

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 3, 2012

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, Gray & Moorhead; Engineer Pogodzinski; PHN/HS Director Rock; Thor Kolle; Dale Scobie; Accounting Manager Lapham

Presiding: Auditor Meiners, Chairperson pro tem

Call to order.

Auditor Meiners requested nominations for Chairperson for the year 2012. Commissioner Walter nominated Commissioner Bjerke. Commissioner Zmyewski nominated Commissioner Miller. A roll call vote was taken. Commissioner Miller was voted in as 2012 Chairperson with District 1, 2, and 3 voting for Commissioner Miller, and District 4 and 5 voting for Commissioner Bjerke.

Chairperson Miller requested nominations for Vice-Chairperson for the year 2012. Commissioner Walter nominated Commissioner Bjerke. The nomination was seconded by Commissioner Zmyewski and carried unanimously.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the December 27, 2011 meeting.

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

County Revenue Fund	\$35,364.26
Road & Bridge Fund	42,190.30

Total	\$77,554.56
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File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Engineer Pogodzinski reported that over the past 2 years his department has been advertising on the County and the MN DOT websites. This has worked well. They have not been advertising in local newspapers. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-1

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. 4 -- PHN/HS Director Rock reported that the county has been awarded a grant in the amount of \$5,000.00 to support the continued development of the MRC (Medical Reserve Corp) program. Jesie Melde works with this program in addition to working with both the TZD (Toward Zero Deaths) and Peer Breastfeeding Support programs. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the grant.

PHN/HS Director Rock requested authorization to submit letters of intent in application for a \$5,000.00 NNPHI grant. She would submit letters on behalf of Houston County and also the Houston/Fillmore County Joint Board of Health. This is part of the Strengthening the Community of Practice for Public Health Improvement initiative which is a movement towards public health accreditation. In addition to the grant funds, 15 hours of consultant time may be awarded. The letters are due Friday, January 6th. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the submission of the letters of intent.

File No. 5 -- PHN/HS Director Rock requested approval of an MOU for the Regional Contract Manager Position. The individual in this position manages all waiver contracts which provides for cross-county consistency. For Houston County the bulk of contracts managed by this

individual impact disability clients. The 10 southeastern counties are covered by this MOU. The cost for this position is divided proportionately between the participating counties based on population. Houston County has budgeted for the \$4,484.00 cost. Commissioner Schuldt questioned whether this was a required item. PHN/HS Director Rock responded that it provides for continuity across counties. Houston County has participated in this collaborative effort since 2008. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the MOU for the Regional Contract Manager Position.

Chairperson Miller questioned whether Public Health addresses drinking. The TZD grant addresses drinking and driving.

File No. 6 -- Accounting Manager Lapham presented a letter of agreement with the Office of the State Auditor for services in conducting the 2011 audit. She recommended its approval. Discussion was held regarding the steps required to contract with a private audit firm for like services. It is estimated that this could potentially save \$10,000.00. This option will continue to be considered. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the letter of agreement with the Office of the State Auditor for 2011 Audit Services. It was reported that the 2010 Audit costs were approximately \$67,000.00.

Commissioner Walter mentioned that citizens are meeting with Representative Davids to discuss how legislative action is impacting local governments and citizens.

Commissioners Zmyewski and Walter will present a final cell phone policy report and recommendation during the next scheduled meeting.

Commissioner Zmyewski reported that 2 of 3 anticipated carpet quotes for the old courtroom have been received.

File No. 7 -- Auditor Meiners reported that Synergy has extended an Elections Services Agreement which provides for guaranteed ballot pricing during the term of the agreement. The agreement will be in effect for a 4 year period from full execution. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the agreement and to authorize the signature of Auditor Meiners.

File No. 8 -- Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the committee appointments as discussed.

File No. 9 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the following 2012 Appropriations:

2012 APPROPRIATIONS

SE Minnesota Initiative Fund	2,700.00	
SEMAAA	2,000.00	
SELCO	\$126,690.00	
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	*

File No. 10 -- Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adopt following resolution:

RESOLUTION NO. 12-2

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. 10a -- Chairperson Miller inquired whether any of the guests present wished to address the Board at this time. Thor Kolle reported that he submitted to Chairperson Miller via e-mail a letter of concerns. He encouraged Chairperson Miller to share the correspondence with County Attorney Hammell. Mr. Kolle presented a hard copy of said correspondence directly to Chairperson Miller. Mr. Kolle reported that the Red Barons will be executing their Airport Lot Leases today. Mr. Kolle also confirmed that the Board has expressed its willingness to review pricing in the event cost saving measures are identified and implemented.

Discussion was held regarding the status of the Airport Lot Leases.

File No. 11 -- At this time the printing bids for calendar year 2012, filed pursuant to advertisement, were opened and read:

The Caledonia Argus quoted the following prices:

OFFICIAL NEWSPAPER FOR 2012: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$4.90 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 \$7.30 per column inch and display publications are \$7.30 per column inch.

FIRST PRINTING OF 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011 subsequent publication, (Chapter 158, Laws for 1993) at \$4.90 per column inch.

SECOND PRINTING OF 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011, subsequent publication, (Chapter 158, Laws for 1993) at \$4.90 per column inch.

PUBLICATION OF 2011 DELINQUENT TAX LIST:

OPTION 1: Houston County provides “raw data” and the successful bidder type sets the data at \$5.90 per column inch.

OPTION 2: Houston County provides the data in a “type set” format at \$4.90 per column inch.

ADDENDUM 1:

Houston County Household Circulation	1,375 per week
Houston County Counter Sales	715 per week

Houston County News quoted the following prices:

OFFICIAL NEWSPAPER FOR 2012: 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 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011, subsequent publication, (Chapter 158, Laws for 1993) at \$6.5067 per column inch.

SECOND PRINTING OF 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011, subsequent publication, (Chapter 158, Laws for 1993) at \$6.5067 per column inch.

PUBLICATION OF 2011 DELINQUENT TAX LIST:

OPTION 1: Houston County provides “raw data” and the successful bidder type sets the data at \$6.5067 per column inch.

OPTION 2: Houston County provides the data in a “type set” format at \$4.90 per column inch.

OPTION 2: Houston County provides the data in a “type set” format at \$6.5067 per column inch.

ADDENDUM 1:

Houston County Household Circulation	1,896
Houston County Counter Sales	157

The Houston Banner quoted the following prices:

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 \$5.94 per column inch and display publications are \$5.94 per column inch.

Spring Grove Herald quoted the following prices:

OFFICIAL NEWSPAPER FOR 2012: Official proceedings of the County Board and all notices required to be published in the Official Paper at \$4.80 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 \$7.10 per column inch and display publications are \$7.10 per column inch.

FIRST PRINTING OF 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011, subsequent publication, (Chapter 158, Laws for 1993) at \$4.80 per column inch.

SECOND PRINTING OF 2011 FINANCIAL STATEMENT: Official Paper for publishing the Financial Statement for the year 2011, subsequent publication, (Chapter 158, Laws for 1993) at \$4.80 per column inch.

PUBLICATION OF 2011 DELINQUENT TAX LIST:

OPTION 1: Houston County provides “raw data” and the successful bidder type sets the data at \$6.20 per column inch.

OPTION 2: Houston County provides the data in a “type set” format at \$4.80 per column inch.

ADDENDUM 1:

Houston County Household Circulation	539
Houston County Counter Sales	195

Auditor Meiners reported that initial review reflects that Spring Grove Herald has submitted the low bid on all items. She stated that an alternate bid will need to be accepted for the 2nd printing of the financial statement. It appears that the Caledonia Argus has submitted the next lowest bid. Typically all bids are accepted for miscellaneous and legal notices. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to accept the bids as discussed above.

The time being 10:11 a.m. and pursuant to M.S. 13D.05 subd. 3(b) Zoning Administrator Scanlan requested the Board convene a closed session to discuss matters protected by attorney-client privilege. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to go into closed the session.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to return to open session.

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 2012
elected officials' salaries

File No. 13 -- Digital Microwave Link Project Folder

There being no further business and the time being 10:41 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 10, 2012.

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 10, 2012

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; Engineer Pogodzinski; Sheriff Ely; HR Director Arrick-Kruger; Chief Deputy Sheriff Yeiter; Jail Administrator Schiltz; Assistant County Attorney Bublitz; IS Director Milde; Zoning Administrator Scanlan; Environmental Services Director Frank; 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 Bjerke and unanimously carried to approve the minutes of the January 3, 2012 meeting.

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

County Revenue Fund	\$99,838.60
Road & Bridge Fund	26,537.18

Total	<u>\$126,375.78</u>

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

File No. 3 -- Engineer Pogodzinski presented a sign policy for approval. Adopting the policy will allow the County to be in conformity with State requirements. The policy was developed utilizing portions of sign policies gathered. The County Attorney has reviewed the policy. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Road Sign Inventory, Retro-Reflectivity Compliance Evaluation, and Replacement Policy as presented.

File No. 4 -- Engineer Pogodzinski reported that S.A.P. 28-599-70 had been completed. The original bid was for \$219,441.75. The job came in approximately \$9,000.00 below bid at \$210,855.85. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-03

WHEREAS, Contract No. 195 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 each year in December or January, the county is required to complete a 1 page report outlining intentions regarding outstanding federal entitlement funding for the airport. This funding is awarded annually. The funding may be carried forward for a period of 3 years. In the 4th year, unused funding is reverted back to the federal government. The County has three options regarding funding. The funding may be utilized, loaned to another airport, or returned to the federal government. Houston County currently has \$150,000.00 requiring a use determination. Recently, Engineer Pogodzinski was offered a 95/5 split option for a major project. He stated that a mill and overlay of the runway should be considered. There is concern that the runway has deteriorated to a point where the airport could face being shutdown. Engineer Pogodzinski stated that a mill and overlay would lengthen the useful life of the existing runway. He expressed concern that if the County intends to move forward with the proposed airport expansion project, rehabbing the runway may not be necessary. However, in the event the expansion project is further delayed, it could be beneficial for the continued operations of the airport until the expansion can be completed. Engineer Pogodzinski reported that it appears funding for the expansion project will not be available until 2016 or later. He reported that paving the runway, parking lot, and areas around the hangars would cost approximately \$400,000.00. The matching portion required of the county would be \$20,000.00. That amount could be covered by funds which have been set aside for land acquisitions in the event the expansion project were moved forward. Typically, runway rehab projects would qualify for an 80/20 split offer, therefore the County has been offered a better than average opportunity. The County needs to complete the report. The report does not require the details of what project funding will be utilized for, but rather, requires notification of intentions. Commissioner Zmyewski questioned how large project costs are covered and how the funding splits work. Engineer Pogodzinski responded that the maximum amount of federal funds which could accumulate would be \$450,000.00. Houston County currently has \$41,000.00 loaned to another entity. Large projects are covered by accumulated entitlement funds, additional awarded funds and the required local match. Commissioner Bjerke admitted that the 95/5 split for a runway project is a better than average opportunity. Discussion was held regarding loaning out funds to protect them for future use. This could be difficult because another entity would need to have a desire to borrow the funds. If there are not projects coming to fruition in other areas there

may not be an opportunity to loan the funds. Engineer Pogodzinski recommended that the report be submitted showing that there are intentions to utilize the funding. A final decision regarding an overlay project may be delayed for a short period. It would need to be determined to allow adequate time for bidding out the project etc. In the event no project was completed, the money would revert back to the federal government. It was the consensus of the Board to have Engineer Pogodzinski notify the FAA that we will be utilizing our federal entitlement funding for a project.

File No. 5 -- HR Director Arrick-Kruger stated that recently the Board accepted the resignation of a 1 FTE jailer/dispatcher. The position was backfilled with an employee who had been 0.5 FTE jailer/dispatcher position. The 0.5 FTE position remains open. Recently a competitive hiring process was completed for the jailer/dispatcher position. Those hired have just begun completing the probationary period. The pool had very qualified finalists. In an effort to save money, the top finalists were contacted to see if they had continued interest in employment with the County. Jason Quandahl expressed willingness to accept a 0.5 FTE position. Mr. Quandahl is currently working for the County as a 67 day employee. All applicable background checks have been completed. One candidate ranked higher than Mr. Quandahl was contacted and has not expressed further interest. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Jason Quandahl as a 0.5 FTE jailer/dispatcher effective January 11, 2012.

HR Director Arrick-Kruger reported that the annual ethics policy will be sent out soon. Commissioners, elected officials and individuals representing the County on committees and/or Boards are required to sign the annual policy. In addition, department head evaluations will be going out.

HR Director Arrick-Kruger stated that 3 negotiation meetings have been scheduled with MAPE.

Sheriff Ely reported that, during a recent Sheriff's Association Conference, he questioned staff of the DOC whether there were accommodations which could be made that would result in Houston County being able to house female inmates. Sheriff Ely wanted to revisit the possibility. The DOC responded that the only reason females are not housed in Houston County is based on a resolution passed by the County Board and submitted to them for approval stating the County's desire to house male inmates only. The DOC typically does not differentiate between male and female, rather, all are considered "inmates." There are some requirements which must be met. There must be a female on duty when females are brought into the facility and searched. This can be satisfied with current staffing. In the event no female is on staff when a female has been apprehended, the individual could be placed in a segregated holding cell until a female staff member reports to the facility, at which time the apprehended female could then be searched and have booking completed. Male officers are allowed to guard and supervise female inmates. Sheriff Ely was informed that Houston County may house up to 30 "inmates" at current staffing levels. Sheriff Ely admitted that this has been a frustrating process. Representatives of the DOC

were invited to the County and spoke with Board members. They answered specific questions and it was not conveyed that housing females was a viable option without additional staffing. The decision to house males only was based on financial implications. Chief Deputy Sheriff Yeiter agreed that the process has been frustrating. Maximum inmate numbers or makeup of population was not explained well. In order to begin housing female inmates, the County Board would be required to submit a request in which inmates are referred to in gender neutral terms. The request which was approved by the DOC was gender specific. Sheriff Ely expressed confidence that the County may house up to 30 “inmates” at current staffing levels. There would be no additional staffing expenses. There would be minimal costs for female officer uniforms. Commissioner Zmyewski expressed concern that things were not clarified even with very specific and targeted questions. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to submit an updated request to the DOC requesting approval to house up to 30 “inmates.”

File No. 6 -- Chief Deputy Sheriff Yeiter reported that Houston County had entered into the 2007 P SIC Grant 39065. Matching funds for said grant were approved in 2009. Several counties and cities took part in the grant. Some entities spent their entire grant amount, others spent only a portion. Additional funds have become available to entities agreeing to provide the required match. Houston County applied for an additional \$34,968.60 in grant funding. The match required is \$6,993.80. If approved, the funds would be utilized to purchase radios for the surveyor, possibly Public Health, additional radios for Highway and various other entities. In the event there are no additional needs, DUI forfeiture funds would be utilized to purchase radios so that the County would have access to extras in the event of a major event and or equipment failure. The match will not require budget funds. He requested approval of the grant and the adoption of an appropriate resolution. Commissioner Bjerke stated that this was a 2007 grant. There has been discussion within the Regional Radio Board who has decided to allow for new requests instead of returning unused funds to the State at this time. The grant has a short time to complete required elements prior to expiration. Orders must be placed, received and programming completed prior to a March 31, 2012 deadline. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the grant and adopt the following resolution:

RESOLUTION NO. 12-4

RESOLUTION AUTHORIZING PARTICIPATION IN THE PUBLIC SAFETY INTEROPERABILITY COMMUNICATIONS GRANT PSIC Additional Funding

WHEREAS, Houston County entered into an Agreement with the State of Minnesota, SE MN Regional Radio Board, and Olmsted County, fiscal agent for the SEMNRRB for the 2007 HSEM Public Safety Interoperability Communications (PSIC) Grant, effective 07/01/2008 thru

09/30/2010, in which each County or City within the SE MN Regional Radio Board was required to pay matching funds of \$10,804.44 for equipment;

WHEREAS, additional grant funding is now available through a grant contract effective from 12/28/2011 through 3/30/2012;

NOW, THEREFORE, BE IT RESOLVED that Houston County approves the grant for additional funding in the amount of \$27,974.80 along with the required local match of \$6,993.80.

File No. 7 -- Assistant County Attorney Bublitz requested approval of an MCAPS ratification statement. This allows use of the system of the MCAPS software system which is utilized for their work. MCCC actually enters into the agreement for the software. Users are required to approve the ratification statements. The annual cost has been included in the budget. We have utilized MCAPS since 1999. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the ratification statement.

Pursuant to M.S. 13D.05 subd. 3(b) It was requested the Board convene a closed session to discuss matters protected by attorney-client privilege. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to convene in closed session.

The time being 10:30 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to return to open session.

File No. 8 -- At this time Donna Buckbee and several others met with the Board to express their concerns regarding frac sand mining in the area. Ms. Buckbee stated that she has lived in the county for 36 years. She moved here from the Twin Cities after falling in love with the beauty of the area. She reported that recently a group of individuals who are concerned about frac sand mining met. The group has started a petition drive regarding this. She distributed information on frac sand mining. The information provides additional resources which may be further researched.

File No. 9 -- Amanda Griggs, a Houston resident, read a prepared statement from Michael Sieve.

File No. 10 -- Ms. Griggs read a prepared statement from John Jordan, an organic farmer from Money Creek.

The group present wants the Houston County Commissioners to be aware of a possible increase in mining interest for frac sand, a natural resource found in the area, for use in frac mining for oil and natural gas. They would like to see the Board proceed with caution and consider placing a moratorium on permits required for the process of mining the sands until adequate research may be conducted to understand the ramifications of the practice.

Commissioner Zmyewski stated that John Jordan has been in contact with him regarding his concerns. The group is advocating for a slowed permitting process. They hope to see regional policies developed and EPA studies completed.

Ken Tschumper is pleased to know that the Commissioners are open to learning more about frac sand mining. Winona County has a vote scheduled for today regarding this very issue. He expressed his hope that Houston County will begin considering the options. Mining of these sands is a very complicated issue. Decisions will be challenging and activity related could escalate rapidly. A dramatic increase should be expected. Mr. Tschumper suggested the Board consider adopting a 1 year moratorium. He questioned whether the current ordinance addresses this. Mr. Tschumper expressed concern that mining activities will damage county and township roads. There will be costs to repair the damage. He also expressed concern regarding air and water quality. There are fine silica dust particles which may affect air and/or water quality. Some mining operations may be of a significant size and reclamation requirements. He stated that State Agencies are becoming involved and providing information. He again expressed his concern that local governments could get stuck with expenses for damaged roadways and other unforeseen expenses related to local infrastructure.

Chairperson Miller stated that the escalation of frac sand mining can be seen by the number of articles appearing in local newspapers. He expressed his opinion that he would be in favor of economic growth opportunities. However, those would need to be carefully measured against the possible cost to health and welfare. Neighboring governments are taking steps and to be a good neighbor, and he believes that we should consider taking steps also.

Commissioner Zmyewski attended a conference recently where discussion was held regarding this very issue. In addition, it has been of increasing interest and concern to the SE MN Water Resources Board of which he is a member. It had been on the radar of these organizations and has become explosive recently. Yesterday he attended a SE MN Water Resources Board meeting. There were speakers from the DNR, Public Health and well testing who spoke regarding water pollution and water depletion concerns. Discussion was held regarding water usage and possibly chemical cleaning of these resources which could impact water quality. The size of dust particles and the affects when they go airborne were discussed. There are counties which have ongoing studies related to frac sand mining. Wisconsin has ordinances which are not as restrictive as those of Minnesota. Wisconsin has seen more mining activity as a result. Commissioner Zmyewski questioned whether current ordinances are designed to address specific concerns related to the type of material being mined. There are questions that will need to be addressed which are related to processing plants. Due to the natural deposits found in the area, many of these issues would benefit by being addressed on a regional or perhaps state level. Commissioner Zmyewski is in favor of further research and collaborative efforts across the region. He expressed his understanding that there is potential for both economic growth and the possibility for negative environmental affects. The issue needs to be addressed because it will not go away.

Chairperson Miller indicated that in the Chippewa area mining operations have increased. The mined sands are being transported out of the area by the trainload. This area of the country has the highest concentration of silica sand in the nation and much of it is easily accessible.

Discussion was held regarding the layers of sandstone. Frac sand is found locally in the Jordan layer of sandstone. In this area the Jordan layer is the top layer and also the one which holds the Jordan aquifer which is the local water source. Much of the Jordan layer is exposed in this area. Springs and creeks originate in this layer. Because of these facts, the DNR is concerned with water availability in light of possible increases to mining and processing operations.

Commissioner Zmyewski suggested inviting State officials to present relevant information locally to allow residents the opportunity to learn more.

Amanda Griggs reported that Winona County postponed a vote regarding a proposed moratorium on frac sand mining for a period of one week.

Donna Buckbee reported that she has attended several hearings regarding frac sand. She reported that currently approximately 5% of gas and oil wells are fracked. It has been estimated that this could increase to 40%.

Mary Denzer, a potter, understands quartz/silica chemistry as a result of her pottery knowledge. Because of the dust particulates she has her pottery mixed elsewhere. Sands are mined, washed and in the process dust is created and goes into the air.

Ken Tschumper encouraged adoption of a moratorium. Environmental Services Director Frank stated that Houston County had adopted a moratorium in the past. Mr. Tschumper stated that this option is available to local governments so that they are afforded adequate time to research issues. The County Attorney should be able to advise the Board on how to most effectively utilize a moratorium option.

Environmental Services Director Frank suggested that the Board have County Attorney Hammell review related Statutes. He agreed that this is a regional issue. Staff from various entities have been meeting to share information and collaborate. There are counties which have experience with this, they would likely share their experience for the benefit of others facing similar situations.

Commissioner Walter brought up a concern that when the County suffered a significant IT hardware failure, discussion was held regarding the need to provide for back up to IS Director Milde. She would like to move forward with developing a plan and implementing it so that there is adequate back up.

With regard to the cell phone policy, Commissioner Zmyewski would like to see things simple and easy. He suggested defining eligibility. Elected officials, staff with no designated office space and/or staff which spends in excess of 25% of their work hours off site would qualify for a cell phone per diem. The purpose is to be able to be in communication with staff. It is not intended to provide for convenience. He suggested a flat per diem of \$15.00 or \$30.00, \$15.00 for staff, \$30.00 for Elected Officials. The basic cell phone package costs approximately \$60.00 to \$65.00, 25% of this amount is \$15.00. Commissioners would be paid at the higher rate of \$30.00 because they receive calls from constituents and thus will utilize more minutes outside of work. In addition, they have no designated office phone on which to be contacted, nor do they have a County issued computer on which to receive e-mail or electronic communications. Commissioner Zmyewski considered the need for the Smartphone per diem. He expressed his belief that the County provides computers to staff. Staff is often in the office at some point during each work day. Therefore, staff can access e-mail when in the office. Receiving e-mail on a Smartphone then becomes a convenience. If staff choose to use a cell or smart phone while in the office, that is a personal choice as they do have both a landline and computer available to them. Approval for remote access is a Board decision and will remain such. Allowing remote access does present unique security concerns. Commissioner Zmyewski shared his opinion that the County does not need to pay for conveniences. E-mail received via a Smartphone is a convenience for someone who spends the bulk of their time in an office and has a desktop computer. Commissioner Schuldt reported that staff has approached him to argue in favor of the current per diem policy. Commissioner Bjerke expressed concern that Smartphone users require a data package which is an additional expense. Commissioner Zmyewski indicated that he would have a Smartphone regardless of whether he received a per diem or not. It is his personal choice. There may be staff that would act in a like manner. In addition, staff are provided with the tools necessary to communicate, therefore, the County should not be paying for convenience in his opinion. In addition, he believes that if you need to communicate with someone who may be out of the office and away from their desktop you would place a call to them. You would not e-mail them. Chairperson Miller expressed his agreement. If someone needs to discuss an issue with Commissioner Miller he would expect a phone call, not an e-mail. Commissioner Walter expressed agreement with a simplified per diem structure. It was agreed that a draft of the policy would be prepared and presented at a later date.

File No. 11 -- Commissioner Zmyewski reported on quotes which had been solicited for the replacement of carpeting in the old courtroom, jury room and adjoining offices. Quotes were received from The Floor Guys of Eitzen, Inc., Tri-State Carpets, Inc. and Torgerson's Paint and Floor Covering Inc. The Floor Guys and Tri-State Carpets indicated that a price increase is expected on or around January 20th. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the low bid provided by Torgerson's Paint and Floor Covering Inc. to carpet the old courtroom only at a cost of \$4,225.00.

Commissioner Schuldt reported on a Semcac meeting and also a meeting with representatives of Spring Grove City regarding the possibility of contracting for police services.

Commissioner Zmyewski reported a Water Resources Board meeting which he attended.

Commissioner Bjerke reported on an EDA meeting which he attended.

Chairperson Miller reported on redesign and MPCA meetings which he attended.

Commissioner Walter reported on an extension meeting which she attended. She also attended the meeting to discuss contracting for police services and also a meeting with Representative Davids. She will be attending a Workforce Development meeting later this 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. 12 -- Correspondence to committee appointees

File No. 13 -- Correspondence to successful & unsuccessful
print bidders

File No. 14 -- Crooked Creek District Annual Report

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

File No. 16 -- Correspondence from Dan Kuhns regarding
support for MCIT appointment

File No. 17 -- Letter of appreciation for 2011 appropriation
from Southern Minnesota Initiative Foundation

File No. 18 -- Abatement for Miken Sports

There being no further business and the time being 11:37 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 17, 2012.

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 17, 2012

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; Recorder Bauer; HR Director Arrick-Kruger; Wayne Stenberg; Jill Zmyewski; Environmental Services Director Frank; Ralph Tuck; Accounting Manager Lapham; Gerry Krage; Tom Falbo; IS Director Milde

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 January 10, 2012 meeting.

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	\$237,395.33
Road & Bridge Fund	42032.98

Total	\$279,428.31
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

It was noted that during the last meeting, Amanda Griggs reported that Winona County had delayed a vote regarding enacting a moratorium affecting the permitting process related to frac sand mining. This was incorrect, the Winona County Board of Commissioners voted and passed a 3 month moratorium that day.

File No. 3 -- Recorder Bauer requested approval of a 2011 budget amendment that would shift funds to accurately reflect items which were paid for utilizing the Recorder's Technology Fund. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve said request.

File No. 4 -- Ralph Tuck reported that every ten years a Comprehensive Water Management Plan is prepared. In order to remain qualified for BWSR (Board of Water and Soil Resources) grant funding, the plan is required to be updated periodically. He requested adoption of a resolution providing for the plan to be updated. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-5
RESOLUTION TO UPDATE THE HOUSTON COUNTY
COMPREHENSIVE WATER MANAGEMENT PLAN

WHEREAS, Minnesota Statutes, Chapter 103B.301, Comprehensive Local Water Management Act, authorizes Minnesota Counties to develop and implement a local water management plan, and

WHEREAS, the Act requires that a county update and revise their local water management plan on a periodic basis, and

WHEREAS, the Act encourages that a county coordinate its planning with contiguous counties, and solicit input from local governmental units and state review agencies, and

WHEREAS, the Act requires that plans and official controls of other local governmental units be consistent with the local water management plan, and

WHEREAS, Houston County has determined that the revision and continued implementation of a local water management plan will help promote the health and welfare of the citizens of Houston County, and

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners resolve to revise and update its current local water management plan.

BE IT FURTHER RESOLVED that Houston County will coordinate its efforts in the revision and update of its plan with all local units of government within the county, and the state review agencies; and will incorporate, where appropriate, and existing plans and rules which have been developed and adopted by watershed districts having jurisdiction wholly or partly within Houston County into its local water management plan.

Ralph Tuck reported that he has submitted his resignation. He has been the District Manager of the water conservation district for 22 years. The Board governing that entity has not determined plans for the position which he will vacate effective February 23, 2012.

Environmental Services Director Frank reported that the Environmental Services department works closely with the Water Conservation District. He expressed concern that Ralph Tuck is the only individual in the county trained to perform wetland delineations.

File No. 5 -- Wayne Stenberg, Executive Director of Semcac, provided an annual activity report. He reported that Semcac has been serving the area for 45 years. Mr. Stenberg provided use statistics for each of the programs administered by Semcac. Discussion was held regarding the small cities program which is providing for the rehabbing of 9 homes. Each home will benefit by work totaling approximately \$22,500.00 each.

Gerry Krage, Administrator for Bluff Country HRA, and Tom Falbo, the Houston County Representative on the Bluff Country HRA Board, met with the Board. Mr. Falbo reported that the Bluff Country HRA was established to administer Section 8. The Bluff Country HRA administers various programs, to date, Section 8 is not one of them. Another organization has been administering Section 8 for the county. Significant concerns have arisen. Auditor Meiners provided additional information regarding both organizations. She reported that prior to the establishment of the Bluff Country HRA, SEMMCHRA was granted the privilege to administer Houston County Section 8 vouchers. This is a program through HUD. SEMMCHRA has not been forthcoming with requested information. They have only once made presentation the County Board and that was during a time when additional funding was requested of said board. When specific information has been requested, the organization has failed to provide the information. The County Board has no way of understanding how the program impacts county residents because no information is provided. Houston County is not alone in its concern. There are additional counties expressing like concerns with the SEMMCHRA organization. All of the counties have been researching their options. Mr. Krage stated that in the event resolutions are passed, possibly mirroring resolutions by multiple entities, response to the resolutions would be required.

Mr. Krage, Mr. Falbo and Mr. Stenberg indicated that the Bluff Country HRA is willing to administer the Section 8 program. Bluff Country HRA contracts for services with Semcac who is willing to support the HRA's position regarding administration of the program also. It may be possible for the HRA to benefit from the expanded service area of Semcac if other counties desire to have the Bluff Country HRA administer their county's Section 8 vouchers also. However, this would require further research prior to moving forward. The working relationship between the Bluff Country HRA and Semcac was explained. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to ask Semcac to schedule a meeting to include commissioners from the counties with services provided by Semcac, and the Bluff Country HRA regarding Section 8 housing vouchers, options and possible collaboration regarding Section 8 housing vouchers.

File No. 6 -- HR Director Arrick-Kruger provided information related to banding of the Environmental Services Director position held by Rick Frank. In 2010, HR Director Arrick-Kruger noticed that the position description was quite dated. As a result of this, and the need to

hire staff for the department, she decided to review all positions within the department. A lengthy and in depth review was completed. As a result, a recommendation was made to change the banding of the Environmental Services Director position from C-5-2 to D-6-1 and to increase the salary per historical practice. This recommendation was approved and later rescinded due to an uncertainty resulting from the ongoing certification process of the MAPE collective bargaining unit. The Environmental Services Director position is one of the positions covered by the MAPE unit. HR Director Arrick-Kruger requested that the recommendation be approved effective March 23, 2011. Accounting Manager Lapham stated that the salary increase was not included in the budget for 2011. It has been included in the budget for 2012. When Commissioner Zmyewski questioned the review process, HR Director Arrick-Kruger responded that when she began her employment with the county, one-fourth of the positions were to be reviewed annually. She reported that this is an in depth process and it would be impossible to complete that amount of banding reviews annually. She discovered that Environmental Services Director Frank's position description was extremely dated, and that coupled with other changes within the department led her to determine it was a good time to review all positions within said department. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to change the banding and pay grade of Environmental Services Director Frank's position from C-5-2 to D-6-1, step 4 effective March 23, 2011.

Commissioner Zmyewski reported that Commissioner Bjerke, Building Maintenance Supervisor Lange and he viewed the carpets in the offices adjoining the old courtroom and also outside the courtroom in the hallway. The carpet is either no longer adhered to the floor or is delaminating creating a possible tripping hazard. Building Maintenance Supervisor Lange expressed his opinion that the carpet could not be re-adhered to the floor nor could the "rolls" be stretched out of it. Commissioner Zmyewski expressed his belief that the Board may need to revisit the carpet replacement quote which was recently awarded to consider re-carpeting additional areas. Accounting Manager Lapham will try to determine remaining funds from the Justice Center project. Commissioner Zmyewski suggested that the old courtroom be painted once the old carpeting has been removed and prior to the installation of the new flooring.

Environmental Services Director Frank, Zoning Administrator Scanlan, Engineer Pogodzinski and Chairperson Miller all attended a meeting hosted by Winona County regarding frac sand mining. The meeting was well attended by both Minnesota and Wisconsin entities. Some of the major concerns related to this activity were identified and include damage to roads, truck traffic and whether the load is covered, the availability of rail lines, water tables, and also reclamation. Chairperson Miller suggested that information be gathered as completely as possible and that public hearings be scheduled during evening hours. Scheduling the meetings in the evening will allow greater access for those concerned. He is aware that there are individuals who are concerned about the possibility of frac sand mining and expressed his expectation that there are proponents for greater mining efforts. Commissioner Bjerke questioned how a moratorium would affect the permitting process. Environmental Services Director Frank responded that a moratorium would prevent the submission of applications. A moratorium may be established at

any time. If there is no moratorium in place, applications may be submitted and must be ruled on within 60 days. The 60 days may be extended to 120 days.

Discussion was held regarding an editorial which appeared in the La Crosse Tribune recently. The article was titled “Benefits of Sand Mining Outweigh Any Negatives.” The article was written by an Eau Claire area geologist.

Environmental Services Director Frank reported that there is a washing station in the City of Winona. Air quality monitors were installed and have been monitored. The monitors have not indicated any changes in air quality to cause concern. Where there are other types of mining activities, there have been dust issues. Commissioner Zmyewski expressed his desire to enact a moratorium. He stated that any moratorium could be rescinded once adequate information has been gathered on which to base further decision. He expressed concern that, in the event an application is submitted, the County would have a maximum of 120 days in which to rule. The EA study for the proposed airport expansion project has taken nearly a year and a half. That study is only considering the impact of an above ground project impacting a single, 50 acre area. Frac sand mining will affect various areas countywide, water and air quality, and runoff from multiple sites. He also expressed concern that this area benefits from the natural beauty of the bluffs for tourism, and frac sand mining could have an impact. Environmental Services Director Frank reported that Winona County has gathered a wealth of information which they have expressed willingness to share. He will be scheduling a meeting to discuss this issue further. He encouraged all commissioners and Planning Commission members to attend.

Commissioner Walter reported on the EMS and Workforce Development meetings which she attended.

Commissioner Zmyewski reported on various township meetings which he has attended.

Commissioner Bjerke reported on various concerns and articles which he has recently read.

Chairperson Miller reported on the frac sand mining meeting which he attended.

Commissioner Walter reported that there are significant technology issues in the new Justice Center. It is expected that final payment will be withheld until the issues have been resolved. She also reported that on April 27th there will be a dedication of the Courts.

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. 7 -- Correspondence to payroll regarding the hire of
Jason Quandahl

There being no further business and the time being 10:24 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 24, 2012.

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 24, 2012

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; Environmental Services Director Frank; HR Director Arrick-Kruger; HS Accountant Bahr; Accounting Manager Lapham; PHN Accountant Lillegraven; Highway Accountant Schroeder; IS Director Milde; Engineer Pogodzinski; Interim Social Services Supervisor Lapham; Financial Manager Kohlmeyer; Treasurer Trehus; see listing of additional guests (File No. A1)

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 January 17, 2012 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	\$329,618.85
Road & Bridge Fund	146,262.27

Total	\$475,881.12
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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 -- Environmental Services Director Frank recommended approval of the Ag Best Management Practices (BMP) annual report and application for new funding in 2012. The report shows how funding was utilized, and outlines plans for spending in the coming year. Environmental Services Director Frank reported that, last year, there was an increase in septic system work. There was also work completed to upgrade a couple of feedlots. There were funds remaining which could have been utilized. However, no requests were made. Much of the

funding available for this program is available as the result of revolving loans. Environmental Services Director Frank reported that he has submitted an application to receive the same amount of funding as the previous year. He is checking into whether the funds may be made available to seal non-conforming wells, and for the drilling of new wells to replace the sealed ones. He reported that all requirements of the program have been satisfied. Commissioner Bjerke questioned how many problem wells there are in the county. He speculated that each non-conforming septic system may have a non-conforming well associated with it. Environmental Services Director Frank did not indicate how many non-conforming wells there are. Chairperson Miller clarified information related to the program. Environmental Services Director Frank stated that the funds for the program have been awarded by the State and Federal government. Various local banks administer the loans. There are no financial restrictions regarding qualification. Any non-conforming septic system qualifies for a low interest loan. The loans have been 3% with a 0.5% origination fee which goes to the bank. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the 2012 AgBMP Annual Report and Application.

HR Director Arrick-Kruger reported that the cooling system for the IT room has failed. Repair of the current system would require the replacement of the condenser. There would be no warranty. It was estimated that the cooling system was between 6 and 10 years old. There have been multiple failures of the system in the past 18 months. The system provides cooling specifically to the IT room. The IT room temperature is currently 80 degrees. In an attempt to maintain cooling for the room, attic air is being diverted to the room. Outside air is very dry at this time. Three humidifiers are running to maintain as close to 40-50% humidity as possible. As a result, staff in Human Services is subject to below normal office temperatures. Staff has been using electric heaters to maintain some degree of comfort. This practice has caused circuits to blow. There is a need to address the situation. Quotes for a new cooling system are being solicited. The system being quoted is designed for year round use. It is energy efficient, and will utilize exterior air when appropriate. In addition, a humidifying component will be required. A new system is estimated to have a payback period of approximately 5 years. Commissioner Schuldt queried what the cost of a new system would be. HR Director Arrick-Kruger responded that the two quotes she has received vary significantly. One came in at approximately \$5,000.00, the second is approximately \$10,000.00. IS Director Milde reported that the cost of the equipment in the IT room is valued at approximately \$160,000.00. The data stored on said equipment likely has a value well beyond that. HR Director Arrick-Kruger stated that there is a 2 week lead time to repair or replace the cooling system. In addition to the cost of the system, HR Director Arrick-Kruger anticipates electrical expenses not to exceed \$1,000.00. The age of the current system, the cost of repairs, and the fact that repairs would not guarantee any length of useful life make a strong argument in favor of a system replacement. HR Director Arrick-Kruger requested authorization to proceed with replacing the system in an amount not to exceed \$27,000.00. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize HR Director Arrick-Kruger to proceed with the project and to exercise her discretion in accepting the low quote for a new cooling system for the IT room. The Board is to be kept aware of costs as they are determined.

HR Director Arrick-Kruger indicated that there is a need to discuss further the restructuring of the HS Department.

File No. 4 -- HR Director Arrick-Kruger provided the annual ethics review to commissioners. This will be sent to all committee members.

File No. 5 -- PHN/HS Director Rock requested approval of an addendum to the Crest Initiative Cooperative Agreement. The agreement provides for funding to defray the cost of providing mandated services related to adult mental health. The Crest Initiative includes 10 southeast Minnesota counties. Houston County will receive an allocation in the amount of \$137,739.39. This funding may be used to cover the cost associated with sending individuals to treatment centers, and/or for medications. Olmsted County is the fiscal agent for the program. Houston County has been awarded an allocation equivalent to 4.48% of the total. This is similar to funding awarded last year. In addition to these funds, there are crisis funds. Interim Social Services Supervisor Lapham reported that crisis services were recently discontinued. There have been ongoing discussions with the previous provider of those services, and also other providers who may be qualified and interested in providing crisis services. Crisis services were provided around the clock. The previous provider for those services is proposing services for evenings, weekends, and holidays. Workday services would need to be provided by county staff. Interim Social Services Supervisor Lapham reported that a meeting is scheduled for later this week to discuss options with another provider. She also reported that Crest funding is maximized annually. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Addendum to Crest Initiative Cooperative Agreement.

File No. 6 -- Chairperson Miller provided information from correspondence received from Lucinda (Cindy) Jesson regarding the State's acceptance of Houston County's 2012-2013 MFIP Biennial Service Agreement and the VCA Services plan.

File No. 7 -- County Attorney Hammell distributed information regarding requirements related to enacting a moratorium. Chairperson Miller reported on a meeting he attended that was hosted in Winona County. The topic of the meeting was frac sand mining. Several governmental entities were in attendance. Several issues including, transportation, permitting, ground water, air quality, enforcement, property values, and reclamation were discussed. He mentioned that, recently, the positives and negatives of frac sand mining have been the topic of multiple news articles and editorials. Commissioner Zmyewski questioned whether there was discussion regarding who would be monitoring and/or enforcing policy, and how the cost for monitoring and enforcement would be covered. The greatest concern is degradation to the roadways as a result of heavy truck traffic. There is no solution to resolve the concern. Commissioner Zmyewski also questioned whether there was discussion regarding establishing a regional authority to monitor and bring forth concerns, and provide consistency across the area. Environmental Services Director Frank reported that neither MPCA nor the DNR monitor

quarries or mines. These operations are controlled by local ordinance. Engineer Pogodzinski indicated that there are efforts to make neighboring county ordinances similar. Chairperson Miller stated that this is not a public hearing. He asked if there was an individual who wished to speak on behalf of the group in attendance. John Griggs stated that a group of concerned citizens met recently. From that meeting, the group agreed to become more educated about frac sand mining, and to circulate a petition in favor of a local moratorium. To date, the petition has approximately 200 signatures. This group of individuals hopes for a transparent process and appreciates the opportunity to participate in the process. Mr. Griggs expressed his belief that frac sand mining could significantly transform the area. Environmental Services Director Frank reported that he has met with both Zoning Administrator Scanlan and County Attorney Hammell to discuss a possible moratorium. County Attorney Hammell reported that it is clear what must take place to enact a moratorium. A moratorium will provide for a detailed learning process to take place. Zoning Administrator Scanlan expressed his opinion that the county should move towards enacting a moratorium. Essentially, a moratorium is an interim zoning ordinance. It will require public hearing. Again, a moratorium will provide time to learn, and to move forward in a responsible manner. Chairperson Miller expressed his agreement with moving forward cautiously. It was reported that Winona has enacted a 3 month moratorium, Goodhue has enacted a 6 month moratorium. Trempealeau County is home to a frac sand mining operation. The Board and others could view the operation in April. The operation expects to begin operations for the season in late March. Commissioner Schuldt expressed interest in viewing an operation such as this in order to better understand what is entailed. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to schedule a public hearing for 6:00 p.m. on Monday, February 13th in the Justice Center Meeting Room to discuss a possible frac sand mining moratorium.

Amanda Griggs questioned how the meeting would be conducted, and is there a need to sign up in order to speak. Chairperson Miller responded that there is no need to sign up. It has been past practice that an individual simply needs to attend, and they would be allowed to speak briefly. County Attorney Hammell encouraged the Board to review the steps required from the handout provided earlier. She also encouraged them to utilize the experience of others going through the same process.

File No. 8 -- Chairperson Miller reported that redesign has issued a press release.

File No. 9 -- PHN/HS Director Rock stated she was here to present the findings regarding CW-TCM. She provided a listing of mandated human services programs. She stated that CW-TCM is only one small activity or program. Interim Social Services Supervisor Lapham indicated that cases were updated as a result of a reminder. PHN/HS Director Rock stated that the records show that everyone is doing their job. She expressed uncertainty as to why CW-TCM has garnered so much attention. Chairperson Miller responded that, during budgeting, it was mentioned that there was revenue available that was not being captured. The Board looked into what the county may have been eligible to capture, why it had not been captured and who may be responsible. It was reported that PHN/HS Director Rock, Interim Social Services Supervisor

Lapham and HS Accountant Bahr recently met to discuss various reports that had been generated and what it meant to the department. Chairperson Miller expressed his opinion that this type of meeting could have been held long before this time. PHN/HS Director Rock accepted responsibility for not having held the meeting sooner. It was her understanding that it was something to look into and work towards, not something requiring immediate attention. Interim Social Services Supervisor Lapham stated that she became aware of training which had been offered and no one had attended. She made arrangements to obtain the training which rectified the situation. She indicated that a plan is now in place whereby the reports will be reviewed on a monthly basis to ensure that all hits are entered. The department has a year in which to amend reporting. They agreed that it would be preferable to review and amend things more frequently. Chairperson Miller shared his perception with the group that HS Accountant Bahr was “demonized” when she expressed concern regarding trends, revenue that was available and not captured. He expressed his disappointment and his belief that this was not how an organization should operate. In the event that more revenues are captured, more good can be performed. There is a need to be cognizant of the financial implications which will enable good from the Social Services side. Interim Social Services Supervisor Lapham indicated that things change frequently within the Social Services arena. Together, the group has devised a plan that should alleviate the problems. It should result in capturing additional available revenues. The financial reports provide specific financial information. The social services reports provide reasoning in the event action was not taken. This gives context to the financial data. Chairperson Miller stated that he sees a division within the department and encouraged staff to work together to overcome their differences.

HS Accountant Bahr noted that other similarly sized counties provide service with less staff. Chairperson Miller indicated that family/medical leave has had an impact on staffing. Interim Social Services Supervisor Lapham pointed out that Fillmore County contracts for services. Houston County made the decision to provide services utilizing in house staff, not contract staff. HS Accountant Bahr reported that, with regard to case aide and clerical staff, Houston County operates with the same ratio as Olmsted County. Chairperson Miller questioned whether a case aide was available to assist in ensuring that data entry is kept up to date. Interim Social Services Supervisor Lapham stated that the case aide position which provided assistance to the social workers was eliminated. The duties were dispersed amongst various staff. The social workers are responsible to complete much of their own clerical work. Chairperson Miller questioned whether interns could be utilized. She responded that the systems are complex. In addition, an intern must be provided with a wide range of experiences. HS Accountant Bahr noted that several adoptions were completed last year resulting in a decline in the number of cases per social worker. Interim Social Services Supervisor Lapham stated that even though case numbers may have declined, social workers may still provide services to a similar number of clients. Commissioner Bjerke expressed appreciation that the financial side and the social work side have been able to work together to present data. Additional revenues have been identified they may not be easily captured.

Commissioner Walter stated that discussion is necessary to determine how to move forward regarding the interim HS Director position. Commissioner Bjerke expressed his opinion that a part time director for the largest department with the largest budget doesn't make sense. It may be necessary to hire a full time director. Deb Rock would once again serve as PHN Director only. It would be necessary to determine how to structure supervisors to support an HS Director position. All agreed that Ms. Rock has done a good job managing both departments. Chairperson Miller expressed appreciation for her willingness to accept the dual position. It is possible that a full time director would be able to capture more revenue which would offset the expense of a full time director.

File No. 10 -- Accounting Manager Lapham provided a status update regarding the bond account, outstanding contractor invoices and percentage completion for the Justice Center Project. There are 14 contractors with outstanding invoices. There was discussion regarding contractor final requests and also problems which need to be addressed. A final building committee meeting is still pending.

File No. 11 -- Treasurer Trehus reported on the county's investments, interest income, 5 and 10 year treasury yield trends and the status of multiple CD's.

Accounting Manager Lapham reported on the 2011 audit proceedings.

The various department accountants indicated that they did not have information to report at this time.

Commissioner Bjerke reported that he has discussed the cell phone per diem policy with various department heads. He expressed concern that some staff members entered into contracts for services based on the cell phone per diem. He is not in favor of eliminating the per diem when staff have committed to 2 year contracts. Commissioner Zmyewski questioned how many employees actually signed up for a cell phone as a result of being approved a per diem. Discussion was held regarding the discount offered to government employees. Accounting Manager Lapham raised concern regarding the number of employees who have been granted access to their county e-mail via personal Smartphone. This is a significant security concern. E-mails are downloaded to the Smartphone. It is possible that these could be accessed if someone were to lose their Smartphone. She has requested a list of those with this privilege from IS Director Milde. The remote access policy addresses e-mails to mobile computing devices. It does not address e-mail to Smartphones which are different from mobile computing devices. Chairperson Miller encouraged Accounting Manager Lapham to obtain the requested list and to review the remote access policy.

Commissioner Zmyewski requested an update regarding the airport land lot leases. Auditor Meiners reported that approximately 5 leases were fully executed. She has spoken with all other lessees who are working on satisfying the insurance requirements. None of the lessees had appropriate insurance paperwork to begin with. Commissioner Zmyewski questioned why

some individuals have been able to satisfy the insurance requirements while others are still working on it.

File No. 12 -- Auditor Meiners reported that the Houston Money Creek Snowmobile Club has requested approval of a request for reimbursement. The county acts as the fiscal agent for area snowmobile clubs. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the request for reimbursement and to adopt the following resolution:

RESOLUTION NO. 12-6

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.

Chairperson Miller shared information from a recent SEMMCHRA meeting which he attended. Houston County has the lowest population of the participating counties and is the largest user of the Section 8 program. Eighty-nine families within the county benefit from the program. There are an additional 24 families on the waiting list to receive services. The section 8 program provides assistance in rural communities where low income housing is typically unavailable.

Chairperson Miller reported on a redesign meeting which he attended.

Commissioner Walter provided information regarding an upcoming Houston County Association of Township Officers meeting which is scheduled for 6:00 p.m. on Tuesday, January 31st at the Redwood Café. It was agreed that Commissioner Schuldt will attend.

Commissioner Schuldt reported that the Sheriff's Department has a vehicle in need of significant repairs. The vehicle has 132,000 miles. The repairs are estimated at \$1,500.00 to \$1,800.00. The Sheriff's Department is concerned that once the vehicle is retired, they will be unable to recover the repair costs. It was agreed that the Sheriff's Department should order one of two approved cars from the 2012 budget. While they wait for the new vehicle they should operate a standby vehicle. Chairperson Zmyewski questioned whether the car in need of repairs is one of two that was slated for replacement in 2012.

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

File No. 13 -- Agreement with Hilltopper Refuse & Recycling
Service Inc. for Processing of Recyclables approved 12/27/2011

File No. 14 -- Addendum and extension to agreement with
Richard's Sanitation for hauling of refuse approved 12/27/2011

File No. 15 -- Public Notice regarding meeting scheduled for
February 14, 2012

There being no further business and the time being 11:48 a.m., motion was made by
Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to
adjourn the meeting, the next advertised meeting being Tuesday, February 7, 2012.

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 7, 2012

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; HR Director Arrick-Kruger; Engineer Pogodzinski; IS Director Milde; Emergency Manager Kuhlers; Zoning Administrator Scanlan; Accounting Manager Lapham; Veterans Service Officer Gross; Environmental Services Director Frank; Yvonne Krogstad

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 January 24, 2012 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	\$119,075.051
Road & Bridge Fund	51,092.63

Total	\$170,168.14
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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 -- IS Director Milde reported on a quote for backup software from Insight. The software is necessary for continued operations. The money for the purchase has been budgeted. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the expenditure in the amount of \$3,848.94.

IS Director Milde mentioned that Schneider was awarded the bid to provide and install a new cooling system to the IT equipment room.

File No. 4 -- Accounting Manager Lapham reported on a renewal purchase agreement with Ace Communications which will extend a \$51.00 per month discount. This will guarantee the discount through June 3, 2013. Reporter Charlie Warner questioned whether the discount was reflected in the \$510.00 monthly fee. Accounting Manager Lapham responded that the discount is deducted from \$510.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to approve the agreement and authorize the signature of Chairperson Miller.

File No. 5 -- Engineer Pogodzinski presented two credit card agreements, and recommended their approval. The agreements are for Wright Express and Voyager credit cards which are accepted at the airport. The agreements will renew prior agreements. Commissioner Zmyewski questioned whether the fee of 3.5% of sale + \$0.30 per transaction was in line with fees assessed by major credit card companies. Engineer Pogodzinski responded that the average fee charged ranges between 2 and 6%. Reporter Charlie Warner questioned how many gallons of fuel are sold annually at the airport. Engineer Pogodzinski reported that approximately 13,000 to 15,000 gallons of fuel are sold annually. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve said agreements.

Chairperson Miller stated that, recently, he, Commissioner Zmyewski, and Engineer Pogodzinski attended a meeting with members of the Friends of the Airport group. He commended Engineer Pogodzinski and Highway Accountant Schroeder for their knowledge and ability to answer questions.

The Highway Department has received past due notices from Ziegler for an extended warranty on the Justice Center generator. The invoice for the extended warranty is \$3,850.00. Accounting Manager Lapham stated that the check has been on hold. The purchase of the extended warranty was approved. However, there was a question regarding the validity if the county contracted with an organization other than Ziegler for service and maintenance. The cost of the service and maintenance agreement was \$7,100.00 annually. HR Director Arrick-Kruger stated that the extended warranty should be valid regardless of who performs the maintenance. There are ongoing discussions with potential service and maintenance providers, the County and Ziegler. It was agreed that the extended warranty should be paid for.

Chairperson Miller expressed concern that the upcoming Public Hearing should be held at a larger venue. Environmental Services Director Frank indicated that it is too short of notice to change the venue of the advertised public hearing. In the event the attendance warrants a larger venue, it is possible to postpone the meeting and schedule a new date at a space that will accommodate the crowd. Environmental Services Director Frank provided the procedure for the hearing.

HR Director Arrick-Kruger reported that extension office coordinator Jean Meiners is a county employee. The position has been supervised by Luann Hiniker, a state employee. Recently, the State determined that it is inappropriate for county employees to be supervised by

state employees. Following discussion with Jean Meiners, Luann Hiniker, Veterans Service Officer Gross, HR Director Arrick-Kruger recommended Veteran Service Officer Gross be designated the supervisor for the extension office coordinator position held by Ms. Meiners. Veterans Service Officer Gross commented that due to the proximity of Ms. Meiners and his workspace, this should prove to be a good arrangement. He also assured the Board that he has no issue with the supervisory duties. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to designate Veterans Service Officer Gross as the direct supervisor for the extension office coordinator staff person.

File No. 6 -- As a result of recent resignations, there is a need to hire to additional home health aides to keep the roster adequately staffed to meet needs. HR Director Arrick-Kruger recommended the hire of Erin Bauer as a 67 day employee for the position of roster home health aide. The filling of said position has no budgetary implications. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to hire Erin Bauer as a 67- day roster home health aide.

HR Director Arrick-Kruger reported that Case Aide Bonnie Felten has submitted her resignation effective March 30th, 2012. She recommended a search be initiated to hire a case aide. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Bonnie Felten, and to authorize the initiation of search to fill the vacated case aide position.

File No. 7 -- Last fall, two companies offering electronic timekeeping presented information to the Board. HR Director Arrick-Kruger recommended moving forward with contracting with Data Financial, Inc. for electronic timekeeping software. Data Financial, Inc. has quoted \$7,250.00 for the software, and \$725.00 annually for maintenance. The annual maintenance fee is guaranteed for two years. In addition, all programming and on-site training will be included. This is a \$1,100.00 value. The highway department will not participate in this electronic timekeeping as they already have a system in place which interfaces with payroll and also meets their highway department cost accounting requirements. This software is browser based and will interface well with current payroll software. Chairperson Miller questioned, in addition to Ann Diersen, who else will realize time savings. Many employees will reap a time savings. There will be no need for anyone to check to ensure rules are followed. The software will have rules programmed in. The software will provide real time accruals. Chairperson Miller questioned whether this was budgeted for. HR Director Arrick-Kruger stated that there were no funds available within the HR budget. Accounting Manager Lapham explained that funds were available from a technical equipment and upgrades account that was established with balances from when the county discontinued work comp self insuring. There is approximately \$60,000.00 available in said account. Following this expenditure there will be adequate funds remaining to cover the cost of any iSeries update. There is a significant amount of staff time spent on payroll. Chairperson Miller expressed his opinion that this will be money well spent. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept the quote provided by Data Financial, Inc. for electronic timekeeping software.

HR Director Arrick-Kruger reported that the bid to replace the IT equipment room air conditioning has been awarded to Schneider, a La Crosse, Wisconsin based company. Their bid for an air conditioning unit and installation was \$9,852.00. This bid does not include a humidifying unit. It will be possible to monitor the needs and add a humidifying unit at a later date if necessary.

It was agreed that Auditor Meiners would schedule department head reviews on February 14th from 11:00 a.m. to 1:00 p.m. and on February 21st from 12:30 p.m. to 4:00 p.m.

Emergency Manager Kuhlers reported that it is time for the annual renewal of the CodeRED contract. He recommended renewal for the same services which include 30,000 minutes annually at a fee of \$10,000.00. In 2010, the system was utilized on 3 occasions for a total of 8,100 minutes. The occasions included flooding in the Shore Acres area and two severe weather alerts. The cost for this is paid from E911 funds. Commissioner Bjerke questioned whether Emergency Manager Kuhlers has been satisfied with the service. He responded that he has been satisfied. There are new services that he is aware of. They each have pros and cons. The current system has been broadened. The cities have access to the system. They have not needed to utilize it. The system is convenient to use when a severe weather watch message is required. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the CodeRED renewal and payment.

Commissioner Zmyewski stated that he is in a unique position regarding the upcoming Public Hearing because he is a member of both the Planning Commission and the County Board. He expressed concern that the public hearing discussion remain focused on the question, "Should Houston County enact a moratorium?" He questioned whether the Board expects the meeting to result in a recommendation for the next day's Board of Commissioners Meeting. Commissioner Zmyewski expressed concern that the hearing could result in a long drawn out debate. Prior to the meeting he wants to understand the position of both boards. The Public Hearing has been scheduled to gather public input. Commissioner Bjerke expressed concern that he wants to hear all sides, not just the side with a negative view of frac sand mining. It was suggested that EDA Coordinator Wilms speak regarding industry growth and/or the potential for job creation. Zoning Administrator Scanlan stated that any application that is submitted will need to be addressed. In the event an application is submitted, the county would be required to rule based on the current zoning ordinance. Chairperson Miller indicated that he will be attending a meeting with MPCA regarding frac sand mining in Rochester next week. Commissioner Zmyewski will also be attending the meeting.

Yvonne Krogstad stated that she has seen a petition which seeks to have the County take action to establish a moratorium. A moratorium will allow time to study and learn about the situation.

Zoning Administrator Scanlan reported that if a moratorium is enacted, any applications may be denied as a result of questions. He also reported that the current ordinance requires a one year waiting period before re-applying for a previously denied permit. He suggested Houston County consider exempting re-application of frac sand mining permits in the event a moratorium is enacted to allow for re-application anytime following the lifting of the moratorium. Zoning Administrator Scanlan encouraged commissioners to review the current ordinance. He also stated that there are many things to consider regarding frac sand mining including, but not limited to noise, lights, and hours of operation.

File No. 8 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for William Schiltz of Caledonia Township for a variance of 45 feet to meet the required 50 foot setback from the north property line to build a pole shed. The second is for Joannie Schmidt and MD Tewes Family Trust of Caledonia Township for a variance of 920 feet to meet the required ¼ mile setback from a registered feedlot to build a dwelling.

File No. 9 -- Zoning Administrator Scanlan reported on a CUP application. David Strike is seeking approval to tear down 3 outdated animal confinement buildings and to replace those buildings with one new larger building. Mr. Strike is not expanding. He will house the same number of animal units in the new structure as were housed in 3 structures previously. On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and carried to approve the issuance of the following Conditional Use Permit:

David Strike – Wilmington Township - Build a manure storage structure

File No. 10 -- 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:

Nick Weber, Weber Joint Revocable Trust – Mound Prairie Township -
Build ag building (storage, horse multi-use, bathroom) (60' x 108')

Steve Quinnell – Wilmington Township - Build pole shed (45' x 36')

Gary Otterness – Black Hammer Township - Build pole shed (22' x 38')

Ben Lind – Sheldon Township - Build pole shed (90' x 40') and (2) corn-
crib lean-tos (16' x 9') and (38' x 16')

Patrick Doyle – Wilmington Township - Build garage addition (13' x 6')
after the fact

Patrick Doyle – Wilmington Township - Build pole shed/garage (26' x 48')

Denis Mullen – Brownsville Township - Build 2 loafing barns to replace barn lost by fire – #1(63' x 32') and #2(40' x 14')

Zoning Administrator Scanlan reported that the District Court handed down a summary judgment ruling in favor of the County. The case has been dismissed with prejudice. The motion to recover fees was denied.

Chairperson Miller attended a hearing at the capital at the request of Mike Ingvalson regarding feedlots. The hearing commenced at 1:00 p.m., the Director of MPCA testified along with the head of the feedlot and enforcement divisions. At 2:45 p.m. the hearing was open for comment by others in attendance. The hearing concluded promptly at 3:00 p.m. Chairperson Miller attended with an expectation that this would provide the opportunity to get to the bottom of concerns regarding MPCA enforcement. This was not how the hearing played out. Chairperson Miller assisted Environmental Services Director Frank and Zoning Administrator Scanlan to draft a letter regarding concerns. The County's records did not indicate shortcomings regarding inspection. Zoning Administrator Scanlan expressed his opinion that the MPCA used to work from an environmental approach, but has shifted to a focus on finding error and enforcement. He explained how one particular reporting form went from 5 pages to 12 pages with multiple revisions within the one year's time. Recently, discussion with the MPCA has been positive and beneficial. Unfortunately, there have been periods when communications have been strained.

File No. 11 -- Auditor Meiners reported on 2 applications for abatements for Dr. David Bauer. It has been discovered, as the result of a recent survey, that acreage has been overstated. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve abatements on parcel 14.0016.000 in the amount of \$46.00 and 05.0333.000 in the amount of \$194.00 due to overstated acreage.

In the past, the county has been represented by Ralph Tuck on the RC & D Board. Due to the recent resignation of Mr. Tuck it is necessary to appoint someone to represent the county on this board. The board is expected to meet approximately 3 times annually. The commissioners tabled making any appointment at this time.

Discussion was held regarding floor coverings in the new commissioner's room, adjoining offices, jury room and hallway. It was agreed to solicit quotes for tiling the hallway. It was agreed that tile would wear better than carpeting. Once the commissioner's room is moved to the new location, the hallway will see a significant increase in traffic.

Charlie Warner suggested publishing an updated map of the courthouse and office locations once all moves have been completed.

Commissioner Schuldt reported on Caledonia Industrial Park and Houston County Township Officers Association meetings which he attended.

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

Commissioner Bjerke reported on a n EDA meeting which he attended. They toured Spring Grove Bottling.

Chairperson Miller reported on Friends of the Airport and HS Redesign 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. 12 -- Notice of Planning Commission Public Hearing
on frac sand

File No. 13 -- Public Notice Board of Commissioner
attendance at frac sand meeting

File No. 14 -- Correspondence to Ralph Tuck in appreciation of
years of service

File No. 15 -- Correspondence from SMIF in appreciation of
financial support

File No. 16 -- Correspondence to Bonnie Felten in appreciation
of years of service

File No. 17 -- Correspondence to Dianne Allen in appreciation
of years of service

File No. 18 -- Draft Collaboration Agreement with Bush
Foundation and Human Services Redesign Project

There being no further business and the time being 10:40 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, February 14, 2012.

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 14, 2012

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; PHN/HS Director Rock; Engineer Pogodzinski; Sheriff Ely; HS Accountant Bahr; Financial Assistance Supervisor Kohlmeyer; Interim Social Services Supervisor Lapham; Donna Buckbee; John Griggs; Environmental Services Director Frank; IS Director Milde; Accounting Manager Lapham; Danielle Swedberg; Kelly Smith; HR Technician Diersen; HR Director Arrick-Kruger; Lynn Skinner; Randy Washington

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 7, 2012 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	\$60,198.89
Road & Bridge Fund	21,458.69

Total	\$81,657.58
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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.

At this time, PHN/HS Director Rock introduced Randy Washington, a representative for Accenture, and Lynn Skinner, Crest Coordinator. Mr. Washington is a management consultant with Accenture, a company based out of Austin, Texas. Through a competitive bidding process, Accenture was awarded a contract to provide management consulting for the redesign project as part of a Bush Foundation grant. In addition to management consulting, Accenture also provides technology resources and outsourcing. Accenture has been gathering data, they will develop an

operating plan, business case and also an implementation plan for the redesign group as a whole and also for each individual county within the group. The data gathering process began immediately following Christmas. Rice, Waseca and Olmsted counties were used as template/example counties. Soon a period of project preview will begin. Participating counties will be allowed to evaluate the plan through March. In April, a final implementation plan is expected. As part of this process, Accenture will be evaluating current county costs and projecting costs following implementation. Commissioner Bjerke questioned what the goal of Accenture's work is. Mr. Washington responded that the goal is to formulate a more efficient delivery system which will result in cost savings. Chairperson Miller stated that Human Services has gathered a significant amount of data at the request of Accenture. Mr. Washington indicated that as a result of the data gathered what was anticipated to be a two day on site visit will last only a single day. He stated that counties have many unique situations. However, there are a significant number of commonalities.

Lynn Skinner provided a brief history regarding redesign. A formal process regarding redesign began approximately 2 years ago. At that time, the Bush Foundation awarded the group a small grant. The group, consisting of 10 C rest counties plus Freeborn and Rice counties developed a broad concept of what they wanted and returned to the Bush Foundation with a more detailed request for funding. This request resulted in a larger grant which has allowed the counties to contract Accenture Corporation. A steering committee has been formed and meetings take place every two weeks. A Bush Foundation representative is available via phone at each meeting. DHS top level officials also participate. Ms. Skinner indicated that it is likely that clean up legislation may be needed to allow the process to work. The impetus for the change came from former Minnesota Governor Tim Pawlenty. Service delivery authority legislation has been enacted. This legislation provides for various governing authorities to work together to organize and develop effective delivery authorities.

Ms. Skinner indicated that there are population and performance standards which are required as part of redesign. In her opinion, it is likely that both Ramsey and Hennepin counties could remain stand alone, it may be possible for Olmsted County but they may have difficulty with the performance requirement. All other counties will be required to collaborate.

PHN/HS Director Rock provided information regarding the day's agenda. Ms. Skinner explained that the goal is to better utilize current staff. It is not the intention to reduce staffing. It is possible that redesign may result in a change in daily duties of staff. Eventually, it is conceivable that staffing would be reduced through greater efficiencies and natural attrition. Mr. Washington expects that the implementation process may take between 3 and 5 years. Chairperson Miller indicated that Commissioner of DHS, Cindy Jesson is supportive of this redesign work.

Environmental Service Director Frank provided an update on t he Public Hearing conducted to consider enacting a frac sand mining moratorium. The Planning Commission moved to recommend to the County Board of Commissioners that a moratorium be put into

place. Once the County Board of Commissioner's has acted on the recommendation, there may be additional public hearings required. A resolution will be drafted and presented to the County Board for possible action.

Commissioner Zmyewski indicated that it was his understanding that Public Hearings are required prior to the addition of, or changes to ordinances. County Attorney Hammell is researching M.S. 394.34 further as Public Hearings may not be required to enact an interim ordinance which a moratorium is. Public hearings may also be required dependent upon comprehensive plan issues. In the event it is determined that additional public hearings are required, the schedule for those will be discussed at greater length next week.

As a result of the public hearing, several concerns were raised including but not limited to roads, health and safety of the county and its residents, and the pitfalls of sand mining. These concerns will need to be researched. In the event the Board enacts a moratorium, frequent updates for the public's benefit were encouraged.

Staff in the Zoning Office has been compiling information relevant to frac sand mining. Environmental Services Director Frank stated that an onsite meeting at a fully functioning mining site is being planned. The meeting will include the Board of Commissioners and Planning Commissioner members.

Commissioner Zmyewski stated that Goodhue County has established a mining committee. The minutes from meetings conducted by this committee are posted online.

Commissioner Zmyewski reported that he is scheduled to attend a water resources meeting soon. Commissioner Bjerke expressed his belief that BWSR (Board of Water and Soil Resources) should be cognizant of frac sand mining operations and potential hazardous results.

It would be beneficial if the geological atlas project were complete at this time. The completion of the atlas is not expected in the near future. The firm working on the atlas has worked diligently to provide completed mapping to the County regarding the availability of sands, depth of the sands etc. They will continue to assist the county in this regard to the best of their ability.

Tomorrow, Chairperson Miller, Commissioner Zmyewski, and Environmental Services Director Frank will be attending a meeting about frac sand mining at the Heinz Center on the RCTC campus in Rochester. Chairperson Miller reiterated that there is a great need to study frac sand mining and the potential impacts on the County and its residents. It was expressed that taxpayers should not bear the costs related to frac sand mining and that these costs should be covered by the industry.

File No. 3 -- At this time, John Griggs presented a copy of a petition containing in excess of 300 signatures of land owners, or residents who are of voting age. The petition is seeking the issuance of a moratorium on frac sand mining within the county.

File No. 4 -- Sheriff Ely reported on statistics related to the Houston County Drug Officer. The results of cases handled by the drug officer are significant. The arrests and charges have been made as a result of collaboration between the drug officer, Sheriff's Department, local city law enforcement and the SE MN Drug Task Force. Search warrants have been executed in all cities in the county. Chairperson Miller questioned whether the individuals charged and/or arrested are Houston County residents or individuals who reside elsewhere. Sheriff Ely responded that many of the individuals are living in the area but are not lifelong residents. Chairperson Miller questioned whether State action was ever taken regarding K2/Spice. Sheriff Ely reported that K2/Spice and items mimicking K2 are banned at the State level. Commissioner Zmyewski questioned what happens to forfeited cash and other items. Sheriff Ely responded that if the County worked independently on the case, the cash and other items will likely become property of the County. If other agencies, such as the SE MN Drug Task Force assisted, forfeited cash and other items is divided among the agencies involved. Commissioner Zmyewski expressed concern that there is so much activity in our small county. Chairperson Miller noted that he has read and listened to news reports from La Crosse which show that heroin use is increasing. He questioned whether Sheriff Ely is witnessing the same within the County. Sheriff Ely responded that there have not been any heroin arrests or confiscations. He expects that, in time, there will be. Chairperson Miller expressed concern regarding prescription drug abuse and illegal sale of prescription drugs.

Sheriff Ely reported that there are currently 19 inmates held in the new Jail. One of the inmates is female. Approximately 6 to 8 are work release inmates. Programming in the Jail offers AA meetings on Mondays. There have been an average of 9 participants. As the result of a Community Education grant, a teacher is offering GED and High School equivalency classes on Tuesdays and Thursdays from 7:00 a.m. to 10:00 a.m.. Four inmates have been regularly participating in these classes. There is also a Sunday morning service offered which has had many participants.

With the increased inmate population, medical expenses have also increased. Sheriff Ely reported that the 2012 budget for inmate medical needs is \$35,000.00. To date, \$70,000.00 in expenses have been incurred. There were two inmates with significant medical needs which resulted in high costs. These costs would have been incurred whether the inmates were housed in or out of county. Currently, there are no means by which to recover medical costs for inmates. The department has submitted the bills to a potential reimbursement source. However, Sheriff Ely is skeptical that any reimbursement will come as a result of the submission. Commissioner Bjerke questioned whether forfeiture cash may be used to offset the medical expenses. Sheriff Ely responded that only a portion of the forfeited cash will end up in the County and there are requirements related to its use.

File No. 5 -- Engineer Pogodzinski reported that a large metal pipe/culvert near the Fillmore County line requires rip rap installation, for which Ole's Excavating submitted the low quote in the amount of \$4,500.00. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the quote submitted by Ole's Excavating in the amount of \$4,500.00.

Engineer Pogodzinski reported that the EA study related to a proposed airport expansion plan is nearly complete. Mead & Hunt would like to meet with the Board on March 6th to provide them with an update. Following the meeting with the Board, a Public Meeting will need to be scheduled in order to inform the public. Mead & Hunt would be available to present information at a public meeting on March 26th between 6:00 p.m. and 8:00 p.m. Commissioner Zmyewski expressed concern that a Board appointment with Mead & Hunt could result in the public attending and speaking out. He questioned whether Mead & Hunt could send the information in written form for review by commissioners followed by the public meeting to discuss the study. Engineer Pogodzinski stated that Mead & Hunt does prefer to meet with commissioners prior to public meetings so that their questions may be answered. Chairperson Miller stated that he would keep the meeting on task. Any attendees would be informed that the appointment would not be open for public input, and a public meeting would be conducted at a later date to hear public comment. At the public meeting, Mead & Hunt would provide opening comments, present the findings of the study and then open the meeting for public comment. Mead & Hunt suggested a court reporter or the County Auditor record the proceedings.

HR Director Arrick-Kruger reported that Houston County has 2 maintenance interns working at the Justice Center. The students are working 9:15 to 10:45 on each school day through the end of the year. They are assisting with floors, windows, EOC room set ups, and other maintenance jobs.

HR Director Arrick-Kruger reported that the AC unit for the IT Equipment Room has been replaced. A wall mounted humidifier is being monitored to see if it will provide adequate humidity for the room. Costs for the AC unit came in per the quote. There were additional costs for some electrical work. Human Services staff should be experiencing more comfortable temperatures for working.

HR Director Arrick-Kruger provided an update regarding the generator service and maintenance agreement. The extended warranty has been paid for.

HR Director Arrick-Kruger reported that an elevator modernization project was recently completed. A regional inspector is interested in confirming the type of bulk head/safety jack that the Historic Courthouse elevator has. Prior to 1974 there were both flat and round jack heads used. The flat jack heads have become a safety concern and manufacture of them was discontinued in 1974. The elevator in the Historic Courthouse was installed in 1977. The County has been unable to provide documentation confirming which type of bulk head/safety jack was installed in 1977. HR Director Arrick-Kruger has located some information related to the

situation. She is researching whether it became illegal to install the discontinued bulk heads. If the County is unable to provide adequate documentation, it may be required to open up the shaft so that the part in question may be viewed to confirm that a round bulk head was installed. This could cost \$35,000.00. Both Building Maintenance Supervisor Lange and Auditor Meiners have been diligently researching the information and locating related documentation.

HR Director Arrick-Kruger is concerned with identifying funds for roof and fascia repairs and beginning a planning process for the necessary repairs.

HR Director Arrick-Kruger reported that approximately \$7,000.00 has been spent this winter for snow removal to date. Commissioner Zmyewski questioned what the snow removal costs were for 2011. HR Director Arrick-Kruger indicated that 2011 snow removal costs were approximately \$20,000.00. There were several snow events last season, and there was less parking and sidewalk space to clear. Sidewalk clearing does increase expenses.

The time being 10:20 a.m. Danielle Swedberg and Kelly Smith joined the meeting.

File No. 6 -- HR Director Arrick-Kruger presented various options, along with a cost analysis for each, for structuring the Human Services Department. The information identifies major scenarios, and associated cost implications. Any of the scenarios may be adjusted to meet the needs of the County. Commissioner Bjerke questioned why PHN/HS Director Rock's recommendation was not included in the listing of scenarios. He expressed that he favors the recommended model. The model is least disruptive to the current supervisory staffing. The supervisory staff is functioning well and keeping it the same will provide continuity. Commissioner Bjerke expressed concern that in making this decision the needs of the County be considered and cautioned against making a decision based solely on the financial impact. HR Director Arrick-Kruger stressed that she has presented options, any of which may be adjusted as needed. Commissioner Bjerke is concerned that the structure of the department be determined first. Once the structure has been determined, determine who the appointees will be.

HR Director Arrick-Kruger provided information on how the options were developed and assessed. She stated that in the event a supervisor is appointed to the position of Director a vacancy will be created which will need to be assessed. It has taken several months to develop these various scenarios and determine how each may impact the county.

Commissioner Walter reported that she and Commissioner Schuldt have been researching and considering available options for several months. Redesign could impact the department and an appropriate option considering this has been given much thought. It is their recommendation to partner with Winona and Fillmore counties, and to purchase service from their combined Community Services Director. Supervisors within Houston County would remain "as is". The other option which they considered most was to hire a part-time Director and keep the supervisors "as is". It is expected that hiring a director would take approximately 90 days. There has been discussion with Winona County and they are willing to work with Houston County to

share the Community Services Director. Commissioner Walter explained how the agreement between Winona and Fillmore counties functioned.

Chairperson Miller expressed his understanding that this could be a good fit during the period when the redesign is coming together. However, he expressed continued concern with missed hits which were reported to have totaled \$43,000.00. Commissioner Walter responded that she has discussed this with Martha Aby who has indicated that there is no basis for the amount. She reviewed information and could come up with only \$13,000.00 in additional revenues which the county failed to capture. Ms. Aby explained that the needs of clients were met. The clients were covered under various programs which each have unique reimbursement rates. Ms. Aby encouraged the county to carefully consider which programs are utilized, and to improve documentation why clients were enrolled in one program over another. Chairperson Miller expressed concern with mental health cases and hits. Again, Commissioner Walter stressed that Ms. Aby had reviewed county work and assured her that the client's needs are being met, eligible reimbursement was captured, and she did not believe that the county could have captured an additional \$42,000.00.

There is a significant amount going on within the HS Department. Commissioner Walter expressed her opinion that, because of this, an outside director would be more effective. Chairperson Miller reiterated that Winona County is willing to collaborate in this regard. Accounting Manager Lapham inquired why this option was not given greater consideration when it was initially offered. Winona and Fillmore counties have a different structure. Therefore, the offer wasn't given much initial consideration. Under the current circumstances and in spite of the varied structure, a collaborative agreement could be beneficial. Chairperson Miller pointed out that collaboration could result in \$96,000.00 in savings. Commissioner Walter expressed concern that personality and morale issues are significant and an outside director could prove beneficial. Chairperson Miller indicated that some individuals are playing politics. Those politics should play no part in the decision making process of the Board. Commissioners Walter and Schuldt stressed that they have conducted research and have remained impartial. Commissioner Zmyewski expressed great concern that currently the county has a ½ time director who works in the same town and the personality issues haven't been resolved. He does not understand how a collaborative agreement with Winona and Fillmore counties to share a director based out of Winona could improve the situation. He stated that there are currently 3 supervisors, one of whom could be appointed as an interim director. This would provide for supervisors to have a director to go too who is accessible to them because they would be onsite. He strongly suggested that there is a need to have the point person onsite. Commissioner Bjerke stated he can understand the value of having a director onsite. He expressed concern that a shared director with two additional counties may have difficulty adequately overseeing issues in one specific county. Commissioner Bjerke indicated that it would be his preference to hire from outside of the organization. He stated that many individuals are out of work and that could result in the hire of a very knowledgeable individual with a fresh attitude and new perspective. Commissioner Walter indicated that she would support hiring from outside. Commissioner Zmyewski stated that the HS department has a large budget, and when revenues are not captured they add up to a

significant amount. He expressed concern that hiring outside would cost an estimated \$114,000.00, and you could bring in someone good or you could get someone who fails to perform well. It is a significant expense and a gamble. He expressed his preference to hire from within if the talent is available. He has little interest in the gamble the organization would take when hiring outside. If the hire did not work out, it would still have been a significant expense in a time when the Board worked diligently to reduce the budget. Commissioner Bjerke stated that an in-house hire would create the need to backfill a vacancy and additional staff would result anyway. Commissioner Zmyewski pointed out that the county used to have a Finance Director. When he resigned Accounting Manager Lapham took on those duties and to date has been able to address all needs. Appointing someone from within could result in a similar outcome.

Chairperson Miller stated that he has had discussion with Accounting Manager Lapham regarding the needs of the county and the availability of talent within the organization which could potentially meet the needs if duties were shifted. An in-house appointment may result in the need to supplement, however, there is a good chance that there are resources already within the organization to meet the needs. Chairperson Miller indicated that there are knowledgeable individuals available to assist with HS program questions. There is a need to put in place a good manager to deal with the personnel issues. Both Chairperson Miller and Commissioner Zmyewski would like to see a good manager appointed. They have questioned other counties with regard to the expertise held by their HS directors and found that there are successful HS directors who do not have a social work background. Commissioner Zmyewski commented that there is tremendous experience within the county. There is a need for all programs under the HS umbrella to be monitored. The county cannot sacrifice service to clients. When revenues are captured, they are rolled back into the program to provide for more.

Accounting Manager Lapham stated that, in the current budget, fund balance was utilized to contain any tax increase. She cautioned that this practice should not continue, rather, it should be the exception to utilize fund balance. It has been discussed that Representative Greg Davids is again proposing levy limits which would create greater difficulty related to budgeting.

Commissioner Bjerke suggested that any decision regarding the structure of HS be on an interim basis. By making it interim, it may be reviewed to see if the structure is successful or could be improved.

HR Director Arrick-Kruger stated that a complete EEO search could be conducted for \$1,000.00. In this scenario the position would be filled. In the event circumstances change dramatically, the county could be faced with a layoff. If an interim is appointed, the county will have time to monitor coming changes which may impact the position. HR Director Arrick-Kruger stated that other concerns may be facing the department in the future such as decreasing State and/or Federal funding. An interim appointment would allow the county to leverage redesign and to learn more about future budgets without immediately adding staff.

Chairperson Miller stressed that the Board remains cognizant of spending. The Justice Center is online. Accounting Manager Lapham reported that the electrical bill for the building went down a couple hundred dollars this month. However, the water and sewer bill increased \$500.00. In addition, there was a report earlier today regarding significant medical expenses which have far exceeded the annual budget established for the jail. The Board will not continue to depend on fund balance to meet shortfalls. Chairperson Miller stated that if \$48,000.00 can be saved, it should be considered.

Both HR Director Arrick-Kruger and Accounting Manager Lapham believe that accounting needs within the county can be met with the staff available. Chairperson Miller stated that Lynn Skinner is a tremendous resource who is willing to share her expertise and could assist the new HS director. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and carried with Commissioner Walter voting in the negative to appoint Linda Bahr as interim HS Director effective February 15, 2012 with a salary of \$73,756.80 per year.

HR Director Arrick-Kruger stated that essentially, the interim position will be HS Department Head/Account Supervisor. The Interim Social Worker Supervisor will remain unchanged as will the Financial Services Supervisor position. There may be a need to backfill some accounting duties. She suggested forming a committee which would include Accounting Manager Lapham to assess how staff could be better utilized. In addition, some consideration should be given to the needs of Soil & Water with the recent resignation of their Area Supervisor. HR Director Arrick-Kruger noted that there may be a need to add a shared financial position. Strategic planning is necessary. Reporter Craig Moorhead questioned which option was selected regarding the HS Department Structure. HR Director Arrick-Kruger responded that it is a hybrid of option 5, represented on the handout.

File No. 7 -- Chairperson Miller reported that recently he had discussed a Collaboration Agreement for the Human Services Redesign Project. He will be attending a redesign meeting soon. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Collaboration Agreement.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to appoint Arlyn Pohlman to the Water Planning Committee as the Township representative.

File No. 8 -- Motion was made Commissioner Zmyewski seconded by Commissioner Schuldt and unanimously carried to schedule the 2012 County Board of Appeal and Equalization meeting for Monday, June 18th at 6:00 p.m.

Commissioner Walter reported on EMS Committee, and I-90 Dresbach crossing layout meetings which she attended.

Commissioner Schuldt reported on a Semcac meeting which he attended.

Commissioner Zmyewski reported on the SWCD meeting which he attended

Chairperson Miller reported on a CJC meeting which he attended.

All commissioners commented on the Public Hearing to consider enacting a frac sand moratorium which they attended.

Motion was made by Commissioner Schuldt, 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 hire of 67 day HHA and supervisory appointment

File No. 10 -- Section 8 and Family Self-Sufficiency participant information received from SEMMCRA dated 2/9/12

File No. 11 -- Correspondence from MPCA indicating that an Environmental Assessment Worksheet is not mandatory in connection with the City of Caledonia's wastewater treatment project

File No. 12 -- Correspondence from Houston County Assessors regarding wages

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, February 21, 2012.

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 21, 2012

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; IS Director Milde; HR Director Arrick-Kruger; Environmental Services Director Frank; County Attorney Hammell; Assessor Dybing; Accounting Manager Lapham; Jail Administrator Schiltz; Financial Assistance Supervisor Kohlmeyer; Interim HS Director Bahr; See Additional Guests on attached listing, See File No. A1

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 February 14, 2012 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	\$112,041.82
Road & Bridge Fund	60,232.57

Total	<u>\$172,274.39</u>

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

File No. 3 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the minutes from the Section 8 meeting held Tuesday, February 14, 2012.

File No. 4 -- IS Director Milde reported on a quote received from Insight for the purchase of a mail server and necessary software. These items have been planned and budgeted for. IS Director Milde has compared the quote to ensure that it is the best possible pricing for these items. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and

unanimously carried to accept the quote in the amount of \$17,391.73 provided by Insight for the purchase of a mail server and software.

Assessor Dybing provided information related to changes made to the Green Acres program. As a result, there is a need to convert woods and wasteland from this program into the rural preserve program. The deadline for conversion is May 1, 2013. In order to process the conversions, letters will be sent out to landowners in batches. The department has established a goal of December 31, 2012 to have the conversion completed. In the event there are landowners who fail to respond to the mailing, staff will have the opportunity after December 31st to contact them in an effort to get their property converted prior to the deadline.

Chairperson Miller and Commissioner Bjerke recently attended a Building Committee meeting where discussion was held regarding Justice Center Elevator concerns. The elevator operates freely between the hours of 8:00 a.m. to 4:30 p.m. Card access is utilized to operate the elevator outside of these times. This limited operation has caused concerns when public meetings are hosted in the basement conference rooms. The limited operation was installed to provide for security in the building. In order to make the elevator operational outside of the standard hours, programming would be required. The cost for the programming to install an override option is estimated at \$3,695.00. Commissioner Zmyewski questioned whether the public had access to the second floor during public meetings. The stairwell leading to the second floor can be locked. It was reported that Court Administrator Larson is concerned with elevator access if a jury trial extends past working hours and there are jurors wanting to leave the building via the elevator. Commissioner Bjerke commented that the reason for the limited operation was to provide security in the facility. Programming options were questioned.

HR Director Arrick-Kruger reported that Sharen Lapham resigned her position as Interim Social Services Supervisor effective February 14, 2012. Persons interested in the position were asked to forward their letter of interest to HR Director Arrick-Kruger. Three letters have been received. HR Director Arrick-Kruger recommended that all individuals having expressed an interest be interviewed. Commissioner Bjerke questioned who is responsible to make a final hiring decision. HR Director Arrick-Kruger responded with information on how interviews have been conducted in the past and how recommendations to the Board are determined. Commissioner Walter suggested that the entire Board participate in the interview process as they have in the past.

At this time Jail Administrator Schiltz joined the meeting to discuss the Justice Center Elevator concerns. He shared his concerns. Commissioner Zmyewski questioned whether limiting access to certain floors is truly a concern that is warranted. Commissioner Bjerke stated that someone wanting to do harm to an individual could access various floors and hide out. To maintain the security of the building and to make needed access easier would cost approximately \$3,600.00. The cost could be covered by the contingency fund. Delaying the programming could result in an increased cost. Commissioner Schuldt requested that Jail Administrator Schiltz learn more about programming options and costs.

Environmental Services Director Frank reported that on Monday, February 13, a public informational hearing was hosted to consider a moratorium on frac (silica) sand mining. Approximately 100 individuals signed the attendance log, and approximately 30 individuals spoke. Following the public comment period, the Planning Commission discussed options and voted to recommend that a moratorium be enacted. This recommendation is before the County Board now.

Environmental Services Director Frank discussed the next step with the land use committee earlier today. He mentioned that there is a lot of misinformation which makes it all the more important to educate the public. He suggested hosting another public hearing, and inviting educators to speak. He listed a few speakers who could be considered that would provide educational information without favoring one side or another.

There is support for the County to enact a moratorium. Several individuals support the idea of taking time to study the issues before approving permits related to frac sand mining. There are frac sands deposits located within the county, and there are applicants waiting to proceed with submitting an application. Commissioner Zmyewski agrees that providing education is important. He questioned whether the moratorium should be enacted first, followed by a period of public education. It is possible that if educational steps are completed first, it could result in not needing to enact a moratorium. Commissioner Bjerke expressed belief that education up front may eliminate the need to enact a moratorium.

The initial public hearing was conducted by the Planning Commission. It was discussed whether subsequent public hearings should be conducted by the County Board. Commissioner Zmyewski expressed concern that discussion regarding a moratorium seems to have negative connotations. Commissioner Zmyewski stated that he has attended 6 meetings where Tony Ruenkel has spoken. Environmental Services Director Frank agreed that many officials have attended educational meetings. However, the general population has not had access to the same information presented at those meetings. Commissioner Zmyewski stated that many questions will be generated which will require decisions to be made on how to deal with them. Commissioner Zmyewski expressed his opinion that a moratorium be enacted which will allow for a period of public education. He expressed concern with the timing and the process. County Attorney Hammell stated that an Interim Zoning Ordinance would be the appropriate action to consider. County Attorney Hammell expressed her opinion that approving an interim zoning ordinance is not something that must be done immediately. She encouraged the Board to move through the process in an orderly fashion to ensure all requirements are satisfied so that there are no issues in the future. Any Board decision in this regard must be done in good faith. Prior to Board action, there should be a draft resolution presented to the Board and made available to the public, followed by a Public Hearing to discuss said resolution. A plan should be in place defining what information is being researched, concerns, and length of time expected studies to take and whether any studies have been completed in other areas which may be relevant. Commissioner Zmyewski stated that there is a need to determine what the County will study. He expressed concern that if no moratorium is enacted and an application is submitted, the County

will be required to rule on the application. County Attorney Hammell stated that applications may be denied if there are unanswered questions. Commissioner Zmyewski expressed concern that current zoning ordinances may not adequately address frac sand mining concerns, and the current ordinance is what will be the tool guiding whether to approve or deny any application that may come forward. It will take time to discover the information necessary to move forward in a positive manner. Chairperson Miller stated that an adjoining county has imposed a 3 month moratorium. In Wisconsin, these sands have been mined for several years. Mr. Ruenkel and Tony Green could be invited to speak regarding the geological facts without being a proponent for or against permitting for frac sand mining. There is a significant amount of speculation at this time.

Linda Griggs stated that there is legislation which could impact the County Board's ability to make decisions in this regard. Pro mining has succeeded in having legislation presented which could result in limited local control. County Attorney Hammell responded that she is familiar with the legislation. She clarified that it will not limit decision making ability, however, it may limit the timeframe. Commissioner Walter confirmed that local government could enact a moratorium, and if legislation passed, the time which a moratorium could be in effect may be less than one year.

Environmental Services Director Frank stated that Houston County will likely benefit from information already gathered by neighboring counties. This could result in positive results. Time can allow for good questions and education.

Commissioner Bjerke clarified what County Attorney Hammell had advised. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to hold a public hearing, and to prepare a draft resolution and list of criteria.

Environmental Services Director Frank suggested the public hearing be held at the Caledonia High School. He agreed to find out when the location would be available in order to schedule a public hearing. In the event the facility is available the Board would prefer the Public Hearing be scheduled for Monday, March 12th. The draft resolution will be made available on the County website and referenced in the published notice of Public Hearing. Chairperson Miller requested that Jason Gilman of Winona be questioned regarding dust issues reported in the City of Winona.

File No. 5 -- Jail Administrator Schiltz reported that he has spoken with an Engineer from Stanley. They indicated that it would costly to develop programming to limit the elevator to ground level plus basement, or ground level plus second floor. He provided information on how the building is cleared following any period when it has been opened for public meeting. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve development and programming for a simple override option to be programmed for a fee of \$3,695.00 to be paid for out of the contingency fund. This will allow for use and accessibility of the elevator during periods when public meetings or jury trials are convened at the Justice Center.

File No. 6 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the settlement with Rusty Berger Masonry in the amount of \$1,200.00.

Following brief discussion, it was agreed that Auditor Meiners would register Chairperson Miller for the upcoming AMC conference. Commissioner Zmyewski is considering attending and will notify Auditor Meiners of his decision.

File No. 7 -- Commissioner Zmyewski reported on quotes which were solicited for the tiling of the hallway outside the new commissioner's room. Torgerson's Paint and Floor Covering Inc. quoted vinyl tile installed \$3,405.00 plus tax, and carpet tiles at \$25.00 per yard for a total of \$3,400.00 plus tax. The Floor Guys of Eitzen, Inc. submitted a quote for vinyl tile installed for \$3,354.00 including tax and carpet tiles for \$3,750.00 including tax. The quote for vinyl tiles from the Floor Guys is the least expensive. It is expected that vinyl flooring will wear the best. Commissioner Zmyewski believes that the cost to install new flooring throughout the new commissioner's room, adjoining offices and hallway will be approximately \$14,000.00. It was agreed to revisit the budget and quotes and to finalize decisions regarding flooring at another meeting.

Commissioner Walter reported on the Section 8 meeting which she attended. She also reported that she had gone hiking at Botcher Park, a county owned park. She encouraged the Board to consider ways in which to fund improvements so that the park could be more greatly utilized.

Commissioner Schuldt reported on a Semcac Board meeting which he attended.

Commissioner Zmyewski reported on the Section 8 and an MPCA hosted meeting related to frac sand mining which he attended.

Commissioner Bjerke reported on the building committee meeting which he attended

Chairperson Miller reported on the MPCA hosted meeting related to frac sand mining, and also a meeting on redesign which he attended.

Commissioner Walter stated that the Houston County Township Officers Association has scheduled a meeting. Commissioner Schuldt volunteered to attend to represent the County.

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. 8 -- Correspondence to payroll regarding appointment
of Linda Bahr as Interim HS Director

File No. 9 -- Minutes from Department Head Reviews held
February 14, 2012

File No. 10 -- Clarification from readers regarding 1/24/2012
Board of County Commissioner Proceedings

File No. 11 -- Correspondence to Arlyn Pohlman regarding
appointment to the Water Planning Committee

File No. 12 -- Correspondence to Dick Gulbranson in
appreciation for service on the Water Planning Committee

There being no further business and the time being 10:15 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, February 28, 2012.

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 28, 2012

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; HR Director Arrick-Kruger; Engineer Pogodzinski; Zoning Administrator Scanlan; County Attorney Hammell; Environmental Services Director Frank; Accounting Manager Lapham; Veteran Service Officer Gross, Assistant County Attorney Bublitz; Interim HS Director Bahr; Kevin Kelleher; Danielle Swedberg; See Additional Guests on attached listing, File No. A1

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 February 21, 2012 meeting.

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	\$48,892.69
Road & Bridge Fund	4,717.92

Total	\$53,610.61
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

County Attorney Hammell stated that she is concerned that members of the public could perceive that there is a conflict of interest with her representation and advice to the County Board due to her husband's private practice work related to frac sand mining in Winona and Fillmore Counties. She indicated that he has no interest in Houston County. Despite that fact, however, she would not want any member of the public to feel that her husband's work impacts her advice and recommendation to the Board on this important matter. Therefore, with Board approval, it is

her intention to remove herself from advising the Board regarding the frac sand mining issues. Senior Assistant Olmsted County Attorney Tom Canan has agreed to advise the Houston County Board in all related matters. This work will be completed gratis, and come at no cost to the County. County Attorney Hammell reported that when conflicts such as this arise, county attorneys work with one another and exchange cases which may be considered conflicting. Mr. Canan works in the civil division for Olmsted County as opposed to the criminal division. If approved, County Attorney Hammell will forward all information to Mr. Canan and provide contact information to appropriate parties. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve Senior Assistant Olmsted County Attorney Tom Canan as the county's legal advisor for issues related to frac sand mining, and to allow County Attorney Hammell to remove herself from advisement of the same.

County Attorney Hammell is aware of pending legislation which she anticipated could impact today's discussion. In preparation, she asked Mr. Canan to review an opinion which she had prepared and to provide his opinion of the same matter. Minnesota Statutes are often open for interpretation. They aren't black and white, and have a lot of grey area. M.S. 393.34 which provides guidance regarding interim zoning ordinance requirements is such a statute. She read the statute aloud and indicated that it is unclear and open to interpretation. She also referenced information contained in M.S. 375.51. Both her opinion and Mr. Canan's are similar and recommend holding a public hearing prior to enacting an interim zoning ordinance. Because the statutes are open to interpretation, both feel it is prudent to err on the side of caution.

Chairperson Miller stated that an official public hearing is scheduled. He expressed his expectation that an interim zoning ordinance will be approved at some point. He stated that he has already been questioned regarding the public hearing scheduled for Monday, March 19th. One goal of the meeting is to provide information to the public to increase education. He reiterated his opinion that it is in the best interest of the County and its residents to impose a moratorium. Chairperson Miller reported that he recently attended a SCHAC meeting at which good water issue information was made available. There are legitimate reasons to host this second meeting. He expressed his opinion that it is appropriate to host the meeting in La Crescent since La Crescent is the largest city within Houston County and La Crescent Township the largest township.

Commissioner Zmyewski expressed concern with the interpretation of M.S. 364.34. The statute does not reference nor link to M.S. 375.51 which appears to impact interpretation of the original statute. He expressed his opinion that M.S. 364.34 addresses the issue, and does not reference any other statute. Yet another statute, M.S. 375.51, was taken into consideration when formulating an opinion. Commissioner Zmyewski expressed concern with bills in legislation which could impact the county's ability to govern locally. County Attorney Hammell encouraged the Board to consult Mr. Canan in this regard. Commissioner Zmyewski stated that in the event legislation is passed, it will need to go before the Governor. The timeframe for passage is unknown. Commissioner Walter expressed her interest in consulting with Mr. Canan regarding the concerns. Both Commissioners Zmyewski and Walter share the opinion that the interim

zoning ordinance should be adopted immediately. However, Commissioner Zmyewski stated that he does feel it would be prudent to follow the recommendation of the attorney.

The question was raised regarding the effective date of any legislation that may pass. Commissioner Zmyewski questioned how the legislation could impact the Board's decisions and/or decision making ability in various situations. County Attorney Hammell indicated that she has kept her personal opinion out of this matter, however, as a citizen of Houston County, she expressed her concerns regarding public welfare and her support for a moratorium to be put in place. She reiterated a directive that the Board should consult with counsel, being Mr. Canan. Chairperson Miller requested that County Attorney Hammell contact Mr. Canan to seek answers and/or advice regarding the Board's concerns and to do so prior to adjournment if possible.

File No. 3 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 41 in connection with S.P. 28-598-10 on County Highway No. 249. Land acquisition for this project will be minimal requiring the purchase of two parcels being 0.12 and .017 acres. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 12-07
RESOLUTION TO APPROVE AND ACCEPT HOUSTON COUNTY RIGHT OF WAY
PLAT NO. 41 FOR STATE PROJECT 28-598-10

WHEREAS; Houston County desires to improve and reconstruct that part of County Highway No. 249, located 9.5 miles East of the Junction with Trunk Highway 44, 6.7 miles Southeast of Caledonia, with the Replacement of Bridge No. 6938 with Culvert No. 28J41 and Approach Grading Project identified as SP 28-598-10; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 41 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. 41 as designating the definite location of that part of C.R. 249 located in Section 30, Township 102 North, Range 4 West, as presented on this date, February 28, 2012, 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. 4 -- Engineer Pogodzinski reported that the County has received the EA study from Mead & Hunt, the airport consultant. He provided information on who received copies, and where copies were available for public viewing. A public meeting to discuss the study is

scheduled for March 26th beginning at 6:00 p.m. and concluding at 8:00 p.m. There is a period for public comment during said meeting. The study was conducted as part of possible airport expansion. Airport consultants Mead & Hunt will provide an overview of the study to the Board prior to the public meeting on March 6th. There were no questions regarding the EA study at this time.

Engineer Pogodzinski reported on additional information provided to Chairperson Miller and Commissioner Zmyewski. The information is related to a required process which takes place every 5 years to determine the airport consultant. Engineer Pogodzinski would like to have this process completed prior to any work which may take place related to any future airport improvements.

File No. 5 -- Engineer Pogodzinski stated that in order to utilize entitlement funds, the county is required to notify the FAA of project plans and estimated costs. He presented the following paving projects and associated costs: Area #1, pave the runway which is federally eligible for 90/10 cost share, the cost for the project is estimated at \$265,500.00 with the local share being \$26,500.00; Area #2, pave the area in front of the hangars plus the apron a portion of which is not federal eligible but would qualify for state 50/50 cost share, the cost for the project is estimated at \$77,000.00 with the local share being \$10,500.00; Area #3, pave the areas in front of the second and third rows of hangars portions of which are federally eligible for 90/10 and portions of which are state eligible for 50/50, the cost for the project is estimated at \$60,800.00 with the local share being \$18,080.00; Area #4, pave the parking lot which is federally eligible for 90/10 cost share, the cost for the project is estimated at \$20,000.00 with the local share being \$2,000.00; and Area #5, pave the entrance road which is federally eligible for 90/10 cost share, the cost for the project is estimated at \$25,000.00 with the local share being \$2,500.00. All options together total \$448,300.00 federal funding totaling \$371,070.00, state funding totaling \$18,500.00, and local funding totaling \$59,630.00. These are costs for construction and do not include engineering costs. Engineer Pogodzinski recommended completing paving projects in front of the second and third rows of hangars, the parking lot, and the entrance road. He did not recommend paving the runway or the area in front of the hangars plus the apron due to the possibility that a large airport improvement project is under consideration which could result in tearing up those areas. It would not be good business to pave them and tear it up in a couple of years. The pavement in those areas is acceptable and may be reviewed annually. The cost to complete recommended projects would be approximately \$22,000.00 to \$23,000.00. There is \$45,000.00 budgeted for ROW and land acquisition. Engineer Pogodzinski believes that a larger airport project will not come to fruition so the budgeted funds may be redirected to cover the paving project costs. He provided information regarding the pavement conditions of the various areas at the airport. Commissioner Zmyewski expressed agreement that the pavement between the hangars is bad. He questioned the need to pave the parking lot. It has been a gravel parking lot for years. Paving it would be an improvement, however, he questioned whether it is necessary. The only time there are more than a couple of vehicles is when an event is hosted at the airport. Discussion was held regarding funding, options and preserving available funding for future projects. Commissioner Walter indicated that there may be cost savings when multiple

paving projects are complete at one time. Any paving not completed at this time could be bundled with runway and apron paving in the future. Engineer Pogodzinski noted that projects qualify for various funding splits. The local share is comprised of levy dollars. If they are not expended those levy dollars may be directed elsewhere within the budget. Thor Kolle expressed agreement that paving between the hangars is important. He also expressed his opinion that as few levy dollars as possible should be spent. He suggested that the parking lot could be the ideal location for a pole building to house plows and grass trimming equipment. He reported that the airport is military recognized, and as such is eligible for GSA equipment. There is no cost for equipment, however, the shipping of the equipment to the location would be an expense born by the receiving entity. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve completing paving projects for areas #3 & 5.

Engineer Pogodzinski reported that there are heating issues at the Houston Shop. The services of an electrician are required to complete wiring to install heating in the bathroom and GFA outlets. A quote of \$1,580.00 was submitted by Hoskins Electric. It was the consensus of the Board to have additional quotes solicited for the necessary work.

The Highway Department budget for 2012 includes funds for a pick up and a couple of mowers. The State bid for pickups has been received and is slightly lower than last year. Engineer Pogodzinski would like to place the order for a 2012 GMC Sierra extended cab 4 wheel drive pickup in the amount of \$26,527.17 plus applicable tax. A portion of the cost may be recovered when the vehicle being replaced is sold on the county auction. Engineer Pogodzinski reviewed the five year Highway Equipment budget projections. He stated that delaying this purchase will further complicate future budgeting. Commissioner Zmyewski questioned how many miles were on the vehicle slated for replacement. It was agreed that Engineer Pogodzinski will return to the Board next week with additional details.

Kelly Stanage shared information found in a recently published Winona Daily News article. She stated that HF 389 was headed to the floor and SF 270 would be discussed in committee. These bills appear to be moving swiftly through legislature. Ms. Stanage commented that a petition with over 300 signatures was submitted recently which requested a frac sand mining moratorium be enacted. She expressed her opinion that frac sand operations were causing problems all over. A moratorium would allow time to study the effects. Following a February 13th meeting, a recommendation to enact a moratorium was made to the County Board. She encouraged the Board to act on that recommendation today. She stated that M.S. 394.34, which she read, allows them to take action. Ms. Stanage has completed a significant amount of research recently. It is her opinion that no court would rule that Houston County failed to act in good faith or went against the law. Commissioner Schuldt expressed appreciation for public interest and self-education. Chairperson Miller commented that Wisconsin has been dealing with frac sand mining issues for quite some time. He urged caution. It is important to follow proper procedure. Houston County is currently involved in a lawsuit over land use. They have no interest in being sued for decisions which are made, therefore, the Board wants to ensure that they follow procedure. He expressed his belief that a moratorium will be put in place. Ms. Stanage expressed

understanding for caution. However, in her opinion public health, safety and cost for roadway repair outweigh the threat of a lawsuit resulting from Board action. Chairperson Miller responded he is aware that phosphates pose threat to groundwater, yet farming continues. He expressed his opinion that health concerns related to smoking and second hand smoke are more damaging than possible silicosis related to silica sand mining. There are individuals who would like the opportunity to benefit financially from resources which belong to them. Ms. Stanage responded that Houston County is a karst region and it makes groundwater susceptible to contaminants. She is not familiar with the locations of frac sand mining operations in Wisconsin. She is aware that an inexpensive chemical used in the washing process of silica sand is acrilomide which is a neurotoxin. Silica sand is held in the Jordan layer which also houses the Jordan aquifer. She expressed great concern that removal of the Jordan layer through mining of the silica sands could be disastrous. She indicated that the more she learns about the mining operation, the greater her concern becomes.

File No. 6 -- At this time, Donna Buckbee submitted a letter of concern signed by several residents to the Board. She stated that the mining industry is pushing legislation. It was drafted by an elected official with ownership interest in a Shakopee mining operation. She expressed her belief that it is critical that a vote regarding a proposed moratorium take place today.

John Griggs of Yucatan Township stated his opinion that everyone is in favor of a moratorium. He expressed concern that the power to impose a moratorium may not be available next week. He encouraged the Board to vote today, and warned that if they do not vote today, they may not have the option next week.

Mike Fields of Winnebago Township read definitions for “conservative”, and “radical”. He expressed his opinion that, by definition, individuals supporting a moratorium are conservative.

It was noted that the Board is waiting to hear from legal counsel. Legal counsel has not responded yet.

Mr. Griggs pressed the Board regarding their intentions for proceeding if they do not hear back from legal counsel prior to adjournment. Brief discussion was held regarding requirements for posting emergency meetings, recessing a meeting and other options.

Kevin Kelleher questioned whether the Board had gone on record opposing the legislation being discussed at the state level which could impact the ability to govern locally.

Donna Buckbee commented that 10 days published notice was needed prior to hosting a public hearing. She stated that nearly one month will have passed since it was decided to schedule a second public hearing regarding the frac sand mining issue. Environmental Services Director Frank replied that a larger facility in which to host the meeting was needed. It took time to find an acceptable facility that was available.

File No. 7 -- Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-08

WHEREAS, Houston County is concerned with regard to the issue of frac sand mining as it pertains to the health and welfare of Houston County residents; and

WHEREAS, Houston County is in the process of considering an interim zoning ordinance and a moratorium with regard to frac sand mining; and

WHEREAS, H.F. 389 and S.F. 270 would limit local control with regard to issuing an interim zoning ordinance and a moratorium, and could further limit the county from having sufficient time to study the issues involved with frac sand mining;

NOW, THEREFORE, BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it opposes H.F. 389 and S.F. 270 which would remove and/or limit local control in regard to interim zoning ordinances.

Both John Griggs and Donna Buckbee inquired when a decision would be made regarding their request. Commissioner Zmyewski responded that the Board will wait to see if legal counsel has the opportunity to respond and prior to the end of the meeting the Board will decide whether to take action or how to proceed in the event no action is taken.

File No. 8 -- 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. He indicated that Houston County will continue the status quo. Periodically, re-registry of feedlots is required. Producers will be required to complete this process in the coming year. Chairperson Miller stated that feedlot issues have been a hot topic. He participated in a senate hearing recently in this regard. Both Environmental Services Director Frank and Zoning Administrator Scanlan have had meetings with MPCA Representatives. There has been good progress in resolving the communication issues. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the 2011 Annual County Feedlot Officer and Performance Credit Report and the 2012-2013 County Feedlot Program Delegation Agreement and Work Plan.

Environmental Services Director Frank reported that the County Water Plan is reviewed every five years with significant consideration given every 10 years. This year the state will be auditing the County Water Plan. The first meeting is scheduled for Thursday, March 1st. The goals and objectives will be reviewed as will the process for attaining them. One program which was recently added to aid the county in attaining the goals is the low interest loan program to replace non-conforming wells. If there is interest in the program, additional funding may be

requested in the future. The water plan addresses surface water, streams, erosion, bluff protection, septic system, feedlots, SWCD programs, rip rapping streams along with various other water related items.

File No. 9 -- Environmental Services Director Frank's department will be distributing the Recycle flyer. It should reach all households within the county. The flyer contains information regarding the landfill, the drop site program, recycling, waste generation, and composting.

File No. 10 -- Kevin Kelleher distributed written information to each member of the board, and to the auditor. He stated that he is here to discuss a difficult issue. The issue is not new, it is the DVD copying issue. Mr. Kelleher stated that there are two groups which should be held to a higher standard regarding the public's trust in the group. One group is elected officials and the other is law enforcement. Mr. Kelleher took this opportunity to read the law enforcement oath. Individuals working in law enforcement are entrusted to enforce and obey the law. If the citizens believe that those enforcing the law aren't also abiding by the law, that public trust will be lost. He referenced the written information he distributed which refers to the DVD duplication as "an operation". Mr. Keller reported that he has submitted two letters to the editors. He stated that from what he has read in the minutes and the newspapers, no one that actually did the copying has been held responsible for their actions. He read an excerpt from a letter he has received in response to his letter to the editor. He indicated that honest employees have been treated badly, while those whose character may have garnered question have gotten by. As a past commissioner, Mr. Kelleher has knowledge and experience and he expressed his belief that this is not how the county should be operating. He commented that a private law firm was hired to investigate. It appears that illegal activity was taking place at the highest levels of law enforcement. He questioned, if no one was under oath or promised immunity, why more hasn't been done regarding the situation. He commented that his wife had asked him if he was concerned that he would be harassed for speaking out in this regard. He said that no one should feel that way and that was just the reason why he is speaking out. He would like a complaint to be filed with the peace officers board. He believes that the information he distributed should open another page in the investigation. Mr. Kelleher is under the impression that county employees have not, or are not speaking out, due to a fear of retaliation. This likely led to the "wall of silence" during the investigative process. He requested this be cleaned up. It appears that there is high probability that illegal activity took place. Chairperson Miller expressed frustration with how the situation played out, and he thanked Mr. Kelleher for having the fortitude to ask questions. Chairperson Miller explained that HR Director Arrick-Kruger attempted to flesh out information, however, her investigation experienced the "wall of silence". The Board completed both an internal investigation and an investigation conducted by the outside firm. Information gathered as a result of the investigations was addressed. Commissioner Walter expressed her understanding that some information gathered by the investigation is private and not public. Commissioner Schuldt agreed with Commissioner Walter. None of Commissioners Walter, Schuldt, or Zmyewski were on the Board when these investigations were being conducted. Chairperson Miller encouraged Mr. Kelleher to proceed as a private citizen as he deems appropriate. Commissioner Zmyewski stated that this is new information to him. He expressed

concern that if the investigations were not completed or fell short of an outcome, things should be completed. At minimum, a review to ensure that things were done properly should be warranted. Assistant County Attorney Bublitz was present. She was the County Attorney when these investigations were conducted and she had no comment. Mr. Kelleher stated his belief that the County Attorney's office needs to have a good working relationship with law enforcement. He felt that it was prudent to hire an outside firm to investigate the matter. He suggested that a grand jury should be impaneled and an attorney from another county should handle the issue. He questioned, when it appears that individuals at the highest level of law enforcement participated, who his concerns should be taken to. As a private citizen, Mr. Kelleher is prevented from making direct complaint to the peace officers board. A private citizen is to report the information to the highest law enforcement officer who would take it to the peace officer board if warranted. Mr. Kelleher has a need to ensure that the public can trust law enforcement in the county. It was agreed that the Board would confirm that the internal investigation has been completed and who the top law enforcement official is and respond to Mr. Kelleher with this information.

At this time the Board took a brief recess.

The meeting reconvened with all members present.

Chairperson Miller commented that he had received correspondence from the Minnesota Commissioner of Human Services, Cindy Jesson, and commending HS staff on perfect submission of 2011 reports. This means that all required reports were submitted on or before the deadline.

File No. 11 -- HR Director Arrick-Kruger reported that the human service search committee has completed interviews for the position of Interim Social Services Supervisor. A competitive internal process was completed. She is pleased to report that the candidate pool was all well qualified. The committee is recommending Karen Sanness be hired for the position. HR Director Arrick-Kruger indicated that the HS Department is undergoing an internal redesign which is expected to be completed within 6 months or by year end at the latest. The interim position would be for the same period. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to hire Karen Sanness as Interim Social Services Supervisor at step 4 of the C-5-2 band effective February 29, 2012.

Chairperson Miller stated the HS Department will be meeting to work out internal redesign. Commissioner Schuldt will attend the meeting.

File No. 12 -- Every three years the county is required to submit a pay equity compliance report. The 2011 report has been completed by HR Director Arrick-Kruger. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the submission of the report.

File No. 13 -- The Minnesota Regional Medical Examiner's Office has completed their budget reconciliation for 2011. Houston County contracts with this office for services. As a result of the budget reconciliation, Houston County is receiving a refund of fees paid in the amount of \$9,634.00. HR Director Arrick-Kruger provided an update regarding the current ME facilities and future needs. She expects the ME to be making a recommendation in this regard.

Chairperson Miller reported that there are ongoing negotiations with MAPE.

Veteran Services Officer Gross reported that various National Guard units will be returning in May. In 2005-2006, Veteran Services Officer Gross assisted with reintegration. He met with servicemen and women at Fort McCoy to provide them with benefits information and to complete paperwork to enter them into the system so that their local VSO could follow up with them. Because of this reintegration program, this all took place before the individuals returned home or were out of uniform. VSO Gross reported that this work has resulted in an 80-90% benefits utilization. The national average is around 20%. This year the units will not be processed through Fort McCoy. They will be processed through various forts around the country. VSO Gross has been asked to assist with reintegration at Fort Hood in Texas. VSO Gross spent a significant amount of time at Fort Hood during his military career and is familiar with it. There is no confirmed date when the units will be returning. There is funding for lodging. Reintegration of the units coming through Fort Hood is expected to take only 2 days. VSO Gross requested authorization to participate. He asked that he be allowed to do so on work time. His wages would be the only cost to the county. If the county does not approve his request, he will utilize his personal vacation time to participate. He expressed his feeling that this work is important. Commissioner Zmyewski stated that, in his opinion, this is part of VSO Gross' job. Chairperson Miller stated that VSO Gross being asked to participate is a "feather in the cap" of Houston County. VSO Gross explained how the reintegration work is performed and how many servicemen and women he is able to assist through the process. This has been offered in these other locations due to the positive results in this area where it has been completed. VSO Gross indicated that in areas with increased benefits utilization the military/veteran suicide rate is lower. The information gathered by VSO Gross will be directed to the home county of the servicemen and women so that their VSO can follow up and assist them as needed. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve VSO Gross' request to participate in reintegration of troops at Fort Hood and to provide him his regular salary while doing so.

VSO Gross reported that the Spring Conference will be held in Hutchinson, Minnesota. Attendance is required to maintain accreditation. Two nights lodging expense will be incurred. He will keep the Board informed of developments related to the training.

Donations to Veterans Services have become more common. VSO Gross reported that there is an account for donations. The donations typically are not tied to a request which would result in county expense. In the event a donation was tied to such a request VSO Gross would consult the Board prior to accepting the donation. When he receives donations, he accepts it and

sends a note of thanks. Accounting Manager Lapham suggested that VSO Gross track donations, their intended purpose and how they were utilized and to share this report with the Board quarterly. This will ensure that donations are utilized as intended.

File No. 14 -- Auditor Meiners provided an update regarding a recent Section 8 meeting. Two counties are considering adopting a resolution today supporting administration of Section 8 vouchers by an entity other than SEMMCHRA. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-09

WHEREAS, SEMMCHRA is currently administering the Section 8 program in Houston County; and

WHEREAS, we are hearing an increasing number of complaints from clients regarding the level of services provided by SEMMCHRA in their administration of this program; and

WHEREAS, SEMMCHRA has demanded that the six counties involved reimburse SEMMCHRA for their administrative shortfalls; and

WHEREAS, SEMMCHRA has threatened to discontinue services to Houston County residents if the county does not fund their administrative shortfall, even though they claim that these are SEMMCHRA's vouchers, and that the counties have no input or control over them; and

WHEREAS, Houston County has concerns regarding the high overhead SEMMCHRA has in administering this program due to excessive salaries; and

WHEREAS, Houston County has in the past requested financial information from SEMMCHRA documenting that the administrative costs they are expecting us to backfill are for this program alone, and not for other services they provide but SEMMCHRA has declined to give us this information; and

WHEREAS, Houston and Fillmore Counties have their own HRA, being Bluff Country HRA which provides housing services and has been in existence since the early 1990's; and

WHEREAS, Bluff County HRA has a vast amount of experience in dealing with affordable housing as well as other programs serving the underprivileged in our counties; and

WHEREAS, having the Section 8 program administered by an organization such as Bluff Country HRA would provide for transparency from the counties' perspective, and further, would provide for seamless and quality services to county residents who are currently clients of SEMMCHRA and Bluff Country HRA;

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners hereby requests that our federal and local legislators work with HUD to transfer administration of the Section 8 vouchers being utilized by residents of our county to Bluff Country HRA.

File No. 15 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Equipment Grants application submitted by the Houston Money Creek Snowriders Snowmobile Club, Inc. and adopt the following resolution;

RESOLUTION NO. 12-10

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 to sign an agreement with the Department of Natural Resources.

File No. 16 -- Accounting Manager Lapham reported that she expects \$260,000.00 to be available for qualifying expenses from the Justice Center building project budget. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve carpeting the offices and the hallway and to award the tiling quote to The Floor Guys of Eitzen, Inc.

File No. 17 -- Auditor Meiners read information received via e-mail from Tom Canan. Mr. Canan provided information and timelines on both the House and Senate files. Commissioner Zmyewski expressed his strong opinion that a moratorium should be acted upon immediately. He stated that earlier today both County Attorney Hammell and Mr. Canan advised the Board to follow M.S. 394.34. Commissioner Walter would like to act on this today. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to enact a one year moratorium to study the frac sand issues and to adopt the following resolution:

RESOLUTION 12-11

Houston County
Interim Ordinance 2012

Whereas, Houston County recognizes significant public interest and concern over the proliferation of silica sand mines and related processing and transportation facilities proposed in Houston County; and

Whereas, the Houston County Board desires to act on any conditional use permit applications consistently with the purpose and intent of the Houston County Zoning Ordinance; and

Whereas, the uses proposed in conditional use permit applications for silica sand mining operations and related processing and transportation facilities may create an excessive burden on the County's infrastructure and may affect the public health, safety and general welfare; and

Whereas, further study is required to ensure consistency with the Houston County Zoning Ordinance and Comprehensive Plan to provide a thorough analysis of potential impacts on road and infrastructure maintenance and the affect on public services, public health, safety and general welfare, generated by silica sand mining operations and supporting uses; and

Whereas, Minnesota Statutes Section 394.34 allows Houston County to adopt a temporary interim Zoning Ordinance for a period of up to 12 months from the date it is effective, to allow for such study and adoption of comprehensive plan, zoning and/or other official land-use controls in order to protect the public health, safety and general welfare.

Now, Therefore May It Be Resolved, that the Houston County Board of Commissioners authorizes a land use planning study for the purpose of reviewing the County Comprehensive Plan and Zoning Ordinance to determine if the above-stated concerns are addressed adequately or if changes and requirements may be necessary in order to protect the public health, safety and general welfare of the public from the negative impacts that may be associated with mining, processing and transportation of silica sand; and,

Be It Further Resolved, the Houston County Board of Commissioners hereby establishes a temporary twelve month moratorium on the issuance of any conditional use permit for new silica sand mining or accessory uses to allow the above referenced land use planning study to be completed and any recommended changes or requirements to Houston County Plans, Policies or Official Controls to be considered by the Houston County Planning Commission and Houston County Board of Commissioners; and

Be It Further Resolved, the Houston County Board of Commissioners reserves the right to end the moratorium in less than the approved term of the moratorium upon completion the land use planning study and satisfactory resolution of the issues and concerns as determined by the County Board. The County Board also reserves the right to extend the moratorium as authorized by State Law.

Effective Date, This Ordinance shall take effect upon its passage and publication.

Auditor Meiners reported that she and Deputy Auditor Quinn will be attending election training on May 1st through 3rd. She asked the Board to consider cancelling the May 1st meeting. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to cancel the May 1st board meeting.

Commissioner Walter reported that she participated in interviews for Interim Social Services Supervisor yesterday. She has a Public Health meeting scheduled for later this week.

Chairperson Miller reported on a SCHAC meeting which he attended. He also attended a meeting regarding identifying current staff that can assist both the Finance and HS departments with accounting tasks. It is a goal to avoid hiring additional staff at this time.

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. 18 -- Correspondence to payroll regarding change in status of Sharen Lapham

File No. 19 -- Tons delivered to Xcel during January 2012

File No. 20 -- Advertisement for public meeting on frac sand mining

File No. 21 -- Minutes from Department Head Reviews held February 21, 2012

There being no further business and the time being 11:17 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 6, 2012.

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 6, 2012

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; Sheriff Ely; Jail Administrator Schiltz; HR Director Arrick-Kruger; Engineer Pogodzinski; Eric Benson; Leanne Benson; Thor Kolle; Glenn Kinneberg; Surveyor Walter; Accounting Manager Lapham; EDA Coordinator Wilms; Kelly Stanage; Donna Buckbee; John Griggs; Matt Wagner; Evan Barrett; See Listing for 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 February 28, 2012 meeting.

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

County Revenue Fund	\$57,996.79
Road & Bridge Fund	16,011.18

Total	<u>\$74,007.97</u>

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

File No. 3 -- At this time, Matt Wagner and Evan Barrett representing Mead & Hunt met with the Board to provide an overview of the Houston County Airport Environmental Assessment (EA). Mr. Wagner reviewed the events preceding and leading to the EA. A PowerPoint Presentation was started. Mr. Barrett explained that an EA is required when Federal funds will be utilized for the completion of a project. Information related to the proposed improvements, EA purpose, alternatives considered, the recommended alternative, public involvement and FAA decision. The EA was developed in coordination with the County, MN

DOT and the FAA. The alternatives considered were discussed. Alternative 1 is take no action. This alternative does not meet purpose and/or need. Alternative 2 is reconstruct the runway. This option would require the following: acquisition of approximately 20 acres of property, and the reconstruction of the runway pavement. This option would not allow for reinstatement of instrument approach. Alternative 2 is reconstruct the runway and reinstate instrument approach. It would require the following: acquisition of property, moving infrastructure such as hangars and the removal and/or topping of trees. This option would be the most expensive. The final Alternative, Alternative 4 is relocate the runway and reinstates instrument approach. This is the preferred and recommended alternative. It is less expensive than Alternative 3. Mr. Barrett informed everyone of where copies of the EA study were available. There is also an FTP site where electronic copies may be accessed. The web address is available from Engineer Pogodzinski. Mr. Barrett provided information on the process going forward. Written comments will continue to be accepted through April 9th. Comments may be submitted to Engineer Pogodzinski. Written submissions will be incorporated into the final EA which will be submitted to the FAA. A meeting will be hosted which the public is invited to attend and participate in. Once the FAA has reviewed the EA, they will issue their findings. The FAA may issue a finding of no significant impact or they may issue a finding of significant impact which would trigger the need for an Environmental Impact Statement.

Eric Benson questioned the length of the proposed runway and how the length may impact future needs and/or expansion. Mr. Barrett responded that the current runway length is 3,500 feet. The recommendation is to maintain the same length runway. This length has been justified and deemed adequate for the airport as it is now utilized. A 3,500 foot runway accommodates aircraft which are typically single engine with 10 or fewer passenger seats. The runway length does not limit future expansion. Arnie Beneke expressed concern that there is a business operating out of the airport. The business aircraft is a larger one. Mr. Barrett indicated that he believes he is familiar with the aircraft referenced and it too falls within the aircraft type which is adequately served by a 3,500 foot runway.

Chuck Schulte questioned why the EA study document has not been distributed to all county libraries. Mr. Barrett reiterated the ways in which an interested party may access a copy of the study. He provided information on the advertising of the Public meeting. He offered to distribute additional copies to satisfy specific requests. Mr. Schulte expressed his belief that a copy of the EA study should be made available at each library within the county.

Bruce Kuehmicel questioned the funding streams for the proposed airport project. Mr. Barrett explained that typically, a project such as this would qualify for 90% federal funding and 10% would be funded locally. Chairperson Miller stated that, if the Board were to decide to close the airport, there would be a significant payback. Commissioner Zmyewski questioned the amount of required payback. All federal funding received over a twenty year period plus 8% interest compounded annually plus land acquisition costs. Engineer Pogodzinski indicated that this is the worst case scenario and the FAA could rule that a reduced amount was due. He stated that this was determined to be the most costly option when it was reviewed earlier. Thor Kolle

requested the FTP address. It was agreed that Engineer Pogodzinski would get the information to Mr. Kolle. Charlie Warner indicated that the County has \$450,000.00 in entitlement funds. He questioned whether this could be utilized to fund the project and whether these funds would be considered "local". The entitlement funds may be utilized. However, they would be considered part of the federal portion. There were no further questions.

File No. 4 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 42 in connection with S.P. 28-604-29 on CSAH #4. 2012 This is a federal project to replace an existing bridge with box culverts. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 12-12
RESOLUTION TO APPROVE AND ACCEPT
HOUSTON COUNTY RIGHT OF WAY PLAT NO. 42
FOR STATE PROJECT 28-604-029

WHEREAS; Houston County desires to improve and reconstruct that part of County State Aid Highway No. 4, located 171' West of Cut Across Road to 74' East of Cut Across Rd, 4.0 miles Southwest of the Houston, with the Replacement of Bridge No. 7033 with Culvert No. 28J42 and Approach Grading Project identified as SP 28-604-029; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 42 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. 42 as designating the definite location of that part of C.S.A.H. 4 located in Section 13, Township 103 North, Range 7 West, as presented on this date, March 6, 2012, 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 presented a resolution in support of the Mississippi River Trail Bicycle Route 45. This route will go from the Mississippi headwaters to the Gulf of Mexico. The State would like all adopted resolutions by March 15th. They would like to submit the project for federal consideration which, if selected, would open up funding streams to cover establishment and maintenance expenses. Concerns have been expressed regarding the portion of the route which will be on CSAH 26. The shoulders are narrow. Engineer Pogodzinski stated that CSAH 26 is scheduled for mill and overlay in 2013. It is possible that the shoulder width may be increased at that time. Chairperson Miller has attended some of the public meetings. He reported

that the route utilizes a mix of established trails and highways. The route is better suited to serious bicycle enthusiasts or advanced riders. He expressed his support of the project as it is an opportunity to improve and promote tourism. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution;

RESOLUTION NO. 12-13

**A RESOLUTION OF HOUSTON COUNTY STATING ITS SUPPORT FOR THE
DEVELOPMENT OF THE MISSISSIPPI RIVER TRAIL
(U.S. BICYCLE ROUTE 45)**

WHEREAS, bicycle tourism is a growing industry in North America, presently contributing approximately \$47 billion dollars a year nationally to the economies of communities that provide facilities for said tourism; and

WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) had designated a corridor along the Mississippi River to be developed as United States Bike Route 45; and

WHEREAS, the Minnesota Department of Transportation has convened several public meetings during the previous eighteen months locally and throughout the river's corridor to gather information, review route alternatives and to provide assistance; and

WHEREAS, the Minnesota Department of Transportation in cooperation with road and trail authorities have proposed a specific route to be designated as the Mississippi River Trail (USBR 45), a map of which is herein incorporated into this resolution by reference; and

WHEREAS, the proposed Mississippi River Trail (USBR 45) traverses through Houston County and is expected to provide a benefit to local residents and businesses; and

WHEREAS, the Minnesota Department of Transportation will continue to maintain statewide mapping and information regarding Mississippi River Trail (USBR 45), convene meetings and facilitate the resolution of issues and future alignment revisions with the State,

WHEREAS, Houston County has duly considered said proposed route and determined it to be a suitable route through Houston County and desire that the route be formally designated so that it can be appropriately mapped and signed, thereby promoting bicycle tourism locally and throughout Minnesota along the Mississippi River.

NOW THEREFORE IT IS HEREBY RESOLVED by the Houston County Board of Commissioners hereby expresses its approval and support for the development of the Mississippi River Trail (USBR 45) and requests that the appropriate government officials take action to officially designate the route accordingly as soon as possible.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THE RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

Engineer Pogodzinski reported that road bans went into effect yesterday, March 5th. A deputy and maintenance staff person will be assigned to enforcement. The scale has already been calibrated. Any truck may be weighed at any time whether or not road bans are in effect. He expects the bans to be enforced for approximately 6 weeks.

Last week discussion was held regarding the purchase of a GMC Sierra pickup truck for the Highway Department. Engineer Pogodzinski reported that he would like to replace a 2000 Ford F150 with almost 100,000 miles. The vehicle has been used by the engineering staff. It is often loaded with equipment and spends a significant amount of time idling. Since the new purchase would be from the State bid, the Ford pickup would not be traded but would be sold at the County Auction. This is a budgeted item, and included in the 5 year capital improvement plan. Engineer Pogodzinski shared future equipment replacement plans and budget need projections. Commissioner Zmyewski confirmed that the Highway Department eliminated other equipment purchases from the current year budget in order to ensure the vehicle purchase would be approved. Engineer Pogodzinski responded that other equipment was eliminated from the budget. Commissioner Schuldt questioned whether the purchase could be made from a local dealer. Chuck Schulte stated that he has voiced complaint in the past that the county does not make purchases from local merchants. He expressed his opinion that the county should purchase locally. Engineer Pogodzinski responded that staff would contact the local dealers in this regard. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the purchase of a GMC Sierra pickup at the state bid amount of \$26,527.17 plus tax and to make the purchase through a local dealer if possible.

Sheriff Ely and Jail Administrator Schiltz met with the board to discuss fees charged to house other counties' inmates. The current rate is \$65.00 per day. Winona County was hesitant to share the fee that they charge. Fillmore County charges \$55.00 per day. Sheriff Ely recommended the rate be reduced to \$55.00. It was reported that Houston County did house another counties inmates for a few days last year. Sheriff Ely recommended the rate be \$50.00 per day if a single county sends 5 or more inmates at the same time. Sheriff Ely reported that Houston County currently has 16 inmates, 3 are women, 11 inmates are in house, and the balance of inmates are being housed at treatment centers. Commissioner Zmyewski questioned whether there have been inquiries for housing. There have been no inquiries. Winona County typically houses their overflow inmates in Wabasha County at a rate of \$60.00 per day. In addition to reducing the pre-trial per day rate, Sheriff Ely suggested offering to house work release individuals charged and held in other counties who desire to serve their time here due to employment and work release provisions \$30.00 per day with one-week paid up front. These individuals pay for their stay and the County would recover the expense through wage garnishment. Individuals sentenced in our county pay a rate of \$20.00 per day. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to decrease the per day pre-trial housing rate to

\$55.00, to offer a discount to house 5 or more inmates from the same county at a discounted rate of \$50.00 per day and to charge \$30.00 per day with one week paid upfront to house work release individuals sentenced in a different county.

Sheriff Ely requested authorization to have TurnKey install pop and snack vending machines in the lower level of the Justice Center. The profits would go to the Inmate Fund to be used to purchase uniforms for inmates, programming supplies, mattresses etc. Commissioner Zmyewski commented that during the public hearings he was questioned by several members of the public whether vending machines were available. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to authorize the installation of said vending machines contingent upon State Auditor approval.

File No. 6 -- HR Director Arrick-Kruger reported that Captain Gary Eddy has tendered his resignation. Mr. Eddy has worked for the county for over 25 years, 12 of which he has served as Chief Investigator. The resignation is effective at the end of the workday on April 4, 2012. Commissioner Zmyewski commented that he received a personal phone call from Mr. Eddy in this regard. He expressed his appreciation for the service Mr. Eddy has provided to the county and its residents. He is an asset to the county. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Gary Eddy.

Sheriff Ely expressed his expectation that the Chief Investigator position vacated by Gary Eddy will likely be filled internally creating a road deputy vacancy. He requested authorization to utilize the most recent search group and to re-interview the top 4 to 5 candidates. Commissioner Walter questioned whether current staffing could be utilized to fill the vacancy. Sheriff Ely responded that the Chief Investigator position is crucial. We would be the only county not to have a designated investigator if the position is left vacant. Recently, there was a need to cover for a road deputy on extended leave. Mr. Eddy covered the shifts. However, the investigations suffered during this period. Commissioner Zmyewski expressed his support of the position and the need to refill it. The position is necessary. Chairperson Miller would like to meet regarding options prior to making any decision. HR Director Arrick-Kruger expressed agreement that it is appropriate to review staffing prior to making any decision. She will work with Sheriff Ely to complete the review quickly. HR Director Arrick-Kruger stated that the most recent applicant pool was competitive and talented. It is recent enough to use it again which will save approximately \$1,000.00.

HR Director Arrick-Kruger stated that Jessie Melde's position is subject to continued external funding. Some funding has been reduced. The peer breastfeeding program continues to be funded. Public Health Director Rock recommends reducing Ms. Melde's FTE to reflect the amount of external funding which continues to be available. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the reduction of hours of Jessie Melde from 0.8 to 0.394 FTE effective immediately.

File No. 7 -- HR Director Arrick-Kruger recommended approval of an Addendum to the ThyssenKrupp Elevator Service Agreement. She provided the history of the agreement. The contract originated in 1998 and had a 5 year roll forward clause built into it. HR Director Arrick-Kruger has been able to successfully negotiate a suspension of the agreement for a 1 year period followed by the final 2 year agreement period at a reduced rate. This will allow the county to utilize service and or warranty from two vendors. The county was midway through the service contract with ThyssenKrupp when the elevator modernization bid was awarded to Schumacher. As part of Schumacher's bid, one year's service and warranty were included. Without approval of the addendum, the county will lose out on one year's service from the ThyssenKrupp agreement. The elevators in the Justice Center also have short term service and warranty. It is the intention of HR Director Arrick-Kruger to enter into short term service agreements in order to get all agreements to come due at a given date at which time she will solicit bids for a service agreement to cover all county elevators. Monthly service of elevators is required. Budgeting for these service agreements has been ongoing. HR Director Arrick-Kruger expects the county will benefit from an updated service agreement. The addendum will mitigate the costs for the service agreement until all contract expiration may be coordinated. Discussion was held regarding what is included in the monthly service of the elevator. HR Director Arrick-Kruger reported that ThyssenKrupp has issued a letter of support regarding expected workmanship related to the bulk head concern. All applicable information has been gathered and a meeting has been scheduled with the State Inspector. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the Addendum A with ThyssenKrupp Elevator Corporation.

HR Director Arrick-Kruger stated that Ziegler Cat has offered a counterproposal service agreement with regards to the Justice Center generator. The rate for the counterproposal has been reduced by nearly 50% over the initial proposal. HR Director Arrick-Kruger is negotiating the final details related to a service agreement which she hopes to present to the Board soon.

File No. 8 -- HR Director Arrick-Kruger has been working with departments to review accounting talents. She does not believe that the talents to satisfy the needs of Human Services are available. Linda Bahr continues to complete collection and accounting work in addition to her duties as Director. This is unsustainable. There are opportunities for efficiencies and improvement. The scenarios for HS reorganization have always included re-filling for the accounting duties. Commissioner Walter questioned whether Public Health participated in discussions. HR Director Arrick-Kruger responded that they had. It is imperative that an individual be designated to perform the HS accounting duties. This individual will need to fully understand the programs and audits. Chairperson Miller reported that the meetings have resulted in areas where staff will provide backup to different areas. The group was unable to find the resources to provide coverage for an entire position. Interim HS Director Bahr stated that HS has BRASS codes, these codes detail the intricacies of the programs and services provided by the department. HS staff is required to pass Merit exams. Various departments could contribute staff for small periods of time, however staff which would be able to assist lack the Merit exam requirements. These requirements are directly linked to funding reimbursements. In addition, it

was recently discussed that there are several accounting reports which Linda Bahr has prepared. These reports require the Director of the department to review and sign off. Ms. Bahr should not be performing both duties. Accounting Manager Lapham will work with Interim HS Director Bahr in the short term to meet the reporting and review requirements. HR Director Arrick-Kruger stated that there is no succession planning in place for the HS Accounting area. Both Jean Becker and Dorie Denstad work in key positions. These positions would not be adequately staffed by a novice if a vacancy were to arise. Tess expressed concern that there is no succession planning in place for the HS accounting area. Commissioner Walter expressed concern that staff may be hired just to be laid off as a result of redesign in the future. HR Director Arrick-Kruger expressed her understanding that attrition would be utilized if necessary. This would allow for natural progression. The HS Department is preparing a 3 year plan. There is a need to plan for these situations. It would not be prudent to leave gaping holes in staffing due to guessing what may happen as a result of redesign. Commissioner Walter questioned whether there are pending retirements. There are no pending retirements at this time. Commissioner Walter is also concerned with having the resources to provide back up for IS Director Milde. It is believed that we have staff for this, providing back up will require some training of current staff. No additional staffing is expected. Chairperson Miller clarified that handouts provided are for review and HR Director Arrick-Kruger will return for action next week.

John Griggs inquired how the upcoming frac sand meeting would be conducted. Chairperson Miller responded that two speakers and possibly a third would be presenting. The speakers would determine whether they would entertain questions during their presentations. There will be a question and answer session at the end of the meeting. Mr. Griggs indicated that there are individuals willing to serve on a committee going forward. Chairperson Miller stated that Environmental Services Director Frank is considering a committee and who should be included.

Kelly Stanage questioned who the speakers are. Chairperson Miller responded that Environmental Services Director Frank would have the details. He indicated that one is a County Engineer to discuss road concerns, another works in the field of geology.

Donna Buckbee expressed her opinion that the group of which she is part, are in the majority within the county. They desire to have an equal playing field. They want proponents to participate and be represented. They do not want citizens being denigrated during the process.

File No. 9 -- Chairperson Miller summarized information received from Tom Canan in regards to the passage of an interim zoning ordinance affecting frac sand mining and steps to follow moving forward.

File No. 10 -- Auditor Meiners reported that the Viking Ridge Riders Snowmobile Club has requested approval of two capital improvement project applications. 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 applications and to adopt the following resolutions:

RESOLUTION NO. 12-14

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the capital improvement project application for the Spring Grove Reroute of the Viking Ridge Riders and authorizes the Board Chairman to sign said application with the Department of Natural Resources.

RESOLUTION NO. 12-15

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the capital improvement project application for the Corridor 91 Reroute of the Viking Ridge Riders and authorizes the Board Chairman to sign said application with the Department of Natural Resources.

It was noted that the Board of Adjustment does not have a designated alternate. This could be problematic in the event members are unavailable to attend meetings. Environmental Services Director Frank has a list of individuals who may be willing to serve as alternate for this Board.

Auditor Meiners reported that carpet and tile samples are available in the old courtroom.

Commissioner Walter reported on Public Health and redesign meetings which she attended. She is scheduled to meet with Val Green at Botcher Park to view standing timber.

Commissioner Schuldt reported on a communications meeting with HS, and redesign and Township Officers meetings which he attended.

Chairperson Miller reported on redesign and airport meetings 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. 11 -- Correspondence to payroll regarding promoting of Karen Sanness to Interim Social Services Supervisor

File No. 12 -- Minutes from Department Head Reviews held February 28, 2012

File No. 13 -- Facilities contract for La Crescent School (fracturing sand meeting site)

File No. 14 -- Correspondence to Hank Koch regarding tons delivered to Xcel

There being no further business and the time being 10:45 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 13, 2012.

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 13, 2012

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; IS Director Milde; Engineer Pogodzinski; County Attorney Hammell; Jail Administrator Schiltz; Accounting Manager Lapham; Thor Kolle; Recorder Bauer; GIS Coordinator Krzoska; HR Director Arrick-Kruger; Interim HS Director Bahr; Financial Services Supervisor Kohlmeyer;

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 March 6, 2012 meeting.

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

County Revenue Fund	\$140,718.18
Road & Bridge Fund	24,563.91

Total	\$165,282.09
	=====

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

File No. 3 -- IS Director Milde reported that the contract for the fiber connection between the Historic Courthouse and the CCS Building is up for renewal. The current contract provides for a 100 MG bandwidth connection. IS Director Milde explained that he believes a 50 MG bandwidth may serve the need. Reducing the bandwidth will result in a nearly \$500.00 per month savings. A 100 MG connection will cost \$1,440.00 per month and the 50 MG connection will cost \$950.00 per month. The agreement is for a 3 year period. The bandwidth may be increased during the agreement period. However, the bandwidth may not be reduced. Motion was made by

Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the agreement with Ace Communications for a 50 MG bandwidth package.

IS Director Milde reported that the scanner/plotter in the E911 office has failed. The hardware failure affects the scanner portion of the equipment. The problems with the hardware have been diagnosed. HP discontinued support for this hardware some time ago, and parts are scarce. GIS Coordinator Krzoska stated that the equipment is 7 years old. The equipment is utilized by GIS, the Recorder, Surveyor's and Highway Departments. IS Director Milde indicated that there is continued research to find service to perform the necessary repairs, otherwise, the equipment will need to be replaced. Initial estimates to replace the equipment are approximately \$17,000.00. IS Director Milde has spoken with other counties who operate or have recently replaced the same make and model of equipment. Recorder Bauer provided an overview of the technology fund balances, the rate which funds are being replenished, and anticipated expenses. It is possible that the technology fund may be utilized to cover any replacement costs for the equipment. Discussion was held regarding what is a reasonable amount to expend on repairs which will not be guaranteed, versus replacing the equipment. IS Director Milde will keep the Board informed of new developments in this regard.

Chairperson Miller indicated that the committee to research frac sand mining issues should be established and members appointed. Environmental Services Director Frank has names of individuals he feels would make a beneficial contribution to the committee. Commissioner Zmyewski suggested that two commissioners, Engineer Pogodzinski, Environmental Services Director Frank, Zoning Administrator Scanlan, representatives from the townships perhaps 2 or 4, 2 proponents of frac sand mining and also 2 individuals who oppose frac sand mining should make up the committee. Commissioner Bjerke expressed concern that the committee work for the common good and not turn into a battle of those for or against frac sand mining. It was the consensus of the Board that the committee needs to be established.

It was noted that speakers for the upcoming public information session have been scheduled. The logistics of the meeting have been determined. There will be a question and answer session/period for public comment, following the speakers. This is an informational meeting.

File No. 4 -- Jail Administrator Schiltz stated that there are times when an inmate needs to be guarded. Most often these security services are needed when an inmate is hospitalized. The Agreement for Security Services with Premier Security, Inc. was drafted by County Attorney Hammell. Premier Security, Inc. will provide 24 hour security services as needed. This will alleviate the County having to designate a deputy for these duties and reduce the potential requirement for premium pay. These guards are not licensed peace officers. They are not armed. They do have cell phones and radios and will work with Jail Administrator Schiltz and hospital security closely. Commissioner Bjerke inquired whether Premier Security, Inc. could provide courtroom security. This would allow for Emergency Manager Kuhlert to act as a road deputy. It is anticipated that the chief investigator position will be filled internally leaving a gap in road

deputy coverage which could then be filled by Emergency Manager Kuhlers. Currently Emergency Manager Kuhlers provides courtroom security. When he is unavailable, a deputy provides the necessary coverage. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the agreement with Premier Security, Inc. for security services.

Discussion was held regarding the vacancy created by Gary Eddy's resignation.

The land rights case is scheduled for hearing this week. A motion will be presented for dismissal of the case.

Commissioner Walter was pleased to report that the annual boat grant will be increasing from \$4,000.00 to \$7,000.00.

HR Director Arrick-Kruger reported that, as the result of a competitive search, Sandy Ask was promoted to the position of Financial Worker. Ms. Ask is nearing the end of her probationary period. Financial Services Supervisor Kohlmeyer reported that Ms. Ask has been performing well and is working through the necessary training. On the recommendation of HR Director Arrick-Kruger and Financial Services Supervisor Kohlmeyer, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to change the status of Sandra Ask from probationary to regular, effective March 22, 2012.

File No. 5 -- HR Director Arrick-Kruger reported that there is a need to refill some lower level duties performed by Interim HS Director Bahr. Accommodations have been made to cover the short term needs and required oversights. An individual needs to be responsible for the coding of over \$4 million in funding. Interim HS Director Bahr will continue to handle supervisory and budgeting duties. HR Director Arrick-Kruger is requesting authorization to draft a position description and to submit the description for banding.

Commissioner Bjerke clarified his understanding was that Interim HS Director Bahr would continue to perform many of her HS Accounting duties in addition to director duties. This was in Interim position in which to determine whether it was a sustainable structure or not. Commissioner Bjerke expressed concern that just over a month into the designated interim period, it is apparent that the structure is not sustainable. He indicated that he had recommended hiring a Director from outside. He expressed his understanding that in the event the structure did not work, Ms. Bahr would revert back to her previous position. He questioned how this could continue to be an option in the event refilling her duties with an additional hire were approved. HR Director Arrick-Kruger assured Commissioner Bjerke that any hire would be advised of the interim status of the job being offered. The search would be conducted for a temporary position which had the potential to become permanent. Commissioner Walter stated that there is a significant amount of talent available in house. She questioned why those talents could not be tapped to provide the necessary coverage. Commissioner Bjerke stated that he understood the recommendation to hire Linda Bahr as Interim HS Director did not require additional hiring. This

does not appear to be the case from today's discussion, and he expressed his feeling that this has been deceptive. HR Director Arrick-Kruger explained her recommendation. The handouts reflect the refilling of certain duties and the costs associated with this. She has represented her recommendation as such throughout discussion. It is possible that this understanding was not communicated well. The internal talents have been assessed. The persons qualified to complete these duties are kept busy with the duties of their respective positions. The assessment has identified areas for efficiencies which will benefit the county. Job sharing would create additional gaps in other departments. Even though the duties may not be filled utilizing internal talents, there will be savings. These savings are estimated at \$90,000.00.

Chairperson Miller stated that the Finance Department used to be staffed by a Finance Director and an Accounting Manager. Currently, the department is being staffed with only the Accounting Manager. There is a need for the Accounting Manager to have some assistance. There are deficiencies in the checks and balances which were in place when the department was comprised of both a Finance Director and Accounting Manager.

Commissioner Walter questioned whether Jean Becker and/or Dori Denstad could perform some of the duties. Interim HS Director Bahr stated that neither Ms. Becker nor Ms. Denstad possesses accounting degrees, nor have they passed the appropriate merit exam. Commissioner Bjerke restated that he had wanted to hire an outside director. He expressed displeasure with having moved an individual up only to create another vacancy requiring to be refilled. He expressed his belief that it would have been more beneficial to have hired a permanent director from outside the agency and left Ms. Bahr in the position she was in. HS Director Arrick-Kruger stated that there is a vast difference between the level of accounting which Ms. Bahr performed and that which is performed by a clerk. Interim HS Director Bahr assured the Board that she is doing what is necessary at this time. The structure is working. She is skimming the surface, she is unable to delve into the difficult stuff. She intends to continue to act in her previous supervisory role, and she'll continue to perform the budgeting. Commissioner Bjerke stated again that if he'd have known this would require refilling for a portion of Ms. Bahr's past duties he would not have been supportive. HR Director Arrick-Kruger explained again her recommendation, and the savings of approximately \$90,000.00 which will result. Commissioner Bjerke again expressed concern that these events could lead to a non-interim designation of the HS Director position, and the HS Accounting position could be refilled leaving no position for Ms. Bahr if it is determined this structure is not in the best interest of the County. Chairperson Miller expressed satisfaction with the current situation. There is a need for accountability of the HS budget, and also of the individuals within the department. Chairperson Miller expressed his belief that these needs are being met with the current structure. The HS Department needs to function as a team. Prior to appointing Linda Bahr as Interim HS Director, the department was not functioning as a team. Now, the HS Department is functioning as a team. Chairperson Miller indicated that this structure should be allowed to continue.

Discussion was held regarding the needs of the Finance Department. Chairperson Miller indicated that Accounting Manager Lapham has done an exceptional job following the departure

of Mr. Bradley. There is a need for some additional assistance within the Finance Department. Commissioner Schuldt indicated that the HS Department has a significant sized budget. He expressed satisfaction with the current structure. He indicated that he would not want such a sizeable budget “thrown into the hands” of an outside hire that is unfamiliar with it. HR Director Arrick-Kruger suggested that she work with both Interim HS Director Bahr and Accounting Manager Lapham to draft a description for a shared position between the two departments. She explained that the process is time consuming and it is expensive to submit position descriptions for banding. The entire process will take a minimum of 6 weeks. Provided an agreeable position description is drafted, greater savings can be expected. Accounting Manager Lapham stated that the Finance Department did not budget additional wages to cover even a shared position. HR Director Arrick-Kruger reminded the Board that there is a need for succession planning within the HS Accounting area. It may be anticipated that there will be vacancies within said area in the not distant future. Succession planning will compliment redesign. Chairperson Miller clarified that wages were budgeted according to current staffing and additional staffing which was planned. It was agreed that HR Director Arrick-Kruger, Interim HS Director Bahr, and Accounting Manager Lapham would work together to develop a position description, and have it submitted for banding.

File No. 6 -- HR Director Arrick-Kruger presented a 3-Year Customer Service Agreement with Ziegler Power Systems for preventative maintenance on the generator. HR Director Arrick-Kruger has engaged in lengthy discussions with the Ziegler representative to negotiate a reduced agreement rate of \$3,430.00 annually. The original proposal was for an annual rate of \$6,220.00. The agreement provides for biannual maintenance of the generator including parts, labor, travel testing and disposal of all fluids, and transfer switch testing. This includes the cost of fluids, disposal and testing of used fluids, transfer switch testing. County staff will perform monthly maintenance and service. There literally are no alternatives. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the agreement with Ziegler Power Systems for maintenance and service.

Engineer Pogodzinski stated that, once every 5 years, the FAA requires counties to select an airport consultant as a result of a competitive process. This qualifies the counties for federal funding. Proposals have been solicited. Two proposals have been submitted, one from Mead & Hunt and the other from TKDA. The selection process includes gathering a statement of qualifications, advertising, selection, and the negotiation of a contract. In the event no agreement is reached with the first candidate, the county is allowed to negotiate with the 2nd place candidate. Mead & Hunt is the current airport consultant. They are familiar with the history of our airport and have served the county well. TKDA possesses the necessary qualifications. TKDA has worked with the county on some projects, however, the projects have not been airport related. TKDA has performed bridge inspections and also an inspection on the CoverAll structure. Engineer Pogodzinski along with Chairperson Miller, Commissioner Zmyewski and EDA Coordinator Wilms have rated the consultants. Mead & Hunt has been determined to have the highest rating. Engineer Pogodzinski requested authorization to begin negotiating a new 5 year contract.

Engineer Pogodzinski reported that the most recent contract has worked well. Consulting related to the day to day operations along with meetings with FAA and/or MN DOT was included in the negotiated fee. Mead & Hunt has served the needs of the county well. Any major project work would be billed separately. Commissioner Schuldt highlighted the items which he feels are valuable and beneficial. A 30-day out clause would be included in any negotiated agreement. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski to authorize negotiations begin with Mead & Hunt for airport consulting.

Thor Kolle expressed concern that Mead & Hunt was the consultant used when the bathrooms were installed and also the gas system. In his opinion, these projects were extremely expensive and could have been completed in a more fiscally responsible fashion. He suggested that the County consider the other consultant. Engineer Pogodzinski responded that the local government approves project plans submitted by airport consultants. The projects often have requirements in order to qualify for FAA and/or MN DOT funding. These requirements must be met. These requirements may have contributed to the high cost of the projects. The FAA and MN DOT expect good use of funding and they do require a certain level of quality. They want good use of the funding and do require a level of quality. Commissioner Bjerke questioned whether the county could go without an airport consultant. In the event projects move forward they could be bid out. The county would likely benefit from the competitive process. Engineer Pogodzinski cautioned that any query of the firms would result in being invoiced for services. Engineer Pogodzinski expressed concern that working without a contract could be a disadvantage. There are benefits to selecting Mead & Hunt as they know the history of the airport. Commissioner Zmyewski expressed understanding of Mr. Kolle's concerns. He questioned whether it could be advantageous for the county to operate without a designated airport consultant. Commissioner Zmyewski suggested negotiating an hourly fee contract for consulting on the day to day needs. It is possible that both firms could be utilized to leverage the best possible pricing in the future. Commissioner Zmyewski questioned whether a contract for day to day items could be negotiated with the understanding that large projects would go through a competitive bidding process. Chairperson Miller questioned the history of the bathrooms and the cost for them. The bathrooms were designed by Mead & Hunt in 2006. 95% of the cost came from federal funding while 5% was paid for with the use of local funds. The bathrooms are large and include a storage area for cleaning supplies. Commissioner Zmyewski questioned whether a local contractor could have provided less expensive facilities. Engineer Pogodzinski stated that the FAA and/or MN DOT had funding requirements for the project. The motion on the floor was amended by Commissioner Schuldt, seconded by Commissioner Zmyewski to negotiate an hourly rate contract with both Mead & Hunt and TKDA for consulting services. Engineer Pogodzinski cautioned that it is possible that a contract for an airport consultant may be required in order to access federal funding. Commissioner Schuldt withdrew his motion and Commissioner Zmyewski withdrew his second. It was agreed that Engineer Pogodzinski would research the requirements for accessing federal funding and return to the Board at a later date for further action.

Engineer Pogodzinski provided a brief history of the CoverAll structure which is utilized in Spring Grove to house the sand and salt to treat winter roads. The State replaced its CoverAll structures. Some counties have done the same while others have had the buildings analyzed. Houston County had its CoverAll structure analyzed. The structure has deficiencies. This was required by MCIT in order to assess insurance coverage. There are some repairs which may be performed and are relatively simple and may be performed quickly. One quote to perform these repairs is \$1,200.00. The repairs would be performed by a certified welder. It has been difficult to find someone who is both certified and willing to perform the necessary repairs. The structure does not meet State building codes. Engineer Pogodzinski reported that the cost to replace the existing structure could be \$90,000.00. This amount would include teardown of the existing structure and replacement on the same site.

The County has the option to perform minimal repairs, assume liability and continue to utilize the structure, perform extensive repairs to meet state building code or replace the structure. When questioned whether sand and salt could be hauled from the Caledonia shop if the Spring Grove storage location were eliminated, Engineer Pogodzinski responded that this would cost both in terms of expenses and man hours. The buildings deficiencies would most likely impact operations in times of snow and wind, when the building is utilized the most.

Commissioner Bjerke expressed concern that it is known that the structure is deficient and asking a union member to work within that structure could result in issues.

Engineer Pogodzinski stated that it would be helpful if a decision were made sooner rather than later. As a result of a mild winter, and the fact that Houston County contracted for salt off the State bid, now the county must take possession of and store 90% of the contract quantity. Houston County has 1,100 tons of salt to store.

It was reported that County Attorney Hammell recommends the structure be replaced. She would not advise assuming liability for a structurally deficient structure.

Commissioner Walter encouraged Engineer Pogodzinski to solicit additional quotes for the replacement of the structure. Engineer Pogodzinski responded that the quote of \$90,000.00 includes tear down and removal of the CoverAll structure, prevailing wage and a new structure. It is possible that local funds will be utilized for expenses eliminating the prevailing wage requirement. It was agreed that additional information should be gathered.

Engineer Pogodzinski has been working with Ellingson to obtain a bid for a pickup truck which the department plans on purchasing. Ellingson has quoted a Chevy pickup. The bid is slightly less than the State bid. However, the bid does not include the additional specified items including engine block heater, off road suspension, off road tires, and rear window defrost. Regardless of whether the truck is purchased off the State bid or from Ellingson the vehicle would be delivered to the door. It was noted that as a government entity, the County is required

to award the bid to the lowest bidder unless there is a good reason not to. Ellingson is continuing to work on the bid in an effort to reduce it further.

Auditor Meiners stated that it is necessary to schedule a time to discuss redistricting. This must be advertised. She provided a brief overview of her preferred option for redistricting. Her proposal is contingent upon possible action which is being considered by La Crescent City. It was agreed that discussion regarding redistricting would be held at 10:00 a.m. on April 24, 2012.

Commissioner Walter reported on a Workforce Development meeting which she attended.

Commissioner Schuldt reported on a Semcac meeting which he attended.

Chairperson Miller reported on an EDA meeting which he attended.

Chairperson Miller will be speaking at an upcoming redesign meeting. Both Commissioners Schuldt and Zmyewski will be attending said meeting.

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. 7 -- Correspondence to Payroll regarding reduction in hours for Jesie Melde

File No. 8 -- Letter of Appreciation to Gary Eddy for years of service

File No. 9 -- Late claim for ARMER items

There being no further business and the time being 10:56 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 20, 2012.

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 20, 2012

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; HR Director Arrick-Kruger; Ron Meiners; Environmental Services Director Frank; Engineer Pogodzinski; Robin Danielson; Interim HR Director Bahr; Zoning Administrator Scanlan; IS Director Milde; Tom Canan

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the March 13, 2012 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	\$60,429.76
Road & Bridge Fund	10,037.48

Total	\$70,467.24
	=====

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 requested approval of Houston County Right of Way Plat No. 43 which amends Highway Right of Way Plat No. 40 in connection with S.P. 28-996-19. Amendments to the original plat have been made due to the inability to negotiate acceptable terms with a particular landowner. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 12-16
APPROVING AND ACCEPTING HOUSTON COUNTY
RIGHT OF WAY PLAT NO. 43
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. 43 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. 43 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, March 20, 2012, 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. 4 -- Engineer Pogodzinski has conducted additional research regarding requirements related to selecting an airport consultant and entering into an agreement for services. The county is required to have an agreement in place for any projects or day-to-day operations that require consultants for assistance. There is flexibility related to the contract language. Engineer Pogodzinski reiterated his recommendation that the County select Mead & Hunt as its airport consultant. Commissioner Bjerke clarified that the agreement may be negotiated with terms based on time and materials. Engineer Pogodzinski stated that there is a need to begin design work related to the runway mill and overlay and other paving projects approved for the airport. He would like to conclude the selection process for an airport consultant soon. It was agreed that a decision would be made at the next scheduled Board meeting.

File No. 5 -- Engineer Pogodzinski has reviewed Minnesota Statutes governing the awarding of bids. The County is required to consider the State bid for all purchases exceeding \$25,000.00. Ellingson's has provided an updated bid. However, the bid exceeds the State bid by \$223.00. As a result, Engineer Pogodzinski is recommending the County accept the low bid provided by the State for the purchase of a pickup for the Highway Department. Commissioner Walter expressed appreciation of the department for working with the local dealer. It is good that the local dealer has been afforded the opportunity to submit a competitive bid. Unfortunately, statute is clear. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt

and unanimously carried to accept the State bid for the purchase of a pickup for the Highway Department.

File No. 6 -- Engineer Pogodzinski reported that CSAH 5 will be reconstructed between CR 249 to approximately 1,320 feet south, in the limits of Caledonia. An agreement between the County and the City of Caledonia has been drafted regarding the project. The attorneys for both parties have worked together. The agreement is similar to others which have been executed between the County and cities. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the Cooperative Agreement for the completion of the CSAH 5 project as described earlier.

File No. 7 -- Ron Meiners reported that the 5 year water plan update is scheduled to be completed by the end of the year. There is an option to extend the completion deadline by two years. Due to recent staffing changes it would be difficult to complete the update in the designated time. Therefore, he is requesting approval of a resolution to have the deadline extended. Mr. Meiners indicated that the resolution would need to be submitted to BWSR for final approval. There is an expectation that the request will be granted. Mr. Meiners reported that the update process takes approximately 10 months to complete. His department has received favorable feedback regarding the County's efforts to implement the water plan. Discussion was held regarding the contents of the water plan. Mr. Meiners explained that, in the event the request is approved, the update process will begin in a couple of months and conclude in 2013.

Chairperson Miller questioned Mr. Meiners as to how things were going following the retirement of the District Supervisor. Mr. Meiners indicated that there is a gentleman who assists Soil & Water departments during transitional times such as this. A meeting with this individual has been scheduled. Currently, the department is struggling with covering work for 5 staff members with only four.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-17

WHEREAS, on January 8, 2008 the Houston County Board of Commissioners approved Resolution No. 08-7 thereby adopting the Houston County Comprehensive Local Water Management Plan; and

WHEREAS, the five year update to this plan is due on December 31, 2012; and

WHEREAS, on March 1, 2012 the Water Plan Committee approved requesting a two year extension of the plan; and

WHEREAS, on March 9, 2012 the SWCD Board of Directors also approved requesting a two year extension of said plan; and

NOW, THEREFORE BE IT RESOLVED, the Houston County Board Commissioners hereby requests that the Board of Water and Soil Resources (BWSR) approve a two year extension to the Houston County Comprehensive Local Water Management Plan to allow time to complete the five year update.

Ron Meiners expressed appreciation for the work of HR Director Arrick-Kruger and her assistance in drafting position descriptions and assessing workloads during this transition.

File No. 8 -- HR Director Arrick-Kruger recommended the Board accept the resignation of Social Worker Andrew Melde. Staffing needs for the department have been assessed. There is an immediate need to fill the vacancy which will be created by said resignation. Chairperson Miller questioned whether Bethany Meiners was available to assist the department. HR Director Arrick-Kruger responded that Ms. Meiners has accepted a position in Wisconsin and is not available. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Andrew Melde.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to authorize a search for a social worker. The position will be advertised regionally in the newspapers, and also through the State Merit site.

HR Director Arrick-Kruger requested authorization to hire Cassandra Buehler as a 67-day employee as a roster jailer/dispatcher. Ms. Buehler is an RN, and a La Crescent First Responder. She will bring a wealth of talents to the position. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Cassandra Buehler as a 67-day jailer/dispatcher to work on an as needed basis.

File No. 9 -- HR Director Arrick-Kruger reported that she has received a letter from the Minnesota Department of Labor & Industry regarding a recent elevator inspection which found the elevator to meet requirements of the Minnesota Elevator Safety Code. Thyssen-Krupp assisted in the process to gain this approval by submitting a letter to the Department of Labor & Industry. As a result, the County will not be required to shutdown the elevator to have an in depth inspection of the bulk head performed resulting in a savings of between \$30,000.00 and \$40,000.00.

Commissioner Bjerke questioned how the vacancy in the Chief Investigator position will affect Sheriff's Department staffing. The Sheriff's Department has indicated that it anticipates filling the Chief Investigator position through an internal promotion which will likely result in a vacant deputy position. Commissioner Bjerke suggested consideration be given to contracting with Premier Security for courtroom security and to shuffle existing staff to meet the needs of the

department. Chairperson Miller reported that he has participated in the meeting with Sheriff Ely regarding staffing needs and options.

File No. 10 -- Tom Canan and Environmental Services Director Frank met with the board to discuss the frac sand interim zoning ordinance. Mr. Canan reported that he had attended the frac sand meeting hosted last evening. Mr. Canan indicated that, as a result of pending legislation, the Board took action to impose an interim zoning ordinance regarding frac sand mining. It has been nearly a month and the legislation which increased concern still has not been passed. Mr. Canan reported that the Board has published noticed, held the appropriate Public Hearing and he advised the Board to reaffirm the motion and/or resolution which was passed in February. He confirmed that no permit applications have been submitted regarding frac sand mining between the passage of the initial interim zoning ordinance and today. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve Ordinance No. 12, and to adopt the following resolution:

RESOLUTION 12-18

Houston County
Interim Ordinance 12

Whereas, Houston County recognizes significant public interest and concern over the proliferation of silica sand mines and related processing and transportation facilities proposed in Houston County; and

Whereas, the Houston County Board desires to act on any conditional use permit applications consistently with the purpose and intent of the Houston County Zoning Ordinance; and

Whereas, the uses proposed in conditional use permit applications for silica sand mining operations and related processing and transportation facilities may create an excessive burden on the County's infrastructure and may affect the public health, safety and general welfare; and

Whereas, further study is required to ensure consistency with the Houston County Zoning Ordinance and Comprehensive Plan to provide a thorough analysis of potential impacts on road and infrastructure maintenance and the affect on public services, public health, safety and general welfare, generated by silica sand mining operations and supporting uses; and

Whereas, Minnesota Statutes Section 394.34 allows Houston County to adopt a temporary interim Zoning Ordinance for a period of up to 12 months from the date it is effective, to allow for such study and adoption of comprehensive plan, zoning and/or other official land-use controls in order to protect the public health, safety and general welfare.

Now, Therefore May It Be Resolved, that the Houston County Board of Commissioners authorizes a land use planning study for the purpose of reviewing the County Comprehensive

Plan and Zoning Ordinance to determine if the above-stated concerns are addressed adequately or if changes and requirements may be necessary in order to protect the public health, safety and general welfare of the public from the negative impacts that may be associated with mining, processing and transportation of silica sand; and,

Be It Further Resolved, the Houston County Board of Commissioners hereby establishes a temporary twelve month moratorium on the issuance of any conditional use permit for new silica sand mining or accessory uses to allow the above referenced land use planning study to be completed and any recommended changes or requirements to Houston County Plans, Policies or Official Controls to be considered by the Houston County Planning Commission and Houston County Board of Commissioners; and

Be It Further Resolved, the Houston County Board of Commissioners reserves the right to end the moratorium in less than the approved term of the moratorium upon completion the land use planning study and satisfactory resolution of the issues and concerns as determined by the County Board. The County Board also reserves the right to extend the moratorium as authorized by State Law.

Effective Date, This Ordinance shall take effect upon its passage and publication.

Enacted by the Houston County Board of Commissioners, this 20th day of March, 2012.

Mr. Canan clarified that the Auditor will retain, on file, an affidavit of published notice in regard to the meeting held last evening.

Mr. Canan stated that the current mining ordinance is well written. The ordinance provides a strong foundation. He expressed his opinion that only minor tweaking will be required to the ordinance for it to address frac sand mining.

Environmental Services Director Frank has been collecting a list of individuals willing to serve on the frac sand committee. He expects to make recommendations for appointment to the committee soon. Commissioner Zmyewski suggested that representation from each township be included on the committee. Citizens have discussed with him their concerns and desire for local representation on the committee. He feels that by appointing representation from each township, these concerns will be addressed. Environmental Services Director Frank reported that he has contacted the Township Officers Association and requested they submit the names of two individuals plus one alternate from their organization who would be willing to serve on the committee. He expressed his understanding that this would serve as representation from the townships. Commissioner Zmyewski expressed concern that communications need to be strong. He questioned whether there should be two committees, one with the original suggested representation and another with greater representation. The smaller committee would meet more frequently. The large committee would meet to receive regular updates which could then be taken back to each unique township. Environmental Services Director Frank expressed concern that

including representation from each township would double the size of the committee. Commissioner Walter shared her experience that the Township Officers Association is quite effective at communicating. Chairperson Miller stated that this is a study group. He expects it to be productive. Commissioner Zmyewski expressed concern that the committee could be perceived as having been “hand picked” or “stacked”. Commissioner Bjerke expressed agreement that this affects residents countywide. The Board represents all constituents countywide. It was agreed that the study group needs to be a cross section of the county. Minutes from the meetings will be posted, the members of the committee will be known, constituents will have access to the minutes and committee members and commissioners. The process will be conducted in a transparent manner. The committee should be kept at a membership level that can be productive. Commissioner Bjerke expressed his belief that not everyone will agree. Public hearings will be conducted creating another opportunity for individuals to participate and express concerns or submit suggestion. The committee will use the resolution as an outline, prioritize and keep the process moving forward. Chairperson Miller indicated that both Winona and Trempealeau counties have been through this process. They can provide information with regard to what worked for them well, and what did not. Again, the goal of the committee is to gather a cross section of the county which represents both the side which believes this activity is environmentally unsound and also proponents of the activity. Mr. Canan suggested that at least one member of the committee be someone who is involved in the mining industry. He expects that an individual in this capacity will have valuable knowledge regarding day to day activities such as number of loads hauled out of a specific sized quarry. He also encouraged the Board to establish a committee with an odd number of members to prevent ties and dead locks when voting. Robin Danielson suggested that a water expert be included in the committee make up as well.

At this time Robin Danielson met with the Board to discuss an ongoing concern. Ms. Danielson first met with the Board last September regarding her concern related to golf cart traffic in the residential area of Money Creek. M.S. 169.045 provides that local government entities, including townships and cities, may by ordinance, permit the operation of golf carts and/or ATV's on designated public roadways. This would provide a legal means for said golf carts to be operating in the residential area of Money Creek. Ms. Danielson indicated that without such an ordinance and based on Minnesota Basic Code it is illegal for these golf carts to operate on the county or township roads in her area. She has continually reported this illegal activity. Ms. Danielson has met with the Money Creek Town Board and requested an ordinance be adopted. The Board has been reluctant to act on her request. Since, in her opinion, these vehicles are being operated illegally she has requested the Minnesota Basic Code be enforced. She indicated that various law enforcement individuals have been made aware of her concerns. However, she feels as if everyone is ignoring her. She stated that she discussed her concerns with Chief Deputy Sheriff Yeiter. She was displeased with Chief Deputy Sheriff Yeiter's responses to her concerns and has reported him to the Attorney General. She reiterated that the owner of Money Creek Campground allows the illegal activity of the operation of golf carts on public roadways. She expressed frustration that no law enforcement officials are acting to enforce the Minnesota Basic Code. She alleges that some individuals operating the golf carts have consumed alcohol and may

be intoxicated when driving these vehicles. She requested that appropriate signage be posted in her area. Commissioner Zmyewski reported that he has attended several town board meetings in Money Creek. He has discussed the use of golf carts in that area with the campground owner who indicated that campers drive their golf carts to the church in Money Creek on Sundays. At times, golf cart parades are organized and the parade takes a route through the campground and neighboring residential area. This is considered a community activity and for the benefit of both campers and residents. It was agreed that the Board does not have the authority to force the township to change or enact an ordinance within the township political boundaries. Chairperson Miller clarified Ms. Danielson's concerns. Ms. Danielson wants the illegal activity to stop. She will not be satisfied even if the golf carts utilize an alternate route to travel to church. She indicated that last fall this may have satisfied her, but it will not at this time. She expressed her belief that the reason the Money Creek Town Board will not act to implement an ordinance is because one of the members drives a golf cart on the public roadways. In addition, the Board does not desire to have costs in prosecuting violators of the ordinance. It was the consensus of the Board to discuss enforcement issues with Sheriff Ely.

Robin Danielson inquired when the next frac sand meeting was scheduled for. There are no additional meetings scheduled at this time.

File No. 11 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the Minnesota Lawful Gambling Application on behalf of ABLE Foundation Inc. for activities to be conducted at Ma-Cal Grove Country Club on May 12, 2012.

Commissioner Schuldt reported on a redesign meeting and also the frac sand hearing which he attended.

Commissioners Bjerke, Zmyewski and Chairperson Miller reported that they had attended the frac sand hearing.

Chairperson Miller reported on a CJC and redesign meetings 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. 12 -- Correspondence to payroll regarding change in status of Sandy Ask from probationary to regular

File No. 13 -- Public Notice regarding redistricting

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, March 27, 2012.

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 27, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; HR Director Arrick-Kruger; Environmental Services Director Frank; Public Health Director Rock; Engineer Pogodzinski; Sheriff Ely; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Accounting Manager Lapham; County Attorney Hammell; Chief Deputy Sheriff Yeiter; John Griggs; EDA Coordinator Wilms

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 20, 2012 meeting.

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	\$73,130.99
Road & Bridge Fund	3,787.22

Total	<u>\$76,918.21</u>

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

Engineer Pogodzinski reported that, effective today, MN DOT has lifted road bans. Houston County road bans will remain in effect until Monday, April 2, 2012. Engineer Pogodzinski may leave road bans on longer for portions of County Roads 5 and 22.

File No. 3 -- Public Health Director Rock reported on a contract with Franciscan Healthcare Home Medical Equipment for Lifeline services. The basic service fee is \$30.00, there is an additional charge of \$10.00 for each additional participant at a location, and a charge of

\$60.00 will be assessed in the event the Lifeline button is lost. The contract period is April 1, 2012 through March 31, 2015. This will provide a service option for clients utilizing waiver services. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the contract with Franciscan Healthcare Home Medical Equipment.

File No. 4 -- HR Director Arrick-Kruger requested authorization to hire Heather Fee as a 67 day employee to work as a social worker during the period when a competitive search is being conducted for said position. Ms. Fee has other employment commitments, however, she is available to work 4 days per week. She would work with child protection and chemical dependency cases. Interim Social Services Supervisor Sanness stated that chemical dependency cases will be easier to learn and establishing a relationship is not as critical as it is for child protection cases. There is a need for assistance in both areas. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to hire Heather Fee as a 67 day employee at C-4-1, Step 1.

HR Director Arrick-Kruger stated that the ice is off the river and the Sheriff's Department would like to hire their annual roster of 67 day employees to man the boat patrol. They have requested the hire of three individuals who have assisted with boat patrol in the past. They are, Bob Schuldt, Rod Humble and Mike Ernster. Commissioner Zmyewski expressed concern that 67 days expires in June. Sheriff Ely stated that days are not calendar days, they are work days. Sheriff Ely attempts to schedule the boat patrol to be on the water each day. During the week, they are typically out evening hours, on Fridays they are often out for 6 hours, and on Saturday they are out for 8 hours. The individuals working boat patrol are rotated and each works approximately the same number of hours. The boat patrol typically assists boaters who have suffered mechanical failures.

File No. 5 -- Chief Deputy Sheriff Yeiter requested approval of a grant agreement with the State of Minnesota for the Annual Boat and Water Safety Grant. The grant amount for 2012 has been increased to \$7,127.00. In 2011, the grant amount was \$4,105.00 and had been declining over the years. Chief Deputy Sheriff Yeiter indicated that maintaining routine hours and having officers trained in safety has been critical to the recent increase in funding. This grant, along with a Federal Grant for Boat and Water Safety offset a majority of the costs for the boat patrol. The Federal Grant has typically been in the amount of \$5,000.00. Chief Deputy Sheriff Yeiter anticipates a total of just over \$12,000.00 in grant funding to cover the costs of the boat patrol. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the State of Minnesota Annual Boat and Water Safety Grant Agreement and to authorize the signature of Chairperson Miller.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to hire Bob Schuldt, Rod Humble and Mike Ernster as 67 day employees to assist with boat patrol.

When asked what the typical stops conducted by boat patrol, Chief Deputy Sheriff Yeiter responded that most stops are for safety type violations. Historically, the boat patrol has been involved with providing aid to a single significant boating accident each season. They provide a lot of assistance to boaters that have suffered mechanical failure. Commissioner Miller encouraged the department to schedule the boat patrol during at least one of the large bass tournaments scheduled for the area. He would like to see their presence during these high traffic times. Sheriff Ely agreed that he would schedule the boat patrol during one of these tournaments and that they would monitor boat traffic on the West Channel. Sheriff Ely reported that they work with La Crosse County Boat Patrol also.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to hire Tyler Heiden contingent upon successful completion of background checks as a 67 day employee to assist with boat patrol.

All 67 day employees hired to assist with boat patrol will be paid at Step 1 of the appropriate wage band.

HR Director Arrick-Kruger reported that due to the recent resignation of the Captain/Chief Investigator, the Sheriff's Office requests authorization to conduct a competitive internal search for a Chief Investigator. In the event the position is filled by a lieutenant, they also request authorization to conduct a competitive internal search if a vacancy is created in the ranks. Finally, they request authorization to conduct a competitive search for a road deputy.

Sheriff Ely would like to have the position title to be changed from Captain/Chief Investigator to Chief Investigator. This will not impact the position descriptions. Removing Captain from the title will impact the hierarchy of the department as a whole. The chain of command will be Sheriff, Chief Deputy, and Lieutenant.

Commissioner Bjerke encouraged Sheriff Ely to review courtroom security needs and to consider contracting with Premier Security for these services. This would allow the deputy responsible for courtroom security to be utilized as a road deputy. Commissioner Bjerke would like to have road deputy needs analyzed further prior to authorizing an additional hire. Sheriff Ely stated that the position has been included in the current budget. Not hiring a replacement road deputy would create a staffing pinch at this time. Sheriff Ely recommended filling the position and to consider any other staffing changes following additional attrition. Commissioner Bjerke is interested to learn whether court security expenses could be decreased with the use of contract labor for this service. He would like this option explored at this time. Commissioner Bjerke expressed that he is not comfortable hiring a road deputy at this time before all options are considered and evaluated. Sheriff Ely stated that he has contacted Premier Security. Concerns have been raised regarding court times and scheduling. There are days when court is scheduled to be in session in the a.m. with a break and then returning to session in the p.m. There would need to be agreement reached regarding how to handle these periods when court is not in session. Chairperson Miller expressed his support that the option be discussed further. Sheriff Ely

expressed concern that shifting staff to cover road deputy needs does not take into consideration the daily work completed by staff assigned to cover the road deputy needs. Sheriff Ely believes strongly that road deputy hours need to be filled. Chairperson Miller expressed his belief that there isn't a position within the county that current staff would be unable to address in the short term and continue to meet needs. He expressed concern that medical fees for the jail are already at 275% of budget. This is going to create financial issues. The Board is still trying to understand the financial impact of having the Justice Center online. Sheriff Ely noted that contract services have not been budgeted for. Commissioner Bjerke indicated that there are savings as a result of having no chief investigator and being less a road deputy. He encouraged Sheriff Ely to discuss financing with Accounting Manager Lapham. Commissioner Bjerke expressed his strong belief that this is a workable option. Sheriff Ely stated that his department is responsible for the peace and security of the entire county. Lately, he feels as if his department is being used as a "whipping post." He stated that he will open discussions with Premier Security regarding courtroom security services. He will utilize Emergency Manager Kuhlert as a road deputy to cover road deputy hours. However, he has concerns which he may need to address in the future. Chairperson Miller expressed his appreciation for Sheriff Ely's defense of his department. He does not want the perception that the department spends money foolishly, as that is not the case. He does want the department to explore options and save money when possible. He stated that the Board is focusing on saving money in all departments, not just the Sheriff's Department. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize conducting an internal competitive search for a Chief Investigator. HR Director Arrick-Kruger will work with the department to get the title of said position changed per Sheriff Ely's recommendation.

HR Director Arrick-Kruger stated that Fred Lee, the Automated Systems Manager/Custodian, is nearing the expiration of his probationary period. She recommended that his status be changed from probationary to regular. Mr. Lee has completed posting, compiled service manuals and has been instrumental in working through various mechanical glitches. He is also responsible for the custodial work in the Justice Center. Following an inquiry by Commissioner Zmyewski, HR Director Arrick-Kruger withdrew her request.

HR Director Arrick-Kruger stated that there are items from the old courtroom and offices which may have historical value, a clerk's desk, a judge's chair and leather bound books. Shirley Johnson, of the Houston County Historical Society, has been invited to look at these items which came from the decommissioned U.S. District Court in Winona. They were donated to the county by the Federal Government in 1963. HR Director Arrick-Kruger indicated that, in the event the historical society would have an interest in acquiring the items, the Board should take official action.

File No. 6 -- The Board requested that Environmental Services Director Frank submit a list of nominees willing to serve on the frac sand research committee. Various interested individuals have contacted his office. Environmental Services Director Frank reported that he has attempted to assemble a committee that represents a diverse cross section of the county including

individuals with varied knowledge bases, proponents and opponents of mining, and residents from various areas of the county. He believes that he has been successful in putting together a diverse group. There are frac sand deposits within Commissioner Bjerke's district and he would like ensure adequate representation from his district. He suggested that Planning Commission member Glenn Kruse be assigned to the committee in place of Charlie Wieser.

Environmental Services Director Frank stated that the Board should determine which commissioners participate on the committee. He included the names of Chairperson Miller and Commissioner Zmyewski on his listing as those where the names discussed on an earlier date.

Richard Markos, President of the Township Officers Association, was contacted to nominate potential committee members who would represent township interests. Due to potential scheduling conflicts or employment commitments, Environmental Services Director Frank would like to have alternates named who could serve in the event a committee member were unable to attend.

Environmental Services Director Frank has discussed the responsibilities with the four public sector nominees. At this time, no meetings have been scheduled. He expects the committee to participate in the scheduling of meetings.

Commissioner Zmyewski reported that he has received many phone calls inquiring about the makeup of the committee. Some individuals have estimated the percentage of the public in support of and against frac sand mining. They have expressed concern that the makeup of the committee is not reflective of these percentages. The question has been raised whether the Board is familiar with the nominees and/or their qualifications, and why specific individuals were or were not chosen to serve on the committee.

Zoning Administrator Scanlan stated that it has been his observation that individuals opposed to something being discussed publicly often participate in public hearings/meetings. Individuals who are not opposed do not participate.

Environmental Services Director Frank stated again that he has attempted to gather a diverse group of individuals that represent a cross section of the County to participate on the committee. He believes that the group he has assembled will provide representation for both sides and from all areas of the county. Some individuals have knowledge of the business aspect of mining, others have concern focusing on the wellbeing of the county and its residents, others represent township interests, and some are concerned with how roadways will be impacted. Chairperson Miller stated that this is a fact finding committee, it is not a voting committee. The committee has a duty to gather information and to take that information back to the groups they may be representing. They are to listen to experts and determine what the facts are. They are not being considered for this committee to override the experts. Both Chairperson Miller and Commissioner Schuldt expressed their agreement that the list of individuals presented represents a good cross section of county residents. Chairperson Miller stated that this committee can

benefit from information gathered by other areas dealing with the same concerns. This committee is not being established to be for or against mining. They are to gather facts and consider concerns. The group will need to review zoning ordinances which are already in place and determine whether changes are required. Any ordinance changes would be dealt with per statutory requirements. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and carried with Commissioner Zmyewski voting in the negative to approve the committee member as follows: Justin Zmyewski; Jack Miller; Arlyn Pohlman; Dick Gulbranson; Glenn Kruse; Bruce Lee; Brian Pogodzinski; Rick Frank; Bob Scanlan; Rich Schild; Kelley Stanage; Steve Beach; Eric Johnson; and alternates Allen Schulze; Tom Lisota; and Ron Garrison.

File No. 7 -- EDA Coordinator Wilms presented a recommendation from the EDA board for the development, layout and design of an 8.5 x 11 visitor's guide. This is a budgeted item. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the estimate for development, layout and design of the visitor's guide.

EDA Coordinator Wilms stated that work towards opening an OHV Park is a public relations item at this time. The group is working with state and national OHV clubs and organizations to develop a public relations campaign.

The time being 10:00 a.m. and pursuant to M.S. 13D.05 subd. 3(b) Environmental Services Director Frank requested the Board convene a closed session to discuss matters protected by attorney-client privilege. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to go into closed the session.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to return to open session.

Chairperson Miller provided an update regarding the closed session which was to discuss the federal case with the County's attorney. The county's attorney has moved that the case be dismissed. There is no time limit in which the judge must issue his ruling. The attorney anticipates that a ruling will be handed down within 60 to 90 days.

Discussion was held regarding a resolution passed by SEMMCHRA. The resolution is an attempt at forcing payment for the organizations shortfalls and also participation in the organization. There is a need to continue working on the issues related to the organization.

File No. 8 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the March 19, 2012 frac sand public hearing.

Commissioner Schuldt reported on and EDA meeting which he attended.

Commissioner Zmyewski, Schuldt, and Bjerke reported on the Airport EA meeting which they all attended.

Chairperson Miller reported on an AMC, Airport EA and redesign meetings which he attended.

Motion was made by Commissioner Bjerke, 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
Cassandra Buehler

File No. 10 -- Correspondence from MN DHS regarding Single
Audit Act

File No. 11 -- SEMMCHRA resolution to freeze Section 8
vouchers for Houston and Fillmore Counties.

There being no further business and the time being 10:44 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 3, 2012.

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 3, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Justin Zmyewski, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Mark Casey; Dean Tharp; HR Director Arrick-Kruger; Environmental Services Director Frank; Zoning Administrator Scanlan; Jim Dahling; Interim Social Services Supervisor Sanness; Accounting Manager Lapham; Interim HS Director Bahr; Financial Services Supervisor Kohlmeyer; Julie Rank; Doreen Denstad; Marilyn Moore; Liza Jandt; Danielle Swedberg; Jeanette Twite; Julie Winjum; Engineer Pogodzinski; Michelle Massman; Chief Deputy Sheriff Yeiter

Presiding: Tom Bjerke, Vice-Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the March 27, 2012 meeting.

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

County Revenue Fund	\$77,560.40
Road & Bridge Fund	33,318.95

Total	\$110,879.35
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File No. 2 -- Motion was made by Commissioner Schuldt, 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 Schuldt and unanimously carried to approve the minutes of the Public Hearing on the Airport Environmental Assessment held March 26, 2012.

File No. 4 -- Mark Casey, representing MCIT, provided a "Report to Houston County 2012". He provided a brief history of the organization, explained the benefits of pooling and how costs are contained and kept low. MCIT provides coverage's which meet the unique needs of government entities.

At this time Dean Tharp and Leanne Kunze, both AFSCME representatives, met with the Board to discuss concerns related to redesign. Mr. Tharp and Ms. Kunze have met with members regarding member concerns. Mr. Tharp stated that the greatest concern of Houston County Human Services Staff who are members of AFSCME is not their jobs, but rather, concern for the clients they represent and the community. Mr. Tharp encouraged the Board to proceed with caution regarding the upcoming vote regarding redesign. During the rollout meeting conducted by Accenture to present the business model, two stake holders, being staff and the clients who are served were not present.

Redesign offers things to be gained. It also has the potential for things to be lost. Ms. Kunze reiterated that the staff's greatest concern is their clients and the community. Ms. Kunze attended the Accenture roll out meeting. The business plan presented relies heavily on technology including, but not limited to video conferencing, Smartphones, and the internet. She commented that Houston County already has access issues because it is a rural community. There are areas where there is no cell phone service.

Ms. Kunze expressed concern that Accenture is recommending a plan which is "too big to fail". It is possible that a service delivery authority comprised of Winona, Fillmore and Houston counties may better serve the area. The values of the three counties likely closely resemble one another. She expressed concern that local control may be lost with a 12 county service delivery authority. She pointed out that courts recently underwent a form of redesign. The expectation was that underfunded counties would be lifted up to a similar level as the majority. The result has been very different. The justice system is now underfunded statewide. The goal of redesign is to have all service delivery authorities functioning at acceptable levels. Currently 15 of 87 counties are underperforming.

The point was made that Accenture is a for profit organization. They have a product to sell. Recently, it has been discussed that the Bush Foundation would like a payback in the event redesign is successful. Upfront costs of approximately \$20 million have been projected with an estimated \$30 million in cost avoidance. Cost avoidance and savings are not the same thing. Commissioner Bjerke has questioned where the \$19 million is going. That fee will be paid to Accenture to provide the implementation plan. Commissioner Bjerke stated that in theory, redesign appears to be a good idea that will result in benefits and cost savings. However, there are no other plans to compare it too. Mr. Tharp compared Accenture's position to trying to sell a car to someone who hasn't seen the car and for a car which hasn't been tested to determine what the mpg's will be. Commissioner Bjerke asked Mr. Tharp and Ms. Kunze what they would suggest or propose Houston County do. Mr. Tharp stated that Houston County staff have concerns and knowledge of how Human Services currently works and what pitfalls a new design

may have. He encouraged the Board to have a dialogue with staff to gather information. Ms. Kunze expressed her opinion that Accenture is global corporate and they are here to sell something. She suggested the County consider other models available and how they would serve the county.

File No. 5 -- HR Director Arrick-Kruger recommended the hire of Jacquelyn Hauser as a Case Aide, band B-2-2 step 1. She commented that Ms. Hauser was one of 4 individuals interviewed for the position. The pool was very competitive. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to hire Jacquelyn Hauser at step 1 of the B-2-2 band, contingent upon the successful completion of a background check.

HR Director Arrick-Kruger reported that both Marie Stemper and Carrie Allen are nearing the expiration of their probationary periods. Financial Services Supervisor Kohlmeyer shared positive comments regarding the work of both employees. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to change the status of both Maria Stemper and Carrie Allen from probationary to regular effective their anniversary dates.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to change the status of Fred Lee from probationary to regular effective April 12, 2012.

HR Director Arrick-Kruger has discussed with Shirley Johnson of the Houston County Historical Society the possible donation of several artifacts remaining from the old courtroom. These items were donated to Houston County when the Federal District Court in Winona was decommissioned. The Houston County Historical Society has indicated that they would accept these artifacts if donated. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the donation of the Judges bench and chair, counsel table and of several leather bound case books.

File No. 6 -- Chief Deputy Sheriff Yeiter presented the Federal Boat & Water Safety Grant for approval. The grant is in the amount of \$5,000.00. It may be used to cover the cost for staff time. It may not be used for maintenance or gas. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the grant and authorize the signature of Vice-chairperson Bjerke and Auditor Meiners.

File No. 7 -- Engineer Pogodzinski reported on quotes received for maintenance rock both applied to roadways, and also for stockpiles. Two quotes were received for rock applied to roadways. Four quotes were received for stockpile rock. He recommended accepting all stockpile quotes and the low quote provided by Bruening Rock Products, Inc. for rock applied to roadways. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve all quotes for stockpiles and to accept the quote of Bruening Rock Products, Inc for rock applied to roadways.

File No. 8 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Tom Hoscheit of Mayville Township for a variance of 1,140 feet to expand an existing feedlot within 1,320 feet of an existing dwelling. The second is for Ben Schieber of Mound Prairie Township for a variance of 28 feet to meet the required 50 foot setback from the north property line to build a shed. The last is for Josh Ross of Union Township for a variance of 740 feet to meet the required 2,640 foot setback from a residential subdivision to an existing feedlot.

File No. 9 -- On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and carried to approve the issuance of the following Conditional Use Permits:

Josh Ross – Union Township - Rezone from Ag to Residential

File No. 10 -- On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Zoning Permits:

Eric Benson – Winnebago Township - Build shed (36' x 52')

Eugene Laschenski – Yucatan Township - Install used grain bin (9,000 bushels)

Tom Danielson – Sheldon Township - Build lean-to (10' x 24')

Dana and Kim Klug – Crooked Creek Township - Build shop (32' x 36')

Kenneth Witt – Houston Township - Build garage (28' x 32')

Douglas Sanders – Yucatan Township - Replace existing home destroyed by fire (25' x 48') garage (24' x 30')

Agrimark Inc., Josh and Jonah Ross – Hokah Township - Install grain bin (45,000 bushels) and wet bin (5,000 bushels)

Matt Kubly – Houston Township - Build pole building (24' x 26')

Wayne Petersen – Wilmington Township - Build shed/work shop (24' x 52')

Bob Ellenz – Caledonia Township - Build pole shop (56' x 72')

In recognition of Public Health week, there will be an open-house at Public Health on Wednesday, April 4, 2012.

Commissioner Zmyewski reported that the zoning office has worked with the county attorney and sent a cease and desist letter to a property owner regarding an ag building which it is speculated is not being used as such.

Commissioner Walter reported on a meeting with Val Green, Engineer Pogodzinski, and Surveyor Walter regarding the availability of grants to make improvements such as trails and a parking lot at Botcher Park. She also reported on a City of La Crescent meeting which she attended.

Commissioner Schuldt reported on a Joint Board of Health meeting which he attended.

Commissioner Zmyewski reported on a Joint Board of Health meeting which he attended.

Commissioner Bjerke reported on Joint Board of Health and Regional Radio Board meetings 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. 11 -- Correspondence to payroll regarding hire of several individuals for boat patrol duties and also 67 day social worker

There being no further business and the time being 10:10 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, April 10, 2012.

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, April 10, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Warner, Schuldt, & Moorhead; Vernon Fruechte, Arnie Beneke; Dale Scobie; Accounting Manager Lapham; Engineer Pogodzinski; Environmental Services Director Frank; GIS Coordinator Krzoska; IS Director Milde; HR Director Arrick-Kruger; County Attorney Hammell; Jim Dahling; Michelle Massman; Interim Social Services Supervisor Sanness

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 April 3, 2012 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	\$95,741.57
Road & Bridge Fund	18,616.85

Total	<u>\$104,358.42</u>

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

File No. 3 -- Engineer Pogodzinski met with the Board to discuss the selection of a consulting firm to manage the pavement project. He recommended that Mead & Hunt be approved. There is a need to hire a consultant so that the design work for the pavement between the hangars may commence in a timely manner in order to preserve Federal entitlement funding which will be utilized to cover a portion of the expense. Mead & Hunt is familiar with our airport and Engineer Pogodzinski has been pleased with the work they have completed for Houston County in the past. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to contract with Mead & Hunt for the required design work.

GIS Coordinator Krzoska questioned whether the County auction date could be moved to a date prior to the Wednesday of fair week. Excess office furniture has been accumulating as a result of recent office moves. This furniture may be stored at a building on the fairgrounds. However, the building will need to be emptied a couple of weeks prior to the fair. If the auction is held earlier this will not be a problem. If the date remains the same, there will be a need to move the excess furniture when the fair board needs the building. Commissioner Schuldt commented that it may be beneficial to have the use of the buildings if there is inclement weather on the day of the auction. He did not see any reason an earlier date would impact the auction. Auditor Meiners will draft a letter to other taxing districts to see what items they may want included on the auction. A date for the auction will be determined later.

Arnie Beneke was present for the airport consultant discussion. He clarified that the action taken earlier today by the Board was to put in place an agreement for a consultant to design and manage the pavement project.

Dale Scobie expressed concern with projects which were “overdone.” He encouraged evaluating other choices for airport consultant. He understands the value of the “pro bono” work which is provided. However, it comes down to the large projects. The operations of the airport have, in his opinion, not been run efficiently over the past 20 years.

Vernon Fruechte stated that there has been a lengthy delay in completing the EA. As a result, local funding in the amount of 10% instead of 5% of the project cost will be required.

Commissioner Schuldt questioned what complaints, related to the work of Mead & Hunt, have been received from area airports. Mr. Beneke reported that the consulting firm, Bolten & Menk, Inc. has acquired the Faribault, Waseca, and Owatonna airports following their “firing” of Mead & Hunt. He stated that Jim Hanson, of the Albert Lea airport, is a reference for Bolten & Menk, Inc. He provided Mr. Hanson’s contact information.

File No. 4 -- Auditor Meiners reported on a request from the Corps of Engineers for interns to camp free of charge at Wildcat Park for a week in April while they are involved with a tree planting project on an island near the park. Jake Lonkoski has no problem allowing primitive camping for the Corp of Engineer Interns. He can open the restrooms to make them available. It was the consensus of the Board that they saw no problem with allowing primitive camping at no fee to the interns.

The time being 9:25 a.m., a recess was taken to await the next scheduled appointment.

The meeting reconvened in open session.

Pursuant to M.S. 13D.05 subd. 3(b) County Attorney Hammell requested the Board convene a closed session to discuss matters protected by attorney-client privilege.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to close the meeting.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a proposed settlement with Andrew Melde.

Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to return to open session.

County Attorney Hammell reported that the result of the closed session was that a settlement had been proposed and was approved by the Board regarding former employee Andrew Melde. Charlie Warner, Caledonia Argus, stated that it was his understanding that motions should be made in open session. The Board restated the motion in open session.

File No. 5 -- HR Director Arrick-Kruger reported that as a cost saving measure, lawn care is no longer contracted out. It is being taken care of in-house and with the help of STS. This decision has worked well, and the STS crew has been doing a very good job. The County has been purchasing good used push mowers. However, with the increase in campuses, the push mowers are requiring constant repair. In addition, the County does not have a weed trimmer. HR Director Arrick-Kruger requested that Craig Welsh, STS Crew Supervisor determine what the equipment needs are to maintain the lawns, and to solicit quotes for said equipment. It was determined that a riding mower and weed trimmer are necessary. Three quotes have been solicited. It was agreed that additional quotes should be solicited. HR Director Arrick-Kruger will follow-up and return to the Board next week with a recommendation. If approved, the new equipment will be stored in the Justice Center.

Chairperson Miller provided an update regarding an upcoming redesign meeting.

Discussion was held regarding an organizational frac sand committee meeting. Commissioner Zmyewski is unable to attend. Commissioner Walter will attend.

Commissioner Walter reported on a n Extension and the Annual Township meetings which she had attended.

Commissioner Schuldt reported on the Annual Township and also a Semcac meeting which he had attended.

Commissioner Bjerke reported on the Annual Township meeting which he attended and spoke at. He also reported on an EDA meeting which he attended held at Crest Pre-Cast in La Crescent.

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

File No. 6 -- Correspondence to payroll regarding recent changes in status for various employees

File No. 7 -- Correspondence to successful and unsuccessful bidders of C.P. 2012-01

File No. 8 -- Correspondence from Mark Ostrem regarding legal issues surrounding withdrawal from SEMMCHRA

There being no further business and the time being 10:44 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 17, 2012.

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 17, 2012

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; Engineer Pogodzinski; Court Administrator Larson; HR Director Arrick-Kruger; County Attorney Hammell; IS Director Milde; Chuck Schulte; Accounting Manager Lapham; Zoning Administrator Scanlan; Heather Gray

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 April 10, 2012 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	\$98,846.04
Road & Bridge Fund	65,181.09

Total	\$164,027.13
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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 requested authorization to purchase the county's salt supply through the state bid. He reported that the County has a good supply of salt remaining from the past season. Engineer Pogodzinski has estimated that the county will need 1,600 tons of salt. This is 1,200 ton less than past years. In the event salt is purchased off the state bid, the county will be required to purchase and accept a minimum of 90% of the amount ordered. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to purchase the county's supply of salt through the state bid.

Engineer Pogodzinski reported on quotes received for Calcium Chloride. The low quote was provided by Freeborn County Coop Oil. They quoted \$0.79 per gallon delivered to tanks located at two different shops or \$0.99 per gallon applied. Typically, Houston County does not have the vendor apply the product. Engineer Pogodzinski expects to order 75,300 gallons of calcium chloride, 51,000 gallons for county use and 24,000 gallons for township use. Typically there is very little product remaining at the end of the season. A load is 4,000 gallons. Townships reimburse the county for their chloride use. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the calcium chloride quote of Freeborn County Coop Oil.

Engineer Pogodzinski stated that he had not received the contract back from Mead & Hunt for the airport paving project. He reported that he has been soliciting quotes for the cleaning of the fuel tank. He expects to return to the Board at the next scheduled meeting with a recommendation in this regard.

Following discussion held during the last regularly scheduled meeting of the Board, Engineer Pogodzinski queried other airports regarding their experiences with Mead & Hunt. Jim Hanson who operates an FOB at the Albert Lea airport reported that, in his opinion, there have been design issues and he expressed his dissatisfaction with services provided by Mead & Hunt. Steve Jahnke, City of Albert Lea, who owns the airport, has a different opinion than that of Mr. Hanson's. Mr. Jahnke indicated that Mead & Hunt can be slow at times and that he feels there is a need to closely monitor the billing which Mead & Hunt submits. They recently extended their contract with Mead & Hunt for a two year period to allow time for the completion of a paving project. Once the current contract expires they will go out for RFP's for airport consulting services. The City of Owatonna Airport Manager reported that they had utilized the services of Mead & Hunt until one year ago. They now have a contract with Bolten & Menk, Inc. They executed a contract with Bolten & Menk, Inc. because they like their master planning credentials. They did not have any issues with the services provided by Mead & Hunt. Prior to their use of Mead & Hunt they had utilized TDKA for a period of years. The City of Owatonna has a history of utilizing a particular airport consultant for approximately 10 years and then choosing a different consultant who brings a fresh perspective.

File No. 4 -- IS Director Milde provided three quotes for a total of 35 computers. These quotes represent the annual computer purchase and equipment rotation. He stated that computers are typically replaced once every five years. Instead of replacing 20% this year, only 17% are being replaced. The reason there are three quotes is due to the fact that both Human Services and Public Health can secure reimbursement for a portion of the expense for their respective department. These quotes are from the state bid. IS Director Milde stated that the county does save by purchasing off the state bid. Chairperson Miller questioned whether it is necessary to replace computers every five years. He expressed his belief that each individual utilizes their computer differently. Therefore, it may be possible to delay the replacement of some of the computers. IS Director Milde restated that this year only 17% are being replaced, not the standard 20%. He indicated that less than 20% were replaced last year also. Commissioner Bjerke clarified

that departments used to budget individually for technology. Now, the IS department is in charge of the technology budget, and this has streamlined the process. Commissioner Zmyewski questioned whether the quote included new monitors. IS Director Milde responded that monitors are not included. They are only replaced when they no longer function. The quote is for standard business desktop computers. Commissioner Zmyewski questioned why Best Buy or other big box retailers can offer computers for less. IS Director Milde responded that the big difference is the operating system. The county needs to run a business operating system. Computers offered at Best Buy contain home versions of the operating system. The business operating system cost is approximately \$100.00 more than the home version. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to authorize the purchase of computers as per the quotes presented.

Accounting Manager Lapham reported that she has talked with John Pristash regarding several contractors who have not submitted final billing for the CJC. She also discussed the continued need to transfer equipment back and forth between the commissioner's room and the CJC meeting room. Mr. Pristash reported that the CJC meeting room was completed as specified. Some PA system components are installed and others were not included. For the system to function, additional hardware is required. Mr. Pristash has established and communicated with vendors a deadline for submitting CJC billing. Accounting Manager Lapham will be unable to update the balance remaining from the project budget or the anticipated sales tax refund amount until all final bills have been received.

Accounting Manager Lapham suggested meeting with departments regarding current year budget statuses. She also suggested beginning work on next year's budget process. Accounting Manager Lapham stated that there is a need to better understand the full cost of the ARMER migration project as \$400,000.00 was the "worst case scenario" budget amount. However, if she has considered applicable costs correctly, this amount is low. Unfortunately, throughout the project she has been unable to meet with Chief Deputy Sheriff Yeiter in hopes of better understanding the true costs and reimbursement expectations. Chairperson Miller suggested a meeting be scheduled for 11:00 a.m. next Tuesday. Accounting Manager Lapham stated that some budgets were lean and problems have arisen. Perhaps a meeting will identify some funding that will not be utilized so that adjustments may be made to assist other departments.

File No. 5 -- Chairperson Miller stated that information has been gathered regarding the Police Canine Program. This includes a summary of the costs, both direct and indirect, and the donations collected. Monies above and beyond those donations collected have been expended. Commissioner Zmyewski expressed interest in understanding what is or is not being covered through donations. During the five year period the program has been in effect, approximately \$16,000.00 in expenses have been incurred which exceed the amount of donations received. One contract provision provides for off duty compensation. Commissioner Bjerke stated that the Police Canine Program is very good. The Board expressed interest in learning how often the Police Canines are utilized.

Court Administrator Larson indicated that the court appointed agreement with Kurt Knuesel will be expiring December 31, 2012. She suggested advertising for RFP's so that decisions could be made and contract amounts determined in time to be included in the next budgeting cycle. The current contract was in the amount of \$52,500.00 per year plus expenses incurred by the attorney performing services under the contract. She indicated that it is possible to contract on a per hour basis. The per hour fee is typically \$100.00. Previous contracts for court appointed services were significantly less and executed with Rippe, Hammell, and Murphy(RHM). Chairperson Miller questioned whether there was a conflict of interest with RHM and the county, since County Attorney Hammell's spouse works at the firm. In the event RHM were to submit the low bid, this would need to be addressed. Court Administrator Larson expressed her opinion that the agreement with Mr. Knuesel has been fair. She provided the amount of work hours logged for services over a period of months. Commissioner Bjerke indicated that he would like to have a monthly breakdown of hours and/or cost per hour for services over the period of the contract. Court Administrator Larson indicated that she will provide the cost per hour for the services under the contract. It was reported that individuals qualify for court appointed attorney services if their income is 125% of poverty or less. Brief discussion was held regarding the expense fees and amount budgeted. The budget for expenses is \$55,000.00, and in the first quarter of the year 27% of the budget has been expended. It was the consensus of the Board that Court Administrator Larson move forward with soliciting RFP's for court appointed attorney services.

Court Administrator Larson reported that the CJC dedication will be hosted on April 27th at 2:00 p.m. She questioned whether the County would provide funding for light refreshments in the amount of \$100.00. Commissioner Bjerke stated it is the County's building being dedicated. It was agreed that \$100.00 could be provided from the commissioner's contingency fund for light refreshments at the dedication.

Commissioner Schuldt questioned whether he could submit a sealed bid in response to the request for bids for the county auction. It was agreed that his position on the Board provides him no advantage over other bidders. He was encouraged to confirm this opinion with County Attorney Hammell. The process will be completed competitively.

File No. 6 -- HR Director Arrick-Kruger reported on bids received for a zero turn mower and weed trimmer. She recommended accepting the low bid provided by Ken's Small Engine for a Husgvarna mower and Echo straight shaft trimmer. There is a need for a riding mower to maintain the lawns at multiple county campuses. The push mowers will continue to remain in service. HR Director Arrick-Kruger has planned for this equipment expense and the funds are available within the budget. Commissioner Zmyewski stated that zero turn mowers do reduce mowing time. He questioned why a mower that could also be used for sidewalk snow removal was not considered. Recently the County entered into a 3-year agreement with a vendor for sidewalk snow removal and the vendor purchased the necessary equipment as a result of said contract award. HR Director Arrick-Kruger stated that a mower to accommodate snow removal would cost significantly more. It has been determined that the Husgvarna will provide the

necessary life provided it is cleaned and stored properly. This recommendation is supported by the gentleman who will be operating the equipment. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to accept the bid of Ken's Small Engine in the amount of \$2,841.00 for the purchase of a Husqvarna 46 inch zero turn mower and an Echo straight shaft trimmer.

County Attorney Hammell stated that a closed session to discuss attorney-client privileged information was held last week. Following the closed session, the suggestion was made that the motion be made in open session. The motion was restated. The session was closed properly. The information discussed was attorney-client privileged related to threatened litigation. Once the specific information allowing for the closed session was completed the meeting should have reconvened in open session and been followed by the vote. She noted that nothing related to the vote has been executed. It would be appropriate to rescind the closed session motion and then make a motion in open session and vote on said motion. Commissioner Zmyewski indicated that he was absent last week and questioned his options in this regard. The options available to Commissioner Zmyewski are to abstain from the vote today or to convene a closed session to inform him of the situation then reconvene in open at which time he could cast a vote. Commissioner Zmyewski indicated that there was no need to convene a closed session at this time. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and duly carried to rescind the motion made in closed session on April 10, 2012.

County Attorney Hammell reported that a settlement, in the amount of \$1,500.00, was proposed. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and carried, with Commissioner Zmyewski abstaining, to approve the proposed settlement in the amount of \$1,500.00.

County Attorney Hammell reported that this settlement which has been approved is in regard to Andrew Melde.

File No. 7 -- Auditor Meiners provided information regarding two tax abatement applications. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve an abatement for Dorene Nelson on parcel #26.0339.000, being a reduction of \$380.00 and another for the Minnesota Department of Natural Resources on parcel #03.0095.000, being a reduction of \$120.00 due to incorrect classifications.

Commissioner Walter reported on frac sand committee and redesign meetings which she recently attended.

Chairperson Miller stated that the tone of the frac sand committee meeting was positive. He also commented that the complications of actually rolling out the redesign plan are becoming evident. He reported on frac sand committee and redesign meetings and also a meeting on economics hosted at UW-L which he recently 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. 8 -- Correspondence to various entities regarding government auction

File No. 9 -- Notice of Public Hearing regarding new fees

File No. 10 -- SEMMCHRA report dated 4/12/2012

There being no further business and the time being 10:17 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, April 24, 2012.

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 24, 2012

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; Dr. Lindsey Thomas; Andy Baker; Engineer Pogodzinski; HR Director Arrick-Kruger; Dave Geske; Sheriff Ely; Accounting Manager Lapham; Interim HS Director Bahr; Environmental Services Director Frank; Jean Meiners; Mike Poellinger; Bob Cooper; Jean Meiners; Auditor Trehus; Veteran Services Officer Gross

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 April 17, 2012 meeting.

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

County Revenue Fund	\$ 50,236.28
Road & Bridge Fund	124,102.11

Total	<u>\$174,338.39</u>

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

File No. 3 -- Engineer Pogodzinski reported on four quotes solicited for cleaning of the fuel tank which had contained Jet A fuel until recently when it was decided to discontinue its sale due to low sales. The fuel tank is split allowing for the storage of 2 separate products. However, it would be beneficial to house fuel in both compartments. This would allow for better pricing due to increased delivery and may prevent the occasional time when we run out of fuel to sell. Quotes ranged from \$2,500.00 to \$7,250.00 for the cleaning of the tank. Engineer Pogodzinski believes Minnesota Petroleum was able to provide a much lower quote due to its status of being a

recycler. The other vendors providing quotes would be required to find appropriate disposal for the wastes resulting from the cleaning process. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the low quote of \$2,500.00 submitted by Minnesota Petroleum for the cleaning of the fuel tank.

PHN Director Rock reported that the county has worked with Dave Geske for several years. The cost to Houston County for the vector control project has been \$2,960.00 in each of the past two years. Mr. Geske is passionate about his job. In the event a complaint is made regarding pooled or ponding water, Mr. Geske will often view the sight, gather samples, spray and identify the types of mosquitoes breeding and/or growing there.

File No. 4 -- Dave Geske provided a history of the partnership with Houston County and the vector control program over the past 32 years. The program was established to target the La Crosse Encephalitis Virus (La Crosse Virus). In the 10 years preceding the programs implementation, the area averaged 27 cases of the virus annually. Often those afflicted are children who then suffer a life of central nervous system issues post treatment. The treatment for La Crosse Virus is expensive. It has been estimated that medical costs incurred for 1 case will fund the program for a decade.

Mr. Geske reported that there are approximately 47 mosquito species in the area. Historically, one species of *Oc. japonicas* (tree hole) mosquito was the only carrier of the La Crosse Virus in this area.

This area has also had trouble with the *Ixodes scapularis* (deer or black legged) tick which transmits both Lyme Disease and Anaplasmosis. These are both bacterial illnesses. West Virginia has had a historic problem with La Crosse Virus and is now developing problems with Lyme Disease. Eric Doucet, State Entomologist for West Virginia grew up in Houston County and worked for Mr. Geske at one time is responsible for vector control in that state.

Since the vector control program was implemented the number of annual La Crosse virus cases has decreased to only 3 or 4 annually. As a result of the import of rubber, the *Aedes albopictus* (tiger) mosquito species of mosquito has been introduced in the United States. This species also carries the La Crosse Virus and is an aggressive human feeder. This area has not been as affected by the West Nile Virus as other parts of the country. This may be because the *Culex* mosquito family, which carries this disease, has only one which feeds on humans, horses, and birds and spreads the disease. The tiger mosquito has invaded now. This species is especially aggressive with human feeding and travels much further than native species.

Mosquitoes are photo sensitive, and the eggs require sunlight to hatch. As new species are introduced and migrate into the area the vector control challenges will continue.

Houston County is an interesting place regarding tick borne diseases. The deer tick is also an invasive species. The majority of Lyme cases occur in spring and into June. Ticks have a 2

year life cycle. Both males and females take blood meals in order to grow. Mr. Geske estimates that nearly 30% of the deer tick population carry lymes, 20% carry anaplasmosis and approximately 15% carry both bacterial diseases. In addition, the Powassan virus has been detected in the tick population in Houston County. This disease may have as high as a 30% mortality rated. To date, no human cases have been identified. Mr. Geske reported that little is known about the mode for transmission of this disease or how it develops or is transferred.

Mr. Geske targets populations of disease carrying vectors. He also educates people in protecting themselves and their communities by reducing and/or eliminating vector breeding grounds.

Commissioner Bjerke questioned whether there have been advances in the prevention of Lymes Disease. He responded that there is no human vaccine which entirely prevents the disease. They do have vaccines for animals. The disease is spreading which may add pressure to the Federal Government to encourage development and get new vaccines approved and to market. Until recently, the disease was limited to a few small and specific geographic regions.

Sheriff Ely met with the Board to discuss the renewal of the Police Canine leases. He does not have copies of the updated leases. To his knowledge, there are no changes to the lease agreement other than the effective dates. Chairperson Miller stated that the original arrangement was for one police canine, being Virgil. As Virgil aged, Sheriff Ely discussed replacing Virgil with another police canine. The program now has two police canines. Sheriff Ely stated that two police canines were approved by the Board. Commissioner Bjerke commented that when the second canine was approved, donations were expected to cover the costs. Donations are adequate to cover some expenses. It appears that there are expenses related to the program which are not being covered by donations. In addition, if these other expenses were required to be covered through donations, the account would be deficient to do so. Commissioner Bjerke stated that the canine program has been positive, and has resulted in arrests and convictions. Commissioner Schuldt commented that Jail Administrator Schiltz utilizes the dogs within the jail to ensure that when individuals return from work release no contraband is brought into the facility. Chairperson Miller inquired how many dogs Winona County has. Winona County does not have a police canine. The City of Winona has at least one. Neighboring counties often request the service of Houston County's police canines. These services are provided gratis. Discussion was held regarding expenses, and possible collaborative efforts.

Commissioner Bjerke questioned why other counties would purchase a dog when we have two and provide them with the services of our dogs at no fee. Sheriff Ely reported that Houston County leases its police canines. Other law enforcement entities actually purchase the canine, and pay to for training.

File No. 5 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to extend the canine lease agreements for both Ike and Chance for 30 days from today.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to recess the meeting for the purpose of conducting the scheduled Public Hearing on redistricting.

The time being 10:00 a.m. the Public Hearing was convened.

Auditor Meiners explained the procedure for redistricting. She presented a proposal which would bring each district in-line with population requirements. She reported that, on the state level, the county has lost representation. Gene Pellowski will no longer represent the portion of the county being Houston City, and Houston and Money Creek Townships. It was expressed the Mr. Pellowski worked hard for Houston County constituents and was quick to respond to those who contacted him. There was no public comment regarding the redistricting proposal. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn this public hearing.

File No. 6 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the redistricting proposal and to adopt the following resolution:

RESOLUTION NO. 12-19
RESOLUTION FOR ADOPTION OF COUNTY COMMISSIONER DISTRICTS

WHEREAS, Minnesota Statutes, Chapter 375 establishes the procedure and requires a process for redistricting County Commissioner districts based on population figures from the Federal Census; and

WHEREAS, Minnesota Statutes Section 204B.135, Subd. 2 requires that County Commissioner districts be redistricted within 80 days of when the legislature has been redistricted or at least 15 weeks before the state primary election, whichever comes first; and

WHEREAS, pursuant to these statutes the 2010 Federal Census population figures shall be used to redistrict the Houston County Commissioner Districts, and Commissioner Districts shall be bounded by town, municipal, ward, city district, or precinct lines; and

WHEREAS, the Houston County Board of Commissioners has considered the possibility or potential for maximizing minority representation on the Board of Commissioners; and

WHEREAS, Houston County published a three week notice in the newspaper having the contract for publishing the commissioners proceedings for the county for 2012; and

WHEREAS, Houston County conducted a public meeting on redistricting on April 24, 2012:

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners hereby redistricts the County of Houston, following town, municipal, city district, or precinct lines as reestablished in 2012, and reestablishes the terms as follows:

- District 1 – La Crescent City – Precinct 1 and Precinct 2 (4 year term, 2012 Election)
- District 2 – Houston Township, Houston City, Money Creek Township, Mound Prairie Township, Sheldon Township, Union Township, Yucatan Township (4 year term, 2014 Election)
- District 3 - Caledonia City – Precinct 1 and Precinct 2, Caledonia Township (4 year term, 2012 Election)
- District 4 - Brownsville City, Brownsville Township, Hokah City, Hokah Township, La Crescent City – Precinct 3, La Crescent Township (4 year term, 2014 Election)
- District 5 - Black Hammer Township, Crooked Creek Township, Eitzen City, Jefferson Township, Mayville Township, Spring Grove City, Spring Grove Township, Wilmington Township, Winnebago Township

BE IT FURTHER RESOLVED that the County Auditor is directed to file the redistricting plan by May 1, 2012 to be effective on June 1, 2012 for the 2012 primary and general election, and also the County Auditor is directed to publish the same in the Spring Grove Herald.

BE IT FINALLY RESOLVED that the districts are, for illustrative purposes, identified in a map of the county attached hereto and marked Exhibit A which by reference is made a part hereof.

File No. 7 -- HR Director Arrick-Kruger reported that there is a need to hire additional drop site supervisors. She recommended the hire of Jack Benson and Terry Botcher. Environmental Services Director Frank reported that Mr. Botcher is an ABC/Woodland employee. He has assisted at the drop sites and flexed his hours. Environmental Services Director Frank has been able to allow the flexing of hours until recently. He is unable to continue flexing Mr. Botcher's hours because the other supervisor is on medical leave. Therefore, he would like to hire Mr. Botcher as a 67 day county employee so that he could continue to seek Mr. Botcher's assistance and expertise in manning the drop sites on Saturdays. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to hire both Jack Benson at \$11.52 per hour and Terry Botcher at \$14.40 per hour based on experience as 67 day employees to assist at the drop sites as needed.

HR Director Arrick-Kruger reported that Judy Haugstad, who worked at the County previously, will be returning as part of the Experience Works program. She will assist with front desk coverage in Human Services and also with clerical tasks for the social workers.

HR Director Arrick-Kruger reported that Karen Meier has submitted her resignation. Ms. Meier has been offered a position closer to home. This creates a vacancy in adult mental health

equaling 1 FTE. HR Director Arrick-Kruger requested authorization to fill said vacancy and to do so utilizing the current pool of social worker candidates. The pool is the result of a position which was approved for hire previously. She is requesting approval to hire a second social worker from this pool. Merit testing has been completed by applicants and results are expected next week. Chairperson Miller questioned the length of time which Merit test results are good for. The test results are good for 3 years if the individual is currently employed in a Human Services field, and they are valid for one year for outside applicants.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Karen Meier and also to approve the search for a second social worker.

HR Director Arrick-Kruger reported that Marge Storlie has submitted her notice of retirement. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept Ms. Storlie's retirement.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to change the status of Amanda Myhre from part time HHA to roster HHA, and to change the status of Erin Bauer from roster HHA to part time HHA at the request of the parties.

HR Director Arrick-Kruger reported that she has completed Kathleen Lager's performance evaluation and recommends that Ms. Lager's status be changed from probationary to regular. HR Director Arrick-Kruger stated that Ms. Lager has been an excellent employee. Commissioner Walter expressed appreciation for Ms. Lager's work ethic and upbeat attitude. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to change the status of Kathleen Lager from probationary to regular effective May 9, 2012.

HR Director Arrick-Kruger reported that Michael Gerardy, of the City of Caledonia, has notified the county that electrical upgrades are necessary. The county will have a financial liability related to the upgrades. The financial liability is expected to be approximately \$1,500.00. HR Director Arrick-Kruger has requested specific details related to the county's obligation in order to prepare an RFP for the necessary services and also a direct explanation be given to the Board in regard to the project.

Chairperson Miller questioned the status of the roof repair project. Accounting Manager Lapham is awaiting final billing for the CJC project so that the remaining amount from said project can be determined at which time she and HR Director Arrick-Kruger will discuss the financial needs related to the roof repair project. Accounting Manager Lapham cautioned that the remaining CJC project funds may be insufficient to cover the roof repairs. The project will include roof replacement, soffit and fascia plus down spouting. The roof was last repaired in the 1970's or early 1980's.

File No. 8 -- Environmental Services Director Frank recommended approval of the URT Service Agreement Amendment. County Attorney Hammell has reviewed the agreement. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the Service Agreement Amendment with URT.

File No. 9 -- Dr. Lindsey Thomas, Medical Examiner through Regina Medical Center, and Andy Baker, Hennepin County Medical Examiner met with the Board to present a photographic tour of their respective offices and to present an option to be considered regarding future needs and collaborative opportunities. Mike Poellinger and Bob Cooper, both local death investigators were in attendance. Dr. Thomas reported that Regina has been operating in the same facility for 25 years. In recent years they have begun considering options as they move forward. They have considered remodeling the current facility, building a new stand alone facility and most recently they have been approached and are considering an opportunity to collaborate with Hennepin County. At this time a PowerPoint presentation was started and a photographic tour of the Regina facilities was taken followed by a photographic tour of the facilities at Hennepin County.

Of the eight counties which contract with Regina for morgue and medical examiner services, 6 have viewed the PowerPoint presentation. Freeborn and Goodhue are scheduled to view the PowerPoint presentation in the near future.

Houston County referred 55 cases to the Medical Examiner last year, of which 10 cases had full autopsies performed. Dr. Thomas explained the circumstances which must exist for an autopsy to be mandatory. There are strict criteria to determine whether an autopsy is required. Some circumstances which require autopsy include the following; auto crash, suicide, infants, un-witnessed deaths, drowning, homicide and death of an individual who is less than 60 years old with no known medical condition. Requests from private citizens for autopsy are referred to another agency if the requesting party is a constituent of an entity who contracts Regina for morgue and medical examiner services. There are differences between medical autopsies and legal autopsies. Private autopsies costs range between \$1,400.00 and \$2,000.00. The counties involved in the agreement don't pay per autopsy. They contribute an annual fee which is later settled out with actual usage. There may be additional billing or refunds as a result. In the event Regina and Hennepin merge, the billing may change to a fixed cost. It is likely that there would be no end of year settling. Dakota County is the spearhead with nearly 50% of the population of the entire 8 county group. Annual per capita cost estimates are expected in approximately one month. In the event the merger is approved, the goal for the completing the merge would be January 2013. Mike Poellinger stated that he has been working as a death investigator since 1982. He expressed his opinion that participating in the 8 county collaborative has been beneficial and has resulted in reduced costs. He stated that the autopsy itself isn't the expensive part of a death investigation. It is the tissue and toxicology testing which drives expenses. Prior to Houston County being part of the collaborative, these samples were shipped all over the

United States for testing. This was expensive. Mr. Poellinger expressed his support of the option for a merge with the Hennepin County Medical Examiner's Office.

Commissioner Zmyewski expects that the next regularly scheduled commissioner's meeting will be held in the new commissioner's room. In honor of this change he suggested the committee meetings be cancelled and an "open house" be hosted.

Chairperson Miller stated that there were costs associated with the procurement of the new bench. Commissioner Zmyewski reported that the cost for materials totaled \$811.73. Commissioner Zmyewski indicated that he agreed to donate his labor on the project. However, the gentleman whose equipment and shop he used and who assisted with the project has submitted a modest bill for labor in the amount of \$500.00. Commissioner Zmyewski reported that the two of them spent 4 days working on the bench, two of which were 10 hours each. He also reported on the time it took to install the bench. Chairperson Miller suggested appropriate reimbursement be made.

At this time the Board met with Jean Meiners from the Extension Office. She indicated that their office supply budget (Account #01-603-6401) for 2012 will probably be insufficient to meet their needs. They had to purchase a laminator for \$302.00 and stationery for approximately \$80.00. Also, the per diem account is over-budget because some of the 2011 expenses were paid in 2012.

File No. 10 -- Accounting Manager Lapham requested a budget amendment for the 2011 tax distribution. She also requested a 2011 budget amendment in the amount of \$47,717.00 in connection with the Recorder's Technical fund. She further requested a 2012 budget in connection with health insurance costs, since several employees changed their coverage during the 2012 enrollment process. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve all budget amendments as requested.

At this time the Board met with Treasurer Trehus regarding her 2011 and 2012 budgets. Discussion was held.

At this time the Board met with Veteran Services Officer Gross regarding his 2011 and 2012 budgets. Mr. Gross reported that they were contacted regarding the donation of local property to the Veterans fund.

Accounting Manager Lapham reported that since 2010 we have been paying for ARMER. The money is spent and we have not received the reimbursements as expected. Ms. Lapham has been requesting a meeting with Chief Deputy Sheriff Yeiter and he is unable to meet until next week. E911 Director Krzoska has also been checking into this, as a large portion of the expense was supposed be covered utilizing E911 funding.

Accounting Manager Lapham reported that for the past two years the Public Health department has exceeded its annual budget by approximately \$200,000.00. Commissioners Walter and Schuldt will be meeting with PHN Director Rock and Accountant Lillegraven on Monday regarding budget issues.

The Board indicated that they would like to meet and review budgets quarterly.

Commissioner Walter reported on the law committee meeting which she attended earlier today. The jail census is currently 26. She also reported on the annual solid waste meeting.

Chairperson Miller reported on a redesign meeting which he recently 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. 11 -- Public notice regarding hearing to consider new fees

File No. 12 -- Letter of appreciation for the service of Marge Storlie and Karen Meier

There being no further business and the time being 12:20 p.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 8, 2012.

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 8, 2012

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; HR Technician Diersen; Zoning Administrator Scanlan; Accounting Manager Lapham; Surveyor Walter; VSO Gross; Environmental Services Director Frank; Heather Gray; Recorder Bauer; Engineer Pogodzinski; IS Director Milde; GIS Coordinator Krzoska; Assessor Dybing; Treasurer Trehus; Kelly Stanage

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the April 24, 2012 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	\$120,924.08
Road & Bridge Fund	19,608.41

Total	\$140,532.49
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Jail Administrator Schiltz recommended entering into an agreement for jail collections with a new vendor. Currently all jail collections are handled by Human Services, however, HS no longer has staff time to aggressively pursue these collections. HS has successfully collected approximately \$3,000.00 over the past year. There remains a substantial amount outstanding. Jail Administrator Schiltz reported that the new vendor works on a percentage basis. County Attorney Hammell has reviewed the proposed agreement with Grand American Resources, Inc. for collections. There is no expiration noted in the agreement. However, there is a termination clause. Commissioner Bjerke expressed his opinion that it would

be beneficial to have a collections vendor pursuing outstanding jail bills. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve an agreement with Grand American Resources, Inc. for jail collections.

File No. 4 -- HR Technician Diersen and Surveyor Walter met with the Board to request authorization to hire a 67 day employee to assist with summer projects in the Surveyor's department. Surveyor Walter reported that the bulk of summer projects include staking plats, corner maintenance and section corner work. In addition, there is a significant project to be conducted in Money Creek Township on the county line. Surveyor Walter would like to complete the project on the county line this season. The Surveyor's Office has always tried to target students studying in surveying or a related field. Ryan Meiners is studying civil engineering. This course of study overlaps with surveying. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize the hire of Ryan Meiners as a 67 day employee to assist the Surveyor's Office, effective May 28th at a rate of \$11.12 per hour with a maximum not to exceed the budgeted amount of \$2,500.00.

File No. 5 -- HR Technician Diersen reported that one jailer/dispatcher is on leave of absence (LOA). This LOA could be for an extended period. Therefore, she requested authorization to hire a ½ time jailer/dispatcher. Discussion has been held with the union regarding this temporary position. The union has indicated that it would be agreeable to signing a Memorandum of Understanding in this regard. She recommended hiring Kristin Buege. Ms. Buege is currently a 67 day jailer/dispatcher. She has nearly exhausted her available hours and is training in county procedure. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Kristin Buege as a temporary ½ time jailer/dispatcher effective May 9 through Sept 30, 2012.

File No. 6 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 45 in connection with S.A.P. 28-996-18 on C.S.A.H. 25. This project will take place in Mound Prairie Township. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve the plat and to adopt the following resolution:

**RESOLUTION NO. 12-20
APPROVING AND ACCEPTING HOUSTON COUNTY
RIGHT OF WAY PLAT NO. 45
FOR RECONSTRUCTION PROJECT SAP 028-996-018**

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 25, located 0.02 miles north of JCT. T.H. 16 on C.S.A.H. 25, or 4.2 miles west of Hokah, MN. This project includes bituminous reclamation, ditch improvements, shoulder widening, bituminous and concrete pavement, and bridge 28J39. This project is identified as SAP 028-996-018; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 45 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. 45 as designating the definite location of that part of C.S.A.H. 25 located in Sections 33 and 28, Township 104 North, Range 5 West as presented on this date, May 8, 2012, 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. 7 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 46 in connection with S.A.P. 28-996-17 (bridge replacement) on C.S.A.H. 22. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO. 12-21
APPROVING AND ACCEPTING HOUSTON COUNTY
RIGHT OF WAY PLAT NO. 46
FOR RECONSTRUCTION PROJECT SAP 028-996-017

WHEREAS, Houston County desires to improve and reconstruct C.S.A.H. 22, located 0.1 miles south of JCT. T.H. 16 on C.S.A.H. 22. This project includes grading, aggregate surface and bridge 28551. This project is identified as SAP 028-996-017; and

WHEREAS the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat No. 46 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. 46 as designating the definite location of that part of C.S.A.H. 22 located in Section 31, Township 104 North, Range 5 West as presented on this date, May 8, 2012, 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.

Engineer Pogodzinski stated that the quotes for crack filling were placed on hold to allow for research to be conducted regarding any potential conflict of interest. The vendor who submitted the low bid is related to a county employee. County Attorney Hammell has been

consulted regarding the situation and quotes. It has been agreed that quantities and quality of work will be monitored and inspected by unrelated county staff. Engineer Pogodzinski reported that crack filling is a difficult project to estimate costs for. He indicated that once the budgeted amount has been reached the project will cease. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to accept the low quote provided by B & D Sealcoating in the amount of \$1.89 per pound to clean, route and fill with a 2" wide band or \$1.80 per pound to clean and fill. Chairperson Miller stated that in a small community there are many relationships. He expressed confidence that adequate research has been conducted regarding any potential conflict of interest and that safeguards are in place to prevent any negative public perception as a result of the award.

File No. 8 -- Engineer Pogodzinski recommended approval of a detour agreement with Mn/DOT. The detour is necessary while work is completed on a bridge located on State 76 between the Jct with County 4 and the Jct with County 10. The original proposal was to have State 76 closed for an eight week period. Following discussion, it has been agreed that State 76 would be closed for a period of approximately two weeks during which time the bridge deck will be replaced. Additional work related to the railings will be completed under traffic. State 44 will be closed during this same period. The detour will utilize 1 mile of CSAH 20 and for this the County will receive \$627.92 for maintenance and road life exhausted. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the detour agreement (Mn/DOT Contract No: 01149) and to adopt the following resolution:

RESOLUTION NO. 12-22

IT IS RESOLVED that Houston County enter into Mn/DOT Agreement No. 01149 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 CSAH 20 as a detour route during the contract construction to be performed upon, along and adjacent to Trunk Highway No. 76, 2.8 miles south of the west junction of T.H. 16 under State Project No. 2807-21 (T.H. 76-076).

IT IS FURTHER RESOLVED that the Board Chairperson and the County Auditor are authorized to execute the Agreement and any amendments to the Agreement.

The time being 9:30 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to recess the regular meeting and to call the public hearing for the consideration of new fees to order.

Treasurer Trehus reported that many counties assess an escrow fee. An escrow is a lender agreement whereby a lender (bank or mortgage company) collects, accumulates and holds monies for a consumer who has a mortgage to pay various bills. The lender submits payment for real estate taxes on behalf of the consumer. She is proposing Houston County charge \$5.00 per

parcel for any parcels paid via escrow. Assessing this fee will allow the Treasurer's Office to recover costs associated with maintaining escrow accounts and data.

Treasurer Trehus reported that currently the County charges \$25.00 for any checked returned NSF. She recommended that this fee be increased to \$30.00. She indicated that the County receives approximately two NSF checks per month. This amount often increases during tax season. Commissioner Bjerke expressed concern that adding an additional \$5.00 fee to individuals who write a bad check isn't desirable as these individuals are likely to be having financial difficulties already which have resulted in the NSF check initially. Treasurer Trehus indicated that often her office is successful in collecting the NSF fee in addition to the outstanding amount due.

There was no public input related to the discussion.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to close the public hearing.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to reconvene the regular meeting.

File No. 9 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the implementation of the escrow fee in the amount of \$5.00 per parcel and to approve the increase in the NSF fee from \$25.00 to \$30.00.

File No. 10 -- Zoning Administrator Scanlan reported on an application for a variance which was approved by the Board of Adjustment for Michael Sieve of Yucatan Township for a variance of 20 feet to meet the required 65 foot setback from a township road. Mr. Sieve intends to build a studio gallery for the viewing and sale of his artwork.

Zoning Administrator Scanlan reported that the greatest concern regarding Mr. Sieve's request was the fact that he does not currently live on the site of the proposed studio gallery. He has intentions of building a residence at the site. It may be one or two years before the residence is constructed. It was agreed that the studio could be erected and utilized. Prior to the gallery being opened for sales, Mr. Sieve will be required to live on the premises.

William Abrahamzon has applied for a Conditional Use Permit to build a dwelling on less than 40 acres. Zoning Administrator Scanlan reported that the parcel meets all criteria to grant said request.

Cory and Dean Feine have applied for a Conditional Use Permit for a hardship dwelling. If granted, the Conditional Use Order will stipulate that the septic must be approved for or upgraded to accommodate the mobile home.

File No. 11 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and carried to approve the issuance of the following Conditional Use Permits:

Michael Sieve – Yucatan Township - Home Occupation – Level II

William Abrahamzon – Jefferson Township - Build a dwelling on less than 40 acres in an agricultural district.

Cory and Dean Feine – Money Creek Township - Hardship dwelling

File No. 12 -- 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:

Larry and Patricia Van Gundy – Money Creek Township - Build addition/office (10' x 14')

Richard Oitzman – Wilmington Township - Build pole garage (24' x 32')

Frederick Sandvik – Mound Prairie Township - Build attached garage (32' x 28')

Gerald Hallum – Yucatan Township - Build pole shed for machinery storage (54' x 120')

Truman Espelien – Spring Grove Township - Build garage (16' x 24')

Nick Hoscheit – Mayville Township - Build pole shed (75' x 120')

Tom Hoscheit – Mayville Township - Build addition on existing loafing barn (16' x 48')

Charlie Kruse – Winnebago Township - Build kitchen addition (16' x 24') and deck (10' x 28')

Wayne Houdek – Mayville Township - Build garage and home addition (24' x 36') wood shed (20' x 30') cattle shed to replace old shed (40' x 54')

Charlie and Kevin Kruse – Winnebago Township - Build bunker silo (40' x 85') grain bin (5,000 bushels)

Brent and Emily Augedahl – Caledonia Township - Build house (34' x 58') garage (28' x 36') porch (8' x 40')

Dan and Lisa Seidel – Brownsville Township - Build shed/carport (24' x 48') deck (14' x 14') deck (6' x 14')

George Bang – Black Hammer Township - Install manufactured home (26' x 44')

Ben Schieber – Mound Prairie Township - Build 2 shed (18' x 24') and (80' x 40')

John and Diane Kohlmeier – Crooked Creek Township - Build 2 lean-to's on shop (20' x 40') on each side

Mathy Construction Co. – Mayville Township - Install temporary asphalt plant (90 days)

Steve Colsch – Mayville Township - Build machine shed/barn (36' x 60')

Dustin Lange – Caledonia Township - Build house (36' x 40') garage (42' x 40') porch (6' x 40')

Herbert Banse – Caledonia Township - Build grain bin (13,000 bushels)

Michael and Daniel Schroeder – Wilmington Township - Build grain bin (50,000 bushels) and shed (12' x 16')

Mark Udstuen – Spring Grove Township - Build deck (20' x 24')

CitiMortgage has been in contact with Commissioner Schuldt regarding the possibility of donating a house to Veterans Services. Concerns regarding the possible donation are being researched.

Representative Jeremy Miller has been in contact regarding SEMMCHRA and whether Section 8 voucher administration could be switched to SEMCAC. HUD Representative Dana Kitchen has restated that the vouchers are property of SEMMCHRA and their administration of the vouchers will remain unless they consent to a change. The Section 8 program is a Federal program. It was discussed that as such, it may be advisable to discuss concerns and regulations with our Federal representatives.

It was agreed that meetings of standing committees will be assigned to take place in specific rooms. This will allow for greater privacy of the discussion held during committee

meetings, and it will allow for guests at the commissioner meeting to seat themselves immediately upon arrival, instead of waiting while committee meetings wrap up.

Discussion was held regarding chairs for the new commissioner's room. Currently, black chairs from the Justice Center conference room have been borrowed to furnish the room. The suggestion to purchase chairs to match the Historic Courthouse lower level conference room chairs has been made. The chairs are blue in color. Several individuals have commented that the blue chairs would go well with the carpeting. It was agreed to gather quotes for both types of chairs and to discuss the matter further once those have been solicited.

Auditor Meiners indicated that the old commissioner's room was used for Board and Planning and Zoning meetings in addition to various other meetings requiring the larger space. The old commissioner's room is now available as a meeting room to accommodate larger group meetings. She suggested that the new commissioner's room be used for the Board and for the Planning and Zoning meetings and not be made available as a general meeting room. This will allow for set up of the Board meeting the day before and will eliminate the need for staff to report early to set up the room and the Tuesday morning rush. In addition, Planning and Zoning would be able to set up at a convenient time for their meeting without concern that the room was being utilized for daytime meetings. Commissioner Zmyewski stated that he is in favor of keeping the room exclusively for Commissioner and Planning and Zoning meetings. He also expressed interest in keeping the room secure. He would like to have a space within the room where commissioners could leave and/or keep various papers.

File No. 13 -- Auditor Meiners provided information regarding two tax abatement applications. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve an abatement for Neil & Martha Mathison on parcel #01.0120.000, being a reduction of \$1,122.00, and also an abatement for Sharon E Vix on parcel #06.0352.000, being a reduction of \$289.00 due to incorrect classification of the parcels.

Auditor Meiners presented a proposal regarding the County Auction. She reported on the cost of advertising and how advertising has been conducted in the past. Most recently the county has been responsible for the advertising. The advertisement has included the website for the successful auctioneer. This has worked well. In addition, the successful bidder/auctioneer is responsible for printing and distributing auction posters.

Commissioner Zmyewski questioned how the advertising fees have been paid in the past. He suggested pro-rating the fees back to the departments who sell items on the auction. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to pay for the advertising from the commissioner's budget initially, and then to assess the pro-rated advertising amounts against the various departmental proceeds. It was agreed that the auction would be held on Wednesday, June 20, 2012.

File No. 14 -- Commissioner Walter questioned whether all commissioners have received the information regarding the upcoming District 9 AMC meeting. She provided details related to the meeting.

Discussion was held regarding installing a back on the new commissioner bench. This is necessary because there are outlets installed on the back. Enclosing the back will also prevent any wiring from getting tangled on the feet of those seated at the bench. A railing will be installed in order to meet OSHA safety requirements.

Commissioners Walter and Zmyewski reported that they attended a frac sand committee meeting and also HS and Public Health budget meetings.

Commissioner Zmyewski reported on a SWCD meeting which he attended. He also attended the frac sand committee meeting and a redesign meeting with Chairperson Miller.

Commissioner Bjerke reported that he had met with Chairperson Miller, Accounting Manager Lapham, GIS Coordinator Krzoska and Sheriff Ely. The group has been able to gain a better understanding of the anticipated reimbursements related to ARMER. Commissioner Bjerke expressed that he is pleased with the discussion and conclusion. The deadline for submitting reimbursement requests is the end of calendar year 2012. Commissioner Bjerke expressed interest in determining the amount of Regional Radio Board funds designated to Houston County that the County doesn't anticipate utilizing so that the amount may be reported to the RRB so that it may be made available for other entities which may be in need of additional funds.

Chairperson Miller reported on an EDA meeting which he attended, a redesign steering committee meeting and another redesign meeting where governance of the collaborative was the main topic of discussion.

Accounting Manager Lapham stated that a governance plan is expected by July 1 at which time participation intentions may also be expected.

Discussion was held regarding the 12 county collaborative and also smaller group collaborative options. Transition costs and governance are significant sticking points with the larger collaborative.

Chairperson Miller reported on a SCHAC meeting which he attended.

It was agreed that Accounting Manager Lapham would schedule additional budget meetings for Tuesday May 15th following the HS meeting.

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

File No. 15 -- Correspondence to payroll regarding recent hires

File No. 16 -- Correspondence to local auctioneers soliciting
quotes for the County Auction

There being no further business and the time being 10:39 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 15, 2012.

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 15, 2012

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; Sheriff Ely; County Attorney Hammell; Accounting Manger Lapham; Engineer Pogodzinski; HR Technician Diersen; Deputy Sheriff Sass; Chief Deputy Sheriff Yeiter; Deputy Sheriff XXXXX,; GIS Coordinator Krzoska; Interim HS Director Bahr; Judy Haugstad; Interim Social Services Supervisor Sanness; Financial Services Supervisor Kohlmeyer; EDA Coordinator Wilms; PHN Director Rock; PHN Accountant Lillegraven

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 May 8, 2012 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	\$48,397.69
Road & Bridge Fund	59,687.81

Total	\$108,085.50
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve license center and Human Services disbursements.

Sheriff Ely reported that it is National Law Enforcement Memorial Week. Therefore, he would like to recognize Deputy Sheriff XXXXX. Sheriff Ely reported that Deputy Sheriff XXXXX was selected to receive this honor by a group of his peers. Chief Deputy Sheriff Yeiter read the inscription on the plaque presented to Deputy Sheriff XXXXX to commemorate this.

File No. 3 -- Sheriff Ely requested approval for a promotion of an internal candidate to Captain/Chief Investigator following an internal posting. HR Technician Diersen reported that this position is subject to the LELS collective bargaining agreement with a pay rate equal to 15% above the top step for deputies. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the promotion of Luke Sass to Captain/Chief Investigator effective May 16, 2012 at a rate of \$32.46 per hour.

File No. 4 -- IS Director Milde reported that on August 2, 2011 a n RFP was issued for multi-county e-mail encryption services. This would allow counties to be in compliance with HIPPA regulations. Most counties have implemented the encryption services. Houston County has delayed implementation until the e-mail software/server could be updated. The e-mail has been upgraded, and IS Director Milde indicated that the county should move forward with upgrading to encrypted e-mail for certain users working with information subject to HIPPA regulations. He reported that Solbrekk submitted the low bid for the RFP. The annual fee to Houston County will be \$1,600.77 for outgoing mailboxes and an additional \$1,000.00 for recipients without encrypted e-mail systems so that they will be able to view and respond to encrypted e-mails received from the County for a total annual fee of \$2,600.77. This annual fee may be adjusted in accordance with the number of mailboxes actually utilized. The fee breaks down to \$39.00 per mailbox. IS Director Milde explained how e-mail encryption functions. This is Zix mail which has been approved by the State. Fees to cover the expense have been budgeted. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to accept the e-mail encryption quote provided by Solbrekk in the amount of \$2,600.77 annually.

GIS Coordinator Krzoska reported that he had solicited quotes for a meeting room table. It would match the 12 x 4 grey table located in the lower level conference room. The quote was in the amount of \$634.00. Multiple quotes have been solicited for chairs. The quotes for identical chairs started at \$94.27 and increased from there. If various details were changed, such as padding or upholstery grade, the cost per chair could be reduced to approximately \$60.00 each. The cost for 60 chairs which matched current stock would exceed \$5,500.00. Chairperson Miller stated that during large gatherings it is common to pool resources. He believes this would be appropriate for the County. Maintenance has indicated that they have the ability to move chairs between meeting rooms when large groups are expected. The average meetings which take place weekly need relatively few chairs. When larger groups are expected, the appropriate accommodations may be made. It is unnecessary to spend large sums of money when currently we have the ability to share resources among meeting rooms. In the event it becomes cumbersome and cost prohibitive to have maintenance moving furnishings, the situation may be reviewed.

Accounting Manager Lapham noted that there are 100 blue plastic chairs consigned to the County Auction. She suggested that these could likely be purchased for a very small sum and could be utilized in the event the Justice Center Conference Room was scheduled for use with a

large audience. It was agreed that arrangements would be made to view these chairs to further consider this option.

Accounting Manager Lapham reported that maintenance lacks storage space. She suggested that the lower level conference room be returned to a storage area for maintenance. She stated that the former hearing room is now a conference room, it is the same size, has data connections and windows making it a more aesthetically appealing meeting space. The lower level conference room table could be moved to the old hearing room along with a portion of the 28 blue chairs, the balance of chairs could be set up in the old jury room which is now utilized for standing committee meetings. The black chairs from the old hearing room could be returned to the Justice Center Conference Room. It was the consensus of the Board that this plan would work well and be a good use of current furnishings.

Chairperson Miller stated that Tim Lange has expressed concern regarding the amount of unused furniture and paper files which remain in the Historic Jail Building. He expects that in order to preserve these items, the building will continue to require humidity control and heat. In addition, the roof is in disrepair. EDA Coordinator Wilms reported that he has received correspondence from the Preservation Alliance requesting a listing of historic properties which may be suitable for alternate uses. The Preservation Alliance does assist in marketing historical properties for reuse. It would be difficult to allow an outside firm to purchase the Historic Jail and have it remain on site due to the lack of parking availability and the fact that heating costs would be difficult to determine since the heating is shared with the Historic Courthouse. It was agreed that Auditor Meiners would research further options regarding the Historic Jail Building.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to recess the meeting to hold the scheduled Human Services Meeting.

The meeting reconvened at 10:51 a.m. with all members present.

Following discussion, it was agreed to table a decision whether to schedule a Board meeting for May 29th until it can be determined whether Accenture would be available to meet or not.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to cancel meetings scheduled for August 14, 2012 being Primary Election Day, and November 6, 2012 being General Election Day.

File No. 5 -- Auditor Meiners reported on a situation with a county resident facing tax forfeiture. She explained how delinquent city bills may be certified to the county and assessed to the tax rolls. The city certified bills plus penalty. Once the bills were assessed to the tax rolls and became late, penalty and interest were assessed on the total amount (tax plus special assessments). Auditor Meiners has been working with the property owner, their family and the city to avoid tax forfeiture. Last night, the Houston City Council approved cancelling all

penalties arising from the delinquent city bills and will collect the delinquent city bill directly from this taxpayer. They have also provided Auditor Meiners with a resolution authorizing the County to remove the city bills from the tax rolls. Subsequently, Auditor Meiners requested an abatement to remove penalty and interest amounts which were the result of the amounts certified to the county as delinquent city bills. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the abatement for Brad Bestor on parcel #24.0408.000 in the amount of \$1,011.10 which is the penalty and interest resulting from the certified delinquent city bills.

File No. 6 -- Auditor Meiners provided information on a second application for abatement for Dorene Nelson. An abatement for the current year taxes was approved April 17, 2012. However, the property owner requested that the abatement for the additional 2 years which the property was incorrectly classified. The County typically approves current year abatements only. In rare instances an abatement for the previous taxing year has been approved. The County hasn't approved abatements going back further. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the abatement for Dorene Nelson on parcel #26.0339.000, being a reduction of 792.00 due to incorrect classification for one additional year, being taxes payable 2011. The abatements were approved for a total of 2 taxing years and not the third.

File No. 7 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the Maintenance and Grooming application submitted by the Caledonia Sno-Gophers Snowmobile Club, and to adopt the following resolution:

RESOLUTION NO. 12-23

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

File No. 8 -- At this time the Board met with PHN Director Rock, Public Health Accountant Lillegraven and Accounting Manager Lapham regarding the Public Health Department budget. Accountant Lillegraven stated that reimbursement rates are lower and there is also a lag time for receiving reimbursements.

File No. 9 -- At this time the Board met with Sheriff Ely, Chief Deputy Yeiter and Accounting Manager Lapham regarding the Sheriff's Department budget. Accounting Manager Lapham indicated that the Jailer/Dispatcher staff has accrued 993 hours of comp time in ten pay periods. Sheriff Ely indicated that comp time occurs when filling in for vacations, sick leave, etc. He suggested when a full-time vacancy occurs, it may be more effective to replace it with two half-time positions as they are easier to schedule. Discussion was held regarding the medical

costs incurred by inmates. Chief Deputy Yeiter indicated that they would like authorization to hire another deputy from the current list of applicants. Commissioner Bjerke suggested utilizing the Court Security Deputy as a road deputy and contracting for court room security services. Chief Deputy Yeiter indicated that this could cause union issues due their claim that the County is supplanting the work of union staff with non-union workers. Lengthy discussion was held.

Commissioner Walter reported on an EMS and Workforce Development meetings which she attended.

Commissioner Schuldt reported on a Semcac meeting which he attended.

Chairperson Miller reported on a redesign meeting which he attended.

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

Motion was made by Commissioner Schuldt, 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 recent hires.

File No. 11-- Report of Section 8 vouchers by county

There being no further business and the time being 12:55 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, May 22, 2012.

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 22, 2012

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; HR Director Arrick-Kruger; Sheriff Ely; Engineer Pogodzinski; Chief Deputy Sheriff Yeiter; Jail Administrator Schiltz; Tim Lange; Matt Blocker; Recorder Bauer; Zoning Administrator Scanlan; Environmental Services Director Frank; Interim HS Director Bahr

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 May 15, 2012 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	\$46,695.86
Road & Bridge Fund	83,921.39

Total	\$130,617.25
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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.

Engineer Pogodzinski reported on the bids which were received for C.P. 2012-02 Seal Coating. The project includes seal coating of CR 249 & CSAH 17 for a total of 14 miles. All bids exceeded the engineer's estimate by an amount in excess of \$34,500.00. Engineer Pogodzinski reviewed the project to consider if there was a point where the seal coating could be ended prior to completing the entire roadway. There is not. In addition, the cost for seal coating is not expected to decrease. Engineer Pogodzinski recommends completing the project. \$200,000.00 was budgeted for seal coating and he expressed confidence that the department can cover the

excess as they have realized savings on pipe replacement. In addition, it was a mild winter so there are salt savings and the department will reduce gravel usage. When questioned as to the benefit of seal coating, Engineer Pogodzinski responded that seal coating is believed to extend road life by 5 to 10 years. On average, seal coating extends road life by 7 years. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the low bid submitted by Fahrner Asphalt Sealers Inc. in the amount of \$251,114.38.

File No. 3 -- Sheriff Ely indicated that due to the recent promotion of Luke Sass, the issue with two Police Canines has resolved itself. He requested approval of a Police Canine Lease Agreement with Deputy Sheriff Tracie Erickson for Ike. This agreement will be effective May 25, 2012 through May 24, 2013. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the lease agreement for Ike to expire May 24, 2013.

Sheriff Ely reported that Chance has been sold to Deputy Sheriff Erickson who will seek to become a certified handler for Chance. Chance is certified, however the handler must be certified for each individual dog. Sheriff Ely anticipates that once Deputy Sheriff Erickson becomes certified to handle Chance, he may attempt to sell one of the canines. In the event Ike is sold, there may be a need to return to the Board to have the Police Canine Lease Agreement amended.

File No. 4 -- Chief Deputy Sheriff Yeiter stated that Houston County entered into a Joint Powers Agreement (JPA) on June 14, 2011 which provides for access and/or use of the criminal justice data communications network. He requested approval of the Court Data Services Subscriber Amendment to CJDN Subscriber Agreement which modifies and supplements the JPA. Through this amendment, the County will be upgraded to e-signing. This will also enhance electronic filing of complaints. Commissioner Bjerke questioned what the cost to the County would be for all of these enhancements. Chief Deputy Sheriff Yeiter responded that there is no cost to the County. The State will supply all necessary equipment and software. There may be time costs related to user training. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the amendment and to authorize the signature of Chairperson Miller.

Commissioner Walter suggested that a standing appointment be set to discuss ongoing redesign items. It was agreed to set a weekly appointment for this discussion at 9:30 a.m.

File No. 5 -- HR Director Arrick-Kruger stated that the city has notified the county of a need to upgrade both the CT (current transformer) cabinet and box. A portion of the expense is the financial liability of the County. HR Director Arrick-Kruger has solicited quotes for the necessary parts and labor to complete the County portion of the upgrade. The upgrade includes a significant amount of work to be completed. Matt Blocker, a City of Caledonia staff member, was present to explain the upgrade and to answer any questions related to it. It is necessary for the City to have access to the CT cabinet. The County's current CT cabinet is not safely

accessible due to the fact that it is contained within the Justice Center and a switch was installed near the CT cabinet which hinders accessibility. The upgrade will install a CT cabinet that can be easily and safely accessed by City Staff. Commissioner Bjerke questioned whether it would be acceptable and save costs to provide access to the City when necessary to access the CT cabinet located in the Justice Center. It was again discussed that a switch is installed in a location which hinders the safe access to the current CT cabinet. This switch placement was likely the result of miscommunications between the engineer and others. Schammell electric installed the switch. However, they were following blueprints supplied to them by the project architect. Mr. Blocker stated that work requiring a disruption in power will be performed after working hours and will be coordinated with the company who is awarded the County contract and the County IS Department. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to accept the low quote provided by Hoskins Electric Inc. in the amount of \$5,152.00.

The time being 9:38 a.m., HR Director Arrick-Kruger requested the meeting be closed pursuant to M.S. 13D.05 subd. 2 for the purpose of considering allegations against employee Mark Hiser. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to close the session.

The time being 10:01 a.m., motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to return to open session

File No. 6 -- On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the retirement/separation agreement with Mark Hiser effective May 31, 2012, and to approve severance in amount of \$7,534.22 plus contractual rights pursuant to the applicable collective bargaining agreement.

HR Director Arrick Kruger stated that the purpose of the closed session was to consider allegations of improper conduct and the retirement/separation agreement with Mark Hiser.

HR Director Arrick-Kruger reported that Jailer/Dispatcher staffing is tight. The 67 day roster employees have or are nearing their maximum hours and as a result of needing to cover for leaves, the department has been incurring rising compensation time costs. There is a need to fill the vacancy created by the retirement of Mark Hiser. HR Director Arrick-Kruger recommended changing the status of Jason Quandahl from 0.5 FTE to 1.0 FTE. This action would serve as partial response for the recent retirement. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve a change in status from 0.5 FTE to 1.0 FTE of Jason Quandahl effective May 23, 2012.

HR Director Arrick-Kruger reported that when the Justice Center opened, staffing levels were approved for the minimum recommendation only. This recommendation did not take into account staffing needs to cover for leaves of absence. She requested authorization to conduct a

search for two 0.5 FTE jailer/dispatcher positions and also to perform an EEO search for jailer/dispatcher roster positions. One of the 0.5 FTE positions will backfill for the 0.5 FTE position that had been held by Jason Quandahl, the second position will provide for greater flexibility in scheduling. It was noted that part-time staff may elect to participate in benefits offerings on a pro-rated basis. Roster staff does not qualify for benefits and are utilized on an as needed basis. Chairperson Miller questioned what has contributed to the scheduling problems. Several staff members are at maximum vacation accrual. The County has minimal staffing levels which do not include coverage for leaves, 67 day employees are nearing maximum hours, and regular employees have had to provide coverage which is driving compensation time costs higher. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to authorize a search for two 0.5 FTE jailer/dispatchers, and to perform and EEO search for roster jailer/dispatchers.

Chief Deputy Sheriff Yeiter reported that he has been trying to market the old console. He stated that since Motorola has put out notice that they will discontinue support of the console, there is no value to the equipment either as is, or for parts. Recently, Chief Deputy Sheriff Yeiter was notified that there is a need for the equipment overseas. He stated that the console is considered e-waste and there will be a cost associated with disposal. He questioned whether the Board would like him to learn more about a possible donation of the equipment instead. It was noted that the equipment works, and if it can help a third world county, that would be a good use. It was the consensus of the Board to have Chief Deputy Sheriff Yeiter pursue information regarding possible donation of said equipment.

File No. 7 -- HR Director Arrick-Kruger reported that the structure of the Finance Department was reviewed when Casey Bradley left the employ of the County. She would like to see closure to the restructuring and recommended that Carol Lapham be appointed Finance Director. Ms. Lapham has been performing many of the tasks of Finance Director over the years. She has a significant amount of experience. In preparation, HR Director Arrick-Kruger has revised the position description which has been submitted to Fox-Lawson for banding. The banding came back at no change from the previous D-6-2 determination. HR Director Arrick-Kruger stated that typically department heads serve a one year probationary period. She recommended that time served as interim be credited towards the probationary period of Ms. Lapham. She also recommended that the appointment be made effective January 1, 2012. Commissioner Bjerke questioned why the appointment should be made retroactive, as it was his belief that Ms. Lapham was being compensated for the additional duties. HR Director Arrick-Kruger responded that in 2011 Ms. Lapham was granted a stipend as compensation for the additional duties. However, she has not received additional compensation in 2012 for the additional duties. She stated that the Board has various options in this regard. They could make the appointment effective at a date of their choosing and authorize a stipend. HR Director Arrick-Kruger explained some of the cost avoidance which has resulted from the restructure within the department. Both Commissioners Bjerke and Walter expressed concern that they would prefer to deal with each position individually. Commissioner Bjerke indicated that with regard to the Fiscal Officer position, he would prefer to discuss the needs in greater detail. He stated that

budgets are tight. HR Director Arrick-Kruger responded that she would prefer to deal with the Finance Director Appointment at this time. Commissioner Bjerke reiterated his desire to discuss the Fiscal Officer position with Carol Lapham and Interim HS Director Bahr prior to making a decision. HR Director Arrick-Kruger stated that both Ms. Lapham and Interim HS Director Bahr have indicated that while they can temporarily maintain the workload, there is a need for both to have additional help so that certain fiscal jobs may be delegated. Commissioner Bjerke expressed a desire to discuss the additional position at length prior to making a decision. It was agreed to schedule a personnel committee meeting in this regard.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to appoint Carol Lapham as Finance Director at step 5 of the appropriate wage band effective January 1, 2012, and to credit time served performing Finance Director duties to the one year department head probationary period.

HR Director Arrick-Kruger reported that it has been some time since quotes have been solicited for pest control services. She has solicited quotes for said services and reported on them. DeBoer Pest Control submitted the low quote, however, the quote provided by Bahr Pest Control included more extensive services. The quotes include service coverage for all 4 of the County's buildings. DeBoer Pest Control has been providing service to the County. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to accept the low quote provided by DeBoer Pest Control in the amount of \$555.00 for the first year and \$666.00 for each subsequent year.

File No. 8 -- HR Director Arrick-Kruger responded to a request to contact Ralph Burg regarding the possible purchase or lease of a small strip of land bordering Mr. Burg's parking lot property. Mr. Burg expressed interest in posting a sign regarding the customer parking lot for his business, Caledonia Wheel Alignment Inc. Due to setback requirements it was determined that the property would not be sold. However, a lease for the property would be acceptable. A Lease Agreement has been drafted and approved by County Attorney Hammell. The lease outlines absolute information related to the sign, establishes an annual lease fee in the amount of \$20.00, and a term of 20 years. Commissioner Zmyewski expressed concern that the sign be appropriate and not detract from our building. HR Director Arrick-Kruger explained the lease terms, and spoke to Mr. Burg's business aesthetics. She indicated that the fee, over time, will defray the cost to draw up the lease agreement. Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the Lease Agreement with Ralph Burg.

At this time Environmental Services Director Frank met with the Board to provide an update from recent frac sand study committee meetings. The most recent meeting was held last Thursday evening. Discussion held was regarding water quality and continued discussion related to roads. The guest speaker was Jeff Green of the Minnesota DNR. He spoke regarding water quality and quantity as it relates to this geographic area and possible frac sand mining operations. He explained what is required by the MN DNR and how the permitting process works. The other

significant topic of discussion was roads. Engineer Pogodzinski attended the first meeting to share information. He shared information from various studies which have been conducted and how other counties are addressing issues. Environmental Services Director Frank reported that future topics for discussion include air quality and storm water runoff. The committee hopes to learn what measures are contained within the current ordinance, what State regulations are in place, and how local ordinances may be adjusted and/or amended to address any issues. Environmental Services Director Frank reported that the discussion has been good. The group is fortunate to have an abundance of information which has been collected by various entities available to it. Environmental Services Director Frank reported that Winona County's moratorium recently expired. Winona County staff are anticipating applications to be submitted. Commissioner Zmyewski stated that he recently spoke with Marcia Ward, Winona County Commissioner. She indicated that there are questions with no answers, for example, who is responsible to collect road use mileage fees for entities permitted within a county which assesses them once the hauler has crossed a county boundary. Engineer Pