consideration this massive crunch time, and leverage good incentive pricing on equipment and installation before it is in high demand and they are facing a looming deadline. Mr. Johnson expects things to bottleneck and good incentive pricing on equipment and installation will no longer be available. The current situation is fluid. Commissioner Zmyewski stated that in a fluid situation things can change rapidly. He does not want to cast a vote to spend x amount of dollars today, have that amount change significantly and be faced with voting to approve additional spending at a later date.

Commissioner Walter moved to approve funding the 5% local match required to secure the AFG grant.

Commissioner Zmyewski clarified that there is 1 year in which to expend grant funding. The AFG grant has been awarded provided the match requirement may be satisfied. Mr. Johnson cautioned the Board to pursue a project which will serve to enhance interoperability and will satisfy audit requirements. Chief Deputy Sheriff Yeiter indicated that today he is requesting approval to cover the 5% local match required to secure the AFG grant in the amount of 608,320.56. The match amount is calculated to be \$33,060.90. He stated that funds are available within the jail budget line item for other professional and technical fees. The county will be reimbursed for the cost of the grant writer which was \$1,500.00 through grant proceeds. He explained that between this time and June, he will be returning to the Board with additional requests for approval to upgrade the console and to provide final cost amounts for radios.

Caledonia City Mayor Burns and Fire Chief Gavin were present. Mayor Burns is present to learn whether funding is secure to cover the local match requirement of the AFG grant. Mr. Gavin reported that AFG grant funding has been available for several years. The Caledonia City Council has encouraged his department to apply for the grant. Mr. Gavin stated that 6 grant requests have been denied. The most recent request has been approved. He stated his belief that it was approved because of the interoperability enhancement objective. The grant was applied for with the understanding that the local match requirement would be satisfied by the County. This grant award is providing a significant opportunity to upgrade equipment for all fire departments within the County. The County provided funding for a grant writer who was successful. The county also indicated that it would cover the required 5% local match in the event the grant were secured, which it has been. Each area fire department will benefit from its approximate \$60,000.00 benefit resulting from the grant. Chairperson Miller expressed appreciation for the cooperation between municipalities. This is a nice reflection on a good working relationship. Commissioner Walter stated that she has moved to approve providing the 5% local match requirement. Commissioner Zmyewski indicated that it would be unfortunate for the motion to die for lack of a second, however, he indicated that he wants to see exact figures.

File No. 5 -- Chuck Gavin expressed concern that commissioners have been provided with a low and high with regard to costs. He stated that it is his understanding that the only thing being requested, at this time, is \$33,000.00 in budgeted money. By spending this money now, a \$64,000.00 savings could result which could possibly be utilized to purchase additional equipment for the project further reducing the overall financial liability to the County. The grant is a certain thing and there is a certain cost regarding the required 5% local match. He indicated that it is difficult to understand why additional cost estimates are necessary for this portion of the total project. Finance Director Bradley indicated that there will be no cost overrun. Only equipment listed in the grant will be purchased. If costs come in lower than estimated on the grant, a request and plan will be submitted to spend down any remaining funding up to the grant amount awarded. Consider this as one step towards migration. The exact numbers for this step are known. Chief Deputy Sheriff Yeiter confirmed that the only equipment that will be ordered at this time are the fire department radios which are identified within the grant. The grant administrator will rule whether incentive savings may be utilized to purchase additional

equipment. Chairperson Miller reiterated that, if approved, grant funds will be utilized to purchase equipment identified within the grant. Going forward, those working on the ARMER migration project will work diligently to gather and compile the exact data requested by Commissioner Zmyewski. Chief Deputy Sheriff Yeiter responded that Chairperson Miller's understanding is correct. He indicated that between now and June 13 exact data will become available regarding the console upgrade. Installation quotes will be gathered. Those quoting installation have requested visits to understand the unique differences of fire trucks so that accurate quotes may be provided. Squad cars do not vary like fire trucks and will be easier to quote. He again stated that all he is requesting today is approval to move forward with ordering the radios identified in the AFG grant to capitalize on incentive funding.

Finance Director Bradley stated that the worst case scenario estimates the total County cost for migration to be \$450,000.00. There are several funding options which are certain including the AFG grant, local enhancement funding which will cover a 50% share of qualifying expenses and E-911 funds availability for qualifying expenses. Approving the expenditure of approximately \$33,000.00 will ensure \$608,000.00.

There is no contract for the console upgrade at this time. A recommendation is being reviewed, however, Chief Deputy Sheriff Yeiter indicated that there were details which were being questioned. It may be possible to retool the current console. Retooling may not be the most cost effective option. Commissioner Miller stated that the County needs to be cognizant of what is necessary and what may be nice or a luxury. He encouraged those working on significant projects to include the Board at every step. Chairperson Miller expressed his expectation that the Board be involved in deciding what the best option for the County is.

Chief Deputy Sheriff Yeiter reported that the console is a qualified expense which will be covered by E-911 funds. In addition, a portion may be covered up to 50% through local enhancement funds. At this time, Houston County has \$1.3 million of local enhancement funding available to it. Commissioner Walter reiterated her motion. Making motions and having a second has proved difficult due to the absence of two commissioners. Commissioner Zmyewski indicated that this would have been easier had the others been present.

City of Caledonia Mayor Burns expressed his opinion that having exact numbers as a project moves forward is difficult. He expressed his belief that as each step is taken, some numbers will become known and others may vary or be impacted. He expressed his belief that staff has prepared estimates and figures to the best of their ability. He would find it unfortunate for this step in the process to fail to proceed. He believes that if it does not proceed, the result would be increases costs overall. He stated that Finance Director Bradley has established that there is a not to exceed figure. He appealed to the Board to consider this fact. He suggested that the Board keep tabs on expenses each step of the way. He reiterated that he does not believe that exact numbers are available at this time. It is his opinion that the loss of this AFG grant would result in significant costs to both County and City taxpayers. He expressed his opinion that a lack of exact figures is not a good reason to risk this grant funding.

Chairperson Miller questioned whether there would be a market for any radios which will go out of service. Chief Deputy Sheriff Yeiter responded that the radios will be kept until 2013 and Iowa and Wisconsin make decisions regarding their radio systems. It is believed that Wisconsin will be going with VHF digital and that the radios will be non-functioning with no value.

Commissioner Zmyewski confirmed that, in the event he chooses to second Commissioner Walter's motion, only radios approved in the grant will be purchased, there will be absolutely no cost overrun, the 5% local match funding will come from the jail budget line item for other professional and technical fees and a compliance plan will be provided to him which will include installation cost estimates as requested. Chief Deputy Sheriff Yeiter responded that the console estimate involved a 5 hour meeting, a 3 ring binder detailing requirements and there are minor details being further investigated. He has been reluctant to provide the initial cost estimates because he anticipates they will change. He will provide the final cost estimates once they become available. He indicated that the work plan is being prepared at this time and will be presented to the Board upon completion. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve funding the 5% local match to secure the AFG grant provided only radios identified in the grant are purchased, there are no cost overruns and the match will be taken from the jail budget line item for other professional and technical fees.

File No. 6 -- Assistant County Attorney Bublitz reported that on April 12th, a contract with CSI, Inc. was approved. The value of the contract has decreased. As a result, no performance bond is required. The fee will be reduced by the bond amount of \$2,250.00. Assistant County Attorney Bublitz recommended re-signing a contract to reflect the changes in regard to the bond. It was the consensus of the board to re-sign the revised contract.

File No. 7 -- EDA Coordinator Wilms met with the board to share information from a recent Airport Commission meeting. The commission expressed concern regarding the airport runway condition and lack of GPS approach. The commission requested the Board re-affirm its commitment to the airport improvement project. Finance Director Bradley stated that the airport layout plan (ALP) is tied to the environmental assessment (EA) which was approved in December 2010. When the EA was approved, Mead & Hunt indicated that their report would be completed and available in mid-summer 2011. Recently, Mead & Hunt, provided a revised timeline for the completion of the EA. In January through March 2011, maps were acquired. This month letters will be prepared and sent to landowners. In May through June, Mead & Hunt expects to complete fieldwork. They expect to have the final report prepared sometime in December 2011 or January 2012. This is a six month delay to the original timeline. Chairperson Miller indicated that he does not understand why the County would move to do anything until the final EA report has been received. It is the expectation that the EA may impact the direction the project will go. It was agreed that no action would be taken until the EA report has been received.

Finance Director Bradley indicated that the greatest concern of the airport commission is the lack of GPS approach. The airport had GPS approach until the FAA increased the safety zone perimeter. This placed the hangars within the safety zone. Finance Director Bradley stated that there is only one flyer, Mr. Eric Benson, who utilizes GPS approach. There is a circle approach approved by the FAA, Mr. Benson prefers the GPS approach option and does not like to use the alternate safe approach which is approved by the FAA. Commissioner Zmyewski stated his belief that it would be irresponsible of the Board to make any decision without first gathering additional data. It has been made clear that MN DOT will not turn on the GPS approach. The County may turn it on, however, by doing so, the County would assume all liability. Commissioner Zmyewski explained how GPS approach works. The airport has an approved VOR approach route which is approved by the FAA and is just as safe as GPS landing. Commissioner Walter clarified what is being requested. The airport commission wants a guarantee that the airport expansion will continue. Commissioners questioned whether there is an economic impact which should be considered. EDA Coordinator Wilms reported that he has gathered data from businesses regarding their use of the airport. He stated that there are business which utilize the airport. There were no businesses which indicated they would begin using the airport in the event the improvement plan were completed. Commissioner Zmyewski questioned whether the information gathered identifies how each business utilizes the airport. EDA Coordinator Wilms responded that specific data was not gathered. He stated that the Airport Commission was supposedly working with MN Extension to perform an economic impact study.

Finance Director Bradley stated that the meeting was heated and standing room only. The Commission expressed interest in the County bidding out the snowplowing for the airport. They believe that this could result in better service and decreased costs. The Commission expressed their understanding that County employees plow at the airport following completion of their regular routes, and often these employees are on overtime status which results in higher charges for the service. In addition, it is later in the day when plowing is completed. The lawn mowing costs are another concern and they would like to see this bid out also. It was noted that lawn mowing is competitively bid each season. The low bidder is offered the contract. It was agreed that consideration should be given to preparing a policy regarding the mowing. Chairperson Miller expressed his willingness to consider these things as part of a big picture approach.

Commissioner Zmyewski mentioned that the Commission would prefer the bylaws be reverted back to previous language allowing the Commission to report directly to the Board without having to go through the airport manager. He suggested the current reporting structure remain in place. The Commission should continue to work with the airport manager. The airport manager will bring concerns forth to the Board. Chairperson Miller suggested that a review take place regarding those who serve on the Airport Commission, He expressed concern that there may be conflict of interest issues.

EDA Coordinator Wilms reported that the airport commission will be meeting on a monthly basis through the end of the year. There may be additional recommendations coming forward. He provided commissioners with meeting information.

Finance Director Bradley reported that flyers are unable to secure the insurance coverage requested by the County. He indicated that he will continue to work with MCIT to identify adequate insurance coverage for the County that flyers will be able to obtain. He stated that the airport commission has indicated that they will be reluctant to consider rate increases for gas and hangar leases before savings which may result from competitive bidding of plowing and mowing is known.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to recess the regular board meeting.

The time being 11:54 a.m. the regular Board meeting was reconvened.

File No. 8 -- Received and filed from the Gopherland Snowmobile Club was a Maintenance and Grooming Application. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolutions:

RESOLUTION NO. 11-21

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming Application of the Gopherland Trail Snowmobile Club and authorizes the Board Chairman and the County Auditor to sign an agreement with the Department of Natural Resources.

File No. 9 -- Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve an abatement for Ralph Konkel on parcels #16.0291.000, #16.0293.000, and #16.0236.000, being a reduction of \$2,586.00 due to a green acres classification error.

Commissioner Zmyewski reported on a recent airport commission meeting which he attended.

Commissioner Walter reported on EMS and Workforce Development meetings which she attended on behalf of Commissioner Augedahl.

It was agreed that Commissioner Zmyewski would attend today's Building Committee meeting.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 10 -- Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 11 -- Correspondence from FSA regarding
classification for Highway cropland

File No. 12 -- Correspondence from MN Historical Society
regarding bridge 6679 designation

There being no further business and the time being 11:58 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 26, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 26, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Emily Feldmeier; Mike Morey; Rhonda Oehmigen; Sheriff Ely; Jail Administrator Schiltz; PHN Accountant Lillegraven; Finance Director Bradley; Highway Accountant Schroeder; PHN/HS Director Rock; HS Accountant Bahr; Treasurer Trehus

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the April 19, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$ 29,097.25
Road & Bridge Fund	7,407.28

Total	\$36,504.53
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve Human Services disbursements.

File No. 3 -- Engineer Pogodzinski and Surveyor Walter met with the Board and requested approval of Houston County Right of Way Plat No. 38 in connection with S.A.P. 28-996-09. Work to be completed on CSAH 6 will include culvert replacement with mill and overlay. This section of roadway is subject to being overtopped with flood waters and these improvements should significantly reduce the frequency. It was reported that there is a need to acquire 0.3 acres of land for right of way and an additional 0.1 acres for temporary easement. There are funds budgeted for these acquisitions. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve Right of Way Plat No. 38 and to adopt the following resolution:

RESOLUTION NO. 11-22

**APPROVING AND ACCEPTING HOUSTON COUNTY RIGHT OF WAY PLAT NO. 38
FOR RECONSTRUCTION PROJECT S.A.P. 28-996-09**

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 6, located 3.0 miles west of La Crescent, MN. This project includes grading, mill and Overlay Bituminous Surface, and Culverts 28J34 and 28J35. This project is identified as SAP 28-996-09; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 38 to identify and delineate the right of way easements required for this project; and

NOW THEREFORE BE IT RESOLVED that Houston County approves and accepts Houston County Right of Way Plat No. 38 as designating the definite location of that part of C.S.A.H. 6 located in Section 6, Township 104 North, Range 4 West, as presented on this date, April 26, 2011, and authorizes it to be filed of record with the Houston County Recorder.

BE IT FURTHER RESOLVED that Jack Miller, County Board Chairperson, is hereby authorized to execute and sign the certification statement on said plat on behalf of Houston County.

Commissioner Zmyewski commented that there was discussion held recently regarding the costs to operate the new Justice Center, in particular the jail portion. Kevin Kelleher brought up his concerns regarding costs. Chairperson Miller indicated that an appointment is scheduled for later this morning which may be better suited for cost discussion. Commissioner Zmyewski stated that, in his opinion, it would be prudent to consider these concerns as things do change. He wants to adequately research concerns so that he may express with confidence that concerns were reviewed and resulting decisions are in the best interest of the County.

Commissioner Zmyewski questioned whether it would be appropriate for the Board to establish or support a specific position or stance regarding issues which may come forward. He would appreciate a greater understanding of the direction the Board is headed. Commissioner Bjerke expressed his opinion that it is the desire of all commissioners to keep taxes low while continuing to provide good services. Chairperson Miller indicated that the appointment scheduled for later this morning may address these questions. It was agreed that it may be beneficial to establish both short and long term goals. Commissioner Bjerke expressed that it is his understanding that the finance/budget committee should be considering long range plans and planning for financial needs. He mentioned that there has been discussion regarding strategic planning in the past. He suggested that this be given greater consideration. Commissioner Walter expressed agreement that these are valid concerns. Commissioner Zmyewski questioned whether it was the Board's goal to keep taxes low. Commissioner Bjerke responded that it is his belief

that commissioners are elected is to be conscious of spending and to keep taxes low. He indicated that the Board could consider having a mission statement. However, that would not mean that the Board would never raise taxes. Commissioner Walter stated that people want services. It is a balancing act to provide necessary services in a cost efficient way. Chairperson Miller suggested that a list of issues be recorded, and from there, planning could begin on how to address the issues. Chairperson Miller expressed concern that once the new Justice Center opens, the County will have several buildings to maintain. In addition, there will be a significant amount of unused space within the courthouse. He has great concern regarding the County's ability to shoulder the financial burden. All of the buildings will require being heated and maintained. Commissioner Bjerke stated that a good time for further discussion would be during the finance/budget appointment scheduled for later today. Another concern is the airport. All of these issues need to be prioritized.

Commissioner Zmyewski stated that there are many times when individuals want an appointment with the Board. Items requiring funding and Board approval come up rapidly. Commissioner Zmyewski expressed his opinion that there should be more accountability. He suggested that a form be created for use when requesting an appointment. The form would provide budget implication information and reasoning. It could be considered a budget narrative and could include a timeline, funding information and quotes for products and/or services. Commissioner Walter expressed concern that requiring this form could be interpreted as a means to micromanage departments. Commissioner Zmyewski expressed concern that recently there have been requests for significant amounts of funding. The information presented to establish need was minimal. He expressed a desire to have detailed information on which to base decisions. Commissioner Bjerke reported that during the budgeting process, there is extensive discussion regarding the need, reasoning and budget implications. He expressed his opinion that once, Commissioner Zmyewski has been through the budgeting process, he will feel more confident that expenditures have been thoughtfully discussed. Often during the budgeting process, there has been lengthy discussion and expenditures have been adequately justified. Commissioner Bjerke stated that budgets for the current fiscal year were reviewed multiple times prior to approval. He expressed concern that individuals working with budgets shouldn't be required to continually have to defend each item that was planned for within their budget. He stated that the Board expects department heads to be responsible, they have provided justification for expenses throughout the budgeting process and they should be trusted to follow through with what was budgeted for. Chairperson Miller indicated that recently, it should have been made quite clear that the Board expects to be provided with pertinent information and allowed time to research that information prior to making a decision in regard to the information. The Board expects a full explanation so that they are confident in their understanding before they make a decision. Chairperson Miller expressed his belief that the County employs individuals who are capable and responsible. Commissioner Zmyewski stated that the form would itemize everything and provide current quotes even if the request is to spend budgeted money for something that was planned for. It would include updated actual costs. Commissioner Zmyewski stated that he is uncomfortable basing decisions on approximate numbers. Chairperson Miller stated that often the Board is provided with good information. He expressed agreement that all financial

implications and options should be carefully considered. Commissioner Bjerke reiterated the need for trust between the Board and Department Heads. He does not want to send the wrong message that the Board is attempting to micromanage Department Heads. Commissioner Walter expressed her agreement with Commissioner Bjerke's comments regarding the need for trust and not wanting to send a negative message. She expressed her understanding that expenditures were carefully considered and adequate information and justification has been provided to the Board during the budgeting process.

Charlie Warner questioned a comment Commissioner Bjerke made regarding possible CPA (County Program Aid) reductions which could be in the range of \$250,000.00. Mr. Warner clarified that the County is planning for CPA reductions in this amount. He noted that the County has typically received approximately \$1 million in CPA, and reductions in this amount would equal a 25% reduction. CPA reductions may range between \$250,000.00 and \$400,000.00. Commissioner Bjerke indicated that State budgeting may significantly impact the County.

Jail Administrator Schiltz provided a reminder regarding an upcoming courtroom technology meeting. Chairperson Miller and Commissioners Zmyewski are scheduled to attend. Jail Administrator Schiltz will provide phone and pin numbers to those attending.

At this time the Board recessed until the next scheduled appointment at 10:00 a.m.

The Board reconvened at 10:03.

File No. 4 -- Treasurer Trehus reported on recent changes to investments. She recently renewed a couple of Certificate of Deposits (CD's). She also provided information on several investments which are coming due soon. Treasurer Trehus indicated that her intention is to invest in shorter term options. However, she did invest in a 5 year item which offered a very good rate. Commissioner Bjerke questioned what the County Revenue Workmans Comp fund is. Finance Director Bradley responded that there are designated accounts for reserves. Chairperson Miller clarified his understanding that the money which is invested by Treasurer Trehus takes into account cash flow needs. By investing funds which would otherwise sit idle in a non-interest bearing checking account or a minimal interest bearing money market account, the County can earn interest income by investing the funds. Invested funds are unavailable for operations during the investment term. Interest income earned reduces the need for property tax revenues.

File No. 5 -- Treasurer Trehus reported on various bank accounts. She noted that many of the accounts are managed by the departments in charge of the specific funds. Treasurer Trehus maintains a spreadsheet reflecting the monthly balances.

Chairperson Miller commented on his observation that a significant amount of business is conducted with Multi-Bank. Finance Director Bradley stated that Multi-Bank is an organization resulting from the collaboration of smaller banks. This allows Multi-Bank to compete with larger

banks. Multi-Bank has been provided extremely competitive rates. Commissioner Bjerke expressed concern that some funds are locked up for lengthy periods of time.

Treasurer Trehus reported that she works with one specific Multi-Bank representative. Finance Director Bradley reported that per Statute, all investments are held within the State of Minnesota. The representative from Morgan Keegan has expressed willingness to meet with the Board if they believed this would be beneficial. Chairperson Miller questioned whether investment amounts have remained level. Finance Director Bradley reported that in 2007 investments were reduced due to the outlay required to recover from the flood event. Houston County secured a \$2 million line of credit. The County was only required to access ½ that amount. Finance Director Bradley reported that investments have remained level during his time with the County. Commissioner Bjerke questioned how interest income is handled. Finance Director Bradley reported that interest income is budgeted revenue. In 2008 approximately \$180,000.00 was earned. This year the interest income projections are expected to be significantly less. Finance Director Bradley anticipates interest income revenues to be between \$50,000.00 and \$60,000.00 for the current year. Both Commissioners Bjerke and Walter expressed their appreciation for Treasurer Trehus' work on investments and for her spreadsheet representation.

File No. 6 -- Finance Director Bradley provided information from the April 2011 Economic Update provided by Minnesota Management & Budget. The publication noted that the State experienced a 1.4% increase over projections with regard to State Revenues. This is a positive event. Concerns regarding oil markets and global unrest are contributing to the economic outlook and a reduction in projections. Finance Director Bradley called attention to a bar graph which shows how the State statistics compared to the rest of the country regarding job losses. He stated that the outlook has not changed significantly from previous projections.

File No. 7 -- Finance Director Bradley provided Estimated Reductions in 2011 CPA and Market Value Credit under SF82 as Proposed to be Amended. Houston County is slated to lose \$38,196.00 in CPA, and \$187,159.00 in Market Value Credit for a total of \$225,355.00. Finance Director Bradley reported that the County is required to reduce its levy by the certified CPA amount even though CPA may not be paid in an amount equivalent to what was certified. Market Value Credits also function as a levy reducing factor. The State is not providing the reimbursement that was promised after the fact. Finance Director Bradley has provided information to our representatives regarding this State position. Neither representative has responded therefore he believes that there will be no action taken during this session.

Finance Director Bradley stated that the Governor has come out with a budget proposal based on recent budget reports. Originally, the Governor indicated that he did not want to reduce CPA or LGA (Local Government Aid). Unfortunately, the Governor appears to be aligning with the House and Senate and these aids may be reduced as a result.

Finance Director Bradley expressed concern that there has been discussion regarding PILT (Payment in lieu of taxes). The townships are pushing legislation that would change the mandated amount the County would be required to pay to the townships. Currently, the County pays the townships 5% of PILT. Legislation could increase the amount to 20%. This could cost the County an additional \$40,000.00. Finance Director Bradley stated that he is unaware of what stage the township legislation is at in the process.

Finance Director Bradley stated that the Highway Department was notified that their payment for gas tax will be approximately \$130,000.00 higher than anticipated. Engineer Pogodzinski indicated that he would like to retain \$30,000.00 of the increased amount to offset overages which may result from the high gas prices. The balance, in the amount of \$100,000.00 could be utilized for future budgeting needs.

On March 24th, 2011 Houston County received reimbursement for ARMER expensed incurred during the 2010 budget cycle. This reimbursement, in the amount of \$126,000.00 will be reflected as revenue in the current budget cycle. This revenue was not budgeted for in the 2011 year and may serve to offset reductions to CPA and Market Value Credits.

Commissioner Bjerke expressed concern regarding bonding for the balance of expenses related to migration to ARMER. Finance Director Bradley reported that he estimates the remaining cost to be \$282,000.00. He anticipates being awarded a grant in the amount of \$30,000.00 with an approximate \$2,000.00 local match requirement to offset the total. He anticipates a remaining balance of approximately \$250,000.00. He has spoken with Engineer Pogodzinski, PHN/HS Director Rock and HS Accountant Bahr regarding the possible use of fund balance to cover the remaining cost to migrate to ARMER. He stated that issuing bonds for such a minimal amount could be cost prohibitive. He recommended taking \$83,000.00 from each fund, Human Services, Public Health, and Highway, balance instead of bonding for the money. Commissioner Bjerke indicated that fund balance from the general fund could be used to replenish the other funds if the need arises. Chairperson Miller questioned how these fund balances are different from investments, for example. Finance Director Bradley stated that fund balance is idle cash. By utilizing fund balance the County reduces the amount available to earn interest which will affect interest income. The affect to interest income will be minimal. Commissioner Bjerke expressed his opinion that there is a need to have and maintain adequate reserves. There would continue to be adequate reserves to meet cash flow needs.

HS Accountant Bahr expressed concern that the legislature hasn't completed their budgeting process. There could be reductions to Human Services in addition to reductions anticipated for CPA and Market Value Credits. The County receives a CCSA grant to aid in covering child protection expenses. This grant has typically been approximately \$221,000.00. There has been speculation that this amount could be reduced between \$80,000.00 and \$90,000.00. This would be a significant reduction. In addition, there is discussion regarding possible reductions to mental health funding, relative custody assistance, and children's mental health screenings. There have been no firm decisions made and reductions remain unknown. She

cautioned that if reductions result in areas of Human Services and the County has utilized fund balance to cover ARMER expenses, Human Services could come up short.

Commissioner Bjerke noted that there has been an increase in collections. This increase could be utilized to replenish fund balance. HS Accountant Bahr stated that increased collection projections have been included in the budget. Human Services provides mandated programs only, with the exception of Youth In Transition. Chairperson Miller questioned whether reductions in child protection would mean a reduction in salary reimbursement. HS Accountant Bahr responded that it is all just one big pot of money and part of that money is used to cover salaries. Chairperson Miller questioned what other costs are included in child protection. HS Accountant Bahr responded that child protection is mandated. The CCSA grant is used to pay for salaries. Some other costs associated with child protection are foster care and clothing. Some children may qualify for reimbursement of their foster care costs. There are stringent requirements which must be met for children to qualify for reimbursement. Commissioner Bjerke commented that the County has built up fund balances to meet needs during tough times. He expressed his opinion that the County is facing the tough times it has been planning for. Utilizing fund balance will prevent this onetime expense from directly affecting the taxpayers. Commissioner Zmyewski questioned who is responsible to cover maintenance costs associated with ARMER equipment. Finance Director Bradley responded that each entity will be responsible for their maintenance costs. The County typically holds negotiates maintenance agreements and he does not anticipate any significant difference from previous agreements for the maintenance of radio equipment. There may be some changes due to ARMER being a different system than what has been used historically.

Finance Director Bradley reported that Engineer Pogodzinski is concerned because the Highway analog radio system expires June 1, 2011. Highway will be without radio communication capabilities unless a short term extension can be negotiated to continue operating the analog station with the FCC or the migration to ARMER can be expedited. Highway Accountant Schroeder stated that the FCC license allowing them to operate the analog channel was for a 10 year period. She is aware that there are costs associated with renewing licenses. She is unaware whether a short term agreement is an option. Commissioner Bjerke suggested expediting the migration to ARMER by purchasing the necessary equipment for Highway. He expressed concern that getting the necessary talk group established could be difficult to accomplish in a shortened period of time.

Chairperson Miller noted that if the Board chooses to follow Finance Director Bradley's recommendation to cover the balance of ARMER migration expenses by utilizing fund balance reducing the Human Services fund balance by the recommended amount of \$83,000.00 would leave a fund balance of approximately \$997,000.00, or just below \$1 million. The fund balance will increase with tax collections. HS Accountant Bahr reported that Human Services spends more than it brings in during the first half of the year. During the second half State Aid payments begin arriving. HS Accountant Bahr prefers to retain 30-50% of first half revenues in reserve for

this reason. She also reiterated her concern regarding not knowing what funding may be reduced as a result of legislation.

Chairperson Miller stated that the County will soon be faced with funding the operations of the new Justice Center. An article written by Carl Vincent estimates that operations cost, over a buildings estimated useful life, will equal nine times the original construction costs. These are all new costs not previously assessed to County taxpayers.

Finance Director Bradley reported that he has compiled estimates for Justice Center utilities, additional required staff, and food service. A portion of additional required staff costs have been included in the current year budget cycle. He stated that in the next budget cycle, the County will be required to budget for an additional 2.5 FTE's. Commissioner Bjerke recommended reducing countywide staffing by an equivalent amount so that the net increase in staffing is 0. He stated that a portion of this objective has been accomplished by not replacing a recent Highway Maintenance Specialist who retired. If another individual within the county retired and was not replaced, the county would be very near to a net 0 change in overall staffing.

Chairperson Miller questioned how reductions to Human Services will be covered if mandates remain. He questioned if the \$221,000.00 grant which covers a portion of child protection mandated items were reduced, yet services continue to be mandated how the County will cover the expense. This would require the use of reserve funds or a reduction in other Human Services programs and/or services. The County may need to review non-mandated services. If services are not reduced the only other option would be to reduce staffing levels. Finance Director Bradley indicated that significant reductions would be addressed quickly.

Commissioner Bjerke expressed confidence that the County has planned well and built up adequate reserves which are available at this time to whether this financial crisis. He indicated that the County should do the best that it is able without passing on additional expenses to local taxpayers.

Finance Director Bradley reported that recently the STS (Sentence To Service) budget line was removed from the Auditor's budget and placed in the Jail budget. He is uncertain why it was ever in the Auditor's budget. He anticipates the Jail budget will need to be increased approximately \$140,000.00 to cover additional required staff. The total Jail budget is approximately \$1.3 million. The additional staffing will increase this by an additional 9%. The Highway Maintenance Specialist vacancy which will remain unfilled should result in an approximate \$60,000.00 savings. Commissioner Bjerke suggested that the County maintain a net 0 increase in staffing. If the County is successful in this, there should be little if any impact on taxes. Commissioner Bjerke indicated that taxpayers were told that building the Justice Center would affect their taxes "a little". He believes this continues to be the goal of the Board to keep the Justice Center impact on taxes minimal.

Rhonda Oehmigen questioned whether Human Services and child protection were linked to ABC and/or ABLE. ABC and ABLE are services that have been utilized and/or supported by the County. They work with disabled adults. Child protection services are provided by the Human Services Department and are separate from those entities. In the past the County has contributed to both ABC and ABLE. Recently, funding was provided at a reduced rate. It has yet to be determined whether funding will continue and if so, at what level.

Commissioner Bjerke stated that the airport will be another budgetary concern. Commissioner Zmyewski reported that there is an EA (Environmental Assessment) study taking place. Recently, it was determined that further decision regarding the airport would be tabled until the EA study has been completed. A report resulting from that study isn't expected until December 2011 or January 2012. The weather caused a delay in the completion of the study. Commissioner Bjerke stated that the information resulting from the completed study will impact decisions made regarding the airport. One option may be to move forward with a \$1.5 million project which would require an estimated \$230,000.00 in local funding. Moving forward with this plan may also require ethical decision making regarding possible pursuit of imminent domain which could increase project costs significantly. Decisions regarding the airport will include both a financial and ethical issues. Commissioner Zmyewski commented that it is possible that the current ALP (airport layout plan) may not be in the best interest of the County. He suggested considering an ALP which could be completed within the current footprint of the airport. He questioned whether the ALP could be restructured. He suggested inquiring whether hangars could be moved. He encouraged a thorough consideration of all possible ideas. Commissioner Bjerke questioned what the cost would be to leave the airport as is. Highway Accountant Schroeder indicated that at some point the FAA would require the runway to be resurfaced. It is anticipated that resurfacing would cost approximately \$400,000.00. Moving forward with the ALP is expected to cost approximately \$250,000.00. Closing the facility would cost an estimated \$750,000.00.

It is important to note that the airport has an FAA approved VOR which is considered very safe. It is unknown what the resulting benefits would be if instrument approach was made available again. There has been no economic impact study completed that would provide a value in the event the County moved forward with proposed improvements. Commissioner Zmyewski expressed his desire to research all possibilities. It was discussed that 95% funding would be available only for improvement projects. Certain maintenance projects would qualify for 80% funding. Commissioner Zmyewski expressed interest in learning why a 4,000 foot runway was proposed in the ALP, whether the runway can be adjusted to be granted instrument approach privileges and what costs would be associated with moving the hangars. It was noted that there would be no funding available to move the hangars. Chairperson Miller reported that he has spoken with EDA Coordinator Wilms regarding economic impact. EDA Coordinator Wilms indicated that there are no heavy users, he does not have definitive information regarding the economic benefit of the current airport, nor does he have definitive numbers regarding the potential economic impact improvements would result in. The Board has been led to believe that the University of Minnesota was going to perform an economic impact study, however no study

information has ever come forth. Commissioner Bjerke expressed interest in learning more regarding what costs would be to complete a modified project plan. Highway Accountant Schroeder reported that the old rule of thumb for highway was one mile of road cost a half million dollars. There have been significant cost increases recently. Commissioner Bjerke indicated that sooner or later something will have to be done regarding the airport. He reiterated his concerns regarding the fiscal and ethical implications. Highway Accountant Schroeder expressed concern that variations to the ALP being discussed may require a new ALP. A new ALP would further delay project completion. Commissioner Zmyewski stated that he is not comfortable moving forward just because an ALP is on the table. He prefers to review all options. Commissioner Zmyewski questioned whether the County consultant, Mead & Hunt, could be brought in to discuss the airport. This would likely be a possibility. Commissioner Miller suggested that an outline of options be prepared. Finance Director Bradley indicated that various options were discussed in 2010. He will update figures and depreciation. He noted that land does not depreciate, the runway is fully depreciated, bathrooms were constructed in 2007 at a cost of approximately \$500,000.00, and the fuel tanks depreciate approximately \$8,700.00 per year. Some of these items would be available to sell in an effort to make up repayment expenses in the event it was decided to close the facility. Finance Director Bradley reported that he has received conflicting information regarding what the County would be required to pay back in the event the facility was closed. It was suggested that information in this regard be obtained in writing.

Commissioner Bjerke commented that he has reviewed budget items. He noticed that the contingency fund for the Justice Center project has a balance of \$220,000.00. Finance Director Bradley stated that \$120,000.00 of that has been earmarked for mandated elevator upgrades to the Courthouse elevator. Commissioner Bjerke indicated that there is also a sizeable balance in the Justice Center FF & E budget. Commissioner Bradley stated that FF & E is for furniture and equipment. The money in that line item is mostly dedicated. Finance Director Bradley stated that if costs are carefully monitored, remaining budgeted amounts may be utilized to buy down debt service. He recommended doing this over a period of time to keep the impact on taxes relatively level and expending funds within bond parameters. He explained that the elevator project is expected to cost \$68,000.00 plus electrician expenses and possible asbestos abatement for an estimated total of \$120,000.00. Chairperson Miller reiterated that everything is being carefully scrutinized by the Board. It is his opinion that the Board should be focusing on needs and not wants. Finance Director Bradley stated that the County built during a beneficial construction time, has contained spending and it is expected that there will be funds remaining following project completion which may be utilized to buy down the debt service.

Chairperson Miller questioned whether the Board was prepared to move on a decision regarding funding remaining ARMER expenses. The recommendation has been made to utilize fund balance to cover the expense. Commissioner Bjerke expressed his opinion that covering the expense utilizing fund balance would be preferable over levying new tax dollars. Chairperson Miller expressed appreciation for HS Accountant Bahr's conservative thoughts. Finance Director Bradley indicated that the reserve balance reduction would be temporary. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to use

reserve balance to cover the remaining expenses to migrate to ARMER. There will be no new levy or bonding dollars used to cover said expense.

File No. 8 -- Finance Director Bradley reported that Auditor Meiners has gathered information regarding audit costs from counties around the State. In 2007, there was a significant increase in audit costs which has remained constant since. Finance Director Bradley attributes this to an increase in required single audits as a result of being awarded FEMA grant funding. He noted that a childcare program has reverted back to being a State run program eliminating the need for a single audit on said program. This should result in a cost savings. He indicated that single audit requirements could account for the greatest variance across counties. The information gathered by Auditor Meiners indicates that there could be a cost savings realized if the County were allowed to utilize private audit firms. Fillmore County's audit cost decreased to \$41,000.00 from \$69,000.00 when they switched from State Auditor services to those of a private firm. Finance Director Bradley stated that there will be significant changes resulting from GATSB 54 requirements. If legislation were approved to allowing Houston County to seek private audit services, Finance Director Bradley requested the Board refrain from exercising the option until 2012. He reported that a new fund balance policy modernizing governmental accounting will need to be written and adopted. It would be his preference not to switch audit firms until this is in place. Chairperson Miller clarified that the County will need to petition the State to be allowed the option to utilize private audit firm services. Specific counties were granted this privilege in 2003 when the State suffered significant budget reductions. Finance Director Bradley reported that during recent years, audit information gathering was completed in May or June. However, the final reports were not issued until October or November. State Auditor issuance costs are significantly higher than those paid to private sector firms. Commissioner Zmyewski queried Auditor Meiners regarding her thoughts on audit services. Auditor Meiners expressed her opinion that having options to utilize the State or a private firm could be advantageous to the County. She indicated that she has no concern with exercising the option to switch to a private firm in 2012 as requested by Finance Director Bradley. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-23

WHEREAS, Houston County is audited on an annual basis by the Minnesota State Auditor's Office; and

WHEREAS, many counties have been "released" by the State Auditor's Office and are utilizing private auditors to perform their annual audit and are realizing a significant cost savings by doing so; and

WHEREAS, H.F. 705 and H.F. 1063 would allow all Minnesota counties the option of utilizing a private auditor for conducting their annual audit;

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners here supports H.F. 705 and H.F. 1063 to allow the use of private auditors for all Minnesota Counties.

Commissioner Bjerke expressed his appreciation for the good discussion held today. This forum for discussing finances provides transparency. He suggested that discussion such as this take place each month.

Chairperson Miller reported on a PSAP consolidation meeting which he recently attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence from MN Dept of Agriculture regarding release of genetically engineered plants (soybeans)

File No. 10 -- Correspondence from MN DNR regarding acquisition of 70 acres in La Crescent township to add to Root River Wildlife Management Area

File No. 11 -- Correspondence to Ralph Konkel regarding tax abatement

File No. 12 -- Correspondence from FCC regarding upcoming narrow banding deadline

There being no further business and the time being 11:28 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 3, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 3, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; Engineer Pogodzinski; Treasurer Trehus; Recorder Bauer; Sheriff Ely; Maintenance Foreman Molling; Surveyor Walter; Ralph Tuck

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the April 26, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$64,378.16
Road & Bridge Fund	24,512.89

Total	\$88,891.05
	=====

Recorder Bauer reported that as of May 1st, passport applications are being accepted by the Treasurer's Office. The Recorder's Office will continue to provide passport photo services. Treasurer Trehus reported that her office received official notification that they could accept passport applications yesterday. Within minutes of notification, an individual came in to apply for their passport. Treasurer Trehus will share with local newspapers a Press Release regarding the availability of passport services in Houston County.

File No. 2 -- Engineer Pogodzinski reported on bids which were received for C.P. 2011-03 Seal Coat. Fahrner Asphalt Sealers Inc. submitted the low bid in the amount of \$384,016.07, which is 15.81% below the engineer's estimate. Engineer Pogodzinski recommended the Board accept the bid of Fahrner Asphalt Sealers Inc. He requested the Highway Department be allowed the latitude to amend the work being performed to possibly increase the amount of roadway seal coated or the amounts of oil depending on the surface condition. Any amendments would not

cause the project to exceed the budgeted amount of \$450,000.00. Engineer Pogodzinski reported that no seal coating was completed in 2010. A portion of the seal coat budget was utilized to surface a section of road and the balance was carried forward. Major sections of roadway scheduled for seal coat are CSAH 21 from State 16 to CSAH 9, CSAH 9 to the Winona County line and CSAH 6 from Town Hall Road to the Winona County line. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the bid of Fahrner Asphalt Sealers, Inc. in the amount of \$384,016.07 and to allow the Highway Department to amend the project to an amount not to exceed the budgeted amount for seal coat being \$450,000.00.

File No. 3 -- Engineer Pogodzinski reported on the bids received for C.P. 2011-01 Shouldering and Maintenance Aggregate. He recommended accepting the low bid of Bruening Rock Products, Inc. in the amount of \$197,831.26, which is \$7.999 per ton delivered for shouldering. This bid is significantly below the engineer's estimate for shouldering. He also recommended accepting all bids for stockpile aggregate. This has been the practice in recent years. It allows the County to haul aggregate from the nearest available stockpiles to a job site at a guaranteed rate. Maintenance Foreman Molling reported that shouldering hasn't been done for approximately 10 years. The County utilizes a shoulder disk to reclaim material. He explained that the shouldering bid includes the aggregate and hauling to and spreading by the shouldering machine, while all other work including brooming and packing will be completed by County forces. Engineer Pogodzinski requested the option to amend the project and spend up to the budgeted amount. He indicated that it is not his intention to increase the project to expend the entire budgeted amount. However, he would appreciate the option to amend the project some. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the bid of Bruening Rock Products, Inc. in the amount of \$7.999 per ton delivered for shouldering, and to allow the Highway Department the opportunity to amend the project in an amount not to exceed the budgeted amount.

On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept all bids for stockpile aggregate.

Engineer Pogodzinski reported that shouldering is planned for CSAH 8 starting in Spring Grove and working east. CSAH 14 and 33 are also scheduled for shouldering.

Surveyor Walter and District Manager Ralph Tuck met with the Board. Ralph Tuck reported that his department orders a quantity of trees which are then sold to the public for conservation measures. In the past, they have discounted the price in an effort to sell the balance of trees on hand. It has been discussed that this discounting may be encouraging individuals to wait to make their tree purchases. His department has decided to donate the remaining stock to a governmental agency. There are areas of Botcher Park which may benefit from having trees and or shrubs planted. Craig Welsh of Sentence to Service has indicated that he would have crews available to plant the trees. Surveyor Walter reported that there was a property line which had

been disputed. The dispute has been settled and the area of the property line would benefit from having some trees planted on it. Chairperson Miller questioned how large Botcher Park is. The park is approximately 20 acres and the intention of the donor was that the property be available for public use. Surveyor Walter stated that there is a nice open area that would work well for parking and trailhead. He mentioned that there may be walnut trees which could be harvested and the revenue could be utilized for park improvements. Chairperson Miller expressed his opinion that accepting the tree donation and planting them would be good. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to accept the donation of trees for Botcher Park and to have STS plant them.

File No. 4 -- PHN/HS Director Rock reported on an early hearing detection grant. This grant is part of the community health grant. The grant provides reimbursement for nurses to make referrals to doctors and/or other programs for children with hearing loss. The grant doesn't specify a lump sum grant amount because it provides reimbursement. Each case is eligible for up to \$400.00 in reimbursement. There is no ceiling regarding the number of cases which may be reimbursed. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the grant agreement and to authorize the signature of Chairperson Miller and Auditor Meiners.

PHN/HS Director Rock stated that Public Health is applying for a grant which would provide funding for 2 positions at 0.3 FTE each, which is 0.6 FTE total. The grant would provide for the establishment of exercise programs in elderly living areas within various communities around the county where no program is currently available. The grant is similar to the SHIP or Active Community grants which have been awarded to organizations within the county. The application deadline is May 6, 2011.

PHN/HS Director Rock stated that she has followed up on whether the Board needs to act on QDDP requests resulting from discussion at a recent Human Services Board Meeting. She reported that Board approval is not required. The employer is required to monitor the satisfaction of requirements and to maintain the appropriate documentation. PHN/HS Director Rock indicated that she will draft correspondence in this regard and distribute it to organizations which employ individuals requiring this certification.

PHN/HS Director Rock stated that she is reviewing the needs of staff in regard to cell phones. She indicated that Public Health is funded by reimbursements. However, there would be no revenue streams for the reimbursement of cell phone per diems. She has not identified funds within the budget which could be redirected to cover the cost of any per diems.

Chairperson Miller stated that there is a family services collaborative meeting scheduled which will be held tomorrow in Caledonia. The meeting conflicts with a Solid Waste Meeting being held in La Crosse. It was agreed that Commissioner Walter will attend the family services collaborative meeting and Chairperson Miller will attend the Solid Waste Meeting.

The family services collaborative meeting will include representation from schools, public health and mental health care providers. Funding has diminished, however there continues to be funding available. Time study dollars are available, however specific funding levels are unavailable at this time.

File No. 5 -- Sheriff Ely reported on correspondence received from the FCC regarding compliance with the January 1, 2013 narrow band deadline. He reported that Chief Deputy Sheriff Yeiter is currently attending radio training and is unable to present information related to the Grant Spending Plan and letter of concurrence. Sheriff Ely reported that each entity building a subsystem of ARMER is required to present a plan. The plan presented by Houston County has been approved by both the State and the Regional Radio Board. The plan documents that the anticipated cost is \$824,821.00, and provides an outline of each phase of the project. He stated that there is \$1,305,000.00 available to Houston County for reimbursement of qualifying expenses. To date, Houston County is the only entity to have its Grant Spending Plan completed. It is estimated that one half of the \$824,821.00 will be reimbursed to the County. The County may submit bills for reimbursement following the full execution of the Grant Spending Plan document. With regard to the console, 50% will be grant funded with the balance of funding coming from E-911 funds. There was discussion regarding expenses which qualify for use of E-911 funds. Commissioner Bjerke commented that the County was recently notified that gas tax revenues will be significantly higher than originally budgeted. The amount above budget may be used to cover radio expenses and/or replenish fund balance. Commissioner Bjerke also commented on the amount of grants which have been received which were not included in the original budget for this project. Commissioner Zmyewski questioned whether additional towers would be required within Houston County. No additional towers are planned for Houston County. Commissioner Bjerke reported that Houston County has \$1.3 million available. It is anticipated that only a portion of that amount will be required. Consideration should be given to turning back a portion of unused funds. Commissioner Walter stated that she was able to review a copy of the plan last week. Houston County is currently the only county eligible to access grant funds for reimbursement of expenses at this time. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the Grant Spending Plan and to authorize the signature of Chairperson Miller.

File No. 6 -- Zoning Administrator Scanlan reported on the following variance which was approved by the Board of Adjustment. The variance is for Randy Klinski of Sheldon Township for a variance of 25 feet to meet the required 50 foot setback from the North property line to install a trailer home.

File No. 7 -- Zoning Administrator Scanlan met with the Board to discuss a Conditional Use Permit for Storms Inc. As part of the State 44 road project, a culvert near Ma Cal Country Club requires replacement. The culvert project is required to be completed within 10 days of May 9th, or significant fines will be imposed. Storms Inc. is the sub-contractor awarded the culvert replacement. Zoning Administrator Scanlan requested Board action to finalize the permit so that work may begin as scheduled. The reason the permit is required is because the fill under the

existing road bed requires replacement. An estimated 18,000 cubic yards of fill will be moved. The project also requires an erosion control plan. The erosion control plan includes provisions to follow existing ground contours, retain a storm water retention pond, and to establish a silt fence. On the recommendation of the Planning Commissioner, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permit:

Storms Inc. – Caledonia Township - Excavation of 5,000 or more yards of fill in an agriculture district.

File No. 8 -- On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Kim Benson of Lawrence Lake Marina – Brownsville Township - Build deck (16' x 46')

Gerald Diersen – Mayville Township - Build pole shed – mono slope (40' x 72')

Greg Boldt – Houston Township - Build garage (40' x 40') cattle shed (55' x 120') no feedlot expansion

David and Kathy Jennings – Mayville Township - Build shop (48' x 36')

David Trehus – Wilmington Township - Build lean-to off existing barn wall (12' x 52')

Charles and Lyn Halverson – Mound Prairie Township - Build pole shed (32' x 32')

Brad Tostenson – Black Hammer Township - Build lean-to on existing shed on north and south side (21' x 80')

Toby Burrichter – Wilmington Township - Build lean-to on existing shed (24' x 80') and grain bin (22,000 bushels)

Bill Powell – Hokah Township - Build garage (32' x 36')

Raymond Pollack – Winnebago Township - Build pole shed (30' x 40') and (2) lean-to off shed (32' x 12') and (32' x 12')

Jim and Louise Stromberg – Money Creek Township - Build garage (28' x

32')

Jerred Roth – Houston Township - Construct a watershed and erosion control structure

David Morken – Black Hammer Township - Build family room addition (20' x 28')

Richard Reinhart – Brownsville Township - Build pole shed (36' x 64')

Brian Lavelle – Black Hammer Township - Build 3-season front porch (19'4" x 10')

Charles Peterson – Spring Grove Township - Build lean-to on existing shed (128' x 18') and pole shed (96' x 40') with 18' lean-to on east side

Tom Molling – Mayville Township - Build grain bin (14,500 bushels)

File No. 9 -- Chairperson Miller reported that Commissioner Augedahl has tendered his resignation due to personal issues. Chairperson Miller expressed well wishes to Mr. Augedahl. The resignation creates a vacancy for District 3 Commissioner. Auditor Meiners provided information from statutes regarding the vacancy and a special election timeline. A tentative timeline has been established. Auditor Meiners provided information on the estimated costs associated with holding a special election to fill the vacancy. Commissioner Bjerke questioned issues regarding the vacancy, election of a new commissioner and redistricting. Auditor Meiners responded that no firm decisions may be made regarding redistricting at this time. She provided a tentative plan regarding redistricting. However, there are various alternatives which may be explored depending on the outcome of the special election. The Board instructed Auditor Meiners to review the balance in various budget line items to determine where funds are available to cover the cost of the special election. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of Robert Augedahl and to send a letter of appreciation.

File No. 10 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-24

WHEREAS, the Houston County Commissioner for Commissioner District #3 has submitted his resignation due to health reasons; and

WHEREAS, more than one year remains on said term (term expires 12/31/2012); and

WHEREAS, M.S. 375.101, subd. 4 requires that, if more than one year remains on a term for the office of county commissioner, a special election must be held not less than 120 days following the date the vacancy is declared;

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners hereby declares a vacancy effective immediately in the position of Houston County Commissioner District #3; and

BE IT FUTHER RESOLVED that the Houston County Board hereby calls for a special election to fill said vacancy; and

BE IT FURTHER RESOLVED that the Primary Election, if needed, shall be held on Tuesday, August 9, 2011, and the General Election shall be held on Tuesday, October 4, 2011.

File No. 11 -- Chairperson Miller expressed concern with committee appointments which are now vacant. Discussion was held. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the committee re-assignments.

File No. 12 -- Auditor Meiners presented a contract with the State of Minnesota for the Sentencing to Service Program for a period July 1, 2011 through June 30, 2013. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve said contract and to authorize the signature of Chairperson Miller.

File No. 13 -- County Board of Appeal and Equalization training is being offered. Commissioner Bjerke has been trained and will be in attendance at the County Board of Appeal and Equalization meeting scheduled for June. It was agreed that commissioners would consider attending the same training which will be offered during the Fall AMC meeting.

Commissioner Walter reported on a solid waste meeting which she attended.

Commissioner Zmyewski reported on the Planning Commissioner meeting which he attended.

Commissioner Bjerke reported on the SE MN Regional Radio Board meeting which he attended recently.

Chairperson Miller reported on building committee and Hiawatha Valley Mental Health meetings which he attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 14 -- Correspondence to MN legislators regarding allowing counties the option to utilize private auditors for annual audits

File No. 15 -- Correspondence from MN Historical Society regarding informational presentation on Bridge 6679 in Sheldon Township

There being no further business and the time being 10:23 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 10, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 10, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Bob Goede; Environmental Services Director Frank; HR Director Arrick-Kruger; Jail Administrator Schiltz; John Pristash; Finance Director Bradley; Engineer Pogodzinski; IS Director Milde; Surveyor Walter; Recorder Bauer; Mike Morey; EDA Coordinator Wilms

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the May 3, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$80,745.56
Road & Bridge Fund	8,549.95

Total	\$89,295.51
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Bob Goede, Risk Management Consultant with MCIT, provided a brief history for the benefit of newer commissioners. He reported that 81 of 87 Minnesota Counties are members of the trust. He explained that six large counties including Hennepin, Ramsey, Anoka, Dakota, Olmsted, and St. Louis are not members. Commissioner Miller inquired what those counties do for insurance coverage and what impact their membership would have on the trust. Mr. Goede responded that Olmsted purchases automobile coverage and Hennepin self insures and purchases some property coverage to cover excessive loss. Mr. Goede reported that in 2011, rates for both property/casualty and worker's compensation decreased.

Mr. Goede explained that dividends are the result of less than expected claims and better than anticipated investment income. He expressed his desire to dispel the myth that dividends are a result of overcharging. MCIT works with an actuary to determine risk and needs which impact premiums. He stated that, historically Houston County has received a dividend equivalent to approximately 1/3 of their premium. Commissioner Bjerke questioned whether individual experience impacts dividends. Mr. Goede responded that dividends are derived following the application of a formula. The bulk of the formula takes into consideration the trust as a whole with a smaller portion being impacted by individual member performance.

File No. 4 -- Mr. Goede provided information on a program they offer called PATROL (Police Accredited Training On-Line). The program provides POST credits for peace officers at an annual cost of \$85.00 per officer. He mentioned that Houston County does not enroll its officers at this time. The training is provided on-line which eliminates the cost of travel to earn POST credits.

File No. 5 -- Environmental Services Director Frank and District Manager Ralph Tuck met with the Board to discuss wetland applications which have been recommended for approval by the TEP panel. The first is an application for Jerred Roth for wetland restoration. The project seeks to break up tile line, alter drainage ditches and erect a diversion dike. The project plan was developed by the Board of Soil and Water. The site was converted to cropland at some point and turning it back into wetland may result in a calcareous fen which would harbor a rare plant community. The TEP panel recommends the application be approved as no loss since the application is for wetland restoration. The area is approximately 7 acres. If a calcareous fen results from the restoration, it would be one of three within the county. Mr. Tuck stated that some characteristics of calcareous fen are side hill seep flowing through a boggy area with peat material. Rare plant vegetation is usually present. Areas with these characteristics are considered endangered. The plant vegetation should re-establish itself in time. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the wetland application for Jerred Roth.

The Highway Department has a project list with a specific project on County 6. A minimal amount of work will be completed within a wetland. Large box culverts, also considered bridges, will be installed. In order to minimize the impact on the wetland drainage resulting from the increased culvert size, a block system has been engineered to maintain appropriate water levels within the wetland. Board action is not required because this is a MN DOT project. Project data has been provided in an effort to keep the Board informed. This project is being completed in an area where the roadway has been overtopped multiple times and should significantly reduce the potential for this to happen following the project's completion.

File No. 6 -- Chairperson Miller shared information he received in correspondence from MPCA regarding the disbursement of SCORE grant funding. SCORE funding is generated statewide and given back to counties. Environmental Services Director Frank reported that

funding rates are equivalent to those distributed in 1990. He stated that revenues to fund SCORE grants have grown over time. However, the State is neglectful of sharing all of the proceeds with counties. SCORE grant funding is utilized to support and improve the recycling program. The recycling program does not generate adequate revenues to be self-sustaining.

Commissioner Miller reported on the La Crosse Solid Waste meeting which he recently attended. Houston County was awarded a plaque in recognition of work completed on the Solid Waste Ordinance and Licensing requirements. This work reflects the County's continued commitment to La Crosse County's Program. Chairperson Miller expressed his opinion that Environmental Services Director Frank deserves the credit bestowed to Houston County.

Environmental Services Director Frank reported that, for a year and a half, he has been working on the recycling building property issues. In 1990, the property on which the Recycling Building is located was surveyed. Since then, Houston Hoedown had bordering property surveyed. The new survey, completed using enhanced technology, revealed some concerns. Both the Recycling Building and the Sanden Auction Building have been built upon property owned by the other. In order to rectify the property issues, it has been agreed that a new survey will be completed and corrective deeds will be filed. The expenses will be shared equally. Environmental Services Director Frank will present corrections to the Board for approval.

Commissioner Miller reported that, during the public works committee meeting, Environmental Services Director Frank reported that the Environmental Services Ford Explorer has significant mechanical issues. Environmental Services does not have money available within its budget for the purchase of a replacement vehicle. Environmental Services Director Frank stated that the Highway Department has offered him the use of a vehicle for the next 30 days or so. He is considering approaching the Sheriff's Department to see if they would have a vehicle he could use after that. Environmental Services Director Frank reported that he does not have funds within his current budget for the purchase of a replacement vehicle. He may need to budget for a vehicle in the next budget. Commissioner Bjerke suggested discussing a lease to purchase option with Ellingson's. Environmental Services Director Frank reported that his department uses the vehicle to transport Planning Commission members to on-site meetings and that Zoning Administrator Scanlan uses the vehicle when visiting sites which is a requirement of his position. The Ford Explorer was purchased from the Highway Department, and was used. Commissioner Bjerke suggested purchasing a used vehicle and consider leasing until the next budget cycle when a vehicle could be budgeted for and purchased. Environmental Services Director Frank stated that his department will be required to pay mileage on personal vehicles if it is unable to find a means of replacement.

File No. 7 -- HR Director Arrick-Kruger stated that on March 15, 2011 the Board approved the hire of a 67-day employee to assist during the interim period while a search was being conducted for a Social Services Supervisor. Human Services management has recommended Bethany Zellmer be hired as a 67-day employee. Ms. Zellmer has been working with Houston County as an intern, comes with high recommendations, and has a good work ethic

and strong GPA. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to hire Bethany Zellmer as a 67-day employee at step one of the C-4-1 band.

HR Director Arrick-Kruger reported that the searches for both the Financial and Social Services Supervisor positions have closed. She will work with PHN/HS Director Rock to select the candidates who will be interviewed.

HR Director Arrick-Kruger reported that in excess of 170 applications were received for the jailer/dispatcher positions. Ratings were completed and interviews will begin tomorrow morning at 7:00 a.m.

File No. 8 -- HR Director Arrick-Kruger reported that a tentative agreement has been reached with both LELS Local 237 and Local 60. These are the unions representing the jailer/dispatchers and deputies. These are one year agreements with a 0% wage increase. There is a provision for step increases. HR Director Arrick-Kruger stated that it is her understanding that only one individual is eligible for a step increase. In addition, all labor agreements include a “me too” clause so this provision will impact the other labor agreements. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the labor agreements with both LELS Local 237 and Local 60.

HR Director Arrick-Kruger stated that she has been in discussion with all labor groups regarding opening negotiations. Early discussion will be centered on healthcare.

HR Director Arrick-Kruger indicated that the copier lease and service agreement is nearing the time when it will automatically roll forward for a twelve month period. IS Director Milde is reviewing the needs of the County and the most cost effective options that will satisfy the needs. IS Director Milde needs time to obtain quotes on which to make recommendations. Houston County is required to provide 30 days notice in the event it chooses not to renew. HR Director Arrick-Kruger stated that her intentions are to submit said notice. The County will operate on a month to month agreement until all leasing and/or purchasing options may be evaluated and a recommendation made.

John Pristash of Knutson Construction reported that the construction project is taking shape nicely. Taping is being completed, mechanical units are expected to go on-line following the Memorial Day holiday, doors, hardware, locks and glass are being installed. Tile and paneling are being installed on the second floor. Carpet is scheduled to be installed next week. The balance of exterior stone is scheduled to arrive next week also. The staging area is being emptied in preparation for curb and gutter. Mr. Pristash reported that Hartford performed a risk assessment recently. Hartford recommended a hot work permit be obtained. They identified concerns including a container of combustible product was not stored within an acceptable cabinet, gas containers were not chained and/or cased properly, and fire extinguishers had

expired certifications. In all, five concerns were noted, all of which have been properly addressed.

Chairperson Miller reported that MCIT provides its members with boiler inspection services. HR Director Arrick-Kruger indicated that the County is responsible to have annual testing of the boilers conducted. The boilers are current on their inspection requirements. She will review the information from MCIT regarding boiler inspections. John Pristash stated that MCIT will be invited to attend the initial startup and testing of the mechanical units for the Justice Center.

Jail Administrator Schiltz questioned whether any decision has been made with regard to moving the commissioner's room to the current courtroom once courts moves to the Justice Center. It was agreed that it is the intention to move the commissioner's room to the courtroom area. Jail Administrator Schiltz expressed concern that the benches may or may not be moved due to concerns regarding refurbishment, and moving. Chairperson Miller expressed his opinion that discussion and/or decision regarding the benches should be taken up by the Building Committee.

File No. 9 -- Finance Director Bradley provided information on a budget amendment request to cover expenses related to the special election for Commissioner District #3. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the amendments as presented.

Discussion was held regarding the remaining balance in the Commissioner's Other Professional and Technical Fees line item, how the original budgeted amount was arrived at, what the line item is in place to cover, and possible uses for a portion of the remaining balance.

At this time, Auditor Meiners provided an overview of the special election schedule.

File No. 10 -- IS Director Milde reported that the County holds 3 concurrent licenses for AutoCAD Civil 3-D. These are shared by members of the Highway Department and Assistant County Surveyor Mauss. Assistant County Surveyor Mauss utilizes the software a significant portion of time and it has been increasingly difficult to efficiently "share" the licenses available. IS Director Milde stated that an additional license may be purchased to alleviate the issue. Recorder Bauer reported that funds are available within the Technology Fund to cover the cost of the license and required maintenance agreement. In the event funding for the Technology Fund were dissolved, the Board would need to cover the cost of the maintenance agreement. IS Director Milde stated that Civil 3-D is the only widely used software available in the marketplace. Commissioner Zmyewski questioned why the maintenance agreement is sold on a per license basis. The maintenance agreement covers both tech support and upgrades. It provides users with how to guidance in addition to keeping the software as up to date as possible.

Engineer Pogodzinski reported that during the summer months employees who utilize the software including those in the Highway Department and Surveyor's Department are often in the field and the software is available. However, during winter months and inclement weather, it is difficult for all employees needing to use the software to have access. Highway utilizes each of their 3 licenses. The employees are often required to share amongst one another. When staff from the Surveyor's Office was added, the sharing became more complicated. Adding an additional license will alleviate these issues. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the purchase of one AutoCAD Civil 3-D software license with required maintenance subscription in the amount of \$3,541.30 for use by the Surveyor and Highway Departments to be paid for by the Technology Fund. In the event the Technology Fund is dissolved the Board will re-evaluate funding options.

File No. 11 -- Engineer Pogodzinski reported on a bid received from Mathy Construction Co. for S.A.P. 28-605-16 and S.A.P. 28-605-17. The bid, in the amount of \$889,007.08, is a good bid and less than the Engineer's Estimate. This is a County State Aid Highway allowing for a portion of the expense to be billed back against the County's State Aid funds. The State Aid funds are an allotted amount. When projects come in under budget, remaining funds may be utilized to complete additional projects. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept the bid of Mathy Construction Co., in the amount of \$889,007.08 for S.A.P. 28-605-16 and S.A.P. 28-605-17.

Engineer Pogodzinski reported that the planned route for the State 44 project detour would not hold up to the additional traffic. It was necessary to identify an alternate route. Engineer Pogodzinski worked with MN DOT to identify an alternate route. The detour will take traffic through downtown Caledonia. Currently, the city is accustomed to approximately 1,300 vehicles per day. This number will increase to nearly 6,000 during the detour period. This will be equivalent to the amount of traffic traveling through La Crescent on a daily basis. MN DOT is considering providing staffing for traffic flow purposes at the intersection of County 3 and State 44 during peak hours during the first days that the detour is in service. The City of Caledonia has expressed concern with the speed at which the detour will be traveled as it passes through town. MN DOT will repair any damage to roads as a result of their use for the posted detour route. Chairperson Miller stated that this was discussed earlier today during committee. The detour will be a short term inconvenience which will allow for long term benefits.

File No. 12 -- Placed on file was a letter of appreciation for retiring Commissioner Bob Augedahl.

Commissioner Zmyewski stated that an Airport Commission meeting is scheduled for Monday evening. Recently, the Commission voted to meet on a monthly basis which directly impacts county employees serving on the Commission. Also, the most recent meeting got extremely heated. Commissioner Zmyewski stated his understanding that this Commission was established to act as an advisory body, and expressed concern that there are many individuals

serving on the Commission who clearly have a conflict of interest. He expressed his opinion that day to day operations should be managed by County employees. If County employees are managing the day to day operations, they should be allowed to meet during regular work hours. He suggested forming an Airport standing committee. Commissioner Zmyewski stated that during the last meeting there was name calling and bullying. The environment this behavior created was not conducive to productive discussion and/or decision making. Commissioner Zmyewski expressed concern regarding subjecting County employees to ongoing negative treatment. He expressed concern that, in the past, individuals serving on the Commission have contacted County consultants at County expense. These individuals were not authorized to be in contact with consultants, nor were they authorized to incur County expenses. Chairperson Miller stated that non-authorized individuals must be stopped immediately from contacting County hired consultants and/or from incurring expenses which the County is liable for. Commissioner Zmyewski expressed concern that if it was the intent that this Commission act as an advisory body, it is not functioning in this way. He questioned whether a committee consisting of County employees should be authorized to manage the day to day business of the airport. The meetings of such a committee could be scheduled during regular working hours, therefore, eliminating the need for after hour's attendance. He reiterated that he is concerned for the welfare of County employees and has no desire to subject them to being picked on or heckled for a lengthy period of time. Commissioner Bjerke expressed his desire to continue gathering public input regarding the airport. He recommended gathering public input through a series of Public Hearings, and not necessarily through the Airport Commission. Commissioner Zmyewski expressed his desire to have day to day operations handled by a standing committee. He expressed agreement that large projects should involve the public. He suggested gathering public input for large projects during meetings including the full board. Commissioner Bjerke expressed agreement that day to day operations may be effectively managed by a standing committee.

Chairperson Miller questioned whether the process is working. He expressed his understanding that the EA study is being completed, and the County Board has decided to refrain from making any decisions until the EA study has been completed and the resulting report has been reviewed. Finance Director Bradley stated that clarification regarding certain data is required prior to any decisions being made. He expressed his opinion that Public Hearings could take place at any time. Chairperson Miller indicated that he is in favor of anything which will provide reliable information. Commissioner Zmyewski stated that the Commission was established to advise the Board, and to generate suggestions. At this time, the Commission appears to be conducting itself as if it were a decision making body rather than an advisory board. Commissioner Zmyewski again recommended that a standing committee be established to manage day to day operations for the airport. There is nothing that would prevent non-county employees who have been involved with the Commission from continuing some sort of club to discuss and promote their interests. The current conduct of the Commission is inefficient and ineffective and it would not be in the best interest of the taxpayers to continue with it. Commissioner Bjerke stated that it may be prudent to establish an agenda for each meeting to guide the discussion and to provide something to adhere to. Engineer Pogodzinski, acting as the airport manager, should establish the agenda. The public would continue to be welcome at the

meetings. However, the agenda would guide the discussion. Commissioner Zmyewski expressed his firm belief that the current meetings have been counterproductive. Chairperson Miller questioned whether the next scheduled meeting would be held. Finance Director Bradley stated that the by-laws would need to be amended for the proposed changes to take place. Chairperson Miller commented that information regarding the change of structure will need to be disseminated. Chairperson Miller indicated that he would be available to attend the next scheduled Airport Commission meeting if necessary. Commissioner Zmyewski stated that he will prepare a written statement to disseminate the structure changes to the Airport Commission. The current structure is inefficient, ineffective and one sided. Engineer Pogodzinski commented that the County works diligently to gather financial data regarding airport operations. Often, members of the Commission refute the data presented and present data which they have gathered. Unfortunately, these two sets of data do not represent apples to apples comparison. If data presented by the Commission were complete and based on facts, Engineer Pogodzinski would welcome such submissions. However, often the data is incomplete and not comparable. Commissioner Zmyewski clarified that it is the consensus of the Board to have County employees handle the day to day operations of the airport, and would meet during regular daytime work hours. The structure and function of the Airport Commission will need to be addressed. It was agreed that the Commission is not functioning as intended. Finance Director Bradley provided an example from the most recent meeting. He had spent approximately a month researching making the airport self-sufficient. The Commission refused to discuss specific aspects of making the airport self-sufficient before concessions were made regarding insurance requirements. Due to the current structure of the Commission, the body was able to delay decision making. The issues which remain undecided are day to day operating items. Day to day operations will be addressed by County employees.

Commissioner Walter reported on a Family Services Collaborative meeting she attended.

Commissioner Zmyewski reported on a SE MN Water Resources Board meeting which he attended.

Chairperson Miller reported on La Crosse County Solid Waste and Semcac meetings which he attended.

Commissioner Walter reported that, during committee, Sheriff Ely expressed concern that funds were not budgeted to cover the per diem which was recently approved for Lindsay Pierce. Committee members directed Sheriff Ely to reallocate funds within his budget to cover the expense.

There being no further business and the time being 11:13 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 17, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 17, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; HR Director Arrick-Kruger; Engineer Pogodzinski; Kim Benson; Sheriff Ely; Veteran Services Director Gross; Tom Murphy; Assistant County Attorney Bublitz; Surveyor Walter; Court Administrator Larson; Denise Schaffer; Finance Director Bradley; Chief Deputy Sheriff Yeiter; Gary Bubbers; Jail Administrator Schiltz; HR Technician Diersen; GIS Coordinator Krzoska; Mike Morey; Tom Murphy; Dale Scobie

Presiding: Tom Bjerke, Vice-Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the May 10, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$69,880.65
Road & Bridge Fund	5,784.60

Total	\$75,665.25
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- PHN/HS Director Rock reported that the Fillmore-Houston Joint Board of Health qualifies for a grant in the amount not to exceed \$5,000.00 if it commits to establishing a quality improvement team, completes an assessment and attends a learning session. The grant is made available in an effort to ensure that good quality services are being provided. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Grant Project Agreement for Community Health Boards.

Sheriff Ely reported that it is National Law Enforcement Memorial Week. Therefore, he would like to recognize Retired Officer Gary Bubbers as Officer of the Year. Officer Bubbers was selected by a group of his peers to receive this honor. He was presented with a plaque to commemorate this.

File No. 4 -- HR Director Arrick-Kruger, on behalf of the Surveyor's Office, requested approval for the office to hire summer help. Surveyor Walter has provided a listing of projects which his office has scheduled for completion during this summer season. Surveyor Walter reported that many of the projects are the result of Highway Department Projects which have been, or are nearing completion. He stated that \$2,500.00 has been budgeted to cover the expense for summer help. Surveyor Walter has historically hired undergraduate survey students. Some of the students return for several summer seasons. Surveyor Walter knows of a few individuals who may be considered for the position. Vice-chairperson Bjerke clarified that money has been budgeted for summer help expense. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the hire of summer help for the Surveyor's Office.

File No. 5 -- Vice-Chairperson Bjerke stated that data has been requested from Finance Director Bradley and Jail Administrator Schiltz regarding costs if the jail portion of the Justice Center is staffed and opens as scheduled versus choosing not to add additional staff and keeping that portion of the Justice Center closed. This information was requested as a result of the concerns voiced by a citizen recently.

Finance Director Bradley provided cost estimates to open the facility and estimates to house prisoners out of county in the event the decision was made not to open the facility. Finance Director Bradley stated that the 2010 average daily inmate population is historically low. Instead of considering only one year's data, he decided to consider data collected over a period of years dating back to 2006. He explained how he prepared the cost estimates presented. Commissioner Zmyewski questioned why current staffing costs were not included somewhere in the cost estimations. Finance Director Bradley reported that if dispatch functions remain within the County, current staffing levels will be required to be maintained. Commissioner Bjerke commented that in the event inmates were all housed out of county, someone would continue to be responsible for the logistical issues of all inmates. It was reported that the current staffing level is 9.5 FTE's.

Jail Administrator Schiltz reported that any individual arrested would still need to be booked and processed before being transported to a housing facility. Finance Director Bradley indicated that the Sheriff had expressed concern regarding the potential need for additional transport vehicles if all inmates were to be housed out of county. Finance Director Bradley stated that cost estimates were prepared based on the current number of transport vehicles. The Board needs to consider the impact the requirement for additional transport vehicles would have to the cost estimates provided.

Jail Administrator Schiltz reported that the average daily inmate population is 20. Commissioner Zmyewski questioned whether the County could open the new facility, continue to house the current approved number of inmates and forego hiring additional staff at this time. Jail Administrator Schiltz stated that the DOC will not allow the new facility to open at current staffing levels due to layout and feature differences. Finance Director Bradley stated that the current policy is to house prisoners at the nearest facilities. In the event Houston County housed all prisoners out of county, he expressed his belief that the nearest facilities would be unable to house all of the prisoners which the County would have, resulting in housing prisoners at facilities farther away. This could significantly impact transport miles. Jail Administrator Schiltz stated that jails are not required to accept our prisoners. Other facilities may express hesitation or refuse to accept prisoners exhibiting mental illness, who have significant medical conditions or who require multiple medications.

Commissioner Bjerke expressed concern regarding the liability associated with an increased number of prisoners being transported. Jail Administrator Schiltz expressed concern regarding prisoners who are arrested in the middle of the night. These prisoners would require booking, which takes approximately 1 hour, transportation to a holding facility and could be required back in county for court a few hours later. He questioned how transport driver scheduling would be handled, i.e. would the driver be asked to stay at the holding facility until which time the driver would be required to transport the prisoner back to the County for the scheduled court appearance. Commissioner Zmyewski questioned whether the option to transport and house prisoners to La Crosse, Wisconsin would be available. Prisoners are required to remain in state until their initial court appearance at which time they could agree to be incarcerated out of state. Prisoners would not be required to agree to be incarcerated out of state.

Commissioner Bjerke clarified his understanding that the cost estimates presented are conservative, based on historical data which has been averaged and projected forward. Court Administrator Larson stated that courts did not provide input regarding cost estimates. She reported that public defenders, who represent defendants, are in short supply. This shortage contributes to delays in scheduling court dates. This could result in increased housing costs. In addition, she is seeing an increase in the need for interpreter services. The State provides public defenders. This district is operating at a 50% staffing level for public defenders. Court appearances are delayed if no public defender is available to represent the defendant. Defendants are unable to enter a plea without an attorney present. Each defendant often has multiple court appearances before being sentenced. Delays have resulted in a defendant have completed the jail stay prior to sentencing. The Court Administrator schedules appearance dates.

Jail Administrator Schiltz and HR Director Arrick-Kruger provided information related to the selection process for the jailer/dispatcher positions. HR Director Arrick-Kruger stated that the entire process was kept very neutral. Each application was rated based on the same criteria. Of 170+ applicants, 17 were selected for interviews. HR Director Arrick-Kruger presented the names of 6 individuals selected to receive an offer of employment contingent upon a successful

background check. The positions consist of 4 full-time and 2 part-time positions. The six individuals have indicated that they will accept an offer of employment if one is extended.

HR Director Arrick-Kruger provided information regarding the financial implications regarding the hire of six individuals as discussed. She noted that during the initial training period, part-time hires would be working full-time hours. A significant portion of training will take place within a two week window with the assistance and participation of new and current staff from Olmsted and Goodhue Counties. Olmsted and Goodhue are assisting us with the training gratis.

HR Director Arrick-Kruger reported that cost estimates were based upon each new hire taking family coverage which is the most expensive. Until new employees have made their insurance electives the actual cost to provide this benefit will remain unknown and was estimated at the most expensive. Also included, are the cost for the lead positions. These lead positions may be filled by current or new staff. The individuals hired for part-time may work more than 20 hours per pay period. These individuals may be used to cover shifts when full-time staff are off due to vacations or illness. This time will be paid at straight time. Having adequate part-time staff reduces the potential for overtime.

File No. 6 -- Jail Administrator Schiltz reported that full-time staff may be scheduled to work Friday, Saturday, and Sunday for 12 hour shifts, and 8 hour shifts on two days during the week. This rotation will provide for an 80 hour pay period. Each of the new hires will be hired at Step 1 of the B-2-4 band. Motion was made by Commissioner Walter to hire Bruce Muenkel, John Prill, Natasha Meyer and Bethany Hammel for full-time positions and to hire Stephany Marshall and Jason Quandahl for part-time positions. Commissioner Zmyewski requested that this issue be tabled to allow him time to review the financial information presented today which is related to the hiring of these positions. Commissioner Bjerke relinquished his vice-chairperson duties, seconded the motion and requested a roll call vote. The votes were as follows: District 1 absent, District 2 nay, District 3 vacant, District 4 yea, and District 5 yea. The motion carried.

Commissioner Bjerke stated that Fillmore County Commissioners have been discussing a jail remodeling project. He suggested that discussion be held with them regarding the possibility of them utilizing our new facility in an effort to forego their remodeling project. This would also promote collaboration. Commissioner Zmyewski questioned whether Fillmore County had been approached in this regard. Discussion was also held regarding posting requirements for a meeting of both Boards.

File No. 7 -- Engineer Pogodzinski reported on a Detour Agreement for the Trunk Highway No. 44 Detour. The detour will utilize South Prairie Drive, CSAH's 5 and 3. Typically, detour agreements are in place prior to the start of construction. Unfortunately, it was discovered when MN DOT was preparing the original detour that the roadways would not hold up to the increased traffic load and alternate arrangements would be required. The State will pay \$6,032.12 for CSAH's 5 and 3. It is estimated that \$4,320.00 will be used to reimburse maintenance costs while the detour is in use, and additional \$856.06 will cover maintenance costs and \$656.06 is

being paid for road life consumed. Maintenance costs during the detour period have been estimated at 40 hours for blading. It is unknown the duration of the detour which may last from 11 days to 3 weeks. Reimbursement for South Prairie Drive has not been included because that is a township roadway. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the detour agreement and to adopt the following resolution:

RESOLUTION 11-25

IT IS RESOLVED that Houston County enter into MN/DOT Agreement No. 98938 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for payment by the State to the County for the use and maintenance of County State Aid Highways (CSAH'S) 5 and 3 used as a detour route during the bituminous overlay and culvert replacement construction to be performed upon, along and adjacent to Trunk Highway No. 44 from 0.037 miles east of CSAH 27 at Spring Grove to 0.142 miles south of CSAH 12 at Caledonia under State Project No. 2803-29 (T.H. 44=044).

IT IS FURTHER RESOLVED that the County Auditor and the Board Vice-Chairperson are authorized to execute the Agreement and any amendments to the Agreement.

File No. 8 -- Engineer Pogodzinski reported on quotes which were received for equipment rental. He reported that on occasion, throughout the year, the highway department may need the service of various equipment. The department uses these equipment rental bids to select vendors based on rate and availability. Commissioner Bjerke questioned whether Minnowa Construction has provided equipment rental bids in the past. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept all quotes for equipment rental.

File No. 9 -- Engineer Pogodzinski reported that the FAA has contacted him regarding a new agreement for airport improvement grant qualification. Both he and the County Attorney have reviewed the agreement. The FAA requires that the agreement be in place prior to an entity being awarded any grants. Any reimbursement from the FAA is dependent upon this agreement. Commissioner Zmyewski clarified that the agreement lists terms and conditions for acquiring FAA funds. The agreement reflects standard operating procedure. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the agreement.

File No. 10 -- Kim Benson, owner of Lawrence Lake Marina, stated that he is seeking a strong beer license in order to be competitive with several area taverns. Mr. Benson reported that he purchased the Marina in September 2010. Since then he has remodeled the interior, replaced docks and installed additional slips. The Marina has been licensed to sell 3.2 on and off sale beer for several years. The strong beer license would apply only to beverages consumed in the store

and on the deck. During the initial year of licensing, unless the County Board waives the requirement, Mr. Benson would be required to purchase Dram shop insurance at a cost of approximately \$1,000.00. In the future, the requirement would be waived because his sales are not expected to exceed the \$25,000.00 threshold which would require the coverage. Mr. Benson reported that, to date, his alcohol sales have been \$1,598.00. He does not anticipate nearing the threshold even if the summer season is exceptional. Commissioner Bjerke expressed appreciation that the Marina continues to operate under Mr. Benson's ownership. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to waive the insurance requirement for the first year.

Mr. Benson questioned the no wake zone and a petition which was reportedly circulated. Chief Deputy Sheriff Yeiter responded that there is no enforceable no wake zone in that area. Mr. Benson stated that a no wake zone would be good for the business and the boat houses in that area. Sheriff Ely stated that an enforceable no wake zone requires that an ordinance be passed. In the past, there has been discussion regarding the necessary ordinance.

File No. 11 -- Chief Deputy Sheriff Yeiter requested approval of a Federal Boating Safety Supplement Grant Agreement. The grant remains unchanged from previous years at \$5,000.00. The funds may be used for safety and boat patrol. They may not be used to cover such items as slip rental. Chief Deputy Sheriff Yeiter reported that together the Federal and State Boating Safety Grants total \$9,100.00 for this season. The State Grant has decreased each year while the Federal Grant amount has remained constant. He stated that, in an effort to increase the amount of the State Grant, individuals have completed training which is strongly encouraged of grant recipients and Boat Patrol intends to offer rental boat inspections. Last season there were two incidents, one of which resulted in a fatality and the second resulting in significant injury to a boat operator. Boat Patrol provided assistance to more than 40 boats. The goal of Boat Patrol is more to educate than to issue citations. However, citations are issued when appropriate. Boat Patrol also participates in some positive public relations duties by presenting young boaters who wear their life vests with certificates to Dairy Queen. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Grant Agreement and to adopt the following resolution:

RESOLUTION 11-26

BE IT RESOLVED that the Houston County Board of Commissioners hereby approves Contract Number B55346, being the State of Minnesota Federal Boating Safety Supplement Grant Agreement.

BE IT FURTHER RESOLVED that Sheriff Ely, Vice-Chairperson Bjerke and Auditor Meiners are hereby authorized to sign said grant agreement on behalf of Houston County.

File No. 12 -- Veteran Services Director Gross provided an annual report on the benefits received by Houston County residents. These benefits come in many different ways. Houston

County benefits have increased significantly this past year. Veteran Services Director Gross stated that there has been no COLA to benefits in 2009 or 2010. Prior to that, COLA increases impacted benefits numbers slightly. Veteran Services Director Gross attributes much of the increase to needs based clients. Individual clients have multiple health concerns which qualify for benefits. He also believes that the new location has contributed to the increase by increasing traffic flow. 80 new health care clients have been added since the move. Veteran Services Director Gross was pleased to report that of the \$108,000.00 spent for this office, nearly \$8.5 million in benefits has resulted. He expressed his belief that this is a very good return on investment. The funds do not go through the County Board. They go to local residents. The healthcare benefits which are received decrease the drain on other County funded services. He also noted that not all counties are experiencing the consistent increases like Houston County. Some counties have even experienced decreases in benefits, or marginal increases. Commissioner Zmyewski questioned if the increase was a result of increasing expenses. Veteran Services Director Gross responded that he does not believe the increase is a result of expenses. He reported that before, many veterans were required to travel to Minneapolis for benefits. Because the trip required 6 hours of total travel, many veterans likely did not seek the benefits. Now, many area veterans may receive care in Tomah or La Crosse. Therefore, they seek those benefits more readily because the total travel required has been significantly reduced. Veteran Services Director Gross reported that many veterans have co-pays for prescriptions. However, the VA has significant buying power for medications which help to keep the costs low.

Veteran Services Director Gross reported that he has budgeted to attend a conference in Brainerd. The conference offers 13 or 14 credits towards his required 16 to maintain his accreditations. It was agreed by the Board that it would be beneficial for Mr. Gross to attend the conference.

File No. 13 -- Auditor Meiners reported that the Viking Ridge Riders has requested approval of a maintenance and grooming application. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the application and to adopt the following resolution:

RESOLUTION NO. 11-27

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the application of the Viking Ridge Riders and authorizes the Board Vice-Chairperson and the County Auditor to sign an agreement with the Department of Natural Resources.

It was agreed that discussion regarding the airport commission would be tabled until Chairperson Miller was present.

Commissioner Walter reported on the human services standing committee meeting held earlier today.

Commissioner Zmyewski reported on the Airport Commission Meeting which he attended last night.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 14 -- Correspondence to payroll regarding hire of
Bethany Zellmer as 67-day employee

There being no further business and the time being 10:37 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 24, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Tom Bjerke, Vice-Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 24, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Chief Deputy Sheriff Yeiter; Andy Terry; Zoning Administrator Scanlan; HR Technician Diersen; Environmental Services Director Frank; GIS Coordinator Krzoska; Engineer Pogodzinski; EDA Coordinator Wilms; Finance Director Bradley; Emergency Manager Kuhlers; Sheriff Ely; Surveyor Walter; Jail Administrator Schiltz; Ann Thompson; Larry Graf; Larry Connery; Court Administrator Larson; Vernon Fruechte; IS Director Milde; County Attorney Hammell; Michael Markegard; Dale Scobie; Mike Morey; Denise Schaffer; Sherry Spitz; HS Accountant Bahr; Mrs. Sweeney and ninth grade civics students; Athena Kolle

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the May 17, 2011 meeting. Commissioner Zmyewski questioned County Attorney Hammell regarding the validity of votes at last week's meeting. County Attorney Hammell indicated that there is no right or wrong answer to some of the issues raised, however, she felt the vote was valid. As far as moving forward with the hiring, she felt that today's discussion may impact things and there needs to be a determination on how to proceed. In terms of the specific vote regarding the employees, the motion from last week determines who will be hired. She also indicated that there needs to be an adoption of official rules moving forward for this Board, in order to alleviate similar issues in the future.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$46,371.19
Road & Bridge Fund	2,027.17

Total	\$48,398.36
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve license center and Human Services disbursements.

Chief Deputy Sheriff Yeiter introduced Andy Terry and Sherry Spitz. Mr. Terry has been assisting with the ARMER project. Ms. Spitz is the Minnesota representative for Motorola. Chief Deputy Sheriff Yeiter stated that currently, the County utilizes a Gold Elite console. The console could be upgraded to function with the ARMER system. However, any upgrade would only be supported through December 2013. The Gold Elite console was purchased in 1997. Chief Deputy Sheriff Yeiter asked if there were any questions. Commissioner Zmyewski questioned where the new console would be located. The console will be located in dispatch. There will be a total of 3 units, 2 of which will be located in central dispatch and a 3rd which will be located in the EOC (Emergency Operations Command Center). In the event that operations are required to take place from the EOC, dispatch functions will continue to be fully operational. The cost for this console is the single largest cost related to ARMER migration. At this time, Motorola is the only approved console. Chief Deputy Sheriff Yeiter stated that he has worked with Ms. Spitz to negotiate a contract which will best serve the needs of Houston County. He reported that one-half of the expense for the console will be paid for with E-911 funds with the balance being paid by Local Enhancement Funds. The purchase has been approved by the Regional Radio Board. The County will be able to take advantage of a \$17,000.00 discount if it places the equipment order by June 13th. The cost for the console is \$560,011.00. In addition to the console, a microwave connection has been approved in the spending plan and by the Regional Radio Board. This will link the console with the Caledonia tower. Cost estimates have been based on information from Winona County who has a similar microwave connection. The costs will be paid for by the County and the County will apply for reimbursement from the Local Enhancement Fund.

When asked about the balance in the E-911 fund, GIS Coordinator Krzoska reported that \$250,000.00 is budgeted for the purchase of the console. After the console and E-911 phone system upgrade have been paid for, he expects a \$60,000.00 end of year balance in the fund. This balance was reported approximately one month ago and has not changed. These upgrades have been in the planning stages for a lengthy period of time.

The new equipment will replace the old recording system. Parts are no longer available for the old system. Chief Deputy Sheriff Yeiter requested that the expenditure and contract be approved. Commissioner Zmyewski questioned whether the reimbursement funding is certain. Commissioner Bjerke responded that the grant has been approved by both the State and the Regional Radio Board. There is a significant amount of funding available. Chairperson Miller stated that there has been discussion regarding possible PSAP consolidation and questioned what would be the options for this equipment in the event consolidation moved forward at some time. Mr. Terry responded that it would depend on the consolidation structure chosen. The equipment could be moved to a facility at a different location or utilized at the current location. There could be incremental costs to relocate the equipment or to re-program the equipment if consolidation occurred. The equipment is necessary at this time to complete the migration to ARMER. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried

to approve the purchase of the console and to authorize the signature of Chairperson Miller on the agreement.

File No. 3 -- At this time Environmental Services Director Frank met with the Board and requested approval of several Houston County Solid Waste Collection and Transportation License Applications. The license is required by ordinance. The license requirement is in addition to the long term haulers agreement which is already in place for each of the applicants. The licenses are renewable on an annual basis and are required for any hauling of residential, refuse and/or demolition waste within the County. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the issuance of licenses for the following businesses:

Richards Sanitation	Caledonia, MN
Hilltopper's Refuse and Recycling	Onalaska, WI
Waste Management of La Crosse	La Crosse, WI
Midwest Roll-off Inc.	La Crescent, MN
Harter's Trash Recycling, Inc.	La Crosse, WI
Generation X	Rushford, MN

File No. 4 -- Zoning Administrator Scanlan reported on the following variance which was approved by the Board of Adjustment. The variance is for Ralph Lind of Money Creek Township for a variance of 500 feet to meet the required 1,000 foot setback from a sand quarry to a proposed residential lot. The sand quarry is nearing the end of its useful life and is currently owned by Mr. Lind's son.

Zoning Administrator Scanlan provided information on two conditional use permits which have been requested. The first is a request from Ralph Lind to have a portion of his property rezoned to residential so that an additional dwelling may be built. The property in question is within 2 miles of the city limits of Houston and close to the Kassendahl sub-division. The request fits the uses of the area. An additional dwelling will not affect the area negatively. There were calls regarding the application which were general in nature.

The second request is from Rocky Feine for additional manure storage. Mr. Feine milks between 45 and 50 cows and has young stock. The manure basin was engineered by NRCS and meets State MPCA code. There were no calls regarding this application.

File No. 5 -- On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and carried to approve the issuance of the following Conditional Use Permits:

Ralph Lind -- Money Creek Township - Re-zone from Agricultural Protection District to Residential.

Rocky Feine – Money Creek Township - Build a manure storage structure over 20,000 gallons.

File No. 6 -- On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Richard Munson – Caledonia Township - Build pole shed (45' x 48')

John and Sherree Koch – Caledonia Township - Build house with garage (28' x 58') deck (14' x 20')

Eric Nelson – Caledonia Township - Build calf barn (42' x 72') no expansion

Jim Jennings – Mayville Township - Build covered porch (10' x 56')

Dave Corcoran – Brownsville Township - Build deck (16' x 24') shed (22' x 14')

Mike Wiste – Spring Grove Township - Build garage (14' x 22')

Mark Staven – Sheldon Township - Build greenhouse (30' x 72')

Nick Weber – Mound Prairie Township - Build mud room addition (10' x 10') porch (12' x 25') porch (30' x 10')

File No. 7 -- HR Technician Diersen reported that a memo had been included in commissioner packets regarding the recommended adoption of an Equal Opportunity Employment/Affirmative Action plan. Counties are exempt from having a plan adopted. However, Human Services Agencies are not exempt and need to have a plan in place to satisfy Minnesota Merit System Rules. The Board has the option to adopt the Merit System Equal Employment Opportunity and Affirmative Action (EEO/AA) Guidelines as its plan or create a unique plan. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the Merit System EEO/AA Guidelines as its plan.

File No. 8 -- HR Technician Diersen shared HR Director Arrick-Kruger's concern regarding a motion passed during the May 17, 2011 Human Services Board meeting. The motion authorized the hire of Judy Haugstad. The HR department is concerned that in passing the motion, the County may fail to comply with a collective bargaining agreement and the County's own Equal Opportunity Policy. HS Accountant Bahr indicated that only discussion regarding the position was intended during the May 17th meeting. It is the desire of Human Services to have the concerns of HR addressed appropriately. HS Accountant Bahr requested that the May 17th motion

be rescinded. She recommended the hire of Judy Haugstad as a 67 day employee during which time the department and HR will work together on the official recruitment process. Chairperson Miller questioned what the intended goal was by hiring a long term trainee. HS Accountant Bahr responded that by hiring a “trainee” the individual would be exempt from Merit System Testing requirements through the duration of the trainee period. Once the trainee period expires, the individual would be required to meet Merit System Testing requirements. HS Accountant Bahr provided information regarding the Experience Works program and the budget reductions the program is facing which have resulted in the department’s request. HS Accountant Bahr stated that by hiring a 67 day employee, there will be time to conduct the recruitment process and to satisfy collective bargaining agreement terms. Commissioner Bjerke clarified that the first action should be to rescind the motion passed during the May 17th meeting. Chairperson Miller questioned whether the new proposal to hire a 67 day employee and then conduct the recruitment process will satisfy all requirements. HR Technician Diersen responded that the plan laid out today will satisfy all policies and requirements. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to rescind the motion made May 17, 2011 during the Human Services Board Meeting which authorized the hire of Judy Haugstad as a trainee.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to hire Judy Haugstad as a 67 day employee at A-1-2.

Chairperson Miller expressed his appreciation for all the kind thoughts expressed to him as a result of the recent passing of his mother in law.

Chairperson Miller reported that he has reviewed information regarding the Airport Commission and possible restructuring of said Commission. He reported that the meetings have not been productive or beneficial. The meetings have been abusive in nature and have failed to provide good and/or productive communication. Discussion regarding the possible restructuring of the Commission has been mis-interpreted. Commissioner Miller expressed that it is his understanding that an Airport Commission is necessary when multiple government entities are involved. The current Airport Commission by laws authorize the County Board to structure the Commission in any manner deemed appropriate. Chairperson Miller expressed his desire to see the Commissioner restructured. In his opinion, the goal of restructuring would be to promote and foster respectful and productive discussion.

The next Airport Commission meeting is scheduled for Monday, June 20, 2011 at 7:00 p.m. in the Commissioner’s Room. All current Airport Commission members are invited and encouraged to attend. Discussion at the meeting will focus on how business will be conducted going forward. Going forward, discussion taking place needs to be respectful and productive.

Chairperson Miller reiterated that it is his belief that confusion has resulted from mis-interpretation. He also expressed his opinion that it is possible that the Airport Commission would be more appropriately titled Airport Committee. Reporter Craig Morehead confirmed the

date and time of the next scheduled meeting of the Airport commission. County Attorney Hammell suggested that the minutes from when the Airport Commission was created be researched. Dale Scobie questioned what type of meeting would be held on June 20th. Chairperson Miller responded that it would be a regular meeting of the Airport Commission.

At this time, Chairperson Miller welcomed Mrs. Sweeney and her ninth grade civics students.

File No. 9 -- GIS Coordinator Krzoska stated that the Board approved the purchase of equipment and upgrade of the E-911 phone system on April 12, 2011. He indicated that the pricing presented on April 12 did not include tax. The cost for the upgrade is \$138,819.21 plus \$3,571.08 in tax for a total of \$142,390.29. GIS Coordinator Krzoska presented a contract, which has been approved by Assistant County Attorney Bublitz, for signature and requested that the amended cost be approved. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the amended cost in the amount of \$142,390.29 which includes applicable taxes.

File No. 10 -- Engineer Pogodzinski reported that on February 1, 2011 he was designated as the airport manager. He requested authorization to enter into agreements on behalf of Houston County for airport related funding awarded by the FAA. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-28

BE IT RESOLVED, That the jurisdiction of Houston County, has authorized Brian Pogodzinski, Houston County Engineer to sign any and all grants or required documentation from the US Department of Transportation – Federal Aviation Administration, executed on behalf of the Houston County Highway Department.

BE IT FURTHER RESOLVED that this authorization is effective retroactive to May 10, 2011.

File No. 11 -- Engineer Pogodzinski reported that several Houston County townships were awarded 2008 Local Road and Bridge Disaster Relief bond funds. The State has requested that County's consider acting as fiscal agents for the townships. The Highway Department has worked with the Townships on the projects which were awarded funding and is willing to act as the fiscal agent for the townships. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-29

WHEREAS, the Houston County Townships have applied for grants from the 2008 Local Road and Bridge Disaster Relief bond fund through the Minnesota Department of Transportation;

NOW, THEREFORE, BE IT RESOLVED THAT Houston County agrees to act as Fiscal Agent for all Houston County Township's grant applications and acknowledges herewith that it is willing to provide oversight for the distribution of bond funds in their respective agreements.

File No. 12 -- EDA Coordinator Wilms reported that 2007-2008 floods resulted in flood recovery loans being offered to several area businesses. As per the loan documents, any business transferring ownership would be required to notify the County and the County would be required to approve the transfer of the loan. Jake's Mainstreet Saloon in Hokah has been sold. The new owners agree to loan terms requiring the continuation of business and maintaining of 2 FTE employees. In addition, the new owners will continue the payments for the repayable amount of the loan and accept the 1099 for the forgivable portion. EDA Coordinator Wilms recommended approval to transfer the remaining loan provisions to the new owners. The agreement has been drafted by the County Attorney's Office. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the sale and transfer of the loan document.

Emergency Manager Kuhlers reported that SE Region 1 HSEM is a joint powers association. The association is in need of a fiscal agent to administer Federal grant funding. Previously, Olmsted County acted as the association's fiscal agent. Recently, they have become inundated with activity related to the Regional Radio Board which they also act as fiscal agent for and they have relinquished fiscal agent duties for SE Region 1 HSEM. Finance Director Bradley has graciously agreed to administer \$12,000.00 in Federal HSEM grants with the Board's approval. Houston County and Finance Director Bradley would act as the association's fiscal agent for a 12 month period. Emergency Manager Kuhlers reported that he was recently elected as Chairperson for the association and expressed his belief that having the Chairperson and the fiscal Agent housed in the same location would be beneficial to the association. He stated that grants were regionalized some time ago. Seven unique regions were identified. Houston County belongs to a regional group which encompasses 16 counties. All federal grant dollars flow through the regional association. The regional associations are governed by joint powers agreements. Finance Director Bradley reported that the \$12,000.00 grant will be utilized to purchase a credentialing system. The system will allow for tracking during a disaster. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve Houston County as fiscal agent for SE Region 1 HSEM.

Emergency Manager Kuhlers provided information regarding the tornado touchdowns within Houston County this past Sunday during severe storms. The tornado, which was approximately 150 yards wide and touched down over a 5 mile path reached wind speeds of up to

120 mph and reached low EF-2 status, caused damages estimated at \$500,000.00. The damage was to personal property and there was no infrastructure damage.

File No. 13 -- Surveyor Walter requested a letter of support, on behalf of Historic Bluff Country, to accompany an application for a byways grant. The byway is State Highway 16 which runs east and west through Houston and Fillmore Counties. If awarded, grant funding would be utilized to develop a new Historic Bluff Country National Scenic Byway Guide and Map. The guide would include historical stories from the small communities along the way. Last year, 3 of 11 byways were awarded federal grants in the amount of \$25,000.00. Houston County was not a recipient. In an effort to increase the likelihood of being chosen to receive the grant this year, a grant writer has been hired. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the letter of support for the grant application.

File No. 14 -- Engineer Pogodzinski reported that Historic Bluff Country has been the recipient of Scenic byway grants in the past. The Houston County Highway Department has acted as the fiscal agent for the grants. Engineer Pogodzinski expressed the departments willingness to act as fiscal agent should a grant be awarded this year provided that the Board will agree to provide the necessary resolution in this regard. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to send a letter of intent to act as fiscal agent if necessary.

File No. 15 -- Sheriff Ely reported that following the May 17th Board meeting he was notified by Human Resources (HR) that the hire of 4 full-time and 2 part-time jailer/dispatchers had been approved. The following day, he was again contacted by HR and instructed to contact the individuals and notify them that the offer of employment was not official. At that time, County Attorney Hammell was consulted regarding the situation.

Sheriff Ely contacted Greg Kroucher, Houston County Department of Corrections (DOC) Inspector. He was advised of the concern regarding opening the new jail facility. Sheriff Ely questioned whether the County had any options with regard to opening the new jail facility other than hiring 5 FTE's and opening as a one year facility. Mr. Kroucher indicated that it may be possible to open the new facility as a 72 hour hold. The 72 hour holding period would exclude weekends and holidays. STS and inmates sentenced to Huber would be allowed to remain at the facility for up to one year. The County would be required to continue housing all female inmates out of County. Mr. Kroucher believes that this option would not require additional staffing.

Another option would be to open the facility as a 90 day lock up. Currently, the historic jail operates at this capacity. As with the 72 hour hold option, STS and inmates sentenced to Huber would be allowed to remain at the facility for up to one year. Female inmates would be required to be held out of County. Mr. Kroucher anticipates that an additional 1.5 FTE would need to be added in order for this option to be approved. This option would likely require a programmer on staff.

If the County chooses either of the options Mr. Kroucher presented, they would be required to submit a staffing plan.

Chief Deputy Yeiter indicated that until now, it was the perception that the Board intended to open the facility as a 1 year lock up which could house female inmates. It was determined that this option would require an additional 5 FTE's.

Commissioner Bjerke questioned how long it would take to obtain official approval of a staffing plan. He expressed concern that with both the options presented today, the County will still be transporting inmates to other detention facilities which comes with some degree of liability and there will be transportation costs to be considered. Commissioner Bjerke requested financial information from Finance Director Bradley which was presented during last week's meeting. The information showed that it would be more cost effective to open the new jail as a 1 year lock up. The options presented today will need to have all costs considered and compared to determine which of the available options will be most cost effective for the County.

Jail Administrator Schiltz stated that the options presented today will continue to require female inmates to be housed at out of county detention facilities. He expressed concern that if the inmate is employed, the County will be responsible for transporting said inmate from the housing facility to our location for work purposes. There are currently 3 female inmates being held by Houston County.

Chairperson Miller stated that discussion has been triggered by citizen concern and also from meetings hosted in Goodhue, to discuss an over abundance of available jail beds within the region. At one time, it was believed that our jail beds could be filled with overrun from neighboring counties. Information presented at recent meetings indicates that many counties have available jail beds. Commissioner Miller expressed his belief that the impetus for building a jail was the age of the historic jail facility and the concern with moving inmates across the courtyard/unsecure area. He reported that Dodge County does not operate a detention facility and transports all inmates to detention facilities elsewhere. There have been no significant issues reported resulting from this practice. Sheriff Ely expressed his desire to limit liability as much as possible. Chairperson Miller expressed concern with keeping taxes low. Commissioner Bjerke questioned whether Chairperson Miller had reviewed the financial information compiled by Finance Director Bradley and presented during the May 17th meeting. Chairperson Miller stated that he had been unable to review the information, due to a recent death in the family. Commissioner Walter expressed her belief that the financial information provided was thorough. Chairperson Miller expressed his desire to meet with Financial Director Bradley to review the information and to have the opportunity to have any questions he has answered. Commissioner Walter commented that the financial information was a compilation of approximately 5 years worth of data.

Commissioner Zmyewski reported that he has spoken with several counties regarding detention facility operations and costs. Three of the counties recently opened new facilities. Two counties, Dodge and Rock, do not operate detention facilities and transport all inmates to detention facilities elsewhere. He stated that many costs should be considered, including but not limited to sewer, electricity and linens. He questioned why fuel costs on the information provided showed a credit in the amount of \$4,500.00. Finance Director Bradley responded that the line item titled "building operations" includes water and sewer and was estimated at \$60,000.00. The electrical engineer, EDI, estimated utility costs which were discussed in the 3rd paragraph of page 1 being \$131,988.00 if the jail was opened as a 1 year lock up and \$60,000.00 if the facility were not opened and a summer temperature of 80 degrees and a winter temperature of 55 degrees were maintained. Chairperson Miller questioned what the transportation costs were for the 2010 year. Finance Director Bradley reported that, during the past 5 year period, the average daily transportation cost for inmates was \$4.62. Over the same period, an average of 9.1 inmates were transported per day. Finance Director Bradley explained that this average daily cost per inmate was arrived at by taking the cost to house an inmate at an alternate detention facility. Finance Director Bradley used a fee of \$50.00-\$55.00 per day and the costs for transport officer time, fuel and vehicle maintenance. In 2010, Fillmore County housed the bulk of Houston County's inmates. The cost charged by Fillmore County is approximately \$55.00 per day. If Houston County were required to house inmates at the Goodhue detention facility, the cost would be \$65.00 per day. This could impact overall costs significantly.

Chairperson Miller expressed disappointment that the options for opening as a 72 hour hold or 90 day lock up facility were just presented today. It may have been beneficial to have been aware of these options earlier. Chairperson Miller expressed his understanding that there is a need to replace the historic jail facility. Many decisions regarding replacement had been made prior to him taking office. However, those decisions were based on 14 year old demographics. Chairperson Miller stated that new information is available. This information reflects that the County has lost population. With the declining population, he expressed his opinion that the number of offenders may decline also. He reported that in the region there are approximately 400 jail beds available. He expressed his desire to use current data to project future needs. He stated that it may be cost effective to open the facility as a 72 hour hold or 90 day lock up and transition to a 1 year lock up in the future when inmate population supports the need.

Finance Director Bradley clarified that the Board would like to have financial information prepared for the options presented today. This information would project costs reflective of the continuation of housing female inmates at other detention centers. Chairperson Miller expressed concern that recently several issues have come before the Board. Immediate action was requested and each had a significant cost associated with it. He stated that the Board did not rule immediately on the issue and cost savings resulted at a later date. Chairperson Miller expressed hesitation at rushing decisions which have significant costs associated with them. Chairperson Miller stated that things change. He indicated that he is not afraid to review plans and make revisions if new data indicates that change is needed.

Commissioner Bjerke stated that the Justice Center will be completed in August. The Board needs to determine the most cost effective way in which to house inmates. New information and options have been presented. The options should be considered carefully. There needs to be a determination on how to move forward. There will always be incarcerated individuals. Currently, there are 20 inmates. The average daily inmate population will fluctuate. The Board is responsible to protect citizens. They are also responsible to manage the budget. The decision regarding how to move forward will be determined by cost.

Finance Director Bradley reported that dispatchers also function as jailers. The Board may act to eliminate the need for jailers by housing inmates out of county. There will still be a need for dispatchers unless there are other significant changes to current functions. In the event dispatch remains in house, no cost savings will result from the elimination of jailers.

Commissioner Zmyewski reported that he has gathered a significant amount of information from other counties which operate detention centers. There is another regional jail meeting scheduled for May 25th. Chairperson Miller stated that the region may determine a region wide price for housing other counties inmates. A region wide price would eliminate the potential for bidding wars to fill a facility's beds.

Charlie Warner stated that County Attorney Hammell indicated that the vote to hire 4 full-time and 2 part-time jailer/dispatchers was valid. He questioned whether the Board would rescind the motion or handle the situation by some other means. He questioned how individuals who had been extended offers would be handled. County Attorney Hammell stated that offers are not required to be immediate, and may not be. The Board will look to the future and consider liability to the County. The Board should hold discussion prior to official offers being extended. Commissioner Bjerke reiterated that the vote to hire was valid. However, the start date is negotiable. Commissioner Bjerke stated that new data is available and should be reviewed prior to establishing a start date. There are two alternate options to be considered. Jail Administrator Schiltz requested that written communication be extended to the individuals who were offered positions.

Commissioner Zmyewski stated that this situation is a good example to show that there is a need to slow down and carefully consider all options prior to moving forward with a decision. He would prefer to delay decision making so that options may be thoroughly researched and a fiscally responsible decision may be made. The individuals need to be made aware that they are the final candidates for positions. Sheriff Ely expressed frustration with the fact that last week action was taken to hire jailer/dispatchers, and this week the process to carry out that decision has been placed on hold. He stated again that the Board decided to build the Justice Center, the Board will determine how it will be staffed and he will run the facility with the staff plan the Board adopts.

Commissioner Zmyewski stressed that he has requested operations cost estimates multiple times since becoming a commissioner. Finance Director Bradley stated that he received

a request for operating cost estimates last week from Commissioner Bjerke and has provided the estimates. Commissioner Zmyewski stated that he received the cost estimate Tuesday morning and was immediately asked to make a decision. Commissioner Zmyewski made a specific request to table action until this meeting, so that the information could be reviewed.

Commissioner Bjerke stated that employment is the significant issue. However, the Board has been working under the assumption that, once the Justice Center was built, it would be opened. The Board never requested other options. Chairperson Miller expressed concern that there are many highly paid consultants and individuals being paid to provide information regarding the Justice Center project. He expressed disagreement that the Board should have requested options, as it is his belief that these consultants and individuals should have been providing information regarding the options. Perhaps the DOC has never heard of a new facility opening as a 90 day lock up. However, the DOC may also be hesitant with publicizing that there have been several facilities built recently which are operating well below capacity. Commissioner Bjerke reported that the Board has already approved the staffing plan and he fails to understand why the Board is hesitating with moving forward with the plan. He expressed concern that this hesitation should have been brought up when the staffing plan was before the Board. It is unfortunate that this hesitation has come about once offers of employment have been extended. Commissioner Miller indicated that concern arose as a result of additional staffing cost estimates were presented. Commissioner Bjerke expressed concern for the individuals who were extended offers of employment and may have resigned from their employment as a result. Commissioner Zmyewski questioned why action wasn't delayed when he requested that it be tabled to allow time to review cost estimates.

Larry Graf questioned why this jail staffing discussion was not included on the agenda. He also indicated that if no decision is made during this meeting, it will be two weeks before another regularly scheduled meeting of the Board. He suggested scheduling a meeting for May 31st, the fifth Tuesday.

Jail Administrator Schiltz suggested that discussion be held regarding the financial information presented. Commissioner Bjerke stated that the cost estimate information was taken directly from budget figures. The figures are conservative and did not include things such as the possible need to add additional transport vehicles if inmates are housed out of county due to not opening the new facility. Commissioner Bjerke suggested that any correspondence to individuals offered employment be sent via certified mail and be reviewed by County Attorney Hammell prior to being sent. County Attorney Hammell suggested that the Board seek information regarding crime trends from Court Administration to consider when making their decision, as it is her belief that serious crime numbers have increased. Any serious crime offenders will end up being housed in a detention facility. It was agreed that a Board meeting would be scheduled for May 31st.

File No. 16 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-30

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the application of the La Crescent Trail and authorizes the Board Vice-Chairperson and the County Auditor to sign an agreement with the Department of Natural Resources.

File No. 17 -- Chief Deputy Sheriff Yeiter requested authorization to hire Rod Humble, Bob Schuldt, Mike Ernster and Tim Irwin as 67 day employees to assist with the 2011 boat patrol duties. Rod Humble is a retired state trooper and has worked on the Winona County boat patrol. Bob Schuldt, Mike Ernster and Tim Irwin have all worked on Houston County boat patrol in the past. Brooke Privet is a 67 day employee who will also assist with boat patrol this season. All are licensed deputies. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of all four individuals as 67 day temporary employees to assist as needed with the boat patrol.

Larry Graf encouraged the Board to extend invitations to the members of the jail study committee for the meeting scheduled for May 31st.

Commissioner Walter reported on a law standing committee meeting which she attended earlier today.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 18 -- Public Notice regarding Board meeting to conduct interviews

File No. 19 -- Semcac 2010 Annual Report

File No. 20 -- Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 21 -- Correspondence to those who submitted successful quotes for C.P. 2011-02 Equipment Rental

There being no further business and the time being 11:12 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 31, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 31, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Court Administrator Larson; Jail Administrator Schiltz; Sheriff Ely; Finance Director Bradley; Assistant County Attorney Bublitz; Terry Munson; Ann Thompson; Larry Graf; Mike Morey; HR Director Arrick-Kruger; PHN/HS Director Rock; Chief Deputy Sheriff Yeiter; Duane St. Mary; Earl Welch; Joel Boone, Kevin Walther; Larry Connery

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the May 24, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$49,033.99
Road & Bridge Fund	29,428.83

Total	\$78,462.82
	=====

File No. 2 -- Court Administrator Larson reported on an agreement which allows the Sheriff's Office to conduct the required background check on individuals who have petitioned the courts for a name change. Last year there were 21 petitions. This petition volume does not justify Court Administration acquiring BCA (Bureau of Criminal Apprehension) clearance to conduct the checks and has a minimal impact on Sheriff's Office staff. Court Administrator Larson reported that the Sheriff's Office has been providing Courts with this service. Sheriff Ely stated that he is agreeable to continuing to provide said service. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Joint Powers Agreement between the Houston County Sheriff's Office and the State of Minnesota, acting through the Third Judicial District.

File No. 3 -- Chairperson Miller indicated that the floor was open for continued discussion regarding the status of the new jail and staffing for said facility. Finance Director Bradley reported that he had prepared cost estimates as requested during the last meeting. He e-mailed out the cost estimates early Saturday, May 28th. Cost estimates are included for opening the facility as a 1 year lock up. 1 year lock up cost estimates were presented at the last meeting. Also provided are cost estimates for opening the facility as a 90 day lock up or a 72 hour hold facility. Finance Director Bradley stated that cost estimates were prepared based on time spent in jail on pre-trial status which averages 39 days. They also take into consideration that women and juveniles will not be held in the facility if it is opened as either a 90 day lock up or 72 hour hold facility. Based on his cost estimates, Finance Director Bradley indicated that opening the facility as a 90 day lock up may be the most cost effective option.

There was concern regarding what the requirements would be regarding lead workers in the event the new jail was not opened. The DOC (Department of Corrections) has provided clarification in this regard. Lead positions will be required if the new facility opens as any level of detention facility. In the event the new facility operates dispatch functions only, no lead worker positions will be required. Commissioner Zmyewski questioned why there would be a need for lead workers if there is a jail administrator on staff. The DOC requires that an individual within the detention facility be in charge at all times. Jail Administrator Schiltz is not within the building around the clock. Therefore, these lead positions will provide the required coverage in his absence.

Finance Director Bradley provided an overview of the impact each of the options would have on the levy. He also discussed how the average daily inmate population could affect staffing requirements.

Commissioner Zmyewski questioned the new jail wages for 2011 versus 2012. Finance Director Bradley explained the wage figures.

Commissioner Bjerke questioned what would take place if the County moved to submit a new staffing plan. Jail Administrator Schiltz stated that a new staffing plan could be prepared and submitted within a couple of days. It was his belief that the County could receive written approval and requirements regarding the plan within two weeks.

Jail Administrator Schiltz indicated that the policy and procedures manual would need to be revised in the event the facility was to open as something less than a one year lock up. The revisions would likely center around amending the policies and procedures to exclude references to female inmates, as they would not be held in the facility. With any of the options, juveniles could only be held for 6 hours.

The question was raised as to how electronic home monitoring (EHM) could impact jail operations. The judge determines which inmates are eligible for EHM. The judge may offer EHM as an option. However, EHM requires an inmate to provide an upfront payment in the

amount of approximately \$360.00. It may be difficult for inmates to provide the required upfront payment. In addition, alcohol home monitoring can cost as much as \$25.00 per day in addition to the upfront payment. It is less expensive to an inmate to remain incarcerated. The judge may not order an inmate to serve out their sentence on EHM because he can't order an inmate to an option that the inmate cannot afford.

It was also reported that there has been an increase in inmates who execute probation. The inmate chooses to serve the sentence incarcerated. Once they are released, there is no probation to serve. This is more costly to the counties which house inmates who choose to execute probation.

Chairperson Miller clarified that if an inmate is employed, they have the right to work. Only a judge may rule that the inmate is not eligible for Huber due to the serious nature of the crime or some other criteria. When inmates are eligible to work, the County is responsible to transport them from out of county detention facilities back for work release.

Jail Administrator Schiltz reported that over the weekend, Houston County was required to transport a female inmate to Winona County instead of Fillmore County because Fillmore County's female inmate beds were full. Winona County's female inmate beds are nearing capacity which would require Houston County to transport female inmates farther away for incarceration.

Chairperson Miller reported that he has made attempts to contact the La Crosse County Sheriff to discuss the possibility of transporting prisoners to their facility. This would require specific agreements to be in place. It would provide Houston County with an additional option in close proximity. La Crosse County does not operate a work release facility which would prevent Houston County from housing inmates with work release privileges in their facility. Individuals sentenced to 366 days or longer are sent to prison and are not eligible for work release.

Commissioner Walter stated that the Board has been discussing staffing since March. She expressed her opinion that a levy increase of 1.52% is modest and the County may benefit from offering 5 FTE positions. Individuals accepting the positions would increase tax revenues which may offset the increase. Commissioner Zmyewski questioned whether the tax revenues would offset the levy increase. It is unlikely that increased revenues would offset the levy increase. He stated that his goal is to minimize the impact the new jail has on taxpayers. He indicated that he would favor an option that would save taxpayer money. Commissioner Zmyewski expressed his belief that savings could be greater than estimated.

Assistant County Attorney Bublitz encouraged the Board to consider the impact that minimum mandatory sentences may have on the cost estimates presented. Minimum mandatory sentences are set by Statute. The impact cannot be mediated by other means such as EHM. Chairperson Miller stated that the Board is considering cost estimates based on a significant

sampling of historical data. He expressed his opinion that there is no limit to the speculation which could be considered.

Court Administrator Larson questioned what criteria the Board would use to consider opening the facility as a 1 year lock up. Commissioner Zmyewski responded that when the cost to transport inmates out of county exceeded what it would cost to keep those inmates in county, or when the population reached a point at which the DOC required additional staff be hired, it would indicate that the breakeven point had been reached.

Commissioner Zmyewski stated that the cost to hire the recommended 5 FTE's to operate the new jail as a 1 year lock up will cost county taxpayers \$340,000.00. He stated that we could open the facility as a 90 day lock up and it is possible that no additional staff will be required. Jail Administrator Schiltz expressed concern that the DOC has indicated that it will recommend that 1.5 FTE be added if the new facility is opened as a 90 day lock up. This "recommendation" will equate to a requirement by the DOC. The DOC also indicated that if the new facility was opened as a 90 day lock up, current staffing in addition to the recommended additions would be adequate up to 30 inmates. The average daily inmate population would be used to determine when the threshold was exceeded and additional staffing required. The reason that the DOC is recommending 1.5 FTE is due to the fact that the new facility is required to have a classroom, and because there is a classroom, a programmer is required.

Larry Graf questioned the status of the motion to hire 4 full-time and 2 part-time jailer/dispatchers which carried recently. Commissioner Bjerke indicated that, per County Attorney Hammell, the motion stands. No action to revise or rescind the motion is expected until the DOC has provided feedback, in writing, regarding a possible alternate staffing plan. It is possible that opening the facility as a 90 day lock up may result in savings which may reduce the tax burden on taxpayers. Concern was expressed that hiring staff now and then facing a decision to lay off that staff would be difficult. Chairperson Miller clarified that individuals who were interviewed for the jailer/dispatcher positions were informed that the hiring process had been put on hold. This was confirmed by HR Director Arrick-Kruger.

Jail Administrator Schiltz needs to submit a new staffing plan before additional decisions may be made. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to have Jail Administrator Schiltz submit a staffing plan for a 90 day lock up to the DOC.

File No. 4 -- HR Director Arrick-Kruger reported that a search has been conducted for a Financial Assistance Supervisor. There were 4 applicants total. The applicants were offered interviews. 2 applicants declined the offer for an interview. The remaining candidates were interviewed. Chairperson Miller expressed surprise with the small applicant pool. On the recommendation of HR Director Arrick-Kruger and PHN/HS Director Rock, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to hire

Karen Kohlmeyer for the position of Financial Assistance Supervisor at step 3 of the appropriate wage band.

HR Director Arrick-Kruger stated that Ms. Kohlmeyer is an internal candidate. She will be instrumental in developing a transitioning plan. Human Services Supervisors will maintain a partial caseload in addition to supervisory duties. HR Director Arrick-Kruger stated that a gap analysis will be conducted. She expects that there will be a need to backfill the Financial Worker position being vacated by Ms. Kohlmeyer. Commissioner Bjerke questioned whether a part-time could be utilized to back-fill the position since Ms. Kohlmeyer will be maintaining a portion of her current caseload. He indicated that it may be beneficial that the supervisor came from within. If the candidate had come from outside of the agency, it would have resulted in an addition to staffing levels. By the individual coming from within, there may be an opportunity for back-filling with a less than 1 FTE position. HR Director Arrick-Kruger indicated that the gap analysis should provide greater detail regarding the departmental needs. It will assess strengths and weaknesses of the department so that an appropriate staffing recommendation may be made. HR Director Arrick-Kruger expects that, in the event the financial worker position is back-filled, a new employee may be hired at step 1 of the appropriate wage band resulting in a modest salary savings.

Discussion was held regarding scheduling interviews for the position of Social Services Supervisor. PHN/HS Director Rock indicated that Tom Murphy requested to be a citizen on the interview panel. It was the consensus of the Board to invite Mr. Murphy to participate in the interview process.

Charlie Warner questioned whether the Board intended to rescind the motion to hire 4 full-time and 2 part-time jailer/dispatchers. The Board responded that it did not intend to take action in this regard at this time. Mr. Warner questioned the difference in cost figures used by Commissioner Zmyewski, being \$400,000.00 and Chairperson Miller, being \$300,000.00. Discussion was held.

Chairperson Miller commented on the concern expressed by a resident living adjacent to the West Channel of the Mississippi River. The citizen is concerned for safety with the high rate of speed at which boats travel the narrow West Channel. Chairperson Miller stated that it appears that the La Crosse no wake zone has resulted in an increase in high speed boat traffic on the West Channel.

Commissioner Walter reported on a Family Services Collaborative meeting which she attended.

Commissioner Zmyewski reported on a planning commission meeting which he attended.

Chairperson Miller reported on a space committee meeting which he attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 5 -- Public meeting regarding meeting scheduled for Tuesday, May 31, 2011

File No. 6 -- Correspondence to payroll regarding hire of several 67 day employees to assist with boat patrol

File No. 7 -- Concerned citizen letter regarding speed at which boats travel west channel (area near Shore Acres)/request for action

File No. 8 -- Guest list from today's meeting

There being no further business and the time being 9:52 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 7, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 7, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Surveyor Walters; Engineer Pogodzinski; Dan Collins; Jail Administrator Schiltz; Zoning Administrator Scanlan; County Attorney Hammell; John Pristash; Kevin Kelleher; Chief Deputy Sheriff Yeiter; Joel Boone; Finance Director Bradley; Larry Graf; Diane Schaffer; Kevin Walther; Greg Croucher; Thor Kolle III; Thor Kolle IV; Adam Voge; Assistant County Attorney Bublitz; Assistant County Attorney Ashmore; Dave Prachar; Treasurer Trehus; HS Accountant Bahr; Highway Accountant Schroeder;

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the May 31, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$25,790.27
Road & Bridge Fund	90,856.48

Total	\$116,646.75
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

John Pristash reported that the air handling units are being adjusted. On the second floor, the finishes are going on the walls, lights are being installed, and painting is nearing completion. He stated that there are minor items which require completion above the ceilings, carpeting has to be installed and doors need to be hung. The painter is working on the first floor. Soon, the wires will be pulled for the security systems. Outside of the building, the staging area is being prepped for curb, gutter and parking lot surfacing. The construction fence and temporary road barriers will be removed soon. Commissioner Bjerke questioned whether the project is on track

for an August 17th completion date. Mr. Pristash responded that the project is pretty much on track. He expects that the furniture will be moved into the building beginning around September 1st.

File No. 3 -- Dan Collins, Principal Planner/MN DOT, presented information on the Mississippi River Trail (MRT). The goal of the MRT is to connect a bicycle route from the headwaters of the Mississippi to the Gulf of Mexico. The MRT is intended to result in a long distance trek. Ideally, the MRT will parallel the road.

Last year meetings were hosted in various communities along the river that exhibited an interest in fostering portions of the route. Much of the MRT currently utilizes both State and County Highways. Sometimes the route works well and other times it may not work as well. The proposed route within Houston County is CSAH 26. Planners for the MRT desire good access to the river and also safety. Near and through the City of La Crescent the route utilizes mainly State Highways.

Mr. Collins requested support of a resolution regarding the MRT. He believes that a bicycle trail along the Mississippi is logical. The Mississippi River is known worldwide. He believes that for a successful MRT, participation by multiple jurisdictions is imperative. The participation by host communities will make this effort fruitful.

Mr. Collins reported that a sign plan has been developed for State Highways. It is the hope that the sign plan will be expanded to result in a sign program for local/county roads. Mr. Collins stated that a sign plan may include provisions for the initial signs and installation and that host communities would be responsible for maintenance.

Mr. Collins reported that advertising and marketing efforts may be a collaborative venture by bicycle friendly host communities. Chairperson Miller expressed skepticism that MN DOT is bicycle friendly. He shared his opinion that MN DOT did not design the La Crescent intersection with bicycles or their safety in mind. He also commented that he is aware that the idea was presented to include some bicycle friendly enhancements to the interstate bridge which were met with MN DOT opposition. Mr. Collins stated that it is not MN DOT's prerogative to assist with the completion of previously established trails. Chairperson Miller stated that he favored the concept of the MRT. Mr. Collins stressed that his group wants to work with other groups towards a common goal. He expressed his belief that a MRT would add value to existing roads. He indicated that collaboration may allow the group to complete a major plan. Commissioner Bjerke stated that the MRT concept is an opportunity to bring additional tourism to the area. It is an investment for the future. Mr. Collins reported that bicycling has been increasing in popularity in the metro area. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-31
Resolution of Initial Support for the Mississippi River Trail bicycle route

WHEREAS, the Mississippi River is well known throughout America and the world,

WHEREAS, the hills, trees and waters centered upon the Mississippi River are quite beautiful to residents and tourists alike;

WHEREAS, the Mississippi River has served through time as a corridor of exploration, travel, and settlement,

WHEREAS, the Mississippi River is a corridor of great natural significance and importance within Minnesota and America;

WHEREAS, the Mississippi River Trail is a bicycle route that offers an opportunity for extraordinary adventure along the entire river from the Headwaters in Lake Itasca State Park in Minnesota to the Gulf of Mexico in Louisiana.

WHEREAS, the Mississippi River Trail relies exclusively on existing highway shoulders, low-volume paved roads and paved recreational trails,

WHEREAS, the route will likely evolve and improve as road improvements are made and suitable paved recreational trails become available.

WHEREAS, the Mississippi River Trail will generate additional economic activity within Mississippi River host communities;

WHEREAS, a continuous string of local resolutions of support for the *Mississippi River Trail* will strengthen individual and collective funding requests for projects that protect, enhance or promote resources that enrich the traveler's experience;

WHEREAS, even though the Minnesota Department of Transportation will continue to maintain statewide mapping and information regarding the *Mississippi River Trail*, convene meetings and facilitate the resolution of issues and alignment selection within the State, the *Mississippi River Trail* will be managed collaboratively by all road and trail authorities that comprise the trail;

THEREFORE, BE IT RESOLVED, that Houston County supports the collective efforts of the Minnesota Department of Transportation and other road and trail authorities that comprise the *Mississippi River Trail* and authorizes County Engineer Brian Pogodzinski to represent the County in ongoing collaborative discussions, and in matters of a general nature regarding the operation and location of the Mississippi River Trail within its administrative boundaries.

File No. 4 -- Surveyor Walter reported that Plat 39 has been prepared for a project to reconstruct a cement culvert/bridge structure. Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 39 in connection with S.A.P. 28-599-74 on Quarry Road. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 11-32

**APPROVING AND ACCEPTING HOUSTON COUNTY RIGHT OF WAY PLAT NO. 39
FOR RECONSTRUCTION PROJECT SAP 28-599-74**

WHEREAS, Houston County desires to improve and reconstruct Road T-40 “Quarry Road”, located 0.4 miles south of the JCT C.S.A.H 5, over dry run, 2.9 miles north of Eitzen, MN. This project includes grading, aggregate surface, and Culvert 28J33. This project is identified as SAP 28-599-74; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 39 to identify and delineate the right of way easements required for this project; and

NOW THEREFORE BE IT RESOLVED that Houston County approves and accepts Houston County Right of Way Plat No. 39 as designating the definite location of that part of Quarry Road located in Section 17, Township 101 North, Range 5 West, as presented on this date, June 7th, 2011, and authorizes it to be filed of record with the Houston County Recorder.

BE IT FURTHER RESOLVED that Jack Miller, County Board Chairperson, is hereby authorized to execute and sign the certification statement on said plat on behalf of Houston County.

File No. 5 -- Engineer Pogodzinski reported that the City of Houston would like to apply for a Safe Routes to School Grant. In order to do so, the City is required to have a project “sponsor”/fiscal agent. Engineer Pogodzinski stated that the County may act as the project sponsor. If the City is awarded grant funding, the County would be required to enter into a Grant Agreement. The County may require the City to enter into an agreement which would designate the City as the responsible party for project engineering and construction costs not covered by the grant. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve acting as project sponsor for the City of Houston for their Safe Routes to School grant application/project.

File No. 6 -- Engineer Pogodzinski reported on the following bids, received until 1:00 p.m. on June 6, 2011, for S.A.P. 28-609-12 (Silver Creek Bridge):

Minnowa Construction, Inc. Harmony, MN	\$1,295,553.00
Duininck Inc. Prinsburg, MN	\$1,434,366.25
Brennan Construction Lansing, IA	\$1,781,472.70

Engineer Pogodzinski stated that the bid of Minnowa Construction, Inc. was 2% below the engineer's estimate. The next lowest bid provided by Duininck, Inc. was 8% over engineer's estimate. There was a 10% spread between the low bid and the next lowest. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the low bid of Minnowa Construction, Inc. in the amount of \$1,295,553.00 for S.A.P. 28-609-12.

Kevin Kelleher questioned why there are "road closed" signs still in the area of County 9 and 21. Engineer Pogodzinski responded that the signs were posted as part of a Winona County road project where County 9 enters Winona County. He stated that he has discussed the signs with Winona County. The project has not been completed and he believes the signs may be needed when paving on the Winona County project takes place.

File No. 7 -- Auditor Meiners reported on the beer and liquor license renewals. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Liquor, Wine and Beer Licenses effective July 1, 2011 through June 30, 2012, and to authorize the signatures of Auditor Meiners and Chairperson Miller:

LIQUOR LICENSES, WINE AND STRONG BEER

Rushford Golf Club, Inc. dba Ferndale Country Club with Deck
Amanda J. Myhre dba Amanda's Back 40 LLC
Reed MCG, LLC dba Ma Cal Grove Country Club
Valley High Golf, Inc. dba Valley High Golf Club
Rick A. Kowalewski. dba Little Miami
Denstad Enterprises, Inc. dba Shellhorn Roadhouse
City of La Crescent dba Pine Creek Golf Course (Wine & Strong Beer)
Lawrence Lake Marina LLC dba Lawrence Lake Marina (Wine & Strong Beer)

ON SALE BEER LICENSES

City of La Crescent dba Pine Creek Golf Course
Lawrence Lake Marina LLC dba Lawrence Lake Marina
Gopher State Sportsmans Club
La Crescent Snowmobile Club

OFF SALE BEER LICENSES

City of La Crescent dba Pine Creek Golf Course
Lawrence Lake Marina LLC dba Lawrence Lake Marina
Houston Food Mart
La Crescent Snowmobile Club

File No. 8 -- Auditor Meiners reported that the Highway Department Cropland Lease is available for approval. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and carried to approve the Farm Lease with Commissioner Zmyewski abstaining.

File No. 9 -- Zoning Administrator Scanlan reported that the Rushford Golf Club would like to host a fund raising event. The event would include an outdoor dance with a live band. The County has a policy regarding this type of activity. Therefore, a conditional use permit is being applied for. If the Golf Club plans this type of activity in the future, they will need to apply for a permit annually. There have been no inquiries in this regard.

The second conditional use permit has been requested by Doug Twite and Pat Burns. They are seeking re-zoning from Agricultural Protection District to Residential. Mr. Twite has a home on the 40 acre parcel and an additional building site is being sought. The property, located in Sheldon Township, is within 2 miles of the City of Houston. If the CUP is approved, the next step will be for the parties to submit a sub-division plat. On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permits:

Rushford Golf Club – Yucatan Township - Hold an exhibition event
(outdoor dance with live band) in an agriculture district.

Doug Twite and Pat Burns – Sheldon Township - Re-zone from
Agricultural Protection District to Residential.

File No. 10 -- On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the issuance of the following Zoning Permits:

Jim Kreutzer – Brownsville Township - Build deck (6' x 20')

John Halverson – Spring Grove Township - Build deck (15' x 18')

Joel Dagendesh – Hokah Township - Build decks (18' x 19') and (15' x 10')

Daryl and Cynthia Melbostad – Wilmington Township - Build pole barn

(30' x 48')

County Attorney Hammell requested approval of a \$50.00 smart phone per diem for herself. She also requested that she receive the per diem retroactive to when she took office. She indicated that she was unaware that the per diem approved for Suzanne Bublitz, when she was the Interim County Attorney, would not transfer to her once she took office. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve said per diem retroactive to January 4th.

HR Director Arrick-Kruger met with the board and reported that Julie Amundson is nearing the expiration of her probationary period. On the recommendation of both Environmental Services Director Frank and HR Director Arrick-Kruger, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve changing the employment status of Environmental Services Clerk Julie Amundson from probationary to regular status effective her anniversary date.

File No. 11 -- HR Director Arrick-Kruger reported that, as a result of Karen Kohlmeyer being promoted to the position of Financial Supervisor, there is a financial worker vacancy. She requested authorization to initiate a search to fill the vacancy. HR Director Arrick-Kruger stated that the goal is to hire a replacement at Step 1 of the appropriate wage band. However, if there are internal candidates, collective bargaining terms may supersede said goal. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize HR Director Arrick-Kruger to initiate a search to fill the financial worker vacancy.

File No. 12 -- Jail Administrator Schiltz introduced Greg Croucher, Senior Detention Facility Inspector from the Department of Corrections (DOC). Chairperson Miller indicated that a decision needs to be made regarding jail staffing. He stated that staffing considerations have been reviewed. One option is to open the facility as a Class III, not to exceed 30 inmates, housing only male inmates. This option would require a staffing increase of 1.5 FTE's. Another option would be to open as a Class III not to exceed 30 inmates, one year lock up, housing both male and female inmates. This option would require the addition of 3.0 FTE's. Commissioner Bjerke clarified that these options and staffing requirements are official and approved. He reported that the average daily inmate population ranges between 17 and 20. Recently, there has been a significant amount of press throughout the state regarding the high number of available jail beds and budget concerns as a result of operating facilities at less than 50% capacity. Commissioner Bjerke expressed concern that State officials may see the increased availability of jail beds at County operated facilities and extend the time of sentences which could be served in County detention facilities.

Commissioner Bjerke stated that the facility was built to include housing female inmates. If the decision is made to house females out, the County exposes itself to increased liability. Larry Graf stated that MCIT lists exclusions for which it will not provide coverage. He encouraged the Board to discuss these exclusions and understand them prior to making any

decisions. Mr. Graf is an insurance agent. He stated that MCIT may not be required to defend the County in certain situations as a result of these “exclusions”. He stated that he was a member of the MCIT Board for a period of 8 years, 6 of which he spent as a representative on a Claims Division committee. Continuing to transport female inmates will increase County exposure to liability. Mr. Graf commented on an article which appeared yesterday in the Star Tribune. Chairperson Miller was quoted in said article. Chairperson Miller stated that he did not speak with the reporter who authored the article which appeared in the Star Tribune. However, he did admit to having made statements which appeared in the article. The reporter did not gather those quotes personally. Chairperson Miller highlighted specific information from the article. Mr. Graf indicated that it would require legislative action to reduce the liability which the County may be exposed to.

Kevin Kelleher questioned Mr. Graf regarding specific issues which have resulted due to a facility transporting female inmates. Mr. Graf could not provide specific information in this regard. Mr. Graf indicated that, in his opinion, if the County chooses to transport female inmates when it has built a facility designed to house them, this could result in increased liability. It would be different if the county had no choice other than to transport inmates. Dodge County has no detention facility. Therefore, they transport all inmates.

There is no way to predict the future. There are no limits to the number of possible scenarios either. The State may be considering increasing the length of time which inmates may spend in County operated detention facilities. Chairperson Miller reported that the DOC anticipates that there will be a considerable amount of available jail beds through 2014. It is possible that inmate populations may change. Chairperson Miller indicated that there is concern regarding the County budget. Mr. Graf encouraged the Board to review its insurance coverage to ensure that the County is covered for liability issues which may arise as a result of a decision to continue the practice of shipping female inmates to other detention facilities.

Commissioner Bjerke reported that the Board has been considering staffing issues for a few months. On May 17th, the Board moved to hire 5 FTE’s. Since then, additional options have been presented. These options warrant consideration. It may be possible to operate the facility and keep the cost down. Commissioner Bjerke expressed agreement with concerns voiced by Mr. Graf. He expressed his belief that the new jail facility was built to house females in an effort to reduce exposure to liability. Before the new facility, housing females was not an option and the county had no choice other than to transport them. Now it is a choice whether we house females or transport them to other facilities. He expressed concern that a lawyer may capitalize on this. It is also possible that if you don’t have a facility, liability coverage may be provided by the County’s carrier. However, if the facility is available it is also possible that the carrier may decline to provide liability coverage to the County.

Commissioner Zmyewski reported that Houston County has an average daily female inmate population of 1.8. He questioned the cost to hire an additional 3 FTE’s which would allow the County to open the new facility as a Class III, one year lock up, housing both male and

female inmates, with a maximum average daily inmate population of 30. Commissioner Zmyewski expressed concern that additional staff could be hired to allow for the housing of female inmates, and at times there could be no female inmates. At other times you would have 1 staff for 1 female inmate. Larry Graf questioned whether these concerns had been discussed earlier. Jail Administrator Schiltz stated that employees have duties and would be busy regardless of whether female inmates were incarcerated or not. Commissioner Zmyewski pointed out that the County has the option to open the facility at the same level except for the ability to house females for 1.5 FTE less. He questioned what was more cost effective, hiring an additional 1.5 FTE and having the ability to house females or saving the staffing cost and continuing to transport female inmates out of county.

Commissioner Bjerke questioned whether the County could be exposed to liability regarding discrimination if it has a facility designed to house women and chooses to transport them to other facilities. Larry Graf again urged the Board to have discussion with its insurance carrier to ensure that they are covered. Commissioner Zmyewski questioned at what point the benefits outweigh the costs. Chairperson Zmyewski stated that Dodge, Rock and Cook Counties all transport inmates to outside detention facilities. Kevin Kelleher stated that there are an infinite number of scenarios that could be debated. There has been significant discussion regarding the options, concerns, benefits and costs. Mr. Kelleher expressed his belief that transporting females will not pose a significant liability to the County. Mr. Graf stated that he is concerned that the County ensures that it has the appropriate insurance coverage. If and/or when the County determines that it is more cost effective to house female inmates, it may increase staffing to appropriate levels. It was agreed that it is easier to hire staff, than to hire too much staff and then be faced with the tough decision to lay that newly hired staff off.

There is a significant percentage of the average daily inmate population which has been sentenced to work release. This impacts the dynamics and statistics.

Mr. Graf expressed concern that the taxpayers would be liability in the event there was a lawsuit resulting from the decision to continue transporting inmates. Mr. Kelleher stated that he could trip in the parking lot and bring a lawsuit too. However, currently there is no knowledge of lawsuits with regard to the transport of inmates.

Chairperson Miller stated that the taxpayer will be liable for the cost of a lawsuit or the cost of additional staff. He expressed concern that the demographics of the area reflect a decreasing population and declining school enrollment. The Caledonia School has portions which sit empty as a result of declining enrollment. Chairperson Miller expressed his belief that the decreasing population trend will not be affected by the Board's decision regarding how to operate the new jail facility. Mr. Graf pointed out that Chairperson Miller has played a role in the size and building of the Justice Center. Chairperson Miller responded that regular updates were not provided by the Building Committee. Mr. Graf stated that he would like to be on record as having expressed concern regarding the County's liability coverage and as having encouraged the County to review their insurance coverage.

Commissioner Walter reported that 5 FTE's were included in the current budget. She indicated that opening the facility as a Class III, 1 year lock up to house both males and females with a averaged daily inmate population not to exceed 30 with and increase in staffing of 3 FTE's would be a nice compromise. By doing so, liability would be mitigated and staffing expenses would come in below budget. Finance Director Bradley clarified that the expense related to hire 5 FTE's was budgeted for a partial year only. A 3 FTE increase to staffing would result in a .54 increase to the levy in future years. The savings to open the facility without housing females is estimated to be approximately \$16,000.00. Chairperson Miller questioned Mr. Croucher about his opinion regarding the transporting of inmates and liability issues. Mr. Croucher responded that anytime you transport an inmate there will be liability. Weather and other issues can increase the liability. He stated that there are metro counties which transport the bulk of their female inmates to other facilities. Administratively, housing inmates out increases the need for scheduling and coordination efforts. Jail Administrator Schiltz provided a reminder that inmates sentenced to work release must be released from the home county. Therefore, if work release inmates are housed elsewhere, the County is responsible to transport them back for work release. Chairperson Miller stated that electronic monitoring may alleviate some transport issues for work release inmates. He stated that there is liability with housing prisoners. There are dangers to inmates, and staff. Inmates housed out of county are still the responsibility of the home county. There are inherent risks in all aspects of law enforcement. Chairperson Miller indicated that the County can adjust staffing and procedures as circumstances warrant. Chairperson Miller expressed concern that there may be continued budget concerns. He expressed his belief that the County may be best served by continuing to house female inmates at other facilities in order to keep operations and staffing costs low.

Commissioner Zmyewski stated it was his understanding that the facility could be opened as a Class II, 90 day lock up with the addition of 1.5 FTE's. Mr. Croucher stated that nothing would be gained if this were the decision made. Both the program and separation elements would remain. There would be no staffing savings and nothing would be gained. Commissioner Zmyewski stated that the County is currently operating a detention center in an old building with minimal technology. The county will be moving into a new facility with the latest technology. He questioned why, with the new technology which should equate to increased efficiency, are more staff required. Mr. Croucher expressed agreement that the building will be more efficient. However, there are differences such as the control center and the layout. The control center may not be left unattended during breaks, in order to respond to an emergency elsewhere in the building, or to hand out inmate medications. The person manning the control center will have greater vision and may assist with monitoring the detention area. Commissioner Zmyewski expressed concern that greater efficiencies are not equating to the same or reduced staffing needs. Dispatch may provide some additional supervision. The main function of the dispatcher is to address the 911 issues. Commissioner Bjerke stated that, over the past few months, a significant amount of data has been presented. He indicated that it has been difficult to determine whether the benefits outweigh the costs when it comes to housing female inmates. He expressed his concern regarding the bottom line. He stated that staff may be added at any time it is deemed

appropriate and/or necessary. It would be Commissioner Bjerke's preference to open the facility as a 1 year lock up. He expressed the need to continue to be cognizant of how taxpayer dollars are spent. He expressed agreement that it is more difficult to lay off staff than to hire or add staff. He indicated that he would like to review insurance coverage concerns voiced by Mr. Graf. Commissioner Bjerke stated that the Board may review decisions whenever appropriate. Commissioner Bjerke restated that one option would result in an approximate \$16,000.00 savings over the current budget. He indicated that it is an attractive option. He reiterated his concern regarding liability with transporting inmates. Commissioner Bjerke stated that all of these factors are making it difficult to make a decision.

During regional jail meetings, discussion has been held regarding the possibility of specialized regional facilities. An example would be if one facility in the area began housing all regional female inmates. This regional collaboration may result in savings across the region. Currently, Fillmore County is near capacity for female inmates. It may be possible for Houston County to house females for other detention facilities.

Commissioner Bjerke stated that it makes sense to him that the facility should be opened as a 1 year lock up. Commissioner Zmyewski expressed his opinion that the most important aspect is to determine the most fiscally responsible means of operating the County Jail. The current average daily population is around 20 inmates. Of those, approximately 50% are sentenced to work release. There has been an average of 1.8 female inmates. Commissioner Zmyewski indicated that it would be his preference not to hire any additional staffing. This would result in the least cost to taxpayers. He expressed frustration that originally the only option presented to the Board was to hire 5 FTE's. Additional information was brought forward which showed that not all the facts had been presented initially resulting in various options with various staffing requirements. He expressed his opinion that the facts do not support the need to add 5 FTE's. It is his belief that the County may function adequately by adding the minimum staff. It is possible to add staff in the future. There is no need or benefit to speculating about the future at this time. He expressed his opinion that there is no need for extravagance. Commissioner Zmyewski stated that his goals are to be responsible, consider the options, and make the most fiscally responsible decision. He expressed concern that decisions continue to be pushed hard and made quickly. He does not sense any urgency regarding deciding how many jail staff to hire. He stated that there are funds in the current budget to cover jail staff. However, any staff hired will require continued budgetary support in the future. Over the long term, adding staff is costly. Commissioner Bjerke questioned whether Board members would be in favor of approving opening the facility as a 1 year lock up, continuing to house female inmates at other facilities and adding the recommended 1.5 FTE's. Commissioner Zmyewski stated that he was not prepared to make a staffing decision at this time and requested that this be tabled for a period of one week. There are still questions which he has, and the additional time would allow him to gather information. There are several options available and Commissioner Zmyewski expressed a desire to learn more about each before making a decision in this regard. He questioned whether there would be any hidden costs which haven't been considered. When questioned why some facilities are limited, Mr. Croucher responded that some facilities have been downgraded due to

space limitations and/or a lack of programming. He reported that, to his knowledge, no new facilities have opened at anything less than a 1 year lock up. He reported that the differences between Class III and Class II facilities are programming and educational and recreational areas. Educational and recreational programs often don't result in added costs because many are provided by volunteers. There may be a cost associated with the programmer. Commissioner Bjerke expressed his opinion that he favors a 1 year lock up to house a maximum of 30 inmates. This will allow for growth as the future unfolds. It is imperative to move forward with hiring staff and providing training to new and current staff so that the facility may open as planned. There is a need to rescind or amend the May 17th motion to hire 5 FTE's. Kevin Kelleher stated that the May 17th motion was illegal. There was discussion regarding County Attorney Hammell's opinion that the motion should stand. Chairperson Miller questioned if the motion passed to hire 1.5 FTE's whether the individuals would be individuals currently on staff. HR Director Arrick-Kruger stated that the County is required to conduct the search in accordance with the Equal Opportunity Employment policy the County has in place. Commissioner Zmyewski again requested that any decision be tabled for one week. Commissioner Walter expressed her opinion that the options had been thoroughly discussed. Commissioner Bjerke stated that he is confident that the best option has been identified. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and carried to amend the May 17th motion to forego hiring 5 FTE's and instead hire 1.5 FTE's, to open the new jail as a Class III facility to house males only, with Commissioner Zmyewski voting in the negative.

At this time the finance committee standing committee held discussion.

Treasurer Trehus reported on balances as of May 31, 2011 and investment changes. Discussion was held regarding the attractive rates which Eitzen State Bank has been offering the County. Commissioner Bjerke stated that he anticipates interest rates to increase over time. He urged caution when entering funds into lengthy CD terms. He encouraged Treasurer Trehus not to invest in CD's with terms exceeding 3 years.

Finance Director Bradley will be communicating cash flow needs to Treasurer Trehus so that she may invest excess funds accordingly.

Treasurer Trehus stated that there are still a few accounts which she is unable to monitor because her name is not on them. Finance Director Bradley stated that this issue will be cleared up soon. It is County policy that the Treasurer be listed on all County accounts. The Sheriff's Department Inmate Fund account is the only account which does not include Treasurer Trehus' name.

There was brief discussion regarding drop sites, collection of money, and receipts.

Treasurer Trehus provided investment information from various investment companies which the County conducts business with.

HS Accountant Bahr questioned whether some of the HS money market funds could be invested in CD's to generate better returns. It was agreed that HS Accountant Bahr and Treasurer Trehus will work together to determine what amount from the money market account should be invested in CD's.

Finance Director Bradley reported on recent action at the legislature. He reported that layoff notices have been sent to DNR and state patrol employees. A possible State shutdown could affect the MNSCU system. There is a website dedicated to outlining how the shutdown will impact various areas of State business. DOC and Courts will be affected if there is a State government shutdown. The Governor and the Legislature are at an impasse. The legislature is willing to approve a \$34 million budget while the Governor would prefer a \$37 million budget be approved. Governor Dayton has expressed unwillingness to enter into budget negotiations until the legislature agrees to a \$37 million budget.

Highway Accountant expressed concern with regard to County Road & Bridge projects and State reimbursement for them. She stated that, if the shutdown happens and is lengthy, the County may front the money for projects and have to wait until the budget issues are resolved prior to receiving reimbursement.

Finance Director Bradley and Commissioner Walter reported on the Magic Act. In Minnesota, counties may do anything allowed by State Statute. If the Magic act passes, counties may do anything unless State Statute specifically prohibits it. This would change county powers significantly.

File No. 13 -- Finance Director Bradley reported on a proposed Federal Program Information Worksheet. If approved, the worksheet would be completed by departments and submitted to the Finance Department to aid them in reporting Grant awards. The worksheet is meant to be a preventative measure to catch coding errors related to grant funds. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the Federal Program Information Worksheet.

Finance Director Bradley expressed a desire to establish a 5 year capital plan to accompany the budget. He has discussed this with Department Heads and there has been little negative feedback. This will be a formal view of planned expenses for the future. If approved, the 5 year projection sheets would accompany budget worksheets to be distributed in July. The projection sheets will be utilized for capital assets over \$10,000.00. These are fixed assets which are depreciable. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the 5 year capital assets worksheet.

File No. 14 -- Finance Director Bradley reported on the Council on Local Results and Innovation 2011 Legislative Report. At this time, the program is optional. The State is offering an anticipated \$0.14 per capital incentive to participating counties. This would be approximately \$2,700.00 if Houston County chooses to participate. In addition, participants would be exempt

from levy limits. Participants would be required to report on 10 items which would assess county government performance standards. This information would be evaluated and averaged to develop baselines. It is anticipated that eventually all counties would be subject to performance standards based on these baselines. Highway Accountant Schroeder expressed concerns regarding the standards impacting her department. She shared her opinion that due to Houston County topography, there are other standards which may better assess performance. There was discussion regarding the program and individual department ability to meet the requirements or the difficulties a department may encounter in meeting the requirements. Commissioner Bjerke expressed his belief that this may be a good thing. HS Accountant Bahr reported that the State currently tracks some Human Services related items listed. Some options included are to measure performance based on citizen survey. It was agreed that this option could not be exercised for the per capita incentive amount. Commissioner Zmyewski suggested that County concerns be communicated with individuals at the State level.

HS Accountant Bahr reported on a Southern MN Collectors Group meeting which she attended. She stated that some counties accept credit cards for payment on delinquent accounts. Discussion was held at the meeting regarding the willingness of individuals to pay an outstanding balance on a credit card. Both Dakota and Anoka Counties accept credit card payments. They are large counties. It is possible that this option may be cost prohibitive to a smaller county. The suggestion was made to establish a system similar to that used by the Treasurer's Office where a service accepts credit card payment and the payer is assessed the convenience fee. It was agreed that more information would be gathered.

Commissioner Walter reported on Extension and AMC District Meetings which she attended.

Commissioner Zmyewski reported on a Soil and Water meeting which he attended.

Chairperson Miller reported that there is available space within the courthouse. Soil and Water has been offered the space. However, Soil and Water works closely with the Federal NRCS and FSA offices which are located in the building they currently rent space in. The Federal agencies were also offered space. Those offices have renewed their leases at their current location.

Commissioner Bjerke reported on an EDA meeting which he attended.

Chairperson Miller reported that he also attended the EDA meeting with Commissioner Bjerke.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 15 -- Correspondence to payroll regarding promotion
of Karen Kohlmeyer to Financial Supervisor

File No. 16 -- SMIF request for 2012 appropriation

File No. 17 -- Guest list from today's meeting

There being no further business and the time being 12:00 noon, motion was made by
Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to
adjourn the meeting, the next advertised meeting being Tuesday, June 14, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 14, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Sheriff Ely; Chief Deputy Sheriff Yeiter; EDA Coordinator Wilms; HR Director Arrick-Kruger; Finance Director Bradley; Mike Morey; Joel Boone; Assistant County Attorney Bublitz; Jail Administrator Schiltz

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the June 7, 2011 meeting with noted corrections.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$ 60,643.84
Road & Bridge Fund	129,876.04

Total	\$190,519.88
	=====

File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Sheriff Ely reported that the Bureau of Criminal Apprehension (BCA) is operated by the State. The Sheriff's Office completes background, license plate, and other computer checks through the BCA. In addition, the BCA provides assistance with investigation, evidence handling, and other law enforcement operations. This revised agreement is necessary as a result of a New Commissioner of Public Safety having been appointed by Governor Dayton. This Joint Powers Agreement (JPA) will be effective for a period of 5 years. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the JPA and to adopt the following resolution:

RESOLUTION NO. 11-33

BE IT RESOLVED that the Houston County Board of Commissioners does hereby approve the Joint Powers Agreement with the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension (BCA) for a five year period.

File No. 4 -- Sheriff Ely reported that the BCA also operates the Internet Crimes Against Children (ICAC) division. On May 31, 2011, the Joint Powers Agreement (JPA) involving this expired. Sheriff Ely requested approval of a Minnesota Internet Crimes Against Children Task Force, Multi-Agency Law Enforcement Joint Powers Agreement effective through May 31, 2012. Houston County employs Forensic Computer Tech Lindsay Pierce. He is also our local ICAC specialist. This JPA allows Houston County to be reimbursed for Forensic Computer Tech Pierce's investigative hours and expenses resulting from the investigation of internet crimes for outside agencies. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Multi-Agency Law Enforcement Joint Powers Agreement and to adopt the following resolution:

RESOLUTION NO. 11-34

BE IT RESOLVED that the Houston County Board of Commissioners does hereby approve the Minnesota Internet Crimes Against Children Task Force, Multi-Agency Law Enforcement Joint Powers Agreement effective through May 31, 2012.

Chairperson Miller inquired as to the progress regarding speed concerns on the West Channel. Chief Deputy Sheriff Yeiter responded that Houston County may enact laws in this regard. However, they will not be enforceable on the east side of the West Channel as those are State of Wisconsin waters. Chairperson Miller stated that the concern is on the west side of the West Channel due to the number of docks situated there. There is significant concern regarding the speed at which boats travel this area and a growing concern that the speed will result in an accident or other tragedy. Chief Deputy Sheriff Yeiter stated that the Sheriff's Office has also been receiving complaints from the Lawrence Lake area. There had been "no wake" buoys near Lawrence Lake which were lost during last autumn's high water. The buoys have not been replaced. He stated that the Sheriff's Office is considering options for both locations.

File No. 5 -- Chief Deputy Sheriff Yeiter reported that there is a need to upgrade current VHF paging equipment to narrowband. He originally estimated the cost for this to be approximately \$120,000.00. He has obtained a quote from ANCOM in the amount of \$48,942.20 for the upgrade. The quote does not include work to be completed on various towers. Chief Deputy Sheriff Yeiter will be obtaining estimates for these services and expects them to cost approximately \$10,000.00. Once this work has been completed, the VHF paging equipment will be in compliance with narrow banding requirements. In addition, the cost to bring this equipment into compliance should be less than half the original estimate.

File No. 6 -- Chief Deputy Sheriff Yeiter also presented a quote from Motorola for the purchase of the balance of radios required to complete the migration to ARMER. These radios will be distributed to various units of local governments including those in Public Works, Ambulance, Highway and Law Enforcement. He reported that Highway's current system licensing is set to expire on July 16th. It has been determined that, since Highway performs its own dispatch, they could immediately begin utilizing new ARMER equipment. Chief Deputy Sheriff Yeiter stated that Motorola has continued to offer a substantial discount on equipment for orders placed prior to June 24th. This discount could result in an approximate \$97,000.00 savings on the equipment quoted. The cost of this equipment will be covered by fund balance. He asked that the Board consider the quotes provided by both ANCOM and Motorola and act on them at the next scheduled meeting.

At this time, discussion was held regarding the total cost for the migration to ARMER, the original estimates for the project, and the expenses to date which have been paid for "out of pocket" and not covered by external funding.

EDA Coordinator Wilms reported that the EDA Board approved a revolving loan, in the amount of \$4,500.00, for a business in Spring Grove. This will aid the business in moving from part time status to full time. The loan will provide the business owner with reimbursement for qualified expenses upon presentation of acceptable documentation of said expenses. EDA Coordinator Wilms provided information on two types of revolving loans which the County authorizes. He reported that repayment on flood loans will begin in August. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the loan agreement for Spring Grove Battery LLC.

File No. 7 -- HR Director Arrick-Kruger and Jail Administrator Schiltz recommended the hire of John Prill for the full-time jailer/dispatcher position and Bruce Muenkel for the part-time jailer/dispatcher position which were approved on June 7, 2011. Cost estimates were provided to show the financial impact the hiring will have for the balance of the budget period and to project the possible impact for the coming fiscal year. HR Director Arrick-Kruger provided information on the overall applicant pool. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and carried, with Commissioner Zmyewski voting in the negative, to approve the hire of John Prill and Bruce Muenkel, both at Step 1 of the appropriate wage scale subject to successful completion of pre-employment requirements.

HR Director Arrick-Kruger reported that the MAPE Unit Certification process is underway. MAPE is a collective bargaining unit for those supervisors who are not confidential employees. Confidential employees are defined by Statute. At this point in the process, the Board needs to determine whether the position of Finance Director is confidential or not. A standing order in this regard has been provided for informational purposes. HR Director Arrick-Kruger questioned whether the Board would involve the Finance Director in labor negotiation strategy information discussion or exclude the person with that position from such discussion. The Board could exclude the Finance Director from discussion by having spreadsheets with

relevant data prepared ahead of time which would allow the Board to insert specific data to obtain data needed on which to base their decisions and/or strategies.

Commissioner Bjerke questioned whether either Fillmore or Winona Counties have MAPE units in place. HR Director Arrick-Kruger stated her belief that there is a MAPE unit within Winona County. However, she is unaware of how the unit is established. Commissioner Bjerke commented that discussion is held during budget time regarding negotiating strategy. Often, the County has established the budget prior to the completion of negotiations. Because of this, the County is aware of the amount which is available to cover expenses. Commissioner Bjerke stated his belief that everyone should have the right to join a collective bargaining unit if they so choose. HR Director Arrick-Kruger stated that management has the right to have exclusive representatives who may not join collective bargaining units.

HR Director Arrick-Kruger provided information regarding the process by which a collective bargaining unit is established, at what point the MAPE process is at, and the options going forward. She reported that a pre-hearing regarding the MAPE unit has been held. The Board may resolve the issue regarding the status of the Finance Director position at this time by establishing whether the position is confidential or not. If there is continued disagreement regarding the classification, it is possible that the Bureau of Mediation Services may step in to make a determination.

It was discussed that often negotiations are a step behind levy discussion and decision. HR Director Arrick-Kruger pointed out that what a Board is willing to spend is not necessarily the same as what the Board has the authority to spend.

Commissioner Bjerke questioned whether the Counties "Conflict of Interest" statement would be applicable to the Finance Director position and its accessibility to labor negotiations strategy information. Chairperson Miller commented that the position of Finance Director is important because Houston County does not have an administrator. The Board tends to lean on the Finance Director for financial information that could be evaluated and reported on by an Administrator if the County had one. He expressed his opinion that the position of Finance Director is imperative to the Board which looks to this person for financial information, interpretation, and/or explanation.

HR Director Arrick-Kruger stated that many times negotiations will cover a 3 year period. Recently, this has not been the case. There is a need to define how the Board views the position of Finance Director whether it is a confidential position or not. Commissioner Bjerke questioned how the decision will impact the Board's relationship with the Finance Director. He expressed his expectation that if the Board wanted to know how a certain percentage increase would affect finances, they could consult with the Finance Director as figures are public information. HR Director Arrick-Kruger stated that it is correct, figures are public information. However, this type of query could tip the hand regarding strategy. Figures which contribute to a strategy are not public information until the strategy has been announced. Commissioner Bjerke stated that many

financial scenarios are evaluated during negotiations. Commissioner Walter questioned how requesting information related to various scenarios could affect negotiations. She expressed her opinion that the Finance Director simply provides numbers and estimations. HR Director Arrick-Kruger stated that, regardless of the classification of the Finance Director position, the Board will need to be careful going forward with information related to strategy or fall back positions. Strategy could have a significant impact over a 3 year contract period. HR Director Arrick-Kruger stated that she is not a proponent of position based negotiations as each side knows what their bottom line is. She expressed concern that certain conversations must be protected from leaking information. Rules governing future information sharing will be based on the decision made by the Board today.

Commissioner Zmyewski questioned whether it would be easier to exclude the position from the collective bargaining unit. Chairperson Miller questioned whether the Board may waive the decision making and force a BMS decision in this regard. He questioned whether there would be fees assessed as part of a BMS decision. He expressed his belief that the BMS should have history regarding this type of decision and may be better prepared to make the best decision. The Board has no history on which to base a decision. Commissioner Zmyewski requested a cost estimate if this decision were passed to BMS. Chairperson Miller questioned whether action was required immediately. HR Director Arrick-Kruger stated that during the pre-hearing it was agreed that the County would notify BMS and the Unit of its decision on Wednesday, June 15th. She also stated that it may be possible have an extension approved. Finance Director Bradley reported that it is his understanding that the unit is not interested in forcing a BMS decision in this regard. HR Director Arrick-Kruger stated that there is not necessarily disagreement regarding the classification. There is a need for classification.

Commissioner Bjerke questioned what transpired during the pre-hearing. HR Director Arrick-Kruger stated that there was a difference in opinion of how the position has performed historically and to what extent pre-negotiation discussion between the Board and the Finance Director was confidential. HR Director Arrick-Kruger expressed her opinion that pre-negotiation discussion was confidential. The Unit expressed its opinion that pre-negotiation discussion was not confidential.

HR Director Arrick-Kruger indicated that it is positive to hear that the Unit is not interested in going to hearing regarding the classification. This shows that those involved can agree to disagree. She stated that the BMS needs to determine which employees are eligible and which are not so that all eligible individuals may cast a vote on whether to organize or not. Commissioner Bjerke questioned who would not be eligible. HR Director Arrick-Kruger reported that she submitted a list of ineligible positions which included both the HR Director and Finance Director positions. It is the Board's decision whether they affirm the submitted positions or not, based on Statute definition. Commissioner Walter expressed her opinion that the individual holding the position of Finance Director should be allowed to be part of the unit. Commissioner Zmyewski questioned whether certain leverage would be given up if the position is not classified as confidential.

HR Director Arrick-Kruger stated that the Board may utilize prepared spreadsheets to generate estimates for various financial scenarios. It is possible that the makeup of the Unit may change as a result of newly developed positions and/or re-organization. She stated that management has rights to define positions and the nature of work in a particular position. These things, in turn, determine whether a position fits into a collective bargaining unit or should be excluded. Commissioner Zmyewski questioned whether future options could be limited as a result of how a motion today is worded. HR Director Arrick-Kruger stated that the motion will simply define the Board's determination based on information it has available to it today. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to designate the position of Finance Director as not-confidential.

Commissioner Zmyewski reported that Mead & Hunt would like to hold a meeting on Monday, August 1st at 1:00 p.m. regarding the airport expansion project. They have provided a list of those they would like to have invited to the meeting. Commissioner Zmyewski stated that there needs to be discussion regarding various alternatives. It was agreed to contact Mead & Hunt to determine whether the meeting could be held on a Tuesday.

File No. 8 -- Chairperson Miller provided information from Emergency Manager Kuhlers regarding a senior officials workshop for all hazards preparedness. Both Chairperson Miller and Commissioner Zmyewski expressed their desire to participate in the workshop.

Chairperson Miller stated that it has been difficult for him to attend the monthly Semcac meetings due to a conflict with another regular meeting which he also attends. The alternate for Semcac was the District 3 Commissioner. The meeting takes place on the second Monday of each month in St. Charles. It was agreed that Commissioner Bjerke would serve as alternate until a District 3 Commissioner is seated.

File No. 9 -- Following brief discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-35

BE IT RESOLVED that the Houston County Board of Commissioners does hereby approve the Minnesota Lawful Gambling Application for Exempt Permit on behalf of Camp Winnebago, Inc. for gambling activities to be conducted at Camp Winnebago in Winnebago Township, with no waiting period.

File No. 10 -- Chairperson Miller reported that he had received information from the Minnesota Department of Health (MDH) regarding the potential temporary suspension of State contract performance. The correspondence is to advise all contractors, vendors and grantees that as of July 1 all work, activity and performances under contracts must be suspended, as will all payments required of MDH under those contracts.

Commissioner Walter reported on the law standing committee which she attended earlier. She reported that the lawsuit regarding the Veteran's Service Van has been settled. During said meeting, Finance Director Bradley suggested that his department be in charge of ensuring that all vehicles purchased have the appropriate insurance in place to prevent any future issues similar to that which resulted in the above mentioned lawsuit. Auditor Meiners reported that multiple safeguards had been established some time ago regarding this type of situation and provided details. She expressed confidence that her department is, and will continue to monitor vehicle acquisitions and disposal to ensure the appropriate insurance measures are in place.

Commissioner Miller reported on a Farm Bureau tour which he participated in. The event was attended by representatives from both Amy Klobuchar and Al Franken's offices and county representatives. The tour highlighted local businesses including the Doug Heintz dairy operation which is completely robotic, Staggemeyer Stave which conducts business internationally, SnoPac Foods, and Steve Fruechte's farm. Each of these businesses is economically good for the County. They are significant assets. Commissioners Bjerke and Zmyewski were also in attendance.

Chairperson Miller reported on a space committee meeting which he attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 11 -- Correspondence to payroll regarding change in status of Julie Amundson

File No. 12 -- Correspondence from DHS regarding potential temporary suspension of state contract performance grant 443820 – Alcohol & Drug Abuse Division

There being no further business and the time being 10:18 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 21, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 21, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; Engineer Pogodzinski; Assistant County Attorney Bubnitz; Jail Administrator Schiltz; Surveyor Walter; HR Director Arrick-Kruger; Jill Diana; Finance Director Bradley; Tom Murphy; Julie Hanson; Erik Seiver

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the June 14, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$55,724.08
Road & Bridge Fund	51,592.92

Total	\$107,317.00
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- PHN/HS Director Rock presented a Sengistix, LLC contract for approval. The contract provides an option for qualifying waiver clients that would assist clients to remain in their own homes with the assistance of a home monitoring system. Currently, there are no clients who would utilize this type of service. However, it is the desire of case managers to have the service available. This contract would only be used for a very specific group of clients. There is no cost for the contract unless the services are utilized. The contract would be effective through December 31, 2012. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the contract with Sengistix, LLC and to authorize the signature of Chairperson Miller.

PHN/HS Director Rock reported on a Toward Zero Deaths (TDZ) grant which is available. Houston County has been the recipient of TDZ grants in the past. The goal of these grants is to reduce the number of traffic deaths and significant injuries resulting from traffic accidents. In the past, grant funding has been utilized to provide educational opportunities to various groups including students. PHN/HS Director Rock stated that traffic related deaths account for a significant portion of deaths reported among the 0 to 34 year old age group.

If the County were awarded grant funding, we would be required to establish a Traffic Fatality Review Committee consisting of representatives from Public Health, MN DOT, the Sheriff's Department, and Highway. Grant funding could be utilized to cover staff salary and benefits as well as travel expenses up to a pre-determined amount.

PHN/HS Director Rock expressed her desire to apply for the TDZ grant. In the event funding is awarded, approval of a grant agreement would be required.

PHN/HS Director Rock reported that coordination of grant activities would be completed by Jessie Melde in addition to her current duties.

Engineer Pogodzinski expressed his opinion that, in the past, TDZ grants have been beneficial. He provided examples of outcomes which he believed to have been beneficial.

Chairperson Miller stated that drunken driving, inattentiveness and speed are significant factors which contribute to traffic accidents. Engineer Pogodzinski stated that educational presentations can have a significant impact on drivers. He stated that, in the past, a dump truck was set up with a vehicle stationed in its blind spot. Participants were allowed to sit in the dump truck and became aware of the fact that a driver of such a vehicle may be unaware of a vehicle which is following. These types of opportunities are beneficial. Another educational opportunity that such a grant may fund would be a mock crash at a high school. This could be scheduled to coincide with events such as Prom. Funding may be utilized for other initiatives such as sober cab, alternate transportation, interviews and/or media events. Commissioner Bjerke expressed his opinion that the "shock factor" to students viewing a mock crash site would have significant educational benefits.

PHN/HS Director Rock reported that staff time is available to develop initiatives in the event grant funding is awarded. Commissioner Bjerke again expressed his support for the grant application. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the application for the TDZ grant.

File No. 4 -- Engineer Pogodzinski requested authorization to utilize Bridge Bond funds for S.P. 028-609-12 on CSAH 9 over Silver Creek. This project is a qualifying use of said funds. He reported that it is unlikely funding would be received prior to July 1, 2011, the date a State shutdown is anticipated. Engineer Pogodzinski stated that the project isn't expected to begin for a

few weeks. The Highway Department typically receives 95% of State Aid funds up front. He expressed his belief that the Highway Department has adequate funding available to meet anticipated cash flow needs in the event of a State shutdown. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-36

S.A.P. 028-609-012

**RESOLUTION FOR BRIDGE BONDING TO CONSTRUCT BRIDGE NO. 28541 ON CSAH 9
OVER SILVER CREEK**

WHEREAS, The County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for the Construction of County Bridge No. 28541 over Silver Creek; 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 \$441,252.50 by reason of the lowest responsible bid.

NOW THEREFORE, be it resolved that Houston 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.

Commissioner Walter expressed concern that information presented during a recent AMC meeting suggested that counties which continue funding projects and/or programs during a period when the state is shutdown run the risk of not receiving state reimbursement for those projects and/or programs once the state begins operations again. Commissioner Bjerke expressed concern that the state acts as the fiscal agent for federal funding. A state shutdown could delay payments to counties resulting from federal funding which the state administers.

Chief Deputy Sheriff Yeiter requested action regarding the quotes presented during last week's Board meeting. He reported that an additional \$30,000.00 in grant funding has been made available. The HSEM grant could be utilized to defray the cost of the console and/or microwave equipment. Federal HSEM grants are expected to be reduced by 10% next year and 35% the following year. Chief Deputy Sheriff Yeiter expressed his belief that Houston County has been fortunate to secure several grants to defray the cost for migration to 800 MHz. He commented that other counties may not be as fortunate. It appears that grant funding amounts may be on the decline. He stated that, to date, all equipment purchased for the migration to 800 MHz has been paid for by grant funds.

Recently, concern was raised regarding the expiration of the Highway Departments FCC Operating Licenses. Chief Deputy Sheriff Yeiter gathered information and prepared an order for equipment. Because the Highway Department operates its own dispatch, it was determined that they could operate utilizing the new 800 MHz radios provided they were available. Chief Deputy Sheriff Yeiter provided information regarding recent concerns with radio interference and the frequencies which are available to communicate on.

Chief Deputy Sheriff Yeiter reported that Motorola extended a significant discount offer if the County would order the balance of equipment necessary for the migration. The quote provided is for the balance of radios needed within the County to complete the migration. Chief Deputy Sheriff Yeiter indicated that there could be an additional radio or two needed in the future. He reported that the Motorola quote for equipment totals \$393,412.11. Before the discount the quote was in excess of \$490,000.00. Finance Director Bradley can explain where the funding for this purchase is being taken from. Chairperson Miller expressed concern regarding the timing of the purchase with the threat of a State shutdown pending. Commissioner Zmyewski expressed concern regarding the depletion of reserves at a time when the State may temporarily suspend State payments and reimbursements to Counties as a result of a State shutdown. Commissioner Zmyewski expressed concern that this could result in cash flow issues. Chief Deputy Sheriff Yeiter stated that the discount will expire soon.

Chief Deputy Sheriff Yeiter reported that once radio equipment is received, it will need to be programmed and installed and users will require training. He indicated that approximately two and a half months remains before this needs to be completed. Commissioner Zmyewski stated that the timing of the purchase is of concern. He expressed his understanding that the purchase of radios is necessary.

Chairperson Miller questioned how a state shutdown may impact county cash flow. Finance Director Bradley reported that he has discussed cash flow needs with Treasurer Trehus. It is their recommendation that the county takes advantage of current discounting and takes the appropriate action to approve the purchase of radio equipment. The discount is too substantial to forego. He expressed his opinion that the county has adequate reserves in place to cover the cost of the purchase and meet cash flow needs in the event of a state shutdown.

Finance Director Bradley reported that the courts will be meeting on Thursday, June 23rd to determine which state functions are essential and should receive continued funding in the event there is a state shutdown. Finance Director Bradley does not expect reimbursement for state grants during any period of shutdown. Counties which continue funding state reimbursable programs during a shutdown period may not be reimbursed for the expenses if the state cuts those programs once the shutdown ends. It is expected that dedicated funding such as Highway funding will be dispersed as planned following any shutdown. Federal funds which the state acts as fiscal agent for are also expected to be dispersed as planned following any shutdown.

Chief Deputy Sheriff Yeiter reported that all attempts are being made to submit invoices for reimbursement prior to July 1st. Commissioner Bjerke clarified that the county has adequate reserves to finance the purchase of radio equipment and retain adequate balances to meet cash flow needs during a potential state shutdown. He reiterated the need of the Highway Department to secure radio communications prior to the expiration of their FCC license. He stated that information provided today indicates that there are adequate balances to cover the expense for radio equipment at this time and meet cash flow needs. Chief Deputy Sheriff Yeiter explained that it was his intent to order only the radios needed by the Highway Department. However, Motorola encouraged placing an order for all radios needed to complete the migration by extending the discount. Commissioner Zmyewski questioned what expenses remain if the Motorola order is approved and what the remaining cash needs will be. Chief Deputy Sheriff Yeiter reported that the microwave equipment will need to be purchased, there will be some tower work to complete and paging equipment upgrades which are outlined in the ANCOM quote. Commissioner Zmyewski questioned whether required outlay will exceed \$100,000.00. Chief Deputy Sheriff Yeiter provided estimates and amounts he expects to be covered by grants. There was discussion regarding \$54,000.00 remaining on the AFG grant as a result of discounts which reduced the cost for equipment purchased through the grant. Reallocation of the remaining grant funds has been requested but not approved to date. Commissioner Zmyewski questioned what happens to the budgeted amounts which are not utilized. He provided an example that the county budgeted for the hire of 5 FTE's for the Jail. However, only 1.5 FTE's were hired. HE questioned what becomes of the difference which is not used. Finance Director Bradley responded that it remains in the budget. Finance Director Bradley stated that approximately \$180,000.00 has come in that was not budgeted. These funds are helping to offset the 800MHz migration costs. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quote of Motorola for radio equipment and authorize the purchase of the quoted equipment.

Discussion was held regarding towers which are available around the Houston area and the possible moving of the tower in that area.

Chief Deputy Sheriff Yeiter requested approval of the ANCOM quote to upgrade the paging systems. The quote came in well below the original estimate. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quote of ANCOM.

File No. 5 -- Assistant County Attorney Bublitz and Jail Administrator Schiltz recommended approval of a service contract with La Crosse Movers. La Crosse Movers provided the lowest appropriate quote to move offices from the Historic Courthouse to the Justice Center. The proposal includes boxes needed for moving files. Any boxes that are in good condition following the move may be sold back to La Crosse Movers and reduce the overall costs associated with the move. Moving is expected to take place during the last couple weeks of September or early October. Furniture installers are expected to be working in the Justice Center during early September. Jail Administrator Schiltz reported that 5 quotes were submitted for

moving. Moving expenses were budgeted for. Assistant County Attorney Bublitz reported that it is expected that Court Administration will close down for a brief period during the move. Planning is taking place to address emergency situations which Court Administration will be expected to address during any closure. Each department has a moving plan. A timeline is being developed which incorporates all departments. Chief Deputy Sheriff Yeiter reported that certain items such as evidence and weapons will be moved by county staff responsible for the items. The original estimate for moving ranged from \$14,000.00 to \$15,000.00. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the Service Contract with La Crosse Movers.

File No. 6 -- HR Director Arrick-Kruger and Surveyor Walter recommended the hire of Darren Omoth as a 67 day employee to provide summer assistance to the County Surveyors Office. Mr. Omoth has a geology degree and brings with him a significant amount of education. The Surveyors Office is fortunate to have such a well qualified applicant for this temporary position. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of Darren Omoth as a 67 day employee effective June 30, 2011.

HR Director Arrick-Kruger and Engineer Pogodzinski recommended the hire of Justin Conway as Engineering Technician. This position is 50% engineering and 50% signage. HR Director Arrick-Kruger stated that, for seniority rostering purposes only, she would like the Board to approve classification of the position as engineering. She has been working with the collective bargaining unit to determine an agreeable classification of the position. Engineer Pogodzinski reported that Mr. Conway has worked with the Highway Department each of the past two summer seasons. He has a degree in civil engineering and experience in design, inspection, and surveying. He has experience developing sign plans for detours and project sites. There were 17 applicants for this position, 4 of whom were interviewed. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the hire of Justin Conway as Engineering Technician at Step 1 of the appropriate wage scale.

HR Director Arrick-Kruger presented information on two professional development opportunities which she desires to participate in. She reported that there are adequate balances within her professional training budget to cover the expenses related to the opportunities. The first is an Employment and Labor Law Training Program. This is a 2 day program with a wide variety of pertinent topics. The other is a single day training related to employee discipline and discharge. Chairperson Miller stated that the course information reflected is extremely relevant. HR Director Arrick-Kruger stated that she has not had the opportunity to attend such a broad based seminar recently. She expressed her belief that the training will be beneficial.

Commissioner Walter reported on the EMS Joint Powers Board meeting which she attended.

Commissioner Zmyewski reported on an Airport Commission meeting which he attended.

Commissioner Bjerke reported on the Regional Radio Board meeting which he attended.

Chairperson Miller reported on a Trails meeting which he attended. He also reported on the Airport Commission meeting which he attended with Commissioner Zmyewski. He stated that there was respectful, productive discussion held. Representatives from the county and the recently established "Friends of the Airport Group" will work together to identify major issues for inclusion on the agenda for discussion at future Airport Commission Meetings.

Chairperson Miller provided information on a resolution adopted by the a La Crosse area planning committee encouraging MN DOT to include provisions for both pedestrian and bicycle traffic in the plans for an updated Minnesota/Wisconsin Interstate Bridge. He will revise the resolution and present it for discussion at the County level.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- Correspondence to payroll regarding hire of J. Prill & B. Muenkel

File No. 8 -- Correspondence to Wayne Stenberg/Semcac regarding appointment of Tom Bjerke as alternate to the Semcac Board of Directors

File No. 9 -- Correspondence from Rep. Drazkowski regarding Natural Disaster Relief

There being no further business and the time being 10:24 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 28, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 28, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Finance Director Bradley; HR Director Arrick-Kruger; HS Accountant Bahr; Highway Accountant Schroeder; Treasurer Trehus; Judy Coursolle; Steve Schuldt; Ervin Barth; Engineer Pogodzinski; Conrad Curran; PHN Accountant Lillegraven

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the June 21, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$220,687.72
Road & Bridge Fund	12,979.55

Total	\$233,667.27
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Treasurer Trehus provided information on Excel training which she and her staff will be attending. The training is offered in La Crosse, Wisconsin. She stated that she believes the line item for training may be exceeded. However, she expressed confidence that she has the funds available from within her overall budget. Chairperson Miller confirmed that the information was being provided to the Board as a result of an earlier directive to keep the Board informed of training and travel expenditures.

File No. 3 -- HR Director Arrick-Kruger reported that, recently, she met with Engineer Pogodzinski, Jail Administrator Schiltz and Mike Gerardy of the City of Caledonia to discuss proposed changes to the directionality of traffic on the remaining portion of the Courthouse Square. This roadway has been a one way. The City of Caledonia has indicated that the roadway falls under the purview of the County. Therefore, Engineer Pogodzinski has the authority to make recommendations in regard to the roadway. It is the recommendation of Engineer Pogodzinski to change the roadway to allow for two-way traffic with no street parking. For safety reasons, the recommendation was made to prune both the red maple and the shrubs on the northwest corner. Brief discussion was held regarding other options for the roadway. Engineer Pogodzinski will also be reviewing the handicap parking stalls for appropriate sizing and marking. Engineer Pogodzinski reported that the roadway is 28 feet wide. It would be acceptable to allow two-way traffic, and in addition, street parking on one side. However, Engineer Pogodzinski stated that he does not recommend any street parking. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve changing the roadway from one-way street to two-way traffic with appropriate signage.

At this time, Jail Administrator Schiltz introduced John Prill and Bruce Muenkel who recently accepted offers of employment as jailer/dispatchers.

At this time Judy Coursolle met with the Board. She introduced herself and reported that she is the sister of Bob Ellenz. She requested the Board's assistance in compelling Zoning Administrator Scanlan to schedule a meeting with Bob Ellenz and employees of MPCA regarding a recent feed lot violation issued against Mr. Ellenz. Ms. Coursolle stated that Zoning Administrator Scanlan mandates response deadlines for issues. However, Mr. Scanlan has no regard for deadlines in response to their requests. She stated that she has spoken with both Steve Schmidt, who works for MPCA out of the Rochester office, and also Beth Lockwood, who also works for MPCA but out of the Minneapolis office. She stated her understanding that Zoning Administrator Scanlan needs to meet with MPCA representatives prior to meeting with her brother, Bob Ellenz. She stated that it is her understanding that Zoning Administrator Scanlan is on staff to help farmers. However, Mr. Scanlan does not cooperate. Ms. Coursolle stated that it is her brother's intention to dispute the feed lot violation. Chairperson Miller questioned why Mr. Schmidt of MPCA has not contacted the Board if staff is failing to cooperate. Ms. Coursolle asked if Rick Frank is Bob Scanlan's boss. The Board confirmed that he is. Ms. Coursolle stated that she has been unable to schedule the necessary meetings. Chairperson Miller requested Ms. Coursolle's contact information and stated that he will speak with staff and contact her to follow up. This was agreeable to the entire Board and to Ms. Coursolle.

Following brief discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to hold a special meeting on Friday, July 1, 2011 at 9:00 a.m. for strategic planning purposes in connection with the state shutdown.

Ervin Barth introduced himself. He questioned why individuals hired by the County do not negotiate their own wage. He stated that some individuals may be willing to accept a lower

wage and the County should make every attempt to hire individuals for the lowest wage possible. Chairperson Miller suggested that HR Director Arrick-Kruger respond to Mr. Barth's inquiry. She stated that the County has made every effort to hire individuals at an entry level wage, wages are market driven, and each position is classified according to the role and responsibilities and banded to maintain pay equity. The County must abide by collective bargaining agreements which are in place. Mr. Barth questioned again, why an individual is prevented from negotiating a lower wage than established. Chairperson Miller reiterated that the County is bound by collective bargaining agreements. Mr. Barth stated that many taxpayers would agree that unions have become too strong over the years. This is preventing individuals from negotiating for themselves. He stated it was time for change. He stated that change will result in getting financial issues back in order. HR Director Arrick-Kruger stated her perspective that Houston County does not pay highly competitive wages. Many individuals are accepting wages lower than what they had at a previous place of employment. Chairperson Miller expressed appreciation for Mr. Barth's comments and concern. Chairperson Miller indicated that these issues are beyond what the Board has the ability to change at this time. He stated that the Board is very conscientious of spending.

When offered the opportunity to speak, Conrad Curran stated that he was present to observe and had no comments.

File No. 4 -- Treasurer Trehus provided information on account balances thru May 31, 2011, investment changes and investments which are expected to change in the near future. She reported on investment changes which have taken place since the last meeting. Commissioner Bjerke questioned some long term investments reflected on handouts. Discussion was held regarding the length for which funds should be invested and not "liquid". It was agreed that a 5 or 6 year investment period should be the maximum. Finance Director Bradley reported that the long term investments being discussed generate coupon payments. They are "liquid" investments. The County has the option to utilize the money without penalty. The County would forego current year accumulated interest and future coupon payments. Chairperson Miller inquired about Soil and Water investments.

Finance Director Bradley expressed a desire to discuss with Soil and Water their contingency plan in the event of a State shutdown. Finance Director Bradley reported that other than some county funds, there are funded by Federal and State funds which will not be disbursed during a shutdown.

Treasurer Trehus stated that funds which were invested and become available as a result of the investment being "called" will be put in the money market account until making a future investment once the market trend has been observed.

File No. 5 -- Finance Director Bradley presented several budget amendment requests. The first request is from the Surveyor's Department and amends line items to reflect how the software purchased was paid for. The second request is from Planning and Zoning and reduces

miscellaneous expenses and increases gas and maintenance/zoning vehicle to cover costs to bring a loaned truck into serviceable condition. The final request is from Human Services. Several adjustments within their budget are being amended to reflect actual expenses. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve all budget amendment requests as presented.

Finance Director Bradley stated that there is very limited information regarding the pending state shutdown. Counties are preparing in various ways, some are laying off staff, and some are holding the line. Finance Director Bradley would recommend that the County continue business as usual until something definitive is known and then adjust accordingly. The Governor has provided his listing of mission critical state programs. Finance Director Bradley stated that he expects a minimal impact to the county. Chairperson Miller stated his greatest concern is whether reimbursement is guaranteed or on which programs it will be guaranteed. Finance Director Bradley is hoping to know more so that decisions regarding the funding of various programs may be discussed at the Friday meeting. There is an additional court hearing scheduled for Thursday. HS Accountant Bahr stated that Workforce Development has been sent layoff notices. Houston County also has a childcare program which is not included on the Governor's list of mission critical programs. The childcare program provides payment for childcare so that parents may work. HS Accountant Bahr reported on a letter which the state mailed out. Recipients received the letters last Friday. Monday morning social workers and income maintenance workers had many voice messages to deal with.

Finance Director Bradley commented that the County receives Federal Grant funding which the state is the fiscal agent for. In the event of a state shutdown, federal grant payments will be delayed. The County may choose to fund the federal grant programs during the state shutdown period and anticipate reimbursement once the period has ended.

Engineer Pogodzinski indicated that a determination will need to be made in the event of a state shutdown regarding what level of airport services will be provided during the shutdown. This includes maintenance practices such as mowing and could impact telephone and/or electricity. Maintenance is currently reimbursed at 80%. Commissioner Zmyewski questioned whether reimbursement was guaranteed and what the specific mowing requirements are. He expressed concern that if the grass were allowed to grow too tall, it could increase the potential for animals to bed down or seek refuge and the animals could enter the runway at some point. Discussion was held regarding the current mowing practices. Commissioner Zmyewski questioned whether the mowing could be reduced by half while still providing adequate safety. Engineer Pogodzinski will try to obtain specific information regarding mowing requirements.

Commissioner Bjerke stated that recent storms caused damage to County roadways. Engineer Pogodzinski reported that gravel was lost from roadways and shoulders. Some repairs have been completed. The cost for the repairs is approximately \$18,000.00 in staff time and \$4,000.00 in rock/materials. Engineer Pogodzinski reported that additional repairs and maintenance are needed. There are box culverts which have been plugged by debris, rip rap from

under bridges was washed away and there are trees pushed up against bridge piling and washouts. He estimated the cost for repairs and maintenance at approximately \$100,000.00. This damage was not planned for and there are no funds budgeted for the necessary repairs and maintenance. Engineer Pogodzinski stated that some repairs are not required immediately. The Board will need to consider the impact of the shutdown, cost of repairs, risk of delaying repairs and make a plan of when to carry out the balance of repairs necessary. Engineer Pogodzinski offered to present pictures of damage and cost estimates for each individual area of concern. There is damage on CSAH 4, 26 and 5. Damage on CSAH 13 has already been repaired.

Engineer Pogodzinski stated that there are projects in the works which are ready to bid out. He would like to move forward with these projects and reported that Houston County has already received 95% of the funding for the projects. The projects are not to a point where the remaining 5% would be needed and won't be for some time. Accountant Schroeder has submitted as much as possible for ongoing projects and been advanced as much as she has been able to request. Any State shutdown should have minimal impact on County Highway projects. Engineer Pogodzinski reported that there are counties which have are working on federally funded road projects, they also have cash flow concerns and will be required to shutdown those projects if the State shuts down.

Finance Director Bradley stated that cash flow is a concern if the State shuts down. He indicated that the Board could take action to minimize risk. Chairperson Miller expressed his opinion that taking action would be prudent. Commissioner Zmyewski expressed agreement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to limit county expenditures to operation critical expenditures only, until the state shutdown ends.

HR Director Arrick-Kruger stated that if the State shutdown impacts or necessitates layoffs it is possible that meet and confer meetings may be required. She reported that the County will need to work through any collective bargaining issues.

File No. 6 -- Finance Director Bradley provided a budget timeline. Discussion was held regarding the timeline.

Finance Director Bradley stated that he expects a \$38,000.00 reduction in CPA in the next budget. There have been reports that CPA will equal 2010 amounts. He reported that he is not expecting other changes to State Aids.

Finance Director Bradley questioned whether the Board has determined any direction regarding budget goals. Commissioner Bjerke expressed concern that collective bargaining agreements impact the budget after the budget process is well underway. Finance Director Bradley reported that it is his understanding that HR Director Arrick-Kruger will be addressing this through contract language. Finance Director Bradley provided information from the most recent budget cycle. Chairperson Miller expressed his opinion that a 0% budget increase should

be the goal. He stated that there will be debt levy impacts regardless. Finance Director Bradley stated that there has been long term planning to minimize debt levy fluctuation. Commissioner Bjerke questioned how the reduction from planning to hire 5 FTE's to hiring only 1.5 FTE's will impact the budget. Commissioner Zmyewski expressed his opinion that more will be known once the State has determined whether there will be shutdown and what programs will continue to be funded during that shutdown. Finance Director Bradley suggested that the board take action to establish a cap. This would allow the Board to begin reviewing worst case scenario figures. He stated that if a cap is established, it may be reduced at anytime during the budgeting process. Commissioner Zmyewski confirmed that an established cap could be reduced later. Finance Director Bradley reported that the budget could be impacted as a result of a state shutdown. It is possible that program funding will be reduced or eliminated. Until the state budget has been determined the County will not know the full impact. Commissioner Zmyewski again questioned whether a decision in this regard could be delayed until more is known. Finance Director Bradley responded that the special meeting scheduled for Friday is to hold discussion regarding cash flow concerns and to discuss what is known at that point regarding state programs and determinations regarding what is or is not essential.

HS Accountant Bahr expressed concern that significant decisions will need to be made in the event of a state shutdown. She will provide information on various programs and the impacts each has to assist with the decision making process.

File No. 7 -- Chairperson Miller presented a resolution regarding bicycle and pedestrian traffic facilities and the I-90 Dresbach Bridge. Following discussion, motion was made by Commissioner Zmyewski, seconded by Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-37

WHEREAS, The La Crosse Area Planning Committee (LAPC) approved the *2035 Coulee Region Bicycle Plan* on May 19, 2010, a component of the La Crosse and La Crescent Area Metropolitan Transportation Plan; and

WHEREAS, said bicycle plan has specific recommendations for bicycle facilities throughout the metropolitan planning area, including the following for the I-90 Dresbach Bridge replacement project known as the "Dresbach Crossing":

WHEREAS, since the Wisconsin Department of Transportation (WisDOT) is planning significant maintenance and upgrade projects in the I-90 Corridor between the Dresbach Bridge and Exit 3, action by the Minnesota Department of Transportation (Mn/DOT) to prepare for future bicycle and pedestrian accommodations and facilities would give the WisDOT more rationale for providing similar accommodations and facilities in Wisconsin; and

WHEREAS, both Minnesota and Wisconsin have adopted state laws regarding Complete Streets and since 1991 the U.S. Department of Transportation has clearly articulated that the transportation system be multimodal in nature; and

WHEREAS, the project has a design life of 75 years and decision being made in 2011 will affect multiple generations and decisions being made for the Dresbach Crossing project are already affecting the decision process for the remainder of the I-90 Corridor in Wisconsin to Exit 3; and

WHEREAS, Houston County supports all efforts to improve bicycle and pedestrian facilities in Houston County and the Dresbach Crossing directly affects Houston County;

NOW, THEREFORE, BE IT RESOLVED that Houston County hereby formally requests that the Minnesota Department of Transportation adhere to the 2035 *Coulee Region Bicycle Plan* by designing the capacity for future bicycle and pedestrian accommodations into the final design for the replacement Dresbach Bridge.

Commissioner Walter reported that she will be attending a meeting with Workforce Development this week.

Commissioner Zmyewski reported on the pancake breakfast at the airport which he attended and also the Board of Equalization Meeting.

Chairperson Miller reported on the pancake breakfast which he attended at the airport. He also reported that he had met with the outgoing Human Services Director from Fillmore County.

Commissioner Bjerke reported on the Board of Equalization meeting which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 8 -- Correspondence to payroll regarding hire of D. Omoth and J. Conway

File No. 9 -- 2012 Appropriations request from Semcac

There being no further business and the time being 10:33 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 5, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 5, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Zoning Administrator Scanlan; GIS Coordinator Krzoska; Engineer Pogodzinski; Recorder Bauer; PHN/HS Director Rock; Finance Director Bradley; IS Director Milde

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the June 28, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$30,882.24
Road & Bridge Fund	219,291.06

Total	\$250,173.30
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Engineer Pogodzinski reported on bridge maintenance quotes obtained for several County bridges. The bridges are located on CSAH 6, 26, and 30. The bridges have had erosion around the abutments which must be addressed. \$65,000.00 has been budgeted for bridge maintenance. The quote provided by Minnowa Construction totaled \$51,000.00. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the bridge maintenance quote provided by Minnowa Construction in the amount of \$51,000.00.

File No. 4 -- Engineer Pogodzinski reported on a bridge maintenance quote obtained for the removal of debris resulting from recent storms. Affected bridges are located on CSAH 5 and 31. Minnowa Construction is available to perform the work almost immediately and has provided a quote in the amount of \$13,650.00. Engineer Pogodzinski reported that because other bridge maintenance costs came in below the budgeted amount, funds are available to perform this storm repair work. The quote is approximately the same as it would cost to have County forces complete the work. The contractor has the ability to begin the work approximately 4 weeks sooner than County forces could. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the quote provided by Minnowa Construction in the amount of \$13,650.00 to remove storm debris affecting County bridges and to pay for the expense with remaining Bridge Maintenance funds.

Engineer Pogodzinski reported that paving on CSAH 5 is beginning this week.

File No. 5 -- GIS Coordinator Krzoska requested approval of the overall space plan. He stated that there will be some minor alterations necessary as a result of the office moves such as erecting light walls or the installation of a doorway. It is expected that Sentence to Service will be able to complete these minor construction projects.

File No. 6 -- IS Director Milde reported on quotes received for copier hardware, maintenance and/or services. He compiled the information as a result of the re-evaluation of copy needs. IS Director Milde recommended that it would be financially advantageous to purchase hardware and enter into a maintenance agreement. Currently the County is in a lease agreement for both hardware and maintenance with Tri-State Business Machines. Research supports the useful life of a copier will be in excess of 8 years. IS Director Milde expects that many County machines would last 10 years based on usage. A+ will provide support for machines for 10 years. Fillmore County works with A+ and has provided positive feedback regarding the relationship. The Highway Department recently purchased a Konica-Minolta copier and has been pleased. IS Director Milde recommends phasing out the lease agreements. From the information he has compiled, he expects a \$15,000.00 savings to occur rather quickly. IS Director Milde reported that Public Health will purchase their own copier, IS will purchase the upstairs copier, there are funds within the Furniture, Fixtures and Equipment budget to purchase 2 copiers for the Justice Center building and the remaining 4 copiers will be purchased by the Recorder's Technology Fund. The cost for 2 copiers will be billed to and reimbursed by Human Services over time. Human Services indicated that they did not have funds available to make the purchase and by being billed for the cost, the department will be able to access a revenue stream for reimbursement of a portion of the expense. IS Director Milde recommended accepting the quote provided by A+ for the purchase of Konica-Minolta hardware and an accompanying maintenance agreement. Commissioner Zmyewski reported that he has spoken with other businesses which have benefitted from purchasing copier equipment as opposed to leasing it. IS Director Milde stated that the quote for the hardware from A+ is \$71,460.90. Commissioner Bjerke questioned whether the budget should include funds set aside for the replacement of this hardware in the

future. IS Director Milde stated that this would be prudent. However, there should not be a need to replace all units at one time. The units may be placed on a rotation based on their usage. IS Director Milde pointed out some of the “hidden” fees which Tri-State Business Machines charges. He provided information on the difference between the agreements with Tri-State Business Machines and A+. A+ includes the cost of toner in their agreements and has no “floor”. Houston County will benefit from this as they will not be paying for copies which were not created. He reported that in 2010, Buyer’s Laboratory awarded Konica-Minolta “Model of the Year.” IS Director Milde reported that he reviewed options available through the State bid when he was researching options to satisfy copier needs. The State bid offered adequate hardware. However, the maintenance costs provided by OE Johnson were significantly higher.

Chairperson Miller expressed appreciation for the work completed by the Space Committee. He expressed that he is pleased with the strategic locations of copiers also. Commissioner Zmyewski reported the Space Committee was very thorough when working through options and exhausted all possibilities to prepare and present the most efficient and cost effective option.

GIS Coordinator Krzoska reported that following approval of a final space plan, the Space Committee will assess departmental needs and begin researching and assessing the costs associated with the moves. Commissioner Bjerke questioned whether there would be a need for a moving company to assist departments as they make their moves. He stated that La Crosse Movers will be assisting courts and will be on site. Discussion was held regarding the possibility of having Sentence to Service assist with office moves as these moves will not include court documents.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the purchase of copiers as presented.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the space plan as presented.

File No. 7 -- Zoning Administrator Scanlan reported on the following variance which was approved by the Board of Adjustment. The variance is for Jason Schroeder of Winnebago Township for a variance of 25 feet to meet the required 100 foot setback from the centerline of a County Road to build a pole shed. Engineer Pogodzinski viewed the site and did not express concern regarding the encroachment to County 14.

Zoning Administrator Scanlan reported on a conditional use permit application for Ron Troendle to expand a feedlot. Mr. Troendle desires to increase his feedlot from approximately 290 to over 300 animal units. He has no manure storage structures planned. The Planning Commission did request that Mr. Troendle submit a nutrient management plan. Zoning Administrator Scanlan stated that Mr. Troendle hauls manure daily and has adequate acres on

which to spread the manure. The nutrient management plan will provide assurance that the manure is not being spread too thick.

Zoning Administrator Scanlan reported that Robert Tschumper has submitted a request to have property re-zoned from agricultural to residential. The re-zoning would allow Mr. Tschumper to plat a 2 lot subdivision. One lot would have approximately 3 acres with an existing house and also a 14 acre lot. The conservation office has viewed the site and reviewed the preliminary layouts for driveway and septic and expressed no concern. Zoning Administrator Scanlan reported that the property is located within 2 miles of Hokah City which is established criteria supporting a favorable ruling in this regard.

Preliminary plats have been submitted by both Ralph Lind and Doug Twite/Pat Burns. The next step is for Mr. Lind and Mr. Twite to return with final plats. It is expected that this would take place within the next 30 days.

File No. 8 -- On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Conditional Use Permits and Preliminary Plats:

Ron Troendle – Wilmington Township - Operate an animal feedlot with over 300 animal units.

Robert Tschumper – Hokah Township - Rezone from Agricultural Protection District to Residential.

Ralph Lind – Money Creek Township - Preliminary Plat

Doug Twite/Pat Burns – Sheldon Township - Preliminary Plat

File No. 9 -- On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Donna Buckbee – Yucatan Township - Build a pavilion shelter (12' x 18')

Steve and Joanne Schuldt – Caledonia Township - Build addition to house (16' x 12')

Charles Vix – Houston Township - Build 4-car garage (30' x 72')

Jamison and Jeni Burg – Winnebago Township - Build grain bin (50,000 bushels)

Randy Klinski – Sheldon Township - Install mobile home (26' x 56')

HBB Properties LLP – Yucatan Township - Build pole shed (30' x 54')

Howard Deters – Spring Grove Township - Build processing building/office/4-4,500 bushel bins (80' x 120')

Allen Deters – Spring Grove Township - Build pole building/machine shed (56' x 96') with lean-to (24' x 48')

South Fork Properties LLC – Mayville Township - Build pole shed (24' x 36')

William Johnston – Money Creek Township - Build pole shed (40' x 80')

Joe Driscoll – Brownsville Township - Build addition – 2 bedrooms (12' x 32')

Allan Esch – Mayville Township - Build pole shed (40' x 64')

Commissioner Walter questioned whether the “Other Business” section of the Planning Commissioner Agenda warranted discussion today. Zoning Administrator Scanlan reported that Josh Ross has inquired regarding building a grain bin and agricultural building on a small parcel of property. The Planning Commission held discussion and determined that this would be acceptable and fit within zoning ordinance regulations, as the property is zoned agricultural.

Commissioner Walter reported on a Workforce Development meeting which she attended.

Commissioner Bjerke reported on the department head meeting, and special meeting which he attended.

Chairperson Miller reported on a meeting he attended with Soil and Water.

Auditor Meiners provided information regarding a tour scheduled by Ralph Tuck to view various Soil and Water projects.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 10 -- Notice of Special Meeting scheduled for Friday,
July 1, 2011

There being no further business and the time being 9:35 a.m., motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 12, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 12, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Shirley Johnson; Ralph Tuck; HR Director Arrick-Kruger; Environmental Services Director Frank; Caroline More; Engineer Pogodzinski; Ann Emery; Sheriff Ely; Anita Palmquist; Georgia Rosendahl; Michael Morey; Joe McManimon; Vernon Fruechte; Glen Kinneberg; Glen Meyer; Gary Larson; Tony Becker; Finance Director Bradley

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the July 5, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$69,414.61
Road & Bridge Fund	173,498.19

Total	\$242,912.80
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the July 1, 2011 special meeting with noted change.

File No. 4 -- Shirley Johnson met with the Board and provided an update regarding the Houston County Historical Society. She expressed appreciation for the support of Houston County. Ms. Johnson reported that the Historical Society has had over 3,000 recorded visitors

from 27 states and 8 foreign countries. In the past week they have had visitors from 8 states. Many visitors are actively researching their genealogy. The visitors have local ties and come to the area to learn more about their heritage, and view farmsteads. This year there are two tours planned for visitors from Luxemburg. 87 individuals have donated items to the Historical Society.

Ms. Johnson reported that electrical work is being completed in the new building. They expect HVAC work to be completed later this year. Ms. Johnson expressed her belief that the Historical Society has adequate funds available at this time to complete both the electrical and HVAC projects. The Historical Society intends to write a grant in hopes of securing Legacy funds to offset the cost for the elevator. The elevator shaft is roughed in already. However, there is a need to secure funding for the elevator and installation. There is hope that some of the drywall and painting needed for the interior will be met by in-kind donations.

The Historical Society is planning on holding its annual book sale fundraiser in the basement of the new building. Ms. Johnson stated that they have other fundraising events planned. She indicated that there is a need to raise capital to cover the cost to complete the interior of the new building. Over the years in excess of \$50,000.00 has been generated by the book sale. Ms. Johnson encouraged those in attendance to donate used books to the Historical Society instead of placing them in a recycle bin. Commissioner Miller questioned how the book sale operates. Ms. Johnson explained that individuals donate used books and the Historical Society hosts a book sale. The funds generated are used by the Historical Society. They collect books year round for the sale. During the most recent book sale \$6,000.00 was generated.

Commissioners Bjerke and Walter encouraged the individuals representing the Historical Society to “keep up the good work”. It was noted that the last County appropriation to the Historical Society was \$36,700.00.

Commissioner Bjerke questioned the timeline which has been discussed in the past. Ms. Johnson explained that the timeline will include reference to the driftless area which resulted in the local geology, the Native American’s who once inhabited the area and the early settlers. Ms. Johnson indicated that the Historical Society will likely seek the assistance of someone/an organization with expertise in this area to develop the final timeline.

Anita Palmquist reported that there are many good and dedicated volunteers who give of their time and talents. Over the past year, they have lost 3 of these good volunteers. There are new volunteers also.

Commissioner Zmyewski questioned what volunteers do. Ms. Johnson reported that volunteers keep up the obituary file at the Society. The obituary file is the most used file the Society has available, and is in alphabetical order, indexed and microfilmed. Other volunteers work on the newsletter which is distributed. Volunteers also assist visitors. Georgia Rosendahl helps in this way. She reported that, earlier this week, she was assisting 3 individuals who were

performing research and had a fourth on the telephone. She stated that it was hectic and enjoyable. Ms. Johnson reported that displays are rotated so there is a need to develop and put up new displays and pack away displays which have been on exhibit. Currently, volunteers are working to develop special displays for the County Fair when there is an influx of visitors. Volunteers also copy photos, number artifacts, clean and preserve artifacts, clothing and/or textiles.

Finance Director Bradley reported that on June 30th the Airport Lot Leases expired. For approximately 6 months work to revise the leases has been ongoing. The greatest issue was regarding insurance requirements. County Attorney Hammell was asked to review an insurance requirement recommendation made by MCIT. Recently, the League of Minnesota Cities provided a different recommendation regarding insurance. Lessees had expressed concern that individuals were unable to purchase the insurance recommended by MCIT. They will, however, be able to obtain the insurance recommended by the League of Minnesota Cities. Finance Director Bradley recommended that the County require the insurance recommended by the League of Minnesota Cities. He reported that County Attorney Hammell has reviewed the recommendation and has expressed no concern.

Another issue of contention is the lease fee and fuel pricing. Chairperson Miller stated that the airport should be self-sustaining. Recently, it was agreed that both the airport and Wildcat Park should be self-sustaining. It would not make sense to operate the entities if they are required to be subsidized. One way to move towards self-sufficiency of the airport would be to increase both lease fees and fuel pricing. These fees should be comparable to those charged at other facilities in the region. Finance Director Bradley suggested entering into a short term lease agreement under the current fee structure. Commissioner Bjerke expressed concern that leases may be impacted by the outcome of the EA. He suggested a six month lease. Auditor Meiners expressed concern with the short lease period. She reported that there is a significant amount of work and time required to complete the leases. Finance Director Bradley indicated that a 1 to 2 year agreement may be appropriate. Commissioner Zmyewski stated that the fees charged, for either the leases or fuel, do not impact the project. The goal is to operate a cost neutral airport. With regard to fuel pricing, if the fuel costs aren't met, there needs to be an adjustment. Commissioner Zmyewski suggested a lease with a revision clause. This would allow for the completion of a longer term lease while providing provisions that allow for changes. He expressed concern that lease rates have remained unchanged for many years. To bring lease rates up to a comparable level would be a drastic increase. Finance Director Bradley indicated that current rates would triple to get them to a comparable level. Commissioner Zmyewski suggested that incremental increases over a period of several years would move the airport in the direction of self-sufficiency and result in lease rates comparable to other facilities. Commissioner Zmyewski reported that several constituents from his district have expressed concern that they are subsidizing what is perceived as "someone else's fun." Commissioner Zmyewski stated that fees and pricing at the airport should, at minimum, keep pace with the Consumer Price Index. Fuel costs have been rising. Even though no one likes to see costs increase, the fact is they do. The amount charged for fuel needs to be increased appropriately. Chairperson Miller stated that,

if the County is operating a park and an airport, those things should be self-sufficient or the County should not be involved with their operation.

Chairperson Miller stated that the Airport Advisory Committee will be meeting next week. It was agreed that the meeting would be scheduled for Tuesday, July 19th at 3:00 p.m.

File No. 5 -- HR Director Arrick-Kruger stated that she is gathering additional data regarding the Justice Center Maintenance position. Therefore, she will bring forward her action request in the future.

HR Director Arrick-Kruger indicated that she will be meeting with Craig Welsh from Sentence to Service (STS) and also a representative from ABC regarding the maintenance needs of the Justice Center and how both organizations may be able to assist with meeting those needs. Chairperson Miller questioned what areas of the Justice Center STS may be able to assist in providing maintenance for. HR Director Arrick-Kruger reported that there is a significant amount of public space for which STS would be able to assist with maintenance. STS would be unable to assist with maintenance needs for secure areas and/or office suites. HR Director Arrick-Kruger will be discussing consistency and quality of cleaning concerns with both STS and ABC. She expressed her belief that ABC may be able to assist with repeat cleaning areas such as restrooms. County Maintenance staff will be responsible for the cleaning and maintenance needs of office suites. There will be a plan developed which will outline cleaning and maintenance projects completed on a rotating schedule such as carpet cleaning and window washing. HR Director Arrick-Kruger expressed concern with preserving permanent finishes on various surfaces. Individuals performing cleaning and/or maintenance duties will need to be trained regarding cleaning agents and appropriate applications for each agent.

Commissioner Bjerke questioned whether the County would be better served by contracting with a cleaning service such as ServiceMaster rather than adding staff. HR Director Arrick-Kruger reported that this type of maintenance position is addressed in the AFSCME Collective Bargaining Agreement, and prevents the County from contracting a service for maintenance needs.

Sheriff Ely reported that Sheriff's Department staff provides for the cleaning needs in the secure area of the jail. Office suites within the Historic Jail are cleaned by County Maintenance staff. HR Director Arrick-Kruger stated that County Maintenance staff will have time to devote to the new building once operations from the Historic Jail have moved to the Justice Center. Chairperson Miller clarified that the County will remain responsible for certain cleaning duties for the food service/kitchen area. These responsibilities are outlined within the food service contract. HR Director Arrick-Kruger expressed caution regarding proper training for the use of cleaning equipment and agents so as not to harm permanent finishes on flooring and door knobs. To ensure that there is consistency and appropriate use of cleaning agents there will be a maintenance manual developed and appropriate training required. A comprehensive maintenance and cleaning plan is being developed.

HR Director Arrick-Kruger reported that on April 5, 2011 she brought forth a recommendation for banding change regarding the Environmental Services Director position. She had completed a field analysis, submitted information to Fox Lawson for review and Fox Lawson provided a recommendation that the banding for said position should be changed as a result of the level of responsibility of the position. In addition to the banding change was a recommendation to adjust the salary. Since then, HR Director Arrick-Kruger reported that she has completed additional research. She has discovered that the current salary is within the range for the recommended band for the position. Any salary increase granted at the time of a classification change is at the sole discretion of the Board unless a gender issue is involved. HR Director Arrick-Kruger requested that the position of Environmental Services Director be reclassified from a C-5-2 to D-6-1. She reiterated that any salary increase at this time is at the sole discretion of the Board.

HR Director Arrick-Kruger stated that a gender equity study is scheduled for 2012. She encouraged the Board to take action regarding the classification of the Environmental Services Director position prior to that study taking place. Commissioner Bjerke questioned the impact, if any reclassification of the position would have. HR Director Arrick-Kruger stated that currently the employee holding the position is at max banding for the current classification. If the reclassification is approved, the employee would be eligible for salary increases up to the maximum for the D-6-1 classification. It raises the salary ceiling for the individual holding the position. HR Director Arrick-Kruger restated that she is not making a recommendation regarding salary at this time. In April, she had made the recommendation for a salary increase. Chairperson Miller clarified that the reclassification recommendation is a result of the level of job responsibility. HR Director Arrick-Kruger confirmed that the level of discretion, education requirements, and level of authority all contribute to the recommendation. She reported that historically all reclassifications have been in conjunction with a salary increase. If the Board acts to reclassify the position without a salary increase it would be the first time where a salary increase was not approved simultaneously. Commissioner Zmyewski confirmed that the field analysis was completed some time ago. HR Director Arrick-Kruger stated that this position should have been reviewed some time ago as the position has evolved significantly since it was last reviewed. A significant amount of time has passed since the position was last reviewed. Commissioner Bjerke confirmed that HR Director Arrick-Kruger's recommendation is to reclassify the position. HR Director Arrick-Kruger responded that she recommends the position be reclassified and she continues to support her original recommendation with regard to a wage increase. However, any increase is at the discretion of the Board. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to reclassify the Environmental Services Director position to D-6-1 and to increase the salary to \$66,019.00.

HR Director Arrick-Kruger reported that, historically, the county has treated non-union employees' par with union employees. She stated that the collective bargaining units have wage scales with steps varying from 1 to 3 or 1 to 5 steps to reach maximum wage for the band. The

County has established a 6 step plus discretionary range for non-union employees. HR Director Arrick-Kruger provided information regarding the cost to provide steps to non-union employees who are eligible for those in addition to information totaling the liability of steps for both union and non-union employees. She has also provided information in the event the Board chooses to grant employees in the discretionary range a 1% increase. The cost to grant non-union employees steps, not including any provision for employees within the discretionary range, is \$1,414.56. The cost to grant non-union employees steps and to grant those employees within the discretionary range a 1% increase is \$9,263.05. When asked how many employees these costs affected, HR Director Arrick-Kruger responded that not many employees qualify for steps, and the steps are modest. She stated the data is summary data. She offered to return to the Board with a total number of employees affected. She reported that, historically, 1 or 2% has been granted to those employees within the discretionary range, however, it has usually been a 2% discretionary increase. Commissioner Bjerke questioned whether unions had a discretionary range. Unions do not have a discretionary range included in their wage grids. He questioned, if the goal is to treat both union and non-union employees alike, what would be the reason to grant increases to employees within the discretionary range. HR Director Arrick-Kruger stated that she could argue that discretionary range employees should be granted increases or she could argue that they should not be granted increases. Commissioner Bjerke indicated that he is attempting to understand the data presented. He expressed understanding of one grid which reflects the cost to grant steps to both union and non-union employees. He indicated that he is having difficulty understanding why the information contained in the second grid has been presented. HR Director Arrick-Kruger responded that she wanted to present cost implications for all options. She reported that union wage grids allow members to reach maximum salary once the members have advanced through the steps. The non-union wage grid doesn't allow for maximum salary to be reached until members have advanced through the steps and the discretionary range. The non-union wage grids have a broader range with smaller steps due to the increased amount of steps. Union wage grids may have a smaller range, however, step increases account for a larger percentage of salary. Chairperson Miller questioned the timing of this request. HR Director Arrick-Kruger stated that it would have been appropriate for her to have presented this request for consideration following the close of union negotiations. She did not bring the request forward at that time and is doing so now. Commissioner Bjerke confirmed that the request is being made in an effort to provide parity. He agreed that the request should have been brought forward at the close of negotiations. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve step increases and a 1% increase to employees within the discretionary range for non-union employees.

HR Director Arrick-Kruger questioned whether she could have been presented this information in a way that would better suit the needs of commissioners. Brief discussion was held.

File No. 6 -- Environmental Services Director Frank reported that originally the property for the Houston Recycling Center had been surveyed. Recently, additional surveys have been completed and some discrepancies, due to the advancement of technology, have been uncovered.

Legal descriptions currently indicate that a portion of the Sanden Auction building are on County property and a portion of the Houston Recycling Center building are on Sanden property. Easements have been prepared to rectify the concerns so that they will not become an issue in the future. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve two “Amendment to Easement” documents as presented.

Environmental Services Director Frank reported that he has been contacted by ABC in Rochester who operates Woodland. They have indicated that all supervisory staff time shall be reduced by 8 hours per week. ABC has indicated that the directive is a result of the State shutdown. Environmental Services Director Frank reported that Houston County has a contract with ABC for 3 supervisors and 2 clients who work at the Houston Recycling Center. He stated that Houston County pays for their hours and the contract is based on a 40 hour week. He expressed his opinion that the State shutdown should have no impact on the contract or operations at the Recycling Center. ABC has informed Environmental Services Director Frank that the directive is to be implemented across their organization. Environmental Services Director Frank expressed concern that, if this directive were implemented with staff at the Recycling Center, 3 employee work days would be lost. He expressed concern that it would be difficult to cover vacation time or the supervisory functions. He continues to communicate with ABC regarding his concerns, options and contractual obligations. It is his hope that ABC will exempt Recycling Center supervisory staff from the directive. He would prefer that the contractual obligation be met. He reported that the reduced supervisory work weeks were scheduled to begin this week. However, employees of the Recycling Center were granted a one week extension. Environmental Services Director Frank reported that reduced supervisory hours at the Recycling Center will create significant issues for the County’s recycling program. He stated that he will keep Chairperson Miller informed of any developments in this regard. Commissioner Bjerke expressed concern that the State shutdown could eventually result in the shutdown of ABC. Environmental Services Director Frank reiterated his opinion that the County has a contractual agreement with ABC which should function autonomously of the State due to the fact that the County pays for the employee’s wages hour for hour. Again, it is his hope that ABC will continue to fulfill their contractual obligation to the County. Chairperson Miller expressed concern that a business would take action to reduce the hours of employees who are generating reimbursement for their hours worked. Environmental Services Director Frank stated that the only reason ABC has provided at this time, is that the organization wants to treat all employees alike. Commissioner Bjerke agreed that this is difficult to understand.

At this time, Caroline More met with the Board to discuss her concerns regarding the Semcac bus. She stated that she resides in Caledonia, is on medication and has had her driving privileges revoked as a result of health concerns. Ms. More works an evening job in Wisconsin. She indicated that she has networked to meet her transportation needs. She expressed her opinion that many others, like her, need mass transit facilities. Ms. More stated that she learned that some of her transportation needs could be met through her use of Semcac bus service. She also learned of the volunteer driver program. She indicated that on one occasion she had concerns regarding how the Semcac bus route was operated. She expressed her belief that the bus should operate

more like the MTU with a defined route with bus stop locations and times. She phoned Semcac to discuss her concerns. She played back a recorded voicemail she received in response. The person who responded to her concerns was not the individual she phoned for. She stated that she has lived in 22 different cities and has used mass transit. She expressed appreciation for those mass transit facilities. She stated that there are routes, bus stops and if you are waiting at a given time you know that a bus will be by to pick you up. She stated that she utilizes transit facilities including the Semcac bus, La Crosse and Onalaska MTU's to meet her transit needs. She expressed frustration that a delay in the Semcac schedule can affect her connections with the other MTU services she utilizes. Ms. More expressed concern that she is required to attend classes so that her prescriptions for medication are refilled. If she misses her bus connections and the class, she will be unable to obtain the medication she needs. She again expressed concern that Semcac operates a bus with no determined route or bus stops and times. She stated that on occasion she has called to schedule a bus pick up. She expressed frustration that the bus, in her opinion, is not timely. She played back another voice message in response to her request for specific bus stops and pick up times. The person from Semcac who responded to her request provided daily stops at two locations, the name of the business, the address, approximate pick up times for each, and fare requirements. When Semcac was phoned later and the bus had already been dispatched Mr. More was offered the option to phone the bus driver direct. Ms. More expressed concern that this was not a reasonable option as the phone number for the driver was long distance. Due to economic conditions, Ms. More has chosen to forego cell phone and has only a land line. She was required to borrow a friend's cell phone in order to place the long distance call to the driver. Ms. More indicated that her experience with the mass transit facilities locally fall below her expectations. She expressed her belief that there is room for improvement. She suggested that MTU run a leg from La Crescent to Hokah. She was informed that La Crescent City has entered into an agreement with La Crosse MTU for service to their city. An additional leg to Hokah would be at the discretion of the city and bus service. Any agreement for such service would need to be negotiated between those parties. The County does not operate the Semcac bus, nor does it operate or negotiate agreements for mass transit services within the county. Houston County does provide some financial support to Semcac for various services which Semcac provides in the area. Ms. More questioned what authority the County Board had regarding the Semcac bus. She expressed her understanding that the County Board had authority in this regard. Chairperson Miller questioned whether timeliness of the Semcac bus was her greatest concern. Ms. More indicated that many people want access to a transit hub. Chairperson Miller stated that he holds a seat on the Semcac Board of Directors. He indicated that he will discuss her concerns with said Board. The County Board has no other authority regarding the Semcac bus or how it operates. The establishment of a transit hub is beyond the scope of this Board. In closing, Ms. More provided her contact information.

Chairperson Miller stated that the La Crosse MTU is subsidized.

Ann Emery questioned information regarding the magic act. Commissioner Walter indicated her belief that the magic act would be a good thing.

File No. 7 -- Following brief discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve an abatement for Gerald Feldmeier on parcels #17.0112.000, 17.0113.000, 17.0114.000, and 17.0116.000, being a reduction of \$1,128.00 due to the removal of the Green Acres deferral by the Assessor's Office which was in error.

HR Director Arrick-Kruger reviewed a Bureau of Mediation Services (BMS) order which impacts all positions eligible for MAPE participation. The status quo order precludes making any adjustment until the certification process has been completed. This impacts approximately 14 positions, many of which would be impacted by motions passed earlier today including the reclassification of the Environmental Services Director and also the granting of steps to non-union employees. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to rescind the motions passed earlier today which would impact positions eligible for MAPE participation.

File No. 8 -- Ralph Tuck met with the Board to provide an overview of the duties performed by his department. He explained their Board's structure and how it is unique compared to other Board's. He indicated that the Soil and Water department has no means of self-sustaining. The department relies on Federal, State and County funding. He reported that Houston County provides additional support because it provides several administrative functions for them. He reported that several agencies work out of their location including the Farm Service Agency (FSA), Natural Resource Conservation Service (NRCS), and the DNR State Forestry Office. The entities share functions on a daily basis. He said the shared location causes confusion and provided some examples.

At this time, Gary Larson, of the NRCS office provided information regarding his office's functions. He explained their 5 prong approach to conservation. He provided information on several programs offered through NRCS, the participation goals of the programs and the current status in attaining those goals.

Ralph Tuck reported that, as a result of 2007 and 2008 flood events, there was a significant increase in the amount of Federal funding which came through his department. He reported that the proposed State budget, which did not pass, would have resulted in a 12% decrease in funding for the programs which his department administers. This would have been a significant reduction. Gary Larson reported that the NRCS budget has been stable. Commissioner Bjerke questioned how the SWCD will budget for Fiscal Year 2012 when so much is unknown. Mr. Tuck reported that recently, an 18 month grant was secured. The grant was offered through the Nature Conservancy. Chairperson Miller questioned how cost sharing projects function. Mr. Tuck responded that often SWCD covers 50 to 75% of the cost with the landowner contributing the balance.

Commissioner Walter reported on an AMC webinar which she participated in. She stated that on July 31st all court orders pertaining to the State shutdown will expire, and the

legislature would like to reduce CPA by 18 to 20%. It has been reported that the Governor does not want a reduction in CPA.

Commissioner Zmyewski reported on a SWCD meeting which he attended.

Commissioner Bjerke reported on an EDA meeting which he attended.

Chairperson Miller reported on a meeting of the insurance committee which he attended. The goal of the committee is to gain stability regarding cost increases and reduce the potential for cost spikes.

Commissioner Bjerke reported that he also attended the insurance committee meeting.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence from Semcac regarding shutdown impact on programming

File No. 10 -- 2012 Appropriations request from Southern MN Tourism Association

File No. 11 -- Correspondence to Hank Koch regarding tons delivered to Xcel

There being no further business and the time being 11:23 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 19, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 19, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Teresa Walter, and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Engineer Pogodzinski; Environmental Services Director Frank; Zoning Administrator Scanlan; Ann Emery; Tom Murphy; Jail Administrator Schiltz; John Pristash; Joel Boone; Pat Burns; Michael Moriarty; Doug Twite

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the July 12, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$552,116.11
Road & Bridge Fund	16,525.04

Total	\$568,641.15
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve license center and Human Services disbursements.

Finance Director Bradley suggested that initial departmental budget meetings be scheduled with the Board. It was agreed that meetings will be scheduled for Monday, August 15th and Wednesday August 17th.

John Pristash reported that all carpeting on the second floor has been installed. All second floor doors are expected to be hung by the end of the week, and final construction items will be addressed soon in anticipation of the second floor completion by August 1st. Mr. Pristash expressed concern that once the State shutdown has ended, inspectors will be backlogged. He stated that the Justice Center is on a schedule similar to that of Minnesota schools, and he expects any school inspections will take priority. In efforts to keep the project progressing, some

items have been performed out of sequence while awaiting required inspections. Due to the State shutdown the boilers have not been inspected. Mr. Pristash stated that the lower level will be scheduled for final construction items following the completion of the 2nd floor. The main level will have final construction items completed last. There have been some issues with cast stone pieces cracking. As a result, certain pieces are being redone to correct problems. Mr. Pristash commented that this period of construction, which is near the completion, is a “mad scramble.” He stated that he expects to meet the goal to have the job completed by Labor Day.

File No. 3 -- Jail Administrator Schiltz reported that an RFP for Cleaning Contractor Services has gone out. The contract will procure final cleaning services prior to moving into the Justice Center. Construction crews will be responsible to clean up the heavy dust prior to the final cleaning.

File No. 4 -- Engineer Pogodzinski reported on the following bids received until 1:00 p.m. on July 11, 2011 for S.A.P. 28-996-09:

Storms Inc. Rochester, MN	\$354,754.85
Minnowa Construction Inc. Harmony, MN	\$387,577.14
Midwest Contracting, LLC Marshall, MN	\$389,670.50
Schumacher Excavating Inc. Zumbrota, MN	\$410,229.69

Engineer Pogodzinski reported that he has completed background checks on the low bidder. Storms Inc. has performed work for the State and Olmsted County. The projects which Storms Inc. worked on have not been closed out at this point, so only limited information regarding their performance is available. The information available is acceptable. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the low bid of Storms Inc. in the amount of \$354,754.85.

Chairperson Miller questioned whether work on CSAH 6 includes bicycle facilities. Engineer Pogodzinski reported that the work on CSAH 6 is the installation of new box culverts which will result in the need to repave the construction area affected. The paving will be identical to what is currently in place.

File No. 5 -- Chairperson Miller called attention to correspondence received from the Minnesota Regional Medical Examiner's Office (MRMEO). MRMEO has continued discussions

regarding a new office which will be a budget factor and could impact the costs assessed to Houston County. Commissioner Bjerke questioned whether Houston County has any other options with regard to Medical Examiner services.

File No. 6 -- Environmental Services Director Frank reported on the roof of the Recycling Center which has been leaking significantly. He stated that, a couple of years ago, caulking was performed in hopes of repairing the leaks. That maintenance has been an unsuccessful repair. Environmental Services Director Frank solicited quotes for a more permanent repair of the roof. He reported on two quotes received. Caledonia Lumber provided the low quote. The quote is to remove the old roofing steel and replace it on the main recycling building. To offset the cost of repairs, the Environmental Services Department will forego the purchase of a receiver box which had been budgeted for, and the old roofing material will be transported to Alter Metal Recycling. Environmental Services Director Frank recommended accepting the low quote provided because the repairs are necessary to maintain the integrity of the structure and prevent further damage. Chairperson Miller stated that the repairs had been discussed during committee. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quote of Caledonia Lumber in the amount of \$10,504.43 for the necessary roof repairs.

Environmental Services Director Frank reported that, due to health reasons, a Hokah drop site employee has resigned. He stated that it is necessary to have 2 staff persons on duty at the drop sites. He also expressed understanding that currently there is a hiring freeze. However, he respectfully requested that the Board consider filling the vacated position. He reported that he has an application on hand and recommended the individual be hired as a 67 day employee to assist at the drop sites as needed. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Brandon Marks as a 67 day employee to assist at the drop sites as needed.

Environmental Services Director Frank was pleased to report that concerns regarding staffing and the ABC contract for Recycling Center staff have been resolved. ABC will honor all contract terms.

Zoning Administrator Scanlan reported on the final plat presented for the Sophie-Aiden Subdivision which is for a single lot. On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the final plat of the Sophie-Aiden Subdivision, Sheldon Township contingent upon the acquisition of all required signatures.

File No. 7 -- Chairperson Miller questioned the STS report and how projects are prioritized. He expressed curiosity whether municipalities know how to access the service.

Commissioner Walter reported on a Soil and Water tour which she participated in.

Commissioner Bjerke reported on a CJCC meeting which he attended.

Chairperson Miller reported on a SMART meeting which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 8 -- Correspondence to Gerald Feldmeier regarding
abatement

There being no further business and the time being 9:37 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 26, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 26, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; Sheriff Ely; Chief Deputy Sheriff Yeiter; GIS Coordinator Krzoska; Darlene Larson; Judge Fabian; Michael Morey; Ann Emery; Engineer Pogodzinski; IS Director Milde; Jail Administrator Schiltz; Assistant County Attorney Bublitz; Vernon Fruechte; Naomi Fruechte; Joel Boone; Denise Schaeffer;

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the July 19, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$114,882.03
Road & Bridge Fund	594,769.19

Total	\$709,651.22
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Chief Deputy Sheriff Yeiter stated that there is a need for a microwave connection. A formal bid process was initiated some time ago and bids were recently opened. Houston County received 4 bids. The low bid was submitted by Trillium Development in the amount of \$106,444.61. The bid submitted by Trillium Development was significantly lower than the next lowest bid. SEH has reviewed all bids. They are recommending that the bid of Trillium Development be accepted. Chief Deputy Sheriff Yeiter indicated that once the bid has been awarded there will be a need to enter into a contract, and he requested authorization to enter into said contract. Commissioner Bjerke questioned how the expense would be paid. Chief Deputy Sheriff Yeiter reported that 50% will be covered by local enhancement funds, the balance

may be covered by an additional grant or E-911 funds. It was noted that the E-911 funds have been depleted in recent months. Chief Deputy Sheriff Yeiter reported that there is a need for a primary and a back up connection. The microwave connection will serve as the primary connection. Currently, discussion has been ongoing with OET to determine the best option for the backup connection. It may be necessary to lease a T1 line to serve as the backup connection. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the bid of Trillium Development in the amount of \$106,444.61 and to authorize Chief Deputy Sheriff Yeiter to enter into the accompanying contract regarding the Digital Microwave Project.

File No. 4 -- GIS Coordinator Krzoska requested authorization to purchase E-911 dispatch mapping software in the amount of \$9,675.00. Commissioner Walter questioned whether this item had been budgeted for. GIS Coordinator Krzoska responded that it was planned for. This purchase will provide the second mirror station for dispatch. Commissioner Miller confirmed that this request was all inclusive. GIS Coordinator Krzoska responded that approving said request will provide all that is necessary for the mirror station for dispatch. There will be no additional expense requests. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the purchase from GeoComm Inc. for GIS software used in the dispatch center in the amount of \$9,675.00.

File No. 5 -- Darlene Larson requested that the Board view the new courtroom to see how the historic courtroom benches look and fit. She stated that the benches are functional, however, they are not appropriate for the new space. She expressed concern that, during jury trials, there will not be adequate seating because only 6 of the 7 historic benches fit in the new courtroom. She explained that, for safety reasons, all persons in attendance are required to be seated. This specific item was not budgeted for. Ms. Larson indicated that both she and Judge Fabian expressed concern that they were excluded from a significant portion of planning for the new facility. The project is nearly complete, they are now being included and both have concerns with certain aspects of the various spaces utilized by them. Ms. Larson indicated that, if they had been included in the planning at an earlier stage, these concerns would have been recognized and adjustments could have been incorporated to alleviate the concern. Chairperson Miller stated that the original plan was to move and utilize the historic benches. It is his understanding that the designer made the determination that this would appropriate. Judge Fabian stated that there is excess space around the historic benches which could be utilized for additional seating. Chairperson Miller expressed concern regarding additional spending. He stated that the Board has been required to take action regarding spending related to such things as child protection recently. These decisions directly affect individuals. He expressed concern that if the same criteria to determine necessity were applied to this situation, new benches would be determined unnecessary. Judge Fabian recommended the Board view the courtroom, as doing so will provide a better understanding of the fixtures and space. The Board agreed to view the space as recommended. Commissioner Bjerke stated that there will be a need for seating once the courtroom in the Historic Courthouse is renovated to be the Commissioner's Room. Chairperson Miller reported that he has been involved in discussion regarding funds which may be available

following the completion of the Justice Center. Those funds may be utilized to offset the costs for required elevator renovations and/or roofing for the Historic Courthouse. Chairperson Miller stated that individuals may see things in the Justice Center which they would have chosen to do differently had they been involved in the planning of the building.

The time being 9:24 a.m. the Board recessed for the purpose of viewing the courtroom in the Justice Center.

The Board reconvened at 9:47 a.m.

Judge Fabian stated that when he and Ms. Larson prepared their request the historic benches had not been placed in the new courtroom. They were unaware that the benches would match as well as they do. It appears that the benches may be arranged so that all benches may be utilized providing for the same amount of seating as has been historically available.

Chairperson Miller indicated that he would prefer to utilize the historic benches as planned. He expressed concern that there are significant concerns related to some of the stone which could result in unforeseen expenses and delays.

Ms. Larson indicated that there is a need for a decision regarding counsel tables for the hearing rooms. She presented estimates for new counsel tables and also an estimate to refinish and provide the appropriate casement for electronic wiring required in the event the tables from the Historic Courthouse are utilized in the Justice Center. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to accept the quote of King Cabinetry in the amount of \$948.73 to refinish and install/incorporate the appropriate casement for electronic wiring required on the tables.

Auditor Meiners reported that there is a need for two commissioners to participate on the Canvassing Board scheduled for 11:00 a.m. on Wednesday, August 10th. It was agreed that Chairperson Miller and Commissioner Bjerke would participate.

Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to table discussion regarding the airport lot leases.

Chairperson Miller stated that volunteers are needed to represent the public on the Airport Advisory Committee. No one has stepped forward to volunteer. Since there are no representatives from the Public, Chairperson Miller stated that he and Finance Director Bradley will communicate with the Friends of the Airport group.

File No. 6 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the minutes of the June 21, 2011 Board of Equalization meeting.

Chairperson Miller reported that he had received correspondence regarding an upcoming survey.

Commissioner Walter indicated that she would be attending the upcoming AMC policy meeting. Chairperson Miller stated that he would also attend.

Commissioner Walter reported, from today's law committee meeting, that there are 3 women in custody at this time.

Chairperson Miller reported that he attended a Tourism meeting recently.

Chairperson Miller stated that La Crescent Township residents have expressed their displeasure with repair work that is planned for CSAH 6. He stated that Engineer Pogodzinski has been working with various entities which may be affected by the construction. Commissioner Walter is also aware of resident concerns and has shared information provided by Engineer Pogodzinski with La Crescent Township Board members in an effort to address the concerns.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- Correspondence to payroll regarding hire of
Brandon Marks

File No. 8 -- Public Notice regarding meetings scheduled for
August 15th and 17th

There being no further business and the time being 10:00 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 2, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 2, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; John Pristash; Jail Administrator Schiltz; Environmental Services Director Frank; Ann Emery; Engineer Pogodzinski; Steve Schuldt; Joel Boone

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the July 26, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$5,161.03
Road & Bridge Fund	609,835.74

Total	\$614,996.77
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve license center and Human Services disbursements.

John Pristash reported that the Justice Center project is in the finishing stages. This is a very busy time. He stated that the stone issues have been addressed. There was discussion regarding the color variation and the ability to acid wash the stone to correct the difference. Work on the canopy had been on hold while the stone issues were being addressed, now work on the canopy may begin. Miscellaneous items on the second floor are being completed. Soon, completion of the miscellaneous items on the first floor will begin. Mr. Pristash stated that the security system contractors will be on-site in mid-August. Inspections including elevator, plumbing, fire suppression, DOC, and State Health are all scheduled to take place later in August. Commissioner Miller questioned what the current inmate population is. Jail Administrator Schiltz responded that there are 13 inmates housed on-site and 3 or 4 inmates being housed out. Mr. Pristash reported that emergency power service is scheduled for

connection on August 13th. Jail Administrator Schiltz reported that jail staff training will take place in September. The training is expected to last approximately 4 weeks. He anticipates inmates being housed in the new facility on October 17th. Mr. Pristash announced that employees of Knutson Construction have logged 300 no work injury days. A luncheon is being hosted by Knutson Construction in honor of the accomplishment.

File No. 3 -- Environmental Services Director Frank reported on a Wetland Application, for a no loss certificate of exemption from Peter Bissen. The TEP has recommended approval. Environmental Services Director Frank explained that the project Mr. Bissen would like to complete is for maintenance of an existing drainage ditch. The spoils from the ditch will be disbursed across fields in the same area as the ditch. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the wetland application of Mr. Bissen.

File No. 4 -- Environmental Services Director Frank reported that Houston County entered into an agreement with La Crosse County Solid Waste approximately 10 years ago. It was agreed that a specific amount of solid waste would be delivered to the site from the County or payment would need to be made if the quota of solid waste was not met. This agreement contributed to the decision to revise the Houston County Solid Waste Ordinances to ensure that our contract obligations are fulfilled. To date, Houston County has supplied the solid waste quota or exceeded it. However, Environmental Services Director Frank expressed concern that it is possible that the quota will not be exceeded in the future which could result in the need to budget for cash payments. There are 10 payments remaining.

File No. 5 -- Engineer Pogodzinski reported on the following bids, received until 1:00 p.m. on July 25, 2011, for S.A.P. 28-996-11 and S.A.P. 28-996-12 (CSAH 20):

Storms Inc. Rochester, MN	\$298,959.48
Minnowa Construction, Inc. Harmony, MN	\$437,874.25
Van Gundy Excavating LLP Houston, MN	\$439,487.50

Engineer Pogodzinski stated that concerns were raised immediately regarding the bid submitted by Storms Inc. due to it being significantly lower than the others. Soon after the bid opening, correspondence was received from Storms Inc. regarding an error in their bid and they requested that their proposal be withdrawn. Engineer Pogodzinski reported that the Board has three options available regarding awarding the bid. The first option would allow the County to throw out all bids submitted, amend the project and put the revised project out for bid. This would delay the project until next season. The second option would be to award the bid to Storms

Inc. It is expected that the contractor would fail to return the signed contract and bond at which point the County could pursue liquidated damages from the bid bond. This option would also delay the project significantly. The final option is to throw out the bid of Storms Inc. based on the bid being an irregular proposal according to MNDOT Standard Specifications Section 1207 and award the bid to the next lowest bidder, being Minnowa Construction, Inc. The County has awarded Storms Inc. another project. Commissioner Miller expressed his belief that the error was not intentional and electing the second option could create a hostile working relationship on the other project. Engineer Pogodzinski reported that the bid of Minnowa Construction, Inc. is nearly 20% below the Engineer's Estimate making it a very competitive bid. There would still be a significant cost savings to the County. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to award the bid to Minnowa Construction, Inc. in the amount of \$437,874.20 and to reject the bid of Storms Inc. based on the bid being an irregular proposal.

File No. 6 -- Auditor Meiners reported that Eitzen State Bank is currently updating account information. The bank has requested information regarding who has authority to conduct banking business and what business they may conduct. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-38

WHEREAS, Donna Trehus took office as Houston County Treasurer and Charlene Meiners took office as Houston County Auditor effective January 3, 2011;

NOW THEREFORE, BE IT RESOLVED that Donna Trehus, Houston County Treasurer, is granted the following powers: Open any deposit or share accounts(s) with Eitzen State Bank in the name of Houston County;

BE IT FURTHER RESOLVED that Donna Trehus, County Treasurer, Charlene Meiners, County Auditor, and Jack Miller, Chairperson of the Houston County Board, are hereby granted the following powers: Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with Eitzen State Bank;

BE IT FURTHER RESOLVED, that the above mentioned powers are granted effective retroactive to January 3, 2011.

Commissioner Walter reported on the Human Services committee meeting held earlier today.

Chairperson Miller expressed concern that there is a need to make a decision regarding hiring in the HS department. These positions need to be carefully reviewed in light of the current economic conditions.

Chairperson Bjerke suggested that the Board invite local legislators to attend a Board meeting to discuss the impact decisions at the State level have on local government.

Commissioner Bjerke reported on the financial health of the Regional Radio Board. He also reported that Winona County will be housing a portable tower and 30 radios. These will be available for use in the event of an emergency or significant power outage.

Chairperson Miller reported on the Department Head meeting which he attended last week.

It was agreed that Tom Bjerke would attend the August 23rd department head meeting in place of the District #3 Commissioner.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- 2011 Dividend Notice from MCIT

There being no further business and the time being 9:47 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 9, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 9, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; PHN/HS Director Rock; Representative Gene Pelowski; Zoning Administrator Scanlan; HR Director Arrick-Kruger; Engineer Pogodzinski; PHN Accountant Lillegraven; IS Director Milde; Ann Emery; Michael Morey

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the August 2, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$62,969.65
Road & Bridge Fund	19,995.72

Total	\$82,965.37
	=====

File No. 2 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. One variance is for Kevin and Sharlene Schroeder of Caledonia Township for a variance of 39 feet to meet the required 50 foot setback from the west property line. He also reported on a variance for Ann Kramer and Judy Schultz of Mound Prairie Township for a variance of 12 feet to meet the required 65 foot setback from the centerline of private road to build a garage.

File No. 3 -- Zoning Administrator Scanlan reported on a two lot sub-division planned in Hokah Township. One lot will contain approximately 3 acres and the existing residence. The second lot will contain approximately 14 acres on which a residence will be erected. On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and carried to approve the following:

Robert Tschumper – Hokah Township - Preliminary Plat

File No. 4 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the issuance of the following Zoning Permits:

Daniel Gade – Jefferson Township - Build hoop building for hay (30' x 48')

John Justin – Brownsville Township - Move barn onto site (24' x 30') build 2 lean-tos (18' x 48') and (20' x 12')

Morken Farms – Black Hammer Township - Build a confinement barn for cattle to replace existing open-lot (50' x 176') no expansion in animal units

Joe Schieber Jr. – Caledonia Township - Replace hog barns destroyed by fire (83' x 50') (120' x 50') (72' x 38')

Dean Beneke – Jefferson Township - Build lean-to (20' x 63')

Blueview Dairy Farm – Mayville Township - Build 2 silage bunkers (20' x 100') and (40' x 100')

Mike Lynch – Mound Prairie Township - Replace pole shed destroyed by wind (56' x 104')

John Heimer – Mayville Township - Build garage with laundry storage room (40' x 46')

Curt Myrah – Wilmington Township - Build shed (24' x 52') and (14' x 28')

Thomas Brown and Kathleen Olson – Union Township - Build single family home (36' x 58')

James Kreutzer – Brownsville Township - Build garage (28' x 36') sun room (11' x 13') deck (11' x 27')

David Skaug – Black Hammer Township - Change in use of structure from dwelling to storage building (40' x 40')

Tom Weichert – Money Creek Township - Build garage (30' x 40')

Toby and Jean Burrichter – Wilmington Township - Build family room and bedroom addition (26' x 46')

Jerry Frank – Union Township - Replace pole shed destroyed by wind (48' x 88')

Milton Burroughs – Caledonia Township - Replace pole shed destroyed by wind (24' x 56')

Tracie and Michelle Erickson – Yucatan Township - Build family room addition (16' x 23')

James and Jayne Gilmer – Houston Township - Build pole shed (30' x 40')

Mark and Melissa Augedahl – Caledonia Township - Build house (33' x 58') garage (44' x 27') porch (38' x 10')

Doug Twite and Patrick Burns – Sheldon Township - Build house (36' x 40') garage (36' x 28')

William Gerdes – Caledonia Township - Build addition (20' x 10') garage (26' x 32')

IS Director Milde reported that the wireless bridge between the Courthouse and the Highway Department Building is dead. Currently, Highway has no access to internet or e-mail communications with the exception of Engineer Pogodzinski's Smartphone e-mail. Purchasing a replacement bridge is estimated at \$3,552.87. IS Director Milde stated that the only other option to restore internet communications is to enter into a 3 year contract with Ace Communications for the rental of cable at a cost of \$520.00 per month. Chairperson Miller stated that there is an immediate need to restore internet communications to the Highway Department Building. Engineer Pogodzinski stated that there may be funding available from within the Highway budget or from fund balance. IS Director Milde reported that Recorder Bauer is investigating whether the bridge would qualify for funding by Recorder funds. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the purchase of a bridge in the amount of \$3,552.87.

File No. 5 -- Engineer Pogodzinski presented the Highway Department Annual report for the year ended December 31, 2010.

File No. 6 -- Engineer Pogodzinski reported on two quotes received for C.P. 2011-04 Pavement Marking. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quote of Traffic Marking Service, Inc. in the amount of \$65,292.66.

File No. 7 -- PHN/HS Director Rock presented a revised Houston County Public Health Fee Schedule for approval. She stated that there have been no fee revisions in over 3 years. In that time, costs have changed, the revised schedule will ensure that Public Health is covering its cost to provide certain services. PHN/HS Director Rock reported that in addition to the fee revisions, Total Liquid Assets tiers which were not utilized, have been removed. This change affects no clients. PHN Accountant Lillegraven provided information on how total liquid assets are determined. She stated that there are clients who choose to pay the full fee instead of disclosing their financial information. At this time, there is only one private pay client who receives one nurse visit per month, while many clients receive HHA services. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Houston County Public Health Fee Schedule.

Chairperson Miller reported that there is \$15 million available in SHIP grant funding. PHN/HS Director Rock stated that this amount is down from \$47 million. It is expected that successfully proven initiatives will be continued while new projects will go unfunded. PHN/HS Director Rock stated that it is not known how much of the \$15 million will be allocated to the region which Houston County is a part of.

Ann Emery questioned whether volunteer groups are allowed to assist clients needing assistance with simple house chores. PHN/HS Director Rock reported that La Crescent has a "Neighbors in Action" group which assists residents with necessary chores. Semcac operates a similar program called RSVP. However, there are few volunteers working for the RSVP program. Ms. Emery questioned whether there are regulations which prevent volunteers from assisting with needs.

At this time Representative Gene Pelowski met with the Board. Discussion was held regarding the state budget crisis. Representative Pelowski reported that the budget crisis is driven by the economy. The collapse of the real estate market, banking and the auto industry are all a big part of the problem. 48 states are in desperate trouble, and Minnesota is in the top 10. He indicated that cuts are coming, and the capacity for local units of government to backfill is very limited, therefore, tough decisions will have to be made that affect people. The Board expressed their concern regarding the trickle down affect that state cuts have on local units of government. Representative Pelowski expressed the need for a total reassessment of local government in the state. He felt that Minnesota can no longer afford 300 school districts, 87 counties or the number of colleges in the MnSCU system. He stated that the economy has changed, and government needs to change how it does business. He felt it was evident that regional centers will have to provide basic services. Furthermore, he expressed his opinion that Minnesota does not need the current number of legislators, and that with redistricting coming up, it would be the optimum time to reduce the number of senators and representatives in the state.

HR Director Kruger expressed her concern that consolidation of government services be handled carefully so it does not result in simply shifting costs by adding an unnecessary layer of

administration. Representative Pelowski responded that it is important to have the redesign done from the bottom up, rather than mandated to be done a certain way by the state.

Representative Pelowski reported that tuition in Minnesota is at an all time high. The average college graduate owes tens of thousands of dollars in student loans. 80% of college graduates move back in with their parents because they cannot get the job they thought they would get with their degree. He also reported that MnSCU gave bonuses to their administrative staff, while the rest of the University system accepted cuts.

Representative Pelowski stated that the state shut-down was a result of both the House and Senate majorities' refusal to raise taxes. The Board inquired whether the state is looking at other sources of revenue, such as sales tax on clothing or a state casino. He indicated that these would not bring in the amount of revenue required to solve the problem. With the legislature's refusal to raise taxes, sales tax on clothing was not really a consideration, and any money generated from a casino would probably be spent on a Vikings stadium. He agreed that spending taxpayer money on a stadium should not even be a consideration in these economic times.

Representative Pelowski reported that a lengthy state budget bill was presented to the legislators and voted on without legislators having the time to read and understand it. He stated that when this budget becomes reality, there will have to be change. He encouraged the Board to keep him informed as to the local consequences which result from the budget bill. He stressed that they should be blunt, and not sugar-coat the results.

File No. 8 -- HR Director Arrick-Kruger reported that Jessie Melde, Breast Feeding Peer Counselor Supervisor, is nearing the end of her probationary period. PHN/HS Director Rock has evaluated her performance and recommends that Ms. Melde be moved to regular status. HR Director Arrick-Kruger stated that Ms. Melde's position is contingent upon continued external funding. Chairperson Miller questioned whether granting regular status could complicate employment issues in the event of a funding shortfall. HR Director Arrick-Kruger reported that granting Ms. Melde regular status would not complicate future decisions. It has been past practice to grant regular status to employees who have successfully completed probationary periods. She also stated that the external funding providing for this position may not be used for other initiatives. HR Director Arrick-Kruger stated that she will return to the Board for action on this request next week.

HR Director Arrick-Kruger reported that David Erickson has submitted his resignation. Mr. Erickson worked in facilities maintenance. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of Mr. Erickson.

HR Director Arrick-Kruger stated that Kathleen Lager has worked for the county as an assistant custodian in the past, and requested the Board take action to hire her as a 67 day employee to provide chore services previously carried out by Mr. Erickson. This would provide

for uninterrupted service while providing adequate time for HR Director Arrick-Kruger to prepare an appropriate staffing plan. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to hire Kathleen (Keli) Lager as a 67 day employee at Step 2 of the A11-2 band.

File No. 9 -- HR Director Arrick-Kruger provided information surrounding a Memorandum of Understanding for a Fixed Term Social Worker Position with AFSCME. The County has signed a similar memorandum with the LELS collective bargaining unit to provide for a fixed term deputy while a regular employee was deployed after being called to active duty military. She stated that, currently, the County has an individual working as a 67 day employee. This employee is back filling for the mental health worker serving as Interim Social Services Supervisor. She is familiar with both child and adult mental health work. This fixed term would expire in March 2012. The position would ensure adequate child and adult mental health coverage during 3 overlapping twelve week leaves of absence. This will result in an additional staffing cost. HR Director Arrick-Kruger stated that she has no other options to present to the Board. Typically, the department would be able to cover a leave of one employee with current staff. Chairperson Miller expressed his preference not to hire any additional staff. However, this is an extenuating circumstance. HR Director Arrick-Kruger stated that denying this request would create a major staffing gap. She would prefer the Board act to secure the employee who is trained and can provide continued service with little to no interruption. Commissioner Bjerke stated his opinion that the position needs to be filled. Commissioner Zmyewski questioned whether a decision in this regard could be tabled. Chairperson Miller stated that even though the position could be filled with another candidate, this candidate can "hit the ground running". Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the MOU for a Fixed Term Social Worker Position with AFSCME and to hire Bethany Meiners to fill said Fixed Term position.

HR Director Arrick-Kruger explained the need for upgrades to the electrical for the Courthouse elevator and also a fire rated door and hardware. She indicated that funds are available within the maintenance budget for these items. The Board encouraged her to speak with Finance Director Bradley regarding utilizing remaining FF & E funds from the Justice Center project to cover the expense. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve Courthouse elevator electrical upgrades in an amount not to exceed \$3,500.00 and for the purchase of a fire rated door and hardware in an amount not to exceed \$1,250.00. HR Director Arrick-Kruger indicated that she would work with Finance Director Bradley on the funding upon his return to the office. She reported that Schumacher Elevator expects to complete the elevator upgrades within 2 weeks during mid to late October. This work will be coordinated with the space committee to minimize the number of offices affected by the elevator shutdown.

HR Director Arrick-Kruger reported that the Woodland Building gutters are in need of replacement to prevent additional water damage. A quote in the amount of \$700.00 has been provided by Seamless Gutter and she will move forward with having the gutters replaced.

HR Director Arrick-Kruger stated that an audit of county records for the boiler replacement grant and project has been completed. The County received an A+ for its documentation. HR Director Arrick-Kruger indicated that there could still be a federal audit of the grant and project. The county is required to retain all documentation for a period of 3 years.

File No. 10 -- Chairperson Miller reported on the AMC policy meeting which he attended with Commissioner Walter. Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-39

Minnesota Accountable Government, Innovation and Collaboration (MAGIC) Act

WHEREAS, Minnesota is consistently placed at or near the bottom of national measures that assess the capacity for local government innovation in all 50 states,

WHEREAS, Minnesota and its counties face significant demographic trends that will require innovative approaches to program delivery in order to adequately meet the growing and changing needs of citizens;

WHEREAS, counties with innovative ideas should be provided the requisite opportunity and flexibility to successfully implement those ideas so as to best serve their communities,

WHEREAS, counties across Minnesota boast significant geographic, demographic and economic diversity that thus requires maximum flexibility in programmatic implementation,

WHEREAS, counties are willing and able to identify, implement and methodically verify increased programmatic efficiencies through a process that will cultivate and sustain a strong and trusting state-local partnership, and

WHEREAS, transitioning to an outcomes-based system of program evaluation is in the best interest of every Minnesota citizen and government that desires to maximize public resources and enhance the quality of life in their community to the fullest extent possible.

BE IT FURTHER RESOLVED, that Houston County recommends that the Legislature and Governor work cooperatively with all 87 counties to swiftly pass the MAGIC Act into law, thus implementing a system that will enhance and incent local government efficiency and innovation throughout Minnesota by:

1. Allowing counties to take any action not prohibited by state law to provide for the health, safety and general welfare of the public; and
2. Creating a measured, outcomes-based waiver process whereby counties, in partnership with the legislative and executive branch of state government, can implement efficiency-based, time-limited pilot programs that are subject to final

review by the Legislature and Governor and will create a repository of best practices so as to improve long-term policy decisions across the state.

Commissioner Zmyewski recommended the Board explore options regarding the Historic Jail once operations have moved to the Justice Center. It was agreed to contact the Minnesota Historical Society to determine whether they would be interested in acquiring the property.

Commissioner Zmyewski stated that, following the termination of the contract with HSR Associates for the design of a Public Works Facility, it was his understanding that the property purchased for said complex would be rented out until a time when it could be sold.

Commissioner Zmyewski expressed his appreciation for the calls and cards during his recovery. He indicated that it was overwhelming and appreciated.

Commissioner Walter reported on an Extension and AMC Policy meetings which she attended last week.

Chairperson Miller reported on EDA and Semcac meetings which he attended.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 11 -- Correspondence from Minnesota Historical Society regarding Bridge No. 6679

There being no further business and the time being 11:05 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 16, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 16, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner & Moorhead; HR Director Arrick-Kruger; Jail Administrator Schiltz; Assistant County Attorney Bublitz; Rolan Covert, Roger Dunn, Jon Tarcin; Joe Jennings; HR Technician Diersen; HS Accountant Bahr; Tom Murphy; Interim Social Services Supervisor Lapham; Financial Supervisor Kohlmeyer; PHN/HS Director Rock; Accounting Manager Lapham

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the August 9, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$62,164.26
Road & Bridge Fund	49,827.44

Total	\$111,991.70
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Engineer Pogodzinski reported that the shoulder of CSAH 18 has repeatedly been washed away and/or eroded due to heavy rainfall. A significant amount of roadwork has been completed in the area and the shoulder is free of vegetation. Tack coating the shoulder would provide stability to the area and aid in preventing additional washing and/or eroding. A quote has been provided by Mathy Construction to apply the tack coat. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve Mathy Construction applying tack coat to the specified section of roadway in the amount of \$2,300.00.

File No. 3 -- Jail Administrator Schiltz introduced Rolin Covert of 360clean and Roger Dunn of Building Maintenance Professionals. He stated that Knutson Construction will complete the construction cleaning. There is a need to enter into a contract for the final cleaning prior to moving into the facility. A request for proposal was issued for the final cleaning. Jail Administrator Schiltz reported that five parties attended the walk thru. Three parties submitted proposals. 360clean provided the low bid in the amount of \$14,209.03. The bids ranged as high as \$63,103.28. Commissioner Walter questioned whether the final cleaning had been budgeted for. Jail Administrator Schiltz responded that it has been budgeted for and is included in the FF & E line item. Commissioner Miller questioned whether an ongoing window cleaning plan has been established. 360clean will be sub-contracting with Building Maintenance Professionals for the cleaning of the windows. Building Maintenance Professionals provided information regarding their ability to provide ongoing window cleaning services. A specialized window cleaning service may be required due to the height of the windows. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the bid of 360clean and to approve the Cleaning Service Contract.

File No. 4 -- HR Director Arrick-Kruger introduced Jon Tarcin of Specialty Systems and Equipment and Joe Jennings of Data Financial, Inc. a subsidiary of Specialty Systems. Mr. Tarcin and Mr. Jennings met with the Board to provide an overview of Specialty Systems and Equipment's e-payroll software. HR Director Arrick-Kruger stated that the system is simple, has a fair price point and future updates are provided under the one time purchase and installation price.

Mr. Tarcin presented information to the Board highlighting current Specialty Systems users, and system capabilities. The system contains a library of approximately 130 available reports. In addition, Crystal Reports may be utilized to develop customized reports. The system is secure and allows for varied security layers allowing for data entry, correction, and approval, and information viewing. Time card data is archived. Archived information is considered legal documentation. HR Director Arrick-Kruger questioned the security of archived files. Commissioner Miller questioned whether there are privacy concerns with the data being archived by an outside firm.

HR Director Arrick-Kruger stated that the Highway Department is not interested in participating in any e-payroll system. Work performed by that department requires specific reporting for which they have a system in place.

Commissioner Miller questioned which employees punch a time clock. HR Director Arrick-Kruger responded that no employees punch a time clock. Commissioner Miller questioned what a system like this replaces. HR Director Arrick-Kruger reported that payroll is completed manually at this time. Commissioner Miller commented that the County has multiple small departments. HR Director Arrick-Kruger reported that many payroll related functions are

the responsibility of HR Technician Diersen. The Highway system has an interface with ACS. Commissioner Walter expressed concern how the system would function for employees who perform a significant amount of their duties off site. Mr. Tarcin indicated that the County has control over which employees utilize the system. He stated that many counties use the system for hourly employees only. The system has capabilities to collect data about salaried individuals. Commissioner Zmyewski confirmed his understanding that this system would be automatic in processing payroll. Commissioner Walter questioned how many employees work for the County. Houston County employs approximately 200 individuals. This estimate includes temporary employees. Commissioner Zmyewski inquired regarding the cost for the system. Mr. Tarcin explained that once an organization chooses to invest in their software, data is imported and/or entered so that once the software has been installed on location it is functional. The cost for software to support Houston County's employee population would be approximately \$6,250.00. There is a 3 month warranty period which provides unlimited tech support. Once the warranty period expires, continued technical support would require an ongoing maintenance agreement. The maintenance agreement fee would be \$620.00 per year.

HR Director Arrick-Kruger stated that this presentation was for informational purposes only to make the Board aware of options available. If the Board is interested in pursuing something in this regard, an RFP would need to be issued.

HR Director Arrick-Kruger indicated that there are many e-payroll systems available. However, many are better suited to large employers with employee populations in excess of 1,000. It has been difficult to find a system well suited for a small employee population. HR Director Arrick-Kruger reported that HR Technician Diersen spends nearly one-half of her time on payroll functions. Commissioner Miller questioned whether the various departments buy into the concept of e-payroll. Commissioner Miller expressed his observation that, to this point, time keeping has been conducted on an honor system basis which could be considered a "loose" method. He questioned what the goal of this software is. HR Director Arrick-Kruger stated the purpose is for the automation of payroll and to save data entry time and errors. Commissioner Zmyewski expressed his opinion that this could be a cost saving tool which may result in a financial savings.

HR Director Arrick-Kruger requested authorization to initiate a search for an assistant custodian. She reported that there is a need to fill a vacancy created due to a recent resignation. She also requested authorization to initiate a search for an Automated Systems Manager/Custodian for the new facility. She indicated that care and maintenance of the new facility may require additional maintenance agreements for some of the systems. A custodian for the new facility is necessary. She indicated that there had been some discussion regarding the possibility that ABC may be able to assist with the care of the new facility. HR Director Arrick-Kruger expressed concern that the new facility has specialized cleaning needs and equipment, therefore, cleaning at the County Community Services building may be more suited for services provided by ABC. The position of Automated Systems Manager/Custodian will require banding. Commissioner Zmyewski inquired whether the positions of Assistant Custodian II and

Automated Systems Manager/Custodian are unique of one another or options for a single position. HR Director Arrick-Kruger stated that the positions are unique of one another and that there is a need to fill both positions. One is a replacement position. The other is a new positions necessary as a result of the addition of the new facility. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to authorize the initiation of searches for both an Assistant Custodian II and an Automated Systems Manager/Custodian.

Pursuant to M.S. 13D.03 subd. 1(b), motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to go into closed session to consider strategy for labor negotiations.

The time being 10:55 a.m., the Board re-convened in open session.

HR Director Arrick-Kruger provided a brief summary regarding the closed session. She stated that the purpose of the meeting was to discuss negotiation strategies. Contracts with four collective bargaining units are expiring on December 31, 2011.

File No. 5 -- HR Director Arrick-Kruger requested that the status of Jesie Melde be changed from probationary to regular effective August 18th. The position Ms. Melde holds is externally funded and her full time equivalency is contingent upon continued funding. Currently, her position is 0.8 FTE. PHN/HS Director Rock reported that Ms. Melde has satisfactorily completed the probationary period. Ms. Melde's work is divided among duties for 3 grants. She spends approximately 15 hours per week on the WIC/peer breastfeeding, 1 hour per week on Medical Reserve Corp and the balance on SHIP. Public Health is aware that SHIP funding is expected to be reduced. Currently, SHIP funding has been awarded bridge funding to continue at the current level through September. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the change in status for Jesie Melde from probationary to regular.

File No. 6 -- HR Director Arrick-Kruger presented cost analysis information for a receptionist/case aide in the Human Services Department. Cost analysis information was provided for a 0.5 FTE and a 1.0 FTE option. The position is being viewed at receptionist banding with the expectation that the employee will be able to assist with a certain amount of case aide duties. Case Aide duties will need to be monitored to ensure they do not affect the banding. HR Director Arrick-Kruger also presented HS FTE Trend Analysis data. HS has only increased the overall department FTE's by 2.05 since 2001.

Discussion was held regarding the need to have a front desk receptionist for Human Services. Coverage for the front desk has been provided in a variety of ways in the past. Most recently the "Experience Works" program provided staffing at no cost to the County. At this time, HR and HS would like to have an EOE search conducted for a receptionist/case aide. Approximately 90% of the traffic coming to HS is individuals seeking financial assistance. As a

result, that portion of the receptionist's salary and benefits qualifies for approximately 50% reimbursement. Financial Assistance Supervisor Kohlmeyer indicated that the receptionist needs to be trained in the programs available. Proper training ensures that staff will provide appropriate information and make appropriate data requests of those seeking assistance. There are approximately 200 more financial cases than there were at this time last year. This is also the recommended case load for one full time financial worker. HR Director Arrick-Kruger reported that this position has been included in budgeting.

HS is considering direct imaging and data entry collaboration. Social and financial workers spend a significant amount of time pulling, circulating and re-filing documents. Collaboration could result in a significant savings of staff time. There is a 67-day employee acting as receptionist and her temporary service hours will be exhausted in mid-September. In addition, there will be 3 employees taking family medical leave time after September. Sandy Ask provides coverage for receptionist duties also. She is a case aide who assists the financial workers, and also handles intake and child care assistance. HR Director Arrick-Kruger stated that there has been sizeable one-time savings as a result of delaying the backfilling of vacated positions. The budget includes adequate finances for 1.5 FTE's. Only 1 FTE is being requested. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve initiating a search for a full time receptionist/case aide.

At this time, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to recess this meeting to convene the scheduled Human Services meeting.

The Board reconvened in open session.

File No. 7 -- Auditor Meiners indicated that Treasurer Trehus has been receiving banking agreements which are in the form of resolutions. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-40

BE IT RESOLVED that Eastwood Bank, Houston, MN, at any one or more of its offices or branches, be and hereby is designated as a depository for funds of this Entity, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of monies bearing the following appropriate number of signatures: Any One (1) of the following named officers or employees of this Entity ("Agents"), as shown below:

Donna I. Trehus, Treasurer
Julie M. Schleich, Deputy Treasurer

and that the Financial Institution shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any Agent or Agents signing the same.

FURTHER RESOLVED, that the Financial Institution is hereby directed to accept and pay without further inquiry any item drawn against any of the Entity's accounts with the Financial Institution bearing the signature or signatures of Agents, as authorized above or otherwise, even though drawn or endorsed to the order of any Agent Signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed in accordance with the resolutions contained herein, or the application of disposition of such item or the proceeds of the item.

FURTHER RESOLVED, that any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Entity for deposit with the Financial Institution, or for collection or discount by the Financial Institution; and to accept drafts and other items payable at the Financial Institution.

FURTHER RESOLVED, that the above named agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions, or purposes for which funds, checks, or items of the Entity may be deposited, collected, or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of these resolutions. The other agreements and other acts may not be contrary to the provisions contained in this Resolution.

FURTHER RESOLVED, that the authority hereby conferred upon the above named Agents shall be and remain in full force and effect until written notice of any amendment or revocation thereof shall have been delivered to and received by the Financial Institution at each location where an account is maintained. Financial Institution shall be indemnified and held harmless from any loss suffered or any liability incurred by it in continuing to act in accordance with this resolution. Any such notice shall not affect any items in process at the time notice is given.

File No. 8 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve a 3 year agreement with SELCO.

Commissioner Walter provided information regarding the upcoming County Township Association Meeting to be held at 6:00 p.m. Wednesday, August 17, 2011 at the Redwood Café.

Commissioner Miller reported on the canvas board meeting which he participated in last week.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence to payroll regarding the hire of Kathleen (Keli) Lager

File No. 10 -- Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 11 -- Letter of Acknowledgement regarding payments made to Storms Inc. and to be directed to Northern Escrow, Inc.

There being no further business and the time being 11:53 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 23, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 23, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Moorhead & Larsen; Senator Jeremy Miller; Environmental Services Director Frank; Dave Augedahl; Engineer Pogodzinski; PHN/HS Director Rock; Jail Administrator Schiltz; HR Director Arrick-Kruger; Kermit McRae; Assessor Dybing; Finance Director Bradley; Barb Bissen; Court Administrator Larson; Denise Schaffer; PHN Accountant Lillegraven; HS Accountant Bahr; Highway Accountant Schroeder

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the August 16, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$71,040.60
Road & Bridge Fund	10,335.83

Total	\$81,376.43
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

At this time, Senator Jeremy Miller met with the Board. He expressed his appreciation for the Board's invitation. He stated that his goal for this meeting is to provide the Board with an update and to gather feedback. Senator Jeremy Miller indicated that the MAGIC Act has the potential to be a significant piece of legislation. He hopes to work with local governments to make it a beneficial piece of legislation.

Senator Miller reported that a balanced budget was passed prior to the legislative session closing. However, that budget was vetoed by Governor Dayton. Governor Dayton did not exercise his power to call a special session because the sides were too far apart and it wasn't believed that a special session would be beneficial in resolving the differences. The twenty plus day State shutdown ensued. An agreement was reached and a budget was passed to end the shutdown. The resulting budget was a compromised agreement between the legislature and the Governor. Senator Miller expressed his agreement with Governor Dayton that the budget that was passed isn't perfect. He did indicate that the budget puts in place future reforms which will result in improved services and reduce the future deficit for Minnesotans.

Senator Miller reported that legislation which was recently passed is beneficial for southeastern Minnesota. As a legislator, Senator Miller is cognizant that the decisions made by elected leaders do not please everyone. He stated his goal is to make the best decision possible for the people he represents. Senator Miller reported that when he began his work with the legislature he reduced his daily pay by approximately 25%, he participated with preparing and supported Green Acres legislation, and has worked for the passage of legislation which puts a reciprocity agreement with Wisconsin back in place, provides for a Veteran's Cemetery in the Preston area, drives down administrative costs at State Universities so that savings may be passed onto local campuses and makes certain synthetic drugs called "bath salts" and "plant food" illegal.

Senator Miller indicated that he is currently working on funding for rural nursing homes. He has a visit scheduled at Caledonia Care and Rehab later today. Senator Miller expressed that he would like to see funding invested in reforms which will result in savings to organizations in the future. He will also be working in the upcoming session for the passage of the MAGIC Act, tax reform and overall government reform. He expressed his opinion that government doesn't create jobs. However, government can create an environment where it would be favorable for private business to do so.

Commissioner Bjerke stated that the Board is currently working on next year's budget. The County is mandated by the State to include CPA as part of its budget. The State has not paid the certified CPA amounts to local governments over the past few years resulting in a deficit for these local governments. He questioned why the State continues to mandate this when there is potential that the funding may never be disbursed. Senator Miller expressed his dislike for this mandate. He stated that going forward, local governments will be mandated to include 2010 CPA or LGA amounts which should alleviate the deficit concerns. Senator Miller indicated that local governments should be able to plan for this level of funding permanently. Commissioner Bjerke questioned what will happen with the mandate in the next biennium. Commissioner Bjerke indicated that there is a significant amount of trickle down. It happens from the Federal level and impacts the State and happens at the State level and trickles down to the local governments. Commissioner Bjerke stated that local governments are doing their best to provide services. Local governments have been forced to reduce those services to a minimal level. He expressed concern that there will be a deficit facing the State again at the start of the next biennium.

Commissioner Bjerke pointed out that State aid payments to schools continue to get shifted to later and later pay dates. The end result is that local governments and schools are forced to levy necessary funds through increases to local property taxes to provide necessary services. These local units of government appear to be the ones increasing taxes. Senator Miller indicated that the legislature set future CPA figures at 2010 funding levels. The legislature passed this in hopes that it would provide for continuity going forward. Commissioner Bjerke questioned why CPA is mandated for budgeting purposes, when history shows that the payment is not and has not been made in the amount certified. He suggested eliminating the mandate. This mandate has resulted in a forced budget deficit at the local level. He expressed concern that this could happen with changes to other credits and/or payments. Senator Miller expressed his desire for more local control. It is envisioned that the MAGIC Act will alleviate some of these mandates.

Recently passed legislation makes changes to what used to be known as Market Value Credits which will now be represented as a property tax exemption. The legislation also provides property tax relief for qualifying low and middle income households earning up to \$90,000.00 annually. This relief must be applied for. Commissioner Walter expressed her understanding that the change from Market Value Credits to property tax exemptions may negatively affect small business and other non-homestead properties. Senator Miller indicated that the full impact of the legislation is still being reviewed. He indicated that, if there are negative impacts, they may be addressed during the next legislative session.

Chairperson Miller suggested that a letter be drafted with the assistance of Assessor Dybing to educate the public regarding the impact the State legislation is having on property taxes. The letter could be included with Proposed Property Tax Statements or sent as an additional mailing at the same time. There is concern that negatively affected property owners may blame the County for sizeable increases when the increase is the result of State legislation. Senator Miller stated that if small business or agricultural property is negatively affected by this legislation, he would be interested in working with local governments to resolve it. Senator Miller stated that passage of some legislation has been delayed due to budgetary concerns which need to be understood and resolved.

Chairperson Miller stated that he recently attended a meeting with the Lieutenant Governor and Commissioner of Human Services where discussion was held regarding the MAGIC Act. Chairperson Miller questioned why sin taxes weren't increased. He expressed his opinion that many of the issues which HS assists with are the result of chemical dependency. He stated that Minnesota ranks in the top 10 for income tax. Any increase to sin taxes would decrease Minnesota's deficit. Senator Miller explained that during the recent budget impasse, there was one group that wanted to increase taxes and spending, a group which believed the State was spending too much and wanted to reduce taxes, and a third group that wants responsible spending. The third group was in the minority. Senator Miller indicated that he was not opposed to considering additional revenue streams as long as any additional revenue was spent wisely to improve Minnesota. He stated that he considers himself fiscally responsible and not opposed to spending as long as it is done so in a responsible manner. Commissioner Bjerke

expressed his opinion that there is only so much that may be cut. He indicated that Representative Pelowski expressed concern that the budget was passed before many, if any, had the opportunity to read and understand its impacts. Citizens are going to be affected. HS provides services to assist those who are unable to care for themselves. Varied revenue sources would alleviate some of the budget concerns. Even small amounts would help. There are people in need and assisting them comes at a cost to the County and those who pay property taxes. If budgets are tight, programs and services need to be cut or additional revenue sources need to be tapped. Senator Miller stated that the budget deal was not a “win win” situation. It was a “get something done to end the shutdown”. A clothing tax will affect regions differently. In the Houston County area, many residents shop in Iowa or Wisconsin where there is a clothing tax. In the metro area people shop where they live and there has been no clothing tax so the addition of one would be more noticeable. Senator Miller indicated that Minnesota has not prioritized spending in a long time. He would be in favor of reviewing spending priorities taking into consideration which expenditures will make Minnesota a better place to live, work and raise a family. He would also be in favor of working with local units of government to accomplish this.

Chairperson Miller expressed his appreciation for Senator Miller’s work in re-implementing reciprocity. He questioned how there could be a cost of an estimated \$30 million associated with this arrangement. Senator Miller stated that, at one time, Wisconsin owed Minnesota \$50 to 60 million. That amount of money was not paid on time but was paid 18 months following its due date. A study is expected to be conducted to study the impact of income tax reciprocity. Senator Miller reported that more individuals live in Wisconsin and work in Minnesota than Minnesota residents who commute to Wisconsin for work. This agreement allows for residents to pay income tax in the state where they maintain residence. Minnesota is losing income tax revenue for jobs held by Wisconsin residents.

Dave Augedahl presented the Perkin’s Plat which was signed by Chairperson Miller.

File No. 3 -- Environmental Services Director Frank reported that he would like to go out for bids for recycling. Currently all fibers and rigids collected at the County drop sites are hauled to Waste Management. There has been interest from other organizations to provide recycling services. Environmental Services Director Frank has prepared an 18 month history of the amounts of recyclables collected at these sites for interested parties. The current recycling contract expires December 31, 2011. By obtaining bids now, Environmental Services Director Frank will have time to prepare for a switch if one is necessary as a result. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to proceed with the bidding process for recyclables.

Environmental Services Director Frank reported that there will be household hazardous waste collection in Spring Grove this week and at the La Crescent drop site on September 6th.

Commissioner Walter reported that she will be attending a La Crosse County Solid Waste meeting tomorrow from 9:00 a.m. until 12 noon.

Brief discussion was held regarding the fluorescent bulb collection. Environmental Services Director Frank reported that it is profitable to hold the bulb collection once annually.

File No. 4 -- Engineer Pogodzinski stated that the City of Hokah has contacted him regarding using County owned property in Hokah for placement of a 1,000 gallon LP gas tank. Barb Bissen, representing the City of Hokah, was present for discussion. Engineer Pogodzinski stated that the property is located across from the Hokah City Hall, is utilized as a parking lot and has a recycled asphalt surface. He indicated that it is near the junction of CSAH 18 and State 44. There are slope issues in the area, however, he doesn't anticipate any major construction projects to address the issue anytime in the near future. Commissioner Zmyewski expressed concern that the area is currently used as a parking lot and the possibility that the tank could be struck. He suggested that the City be required to place pillars or posts between the parking area and the tank to protect the tank. Chairperson Miller indicated that the County leases the drop site area from the City of Hokah. That lease is for a 99 year period at the rate of one dollar. Suggested lease terms ranged from a twenty year lease or the life of the HVAC system being installed which required the placement of the LP gas tank. It was agreed that the lease amount could be equivalent to the amount the County is charged by the City of Hokah for the drop site. It was the consensus of the Board to proceed with preparing a mutually acceptable lease agreement.

Barb Bissen reported that the EDA booth at the 2011 County Fair was visited by over 500 individuals.

File No. 5 -- Engineer Pogodzinski reported that S.A.P. 28-996-12, located on CSAH 20, qualifies for 2007 legislative bonding reimbursement in the amount of \$282,566.05. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-41

For Agreement to State Transportation Fund (Flood Relief Bonds)

Grant Terms and Conditions

Date: August 23, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on CSAH 20 (SAP 28-996-12); and

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

WHEREAS, the amount of the grant has been determined to be \$ 282,566.05 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

File No. 6 -- Engineer Pogodzinski reported that S.A.P. 28-996-11, located on CSAH 20, qualifies for 2007 legislative bonding reimbursement in the amount of \$154,708.20. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-42
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: August 23, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on CSAH 20 (SAP 28-996-11); and

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

WHEREAS, the amount of the grant has been determined to be \$ 154,708.20 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

File No. 7 -- Engineer Pogodzinski reported that S.A.P. 28-996-09, located on CSAH 6, qualifies for 2007 legislative bonding reimbursement in the amount of \$352,842.85. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-43

**For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions**

Date: August 23, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on CSAH 6 (SAP 28-996-009); and

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

WHEREAS, the amount of the grant has been determined to be \$ 352,842.85 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

File No. 8 -- Engineer Pogodzinski reported that S.A.P. 28-609-12, located on CSAH 9, qualifies for bridge bonding reimbursement in the amount of \$441,252.50. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-44

S.P. 028-609-012

**RESOLUTION FOR BRIDGE BONDING TO CONSTRUCT BRIDGE NO. 28541 ON
CSAH 9 OVER SILVER CREEK**

WHEREAS, The County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for the Construction of County Bridge No. 28541 over Silver Creek; 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 \$441,252.50 by reason of the lowest responsible bid.

NOW THEREFORE, be it resolved that Houston 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.

Engineer Pogodzinski indicated that the four resolutions will result in \$1.2 million in reimbursements for various road projects.

File No. 9 -- Engineer Pogodzinski reported on pavement marking quotes received. B & D Seal Coating, LLC Crosswalks: Zebra Pattern, \$170.00 each, Standard Caledonia, \$100.00 each, Continental Pattern, \$160.00 each. Bicycle Symbol, \$80.00 each. Parking stalls including (5) Handicap Symbols, \$500.00, removal of existing lines (sand blast), \$150.00 per hour. Four Season Maintenance Crosswalks: Zebra Pattern, \$275.00 each, Continental Pattern, \$110.00 each. Bicycle Symbol, \$85.00 each. Parking stalls including (5) Handicap Symbols, \$310.00. Since each contractor quoted the lowest amount on specifics items, Engineer Pogodzinski recommended the Board act to accept both quotes. Chairperson Miller clarified that by accepting both quotes, Engineer Pogodzinski could choose the least expensive vendor for each application. Commissioner Zmyewski questioned why crosswalk patterns varied across the county. Engineer Pogodzinski responded that the cities choose a pattern from a listing of approved patterns. Commissioner Bjerke questioned whether the county has other quotes or bids which could be presented this way in order to capitalize on per item savings. Engineer Pogodzinski stated that there are specific projects which he does exercise this option. However, not all projects may be awarded by item, and if they were, vendors would not be eager to bid them. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the quotes of both B & D Seal Coating, LLC and Four Season Maintenance for crosswalks.

Engineer Pogodzinski reported that a quote has been obtained for repairs to a CSAH 4 bridge that was damaged when 5 inches of rain fell in the area. The rain caused erosion around the wing walls. Various options for repair were discussed. The repair quoted will raise the wing walls preventing future wing wall erosion. There is funding available within the budget for the repairs. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve accepting the quote provided by Meyer Bros. in the amount of \$41,760.00.

File No. 10 -- PHN/HS Director Rock reported that the Joint Board of Health has been awarded a grant in the amount of \$4,500.00. Through the grant, Public Health will be seeking accreditation. A Self-assessment using the PHAB Self-Assessment Tool will be required. This will aid in identifying areas for improvement and areas where collaboration with Fillmore County can be developed and/or enhanced. By participating in this, Public Health entities will all be held to the same standard of excellence. At this time, no funding is tied to the accreditation. PHN/HS Director Rock anticipates that funding in the future may be tied to this in some way.

She expressed her opinion that Public Health should pursue this direction. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the Standard Self-Assessment Project Grant in the amount of \$4,500.00.

PHN/HS Director Rock reported that Houston County has received grants to build its Medical Reserve Corp (MRC) in the past. She would like to apply for the grant again. The grant provides for the building of capacity for Houston County MRC volunteer registry, education of volunteers and formalizing this unit. The grant application is due September 15, 2011. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the submission of an MRC grant application.

PHN/HS Director Rock reported that, statewide, the SHIP grant has been reduced to \$15 million, down from \$47 million. SHIP grants are awarded regionally. Winona County is the fiscal agent for SHIP funding, Goodhue County is the coordinator for grant funds received. The State is considering funding an additional quarter at the current rate. The reductions will be put in place following that quarter and continue through until the next biennium. The region has not been notified how much grant funding will be awarded. They anticipate adequate funding to maintain infrastructure with the reduction impacting the ability to fund projects. PHN/HS Director Rock provided information on the projects which SHIP has funded in Houston County. She stated that Houston County is part of a 9 County collaborative. The success in the region for the various projects has been impressive. Chairperson Miller indicated that discussion held during a recent AMC meeting has lead him to believe that funding will be awarded on past success. It may be directed to programs which are established and not towards new, unproven, initiatives.

File No. 11 -- PHN/HS Director Rock reported that Houston County Public Health has been awarded a TZD (Toward Zero Deaths) grant in an amount not to exceed \$17,500.00. The grant period is from October 1, 2011 through September 30, 2012. If the grant is accepted, one individual implementing the grant would be required to attend a conference in Duluth. In the past, Houston County has partnered with Fillmore County to apply for similar grants. The grant goal is to increase safety on roadways. PHN/HS Director Rock stated that safety may be improved through education. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-45

BE IT RESOLVED, that Houston County Public Health enter into a grant agreement of \$17,500.00 or a lesser amount as awarded, with the Minnesota Department of Public Safety, for traffic safety projects during the period from October 1, 2011 through September 30, 2012.

Deb Rock, Public Health Director and her successor, is hereby authorized to execute such agreements and amendments as necessary to implement the project on behalf of Houston County Public Health and to be the fiscal agent and administer the grant.

File No. 12 -- HR Director Arrick-Kruger reported that the Sheriff's Department maintains a roster of 67 day employees available for assistance in the areas of transport driver and dispatcher. She recommended the hire of Kris Buege as a 67 day employee to assist in both the areas of transport driver and dispatcher. Jail Administrator Schiltz stated that Ms. Buege has a strong knowledge base to support work in dispatch. He stated that approximately 13 individuals are on the roster for transport driver and approximately 5 dispatchers. Many individuals work full-time and are not available during daytime hours, Ms. Buege is available during the day. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to hire Kris Buege as a 67 day employee to assist as a transport driver at a rate of \$13.25 per hour or as a dispatcher at a rate of \$17.25 per hour.

Jail Administrator Schiltz suggested that a Justice Center open house be scheduled. He stated that private files are scheduled to be moved to the Justice Center on October 10th and it may be prudent to host the event prior to the files being moved. Court Administrator Larson questioned whether an open house would be held in addition to a dedication ceremony or if the events would be held in conjunction with one another. Commissioner Bjerke expressed concern at causing the least disruption to County employee work and indicated his preference that the events be held in conjunction with one another. The dedication could be held at 4:00 p.m. with the open house to follow until 7:00 p.m. Court Administrator Larson indicated that Thursday October 6th would work well for her office. Commissioner Walter expressed concern that the Knutson Construction open house was scheduled for October 6th. It was agreed that another date may work better and Wednesday October 5th was suggested. Jail Administrator Schiltz reported that the furniture is expected to be moved into the facility on September 26th. It was agreed that the Knutson Update for September would be rescheduled from the first Tuesday to the second to ensure the project is on schedule so that a date may be selected for the dedication and open house.

File No. 13 -- Finance Director Bradley reported on budget amendment requests from Extension and Human Resources. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the budget amendments requests a presented.

Finance Director Bradley indicated that during the budgeting process, a significant amount of financial data is presented. In an effort to better prepare those involved in the budgeting process, Finance Director Bradley provided an overview of accepted accounting practices and information on the accounting practices used at the County.

Finance Director Bradley reported that the 2010 audit is nearly complete. The State Auditor determined recently that a Federal grant received by Houston County in the amount of \$498,000.00 required a single audit. The State Auditor is currently performing said single audit. This has delayed the completion of the 2010 audit process by approximately 2 weeks.

File No. 14 -- Finance Director Bradley outlined the changes in the 2010 budget as compared to the 2009 budget for the three largest county funds being the General, Road & Bridge, and Human Services.

Finance Director Bradley reported that the Justice Center project is on target with the budget for the project with 91% of the funds expended and 91% of the contracts completed.

Chairperson Miller questioned at what level a change order requires Board approval. Finance Director Bradley responded that all change orders over \$10,000.00 acquire Board approval. It was agreed that the threshold be reduced to \$5,000.00. Finance Director Bradley will notify the appropriate parties of this new directive.

Finance Director Bradley reported that financial reports are mis-leading as they reflect all cash reserves the county is holding. Unfortunately only 483,000.00 is county funding, the balance of the \$2 million is all allocated.

Finance Director Bradley reported that one audit finding will be that one individual reviews all funds and works specifically with the General Fund which goes unreviewed by any other individual. He is working with Winona County to implement a check and balance acceptable to the auditors.

Discussion was held regarding the Highway Department fund balance, how federal projects and the timing of when expenses are paid and revenues are recognized has skewed the data.

Finance Director Bradley reported that the County, not to exceed budget, if left unchanged would equate to a 7% increase. The finalized version of this initial budget will need to be adopted on September 13th. He reported that the State has not certified CPA amounts to the County yet. Last year, approximately \$906,000.00 was received. This amount represented nearly 10% of the levy.

Finance Director Bradley indicated that collective bargaining agreements and health benefits may still impact budget planning. If proposed health changes are accepted he anticipates that a portion of the 89 individuals eligible for alternate health insurance coverage may opt out of the County's plan. This would result in additional cost savings.

Proposed tax statements will be mailed late in November. Concern was expressed that due to changes in the application of Market Value and Ag Homestead Credits, non-homestead and other classification property owners may see significant increases in their taxes. Discussion was held regarding adding an insert to educate the public regarding property tax shifts which are expected to result in significant increases to owners of certain classes of property.

Wabasha HRA recently sent out correspondence requesting additional funding to assist their organization with covering outstanding vouchers/bills. In addition, certain counties which work more directly with the organization were asked to provide financial support for a reserve fund. Auditor Meiners spoke with other counties included in Wabasha HRA's funding request. None of the counties support providing additional funding for the outstanding vouchers.

File No. 15 -- It was agreed to combine the County Auction with the Haakenstad estate recovery auction.

It was agreed to schedule the TNT meeting for December 1, 2011 at 6:00 P.M.

Commissioner Walter reported on Workforce Development and Association of Township Officers meetings which she recently attended. She announced that the Annual Banquet for the Association of Township Officers is scheduled for September 21, 2011 at the Four Seasons Community Center.

Chairperson Miller reported on a meeting he attended at which the Lieutenant Governor and the Commissioner of Human Services spoke.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 16 -- Correspondence to Payroll regarding the change in status of Jesie Melde from probationary to regular

File No. 17 -- Correspondence from SE MN Historic Bluff Country requesting 2012 appropriation

File No. 18 -- Correspondence from the County Attorney to the State Auditor regarding outstanding litigation.

There being no further business and the time being 11:49 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 6, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 6, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Moorhead & Schuldt; Chief Deputy Sheriff Yeiter; Tim Penny; Jim Nissen; Representative Greg Davids; John Pristash; Jail Administrator Schiltz; Finance Director Bradley; GIS Coordinator Krzoska; HR Director Arrick-Kruger; Engineer Pogodzinski; IS Director Milde; Sheriff Ely; Recorder Bauer; Assessor Dybing; EDA Coordinator Wilms; Accounting Manager Lapham; Nancy Peter; HR Technician Diersen; Kendra Nemick

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the August 23, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$84,429.88
Road & Bridge Fund	782,889.90

Total	\$867,319.78
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

HR Director Arrick-Kruger and Sheriff Ely reported that Deputy John Tveiten has submitted his resignation. Deputy Tveiten has worked as a full time Deputy Sheriff. In addition, there was a 67 day employee who filled in as a deputy who has also resigned. It will be difficult to backfill staffing shortages with one less deputy and no 67 day employee to call on. It would be beneficial to fill the full time deputy position as soon as possible. The position has been budgeted for in the current budget and will continue to be budgeted for. Captain Eddy has been backfilling. This has prevented him from focusing his time on his investigative duties. Motion was made by

Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve filling the vacant deputy position.

File No. 3 -- HR Director Arrick-Kruger reported that Finance Director Bradley has submitted his resignation. He will address this personally, later in this meeting. HR Director Arrick-Kruger suggested that the Personnel Committee meet with both Finance Director Bradley and also with members of the Finance Department separately to review the needs of the position and the department. This will allow the Board to gather data and review all options. HR Director Arrick-Kruger indicated that there are several organizational options which may be considered. She stated that, in her opinion, the goal should be to better serve while reducing costs. Tess believes an hour with the director and an hour with the staff would be adequate. It was agreed that the Personnel Committee would meet with these two groups on Wednesday, September 7th. There is concern that an interim plan be put into place to ensure that budgeting and other projects remain on schedule.

File No. 4 -- Chief Deputy Sheriff Yeiter reported that he has obtained quotes for a T1 line. For ARMER, the County is required to have a designated communications line and a T1 will satisfy said requirement. Originally, it was anticipated that the Office of Enterprise and Technology (OET) would have developed an acceptable back up. However, the OET does not anticipate an acceptable option to be available for at least one year. Commissioner Bjerke confirmed that this request is a direct result of an ARMER requirement. Chief Deputy Sheriff Yeiter explained that the primary connection for ARMER is the microwave connection. The T1 will be the back up connection. Olmsted County has been utilizing a T1 for back up since approximately 2003. Chief Deputy Sheriff Yeiter recommended accepting the quote for a 36 month agreement with Quest. This will provide a modest pricing break due to the extended length, allow for adequate time for the OET to complete the project so that a back up link may be offered through that office and prevent the county from being locked into a lengthy contract for a service that will hopefully not be needed after OET has completed their project and is able to offer the same service. GIS Coordinator Krzoska reported that, as a result of the recent census, the County will receive approximately \$7,750.00 per month for the E911 fund. This will be a reduction from approximately \$8,000.00 per month in the past. He indicated that there will continue to be adequate funds available to cover the T1 monthly service fee while continuing to build a balance in the fund. IS Director Milde reported on the OET was formed to develop the technological infrastructure necessary for the State of Minnesota. There is a significant amount of infrastructure required. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept a quote from Quest for a 36 month agreement for a designated T1 line with a monthly fee of \$903.15.

Chief Deputy Sheriff Yeiter reported that the Sheriff's Department will be ordering an additional two vehicles which were budgeted for in the 2011 budget. One vehicle which was budgeted for has already been purchased. He stated that the purchase will be within budget. In the event that the cost slightly exceeds the budgeted amount, the department has forfeiture funds which could be utilized to cover any overage.

Chief Deputy Sheriff Yeiter indicated that in the event a qualified individual were identified who could assist with covering deputy shifts, the department would return to the Board to request hiring that individual as a 67 day employee. 67 day employees essentially do not cost the County unless their services are utilized.

File No. 5 -- At this time, Tim Penny of the Southern Minnesota Initiative Foundation (SMIF), met with the Board to provide an update regarding the Foundation. He reported that the primary focus of the Foundation is economic development. Early education is believed to be a significant component. SMIF will be celebrating 25 years of service to the area later this year. He reported that SMIF offers various types of business loans. SMIF has extended approximately \$30,000.00 to Houston County businesses and entities. Mr. Penny stated that return on this type of investment is estimated to be 10:1. He stated that there have been some significant developments whereby SMIF has become eligible to access various types of EDA funding allowing SMIF to assist in additional ways. Commissioner Bjerke questioned how closely SMIF works with area EDA organizations. Mr. Penny responded that collaborative work with local EDA organizations has been on the increase. Commissioner Miller clarified that the Houston County EDA Coordinator could meet with Mr. Penny to grow the relationship between the two entities. In closing, Mr. Penny expressed his appreciation for the financial support provided by Houston County.

File No. 6 -- At this time, Jim Nissen, of the U.S. Fish and Wildlife Service, met with the Board and reported that Houston County received a payment in the amount of \$23,914.00 for Refuge Revenue Sharing. This is compensation for the loss of tax revenue on lands that are part of the National Wildlife Refuge System. The funds are derived from economic uses on the refuges in addition to a governmental appropriation. The amount approved for 2011 is equal to 21.35% of the full entitlement amount. The payment issued to Houston County in 2011 is \$10,008.00 less than that which was issued in 2010. He reported that 13,000 acres in Houston County are owned by the U.S. Fish and Wildlife Service. These lands are located primarily in the Mississippi and Root River Valleys. Brief discussion was held regarding the Twilight Street area, habitat improvement and trail development.

Mr. Nissen reported that work on island restoration within Pool 8 is nearing completion. Work on the remaining 3 islands is being finalized. Approximately 125 acres of islands have been reestablished within a 600 acre area. When questioned whether the high water caused delay, Mr. Nissen reported that it actually accelerated the completion as barges could be loaded heavier and transport greater amounts of products to the island locations. Discussion was held regarding invasive species including zebra mussels, purple loosestrife and Asian carp. Asian Carp has been located as far north as Lake Pepin and the population is being closely monitored. Mr. Nissen introduced Kendra Nemick who joined the organization recently.

File No. 7 -- Representative Greg Davids met with the board at this time. He provided highlights from the most recent session. Representative Davids indicated that he is the tax chair,

and he provided information on the tax bill. Sales tax to townships has been eliminated, however, Counties continue to pay sales tax. In the past, fire departments have been taxed on the water used to fight fires, however, this tax has been eliminated. PILT funding continues to be 100% funded with no escalator. Property tax rent relief is currently at 19% and will be reduced to 17% in the future. One goal was to maintain 2010 levels for CPA and LGA. He reported that the bonding bill was important for southeastern Minnesota. Also, the Market Value Credit was replaced by a Market Value Exclusion. He indicated that the tax bill was favorable for school districts with an enrollment of less than 1,000.

Chairperson Miller referenced an article from a twin cities newspaper, and asked how counties are to explain the tax increase resulting from the change in Market Value Credit. While this saves the state money, it is a shift to local taxpayers. Representative Davids responded that this may or may not increase local taxes. He felt that some areas may see tax increases, but others may not have any noticeable changes. Commissioner Bjerke used the example of Eitzen which has only a few businesses and consists mostly of homes. He felt the businesses in these small rural communities will be hit hard by the tax shift resulting from the Market Value Credit change. Representative Davids questions, in light of the huge shortfall in the state budget, whether anyone believed nothing was going to happen. He indicated that he would like to have the state property tax which is currently charged to commercial properties eliminated.

The Board questioned whether the state is looking for new revenue streams. Commissioner Miller also suggested an increase in sin taxes. Representative Davids indicated that increasing this type of tax significantly will result in a decrease in tax revenues as people will simply buy out of state or on-line.

Representative Davids reported that tax reciprocity with Wisconsin is in the bill. The ground work has been laid and it is in the hands of the executive branch.

Commissioner Zmyewski inquired that, since the State receives no revenue from casinos and people want them, why then doesn't the State pass the racinos that are proposed. Representative Davids responded that in MN the State pays for the problems resulting from casinos, and receives no revenue from them. He doesn't agree with gaming. However, he indicated that he has been reconsidering his position in regard to racinos.

John Pristash reported that security systems in the Justice Center are being programmed. This could take up to two weeks. The architect is on site. They are going through the second floor punch list. The ceilings and flooring on the first floor are nearing completion. The stone is undergoing a final wash to blend the color throughout. Mathy is expected to be on-site paving the parking areas on Monday, September 12th. The landscaper arrived today and will be planting the trees and other vegetation. Hydroseeding has been discussed. This may offer a cost savings while providing for a better established base for the grass. Jail Administrator Schiltz reported that there has been discussion regarding the open house. It has been suggested that the Open House be held on Thursday, October 13th from 4:00 to 7:00 p.m. The State will be inspecting the fire alarm and

sprinkler system soon. Elevator inspections will be scheduled in the near future. Training within the facility may begin following inspection of the fire and sprinkler systems.

File No. 8 -- Engineer Pogodzinski reported that S.A.P. 28-599-64 has been completed. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-46

WHEREAS, Contract No. 194 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 9 -- Engineer Pogodzinski reported on the following bids received until 10:00 a.m. on September 2, 2011 for S.A.P. 28-599-74:

Zenke Inc. La Crescent, MN	\$128,205.04
VanGundy Excavating LLP Houston, MN	\$131,119.00
Minnowa Construction Inc. Harmony, MN	\$136,797.65
Brennan Construction Co. Lansing, IA	\$154,921.60

The low bid provided by Zenke Inc. is approximately 2% over the Engineer's Estimated. This is the result of increased material costs. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the low bid of Zenke Inc. in the amount of \$128,205.04.

File No. 10 -- Engineer Pogodzinski provided background information regarding the CoverAll salt storage shed located at the Spring Grove shop site. CoverAll notified buyers that Titan buildings may suffer from structural deficiencies. Houston Counties CoverAll building was not this type. More recently, CoverAll notified buyers that all CoverAll buildings may be affected or deficient. Minnesota banded together to determine how to best analyze all buildings located across the State. MCIT provided a response in this regard earlier this year. Information from CoverAll and MCIT may be taken under advisement when determining whether funding should be expended to inspect these structures. Engineer Pogodzinski and County Attorney Hammell are

recommending that the County move forward with having the CoverAll building inspected. The other option available to the County would be to discontinue use of the CoverAll structure. The cost for inspection is estimated at \$8,000.00. The City of Caledonia also has a CoverAll structure that they may want to have inspected. Engineer Pogodzinski will speak with the City of Caledonia to see if they would like to have their inspection quoted with ours in hopes that both entities may be able to secure some sort of discount for services. The original manufacturer has declared bankruptcy. Commissioner Zmyewski questioned where the inspection cost will be paid from. Engineer Pogodzinski stated that there is a small amount of maintenance funds available within his budget. However, those funds are earmarked for the replacement of shop doors which suffered some failures during last winter. Commissioner Zmyewski questioned the remaining balance in a commissioner's contingency fund, as he does not want to deplete building maintenance funds for the Highway Department Building. Finance Director Bradley reported that the Commissioner's fund for professional fees has approximately \$15,000.00 remaining. It was agreed that Engineer Pogodzinski would solicit quotes for the inspection of the CoverAll structure and return to the Board with a recommendation. Commissioner Zmyewski encouraged Engineer Pogodzinski to also return with a timeline for the inspection. \

IS Director Milde reported that \$110,000.00 had been budgeted for the Justice Center phone system. The project came in well below budget at \$58,000.00. Recently it was discovered that incorrect switches were specified. The switches may be returned at no fee. New switches have been specified and need to be ordered. The cost for the correct switches is estimated at \$8,900.00. The phones will not function without the proper switches. Training in the Justice Center has been scheduled and the phone systems are an instrumental part of the training. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the purchase of the appropriate switches at a cost of \$8,900.00.

Chairperson Miller questioned EDA Coordinator Wilms regarding his interaction and familiarity with SMIF. EDA Coordinator Wilms responded that he is familiar with the organization and SMIF has provided local organizations with assistance in the form of revolving loans.

File No. 11 -- Finance Director Bradley stated that he submitted a letter of resignation on September 1, 2011. He stated that there is no opportune time to transition between Finance Directors. He would prefer to assist with the transition to ensure that the transition is a smooth one. He suggested that the Board appoint an interim Finance Director. He stated that he would assist them with the budgeting process and gain their access to the appropriate accounts prior to his departure. He has discussed this position with individuals he feels could perform the necessary duties. He recommended appointing Jordan Wilms as Interim Finance Director. Accounting Manager Lapham could assist with many duties. However, Finance Director Bradley stressed the need to keep duties segregated. He recommended increasing the FTE of Nancy Peter from 0.6 to full time to assist EDA Coordinator Wilms. Chairperson Miller stated that discussion has been held regarding meetings between the Personnel Committee, Finance Director Bradley and the Finance Department personnel have been scheduled for tomorrow. Finance Director

Bradley stated that a fund balance policy should be adopted this year. He has prepared a rough draft which he intends to present to the State Auditor for comment and then to the Board for final approval prior to his departure. Chairperson Miller questioned who is typically involved with the audit. The audit is a collaborative effort. Finance Director Bradley stated that The State Auditor encouraged the County to hire a financial professional to oversee the entire process. Again, he stressed the need for there to be a segregation of duties. Commissioner Zmyewski indicated that there is a need to review all options. Finance Director Bradley shared that he accepted the position of Chief Operating Officer for Stetzman County, North Dakota. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept the resignation of Casey Bradley.

Chairperson Miller reported on correspondence from DHS regarding reductions in adult mental health grant funding. Houston County anticipated funding in an amount of \$85,804.00 which has been reduced by \$4,149.00 to \$81,656.00. PHN/HS Director Rock is aware of the reductions.

File No. 12 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve a Joint Powers Agreement with the Bureau of Criminal Apprehension, to authorize the signature of Chairperson Miller on said agreements and to adopt the following resolution:

RESOLUTION NO. 11-47

**RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS
WITH THE COUNTY OF HOUSTON ON BEHALF OF ITS COUNTY ATTORNEY AND
SHERIFF**

WHEREAS, THE County of Houston on behalf of its County Attorney and Sheriff desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the County is eligible. The Joint Powers Agreements further provide the County with the ability to add, modify and delete connectivity, systems and tools over the five year life of the agreement and obligates the County to pay the costs for the network connection.

NOW, THEREFORE, BE IT RESOLVED BY THE County Board of Commissioners, Houston County, Minnesota as follows:

1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension and the County of Houston on behalf of its County Attorney and Sheriff are hereby approved. Copies of the two Joint Powers Agreements are attached to this resolution and made a part of it.

2. That the County Sheriff, Doug Ely, or his or her successor, is designated the Authorized Representative for the Sheriff. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the County's connection to the systems and tools offered by the State.
3. That the County Attorney, Jamie Hammell, or his or her successor, is designated the Authorized Representative for the county Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the County's connection to the systems and tools offered by the State.

To assist the authorized Representative with the Administration of the agreement, Suzanne Bublitz, Assistant County Attorney, is appointed as the Authorized Representative's designee.

4. That Jack Miller, the Chair of the County of Houston, and Charlene Meiners, the County Auditor are authorized to sign the State of Minnesota Joint Powers Agreements.

Chairperson Miller reported that the Friends of the Airport recently met to discuss the County's proposed lease agreement. The group has requested that each lessee be sent a copy of their lease and be granted 10 days in which to respond to the proposed lease. Commissioner Zmyewski reported that County Attorney Hammell has reviewed the proposed lease, and that she has expressed concern that the County has been operating with leases which expired 3 months ago. There has been adequate time afforded the Friends of the Airport for discussion and suggestion. Commissioner Zmyewski reported that Thor Kolle, the representative for the group, was provided with a copy of the proposed lease. The group was given a two week time in which to bring forth any recommendations. He expressed his opinion that this time has expired and the group is requesting an additional extension. Chairperson Miller indicated that discussion with the group has been respectful and commencing towards a mutually agreeable position. He would like to honor their request. Commissioner Zmyewski stated that there has been ample time to review and provide suggestions and/or recommendations. He expressed that he does not favor granting an additional extension. It is his opinion that this lease discussion has carried on for too long already and a decision in this regard is warranted. Motion was made by Commissioner Zmyewski to approve the Hangar Lot Lease Agreement. Chairperson Miller expressed his concern that making a decision at this time could be inflammatory. Discussion with the Friends of the Airport Group has been moving in a positive direction and he would prefer to see that continue. Commissioner Zmyewski expressed concern that the issue will continue to be delayed by the group. It was agreed that individual leases would be sent to lessees with a 10 day feedback period and that a decision regarding the leases would be made at the September 20 county board meeting. Commissioner Zmyewski's motion failed for lack of a second.

File No. 13 -- Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 10-48

WHEREAS, Contract No. 208 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

Commissioner Walter reported on the informational insurance meeting which she attended.

Commissioner Zmyewski reported on a Soil & Water meeting and a viewing at Ingvalson's Dairy which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 14-- TIF Annual Disclosure from the City of La Crescent

File No. 15 -- Correspondence to payroll regarding the hire of Kris Buege as a 67 day employee to assist in the Sheriff's Department

File No. 16 -- Information regarding Houston County Township Officers Association Annual Banquet

File No. 17 -- Correspondence to Auctioneers regarding estate sale and County Auction

File No. 18 -- Notice of Public Hearing regarding property tax abatement

There being no further business and the time being 11:40 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 13, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 13, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, & Moorhead; Finance Director Bradley; HR Director Arrick-Kruger; Engineer Pogodzinski; Robin Danielson; Zoning Administrator Scanlan; PHN/HS Director Rock; Accounting Manager Lapham; Marc Rood; IS Director Milde; HS Accountant Bahr; Steve Schuldt; EDA Coordinator Wilms; Robin Danielson

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the September 6, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$124,401.26
Road & Bridge Fund	32,597.74

Total	\$156,999.00
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Accounting Manager Lapham reported that the County is required to certify the "not to exceed" levy amounts to the Auditor by September 15, 2011. A summary statement has been provided which explains how the levy values have been derived. She provided details regarding specific line items. In conclusion, the levy will not exceed \$10,617,824.00 which represents a 7.45779% increase over the current year levy. This levy may be reduced following adoption, and is expected to. The Board expressed the goal is reduce this "not to exceed" levy as much as possible. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-49

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$10,647,824 be made on all taxable property in the County of Houston for taxes payable in 2012 in the following amounts by County Fund:

County Revenue	\$6,445,695
Road & Bridge	2,624,185
Human Services	1,318,587
Bond Fund – 2009A G.O. Bonds (Equipment)	-
Bond Fund – 2009B Jail CIP Bonds	233,285
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	409,303
Bond Fund – 2010B Jail Bonds	224,706

Total	11,524,049
Less CPA	(906,225)

Total Levy	\$10,617,824
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File No. 4 -- Marc Rood, of RT Vision presented information related to his company's e-timecards. He highlighted various features, flexibility and security of the system. IS Director Milde questioned how the system would be hosted. Mr. Rood responded that the County would be required to provide the host server. IS Director Milde questioned whether a virtual server option is available. There is no virtual server option available. Commissioner Bjerke questioned whether the system can accommodate the tracking/payment of per diems and/or 67 day employees. Mr. Rood responded that many counties have requested per diem tracking/payment. This request is being considered for a future upgrade. Currently, there are no 67 day employee management options. However, this could be programmed in, and would be subject to an appropriate enhancement charge.

Engineer Pogodzinski requested authorization to purchase a new computer and two monitors for use by the recently hired Sign Specialist/Engineering Technician. The estimated cost for the computer is \$1,185.00 plus tax, and \$350.80 per monitor for a total not to exceed \$2,000.00. IS Director Milde reported that due to the AutoCAD software which the Highway Department utilizes computers are required to have specific capabilities which increase the cost. Engineer Pogodzinski stated that there are funds available within his budget to cover the cost of this purchase. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize the purchase of the new computer and monitors.

File No. 5 -- County Engineer Pogodzinski reported on the proposed 5 year bridge replacement priority list. The list is updated annually and submitted to the state. Bridges may be added and may rise or fall on the priority list depending on preparation status and available funding. The State utilizes the prioritized bridge replacement list to assist in determining bridge bond funding. Houston County has 41 township bridges and 12 County bridges which have been deemed deficient. Engineer Pogodzinski reported on the various revenue streams and how the streams provide for the completion of multiple bridges within a given period. On the recommendation of County Engineer Pogodzinski motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the 5 year bridge replacement priority list as presented and to adopt following resolution:

RESOLUTION NO. 11-50
Prioritized Bridge Replacement List
September 13, 2011

WHEREAS, Houston County has reviewed the pertinent data on bridges requiring replacement, rehabilitation, or removal, supplied by local citizenry and local units of government, and

WHEREAS, Houston County has identified those bridges that are high priority and that require replacement, rehabilitation, or removal within the next five years;

NOW, THEREFORE, BE IT RESOLVED that the following deficient bridges are high priority and Houston County intends to replace, rehabilitate, or remove these bridges as soon as possible when funds are available,

Old Bridge #	Road # or Name	Total Project Cost	Township Bridge/or State Aid Funds	Federal Funds	Bridge Bonding	Local Funds	2007 Legislative Bond Funds	Proposed Construction Year
6312	CSAH 22	494,482	97,932	0	0	0	396,550	2012
R0507	Perkins Valley Rd	753,364	98,369	0	0	20,000	634,995	2012
L4575	Day Valley Rd	309,318	48,298	0	0	20,000	241,020	2012
L4574	Day Valley Rd	173,040	153,040	0	0	20,000	0	2012
L3993	South Prairie Dr	496,460	476,460	0	0	20,000	0	2012
7033	CSAH 4	465,560	251,785	170,000	43,775	0	0	2012
6938	CR 249	412,000	0	170,000	43,775	198,225	0	2012
L5826	Swede Bottom Road	607,700	317,337	215,000	55,363	20,000	0	2012
88418	CSAH 9	1,379,170	1,379,170	0	0	0	0	2013
L2546	Daley Creek Dr	384,046	231,433	0	132,613	20,000	0	2013
L4556	Charlie Dr	421,177	242,042	0	159,135	20,000	0	2013
6671	CR 249	612,139	0	0	371,315	240,824	0	2013
28503	CSAH 3	705,499	297,052	0	408,447	0	0	2013
88417	CSAH 8	1,885,940	611,796	1,274,144	0	0	0	2013
L2547	Daley Creek Dr	442,395	242,042	0	180,353	20,000	0	2013
7546	CSAH 19	575,867	575,867	0	0	0	0	2014
88419	CSAH 10	384,640	384,640	0	0	0	0	2014

1703	Looney Valley Rd	384,640	233,513	0	131,127	20,000	0	2014
L3985	Rood Rd	297,222	189,804	0	87,418	20,000	0	2014
L4560	Lorenz Rd	480,214	235,432	324,782	0	20,000	0	2014
L4571	Bush Valley Rd	531,240	511,240	0	0	20,000	0	2015
L3990	Old Indian Trail Rd	418,689	398,689	0	0	20,000	0	2015
L3984	Wiebke Hill Road	407,434	258,000	0	129,434	20,000	0	2015
L3983	Wiebke Hill Rd	407,434	258,000	0	129,434	20,000	0	2015
6940	CR 249	711,321	0	350,000	98,482	262,839	0	2015
88425	CSAH 17	514,357	200,420	245,000	68,937	0	0	2015
L4011	Rooster Valley Road	506,603	353,286	0	133,317	20,000	0	2016
L4549	Fort Ridgley Rd	506,603	353,286	0	133,317	20,000	0	2016
L3966	Bee Hill Dr	535,585	382,268	0	133,317	20,000	0	2016
8161	CSAH 12	408,064	408,064	0	0	0	0	2016

FURTHERMORE, Houston County does hereby request authorization to replace, rehabilitate, or remove such bridges; and

FURTHERMORE, Houston County does hereby request financial assistance with eligible approach grading and engineering costs on township bridges, as provided by law.

File No. 6 -- Engineer Pogodzinski reported that C.P. 2011-01 has been completed. There were some scale issues which required negotiation prior to final approval. The final payment due is \$18,484.85. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-51

WHEREAS, Contract No. 205 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 7 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 40 in connection with S.A.P. 28-996-19 on CSAH 26. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 11-52

APPROVING AND ACCEPTING HOUSTON COUNTY RIGHT OF WAY PLAT NO. 40 FOR RECONSTRUCTION PROJECT SAP 028-996-019

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 26, located 6.0 miles west and 3.0 miles north of the city of Houston, MN. This project includes grading, mill and overlay bituminous surface, and drainage pipe including rural storm sewer. This project is identified as SAP 028-996-019; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 40 to identify and delineate the right of way and temporary easements required for this project; and

NOW THEREFORE BE IT RESOLVED that Houston County approves and accepts Houston County Right of Way Plat No. 40 as designating the definite location of that part of C.S.A.H. 26 located in Section 17, Township 104 North, Range 7 West, as presented on this date, September 13, 2011, and authorizes it to be filed of record with the Houston County Recorder.

BE IT FURTHER RESOLVED that Jack Miller, County Board Chairperson, is hereby authorized to execute and sign the certification statement on said plat on behalf of Houston County.

File No. 8 -- At this time the bids submitted for the Estate/County Auction were opened and read.

Kevin McCormick, Hoyt Zenke, & Steve Schuldt	6.9%
Johnston Auction Service	12%

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the low bid of Kevin McCormick, Hoyt Zenke, and Steve Schuldt in the amount of 6.9%.

The time being 10:04 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to convene a public hearing to consider an application for a property tax abatement application on behalf of Sno Pac Foods, Inc.

File No. 9 -- EDA Coordinator Wilms reported that the purpose of this Public Hearing is to consider a tax abatement for a proposed 30,000 square foot expansion of Sno Pac Foods, Inc. This expansion is expected to create approximately 3 FTE's. It will increase the market value of the real property by an estimated \$1,261,500.00. The abatement will be granted over a 10 year period and will not exceed \$122,000.00. A similarly structured agreement has been approved by the City of Caledonia. Commissioner Miller reported that he has toured the Sno Pac operation. He expressed his opinion regarding the importance of keeping the business in the area. Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve said tax abatement and to adopt the following resolution:

RESOLUTION NO. 11-53
Approving a Property Tax Abatement for Certain Property
in the City of Caledonia, Houston County, Minnesota, following Completion of a 30,000
sq.ft. Commercial Facility by Sno Pac Foods, INC

WHEREAS, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, the Minnesota State Legislature has authorized cities, school districts, counties and towns to rebate all or part of their respective portions of a parcel's property tax as an incentive to economic development provided the designated project meets criteria as established; and

WHEREAS, the Houston County Board of Commissioners believes that a strong economy is critical to the continued comprehensive growth and health of Houston County; and

WHEREAS, the Houston County Board recognizes that many complex factors influence the economic climate of the area and the Board has and will continue to support diverse efforts to foster a positive environment for both small and large business growth, attract and retain new corporate residents, and encourage development of the local labor force; and

WHEREAS, the Houston County Board has established the Houston County Economic Development Authority (EDA) which has been designated as the body responsible for reviewing and acting upon economic development abatement requests and other business subsidies, thereby replacing the original Abatement Committee; and

WHEREAS, the Houston County Board of Commissioners held a public hearing on **September 13, 2011**, following due notice as required by law and a recommendation by the Houston County EDA in favor of the abatement application of Sno Pac Foods, INC, dated July 20, 2011; and

WHEREAS, the Houston County Board of Commissioners has found and determined that:

1. It expects the benefits to Houston County of the proposed abatement agreement to at least equal the costs to the County of the proposed agreement;
2. The proposed abatement is in the public interest because it will:
 - a. Increase the County tax base by creating a new market value of **\$1,261,500**;
 - b. Retain existing businesses and their employment opportunities in the County;
3. The proposed tax abatement otherwise meets or exceeds the County's Business Subsidy Criteria because:
 - a. The project will provide needed space for the expansion of Sno Pac Foods, INC, that has sufficient other financing to complete the project in a timely manner;
 - b. It will encourage a high quality of construction and promote the highest and best use of land, consistent with the County's Comprehensive Plan, the City's zoning ordinance, and other local regulations;

- c. The project will not significantly and adversely increase the demands for service needs in the County;
- d. The project will retain jobs which pay desirable wages and provide support for other local business.

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners hereby approves the abatement request of **Sno Pac Foods, INC**, subject to the following stipulations:

1. The abatement will be payable to **Sno Pac Foods, INC** on the appreciated tax capacity in accordance with a development agreement which will specify the terms of such payments over **ten** (10) years beginning with the first year that taxes are due following substantial completion of the **Commercial Facility**.
2. After full payment of the taxes as due each year:
 - a. In years one (1) through ten (10), **Sno Pac Foods, INC** will receive a 75% abatement of the appreciated tax capacity;
3. In year eleven (11) and thereafter, **Sno Pac Foods, INC** will pay 100% of the real estate taxes without tax abatement.
4. Total abatement granted for the **ten** (10) years shall not exceed **\$122,000.00**.
5. The abatement shall not be modified in any way.

File No. 10 -- Robin Danielson stated that she is a resident of the unincorporated village of Money Creek. She wishes to express her concerns regarding the operation of golf carts on County Road 26, across State Highway 76 and on the township roads throughout the unincorporated village of Money Creek.

Ms. Danielson reported that she met with the Town Board of Money Creek regarding her concerns. She expressed her opinion that her concerns were not given adequate consideration. She expressed concern regarding the conduct of the Town Board meeting. She indicated that the meeting was attended by individuals who did not identify themselves, harassed and threatened her.

Ms. Danielson provided excerpts from 2010 MN Statutes, MN Basic Code, and the 2011 Manual on Town Government regarding the operation of golf carts on public roadways. She also provided a copy of the Campground Rules as posted on the Money Creek Haven website, a sample ordinance and notice of code violation. She expressed her opinion that laws are being violated and there has been a lack of response from the campground owner, governing township

and local law enforcement regarding her concerns. She indicated her desire to file a complaint in this regard. Ms. Danielson stated her opinion that the operation of golf carts on the “village streets” is a nuisance and she does not know who these “transient campers” are. In addition, because the vehicles are not permitted, she is unable to provide identification of the vehicles to law enforcement. She has taken photos of the vehicles which law enforcement declined to accept.

Chairperson Miller clarified that the golf carts are personally owned and not property of the campground. Ms. Danielson indicated that in addition to the golf carts, there have been dune buggies, ATV’s and dirt bikes operating on the village streets. Ms. Danielson stated again that she has been attacked and threatened. In her opinion, it is illegal for these vehicles to travel the County Road and cross the State Highway.

Ms. Danielson stated that she has not spoken with the County Sheriff in this regard. She indicated that State Patrol has been notified. The State Patrol has dispatched patrols in the area. However, they have been unable to apprehend any offenders. Chairperson Miller invited County Attorney Hammell to share any relevant information regarding Ms. Danielson’s concerns.

Ms. Danielson reiterated that the individuals operating these vehicles are a nuisance, hostile and aggressive towards her. She requested to be placed on record as having requested an appropriate ordinance be enacted in this regard and that permitting of the vehicles be required and the ordinance be enforced by the proper authorities. She also wanted it recorded that she feels that her concerns have been largely ignored by the township officials. Ms. Danielson indicated that as a result of her calls to law enforcement, deputies have visited her which has resulted in her being publicly harassed.

County Attorney Hammell stated that any designation of roadway must be done through the township. Assistant County Attorney Ashmore stated that she has conducted research in this regard. ATV’s and dirt bikes are not allowed on roadways. She has been unable to find a specific statute addressing the operation of golf carts on public roadways.

Ms. Danielson requested that the people at the campground be instructed to stop harassing her. County Attorney Hammell stated that the Sheriff must witness the individual making a violation. She cautioned Ms. Danielson regarding hearsay and encouraged her to file official complaints. County Attorney Hammell assured Ms. Danielson that complaints which have been filed will be investigated. Ms. Danielson questioned what the follow up would be. County Attorney Hammell stated that in the event a complaint is filed, an investigator will contact Ms. Danielson only when additional information is required to complete the investigation. County Attorney Hammell indicated that she will review information related to Ms. Danielson’s concerns. Ms. Danielson indicated that she would like to file a complaint against the township also.

File No. 11 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Vern Yolton of Union Township for a

variance of 18 feet to meet the required 65 foot setback from the centerline of Indian Springs Road to build a deck for a pool. The second is for Frank and Linda Gillette of Union Township for a variance of 25 feet to meet the required 65 foot setback from the centerline of Windwalker Road to build a garage. The variance for Mike Banse of Winnebago Township for a variance of 44 feet to meet the required 100 foot setback from the centerline of County 2 to build a hay/machine shed.

Discussion was held regarding the census figures.

File No. 12 -- PHN/HS Director Rock and Mary Thompson requested authorization to continue the practice of offering flu vaccinations to County Employees at no charge noting that applicable insurance would be billed. PHN/HS Director Rock indicated that she has brought forth this request on an annual basis. Chairperson Miller questioned the shelf life of the annual flu vaccine. She responded that vaccine expires. Remaining vaccine is returned. New flu vaccines are created annually.

Mary Thompson reported that vaccination of children is important and increasing. Children effectively spread the disease. PHN/HS Director Rock stated that offering the vaccine shows the employees that management cares about staff. She reported that both State employees and many health care workers have been provided this benefit for many years. Commissioner Bjerke questioned the compliance rate at the county. The county employs approximately 210 individuals and those employed in the Public Health department are required to be vaccinated against the flu. Commissioner Zmyewski questioned the length which the immunization is effective. PHN/HS Director Rock responded that it is effective for one year. Commissioner Bjerke expressed his desire to highly encourage participation. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski to continue to offer annual flu vaccinations free of charge to employees.

It was noted that a recommendation regarding a staffing plan in the interim for the position of Finance Director will be brought presented at the next regularly scheduled Board meeting.

Chairperson Miller reported that there are significant issues with the pre-cast stone at the Justice Center. There is a need to determine responsibility, a plan of action and financial response.

File No. 12a -- Commissioner Walter reported on a redesign meeting which she attended. Chairperson Miller indicated that he has been assigned to the steering committee as a representative for Houston County. All twelve counties will be represented on the steering committee. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-54

WHEREAS, current public funding allocated to the provision of human services is out of alignment with the quantitative and qualitative demand for services;

WHEREAS, the state of the economy and government budgets, the current and projected changes in demographics, the complexity of human services programs, and the inadequacy of state-supported human services technology, among other factors, make the current system unsustainable for the foreseeable future;

WHEREAS, Houston County desires to continuously improve the effectiveness of human services, to measure its performance and outcomes for clients and communities, and to get the best possible return on investment for every taxpayer dollar allocated to human services;

WHEREAS, counties can benefit in collaborating by reducing duplication of like administrative activities without negatively affecting service capacity and by adding value through sharing the specialized knowledge and experience of staff with the result of increased, aggregate service capacity;

WHEREAS, counties have successful multi-county collaborative arrangements in place, and the evolution of technology makes effective collaboration across distances even more feasible and efficient than in the past;

WHEREAS, twelve counties in southeastern Minnesota have developed a blueprint for the redesign of human services and Houston County desires to plan for implementation of such blueprint in collaboration with other participating counties and the Minnesota Department of Human Services;

WHEREAS, Minnesota Department of Human Services Commissioner Lucinda Jesson committed to “joining with [the counties of southeastern Minnesota] and supporting [their] efforts in the feasibility planning phase” and has appointed two senior management team members to participate as members of a steering committee;

WHEREAS, the state-supervised, county-administered governance framework for the delivery of human services must be restructured, and levels of administrative authority, flexibility, and responsibility must be reassessed and adjusted as necessary to innovate and implement an improved human services system.

NOW THEREFORE, be it resolved that the Houston County Board of Commissioners, hereby commits to planning for implementation of a new governance and operational model for human services which will:

- Include a negotiation of shared resources, authority, and accountability for human services programs;

- Be based on the concepts of a cooperative business structure; and
- Include funding of planning costs based on the county's proportion of population in comparison to all participating counties.

File No. 13 -- Discussion was held regarding the status of the Historic Jail. Placed on file was information from the State Historical Society regarding the availability of grants to do studies regarding the use of historic buildings once they are no longer being utilized.

Commissioner Zmyewski stated that members of the Brownsville Fire Department and Emergency Response units have expressed concern regarding reception of ARMER radios in and around the Brownsville area. They have also expressed concern regarding a possible upgrade of the emergency sirens resulting from the switch to ARMER and the responsible financial party. They indicated that the agreement regarding the sirens was for the local authority to maintain the equipment. There was no reference regarding upgrade expenses which may result based on the County's decision to change radio communications frequencies.

File No. 14 -- Discussion was held regarding the proposed agreement for the management of Wildcat Park for the 2012 season. Chairperson Miller reported that the Wildcat Park Manager will be responsible for providing lawn equipment, equipment maintenance and mowing of the park grounds. In exchange for this, the County will be responsible for payment of park electric bills. Auditor Meiners reported on the new policy regarding the exchanging of ½ the collected funds related to the park. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the manager and operations agreement with Ed Lonkoski for the 2012 camping season.

At this time the Board viewed the stonework in question at the Justice Center.

Chairperson Miller reported on a meeting held with both Fillmore and Winona Counties regarding collaborative hiring of a Community Services (PHN/HS/Vet Services) Administrator to oversee operations within all participating counties.

Commissioner Walter reported on a redesign and a meeting involving Fillmore, Winona and Houston Counties and possible collaborative initiatives which she attended.

Commissioner Zmyewski reported on a Wildcat Committee meeting which he attended.

Commissioner Bjerke reported on a Personnel Committee meeting which he attended.

Chairperson Miller reported on redesign, audit completion and personnel committee meetings which he has recently attended.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 15 -- 2010 Census figures

File No. 16 -- SELCO Annual Report

File No. 17 -- Symbiotics – Info on draft license application for
Lock & Dam 8 Hydroelectric Project, FERC No. 13010

File No. 18 -- Correspondence to Auctioneers regarding
removal of specific items from the auction bill

File No. 19 -- Correspondence to John Tveiten and Casey
Bradley in appreciation for their years of service

There being no further business and the time being 11:32 a.m., motion was made by
Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to
adjourn the meeting, the next advertised meeting being Tuesday, September 20, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 20, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Moorhead & Schuldt; Zoning Administrator Scanlan; PHN/HS Director Rock; Accounting Manager Lapham; HR Technician Diersen; Mary Thompson; Interim Social Services Supervisor Lapham; Financial Assistance Supervisor Kohlmeyer; HS Accountant Bahr; See attached listing of additional guests (File No. A1)

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the September 13, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$159,775.09
Road & Bridge Fund	32,690.97

Total	\$192,466.06
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Zoning Administrator Scanlan stated that a group of livestock producers has concerns regarding County versus State authority and the application of the MPCA 7020 rule. MPCA is the regulating authority for the 7020 rule. The County is designated to assist with the regulation of the rule. Zoning Administrator Scanlan reported that all feedlots, with the exception of one, fall under the purview of the County. Livestock producers have expressed concern that additional policies have been imposed on them by State MPCA employees. These additional policies make it difficult for livestock producers to operate. Zoning Administrator Scanlan expressed

confidence that these livestock producers are operating within the confines established by state regulation.

Zoning Administrator Scanlan indicated that Ingvalson Hilltop Dairy has been adversely affected as a result of actions taken by MPCA staff members Steve Schmidt and Beth Lockwood. Ingvalson Hilltop Dairy worked with an engineer to prepare an acceptable plan for the changes planned for their facility. The operation falls under the purview of County administered regulation. However, MPCA has contacted the Dairy directly to impose additional regulations and failed to copy County officials on the correspondence.

Chairperson Miller and Commissioner Zmyewski along with Senator Miller attended a meeting held at Ingvalson Hilltop Dairy. To date, Senator Miller has not provided any follow up comments in this regard. Commissioner Bjerke expressed concern that, in this age of technology, the State has failed to keep the County abreast of actions being taken.

Discussion was held regarding the hierarchy within the MPCA. It was determined that the Commissioner of MPCA would be the direct supervisor to both Mr. Schmidt and Ms. Lockwood. Chairperson Miller questioned whether the County could schedule a meeting with the Commissioner of MPCA to discuss the concerns. Mike Ingvalson indicated that they have met with the Commissioner of MPCA, Mr. Paul Aasen. He expressed his opinion that the meeting did not result in satisfactory response and/or follow-up.

Zoning Administrator Scanlan indicated that correspondence to legislators in support of County Feedlot staff and livestock producers may be beneficial. Communication with MPCA has deteriorated resulting in additional cost to producers.

File No. 3 -- At this time, Mr. Ingvalson presented a written summary of his concerns to the Board. Zoning Administrator Scanlan submitted correspondence which he had received from another local livestock producer. Mr. Ingvalson stated that the current Commissioner of MPCA has been in office for approximately 8 months and may not be well versed in the situation here in Houston County. Chairperson Miller reported that specific items have been brought to the attention of Zoning Administrator Scanlan. Mr. Scanlan has addressed those concerns appropriately and within regulations. He expressed concern that state officials have been injecting themselves in local business. Chairperson Miller expressed awareness that there are two sides to any matter and a meeting with MPCA officials should result in a full understanding of the situation.

Arlo Haben, President of SMAES, stated that he has worked with MPCA officials for many years. He expressed his opinion that, as a result of recent staffing changes, there has been significant reduction in the level of professionalism of staff working in the organization. Mr. Haben indicated that the concerns in Houston County may be the result of certain staff and not be a concern statewide. Commissioner Bjerke cautioned against making accusations of illegal

and/or unethical practices. This may further inflame the situation and erode communication between the state and county.

Tom Hoscheit expressed hesitation to pursue the development of plans for changes to his livestock production facilities due to the difficulties experienced by the Ingvalson's during their project. Mr. Hoscheit stated that there are programs available for the betterment of local livestock production facilities, and area producers are hesitant to move forward with betterment projects because of the state staff they may be required to work with. Commissioner Bjerke stated that agricultural activity is a significant economic driver in this area, and it is concerning that MPCA policy is hindering the ability of producers to expand or complete betterment projects. Mr. Hoscheit stated that the topography of this area is well suited for animal husbandry and not as well suited for cash cropping only. Commissioner Walter expressed her opinion that both staff and local ag producers deserve the support of the Board.

A local producer stated that both Environmental Services Director Frank and Zoning Administrator Scanlan live and work locally and have a vested interest in the community. They work hard to find solutions to issues facing producers. State officials lack the local connection County staff has and have been perceived to come into the community, hand down regulations and return to the metro area. They are viewed as "inaccessible" to the local producers their decisions impact. Producers expressed concern that the state officials fail to regulate this area with continuity. The Schieber's had a fire at their facility and have experienced difficulty getting back into business as a result of state regulation. The producer's present expressed a desire for continuity in the application of current laws and/or regulations, not any change to them. Chairperson Miller stated that there is a reason MPCA has come about. There is a need for regulation. It would be beneficial if MPCA would provide guidance and assistance for the development of acceptable plans, rather than simply handing down regulations which hinder them.

Chairperson Miller cautioned members of the public against making accusations without first having documented facts supporting them. Kris Ingvalson indicated that there is adequate documentation and facts surrounding this. Zoning Administrator Scanlan questioned how he should proceed. It was agreed that Chairperson Miller would meet with Zoning Administrator Scanlan. They will contact the Commissioner of MPCA to invite him to meet and discuss concerns.

Chairperson Miller explained a plan to cover the duties of outgoing Finance Director Bradley. With this plan, Carol Lapham will be the lead position in the Finance Department, with Jordan Wilms working under her to assist with the duties formerly carried out by Mr. Bradley. Accounting Manager Lapham reported that Mr. Bradley has provided her with an outline of duties and a synopsis of "hot" items. Accounting Manager Lapham and EDA Coordinator Wilms have discussed their current duties and the duties which they will be assuming as a result of Mr. Bradley's departure. They are both comfortable with the plan for the department. Commissioner Bjerke expressed his expectation that Accounting Manager Lapham will present any concerns or

items requiring action to the Board. Ms. Lapham responded that she would. She reported that she has worked for the County for 27 years, during which time she has become well versed regarding county financial data and county business functions. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the plan as presented.

Commissioner Walter questioned the status or next step regarding the CoverAll structure in Spring Grove. There have been no new developments. The Caledonia City Council is scheduled to meet early next week when they will discuss possible collaboration with Houston County regarding structure inspections.

File No. 4 -- Chairperson Miller shared correspondence regarding an anticipated wellhead protection project in the City of Houston. It was agreed that the correspondence would be forwarded to Environmental Services Director Frank.

Commissioner Zmyewski questioned a \$195.00 claim on behalf of the Sheriff's Department. The claim is a donation to the civil air patrol which assisted the county during the 2007 flood. Commissioner Zmyewski questioned policy regarding major budgeted purchases. He stated that the Highway Department brings forth major expenditures for Board consideration and approval, even though the funds have been budgeted. He inquired whether the Sheriff's Department should present quotes for the vehicles they reported would soon be purchased. It was agreed that, to provide organization wide continuity, the Sheriff's Department should present vehicle quotes and information to the Board for consideration and approval prior to making purchases.

Roger Bender expressed concern with the proposed Airport Lot Leases. The lease incorporates increases of both fees and insurance requirements. Commissioner Bjerke indicated that he has not been contacted in regard to the leases, and, to his knowledge, no one has expressed concern to the County Attorney. Craig Bender expressed his understanding that the lease was being rewritten. However, he was unaware of the status of the revision. He stated that the fees proposed in the new lease are comparable to fees charged at airports in excellent condition with amenities such as natural gas, water, sewer, and an arrival and departure building. The Houston County Airport is not comparable in his opinion. The amenities are lacking and the runway surface would benefit from repair. Commissioner Zmyewski stated that it is difficult to compare airports. He reported that the fees being assessed are to cover the needs of the Houston County Airport. The public wants services at the airport. There is a cost to provide said services. The fees assessed will ensure that financial resources are available to cover the cost for the services. It was mentioned that runway improvements may result in increased use and revenues. Commissioner Zmyewski stated that this is speculation. The fees being assessed are based on factual data rather than speculation. Mr. Bender requested additional time to review the leases. Commissioner Zmyewski stated that there has been adequate time to review the leases and to propose changes. Commissioner Bjerke reported that Thor Kolle was presented with a copy of the proposed lease agreement several weeks ago. Mr. Kolle was to present the agreement to the

group. Mr. Bender stated that individual lessee's received a copy of the lease on September 6th which has not allowed adequate time for their review. Commissioner Walter stated that when individual lessee's requested copies of the lease agreement, they requested 10 days in which to review it. The County granted a 14 day review period. Commissioner Zmyewski reiterated his opinion that there has been ample time for individuals and the group to review the proposed lease. Commissioner Bjerke expressed agreement. Chairperson Miller stated that additional time was requested two weeks ago and granted to the group. He reported that no one has contacted him regarding the agreements, and he has been available and his phone number is published. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the Airport Hangar Lot Lease Agreements.

File No. 5 -- The Board discussed correspondence received from Dewey Severson, Chairman of the Town of La Crescent Board regarding the La Crescent Truck Shop vacancy. It was agreed to forward the correspondence to Engineer Pogodzinski.

File No. 6 -- Auditor Meiners reported on a request by Mike J. Sexauer for a tax abatement. Mr. Sexauer has been taxed on more acres than his parcel contains. The error in acreage was discovered as a result of a recent survey. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve an abatement for Mike J. Sexauer on parcel #02.0168.000 for taxes payable 2010 and 2011 in the amount of \$158.00 due to overstated acreage.

Chairperson Miller provided information from a newspaper article regarding taxes and how counties and municipalities are holding their levies at last year's levels. It was reported that Fillmore County is proposing a levy increase of approximately 2%. Chairperson Miller indicated that the article also expressed concern regarding the homestead credit change and the cost shift which is expected as a result of it.

Commissioner Bjerke reported on a meeting with the architect regarding the stone concerns in the Justice Center. He also reported on a meeting he attended with the City of Caledonia regarding damage to city streets which may have been caused by truck traffic related to the Justice Center project.

Chairperson Miller reported on a CJCC meeting which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- Correspondence to successful and unsuccessful
bidders for the Estate/County Auction

There being no further business and the time being 10:09 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 27, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 27, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt & Moorhead; Engineer Pogodzinski; Environmental Services Director Frank; Assistant County Attorney Bublitz; Jean Becker; PHN/HS Director Rock; Interim Social Services Supervisor Lapham; Maintenance Foreman Molling; Assistant County Attorney Bublitz; Jail Administrator Schiltz; IS Director Milde; Dean Kerrigan; Larry Hougam; Gary Hougam; Justin Grantin

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the September 20, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$45,801.11
Road & Bridge Fund	62,718.81

Total	\$108,519.92
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

At this time, bids for recycling were opened and read. Environmental Services Director Frank reported that the current contract with Waste Management for recycling of comingled rigids and fibers will be expiring soon. In preparation for a new contract, bids have been solicited to allow Environmental Services Director Frank to review the bids carefully and to tour any facilities which may be awarded the bid. Bids were received from the following: Waste Management; Hilltoppers Refuse and Recycling; Harter's Quick Clean Up; and Richard's Sanitation.

Environmental Services Director Frank stated his preference to review the bids and return to the Board with a recommendation at a later date. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to table the awarding of the recycling bid.

File No. 3 -- PHN/HS Director Rock reported that Christine Chartier has tendered her resignation. Ms. Chartier has accepted a position with Winona County. Her last day will be October 7th. Interim Social Services Supervisor Lapham reported that Ms. Chartier lives in Winona County and her choice to seek employment elsewhere is no reflection on employment with Houston County. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of Christine Chartier.

PHN/HS Director Rock reported that Ms. Chartier resignation creates an Adult Mental Health Social Worker vacancy. Recently, Karen Meier-Binde contacted Houston County in search of work. Ms. Meier-Binde was employed with Houston County as the Social Worker Supervisor for approximately 6 years. PHN/HS Director Rock requested authorization to hire Ms. Meier-Binde as a 67 day employee to assist the department until the vacancy can be filled. Interim Social Services Supervisor Lapham reported that she worked with Ms. Meier-Binde, they had a good working relationship, and Ms. Meier-Binde is familiar with the SSIS system. HR Technician Diersen reported that this hiring request was discussed with the Human Resources Department. She recommended that Ms. Meier-Binde be hired at Step 3 of the C-4-1 wage scale due to her previous experience working for the county. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to authorize the hire of Karen Meier-Binde as a 67 day employee at Step 3 of the C-4-1 wage scale.

Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize the search for a Social Worker.

File No. 4 -- Engineer Pogodzinski stated that he was asked to report to the Board regarding correspondence received from the Township of La Crescent in regard to the vacancy at the La Crescent Truck Shop. He reported that he has discussed concerns with Township of La Crescent officials. The vacancy was created when an employee working out of that location retired. It was determined that the position would remain unfilled. Township of La Crescent officials expressed concern that routine maintenance in the area has not been completed timely since the vacancy arose. Engineer Pogodzinski reported that, due to budget constraints, routine maintenance across the county was delayed and/or reduced. Necessary maintenance in the area was completed by staff working out of other shop locations. The township officials expressed concern regarding the timeliness of snow removal during the upcoming winter driving season. Engineer Pogodzinski reported that remaining maintenance staff has assigned routes. These staff members are familiar with their routes. In his opinion, it would not be beneficial to transfer current staff to the La Crescent Shop. He recommended filling the vacancy utilizing two 67 day employees. He reported that the route out of the La Crescent Shop location includes

approximately 30 miles of road of which a significant portion is hard surface, have guardrails, lacks many steep areas found on other routes, and due to traffic volume are plowed at slower speeds. Other routes may contain as many as 55 miles, have gravel roadways, lack guardrails and have steep areas all of which add to the difficulty. Engineer Pogodzinski and Maintenance Foreman Molling indicated that this route should be the safest route for new employees. Engineer Pogodzinski reported that 9 applicants applied for the temporary positions. One applicant had snow plowing experience with a similar vehicle as the county utilizes. Many of the applicants are employed full time and seeking employment following anticipated November layoff dates. Engineer Pogodzinski recommended hiring Patrick Dvorak and Scott Standish. Both men have experience driving dump truck but lack snowplowing experience with the same vehicle. Engineer Pogodzinski indicated that by hiring two 67 day employees, he will have flexibility in scheduling and minimizing premium pay. One applicant is available to start within 3 weeks. Maintenance Foreman Molling hopes to begin some remedial training with that individual. He also expressed concern with being allowed a short amount of time in which to train these employees. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to hire both Patrick Dvorak and Scott Standish as 67 day employees to assist the Highway Department as Maintenance Specialists at Step 1 of the appropriate wage scale.

Engineer Pogodzinski reported that he has received a quote to analyze the CoverAll salt shed in Spring Grove. Unfortunately, Caledonia City has decided not to collaborate with the county regarding analyzing their CoverAll structure so no savings will be gleaned as a result. The cost for structural analysis by TKDA is quoted at \$7,900.00 plus \$900.00 for a lift. MCIT has cautioned the County that they would not provide coverage for claims resulting from structural deficiency. Once the structure has been inspected and any recommended repairs completed, MCIT will provide coverage. The structure is 55' x 120', and was erected 10 years ago at a cost of between \$34,000.00 and \$36,000.00. The suggestion was made that in the event the analysis uncovers deficiencies requiring repair, consideration should be given to the cost of repair versus the value of the building to see if replacement would be a more cost effective option. Engineer Pogodzinski stated that the inspector indicated that Houston County's type of structure has not had significant structural deficiencies detected. Maintenance Foreman Molling reported that he has never had to tighten the cover. There is limited liability because the structure is generally full of sand and salt, and when someone does enter the structure, it is within a rollover protected loader. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to hire TKDA to perform a structural analysis of the CoverAll structure for a quoted amount of \$7,900.00 plus \$900.00 for the required lift.

File No. 5 -- Engineer Pogodzinski reported that C.P. 2011-03 has been completed. The final payment due is \$22,031.86. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-55

WHEREAS, Contract No. 208 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 6 -- Assistant County Attorney Bublitz reported that collections on behalf of the State are going well. Currently, she and Jean Becker are working on several claims. A claim in Eitzen was recently settled, an auction is scheduled for October 1st, with a land sale to follow later, the County is expected to acquire in home in Spring Grove as a result of action and Jean Becker has scheduled an open house for a home that the County will be accepting sealed bids for soon. Jean Becker stated that the featured home of the open house has a value of approximately \$70,000.00. The State will retain 75% of net proceeds, the County will be reimbursed for all collection costs plus 25% of the net proceeds. The funds recouped go into the Human Services balance fund. Ms. Becker reported that properties are advertised, sealed bids are accepted and a bid off is planned to take place among those submitting the top three sealed bids.

Commissioner Bjerke questioned why the Sheriff vehicles were not included on the estate/county auction. The Sheriff declined to include the forfeiture vehicles due to vehicle inoperability and lack of insurance coverage. Auditor Meiners reported that insurance coverage to transport the vehicles to the auction site could have been secured.

Assistant County Attorney Bublitz reported that very few counties perform State collections. Ms. Becker reported that she and Assistant County Attorney Bublitz are breaking new ground. She expressed appreciation for Assistant County Attorney Bublitz's assistance in filing the appropriate documents and assisting with the collections process. Her contributions are significant. Assistant County Attorney Bublitz stated that participating in State collections offers significant gains potential. Ms. Becker reported that she has had to hire and coordinate cleaning, minor updates such as painting and maintenance of the acquired properties. Sentence to Service has assisted with these items when appropriate. Assistant County Attorney Bublitz estimated the current claims will result in a total of over \$300,000.00 in collections.

Assistant County Attorney Bublitz reported that an easement with the City of Caledonia has been drafted to provide for water main maintenance, repair and/or replacement. The easement was required due to a street closure as part of the Justice Center Project. There is no value assigned to the easement. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the easement and to authorize the signature of Chairperson Miller on the easement document.

File No. 7 -- IS Director Milde reported that as a result of Statute, the County is required to assign unique phone numbers to each extension at its three campuses. Dean Kerrigan, of Ace

Communications provided information on changes to statutes which took place in 2005 and 2007 which have impacted multi-campus business. Previously, Houston County was exempt from the Statute requirements because the phone system was in place when the Statutes went into effect. Now that the system is being replaced, the County is required to conform. The assignment of unique phone numbers will allow for E911 “addressing.” In addition to assigning unique phone numbers, office moves will be required to be reported so that the address associated with each phone number are kept current. IS Director Milde reported that the cost to come into compliance will be \$256.00 per month. He provided historical budget information to reflect that current budgeting is adequate to cover the additional charge. Commissioner Bjerke questioned whether E911 fund balance may be utilized to cover the cost. GIS Coordinator Krzoska responded that the expense would not qualify. IS Director Milde reported that a portion of the expense for the Human Services and Public Health areas may qualify for State reimbursement. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the enhancement to the phone system to bring it into compliance.

Pursuant to M.S. 13D.05 subd. 3(b) Attorney Jay Squires requested the Board convene a closed session to discuss ongoing litigation developments protected by attorney-client privilege. The time being 10:01 a.m., motion was made by Commissioner Zmyewski, seconded by Walter and unanimously carried to convene in closed session.

The time being 10:30 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to reconvene in open session.

Chairperson Miller stated that the closed session was held to discuss the status of two cases in which the County is involved with the attorney working with the cases.

File No. 8 -- Jail Administrator Schiltz reported that as a result of additional cabling equipment being installed in a data room, additional cooling is required. An independent air conditioner is required to maintain the temperature of the room. Chairperson Miller expressed frustration that the County hired expensive consultants and project managers to manage this project, and unforeseen expenses continue to arise. Commissioner Bjerke stated that consideration of the ARMER technology requirements was unknown and was not incorporated into the building plan. The equipment is required and the data room could accommodate the equipment. There are FF & E funds available within the project budget to cover the expense. Quotes were secured from multiple companies. IS Director Milde stated that it may have been more cost effective had these needs been incorporated at the design phase. However they are necessary. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the purchase of the necessary air cooling equipment from Schneider Heating in an amount of \$18,300.00.

Jail Administrator Schiltz reported on quotes requested by the Commissioner’s regarding final items related to the Justice Center. Funding is available from the contingency fund for the

project to cover the quoted expenses. It was the consensus of the Board to move forward with the quoted work.

Jail Administrator Schiltz provided a reminder regarding the Open House scheduled for the Justice Center on October 13th. It was agreed that light refreshments including coffee, punch and cookies should be served. Commissioner Bjerke questioned the plan for conducting the open house. It was agreed that discussion regarding how to host the public would be discussed at the next scheduled meeting of the building committee.

It was agreed that both Chairperson Miller and Commissioner Bjerke would participate on the Canvassing Board. They are both scheduled to be on site for meetings earlier on the same day as the Canvassing Board.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to schedule a meeting for November 29th and to cancel the meeting scheduled for December 6th.

File No. 9 -- Auditor Meiners reported that she prepared an advertisement regarding the elevator closure. Motion was made by Commissioner Zmyewski, seconded by Commissioners Walter and unanimously carried to approve running the ad for 3 weeks and to pay for the expense out of the commissioners advertising budget.

Chairperson Miller reported that the SE Service Cooperative is soliciting nominees for a vacant seat on their board. HR Director Arrick-Kruger is currently serving on the board and it was agreed that representation from other members would be appropriate so no nomination from Houston County will be submitted.

Commissioner Walter reported on a joint meeting she attended with Fillmore and Winona Counties.

Commissioner Zmyewski reported on a planning and zoning meeting he attended.

Commissioner Bjerke reported on the Annual Association of Township Officers banquet which he attended.

Chairperson Miller reported that he also attended the Annual Association of Township Officers banquet.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 10 -- Correspondence to payroll regarding hire of
Sandy Ask as Financial Worker

File No. 11 -- Correspondence from City of Spring Grove
regarding upcoming Wellhead Protection Program

There being no further business and the time being 10:51 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 4, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 4, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Larsen, & Moorhead; Engineer Pogodzinski; Zoning Administrator Scanlan; Environmental Services Director Frank; John Pristash; Jail Administrator Schiltz; EDA Coordinator Wilms; Accounting Manager Lapham; Kermit McRae; Mike Werner; Justin Grantin; Larry Hougam

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the September 27, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$79,956.94
Road & Bridge Fund	77,218.41

Total	\$157,175.35
	=====

File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

John Pristash reported that the Justice Center Project is nearing completion. Architects have issued punch lists. The life safety systems, including the elevator, fire alarm and sprinkler systems have been tested. The State Building Official was on site recently and will be returning next week accompanied by the Fire Marshall, Health Inspector, and a representative from the DOC to perform the final building inspection. Today, after delays in receiving the appropriate materials, the canopy is being installed. Mr. Pristash indicated that this will likely be his final report to the Board regarding the project.

Jail Administrator Schiltz reported that an e-mail will be sent out later today to notify employees when the parking lot will be opened for use. It will also explain that employee parking spots are marked by white, while yellow marked stalls are for visitor parking. Commissioner Bjerke questioned what the parking arrangement will be for the west lot. The question was raised whether it would remain a lot for both visitor and employee parking. Commissioner Bjerke expressed his desire to see the lot utilized for visitor parking. Jail Administrator Schiltz reported that the contracts for parking at both St. Mary's and the Masonic Lodge will be expiring soon.

An open house at the Justice Center has been scheduled. Light refreshments will be served including cookies, coffee and punch.

Jail Administrator Schiltz provided information on the anticipated moving dates. Inmates will be moved into the facility following the ARMER system going live.

File No. 3 -- Zoning Administrator Scanlan reported on a variance which was approved by the Board of Adjustment for Ann Kramer and Judy Schultz of Mound Prairie Township for a variance of 30 feet to meet the required 65 foot setback from the centerline of private road to build a garage.

File No. 4 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and carried to approve the issuance of the following Conditional Use Permit:

Tim Orr – Yucatan Township - Build a cabin in an agricultural district.

File No. 5 -- Zoning Administrator Scanlan reported that Permit #233 was up for renewal. The Welscher's have requested a one year extension. Permit #130 is also up for renewal. Skyline Materials LTD has requested a five year extension. Skyline Materials LTD indicated that they wish to continue to utilize the quarry as they have been in the past. On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the renewal of both Permit #233 and #130.

File No. 6 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Zoning Permits:

Ron Troendle – Wilmington Township - Build parlor (72' x 124') and free stall (110' x 264')

Michael and Daniel Schroeder – Wilmington Township - Build grain bin (12,000 bushels – 30' x 24')

Gary Rustad – Yucatan Township - Build family room addition (8' x 27')

Matt Mackie – Sheldon Township - Build pole shed (24' x 24')

Charles and Kevin Kruse – Winnebago Township - Build hoop building (36' x 80')

Kevin and Sharlene Schroeder – Caledonia Township - Build garage (40' x 36') with breezeway (8' x 12')

Gregory Wirth – Hokah Township - Build deck (12' x 14')

Don Petersen – Brownsville Township - Build shed (40' x 80')

Linda Marks – Houston Township - Build garage (32' x 34') porch (36' x 5')

Anthony Wermager – Brownsville Township - Build grain bin (7,000 bushels)

Wesley Jacobson – Black Hammer Township - Build pole shed (40' x 80')

Dale Neumann – Jefferson Township - Build grain bin (5,000 bushels)

John A. Meyer – Winnebago Township - Build hay/storage shed (36' x 50')

Allen Patterson – Spring Grove Township - Build grain bin (7,500 bushels)

Jim and Tom Welscher – Caledonia Township - Build storage shed (30' x 40')

Jim and Tom Welscher – Caledonia Township - Build cattle shed (replacement) and working facility (60' x 196') – no expansion

Tim and Jan Burroughs – Mayville Township - Build addition on house (15' x 42') no new bedrooms

Jason Slavicek – Crooked Creek Township - Build handicapped ramp (4' x 20') deck for swimming pool (20' x 5')

Mervin Nelson – Black Hammer Township - Build addition on pole shed (20' x 50')

Steve Guberud – Wilmington Township - Build addition on pole barn (10' x 30')

Gerald DeWall – Sheldon Township - Build storage shed (40' x 40')

Ted Klug – Caledonia Township - Replace pole shed due to wind damage (48' x 80')

Bill Sheehan – Brownsville Township - Build grain bin (10,000 bushels)

Tom Paus and Lisa Johnson – Caledonia Township - Build wood shed (10' x 40')

Ralph and Maxine Lind – Money Creek Township - Build house (34' x 54') garage (28' x 30')

Alan Stankevitz – Mound Prairie Township - Build garage/workshop (32' x 48')

Frank and Linda Gillette – Union Township - Build garage (32' x 54')

Doug Kerns – Hokah Township - Build porch (8' x 46') and attached garage (24' x 28')

Wayne Meyer – Winnebago Township - Build grain bin (3,900 bushels)

Harlan Nelson – Money Creek Township - Build storage shed (48' x 68')

Franklin Hahn – Yucatan Township - Build grain bin (4,000 bushels)

Robert Pohlman – Jefferson Township - Build attached garage (36' x 32')

Curt and Lisa Vickerman – Spring Grove Township - Build addition on house – kitchen (26' x 30')

Chairman Miller reported on a meeting held with Representative Davids to discuss concerns regarding the recent breakdown in communications between State MPCA officials, County Zoning/Feedlot officials and area livestock producers. The MPCA Commissioner has agreed to meet with County officials and Representative Davids to discuss the matter at greater length. Chairman Miller requested that Zoning Administrator Scanlan prepare a timeline of the events leading up to the request for this meeting.

File No. 7 -- EDA Coordinator Wilms provided an update regarding lodging tax, and options related to its designation. He stated that various townships within the county have agreements in place regarding lodging tax and its designation. The County acts as the fiscal agent for these agreements. In the past, the agreements have designated that the resulting lodging tax be directed to the Southeastern Minnesota Historic Bluff Country Convention and Visitors Bureau, who would, in turn, advertise to promote Southeastern Minnesota. EDA Coordinator Wilms reported that many of the advertising efforts initiated by Historic Bluff Country have focused on Fillmore County destinations, especially Lanesboro. Destinations within Houston County have received minimal mention. Commissioner Bjerke expressed concern that Houston County contributes lodging tax to this collaborative effort and sees little benefit. He indicated that this contributed to the County's desire to have an EDA Coordinator to foster collaboration among Houston County EDA organizations for the benefit of Houston County.

The agreements may be terminated by any party with a 30 day notice. The Town Board of Caledonia has evaluated the benefits of designating Historic Bluff Country to receive the lodging tax generated within their political boundaries and determined that it would be more beneficial to make the Caledonia Area Convention and Tourism Bureau, Inc. their designee. The Town Board of Caledonia has initiated action to terminate the agreement with Historic Bluff Country and to draw up a new agreement whereby the Caledonia Area Convention and Tourism Bureau, Inc. would be the recipient of lodging tax generated within Caledonia Township. Town of Caledonia Chairman, Kermit McRae, was present and shared his Board's desire to keep the funds local for local benefit. He encouraged others to consider the same.

EDA Coordinator Wilms reported that County Attorney Hammell has reviewed the agreement. She expressed concern that a performance measure be incorporated into the agreement as there are expectations. Commissioner Walter expressed her agreement with County Attorney Hammell's recommendation. Mr. McRae stated that his Town Board has approved the agreement as presented. He stated that the ability to terminate the contract is satisfactory, therefore performance measure language is not necessary. He recommended the County Board approve the agreement as presented.

Commissioner Bjerke questioned who would monitor performance. Mr. McRae stated that both the Town Board and the County should monitor performance. Mr. McRae stated that there are many tourism draws located within Caledonia Township. Commissioner Bjerke expressed concern that the Caledonia Area Convention and Visitors Bureau may be too specific. He expressed his opinion that the Houston County EDA is a broader umbrella which could promote countywide tourism. Mike Werner, President of the Caledonia Area Convention and Visitors Bureau indicated that the organization promotes tourism in and around the Caledonia area. The tax collected in Caledonia Township should be utilized to promote tourism in their immediate area. Those who contribute should benefit. Mr. Werner noted that to get to Caledonia, tourists pass through other areas of Houston County. Commissioner Bjerke expressed his desire to see greater collaboration among EDA organizations within the County. Mr. Werner expressed his belief that each community has individual pride. Each community is free to organize a group

to promote tourism within their community and surrounding area. A countywide organization reduces local controls and requires greater resources. He expressed agreement that communication channels between local organizations are important and certain collaborative activities could be beneficial. He expressed his belief that EDA Coordinator Wilms fosters these communication channels. Commissioner Bjerke again stressed that each unique EDA organization is competing for limited funding. A Countywide EDA structure may be able to capture available funding and utilize it to benefit the entire County. Mr. McRae stated that the County EDA could encourage additional townships to put lodging tax agreements in place. Mr. Werner indicated that Statute designates how lodging tax may be utilized. He expressed his understanding of Commissioner Bjerke's concerns. Historic Bluff Country collected funds from both Houston and Fillmore County businesses. However, the focus of the advertising benefited the City of Lanesboro the most. Charlie Warner stated that he is on the tourism board. Caledonia Area Convention and Visitors Bureau works hand in hand with Caledonia Township. This new agreement will ensure that funding remains local and benefits are reaped locally. Commissioner Zmyewski stated that each community has the ability to promote tourism locally. Chairperson Miller reported that there is an EDA meeting scheduled for tomorrow and these ideas and concerns could be discussed at length and in greater detail during that meeting. Chairperson Miller suggested that the decision regarding the Town of Caledonia agreement be tabled until next week. Mr. McRae stated that Township Officials were satisfied with the agreement as presented. Chairperson Miller stated that additional time will allow for clarification prior to decision making. Mr. Werner expressed appreciation for consideration of how decisions may impact the desired growth of the EDA organizations within the County. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to table decision on the Town of Caledonia, Local Lodging Tax Agreement until 9:15 a.m., Tuesday, October 11, 2011.

File No. 8 -- Engineer Pogodzinski reported that Houston County has been invoiced by the City of Caledonia regarding 3 items related to the Justice Center Project. One area of concern is located on West Main Street. The City of Caledonia had Davy Engineering assess the damages resulting from West Main Street being utilized by the County as a haul route for the Justice Center Project. Davy Engineering has estimated damages at \$23,800.00. A second area was assessed by Davy Engineering. This is an area on South Kingston Street. 31 feet of curb was damaged and a narrow strip of asphalt failed as a result. The cost for repairs, as estimated by Davy Engineering, is \$3,075.00. In addition, several invoices from Davy Engineering for the assessment of these areas have been referred to the County for payment. These invoices total \$4,293.31. Recently, Engineer Pogodzinski, Chairperson Miller, and Commissioner Bjerke met with Caledonia City Staff and representatives from Davy Engineering to discuss the damage and recommendations of Davy Engineering.

Engineer Pogodzinski reported that West Main Street was not a hard surface road until recently. Two years ago the City double chip sealed the roadway. West Main Street exhibited signs of a poor sub-grade prior to its utilization as a haul route for the Justice Center Project. Davy Engineering has recommended that a 300 foot section have 1 foot of base material be

removed and replaced and a section of 800 feet be milled and replaced with 2 inches of asphalt. This would be a road improvement. The roadway was a seal coated surface when it was designated as a haul route. Engineer Pogodzinski has prepared an engineer's estimate to show the cost to mill and chip seal the roadway. The cost would be \$9,914.54 and bring the road to pre-haul route condition. The sub-grade issues were present prior to the roadway designation as a haul route. He recommended that a financial settlement equal to the engineer's estimate to mill and replace the affected seal coat be extended. This would allow the City to repair the road or put it towards a road improvement project to address the sub-grade issues and upgrade to HMA from chip seal. When question whether load limits were exceeded when traveling the route, Engineer Pogodzinski responded that load limits were not exceeded. Engineer Pogodzinski explained that it is common for a higher unit of government to compensate a lower unit of government for use of life of roadways as a result of the higher unit of government utilizing a roadway maintained by a lower unit if government. It is necessary for the higher unit of government to determine the life used on a pro-rated basis. He cautioned against compensation that would allow the road to be restored to a condition which would exceed the condition of the roadway at the time of use by the higher unit of government.

Engineer Pogodzinski discussed the Davy Engineering recommendations for repair which include the replacement of 31 feet of curb and asphalt from curb to centerline in the same section. Engineer Pogodzinski recommended the same curb replacement. However, he recommended the asphalt be patched from curb and out 3 feet. This would reduce the cost to approximately \$2,000.00. The curb repair and asphalt patch could be completed by the County in lieu of payment.

Engineer Pogodzinski stated that the final item is Davy Engineering invoices related to the assessment of the road damage. The invoices have been divided into two sections. The first section is related to the billing for labeled haul road documents and site photos. These total \$2,902.11. However, there is one invoice in the amount of \$187.30 related to a meeting Davy Engineering held with Mike Gerardy of the City of Caledonia regarding Pine Street saw cut areas. Engineer Pogodzinski questions whether the County is liable for this cost or not. Excluding this invoice would reduce the packet total to \$2,714.65. The other section of invoices is related to city utilities for fire protection and sanitation facilities. They are a city obligation and not the responsibility of the County. These total approximately \$1,300.00.

Following lengthy discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve that an amount not to exceed \$14,714.65 be offered to the City for settlement of roadway damage and Davy Engineer expense claims related to the Justice Center. This amount is specifically broken down as follows: \$10,000.00 for damages to West Main Street (this amount equal to mill and new double chip seal); \$2,000.00 for repairs to curb and asphalt patch on South Kingston Street or completion of said work in lieu of payment; and payment of invoices 14416, 14554, 14596, 14757, 15389, and 15676 totaling \$2,714.65.

Engineer Pogodzinski reported that he had received a call from the contractor awarded the road project on County 20. The contractor, Minnowa Construction, wanted to begin work immediately. Engineer Pogodzinski informed them that they could not begin until the following morning to allow time to notify area residents of the road closure. The electronic reader boards were moved to the site and a message explaining the area of the shutdown was posted. The project will add drain tile, redo the ditches and add base to eliminate the frost boils. Due to the road bordering wetlands and steep grades the road must be closed to perform the work. If the contractor is unable to complete the project by November 15th they will have two choices. The contractor may continue work and the road will remain closed until the contractor ceases work or the contractor may cease work, however will be required to have the road open for two lanes of traffic.

Environmental Services Director reported that last week bids were opened for recycling. Since then, the facilities of the two low bidders have been visited by County staff. Harter's Quick Clean Up requires the dumping of rigids and fibers at separate facilities. The facilities are located within 1/3 of mile of one another. However, a major traffic thoroughfare with traffic lights must be crossed. The product is dumped outside. Later it is re-loaded and hauled elsewhere for processing. In addition, trucks must weigh in and out at both facilities. The fiber facility weigh station is a public scale and Environmental Services Director Frank expressed concern that this could cause drivers to be required to wait while others weigh. In addition, a fee of \$2.00 per axel is charged for weighing on the public scale. Environmental Services Director Frank reported that one of the trucks the County uses to transport recyclables is two axels while the other is three axels. The County would be allowed to return to the main facility to weigh out on the scale at that location.

Hilltoppers Refuse and Recycling would allow drivers to enter one facility to dump all recyclables. The recyclables would be undercover and processed on location. Weighing would take place at the facility utilizing one scale. Environmental Services Director Frank reported that the mileage difference between the Harter's and Hilltoppers facilities is insignificant. The bids submitted are extremely close and costs related to dumping at either facility are expected to be equal.

Environmental Services Director Frank reported that the drivers utilize the facilities. When asked, the drivers expressed that their preference would be to utilize the Hilltoppers facility. They were not in favor of the Harter's set up.

Justin Grantin, representing Harter's Quick Clean Up, stated that the weigh out following the off loading of rigids would qualify as the weigh in weight for fibers, a re-weigh would not be required. In addition, if the empty weight of the truck was known a final weigh out would not be required, and Harter's would reimburse the county for scale fees if the public scale were utilized. He stated that their facility is located conveniently near the interstate and travel to Hilltoppers

would increase mileage and drive time for Houston County. The distance between their facilities was minimal.

Commissioner Walter expressed her opinion that the Hilltoppers facility appeared driver friendly and convenient. Larry Hougam, representing Hilltoppers, stated that their facility is just up the highway from Harter's. Hilltoppers offers the convenience of one stop, one scale, on-site processing and support for Riverfront through employment opportunities. He indicated that in the past they were considered for this same contract. They were unable to pursue the contract due to limitations and the increased volume the contract would have resulted in. Hilltoppers has made improvements since that time. Mr. Hougam is confident that they can meet the needs of the County at this time. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to accept the bid of Hilltoppers Refuse and Recycling for the recycling of comingled rigids and fibers.

File No. 9 -- Environmental Services Director Frank recently submitted quotes for containers. Metal prices have increased both in what we pay and what we receive. Originally the cost for new containers was estimated at approximately \$10,000.00 each. With the increase in pricing for metal, the cost will be approximately \$13,000.00 each. Metal revenues have exceeded budget projections by \$9,400.00. Environmental Services Director Frank would like to use the overage to cover the additional cost for the containers. He reported that the containers that he would like to replace were purchased in the 1990's and have been repaired and refurbished. However, the sidewalls are rusting through and they are beyond repair. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize the purchase of 3 new recycling containers.

Commissioner Zmyewski and Chairperson Miller have been approached by the Friends of the Airport group regarding a fixed base operation at the airport. There are many questions which need to be addressed. Commissioner Zmyewski reported that he has been performing research and gathering data in this regard. He anticipates having some questions for the group prepared next week. These questions would be utilized to learn more about an overall business plan. Chairperson Miller has discussed this with County Attorney Hammell who is discussing the option with colleagues. There is a need for clear understanding regarding legalities, financial obligations, and insurance, among other items. Commissioner Zmyewski prefers to have a good understanding regarding the County's position and then hold discussion with the airport group. There are also questions regarding FAA funding and how a different business plan may affect eligibility for said funding. Commissioner Zmyewski questions certain items which the County currently controls and if there is any reason the County would want to voluntarily surrender those controls. Chairperson Miller expressed a desire to continue the good discussion and to continue to research options presented.

Discussion was held regarding the upcoming AMC conference. Hotel rooms have been reserved.

File No. 10 -- Chairperson Miller reported on correspondence he received regarding a census survey on governmental units.

Commissioner Walter reported on site visits to facilities hoping to be awarded the recycling contract.

Commissioner Zmyewski reported that he has met with local airports regarding FBO.

Commissioner Bjerke reported on a meeting with the City regarding road damage, a regional radio board and negotiation meetings which he recently attended.

Chairperson Miller reported on HVMHC and SMART meetings which he attended, and also a meeting with Representative Davids regarding communications concerns with MPCA.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 11 -- Correspondence to payroll regarding hire of several 67 day employees

File No. 12 -- Public notice regarding scheduling a Board meeting on 11/29/11 and the cancellation of Board meeting on 12/6/11

File No. 13 -- Correspondence to Christine Chartier in appreciation for her years of service

There being no further business and the time being 10:45 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 11, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 11, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Jail Administrator Schiltz; Accounting Manager Lapham; Engineer Pogodzinski; Chief Deputy Sheriff Yeiter; PHN/HS Director Rock; HR Director Arrick-Kruger; Mike Werner; Sheriff Ely; Maintenance Foreman Molling

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the October 4, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$74,638.08
Road & Bridge Fund	91,078.15

Total	\$165,716.23
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

Jail Administrator Schiltz reported that the new parking lot is paved and striped. There are 31 employee parking spaces in the new lot. There has been discussion regarding the west parking lot. Currently, that lot has nearly the same number of visitor and employee parking spaces. Previously, it had been suggested that the entire west lot be designated for visitor parking. Engineer Pogodzinski stated that it is difficult to determine how many employees are on site at any given time. Leaving the current designations of the west lot along with the 31 newly created spaces should provide for adequate staff parking. In the event, all of the designated staff spaces are filled, staff would be allowed to overflow into the outlying spaces of the new lot that are

designated for visitor parking. It was agreed to monitor the parking situation and revisit the designations in two weeks.

Engineer Pogodzinski reported that the leases for the St. Mary's and Masonic Lodge parking lots are set to expire soon. He expects to complete any striping of those lots as required by the lease agreements soon.

Discussion was held regarding the direction of traffic around the courthouse square, specifically on the street to the north and west of the historic courthouse. The street was traditionally a one-way. During construction, the street was approved for two-way traffic. There is adequate space to allow for two 12 foot lanes. However, there are significant concerns regarding snow removal due to the lack of boulevard for snow storage. In addition, concerns were voiced regarding possible confusion when south port traffic was exiting if the street were allowed to remain two-way. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to return the street to one-way traffic, and to allow parking on the north side.

It was agreed to continue to utilize the parking spaces on the north side of the historic courthouse for county vehicle parking only.

Engineer Pogodzinski questioned whether there was a need to name the one-way street running on the north and west sides of the historic courthouse. It was agreed that suggestions would be gathered and discussed at a later date.

Accounting Manager Lapham questioned what name would be given to the historic courthouse building since the west side of the building which once read Houston County Courthouse now reads simply Houston County. Discussion was held.

File No. 3 -- Engineer Pogodzinski reported that S.P. 28-610-18 has been completed. The total cost for the project is \$773,790.76 with a final payment due in the amount of \$10,000.00. Work on the project was completed sometime ago. However, the project could not be finalized until some issues had been resolved. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-56

WHEREAS, Contract No. 180 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

Engineer Pogodzinski reported that the State will be paving the remainder of Badger Hill. This will require the detour to be enacted again on Thursday and Friday of this week. Traffic will be detoured on CSAH 10. He also reported that, provided there are no additional rain delays, the County 6 project is expected to be completed by this weekend. Engineer Pogodzinski indicated that once the County 6 project has been completed Evans Hill will be reshaped.

Chairperson Miller reported that he has spoken with both EDA Coordinator Wilms and County Attorney Hammell regarding the Caledonia Township Lodging Tax Agreement. It was agreed to table any decision in this regard while a new agreement is drafted which will incorporate a performance clause. Mike Werner, President of the Caledonia Area Convention and Visitors Bureau, stated that his organization is scheduled to meet on Thursday. The organization will be discussing the agreement and whether it fits within their needs.

Accounting Manager Lapham reported that EDA Coordinator Wilms has been designated to oversee the County's credit card program. He had planned on requesting authorization to issue county credit cards to both Accounting Manager Carol Lapham and Commissioner Steve Schuldt. Both cards would have spending limits of \$3,000.00. Accounting Manager Lapham requested this authorization on EDA Coordinator Wilms' behalf. She reported that Casey Bradley's county credit card has been cancelled as well as another credit card for another individual who was previously employed by the County. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to authorize the issuance of county credit cards for both Carol Lapham and Steve Schuldt.

Accounting Manager Lapham questioned at what stage the budgeting process was at. She indicated that recent hiring will result in changes to salaries and departmental budgets. She stated that she will enter these changes. She also indicated that she has had requests regarding other items also. She expects that the Board will address these requests and direct her if and when to enter any additional changes regarding the budget. Commissioner Bjerke expressed a desire to schedule additional budget meetings. It was agreed to schedule a 1:00 p.m. appointment on next Tuesday's Board schedule to discuss budgets.

Accounting Manager Lapham reported that migration from the current ACS system to the new browser based system will take place on October 17th. She expects this to be a simple conversion which employees will quickly get used to.

Accounting Manager Lapham reported that the 2010 Audit has been completed. A meeting with the State Auditor has been scheduled to discuss the audit findings.

Commissioner Bjerke provided information to Commissioner Schuldt regarding the cell or Smartphone per diem available to commissioners. Accounting Manager Lapham expressed concern that a cell phone policy regarding per diems was adopted. However, no accompanying policies and/or procedures have been adopted. Some individuals submit their request for reimbursement monthly, while others may choose to submit their request for reimbursement once

annually. This is creating issues with the budget and finance. Monthly financial statements may not reflect this expense accurately. Accounting Manager Lapham expressed her desire that the appropriate policies and/or procedures be drafted and adopted. The policies and/or procedures should be written to encourage that requests for reimbursement be submitted in a timely fashion.

File No. 4 -- Chief Deputy Sheriff Yeiter reported that a Grant Spending Plan in connection with the Armer Radio System was adopted on May 5, 2011. The plan was based on projection costs. Actual costs are now known. He requested approval of an updated plan which reflects actual costs. The plan is an update, and no additional funds are being requested. Commissioner Bjerke reported that E911 funds covered 50% of the cost for the console. Commissioner Zmyewski questioned how quickly reimbursement may be expected. Chief Deputy Sheriff Yeiter responded that he expects reimbursement to be received within 4 to 6 weeks following submission of a reimbursement request. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the updated Grant Spending Plan and to authorize the signature of Chairperson Miller on said plan.

Commissioner Walter questioned the status of the ARMER project. Chief Deputy Sheriff Yeiter responded that all radios have been ordered, many radios have been issued, many county public works units and the Highway Department and the City of Caledonia have all gone live, and law enforcement has been utilizing the portable radio units. He reported that 3 radios need to be issued to the Highway Department and vehicle installation of radios needs to take place. He reported that the cost for installation in one squad is estimated at \$200.00 to \$250.00 per unit and are scheduled over the next two weeks. He is anticipating a go live date of October 31st. Commissioner Schuldt questioned whether ARMER is replacing existing radio equipment. Sheriff Ely invited Commissioner Schuldt to further discuss the ARMER project. Chief Deputy Sheriff Yeiter provided a condensed overview of the project. He was pleased to report that several grants were secured to cover the cost of the migration. Therefore, Houston County will not be required to bond for the expense.

Chief Deputy Sheriff Yeiter reported that there are two 67 day employees who have expressed an interest in staying on to assist with road deputy coverage. These individuals have worked for the County's boat patrol. Approving this will reduce the potential for overtime. Both individuals have days remaining before they exceed the temporary hours. \$5,000.00 was budgeted for part-time staff. The budgeted amount has been exhausted, and an additional \$1,200.00 has already been spent. The budget for regular employees has experienced savings resulting from an unfilled deputy position. Commissioner Bjerke questioned whether the deputy position could remain vacant or whether part-time staff could be utilized to provide the necessary coverage. Chief Deputy Sheriff Yeiter responded that it could not. Currently, the investigator is being utilized to backfill the position. The work performed by the investigator is not being completed in a timely manner and the department has been receiving complaints in this regard. In addition, the individuals offering to assist on a temporary basis are employed full time. He expressed concern whether the individuals would be receptive to having a set schedule with the County in addition to their current employment. The Department has struggled to provide

adequate coverage during this period while the position has remained unfilled. The individuals expressing interest in providing on-call coverage have participated in County training. They will not require any additional training and could provide assistance immediately. Chief Deputy Sheriff Yeiter expressed his belief that the individuals have adequate hours to provide the necessary assistance through the end of the year. Commissioner Zmyewski suggested tabling decision in regard to this request until the next meeting. A Board appointment to revisit this was scheduled for the next meeting. It was agreed that HR Director Arrick-Kruger should also be included in the discussion regarding Mike Ernster and Bob Schuldt continuing on as 67 day employees to assist with road deputy duties.

PHN/HS Director Rock introduced herself to Commissioner Schuldt and provided a brief overview of her position with the County. She requested authorization for Peer Breastfeeding Support Coordinator Melde to receive a cell phone per diem. The Peer Breastfeeding program is grant funded, there is adequate grant funding available to cover the financial obligation of providing the cell phone per diem, and the per diem would be a qualifying grant expense. Chairperson Miller indicated that discussion was held earlier regarding the need for timely submission of reimbursement requests and encouraged PHN/HS Director Rock to monitor the submissions resulting from her staff. Accounting Manager Lapham stated that both the Public Health and Human Services staff members submit their reimbursement requests in a timely fashion. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve a cell phone per diem for Jesie Melde.

File No. 5 -- HR Director Arrick-Kruger reported that HS has been actively searching to fill vacancies. Some of the positions are new, while others are backfills. Searches for two full time positions have been conducted. The first position is for an Office Support Specialist. The position has been filled through a variety of means. Most recently, staff was provided through Experience Works. Due to budget constraints, funding for the Experience Works program was eliminated. Staffing of this position is critical to the HS department. HR Director Arrick-Kruger indicated that Maria Stemper is an exceptional candidate for this position. PHN/HS Director Rock reported that Ms. Stemper has worked for the Caledonia School District, she has a significant amount of support staff and reception experience, lives in the area and is familiar with many local residents. HR Director Arrick-Kruger provided an overview of the steps which transpire from the time of hire to regular status employment. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Maria Stemper as an office support specialist at step 2 of the A12 wage scale effective October 12, 2011.

HR Director Arrick-Kruger reported that recently a case aide secured the financial worker position creating a vacancy in the case aide position. Discussion was held regarding how to proceed with the case aide position. It was determined that hiring a full time financial worker would be more advantageous to the County. It would maintain recommended case numbers among financial workers allowing the department to secure the greatest amount of reimbursement and the position could perform the duties of case aide if necessary, and the position would qualify for partial salary reimbursement by the State. If the case aide position

were backfilled the financial worker case load would remain high resulting in reduced funding, the department could not capitalize on salary reimbursement and a case aide would be limited to performing only case aide duties. HR Director Arrick-Kruger reported that there was no need to advertise for the position as the County had recently posted a financial worker position this provided for a small savings. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the hire of Carrie Allen as a financial worker at step 1 of the B23 wage scale effective October 25th.

Jail Administrator Schiltz joined HR Director Arrick-Kruger regarding the hire of 3 lead jailers. Individuals recommended for hire were identified through a competitive internal process. This is not a straight promotion. The promotion to lead jailer is a requirement resulting from the change from a 90 day lock up to a one year facility. Jail Administrator Schiltz reported that there are unique requirements for 90 day lock up and one year facilities. Due to the fact that Houston County was moving towards opening the new facility, many items governed by regulation were grandfathered in. When asked whether the County could hire only two lead jailers, the response was no. This is a requirement which all one year facilities must abide by. If this requirement is not satisfied the DOC will not allow the facility to open and house prisoners. The lead jailer requirements carry a significant salary implication. The Jail Administrator is prohibited from acting as lead jailer. The promotion of employees will not create new positions or require any positions be back filled. The employees recommended for promotion are current jailer/dispatchers. Mark Olson and Mike Olson are lead jailers for the old facility and will remain lead jailers in the new facility. The County is required to have a total of 5 lead jailer/dispatchers employed. This is the number necessary to provide continuous coverage. This lead position has a wage that is 12% greater than the jailer/dispatchers and lead employees have additional duties. Chairperson Miller questioned whether the requirement is dependent upon jail inmate census numbers. Jail Administrator Schiltz responded that the requirement is based on the fact that the County is operating a one year lock up facility and has nothing to do with jail census. The lead employee will be responsible for making decisions and documenting the reason for such decisions in the event of an emergency. Any deviation from policy and procedure will be their responsibility. Jail Administrator Schiltz will be required to satisfy the duties for both the administrator and program coordinator. The State requirements for this type of facility are driving this. Commissioner Bjerke clarified that, without these hires, the facility will not be approved for opening. The positions have been budgeted for. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the promotion of Gary Bubbers, Duane Beckman, and Kevin Walther to lead jailers at B23-3 step 5 effective October 23, 2011. Accounting Manager Lapham expressed concern that these salary increases were not included in the budget numbers which have been prepared for 2012.

HR Director Arrick-Kruger recommended the hire of Fred Lee as the Automated Systems Manager/Custodian (ASM) for the Justice Center. This position has been banded as a B-2-3. Both Assistant County Attorney Bublitz and Court Administrator Larson assisted with the search. HR Director Arrick-Kruger reported when the position was originally advertised there were many applicants. However, very few offered the skill set desired. A second advertisement was posted

in a larger area. Four applicants were interviewed, two of whom had the experience desired. This position has been budgeted for within the operations budget. Commissioner Bjerke questioned whether there were any additional custodial vacancies. HR Director Arrick-Kruger stated that there is currently a custodial vacancy due to the resignation of an employee. The position is currently being filled with a 67 day employee. Commissioner Bjerke questioned whether that can be left vacant or filled with temporary employees. HR Director Arrick-Kruger expressed concern that these are public buildings, there are now 3 individual buildings to maintain and the ASM/Custodian hired for the Justice Center isn't expected to be able to address all ASM duties in addition to the daily custodial duties, she anticipated having other custodial staff assisting. Current staff is having difficulty keeping up with the custodial demands for two buildings. Commissioner Bjerke questioned whether cleaning may be contracted out. HR Director Arrick-Kruger indicated that this option has been discussed before. She reported that she has spoken with the Bureau of Mediation Services (BMS), and change to contracted services would require a full financial analysis. The financial analysis could be costly and would take a significant amount of time to coordinate and complete. In addition, in the event it showed that it would be more cost effective to contract out for cleaning services, negotiations with the unions would be required as they would be allowed to renegotiate the positions. Commissioner Bjerke expressed his strong desire to fill the vacancy with 67 day employees while working through the process to move towards contracting out for those services. HR Director Arrick-Kruger reiterated that there is a lengthy process required in an attempt to accomplish this during which time many 67 day employees would be required to cover the existing vacancy. Even though training is minimal, with each new 67 day employee there would be a cost associated with training. Chairperson Miller expressed his understanding of the time and resource commitment required to research the option to contract out for services. He expressed his desire to carefully consider all options available. He expressed concern that labor costs have increased with the addition of 3 lead jailer positions and additions to HS. All positions need to be carefully reviewed. He indicated that the Board has refrained from implementing a hiring freeze in which case departments would have had to make do. HR Director Arrick-Kruger expressed caution that the process will be extremely lengthy and the financial analysis implications are significant. Chairperson Miller expressed concern that there could continue to be hidden costs which arise as a result of bringing the Justice Center online. Commissioner Zmyewski questioned whether the County is considering contracting with Winona Controls for services. HR Director Arrick-Kruger responded that they may need to consider a service contract once warranty expires on HVAC components. It is possible that staff could meet the needs if they have adequate background and continued education needs are met. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Fred Lee as the ASM/Custodian at step 3 of the B23 wage band effective October 12, 2011.

Commissioner Zmyewski provided information regarding FBO's. The information defines what FBO's are and the purpose of them. It was agreed that County staff would meet to discuss the information prior to meeting with the group interested in establishing an FBO at the airport.

There was discussion regarding the appointment of Commissioner Schuldt to various committees.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve paying the \$75.00 advertising fee for the County Auction from the Commissioner's Budget. It was agreed that costs for advertising the County Auction would be budgeted for within the Commissioner's Budget going forward.

Discussion was held regarding the upcoming Justice Center open house. All commissioners will be present at the event.

Commissioner Walter reported on law committee and extension meetings which she attended.

Commissioner Zmyewski reported on a Soil and Water meeting which he attended.

Commissioner Bjerke reported on the canvassing, EDA, and negotiation meetings which he attended.

Chairperson Miller reported on the canvassing, EDA and negotiation meetings which he attended.

There being no further business and the time being 11:13 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 18, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 18, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Maintenance Foreman Molling; EDA Coordinator Wilms; Kermit McRae; HS Accountant Bahr; Accounting Manager Lapham

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the October 11, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$163,045.19
Road & Bridge Fund	24,823.73

Total	\$187,868.92
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Maintenance Foreman Molling reported on two quotes which were solicited for pavement patching on CSAH's 4, 10 and 16. Mathy Construction Co. quoted an amount of \$96,955.00, and Ole's Excavating quoted an amount of \$70,060.00. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the quote of Ole's Excavating in the amount of \$70,060.00 for pavement patching on various county roads. Maintenance Foreman Molling stated that Ole's Excavating is available to begin this work as early as Friday.

Maintenance Foreman Molling reported that several culverts will need to be repaired and/or replaced prior to future projects taking place. Next season efforts will be focused on

CSAH's 4 and 26. Following the repairs and/or replacements additional pavement patching will be necessary.

Maintenance Foreman Molling reported that recently, Accountant Schroeder, Engineer Pogodzinski and he reviewed the budget for the Highway Department. They have budgeted for several items which they delayed in case expenses exceeded budget. Expenses are in line with the budget. Therefore, the department would like to move forward with soliciting quotes for work to repair the south wall of the Highway shop, the replacement of 3 overhead doors for the shop, and the purchase of a broom attachment and trailer for the skid loader. Commissioner Bjerke commented that land rent revenue from the property intended for the proposed Highway Department complex would be utilized to make improvements to the existing building. The annual proceeds for 2011 are expected to nearly cover the overhead door replacement costs.

Chairperson Miller opened discussion regarding the naming of the historic courthouse building. Commissioner Bjerke expressed concern that new residents to the area don't know where to seek assistance. He recommended naming the building "Government Services." He indicated that this is a common and generic term that would provide adequate description for new residents. Commissioner Zmyewski stated that he understands arguments for calling the building the "Historic Courthouse" or "Government Services." The building is on the Historic Register which does sway him to the "Historic Courthouse" name. Commissioner Schuldt commented that the term "courthouse" encompasses other services in addition to court services. Chairperson Miller invited guests present to share their thoughts. Craig Moorhead expressed his opinion that "courthouse" is a generic term. Charlie Warner stated that the "courthouse" has been standing in Houston County since 1885. There is an abundance of history related to it. It is descriptive to consider the name "Historic Courthouse." Commissioner Schuldt stated that "Historic Courthouse" defines the building well. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and carried with Commissioner Bjerke voting in the negative to name the building, the Historic Courthouse.

File No. 4 -- On the recommendation of Jail Administrator Schiltz, motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to approve the Certificate of Substantial Completion for the Justice Center and authorize the signature of Chairperson Miller on the same.

File No. 5 -- Discussion was held regarding appointing an MCIT voting delegate and alternate. It was agreed that Commissioner Bjerke would continue to be the voting delegate and Commissioner Schuldt would be the alternate.

The time being 9:37 a.m., motion was made by Commissioner Walter seconded by Commissioner Zmyewski and unanimously carried to recess this meeting.

File No. 6 -- The meeting reconvened in regular session at 9:58 a.m. to hold the Public Hearing to consider a property tax abatement for Sno Pac Foods, Inc. EDA Coordinator Wilms

reported that Sno Pac Foods, Inc. has requested that a cap be removed in regard to the abatement. This has been approved by the EDA Board. Concern was also voiced regarding the possibility that the organization may be unable to break ground as scheduled. Verbiage has been incorporated to adjust the abatement schedule based on the actual ground breaking. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Property Tax Abatement Development Agreement and to adopt the following resolution:

RESOLUTION NO. 11-57
Approving a Property Tax Abatement for Certain Property
in the City of Caledonia, Houston County, Minnesota, following Completion of a 30,000 sq.ft.
Commercial Facility by Sno Pac Foods, INC

WHEREAS, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, the Minnesota State Legislature has authorized cities, school districts, counties and towns to rebate all or part of their respective portions of a parcel's property tax as an incentive to economic development provided the designated project meets criteria as established; and

WHEREAS, the Houston County Board of Commissioners believes that a strong economy is critical to the continued comprehensive growth and health of Houston County; and

WHEREAS, the Houston County Board recognizes that many complex factors influence the economic climate of the area and the Board has and will continue to support diverse efforts to foster a positive environment for both small and large business growth, attract and retain new corporate residents, and encourage development of the local labor force; and

WHEREAS, the Houston County Board has established the Houston County Economic Development Authority (EDA) which has been designated as the body responsible for reviewing and acting upon economic development abatement requests and other business subsidies, thereby replacing the original Abatement Committee; and

WHEREAS, the Houston County Board of Commissioners held a public hearing on **October 18, 2011**, following due notice as required by law and a recommendation by the Houston County EDA in favor of the abatement application of Sno Pac Foods, INC, dated July 20, 2011; and

WHEREAS, the Houston County Board of Commissioners has found and determined that:

1. It expects the benefits to Houston County of the proposed abatement agreement to at least equal the costs to the County of the proposed agreement;
2. The proposed abatement is in the public interest because it will:
 - a. Increase the County tax base by creating a new market value of **\$1,261,500**;
 - b. Retain existing businesses and their employment opportunities in the County;

3. The proposed tax abatement otherwise meets or exceeds the County's Business Subsidy Criteria because:
 - a. The project will provide needed space for the expansion of Sno Pac Foods, INC, that has sufficient other financing to complete the project in a timely manner;
 - b. It will encourage a high quality of construction and promote the highest and best use of land, consistent with the County's Comprehensive Plan, the City's zoning ordinance, and other local regulations;
 - c. The project will not significantly and adversely increase the demands for service needs in the County;
 - d. The project will retain jobs which pay desirable wages and provide support for other local business.

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners hereby approves the abatement request of **Sno Pac Foods, INC**, subject to the following stipulations:

1. The abatement will be payable to **Sno Pac Foods, INC** on the appreciated tax capacity in accordance with a development agreement which will specify the terms of such payments over **ten** (10) years beginning with the first year that taxes are due following substantial completion of the **Commercial Facility**.
2. After full payment of the taxes as due each year:
 - a. In years one (1) through ten (10), **Sno Pac Foods, INC** will receive a 75% abatement of the appreciated tax capacity;
3. In year eleven (11) and thereafter, **Sno Pac Foods, INC** will pay 100% of the real estate taxes without tax abatement.

Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to close the public hearing.

File No. 7 -- EDA Coordinator Wilms provided an update regarding the Lodging Tax agreement which has been tabled for the past two weeks. He reported that there has been good discussion regarding concerns. The Lodging Tax Agreement has been approved by both the township and the Caledonia Area Convention and Tourism Bureau, Inc. The County needs to determine whether it will approve the agreement or not as they are the last entity approval is required of. County Attorney Hammell recommended that the agreement be revised to include performance measures. The township has provided the Caledonia Area Convention and Tourism Bureau, Inc. with an outline of its expectations. There is a 30 day out clause included within the agreement. The County is simply a pass through fiscal agent for the agreement. The parties are

protected in regard to performance concerns through the 30 day out clause. Commissioner Schuldt questioned whether any other entity could stake a claim for the funds. EDA Coordinator Wilms responded that statute guides this and it clearly allows the township to designate a qualified recipient. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the Local Lodging Tax Agreement and to authorize the signature of Chairperson Miller.

The time being 10:07 a.m., motion was made by Commissioner Zmyewski seconded by Commissioner Schuldt and unanimously carried to recess the regular meeting until 1:00 p.m. when budget discussion is scheduled.

The time being 1:00 p.m. the Board reconvened in open session to discuss the proposed 2012 budget and levy.

The Board inquired how much would need to be cut from the proposed 2012 levy in order to have a zero percent increase. The amount is \$736,899.00.

Accounting Manager Lapham indicated that approximately \$200,000.00 of the increase in the levy from 2011 is for new operations in connection with the Justice Center.

Discussion was held regarding the Human Services budget and the revenues generated through MA estate recovery.

HS Accountant Bahr reported on the SILS funding. Houston County receives approximately \$72,000.00 for SILS funding, however, we are expected by the state to spend another \$22,000.00 for SILS services.

HS Accountant Bahr reported that a large portion of their levy increase is due to the reduction in state funding. Commissioner Walter suggested using fund balance to cover the increase in the Human Services levy. Also, she indicated that restoring staff to full levels accounts for a large portion of the increase. Social workers are not reimbursed 50% by the state like financial workers are. She felt the key to making the budget work is to make sure they are getting their child welfare targeted case management hits. She stressed the importance of capturing all the revenues possible. Another increase in the budget is an increase of \$20,000.00 for extended employment.

Accounting Manager Lapham indicated that Public Health is requesting county funding of approximately \$78,000.00, whereas, in the past they did not require any county funding. She indicated that the actual increase is higher since half of the director's salary is now paid from the Human Services budget.

Discussion was held regarding the amounts budgeted for COLA and discretionary increases for 2012.

Commissioner Walter reported on a Workforce meeting which she attended.

Commissioner Bjerke reported on facilities, and negotiation meetings and also the Justice Center open house which he attended.

Chairperson Miller stated that unions represent varied pay scales, and one sector may be economically impacted in different ways. He remains cognizant to maintaining some balance. Commissioner Bjerke expressed concern regarding the timeline. Compensation has not yet been addressed.

Charlie Warner questioned whether the MAPE unit has been formed. Chairperson Miller responded that it had, however, because it did not require Board approval was not discussed at any Board Meetings.

Chairperson Miller indicated that, in his opinion, the open house was well attended.

Chairperson Miller reported that he has met with Assessor Dybing and Auditor Meiners regarding a notice to be included with TNT notices. The change in the homestead credit will impact non-homestead properties and it is beyond the control of the County Board. Commissioner Bjerke expressed his belief that there are legislators who are attempting to draft and present legislation which would reverse the homestead credit changes which were recently implemented.

Kermit McRae clarified that an explanatory letter will be included with TNT notices.

Chairperson Miller reported on an airport meeting to discuss FBO's which has been scheduled.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 8 -- Easement with City of Caledonia for access to Justice Center Water Main approved September 27, 2011

File No. 9 -- Correspondence to Payroll regarding the hiring of 2 employees in Human Services, 3 promotions in the Sheriff's Department and the hiring of an ASM for the Justice Center

File No. 10 -- Correspondence regarding the appointment of Commissioner Schuldt to the Semcac Board and to the Family Services Collaborative Committee

File No. 11 -- Correspondence to Hank Koch regarding tons
delivers to Xcel

There being no further business and the time being 2:10 p.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 25, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 25, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Carla Blahnik; Engineer Pogodzinski; Assistant Surveyor Mauss; Accounting Manager Lapham; Treasurer Trehus; Duane Deters

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the October 18, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$32,028.11
Road & Bridge Fund	497,133.51

Total	\$529,161.62
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File No. 2 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Carla Blahnik, of the State Auditor's Office, provided information on the recently completed 2010 Audit. An exit conference with the full Board is required. She has already conducted an exit conference with management. The County received an unqualified opinion which is the highest rating which may be granted. Ms. Blahnik provided charts reflecting trends related to assets, revenues and expenditures. She noted that capital assets increased significantly which was a direct result of the Justice Center completion. She explained that bond issuance revenues are not included on the charts, therefore it appears that there is a significant difference between revenues and expenses. The bond issuance was used to cover the expenses related to building the Justice Center. The expenses are included on the charts. Chairperson Miller questioned some noticeable spikes. Ms. Blahnik commented on the findings and internal control concerns. She suggested improvements regarding material audit adjustments, IT security

functions, and small department areas which collect fees, treasury and finance controls, encouraged IT policies and procedures be developed, and recommended establishment of a disaster recovery plan. Ms. Blahnik expressed appreciation for the time committed by County staff towards the completion of the audit. Chairperson Miller clarified that concerns raised are minor and in no way egregious.

Accounting Manager Lapham reported that the 2011 Audit has begun. She also requested permission to attend a conference hosted by the State Auditor. There is a fee of \$125.00 for the conference. It was agreed that her attendance at said conference would be beneficial.

File No. 4 -- Engineer Pogodzinski requested approval of a grant agreement for airport maintenance and operation, and adoption of an accompanying resolution. The agreement is for State fiscal years 2012 and 2013. The grant provides for reimbursement of 2/3 of the eligible maintenance and operation costs not reimbursed by any other source, and not exceeding \$16,190.00 per fiscal year. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the Grant Agreement and to adopt the following resolution:

RESOLUTION NO. 11-58
AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF
TRANSPORTATION GRANT AGREEMENT FOR AIRPORT
MAINTENANCE AND OPERATION

BE IT RESOLVED by the County of Houston as follows:

1. That the State of Minnesota Agreement No. 99244,
“Grant Agreement for Airport Maintenance and Operation,” at the Houston County Airport is accepted.
2. That the County Board Chairperson and County Engineer are authorized to execute this Agreement and any amendments on behalf of the County of Houston.

File No. 5 -- Engineer Pogodzinski reported that 2007 flood debris was transported to and has been stored on property owned by Gary Kruckow and Jim Chapel. FEMA paid to transport the debris and has paid to store the debris at these sites. FEMA is discontinuing payments for storage, therefore agreements have been drafted that will allow for the permanent storage of the debris and release the County from liability. The landowners will be paid a onetime lump sum with the approval of said agreement. Engineer Pogodzinski reported that it would cost 2 or 3 times the lump sum payment amounts to transport the debris for permanent disposal elsewhere. Engineer Pogodzinski reported that the State will provide reimbursement for the lump sum payment amounts. Commissioner Schuldt questioned where these sites were located. Engineer Pogodzinski responded that the debris was deposited and essentially fills quarries on these individual’s property. Motion was made by Commissioner Bjerke, seconded by Commissioner

Walter and unanimously carried to approve an agreement and release with Gary Kruckow in the amount of \$120,000.00 and an agreement and release with Jim Chapel in the amount of \$75,000.00.

File No. 6 -- Engineer Pogodzinski requested approval of a 2008 Local Road and Bridge Disaster Relief Grant Agreement and adoption of a resolution providing for the reimbursement of \$195,000.00, which was paid out as lump sum payments to Gary Kruckow and Jim Chapel. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 11-59
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: October 25, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on CSAH 9 and 18 (SAP 28-996-021); and

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

WHEREAS, the amount of the grant has been determined to be \$ 195,000.00 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

File No. 7 -- Engineer Pogodzinski reported that initially a pilot project provided funding equal to an estimated amount for projects costing less than \$75,000.00. Through the pilot project, counties were allowed to retain excess funding if the jobs were completed at a cost less than the estimate. This pilot project has been eliminated. Projects with costs not covered by FEMA are eligible for funding through the State disaster account. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve a 2008 Local Road and Bridge Disaster Relief Grant Agreement and to adopt the following resolution:

RESOLUTION NO. 11-60
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions

Date: October 25, 2011

WHEREAS, the County of Houston has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for bridge or roadway repairs associated with Southeast Minnesota Flood located on CSAH 7, 18, 21, 22 and 26 (SAP 28-996-020); and

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

WHEREAS, the amount of the grant has been determined to be \$ 259,175.19 by reason of the detail damage cost estimated prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

NOW THEREFORE, be it resolved that the Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and the Houston County 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 and road but not required.

File No. 8 -- Engineer Pogodzinski reported that the State advanced funding to assist the county with cash flow needs during the recovery from 2007 flooding. The funding was designated for specific projects. The county is required to reimburse the State funds designated for projects which have not yet been completed. The county has held these advanced funds in an account which has earned interest. Repayment amounts have been determined and reimbursement in the amount of \$686,012.60 is due to the State. The funds will be submitted to the State soon.

File No. 9 -- Assistant Surveyor Mauss reported that she and Surveyor Walter would like to attend an MSPS Seminar. There are funds available for training within the surveyor's budget. Surveyor Walter will earn CEU's for his attendance. It was the consensus of the Board to grant permission to both Surveyor Walter and Assistant Surveyor Mauss to attend the seminar.

Assistant Surveyor Mauss expressed concern that budgets are tight. Recently, there have been some mechanical issues with GPS Equipment. Repairs have been costly. Replacement of the equipment would cost approximately \$10,000.00. Members of the Board encouraged Assistant Surveyor Mauss to consider budgeting annually over a period of multiple years so that when replacement equipment is needed, funds are available. The Board stated that this option should be discussed with Accounting Manager Lapham to ensure that the funds are carried forward appropriately. Commissioner Bjerke questioned whether the equipment would be a

qualifying use for Recorder's Technology Funds as the equipment is utilized for the benefit of land use.

File No. 10 -- Auditor Meiners reported that the Fair Board is seeking grant funds for the completion of two improvement projects. The grants must be applied for by a 501C3 organization. The Houston County Agricultural Society (Fair Board) does not have this designation. The Fair Board has requested that the County, which has a 501C3 designation, sponsor the grant applications. The first grant to be applied for, if awarded, would provide for significant improvements to Floral Hall. This grant is being offered by the Arlin Falck Foundation. The second grant to be applied for, if awarded, would provide for improved lighting service to the livestock buildings. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolutions:

RESOLUTION NO. 11-61

WHEREAS, the Houston County Agricultural Society (Fair Board) desires to apply for a grant from the Arlin Falck Foundation; and

WHEREAS, the grant must be submitted by a 501C3 organization; and

WHEREAS, the Houston County Agricultural Society (Fair Board) is not a 501C3 organization;

NOW, THEREFORE, BE IT RESOLVED THAT Houston County act as sponsoring agency for the Houston County Agricultural Society's (Fair Board) grant application and acknowledges herewith that it is willing to be the project sponsor and accepts responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

RESOLUTION NO. 11-62

WHEREAS, the Houston County Agricultural Society (Fair Board) desires to apply for a grant from the Ag Star; and

WHEREAS, the grant must be submitted by a 501C3 organization; and

WHEREAS, the Houston County Agricultural Society (Fair Board) is not a 501C3 organization;

NOW, THEREFORE, BE IT RESOLVED THAT Houston County act as sponsoring agency for the Houston County Agricultural Society's (Fair Board) grant application and acknowledges herewith that it is willing to be the project sponsor and accepts responsibility for

seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

Commissioner Zmyewski expressed concern that Airport Land Leases were due the end of September and to date, only one lease has been returned. Chairperson Miller indicated that recently County staff met to discuss the possibility of a FBO related to the airport. He questioned whether this was causing lessee's to delay the return of leases. Commissioner Zmyewski expressed his opinion that whether or not an FBO is enacted should not impact the leases. He expressed his opinion that the County should research its options in the event the leases fail to be returned.

File No. 11 -- Commissioner Zmyewski indicated that the Board will be required to make some decisions related to the Historic Jail and insurance coverage soon. He encouraged members to be thinking about this. Commissioner Bjerke expressed concern that insurance coverage, maintenance, and utility costs could be expensive. Chairperson Miller expressed agreement that there needs to be discussion regarding the future use of the building. There is no funding available to maintain or improve the building.

It was noted that Budget meetings are scheduled for 1:00 p.m. on November 2nd and again at 8:00 a.m. on November 3rd.

Discussion was held regarding the 2011 Governmental Units Survey.

Commissioner Walter reported on a meeting she attended with Environmental Services Director Frank and Harter's Quick Clean Up. She also reported on a District IX meeting which she attended.

Commissioner Walter reported that Winona County has submitted a preliminary budget reflecting a 3% reduction from last year. This has been accomplished through attrition. Winona County staffing has been reduced by 25 employees. She commented that Houston County adopted a preliminary levy representing the greatest increase among District IX counties.

Commissioner Zmyewski reported on the airport meeting which he attended.

Commissioner Bjerke reported on AFSCME negotiating meeting which he attended.

Chairperson Miller reported on a meeting which he attended with representatives of MPCA and also on PSAP, Airport, Mississippi River Trail and District IX meetings.

It was discussed during today's Law Committee meeting that there are 3 female inmates in custody. One inmate requires daily transportation from housing in Fillmore County. This transportation will be costly if it continues for a lengthy period of time.

Chairperson Miller reported that there are concerns regarding the duties expected of the LELS jailer/dispatchers.

The November Joint Board of Health meeting has been cancelled.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to place on file the following items from the consent agenda:

File No. 12 -- Public Notice regarding scheduled budget meetings

File No. 13 -- Correspondence from Southern MN Initiative Foundation forwarding 25th anniversary booklet

There being no further business and the time being 10:08 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 1, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 1, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Dan Zimmer; County Attorney Hammell; Engineer Pogodzinski; PHN/HS Director Rock; Interim Social Services Supervisor Lapham; Bethany Moen, Accounting Manager Lapham; Highway Accountant Schroeder; Zoning Administrator Scanlan; EDA Coordinator Wilms; Carol (Arlene Bothe's sister)

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the October 25, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$82,308.30
Road & Bridge Fund	298,469.99

Total	<u>\$380,778.29</u>

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

EDA Coordinator Wilms requested authorization to issue a credit card to the Department of Corrections (DOC). This would be a convenience for the department when registering for conferences and training. Chairperson Miller questioned why the County would authorize a credit card for use in a department which is operated by the State. It was pointed out that, while the probation officers are state employees, they operate under a county budget. After discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt, and unanimously carried to authorize a credit card be issued to the DOC.

File No. 3 -- PHN/HS Director Rock introduced Dan Zimmer. Mr. Zimmer is the Director for Region X Quality Assurance. This organization provides licensing functions and activities to the county related to the alternative quality assurance licensing system. Licensing in this manner has been proven to improve quality of service. Mr. Zimmer requested approval of an agreement that would extend services to Houston County until June 30, 2012. Bethany Moen, Houston County Social Worker, services on the Quality Assurance Board. Chairperson Miller questioned whether this was a State Agency. Mr. Zimmer responded that it is not. It is not a non-profit organization either. PHN/HS Director Rock reported that this organization serves the providers who assist developmentally disabled individuals. The organization provides for a client centered way of licensing providers. Clients receive better service as a result. Mr. Zimmer noted that the only cost to the County is case manager time to evaluate ISP (Individual Support Plans) which are prepared by the case manager and carried out by providers. He expressed his belief that the benefits outweigh the staff cost. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried approve the Delegation of Licensing Functions to Houston County under the Alternative Quality Assurance Licensing System.

County Attorney Hammell stated that there are concerns regarding the inability to fully execute the Land Leases for the Airport Hangars. She expressed her understanding that there have been ongoing discussions with unhappy tenants. However, she has received no details regarding what the tenants have issue with or how they would like to see the leases revised. She recommended scheduling a meeting with one or two representatives of the group to discuss the specific concerns regarding the lease that the group would like to address. County Attorney Hammell expressed concern regarding the county's liability with no leases in place. She recommended that this process be completed and finalized no later than November 11, 2011. In the event that no agreement may be reached, alternate action needs to proceed. Commissioner Schuldt inquired when the leases expired. The leases expired June 30, 2011. County Attorney Hammell reiterated, that the leases need to be finalized, or alternative action needs to proceed. Chairperson Miller indicated that discussion with the airport group has been productive and cordial. He would like to see this continue and volunteered to contact them so that a meeting with County Attorney Hammell and the group's representatives may be scheduled. It was agreed to proceed as suggested by County Attorney Hammell.

File No. 4 -- Zoning Administrator Scanlan provided background information regarding a recent appeal and a conditional use permit which has been recommended for approval. The property involved is or was owned by Arlene Bothe. Her sister, Carol was present to observe the discussion held today. Zoning Administrator Scanlan has worked with Carol on the applications. On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and carried to approve the issuance of the following Conditional Use Permits:

Brett Mighall – Brownsville Township - Build a dwelling on less than 40 acres in an agricultural district.

File No. 5 -- Zoning Administrator Scanlan reported that he has received requests to renew conditional use permits for both Old Hickory Orchards, LLC and Van Lin Orchards. The permits were first issued in 2002 and 2005 for temporary farm worker housing and have been renewed each year since. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve a one year renewal for each of the following permits:

Van Lin Orchards – Conditional Use Permit No. 216 Renewal

Old Hickory Orchards, LLC – Conditional Use Permit No. 146 Renewal

File No. 6 -- On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Farmer's Co-Op Elevator – Spring Grove Township - Build scale house (10' x 20') scale (120' x 30') and dryer (25' x 24')

Vernon Fruechte – Winnebago Township - Build pole shed (28' x 28')

Mike Banse – Winnebago Township - Build hay/machine shed (32' x 70') hoop barn (70' x 30')

Mike Sexauer and Laurie Simmonds – Hokah Township - Build pole barn (40' x 60')

Robert Beneke – Jefferson Township - Build grain bin (7,000 bushels)

Jim Scanlan – Mayville Township - Build lean-to addition on existing building (12' x 48')

Ronald Nerstad – Spring Grove Township - Build single car garage (12' x 28')

Oscar Rosendahl – Spring Grove Township - Build lean-to on pole shed (26' x 32')

Caleb and Sarah Grams – Brownsville Township - Build house (28' x 54') garage (24' x 26') pole shed (36' x 45')

Christian Myrah – Spring Grove Township - Build pole barn (48' x 72')

Matt Palen – Caledonia Township - Replace pole shed due to wind damage (60' x 100')

Matt Malott – Brownsville Township - Build cold storage pole shed (36' x 56')

Daniel Bolduan – Union Township - Build ag building for storage (30' x 64')

David and Carol Hutchinson – Black Hammer Township - Build covered porch/deck (8' x 24')

Ann Kramer and Judy Schultz – Mound Prairie Township - Build garage (24' x 30')

Stanley and Diane Schroeder – Mayville Township - Build attached garage (26' x 28')

Merle Becker – Caledonia Township - Build pole shed (50' x 80')

Patricia Klug – Caledonia Township - Replace pole shed due to fire (66' x 126')

Charles Chapel – Money Creek Township - Build 2 grain bins (3,000 bushels each)

Matt Bauer – Caledonia Township - Build garage (34' x 60')

Bill Schiltz – Caledonia Township - Build pole shed (40' x 60')

Hal and Patricia Hetland – Money Creek Township - Build house with covered porch (56' x 83') garage (30' x 43')

File No. 7 -- Auditor Meiners reported that MCIT could provide liability only coverage on the Historic Jail. Previously, only rates for replacement cost and actual cash value were discussed. Unless otherwise directed that the building is being used for some purpose, MCIT will reduce coverage to actual cash value in 60 days. Commissioner Bjerke questioned whether actual cash value coverage would be adequate in the event the roof blew off or another similar event. There was discussion regarding the building's condition. The Board instructed Auditor Meiners to clarify coverage limitations.

The time being 9:45 a.m. and pursuant to M.S. 13D.03 subd. 1(b), motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to go into closed session to consider strategy for labor negotiations.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to return to open session.

File No. 8 -- Commissioner Zmyewski suggested the cell phone policy be reviewed. He indicated that very few employees really need the smart phone option. With the installation of the new radio system, the Sheriff and Highway Department employees should not also require cell phones. After discussion it was agreed to review the cell phone and remote access policies, and to not consider any additional requests until these policies have been updated.

At this time, the Board met with Engineer Pogodzinski and Highway Accountant Schroeder to discuss the Highway Department Budget. Engineer Pogodzinski reported that the State will be reducing maintenance and roadway funding. The maintenance funding is anticipated to be reduced by \$90,000.00 and road funding by \$270,000.00. He provided examples of various items which are funded by these accounts and how the reduction may affect work and/or projects. Discussion was held regarding several accounts, the items covered by the accounts and how the proposed budget was arrived at. Commissioner Zmyewski pointed out various accounts where the budgeted amount has exceeded actual expenses repeatedly. Engineer Pogodzinski and Highway Accountant Schroeder provided their reasoning for budgeting specific amounts and, in many cases, why the expenses had not totaled the amount which had been budgeted. Engineer Pogodzinski indicated that the Board could reduce several line items by \$1,000.00 or so and these amounts would add up. However, if the expenses come through as anticipated his department will be requesting additional funding.

Commissioner Schuldt reported on a Caledonia Township Board meeting which he attended.

Commissioner Zmyewski reported on a Planning Commission meeting which he attended.

Commissioner Bjerke reported on the union negotiating meeting which he attended.

Chairperson Miller reported on an airport and negotiating meetings which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- 2011 Government Units Survey

There being no further business and the time being 11:51 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 8, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____

Jack Miller

Jack Miller, Chairperson

Attest: _____

Charlene Meiners

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 8, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Maintenance Foreman Molling; HR Director Arrick-Kruger; Sheriff Ely; Chief Deputy Sheriff Yeiter; Accounting Manager Lapham; Recorder Bauer; Emergency Manager Kuhlert

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the November 1, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$67,415.75
Road & Bridge Fund	108,439.23

Total	\$175,854.98
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Maintenance Foreman Molling reported that quotes have been solicited for several Highway Department items. The first item is for repair to the south wall of the Caledonia shop. The top three courses of block are crumbling. Stadler Masonry was the only contractor to submit a quote. Maintenance Foreman Molling stated that he had solicited bids from all Houston County based masonry contractors. Stadler Masonry has performed work for the county in the past and it has been satisfactory. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the quote of Stadler Masonry in the amount of \$5,495.00.

Maintenance Forman Molling indicated that there will be a need to replace the furnace in the Houston Shop in the foreseeable future. He stated that the original fuel oil furnace is still providing heat for the shop. He expressed a desire to replace the furnace with a radiant heat source at an estimated cost of \$2,200.00.

Maintenance Foreman Molling recommended accepting the quote of Tri-State Doors for three new overhead doors and installation. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the quote of Tri-State Doors in the amount of \$9,591.00.

Maintenance Foreman Molling stated that a broom attachment and trailer for the skid steer have been budgeted for, and quotes have been solicited for both. He provided specifications for the trailer. The proposed trailer will accommodate all skid steer attachments in addition to the skid steer. He recommended the low quote for the trailer and broom attachment be accepted. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to authorize the purchase of both the trailer and broom attachment and to accept the low quote provided by B & D Sealcoating in the amount of \$7,900.00 for the trailer and the quote provided by Caledonia Implement Company in the amount of \$4,960.00 for the broom attachment.

File No. 4 -- HR Director Arrick-Kruger recommended the hire of Steve Garrett for the position of Sheriff's Deputy. Mr. Garrett has been identified as the most qualified candidate for the position. He currently works in Rushford and has worked for Fillmore County in the past. He also resides in Rushford. HR Director Arrick-Kruger reported that the applicant pool was extensive and all were well qualified. This full time deputy position fills a vacancy in the department which has been in existence for approximately one year. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Steve Garrett as a Sheriff's Deputy at Step 1 of the appropriate wage scale contingent upon successful completion of background check and a psychological evaluation or verification of the same.

HR Director Arrick-Kruger provided background information related to the Assistant Custodian I vacancy and request to hire. She stated that Commissioner Bjerke had strongly encouraged staffing this position with 67 day employees. HR Director Arrick-Kruger has considered Commissioner Bjerke's request. However, 67 day employees are typically utilized to fill sporadic or one time needs. She expressed concern that this is an AFSCME union position. She stated while there would be some health benefits savings by staffing with 67 day employees, it would cost lost productivity and repeated OSHA training and inconvenience regarding access as 67 day employees are not granted key access to all areas of the building. HR Director Arrick-Kruger reported that the maintenance and custodial staff combined would account for 4 FTE. This includes the additional 1 FTE which has been added to maintenance/custodial when the Justice Center came on-line. 2.6 FTE is custodial while the remaining balance is maintenance. To reduce this by 1 FTE would be significant. Commissioner Walter commented that Ms. Lager has

been working as a 67 day employee. She has heard many positive statements in this regard. HR Director Arrick-Kruger reported that a competitive interview process has been conducted and the final decision was difficult. She recommended the hire of Kathleen (Kelli) Lager for the position of Assistant Custodian I. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to hire Kathleen (Kelli) Lager as Assistant Custodian I at step 2 of the appropriate wage scale effective November 9, 2011.

HR Director Arrick-Kruger provided information regarding step adjustments for two non-union employees who are advancing through steps. She also recommended a 1% discretionary increase for specific employees who are advancing through the discretionary range. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to table a decision until next week.

HR Director Arrick-Kruger reported that work on the elevator has been completed. The elevator remains locked out until a final inspection, which is scheduled for Wednesday, November 9th, has been completed.

HR Director Arrick-Kruger provided information regarding snow removal quotes which have been received. She expressed concern regarding snow removal from the sidewalks. If a skid steer were utilized, it could damage both the sidewalk and planter boxes. She considered purchasing a small garden tractor with blower and brush attachments. This would cost approximately \$10,000.00. She reported that Mike Steele has indicated that if the County accepted his quote of \$75.00 per hour for snow removal and committed to a three year agreement he would, at his expense, purchase the appropriate equipment for clearing snow from the sidewalks. The \$75.00 per hour fee would apply to the use of the plow, the skid loader or trucks to haul away the snow. Chairperson Miller questioned whether STS could assist with snow removal. HR Director Arrick-Kruger stated that STS may be able to assist with snow removal provided they have supervision and are available. There was discussion regarding contract requirements and concerns whether Steele would get paid if STS had performed snow removal prior to Steele's arrival. HR Director Arrick-Kruger stated that the contractor is paid for work performed. In the event there is no work to perform, the contractor would not get paid. HR Director Arrick-Kruger also considered purchasing a walk behind snow blower and determined that a small garden tractor would better suit the needs. Commissioner Zmyewski indicated that owning equipment has a cost and requires maintenance. He expressed his belief that it may be more cost effective to enter into a multi-year agreement if that option is available.

HR Director Arrick-Kruger provided an outline regarding terms which one of the collective bargaining units has agreed to.

File No. 5 -- Auditor Meiners provided information regarding upgrading furniture and equipment so that the License Center conforms to State guidelines and functions more efficiently. In an effort to contain costs and keep the upgrade as inexpensive as possible, Auditor Meiners stated that modular work stations which will become available through various departmental

moves have been identified for use in the License Center. This reuse of available furniture will decrease the cost by approximately \$6,000.00. In addition, Auditor Meiners is working with GIS Coordinator Krzoska to identify other available modular pieces which may be utilized to reduce the pieces which must be purchased to complete the project. She indicated that she has funds available within her 2011 budget to cover the cost of the project. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to authorize Auditor Meiners to move forward with the proposed remodeling project for the License Center.

File No. 6 -- Emergency Manager Kuhlert reported that the County has been awarded an Emergency Management Performance Grant for 2011 in the amount of \$17,675.00. A grant agreement is required prior to accessing the funds, and the funds must be expended prior to December 31, 2011. Typically, this grant is awarded much earlier in the year, however, due to issues with the Federal Government and their budget, it was delayed. Emergency Manager Kuhlert provided options which would utilize the funding prior to the grant sunset. He suggested applying it towards his salary as a means of preserving the funding and rolling it forward for use on a weather siren upgrade project in 2012. The sirens require updates due to the County's migration to the ARMER radio system. Accounting Manager Lapham reported that this would initially be entered as a salary reimbursement and carried forward as a fund balance revenue which could be transferred to the appropriate expense account for the project when the expense is paid out in 2012. Sheriff Ely spoke regarding the weather sirens and the need for narrow band compliance. He stated that the weather sirens were installed by the County. Local governments entered into an agreement when the sirens were installed accepting responsibility for future maintenance and upgrades. Chairperson Miller questioned the process by which the sirens are activated. He also clarified that the grant funds could be utilized to offset a salary. It was agreed that due to the grant sunset, action should be taken to accept the grant immediately. The use of the funds may be determined at a later date. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the EMPG Grant in the amount of \$17,675.00 and to authorize the signature of Chairperson Miller on the Grant Agreement.

File No. 7 -- Accounting Manager Lapham provided a print out of the budget reductions which were agreed upon during recent budget meetings. If approved, the proposed budget reductions would provide for a 0% levy increase. It was noted that the initial levy which was adopted reflected a near 7.5% increase. It has always been the goal of the Board to adopt a final levy with a 0% increase. Accounting Manager Lapham recommended scheduling additional budget meetings with Public Health, Human Services, Highway, and Planning and Zoning. The purpose of the meetings is to determine grant amounts, and to factor in any required local matches in order to finalize the budget. It was agreed to schedule budget meetings beginning at 1:00 p.m. on Monday, November 14th.

Commissioner Zmyewski indicated that the cell phone policy should be reviewed. He expressed his opinion that a determination should be made on who qualifies for the per diem and

who does not. Chairperson Miller suggested reviewing the list of those receiving the per diem and the reason a per diem was determined to be a business necessity. Commissioner Zmyewski expressed concern that there are security issues which need to be addressed within the mobile computing policy. He stated his understanding that access was intended for Board members and select department heads whose work requires them to be out of their office on a regular basis. Commissioner Zmyewski indicated that cell phone access is “nice”, however he is questioning whether it is business necessity. It may be possible to eliminate the stipend. Commissioner Schuldt commented that Verizon offers a 15% discount to employees of governmental units such as State employees as well as certain business organizations. It was agreed that Commissioner Schuldt would research the Verizon policy and available discounts. Commissioner Walter expressed her desire to discontinue the stipends.

File No. 8 -- Auditor Meiners presented several Snowmobile Club Grant Agreements for approval. The County acts as a fiscal agent for the Snowmobile Clubs. The Grant Agreements to be approved are as follows: Capital Improvement for Money Creek Trail System in the amount of \$6,000.00; Capital Improvement for La Crescent Trail in the amount of \$8,796.00; Maintenance and Grooming for Gopherland Trails in the amount of \$50,647.20; Maintenance and Grooming for La Crescent in the amount of \$16,807.20; Maintenance and Grooming for Houston Money Creek in the amount of \$23,772.60; and Maintenance and Grooming for Viking Ridge Trail in the amount of \$18,386.40. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the above listed grant agreements and to authorize the appropriate signatures on said agreements.

Commissioner Walter reported that Kelly Wilkins, Houston County 4H Coordinator, has accepted a position with Dodge County full time. Luann Hiniker, UM Extension, will be searching for a replacement.

File No. 9 -- On August 23rd, representatives from The City of Hokah approached the County regarding the possibility of leasing county owned property for placement of a 1,000 gallon propane tank. At that time, it was agreed to proceed with drafting a mutually agreeable lease agreement. A Lease Agreement has been prepared and its approval has been requested. County Attorney Hammell has reviewed the agreement and expressed no concerns. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Lease Agreement between the City of Hokah and the County of Houston.

Commissioners Walter and Schuldt reported on budget meetings which they attended.

Chairperson Miller reported on an EDA meeting which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to place on file the following items from the consent agenda:

File No. 10 -- Historic Jail insurance coverage information

There being no further business and the time being 10:20 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 15, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 15, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Engineer Pogodzinski; Accounting Manager Lapham; HR Director Arrick-Kruger; IS Director Milde; PHN/HS Director Rock; Interim Social Services Supervisor Lapham; HS Accountant Bahr; Financial Assistance Supervisor Kohlmeyer

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the November 8, 2011 meeting.

Following discussion, it was agreed to send out packets electronically starting immediately. Electronic packets will result in paper and postage savings.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$106,864.32
Road & Bridge Fund	1,088,121.20

Total	\$1,194,985.52
	=====

File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve a late submission phone bill from Human Services.

File No. 4 -- Engineer Pogodzinski stated that Federal DOT funds flow through the State of Minnesota before being issued to the County. In order for this to take place, the County is

required to have an agreement in place designating MnDOT to act as the county's agent in accepting federal funds in its behalf. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 11-63
RESOLUTION FOR AGENCY AGREEMENT NO. 00028

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

BE IT FURTHER RESOLVED, that Jack Miller, Chairman of the County Board of Commissioners and Charlene Meiners, County Auditor, are authorized and directed for and on the behalf of the County of Houston 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 Agreement No. 00028," a copy of which said agreement was before the County Board and which is made a part hereof by reference.

File No. 5 -- HR Director Arrick-Kruger reported that a decision regarding recommended step adjustments for non-union employees was tabled during last week's Board meeting. She recommended a single step adjustment for both Andrew Milde and Jordan Wilms. This action will keep these individuals on par with union employees. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the recommended step adjustments effective on each employee's anniversary date.

HR Director Arrick-Kruger provided historical information regarding discretionary increases. Unionized positions are classified and banded according to duties and responsibilities and placed on a wage grid. The grids are designed to advance employees through a series of steps to a salary cap. Each union agreement is unique in the number of steps it takes for a member to attain a salary cap. Non-union employees have also been placed on a step increase grid with a discretionary range that is the final range to move through prior to reaching a salary cap. Historically, each year increases have been approved for those employees with salaries within the discretionary range in an amount between 1 and 2%. These discretionary increases are independent of any approved COLA increase. The recommended discretionary increases have been included in the 2011 budget. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the following non-union discretionary increases for 2011:

Araysa Ashmore, 94%
Laurie A Bigalk, 98%
Lindsay R Pierce, 99.125%

Lisa Bahr, 96%
Carol A Lapham, 99.125%
Robert S Scanlan, 98%

Michelle L Severson, 92%

Mary L Thompson, 98%

It was noted that all other non-union and/or appointed officials who are not listed here are still advancing through the initial wage step range or are already at 100% of the maximum salary for their respective positions.

HR Director Arrick-Kruger reported that LELS Local #60 (Jailer/Dispatchers) have approved a labor agreement providing for the same COLA increases and health benefits as has been approved by AFSCME.

Annual health insurance benefits enrollment will be held on November 30th. Employees will be notified of this later today.

Commissioner Walter questioned how Elected Officials salaries are set. HR Director Arrick-Kruger responded that they are set annually in December. The question has been raised whether elected officials may be included on a wage grid similar to those of union and non-union employees which provide for step advancement resulting from longevity and/or experience. HR Director Arrick-Kruger is reviewing statute in this regard.

Discussion was held regarding the cell phone policy. Auditor Meiners is working up the requested listing of cell phone per diem recipients. It was agreed to establish a temporary committee consisting of Commissioners Walter and Zmyewski to review the cell phone policy.

Discussion was held regarding the use of funds from the EMPG grant which was accepted November 8, 2011. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to utilize the EMPG funding to offset the salary of Emergency Manager Kuhlert.

File No. 6 -- Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to appoint Liz Wanschura to the SELCO/SELS Board of Directors for a three year term expiring July 31, 2014.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to re-appoint both Tom Falbo and Bob Carlson to the Bluff Country HRA Board for five year terms expiring 8/27/2016.

The time being 9:37 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to recess the meeting to hold the scheduled Human Services Board Meeting.

The time being 10:26 a.m., the Board reconvened, with all members present, to view a presentation prepared by Commissioner Zmyewski regarding possible layouts to remodel the old courtroom into a new Commissioner's Room.

Commissioner Walter reported on Workforce Development, Emergency Medical and Trail meetings which she attended.

Commissioner Schuldt reported on the budget meeting which he attended.

Commissioner Zmyewski reported on a SE MN Water Resources Board meeting which he attended.

Chairperson Miller reported on Trail and budget meetings which he attended.

Commissioner Zmyewski provided information that Landshark is offering to provide for credit card payments for those purchasing Houston County Recorder documents through Landshark. Olmstead County currently offers this option through Landshark. Recorder Bauer is researching this option.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to place on file the following items from the consent agenda:

File No. 7 -- Correspondence to payroll regarding hire of Steve Garrett and Kelli Lager

File No. 8 -- Public Notice regarding special budget session scheduled for 11/14/11

File No. 9 -- Correspondence to Xcel regarding tons delivered

There being no further business and the time being 10:51 a.m., motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 22, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 22, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Don Nelson; HR Director Arrick-Kruger; Sheriff Ely; Accounting Manager Lapham; Veterans Services Officer Gross;

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the November 15, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$81,693.97
Road & Bridge Fund	82,889.33

Total	\$164,583.30
	=====

File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- At this time Don Nelson, Area Wildlife Supervisor, representing the DNR, met with the Board to discuss a proposed land purchase by the DNR in Mound Prairie Township, Houston County. He reported that there is a 65 acre parcel of property available. The property is lowland pasture, and wetland. Mr. Nelson reported that he extended an offer to the Mound Prairie Town Board to attend one of their meetings to discuss this acquisition. His offer was declined and it was noted that there were no concerns or comments in this regard. Mr. Nelson is required to obtain County Board approval. There was discussion regarding payment in lieu of tax (PILT), the formula by which said payment is determined. In this particular instance the land proposed for acquisition has been enrolled in the green acres program. The resulting PILT payments will be approximately 3 times more revenue than that which was generated through property taxes. The plan for property will be to develop a parking lot and open it for use by the

public for such things as fishing and hunting. It is possible that there may be habitat work completed in the future. Commissioner Bjerke questioned whether this will negatively impact the work to complete a bike trail between Houston and La Crescent. Mr. Nelson reported that it is not the intent of the DNR to prevent development of the trails system even though trails through certain parcels held by the DNR is prohibited. They work with Trails and in the event they were to acquire property in the area which has portions of the old railway bed, that portion may be divided out and made available to the Trails organization. Commissioner Zmyewski questioned why this parcel was being acquired. Mr. Nelson responded that it is to make lands available to the public for hunting and also to preserve habitat. He also indicated that this area is prone to flooding by the Root River. The DNR allows waters to spread in these areas freely, thereby preventing flooding in other areas. Commissioner Zmyewski also questioned if allowing the flooding affects individuals downstream. Mr. Nelson responded that it does not, as nothing is being modified. Commissioner Zmyewski questioned whether the sale has been advertised. Mr. Nelson responded that there are no advertising requirements. This is a private land sale. Commissioner Zmyewski expressed concern that the land has not been advertised and that there could be others interested in its purchase had they been aware of the offering. However, he does realize the benefit that the land will provide by adding to or creating a buffer zone near the river. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the request to purchase 65 acres from Terry Botcher and Richard Botcher and to adopt the following resolution:

RESOLUTION NO. 11-63

WHEREAS; In accordance with Minnesota Statutes 97A.145, Subd. 2, the Commissioner of the Department of Natural Resources on November 22, 2011 provided the county board with a description of lands to be acquired by the State of Minnesota for water, forestry, wildlife, and natural plant community conservation purposes.

WHEREAS; The lands to be acquired are described as the following: That part of the North Half of the Northeast Quarter Lying south of Houston County Highway Number 21 of Section 28, Township 104 North, Range 5 West, Houston County, Minnesota.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Houston County that the State's proposed acquisition of the above described property be approved.

Commissioners Zmyewski and Walter reported that they have reviewed the cell phone and remote access policy. They believe that there are items which should be decided on as a group. Commissioner Zmyewski stated that the policy clearly states that requests for cell and Smart phone per diems must be brought before the Board. He expressed concern regarding the need for remote access to e-mails. It is the policy review committee's recommendation to allow remote access to elected officials and specific Department Heads. There is a need to determine which employees have a need for a cell phone per diem which is justified by their job duties and

responsibilities. Commissioner Zmyewski noted that when the Highway Department sought approval for several cell phone per diems, it was noted that once the ARMER system went live there would be no need for cell phone per diems for several of the employees. He stated that the list of those receiving a cell phone per diem has been reviewed and many of the per diems are justified. He did question the need for per diems for individuals who have an office and a desk and whether it is necessary to allow remote access. Commissioner Walter stated that the elimination of the Highway Department cell phones would result in an approximate \$3,000.00 annual savings. Commissioner Zmyewski questioned the need for a Smart phone per diem for the EDA Coordinator. It is his understanding that the EDA Coordinator works primarily on-site. He also inquired about the justification for a Smart phone per diem for the PHN/HS Director position held by Deb Rock. Chairperson Miller questioned whether the elimination of an already approved per diem would negatively impact employees. He questioned if any employees had entered into a cell phone contract based on the approval of the per diem. Commissioner Zmyewski indicated that he has carefully reviewed the listing of those who receive the per diem and he feels that the policy, for the most part, has been utilized prudently. Chairperson Miller stated that we operate in an information age. Commissioner Schuldt commented that he upgraded to a Smart phone contract. His bill increased by approximately \$30.00 causing him to question how the per diem amounts were determined. It was agreed to discuss this in greater detail at a later date.

File No. 4 -- HR Director Arrick-Kruger recommended that Veterans Service Officer Gross be reappointed for another 4 year term. She highlighted Mr. Gross' service, credentials and accomplishments. Commissioners shared positive comments regarding Mr. Gross' service to the County and its veterans. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to appoint Rob Gross to a four year term as Veterans' Services Officer effective January 1, 2012 and expiring December 31, 2015.

File No. 5 -- HR Director Arrick-Kruger reported that Laurie Meyer recently resigned from her HHA position with the county. She would like to be retained as a Roster HHA/67 day employee. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to place Laurie Meyer on the HHA roster as a 67 day employee.

HR Director Arrick-Kruger recommended that the time by which individuals must reduce their vacation accruals to acceptable carry forward levels be extended until July 1, 2012 for Deb Rock, Sharen Lapham and Mark Schiltz. These individuals have accepted duties which have prevented them from reducing their vacation accruals to acceptable carry forward levels. They were prevented from utilizing their vacation due to the extent of their responsibilities. If these individuals had taken extended periods of vacation, the County may have suffered as a result of their duties not having been addressed in a timely manner. Commissioner Zmyewski expressed his belief that these individual were compensated for accepting the additional duties. The County did not direct them to forego their vacation. HR Director Arrick-Kruger commented that these individuals did not take vacation and had they, it may have left the County at a deficit that something was not addressed or taken care of properly in their absence. Commissioner Schuldt

expressed concern that these individuals were asked to accept additional duties and he believes it is appropriate to make them feel that their willingness to do so is appreciated. Commissioner Bjerke commented that individuals need vacation. It is healthy to take vacation. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and carried with Chairperson Miller casting a vote, Commissioner Zmyewski voting in the negative and Commissioner Bjerke abstaining to approve the extension to July 1, 2012 to reduce vacation accruals to acceptable carry forward amounts for Deb Rock, Sharen Lapham, and Mark Schiltz.

HR Director Arrick-Kruger requested approval for a correction to the discretionary adjustment of Michelle L. Severson from 92% to 93%. This was a typo. Costs figures were calculated based on the correct percentage of 93%. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the same.

HR Director Arrick-Kruger reported that the elevator inspection was completed and was approved for use on November 9, 2011.

Chairperson Miller questioned why, when he arrived for an 8:00 a.m. appointment at the Justice Center, the elevators were not in service. Sheriff Ely stated that the elevators are on a timer and are operating freely from 8:30 a.m. to 4:30 p.m. and by Justice Center key cards at other times. Commissioner Miller questioned why the elevators do not operate freely beginning when the building opens to the public at 8:00 a.m. The timing of the elevator operation will be reviewed.

File No. 6 -- HR Director Arrick-Kruger reported on 3 Collective Bargaining Unit Agreements which are ready for County approval. She indicated that changes were the result of correcting typographical errors, updates to effective dates, insurance contribution changes and updated wage grids. She requested approval of the agreements. Commissioner Zmyewski indicated that he would prefer to have a week to review each change before voting. Commissioner Bjerke commented that these agreements need to be in place in order to move forward with health insurance benefits changes. HR Director Arrick-Kruger urged caution regarding altering and/or revoking this tentative agreement. Commissioner Bjerke reported that he served on the negotiating committee as a representative of the Board. He expressed his belief that all changes are in good faith and have been adequately discussed in closed session. Accounting Manager Lapham has reviewed the figures to ensure the outcome is consistent with the Board's directive. Commissioner Bjerke stated that there are still two unions with which to reach agreement. Open enrollment for health insurance needs to take place and time is running short. Open enrollment is scheduled for November 30th. HR Director Arrick-Kruger indicated that she will also be requesting that the Board approve the same health benefits for the non-union individuals so that they may participate in the open enrollment. She stated that there were cafeteria dollars which were removed. This has played a significant role in negotiations. Chairperson Miller expressed his understanding of Commissioner Zmyewski's concerns. Chairperson Miller indicated that he is not pleased with the inclusion of COLA increases. However, the insurance benefits directive has been accomplished through the negotiation

process. Everyone on the negotiating committees worked diligently to reach a compromise. Neither side is totally satisfied. Commissioner Zmyewski expressed his displeasure with the outcome of negotiations. He indicated that there are big pay increases with AFSCME at a time when many government employees are not, and have not received increases in several years and private sector employees are losing health benefits all together. He is not in agreement that the county should grant pay increases along with all the other benefits it provides. He expressed his belief that Houston County is the best place to work when considering wages and benefits. He stated that he would like time to review the tentative agreements. He expressed his opinion that this is his responsibility to his constituents. He expressed his understanding that this may be the best agreement that could be reached. He expressed concern that many times a vote was hastily called for and he prefers to consider things fully before casting a vote. HR Director Arrick-Kruger expressed understanding of his position. She had been under the impression that contents of the agreements had been adequately addressed during closed session. She stated that negotiations took place and resulted in the proposed agreement in record time. It was agreed that a vote would take place during the next scheduled meeting of the Board being November 29, 2011.

File No. 7 -- Auditor Meiners reported that 2012 printing bids will be solicited soon. Last year competitive bids were solicited for the publishing of the delinquent tax list. This resulted in a significant savings. She provided advertising amounts paid over the past 3 years which reflect a significant savings resulted from the competitive bidding request. She recommended that only competitive bids be requested for the coming year. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to request competitive printing bids for the 2012 year.

File No. 8 -- Received and filed from the Houston-Money Creek Snowriders Snowmobile Club was a Maintenance and Grooming application. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolutions:

RESOLUTION NO. 11-64

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the application of the Money Creek Trails and authorizes the Board Chairperson and the County Auditor to sign an agreement with the Department of Natural Resources.

Commissioner Walter reported on a Solid Waste meeting which she attended.

Commissioner Zmyewski reported on a proposed meeting called by Eric Benson. Commissioner Zmyewski was able to discuss with MnDOT Aeronautics, the FAA, and Mead & Hunt that this was not an official county meeting, nor was it called by the County or on their

behalf. These organizations were informed of individuals who represent the County and are authorized to call official county meetings.

Chairperson Miller reported on a Redesign meeting which he attended.

Commissioner Schuldt reported on a law committee meeting which he attended. Discussion was held regarding the County's responsibility and liability with regard to inmates who go on hunger strike.

Commissioner Zmyewski reported that he had met with County Attorney Hammell regarding the Airport Hangar Land Leases. County Attorney Hammell expects to bring the lease forward next week for approval.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 9 -- Correspondence to payroll regarding step and discretionary increases

File No. 10 -- Correspondence to Semcac regarding Bluff Country HRA appointments

File No. 11 -- Correspondence to individuals appointed to the Bluff Country HRA Board

File No. 12 -- Correspondence to SELCO regarding appointment of Liz Wanschura

File No. 13 -- Notice of 2011 MCIT dividend payment

File No. 14 -- Correspondence to city and township clerks and school district personnel regarding caucuses, March township election day and statutes governing events on these days

There being no further business and the time being 10:39 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 29, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 29, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Chief Deputy Sheriff Yeiter; Zoning Administrator Scanlan; Engineer Pogodzinski; Accounting Manager Lapham; Sheriff Ely; IS Director Milde; PHN/HS Director Rock; HR Director Arrick-Kruger

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the November 22, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$74,335.59
Road & Bridge Fund	86,154.96

Total	\$160,490.55
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Engineer Pogodzinski reported that S.A.P. 28-605-17 & S.A.P. 28-605-18 have been completed. The job bid was for a total of \$889,007.08. The total cost for the project is \$940,600.32 with a final payment due in the amount of \$47,030.02. Engineer Pogodzinski reported that it is common with paving contracts to provide for bonuses for ride surface and pavement density. With this project, Mathy Construction was awarded bonuses for pavement density. Bonuses for rider surface were removed from this contract. However, Mathy would have been awarded bonuses for ride surface on a portion of the paving. On another part, they would not have been awarded the bonuses due to the condition of the roadbed which they were paving on. This was an element outside of Mathy Construction's control. Motion was made by

Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-65

WHEREAS, Contract No. 204 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

Chairperson Miller reported that he had attended a meeting hosted by the Friends of the Airport. Discussion was held regarding bond money which had been released by the State. The group was concerned that the County may lose out on the bond funding as a result of the EA study being incomplete. The question was also raised regarding the length of time it is taking Mead & Hunt to complete the EA study. Engineer Pogodzinski explained that the EA study is very involved and requires the input of several agencies. The question regarding the GPS approach was brought up again. If the GPS approach were active, aircraft would have the option of instrument landing in inclement weather conditions. The State has made it clear that they will not re-activate GPS approach at the Houston County Airport until a financial commitment has been made towards making the necessary improvements. Commissioner Zmyewski urged patience as the EA study is being completed which will allow for future decision making.

File No. 4 -- Chief Deputy Sheriff Yeiter reported that following the migration to ARMER, the State has realized the communication deficit created with bordering units of government. In order to provide for communications, the State has offered grants to local units of government who border other states or Canada. These grants will provide funding to have equipment installed that will "patch" ARMER communications to the local radio frequency. Houston County borders four out of state counties, La Crosse and Vernon counties in Wisconsin and Allamakee and Winneshiek counties in Iowa. Houston County will be the host county for La Crosse, Vernon and Allamakee. Winneshiek County will be hosted by Fillmore County who shares a greater portion of border with them. As the host county, a grant contract must be in place. The grant provides for reimbursement for the cost of equipment and installation. The equipment will remain the property of the host county. Commissioner Schuldt questioned who the responsible party would be for maintenance costs. Chief Deputy Sheriff Yeiter responded that these are fixed location equipment and require little to no maintenance. However, in the event that maintenance costs were incurred, Houston County would be the responsible party. If the grant contract is approved, the work must be completed by January 31, 2012. Chairperson Miller questioned how communications took place prior to the migration to ARMER. Discussion was held. Commissioner Bjerke indicated that he had questioned how Minnesota would communicate with neighbors once ARMER was live. The equipment provide for through these grants will provide for continued communications across the State's border. Motion was made by

Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the grant contracts and to authorize the signature of Chairperson Miller and Auditor Meiners.

File No. 5 -- Zoning Administrator Scanlan requested approval of the annual Natural Resources Block Grant agreement. The grant provides state money that is utilized to implement the following programs; wetlands, feedlots, shore land and SSTS (septic system). The fiscal year 2012 grant is in the amount of \$89,155.00. Zoning Administrator Scanlan reported that funding for the SSTS portion increased substantially. This funding requires no match. Previously the funding for the SSTS program was approximately \$10,000.00 and has been increased to over \$18,000.00 this year. Overall, the grant has increased by nearly \$4,000.00 and the match requirements have remained essentially the same. Feedlot performance credits are not included in this grant. The credits are expected in spring 2012 for an amount between \$4,000.00 and \$6,000.00. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Board of Water and Soil Resources Natural Resources Block Grant Agreement.

File No. 6 -- IS Director Milde presented quotes for the replacement of a server which recently suffered significant hardware failure. He was pleased to report that all data has been recovered and will be restored. Discussion was held regarding the hardware failure, backup procedures, virtual servers and actual hardware servers. IS Director Milde indicated that he had reviewed the current IS budget, and after combining remaining balances from several line items, will have the funds necessary to cover the equipment cost. Discussion was held regarding the role of the IS Director, the lack of cross-trained staff and the need to address this. It may be possible to meet needs through a service contract or cross-training of other IS staff. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the purchase of a server and NAS system in an amount not to exceed \$20,859.41.

File No. 7 -- HR Director Arrick-Kruger requested approval of a health benefits plan for non-union and elected officials. These benefits mirror those which have been tentatively agreed upon with several collective bargaining units. Commissioner Zmyewski reported that the state has been negotiating with collective bargaining units since September 26. No agreement has been reached to date. He questioned whether the County has been hasty and whether it is prudent to approve any agreement prior to the state doing so. He indicated that a state agreement could be used as a baseline for a county agreement. HR Director Arrick-Kruger expressed hesitation as the state wages and benefits differ from those of the county and would not provide for an "apples to apples" comparison. In addition, significant changes to county benefits were proposed and impacted the negotiations. The CDHP was introduced. The county has been subject to double digit premium increases for the current CMM plans. CDHP's are expected to, and traditionally have, mitigated rate volatility. The premium contribution structure has been significantly revised. Collective bargaining units negotiated to reduce the impact of these changes for their members. HR Director Arrick-Kruger stated that there is a need to complete open enrollment. The state may have a different timeline in this regard. The county needs to implement the changes by January 1, 2012. She does not anticipate this type of time constraint in the future unless there are

significant changes to benefits. Commissioner Bjerke expressed his support to move forward regarding the health benefits changes. He indicated that the payment of cafeteria dollars was to be discontinued because it was unsustainable. Through negotiations this has been accomplished. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the health benefits plan as presented for the non-union and elected officials.

HR Director Arrick-Kruger reported that she has been in communication with the 49ers. She expects to reach a tentative agreement with them soon. There has been ongoing communication with the MAPE unit. Negotiations with this unit have been straggling.

File No. 8 -- HR Director Arrick-Kruger requested approval of collective bargaining agreements with AFSCME #2166, LELS #60 and LELS #237. Commissioner Zmyewski stated that he reviewed each of the agreements. He was pleased with many of the items found in the agreements, however, he expressed concern with specific items found in the agreements. He reported that State AFSCME members have had their wages frozen since 2002, other state employees have had wages frozen for 4 out the past 8 years, at this time state health benefits are undecided, and taxes have been and continue to increase. He stated that, in good economic times, he would support wage increases. At this time, he expressed that he finds it difficult to ask those who may be subject to wage freezes and decreasing or discontinued health benefits to fund increases for county employees. He stated that a 2% increase seems small. He reported that the increases proposed in the agreements would total \$186,122.00 in 2012, \$137,956.00 in 2013, and \$149,331.00 in 2014. Over the life of the contract that is a 6.5% increase totaling \$473,409.00. HR Director Arrick-Kruger reported that the increases were considered heavily by the committee. An estimated \$70,000.00 will be saved with the discontinuation of cafeteria dollar payments alone. In addition, the discontinuation of this benefit impacted the counter offers greatly. Neither side succeeded in getting all of what it wanted. She expressed her opinion that this means that the agreement reached is not a bad one. HR Director Arrick-Kruger shared that she is a former state employee, and that the pay scales and benefits varied greatly from those offered at the county. She agreed that state employees were subject to pay freezes. However, employees were frozen at a different level. Commissioner Zmyewski questioned whether wage increases were granted to offset the changes in health benefits. Wage increases included in the tentative agreements are the result of negotiations. Negotiations are believed to have been driven by significant changes to the premium contributions structure and health benefits changes. In an effort to encourage employees to participate in the CDHP, incentives have been offered. Commissioner Zmyewski expressed that it was his expectation that if the county fought hard regarding negotiations, they would have ended in arbitration. He questioned why negotiations were not pushed to exercise this option. HR Director Arrick-Kruger stated that, in her opinion, arbitration is a last result and comes with a cost. Commissioner Bjerke shared reasoning behind some of the changes which he hopes are implemented. Commissioner Zmyewski questioned whether the changes to health benefits should have taken place at this time since they are believed to be the driving force which has resulted in the tentative wage increases and incentives. HR Director Arrick-Kruger stated that these changes are expected to result in significant savings to the county over the next several years. Chairperson

Miller expressed agreement with Commissioner Zmyewski's concerns. Certain benefits were unsustainable, and approval of the tentative agreements will eliminate those. Negotiations were amicable. If the tentative agreements are approved, wage increases will be granted. However, management has not mandated furloughs, frozen purchases, or laid off staff. In the event the economy continues to struggle or the state finances result in further reductions to the county, management may be required to exercise these other options in order to contain costs. Commissioner Zmyewski again expressed concern that from 2005 and potentially through 2014 wage increases have and may continue to be granted. The total wage increases for this period will equal \$2,643,762.00. It was noted that there was no wage increase in 2011. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter to approve the collective bargaining agreements with AFSCME #2166, LELS #60 and LELS #237. A roll call vote was requested, and the motion carried with District 1 voting in favor, District 2 voting in the negative, District 3 voting in favor, District 4 voting in favor and District 5 in favor.

File No. 9 -- HR Director Arrick-Kruger reported that in September a fixed term social worker position was approved. Bethany Meiners was hired to fill said position. The position expires 3/30/2012. Ms. Meiners resigned from the position when she secured permanent employment elsewhere. Ms. Meiners is again available for employment and has expressed an interest in returning to Houston County to complete the fixed term position. At this time, HS is down 2.5 FTE's due, in part, to short term leaves. Ms. Meiners has exhibited good work ethic and skill with Houston County as an intern, 67 day employee and while working in the fixed term position. In addition, she is familiar with the clientele. She would "hit the ground running" if re-appointed to the fixed term position. She would be available to begin work immediately at step 1 of the appropriate banding. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to re-appoint Bethany Meiners to a fixed term position to expire March 20, 2012 at step 1 of the appropriate wage scale.

HR Director Arrick-Kruger stated that the method for calculating maximum vacation carry over was amended in the current AFSCME contract. This resulted in increased accrual maximums for staff with longevity. However, it actually reduced the accrual maximums for part time staff. HR Director Arrick-Kruger expressed her belief that this was not the intent of the language change. The effect on part time staff was only recently realized. She requested that the affected staff member be granted a waiver to reduce the accrual maximums by April 1, 2012. Commissioner Zmyewski stated that precedence was set last week by approving carry forwards for others. It would be difficult to deny this request. He questioned who was monitoring accruals. He also questioned whether it is appropriate to bring each of these requests before the Board or whether individual department heads could be allowed to make a decision. HR Director Arrick-Kruger provided information on who monitors accruals and how often, and to whom reports are distributed. She recommended that department heads continue to make recommendations to HR and requests be brought before the full Board. She urged caution at allowing department heads to make decisions as that could result in many different standards by which employees are treated. Commissioner Walter expressed her preference that such requests should continue to come before the Board. Accounting Manager Lapham stated that any carry over's impact financial

statements because they are listed as a long term liabilities. Commissioner Bjerke expressed his opinion that Ms. Swedberg should not be penalized for this oversight. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to grant until April 1, 2012 for Danielle Swedberg to reduce her vacation accruals to the approved level.

File No. 10 -- HR Director Arrick-Kruger reported that Steele Construction submitted the low quote for snow removal. In addition, due to the increase in sidewalks the county was faced with making a decision to purchase equipment or contract for the sidewalk clearing. Steele Construction offered to purchase the necessary equipment to clear sidewalks in exchange for a 3 year contract. After consideration, it was agreed that the county would be best served by entering into a 3 year contract with Steele Construction. HR Director Arrick-Kruger drafted an agreement. The draft was reviewed by County Attorney Hammell and suggested changes were incorporated into the agreement. Discussion was held regarding how Steele Construction prioritizes work for the county, how they work with county staff and/or STS regarding clearing and maintaining the cleared sidewalks. Steele Construction has provided good service to the county for many years. The rates quoted for 2012 reflected no increase over the rates paid during the previous season. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the 3 year contract for snow removal with Steel Construction.

File No. 11 -- Auditor Meiners reported that the Houston Money Creek Snowmobile Club has been awarded an Equipment Grant for the purchase of a groomer. The county acts as a pass through agency for the funding and enters into the required subgrant agreement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the subgrant agreement.

Commissioner Bjerke reported on a department head and negotiating meeting which he attended.

Chairperson Miller reported on a negotiating meeting which he attended.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 12 -- Correspondence to payroll regarding re-appointment, hire of roster HHA, vacation carry-overs, and amended step adjustment

File No. 13 -- Public Notice regarding 2012 printing bids and bid form

There being no further business and the time being 10:44 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, December 13, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 13, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; EDA Coordinator Wilms; Accounting Manager Lapham; HR Director Arrick-Kruger; Kevin Burg; Recorder Bauer; County Attorney Hammell; Engineer Pogodzinski; Assessor Dybing; Jake Lonkoski; Sheriff Ely; Treasurer Trehus; Zoning Administrator Scanlan; Environmental Services Director Frank; Thor Kolle

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the November 29, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$357,031.67
Road & Bridge Fund	357,661.38

Total	\$714,693.05
	=====

File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the Truth in Taxation meeting held Thursday, December 1, 2011.

The time being 9:07 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to convene a public hearing to consider an application for a property tax abatement application on behalf of Miken Sports.

File No. 4 -- EDA Coordinator Wilms stated that the purpose of this Public Hearing was to consider a tax abatement for a proposed Commercial Facility for Miken Sports. The facility will create 5 FTE's. The facility will increase the market value of the real property by an estimated \$700,000.00. The abatement will be granted over a 10 year period. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously to approve said tax abatement and to adopt the following resolution:

RESOLUTION NO. 11-66
Approving a Property Tax Abatement for Certain Property
in the City of Caledonia, Houston County, Minnesota, following Completion of a Commercial
Facility by Miken Sports

WHEREAS, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, the Minnesota State Legislature has authorized cities, school districts, counties and towns to rebate all or part of their respective portions of a parcel's property tax as an incentive to economic development provided the designated project meets criteria as established; and

WHEREAS, the Houston County Board of Commissioners believes that a strong economy is critical to the continued comprehensive growth and health of Houston County; and

WHEREAS, the Houston County Board recognizes that many complex factors influence the economic climate of the area and the Board has and will continue to support diverse efforts to foster a positive environment for both small and large business growth, attract and retain new corporate residents, and encourage development of the local labor force; and

WHEREAS, the Houston County Board has established the Houston County Economic Development Authority (EDA) which has been designated as the body responsible for reviewing and acting upon economic development abatement requests and other business subsidies, thereby replacing the original Abatement Committee; and

WHEREAS, the Houston County Board of Commissioners held a public hearing on **December 13, 2011**, following due notice as required by law and a recommendation by the Houston County EDA in favor of the abatement application of Miken Sports, dated November 1, 2011; and

WHEREAS, the Houston County Board of Commissioners has found and determined that:

1. It expects the benefits to Houston County of the proposed abatement agreement to at least equal the costs to the County of the proposed agreement;
2. The proposed abatement is in the public interest because it will:
 - a. Increase the County tax base by creating a new market value of **\$700,000**;
 - b. Retain existing businesses and their employment opportunities in the County;

3. The proposed tax abatement otherwise meets or exceeds the County's Business Subsidy Criteria because:
 - a. The project will provide needed space for the expansion of Miken Sports, that has sufficient other financing to complete the project in a timely manner;
 - b. It will encourage a high quality of construction and promote the highest and best use of land, consistent with the County's Comprehensive Plan, the City's zoning ordinance, and other local regulations;
 - c. The project will not significantly and adversely increase the demands for service needs in the County;
 - d. The project will retain jobs which pay desirable wages and provide support for other local business.

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners hereby approves the abatement request of **Miken Sports**, subject to the following stipulations:

1. The abatement will be payable to **Miken Sports** on the appreciated tax capacity in accordance with a development agreement which will specify the terms of such payments over **ten** (10) years beginning with the first year that taxes are due following substantial completion of the **Commercial Facility**.
2. After full payment of the taxes as due each year:
 - a. In years one (1) through ten (10), **Miken Sports** will receive a 75% abatement of the appreciated tax capacity;
3. In year eleven (11) and thereafter, **Miken Sports** will pay 100% of the real estate taxes without tax abatement.
4. Total abatement granted for the **ten** (10) years.

File No. 5 -- EDA Coordinator Wilms requested approval of a revolving loan agreement with KLMN Enterprise, LLC a retail shop located in Hokah City. This will create 2 FTE positions. The term of the loan will be 3.25% for 36 months. Financial assistance is being provided by and coordinated with SBA and CEDA. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the loan agreement with KLMN Enterprise, LLC.

File No. 6 -- EDA Coordinator Wilms reported that the Root River Market in Houston had requested a \$30,000.00 line of credit to aid them in switching vendors. They were able to negotiate better rates with their current vendor. Root River Market discovered that it was

necessary to obtain a loan with a bank. They have inquired whether the County would guarantee a \$30,000.00 line of credit. EDA Coordinator Wilms requested approval of an agreement with Root River Market for a \$30,000.00 line of credit with 3% for 60 months. Approval will preserve 3 FTE and 16 part time positions. This will aid the organization in increasing their margins so that they will remain sustainable. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve a loan agreement with the Root River Market.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to close the public hearing.

File No. 7 -- Accounting Manager Lapham reported on a budget amendment request by Extension. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the budget amendment request from Extension.

File No. 8 -- Accounting Manager Lapham explained options regarding the property tax program. Chairperson Miller queried the difference in services offered by the vendors and which vendor the county currently utilizes. Accounting Manager Lapham stated that the county is responsible to administer property taxes according to statute. Both Accounting Manager Lapham and Assessor Dybing recommended entering into a 5 year service contract with MCCC. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Ratification Statement with MCCC which will expire December 16, 2016.

Chairperson Miller reported that Governor Dayton spoke regarding property taxes during the recent AMC Convention. There is a property tax working group activated. The goal of the group is to suggest ways in which to simplify the property tax system. Assessor Dybing has made presentations to this committee. The working group was scheduled to report on property tax in January 2012. The reporting has been delayed for a period of one year. Assessor Dybing reported that Minnesota has the greatest number of classifications for property, being 55. South Dakota has the next greatest number of classifications for property at 14. There are 10 states which have 1 classification.

File No. 9 -- Assessor Dybing provided information regarding CamaUSA, the current appraisal software, its limitations and pricing. He also presented information regarding the Vanguard Appraisals, Inc. software which is an option which could replace Cama. He provided conversion costs and also annual maintenance costs. In addition to the Vanguard Appraisals, Inc. system being more cost effective, it is Windows based and will interface more efficiently with Beacon and offers "drawing" tools which are unavailable through Cama. Both Rice and Mower counties have used the Vanguard system for 10+ years. Recently, Steele County switched to the Vanguard system and has reported on the excellent support services provided by Vanguard. The cost for conversion is estimated at \$19,800.00. It was agreed to discuss funding options with Recorder Bauer. Recorder Bauer joined the discussion. She indicated that adequate Compliance funds were available to cover the conversion expense. She has been monitoring the available

funds to ensure that funding levels are adequate to cover expenses her office will incur upon implementation of e-recording. She indicated that maintenance expenses alone require approximately \$30,000.00 annually from the fund. Assessor Dybing expressed enthusiasm and potential regarding the switch from Cama to Vanguard. The Vanguard system will cost less than the Cama system currently being used. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Data Conversion Services Agreement, License Agreement, and Service Contract with Vanguard Appraisals, Inc. and to pay the \$19,800.00 conversion fee utilizing the Compliance Fund.

File No. 10 -- Accounting Manager Lapham presented the electric and natural gas bills for 1 month of service for the Justice Center. Sewer and water charges are not included. She expressed concern that \$127,000.00 was budgeted for Justice Center utilities/maintenance. At these rates, little will remain in the budget for other necessary items. She also expressed concern with the amount which has been budgeted for health benefits. She suggested scheduling a budget review meeting.

File No. 11 -- Engineer Pogodzinski reported that in November 2010, the County entered into a Detour Agreement with the State for use of CSAH 10 while a mill and overlay project on State 76 was completed. He presented a new agreement that will replace the November 2010 agreement which estimated a detour period of 32 days, when in reality the detour period lasted 98 days. The new agreement will base payment on the actual number of days the detour route was utilized, thereby increasing the original amount of \$7,600.32 to \$22,638.81. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the new detour agreement.

File No. 12 -- Engineer Pogodzinski reported that S.A.P. 28-599-67 and S.A.P. 28-599-68 have been completed. These projects were for the replacement of bridges on Traff and Torgerson Drives which were damaged during the 2007 floods. Both are FEMA projects. The bid for these projects was for \$559,241.65. Additional rock was required due to soft soils causing the final cost for the projects to be \$571,481.20. The final payment due is in the amount of \$29,046.20. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-67

WHEREAS, Contract No. 201 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

It was agreed to meet Tuesday, December 20th at 1:00 p.m. to discuss the budget.

File No. 13 -- HR Director Arrick-Kruger reported that the generator which powers the Justice Center and Courthouse in the event of a power outage has a 2 year warranty and proprietary parts which require service. In an effort to safeguard the generator and to ensure proper function, HR Director Arrick-Kruger recommended extended service coverage. A discounted rate of \$3,850.00 is being offered for an extended 3 years of warranty coverage. Accounting Manager Lapham stated that it would be appropriate to cover the cost for the extended coverage utilizing capital funding. The extended warranty will remain available through the original warranty period. However, failing to purchase the coverage at this time will result in an increased fee for the coverage. It is a limited warranty. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to purchase the extended warranty and to pay for the cost of \$3,850.00 out of capital funds.

HR Director Arrick-Kruger indicated that, since the Justice Center is a residential facility, it may not go without a back-up generator. The warranty will provide for this.

HR Director Arrick-Kruger has been considering options regarding routine service of the generator. She has met with Automated Systems Manager/Custodian Lee and also a representative from Ziegler Cat from which the generator was purchased to discuss routine service. She has evaluated the options. She recommended entering into a service agreement which has been negotiated. The agreement would provide for minimal services for a fee of \$6,220.00 annually. The generator is utilized monthly, there are proprietary parts, complex electrical considerations in addition to coolers, filters and fuel blends to be serviced and maintained according to specifications. Commissioner Zmyewski questioned what the most expensive part of the generator is. He would like to determine whether it would be less expensive to replace the part or to purchase the service agreement. Chairperson Miller expressed concern that when new appliances or electronics are purchased, often retailers offer extended warranty agreements for an additional fee. He indicated that it is unsettling when you have just purchased something new, that an extended warranty would be necessary. It was agreed to gather additional information and discuss purchase of the service agreement at the next scheduled Board meeting.

Discussion was held regarding contingency plans for dispatch in the event of a major catastrophic event.

At this time, Kevin Burg of the Corp of Engineers met with the Board to discuss Wildcat Park. Chairperson Miller stated that expensive electrical upgrades and boat ramp repairs are needed at the park. Mr. Burg expressed understanding of the fiscal concerns of the County. He stated that the Corp has no interest in operating and managing out-granted areas such as Wildcat Park, and there is a process to end the lease. The Corp has finite financial resources. Historically, the Corp has not done anything fiscally in these situations. Chairperson Miller stated that the issues with Wildcat Park are budgetary. He expressed his opinion that the Park is an asset to the County. However, the County has a desire and a need to keep the Park fiscally neutral.

Jake Lonkoski stated that the service for RV's is 30 amp. Many new RV's operate the best on 50 amp. Mr. Lonkoski indicated that upgrades have been considered, however the estimated \$25,000.00 cost has prevented them. He stated that repairs are needed to the boat ramp also. Chairperson Miller questioned whether the Corp could assist with the boat ramp improvements. Mr. Burg responded that it is not common practice to assist with O & M of out-granted areas. The Corp does not have the fiscal resources to cover expenses. The Corp has out-granted these areas because it is not feasible for them to cover the fiscal issues. Jake Lonkoski questioned whether there were grants available for improvements. Mr. Burg thought that there may be State grants available. The grants would likely include a mix of Federal and State funds.

Chairperson Miller requested information regarding the process to end the lease. Mr. Burg stated that the process would include bidding out the concessionaire. Mr. Burg indicated that there may be options for the County to sublease the park. He will check with the real estate office to learn more about this possibility. Mr. Burg stated that the Corp is willing to work with the County if there are policies which have been implemented which have been detrimental. Mr. Lonkoski reported that park use has been good. Mr. Burg inquired whether day fees or boat launch fees are assessed. Currently, there is a fee for overnight parking. No day fees are charged. Recently, in Wisconsin launch fees were implemented. The charge is \$3.00 or a season pass may be purchased for \$30.00. These fees are not popular in the beginning. However, they will increase revenues. Mr. Burg will research possibilities regarding improvements to the boat ramp. Charlie Warner questioned whether the Corp sells properties to private entities. Mr. Burg responded that they do not. The Corp may sell minimal acreages to rectify border issues.

HR Director Arrick-Kruger reported that she is in the process of exploring internal options for generator service/maintenance with Engineer Pogodzinski.

File No. 14 -- HR Director Arrick-Kruger reported that the elevator inspector approved the elevator for use with a requisite to have a fire damper installed in the electrical room. Brad's Electric has provided a quote for this in the amount of \$1,589.00. They would be available to install the fire damper this week if it is approved. Neither Schumacher Elevator nor the electrician was aware that the inspector would have concern in this regard. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the quote of Brad's Electric for the purchase and installation of the required fire damper.

When asked if the elevator project was completed within budget, HR Director Arrick-Kruger responded that the project has exceeded the original budget by approximately \$4,500.00. This is mostly due to unforeseen electrical expenses.

File No. 15 -- HR Director Arrick-Kruger reported that a competitive search was conducted for the position of social worker. The hiring committee is recommending the hire of Karen Meier-Binde for said position. Ms. Meier-Binde has been working for the county as a 67 day employee and had been employed by the county as the social services supervisor. She comes with a wealth of knowledge and experience. Motion was made by Commissioner Walter,

seconded by Commissioner Zmyewski and unanimously carried to hire Karen Meier-Binde as a social worker at step 4 of the appropriate wage scale effective December 14, 2011.

File No. 16 -- HR Director Arrick-Kruger reported that Holly Felten's position is currently .95 FTE. The position was originally a .70 FTE, but was increased temporarily to .95 FTE as the result of external funding. Additional external funding has been awarded to the department. Environmental Services Director Frank and Zoning Administrator Scanlan have requested that the position remain at .95 FTE provided there is external funding to cover the increased FTE. In the event external funding is no longer available at some point, the position will be reduced to .70 FTE. Zoning Administrator Scanlan reported that Ms. Felten is responsible for accounting, documentation and reporting regarding feedlot producers. Environmental Services Director Frank stated that there are updates and inspections required as part of the feedlot program. With each of these requirements there is documentation required. There was a time when the feedlot program measured what could be done, now it has minimum program requirements with timely reporting. These minimums and reporting requirements are recent additions requiring staff time to complete. The feedlot base grant began in the 1990s. There have been no reductions to this grant. The septic grant has nearly doubled. Funding for environmental compliance has been preserved and/or increased. These funds have requirements and are audited annually. Commissioner Walter reported that cross training is on the rise. Cross training can result in limiting the need to increase staff. Cross training regarding this position was encouraged. Environmental Services Director Frank reported that training for this position is extremely involved. Zoning Administrator Scanlan believes that the office actively cross trains already. Individuals in the office work with wetland, feedlot, zoning etc. Commissioner Zmyewski confirmed that this request would not impact the county levy. Chairperson Miller encouraged the department to closely monitor the position and external funding availability. He expressed difficulty in understanding how there could be work with the feedlot program to support the .95 FTE position. Environmental Services Director Frank reported that the individual in the position has many duties in addition to work with the feedlot program. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the indeterminate increase to .95 FTE contingent upon continued external funding for the position of Planning and Zoning Technician.

Chairperson Miller reported that he recently met with the Director/Commissioner of MPCA, area farmers, a legislative aide, and others in response to concerns voiced by area producers. The meeting was beneficial. A different feedlot inspector has been assigned to the Houston County area and is scheduled to visit the area soon. Environmental Services Director Frank indicated that MPCA has been in contact with his office in hopes of repairing the communications between the entities.

File No. 17 -- HR Director Arrick-Kruger presented the IOUE 49ers tentative agreement. The agreement includes the same COLA increases as previously approved collective bargaining agreements. There is a variation in regard to health benefits. The unit has opted to utilize a different insurance carrier for coverage. The County has established a contribution of \$750.00 per

month per employee. There are 15 employees qualified for the alternate coverage. Annual increases to the contribution rate have been capped at 2.5% annually. The employees qualified for the alternate coverage may not participate in the County administered plan. Chairperson Miller requested one week to review the tentative agreement.

HR Director Arrick-Kruger reported that language is being drafted for a MAPE agreement. This agreement will also be a 3 year agreement. An MOU agreeing to the County's health benefits offerings will be included. This will not be an entire collective bargaining agreement.

HR Director Arrick-Kruger reported that drop-site supervisors are a unique non-represented employee group. In order to maintain equity regarding step increases and pay, she recommended approval for step increases for qualified individuals who reached established benchmarks in 2011 and a 2% COLA for 2012 for all non-represented employees. Drop-site supervisors are 67 day employees, they receive their wage only, there are no benefits extended to this group. Step increases are based on 520 hours. It should be noted that drop-site supervisors work an average of 7 hours per week. The steps scale was developed to offer an incentive to stay in the employ of the County in this position. These items have been included in the budget. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve step increases for 2011 and a 2% COLA for non-represented employees in 2012.

It was agreed to discuss elected officials pay during an upcoming budget meeting. These salaries must be set prior to year end.

HR Director Arrick-Kruger recommended that Jordan Wilms and Accounting Manager Lapham be granted one lump sum payment for the duties which have been assumed since the resignation of the Finance Director. It was agreed to discuss this during the upcoming budget meeting.

File No. 18 -- HR Director Arrick-Kruger reported that she has revised the Elected Official, Non-Union, and Appointed Employee Compensation Plan Policy. She recommended the policy be adopted for the 2011 year. The policy may be revised if necessary to reflect intentions going forward.

File No. 19 -- Recorder Bauer presented quotes and agreements regarding the microfilm conversion and tract index module. Their approval will provide for digital availability of all records held in the Recorder's Office. The records will be available through subscription. The information is presented for consideration. Subject to the approval of the microfilm conversion and purchase of the tract index module, the next step for the office will be electronic recording. Recorder Bauer has been offered a contract for Lighthouse, which is an e-recording package, at a rate reflecting a savings of \$4,500.00. She indicated that it may not be in the best interest of the department to move forward with the purchase if the package would not be immediately utilized.

Following discussion it was agreed that Recorder Bauer should move forward with her microfilm conversion project and purchase the necessary tract index module.

File No. 20 -- County Attorney Hammell presented a final draft of a Ground Lease Agreement for the Airport Hangar Lots. She reported that the agreement is similar to the old lease, only better. She suggested amending verbiage on Exhibit A to read "described and pictorially represented," instead of "Legal Description of Premises". She discussed the inclusion of a rate increase language tying said increase to the CPI. The draft reflects a 5 year term with an opt out clause with a 6 month provision. She stressed that the lease is very much like the old lease with regard to substance. She recommended its approval. The most recent leases lapsed and there is a need to get updated leases in effect before the end of the year.

Thor Kolle requested a period of one week to review the final draft of the Ground Lease Agreement. There are financial contradictions which he would like to address. Commissioner Zmyewski stated that the agreement will be approved and individuals will have time to review the agreement when they decide whether to enter into the agreement or not to. Mr. Kolle stressed that the amendments made by County Attorney Hammell have not been presented to the "group". County Attorney Hammell stated that she has not been contacted by any member of the group or by an attorney representing them. Typically, she refrains from speaking with groups who are represented by attorneys. Mr. Kolle stated that the group will utilize all legal recourse if he is not allowed the requested review period. Commissioner Zmyewski expressed his concern that currently there are no agreements in place, discussion has been ongoing for several months, requests for review and feedback periods have been granted several times, and now it is time to finalize the agreement language and move forward. Chairperson Miller expressed his desire to keep discussions positive. The County has been waiting for the completion of a study prior to making long term decisions regarding the airport. The goal is to have the airport operations be revenue neutral. The Board has been in agreement that the taxpayers should not be subsidizing the airport or wildcat park. The Board has determined that in order for the airport to operate revenue neutral, an increase is necessary.

Mr. Kolle stated that there are accounting issues that he would like to look into. He pointed out that bathroom expenses have been assessed to the airport budget. Due to the fact that the County Highway Department maintains the runways, overtime charges are often assessed when snow removal is required. He indicated that a 25% increase was substantial and may cause some flyers to be unable to afford the increased amounts. He indicated that he is trying to prevent having a group of 75 year old farmers show up at the board meeting with pitch forks. Commissioner Zmyewski stated that for many flyers, the 25% increase is \$41.00. He finds it difficult to believe that the increase would make the leases unaffordable. The flyers are also the individuals requesting improvements. There needs to be revenue to cover the expense for improvements. The County is attempting to increase revenues in order to have the financial resources to make improvements. Commissioner Zmyewski stated that he has 19,000 taxpayers to represent, not just a group of 15 flyers. Mr. Kolle stated that he is interested in finding a way to cover the lease increases which total \$834.00. He offered to write a check in that amount. This

is possible because of the non-profit agency which was recently organized and which has the funds available. This would prevent the increase from being passed onto the flyers and generate the desired revenue for the County. Chairperson Miller questioned County Attorney Hammell regarding Mr. Kolle's offer. The increase could be collected from the non-profit or assessed to each tenant and collected that way. County Attorney Hammell cautioned against accepting the offer. Chairperson Miller suggested that Mr. Kolle distribute the funds to the tenants instead. Mr. Kolle responded that this is prevented due to the non-profit status of the organization. They may pay the funds directly to the County, but are prohibited from paying funds to the individuals.

Discussion was held regarding the length of the lease and the out clause. Chairperson Miller expressed his desire to consider all options in an effort to work with Mr. Kolle and his group. Further discussion was held regarding the increase and whether it was minimal or not. Mr. Kolle again expressed his concern that some flyers may be not be able to afford the increase. He also mentioned the fact that the group has funding available that could be used to cover required matches for airport projects.

Auditor Meiners questioned what the lease amounts are and how to calculate the amounts going forward. County Attorney Hammell stated that it is her belief that, going forward, both the county and the group will work together in an effort to reduce costs at the airport so that the airport is self sustaining. Mr. Kolle again requested one week in which to review the amendments to the Ground Lease Agreement. He expressed his belief that this would be a good will gesture to approve. Commissioner Zmyewski expressed his desire to move forward. He stated that much time has been invested in drafting the lease and many periods of review have been approved, yet no lease has been approved nor are the leases in place. Chairperson Miller stated that, in his district, the airport is a non-issue. Commissioner Zmyewski stated that in his district, the majority of constituents do not care if the County operates an airport or if they do not. Commissioner Walter stated that constituents from her district may or may not be aware that there is a Houston County Airport. Chairperson Miller expressed understanding for Commissioner Zmyewski's concern that this process has been ongoing for a very long time. However, he supports amicable communications between the County and the group. County Attorney Hammell stated that she has put many hours into the issues surrounding the lease. She indicated that a lease in such a small amount should not take this amount of time to execute. She expressed that she has no desire to pursue creative options. In the event the group wants to propose creative options, they are welcome to submit a detailed plan explaining how everything will work. She affirmed her recommendation is to approve the lease. Mr. Kolle restated his request that he be granted one week to "deal with the money." Commissioner Zmyewski stated that the County Attorney has reported that she has no desire to incorporate additional revisions, no changes will be made to the final draft. Therefore, the lease should be approved. Mr. Kolle affirmed his understanding that there will be no revisions to the final draft of the Ground Lease Agreement and requested again one week's time to review said agreement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter to approve the Ground Lease Agreement. The motion failed due to lack of Board majority as per M.S. 375.07.

The committee to review the cell phone policy has completed its review. The committee recommends that cell phone per diems be eliminated for all employees except elected officials and department heads. In addition, requests for cell phone per diems will be considered based on what has been outlined in policy. Commissioner Zmyewski suggested the per diem amounts be reviewed. He stated that for many, cell phone use is a convenience more than a necessity. The criteria in policy for granting per diems has not been carefully adhered to nor justified adequately. Chairperson Miller expressed his agreement with the committee's recommendations.

File No. 21 -- Auditor Meiners requested approval to close the license center on Friday, December 23, 2011 and for a ½ day on Tuesday, January 16, 2011 to allow for remodeling which may not be completed while providing service to customers. If her request is approved she will seek State approval and publish notice. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the closures as requested.

Chairperson Miller reported that SHIP funding has been drastically reduced. Chairperson Miller expressed disappointment as it was his belief that good progress was being made.

Commissioner Walter reported on the AMC meeting which she attended.

Chairperson Miller reported on AMC, PSAP and redesign meetings which he attended.

Commissioner Walter stated that there is a bike meeting scheduled for Thursday, she will not be in attendance as she will be attending a Workforce Development meeting.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to place on file the following items from the consent agenda:

File No. 22 -- Correspondence to payroll regarding re-appointment, and vacation carry-over

File No. 23 -- Certificate of Occupancy for Justice Center/Jail

File No. 24 -- Certificates of Excellence from MCIT

File No. 25 -- Joint Board of Health agenda & minutes

There being no further business and the time being 12:07 p.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, December 20, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 20, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, and Teresa Walter

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Engineer Pogodzinski; Treasurer Trehus; HR Director Arrick-Kruger; Accounting Manager Lapham; Michelle Herman; Maintenance Foreman Molling; Highway Accountant Schroeder; EDA Coordinator Wilms; Steve Zmyewski; Shirley Schroeder; Curt Schroeder; Terry Munson; Vernon Fruechte; County Attorney Hammell; Brian Swedberg; Thor Kolle; Timothy Lange; Carl Ask Jr, Patrick Burns; Jean Becker; Karen Kohlmeyer; Jeanette Twite; Nancy Welsh; Theresa Gavin-Kubitz; Karen Sanness; Julie Schleich; Tom Welscher; Sheriff Ely; Recorder Bauer; Dean Myhre; Chief Deputy Yeiter; Arlin Peterson; Missy Fitting; Dean Fitting;

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the minutes of the December 13, 2011 meeting with the noted correction.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$127,192.29
Road & Bridge Fund	84,907.42

Total	\$212,099.71
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Commissioner Zmyewski indicated that County Attorney Hammell has expressed her preference that the Ground Lease Agreement remains 5 years in length. He stated

that initial pricing will remain unchanged from that which was approved in September. However, annual increases will be reduced from equivalent to the CPI to 50% of the CPI. Lessees will have 10 days from the postmark date to execute the leases, provide the required information and pay the appropriate lease fee. County Attorney Hammell commented that suggested changes are acceptable to her, as they deal with the financial aspect of the lease. Chairperson Miller stated that, in the event cost saving measures are identified and implemented, changes may be considered provided those changes are mutually agreeable. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the Ground Lease Agreement.

File No. 4 -- Engineer Pogodzinski reported that S.A.P. 28-599-71 has been completed. The project was for bridge reconstruction on Bush Valley Road. The original bid amount was \$326,833.00. The job has been completed with a final cost of \$315,592.90, which is slightly under the estimate. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-68

WHEREAS, Contract No. 200 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 5 -- Engineer Pogodzinski reported that S.A.P. 28-605-13, S.A.P. 28-605-14, & S.A.P. 28-605-15 have been completed. This project was for the replacement of 3 bridges on County 5. The project started in 2010. Vegetation of the sites has now been established allowing for the project to be finalized. The project was federally funded. The original bid was for \$885,041.95. Change orders increased the project total to \$892,447.53. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-69

WHEREAS, Contract No. 199 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

Chairperson Miller questioned Engineer Pogodzinski whether the lack of snow has resulted in any budgetary savings. Engineer Pogodzinski responded that there may be small savings. The area did experience some freezing rains which came on Friday and Saturday.

Treatment of roadways took place with staff on overtime. He stated that it is his belief that the budget remains in good shape.

File No. 6 -- Treasurer Trehus requested mobile home tax abatements for Nick Anderson and Terrance Becker. The details surrounding each request were discussed. If granted, the abatements will total \$137.43. Treasurer Trehus stated that she has not pursued other means of collection, such as revenue recapture due to the fees charged for the service which range from \$15.00 to \$25.00. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the tax abatements as presented.

File No. 7 -- At this time, the following individuals were recognized for their years of service to Houston County:

35 Year Awards

Richard A Frank
Evelyn D Morey
Roger L Pearson

30 Year Awards

Timothy R Lange

20 Year Awards

Marcia A Bauer
Eileen J Meyer
Julie M Schleich
Brian L Swedberg
Jeanette H Twite

15 Year Award

Carl H Ask, Jr
Jean A Becker
Randi K Vick
Richard D Kasten

10 Year Award

Mary B Betz
Patrick R Burns
Tracie L Erickson
Nickie L Folsom
Theresa S Gavin-Kubitz
Randall C Hongerholt
Karen L Kohlmeyer
Karen R Sanness

Nancy A Welsh

Chairperson Miller expressed his sincere appreciation for the employees of the County.

HR Director Arrick-Kruger reported that AFSCME #2166, LELS #60 and LELS #237 collective bargaining agreements were approved on November 29th. She presented final copies for Chairperson Miller's signature.

File No. 8 -- HR Director Arrick-Kruger presented an MOA with MAPE for approval. Commissioner Zmyewski requested clarification regarding the purpose of the agreement. HR Director Arrick-Kruger responded that the agreement is in regard to 2011 step and discretionary adjustments and also health benefits for the years 2012 through 2014. The agreement provides for MAPE members to be treated par with other employees with regard to step, discretionary adjustments and health benefits. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the MOA with MAPE.

File No. 9 -- HR Director Arrick-Kruger presented the IOUE 49ers agreement. The agreement provides for the same COLA offered to other collective bargaining units. IOUE 49ers voted to participate in an alternate health benefits plan which their members qualify for. The county agreed to contribute to said plan. Minor language changes have been incorporated into the agreement in order to clean up the document. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and carried with Commissioner Zmyewski voting in the negative.

HR Director Arrick-Kruger reported that research regarding generator service and maintenance is ongoing. She expects to return to the Board with a recommendation next week. She expressed appreciation of both Engineer Pogodzinski and Maintenance Foreman Molling for their assistance.

Chairperson Miller expressed concern that operating within the established budget for the Justice Center may be extremely difficult given the amounts billed for one month's electrical and natural gas services.

File No. 10 -- HR Director Arrick-Kruger reported that in 2008, the Board took action to revise an Elected Official, Non-Union and Appointed Employee Compensation Plan. The changes were never reflected in the policy. She has revised the policy to reflect the changes and requested approval of the policy. The State Auditor has requested a copy of the revised policy. In addition, specific positions have been removed from the policy to reflect positions now represented within collective bargaining units. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the policy.

File No. 11 -- Accounting Manager Lapham reported on a budget amendment request from Auditor Meiners. The request realigns line items to cover the expense of remodeling the

license center. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the budget amendment.

Commissioner Walter reported that she has received a request from the Fair Board to make their appropriation payment in January. The Board agreed that it had no concerns regarding the request. Accounting Manager Lapham was made aware of the request.

File No. 12 -- Chief Deputy Sheriff Yeiter presented a Use Agreement for approval. He reported that, as part of the migration to ARMER, installation of equipment was required at a Spring Grove site. The agreement is required and provides for an annual payment to cover the cost of electricity for the equipment. The annual fee is \$300.00 which is expected to be paid through E-911 funding. The County Attorney has reviewed the agreement. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Use Agreement with the State of Minnesota.

Chief Deputy Sheriff Yeiter reported that remaining items necessary to complete the migration to ARMER are being finalized. He expects everything to be complete by mid-January at which time he will work with Accounting Manager Lapham to submit qualifying expenses for reimbursement. Approximately \$400,000.00 in reimbursements is expected. Payment for reimbursable expenses should be received in 30 to 60 days following the request being submitted.

File No. 13 -- Michelle Herman requested approval of two grants. The first is in the amount of \$42,309.00 for Ongoing Crime Victim Services 2012. The second is in the amount of \$500.00 for Emergency Fund 2012. These grants provide services and emergency funds to victims of crime. The ongoing grant covers the salary for the staff person in charge of providing services and administering emergency funds. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the grant agreements and to authorize the signatures of Chairperson Miller and Auditor Meiners.

Chairperson Miller reported that significant discussion was held during a recent AMC convention regarding jail operations and the excessive number of empty jail beds.

Sheriff Ely introduced Troy Fitting, 2011 recipient of a Minnesota Sheriff's Association Scholarship in the amount of \$600.00. Sheriff Ely explained the application and selection process, and requirements. He stated that, to his knowledge, this is the first scholarship awarded to a student from Houston County. Troy Fitting is a second year student at Alexandria and maintains a high GPA. He is the son of Dean and Missy Fitting and a graduate of Houston High School.

File No. 14 -- Auditor Meiners reported on a request for Disaster Credit due to fire for taxes payable 2011 for Marian Bills, Parcel #20.0220.000, in the amount of \$1,065.24. She indicated that taxes must be paid and in the event a disaster credit is approved, the credit amount

will be paid to the owner. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the disaster credit for Marian Bills.

File No. 15 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Tobacco Licenses for 2012: Money Creek Haven, Inc., High Plains Cenex, and Houston Food Mart.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess this meeting to hold the regularly scheduled Human Services Meeting. The meeting will reconvene at 1:00 p.m. for budget discussion.

The time being 1:00 p.m., the Board reconvened in open session to discuss 2012 budgets.

File No. 16 -- Accounting Manager Lapham reported that we have a 69% HSA participation rate, and we only budgeted for 25% participation. This results in a budget shortfall of \$294,128.00 for 2012. As of the end of November 2011, the budget is \$732,872.00 to the good, therefore, she is hopeful there will be an increase in fund balance at year end.

HR Director Kruger reported that the employer's who have HSAs have experienced a reduction in premium need of 8 to 10%. She indicated that we should experience savings in the near future. Also, many employers are treating spouses with other coverage available differently.

Accounting Manager Lapham stated that Public Health originally had a \$78,000.00 need for funding from the county. They made budget changes and it then appeared they had a \$21,000.00 surplus. However, the HHA's had a significant decrease in expenses due to a reduction in their hours, however, their budget did not show a corresponding decrease in revenues. Also, they put Deb Rock's full salary back into the Public Health budget.

Accounting Manager Lapham reported that \$127,000.00 was budgeted for CJC maintenance in 2012. The electrical bill does not include the water and sewer expenses. She is projecting a total cost of \$116,352.00 annual cost once water and sewer are added. Also, it cost approximately \$3,800.00 to fill the generator, and this must be run full load once a month for an hour. Commissioner Zmyewski inquired whether it could be run less often as a cost saving measure.

Sheriff Ely stated that he is not in favor of purchasing the service agreement on the generator. Since it is new, he felt it better work. He also expressed his concern that the warranty is only valid if the maintenance is completed by a certified technician that the company recognizes. It was agreed that Commissioners Schuldt and Zmyewski will review the proposed agreement.

Accounting Manager Lapham inquired whether the Board wanted to make budget reductions now, or wait and see how things transpire.

The Board inquired of Sheriff Ely why the jail census is so low. Sheriff Ely indicated that we have approximately nine prisoners now, but several women are being housed out. Discussion was held regarding the food service contract, and the fact that we get a price break at 11 meals.

Accounting Manager Lapham inquired where the bill for 2011 utilities should be paid from, as this was not budgeted for. She indicated that to keep it consistent with past practice, this should be paid from the building maintenance budget, however, it will result in being over-budget. Also, the county was required to install three telephone lines, one per elevator, at \$49.00 per month each.

It was agreed that Accounting Manager Lapham will meet with the Public Health Accountant to resolve their budget issues. We also need an additional \$294,128.00 for health insurance. It was agreed to utilize fund balance to cover this cost. It was also agreed not to make a budget amendment to the CJC budget at this time, but rather, to wait until we have more billing history.

Discussion was held regarding the possibility of more sharing of employees. Accounting Manager Lapham reported that the state auditors also require checks and balances.

Accounting Manager Lapham stated that she has been presented with various bills in connection with the moves within the courthouse. She inquired whether these were to be paid from the budget of the department involved. The Board agreed that this was the case.

Sheriff Ely reported that the Legion donated two new flags, an American and a state flag. He does not have holders to place them in. Years ago the county purchased the flag holders for the courtroom. The court system has been taken over by the state, and there are new flags and flag holders in the new courtroom. He inquired, since the county had purchased the original flag holders, whether he could utilize these to display new flags that the Legion recently donated to the county. The Board approved this request.

Commissioner Walter reported on a bike, and Joint Board of Health meetings and interviews for the position of 4H Coordinator which she has attended.

Chairperson Miller reported on Joint Board of Health, SCHAC, Redesign and Mississippi River Trail meetings which he attended.

Commissioner Schuldt reported on the AMC conference which he attended.

Commissioner Zmyewski reported on the Joint Board of Health meeting which he attended.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to place on file the following items from the consent agenda:

File No. 17 -- Correspondence from MCIT regarding Board Vacancy

File No. 18 -- Correspondence to payroll regarding various personnel items

File No. 19 -- Trimin Government Solutions Tract Book Module Software License Agreement, Services Schedule Agreement, and Software Maintenance Agreement

File No. 20 -- Trimin Government Solutions Accepted proposal to Scan 1854-1990 Roll film

File No. 21 -- December 13, 2011 Joint Board of Health, LPH Funding & Resolution

There being no further business and the time being 2:11 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, December 27, 2011.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 27, 2011

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Accounting Manager Lapham; Sheriff Ely; Jail Administrator Schiltz; Environmental Services Director Frank; Zoning Administrator Scanlan; John Prill

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the December 20, 2011 meeting.

File No. 1 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the following claims:

County Revenue Fund	\$448,003.76
Road & Bridge Fund	393,895.00

Total	\$841,898.76
	=====

File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Accounting Manager Lapham reported on the final levy which will remain the same as 2011. She also reported on the operating budget which reflects revenues and expenses by fund. She provided information regarding the expenses related to health benefits and salaries. Commissioner Zmyewski questioned whether anything coming forth later in the meeting would impact the levy and/or operating budget. Nothing significant is expected. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-70

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$9,880,925 be made on all taxable property in the County of Houston for taxes payable in 2012 in the following amounts by County Fund:

County Revenue	\$5,889,111
Road & Bridge	2,552,487
Human Services	1,209,970
Bond Fund – 2009A G.O. Bonds (Equipment)	-
Bond Fund – 2009B Jail CIP Bonds	233,285
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	409,303
Bond Fund – 2010B Jail Bonds	224,706

Total	10,787,150
Less CPA	(906,225)

Total Levy	\$9,880,925
	=====

File No. 4 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-71 RESOLUTION ADOPTING 2012 OPERATING BUDGET

	Revenue	Expenditures	Revenues Over (Under) Expenditures
	-----	-----	-----
County Revenue	\$ 11,284,095	\$ 11,867,064	\$(582,969)
Road & Bridge	10,458,211	12,280,511	(1,822,300)
Human Services	4,311,490	4,401,480	0
Debt Service	858,965	858,965	0
	-----	-----	-----
Grand Total			
County Funds	\$27,142,590	\$29,547,859	\$2,405,269
	=====	=====	=====

File No. 5 -- Environmental Services Director Frank met with the Board and requested approval of licenses and contracts for 2011. The contract with ABC/Woodland Industries provides for supervisors and labor at the recycling center. It provides for increases in the same

amount as those granted to county employees. Per the solid waste ordinance, Haulers Licenses are required. Environmental Services Director Frank presented the following for approval: Hilltoppers Refuse & Recycling, Waste Management, Richard's Sanitation, Bob & Shirley Giblin, Harter's Refuse, and Midwest Roll-Off. Richard's Sanitation is required to obtain an Intermediate Solid Waste Disposal Facility License. All applicants meet the required criteria to be granted the licenses. Environmental Services Director Frank reported that on October 4th, the Board took action to accept the bid of Hilltoppers Refuse and Recycling for the recycling of comingled rigids and fibers. The County Attorney has drafted an appropriate agreement which was presented. Environmental Services Director Frank requested approval of a contract with Shirley Giblin for the hauling of tires to the recycling facility. The agreement provides for a \$0.05 increase per mile. Mr. Frank indicated that this is a very reasonable request and the cost has been budgeted for. Richard's Sanitation has been providing services to the drop-sites for several years. They meet the needs of the County. Environmental Services Director Frank requested approval of an addendum which will extend the agreement for an additional 6 years.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the contract with ABC/Woodland Industries for recycling staff.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the hauler's licenses and Intermediate Solid Waste Disposal Facility License.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the contract with Hilltoppers Refuse and Recycling.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the contract with Shirley Giblin for the hauling of tires from the drop-sites to the recycling facility. Discussion was held regarding the number of trips, fuel surcharge and loaded mile fee.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the amendment to the agreement with Richard's Sanitation for drop site hauling and rented equipment extending the agreement for an additional 6 year period. Richard's Sanitation has provided good service since 1993 and through the natural disasters experienced within the area.

File No. 6 -- HR Director Arrick-Kruger reported that there are staffing issues facing the Sheriff's Department. John Prill, a full time jailer/dispatcher submitted his resignation effective at the end of his shift yesterday. She requested the resignation be accepted. In addition, she requested that Bruce Muenkel's status be changed from probationary to regular effective his anniversary date. Mr. Muenkel worked as a 67 day employee prior to securing this part time position. Commissioner Walter questioned whether, in addition to granting the status change, Mr. Muenkel could be granted the full time position so that only a part time position was vacant.

Sheriff Ely indicated that Mr. Muenkel would be willing to accept full time employment. Sheriff Ely stated that he plans to return to the Board during the next meeting with a staffing request. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to change Mr. Muenkel's status from probationary to regular and to grant him the full time position.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of John Prill.

HR Director Arrick-Kruger recommended that both Jordan Wilms and Carol Lapham be compensated for additional duties performed by them in the absence of a Finance Director. This compensation would be made in the form of a one-time, lump sum payment. Commissioner Walter questioned whether the individuals performing the additional duties made this request. HR Director Arrick-Kruger responded that this was not a staff request. It is a recommendation which resulted from discussion. She stated that there is a need to review the position descriptions of these employees and to have them submitted for banding.

EDA Coordinator Wilms completed many tasks. The tasks are not on-going, rather they were one-time items. Accounting Manager Lapham took on the bulk of recurring duties. The duties taken on by both individuals were/are higher level duties. HR Director Arrick-Kruger stated that there are funds available to cover the one-time payments as a result of salary savings from the Finance Director vacancy. Commissioner Schuldt questioned whether this would create jealousy among staff. HR Director Arrick-Kruger assured the Board that when other staff has taken on additional duties, they have been appropriately compensated. She recommended that one-time payments be granted, a payment in the amount of \$500.00 for Mr. Wilms and a payment in the amount of \$1,500.00 for Ms. Lapham. This is for the 2011 final quarter which they were responsible for the additional duties. Discussion was held regarding the payments. HR Director Arrick-Kruger reiterated that the employees did not lobby for these payments, they are being recommended in an effort to maintain and provide for pay equity. She provided information on how banding is established. Mr. Wilms participated in multiple committees on behalf of the Finance Department in addition to managing the County's credit card program. Ms. Lapham assumed the recurring duties. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve a lump sum payment for Ms. Lapham in the amount of \$1,500.00 and one for Mr. Wilms in the amount of \$500.00 for additional duties performed in the absence of the Finance Director for the year 2011.

HR Director Arrick-Kruger reported that she presented a draft of the final Non-Union and Appointed Employee compensation plan last week. There was an error. She presented a corrected version. The policy reflects current practices. The Board moved to make changes to the policy in 2008, but the policy was never updated to reflect the changes. Commissioner Zmyewski clarified that pre-2008, the policy included elected officials. The policy is being revised to mirror practice implemented by Board action in 2008. HR Director Arrick-Kruger responded that this was the case. Commissioner Walter questioned whether a separate policy was available regarding elected

officials. HR Director Arrick-Kruger responded that elected officials are covered by state statute. The policy is in compliance with statute. Commissioner Zmyewski expressed concern that by taking the elected officials off of the policy, certain positions were prevented from advancement afforded to others. He explained how the position of Auditor was denied advancement through the steps while other elected officials were unaffected because they had already reached their maximum. HR Director Arrick-Kruger restated statute which allows the Board to establish the salary of elected officials. After it has been established the salary may not be reduced during the term of the elected official. She expressed understanding regarding the issue and Commissioner Zmyewski's concerns. She discussed the agreements referenced which affected the position of Auditor during a period of appointment. The issue has been referred to the County Attorney. The Board entered into a contract, and then took action to remove elected officials from the policy. In order to understand the pre-2008 policy, research would be required to determine how the elected positions were assigned banding. The banding was utilized for the purpose of assigning fair and equitable salaries for the positions. HR Director Arrick-Kruger reported that elected officials do not fall under regular comp worth studies. State Statute provides for the Board to set their salary. Statute also provides that Elected Officials may appeal their salary if it was arbitrarily or capriciously set. Commissioner Zmyewski questioned how elected officials salaries should be established in the future. HR Director Arrick-Kruger reported that the salary is set prior to an elected official's term. Auditor Meiners clarified that a minimum salary is established. Typically, Houston County has established a minimum salary for all elected positions at \$5,000.00. Commissioner Zmyewski clarified that regular employees advance through steps to a maximum salary. He questioned how elected official salaries can remain equitable in this respect if they are not included in the policy. Individuals elected to these positions may bring forth a wealth of knowledge and experience and should be allowed to advance. HR Director Arrick-Kruger reported that individuals may grow in a job or they may not. Longevity alone should not be criteria for advancement. Step increases for union members and those included on the policy are automatic and are not impacted by professional growth or the lack thereof. HR Director Arrick-Kruger stated that in this particular case, the argument could be made that there was a contractual expectation. Statutes are in place to address the compensation of elected officials. In the event, salaries are set arbitrarily and/or capriciously, there is a safety net and individuals may argue their case in district court. The Board is required to establish elected officials salaries annually. Commissioner Zmyewski is concerned for full time elected officials whose wages must be set during this meeting. Commissioner Walter clarified that the Board has the option to adopt policy to return elected officials to the compensation plan. Discussion was held regarding the pre-2008 policy, and the changes made to the policy which reflect current practice. It is the Board's desire to return to the pre-2008 verbiage of the policy to include elected officials in the policy. Chairperson Miller questioned the schedule for steps in the pre-2008 policy. HR Director Arrick-Kruger stated her belief that there are 5 steps with advancement annually on the anniversary date of employment. A discretionary range follows step 5. Discussion was held regarding unique circumstances and how they may be addressed. HR Director Arrick-Kruger paraphrased her understanding of the Board's intentions which are to return to the pre-2008 policy which includes the elected officials in the compensation plan. Chairperson Miller questioned how to address the position of commissioner which has not historically been granted steps. Commissioner

Zmyewski stressed that he does not view the position of commissioner as full time. It is, however, elected and would be included in the policy unless otherwise exempted. HR Director Arrick-Kruger stated that verbiage could be included to exempt commissioners from step advancement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to revise the policy for 2012 to include all elected officials with the exception of Commissioners.

File No. 7 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the 2008-2011 compensation plan presented.

File No. 8 -- HR Director Arrick-Kruger recommended adoption of the following resolution providing for a joint powers agreement for medical examiner and morgue services through Dakota County with Regina Medical Center for the calendar year 2012. This is an annually approved arrangement. The contract outlines variable expenses in addition to fixed base costs. She provided historical costs related to the county which include 2010 actual cost of \$50,379.00 and a 2011 budgeted cost of \$51,260.00. For 2012, \$50,440.00 has been budgeted which is a reduction from 2011. She mentioned that the Medical Examiner's Office is outgrowing its current location and planning for future needs is in the works. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 11-72

WHEREAS, Houston County along with Carver County, Chisago County, Dakota County, Fillmore County, Goodhue County, and Scott County contract for medical examiner and morgue services with Regina Medical Center through a Joint Powers Agreement with Dakota County; and

WHEREAS, Houston County has received and reviewed a copy of the proposed 2011 contract for medical examiner and morgue services; and

WHEREAS, the Joint Powers Agreement provides that each member county retains the right to object to the contract for medical examiner and morgue services;

NOW, THEREFORE, BE IT RESOLVED, That the Houston County Board of Commissioners hereby authorizes the Chair of the Dakota County Board of Commissioners to execute a contract with Regina Medical Center for the term of January 1, 2012 through December 31, 2012, substantially as presented on December 27, 2011, on behalf of Dakota County and Carver, Chisago, Fillmore, Goodhue, Houston and Scott Counties, subject to approval of an authorizing resolution by all seven counties.

File No. 9 -- Zoning Administrator Scanlan reported on the conditional use permit for Richard Pike. He provided criteria regarding cabins. The planning commission recommended

approval of the CUP subject to conditions. The applicant is being required to develop and adhere to an erosion control plan in an effort to prevent damage to neighboring property. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and carried to approve the issuance of the following Conditional Use Permit:

Richard Pike – Jefferson Township - Build a cabin in an agricultural district

File No. 10 -- Zoning Administrator Scanlan reported that Conditional Use Permit #262 issued to Travis Zenke is up for renewal. Mr. Zenke has requested the permit for substantial land alteration be renewed for an additional year. This operation began in 2006.

File No. 11 -- Zoning Administrator Scanlan reported that Conditional Use Permit #243 issued to James Chapel is also up for renewal. Mr. Chapel has requested the permit for mining and extraction be renewed for a period of 5 years. This operation began in 1990.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the renewal of Conditional Use Permit No. 262 for one year, and the renewal of Conditional Use Permit No. 243 for 5 years.

Concern was raised regarding potential mining for frac sand. Zoning Administrator Scanlan stated that he believes quality testing of sands within the county may be occurring. However, no applications for the mining of frac sands have been submitted. He reported that sands found in the county have not typically been of the quality required for frac sands.

File No. 12 -- On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the issuance of the following Zoning Permits:

Chris and Amy Lorenz – Hokah Township - Install house (30' x 76') shed (30' x 40')

Phillip Felten – Brownsville Township - Build house and porch (30' x 52') garage (30' x 34') deck (16' x 16')

Jim and Ron Holty – Spring Grove Township - Build machine shed (60' x 108')

Gerald Skifton – Houston Township - Build pole building (45' x 63')

Eugene and Saverna Stemper – Mayville Township - Build entryway and bathroom addition (12' x 18')

Dennis Hutton – Sheldon Township - Build garage (26' x 36')

Thomas and Carolyn Kampschroer – Spring Grove Township - Build attached garage (28' x 42')

Todd Tollefsrud – Wilmington Township - Build machine shed (40' x 80')

Larry Ledebuhr – Mound Prairie Township - Build storage shed (42' x 81') and (12' x 24')

Joe Hammell – Crooked Creek Township - Replace cattle barn destroyed by fire (110' x 160')

Ed Hammell – Jefferson Township - Build wood shed (20' x 30')

Richie Meiners – Winnebago Township - Build wood shed/garage (30' x 30')

Thomas Kulas – Yucatan Township - Build pole shed (50' x 63')

Porteous Olson – Houston Township - Build pole barn/ag building (40' x 80')

Scott Gregerson – Union Township - Build house (27' x 57') deck and ramp (20' x 20')

Tim Kruse – Wilmington Township - Build garage addition (20' x 14')

Chairperson Miller stated that he expects to present a PSAP PowerPoint for viewing in the near future.

File No. 13 -- HR Director Arrick-Kruger presented information related to the setting of Elected Officials Compensation for 2012. The information listed the 2011 salary and also the salaries including a 2% increase over the 2011 amounts. When questioned how Houston County elected official compensation compares, HR Director Arrick-Kruger responded that it is difficult to present apples to apples comparisons due to the multiple variables. She did state that salaries paid by Houston County reflect average or below average salaries. Commissioner Zmyewski questioned how adjustments and steps are determined. Motion was made by Commissioner Walter, and seconded by Commissioner Schuldt to set the 2012 salaries for elected officials at a level reflecting a 2% increase. Commissioner Zmyewski expressed concern with granting a 2% increase. He indicated that this would be the time to correct any wage discrepancy for any given elected official position. He expressed his position that elected officials should not be granted a wage increase. Commissioner Schuldt expressed his understanding of Commissioner

Zmyewski's sentiment. Discussion has been held regarding a 2% increase. Chairperson Miller stated that this would be equivalent to increases granted to other employees. He indicated that, even though the wage for commissioner has not increased in several years, the previous Board made changes to the per diem policy which did impact commissioner pay in a beneficial way. This compensation is earned only when time is spent at meetings etc. He expressed his concern that the county is losing population. Elected officials may make arguments that increases are justified. However, the financial climate does not support granting such requests. The motion failed with Commissioners Miller, Zmyewski and Walter voting in the negative.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to keep elected official salaries at 2011 levels as represented below:

County Recorder	\$57,285.61
County Treasurer	\$50,000.00
County Sheriff	\$81,610.88
County Commissioner	\$18,687.00
County Attorney	\$86,000.00
County Auditor	\$62,757.77

File No. 14 -- Accounting Manager Lapham presented a fund balance policy for approval. The policy will keep the county in compliance with GASB Statement No. 54. New terminology was adopted and this brings the policy in line with those changes. The State Auditor has reviewed the policy. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the policy as presented.

File No. 15 -- Accounting Manager Lapham provided information related to the requested budget amendments. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve several budget amendments as presented for Airport, Wildcat Park, Highway Department, Treasurer, IS, and others requested by Accounting Manager Lapham.

There being no further business and the time being 11:08 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 3, 2012.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Jack Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor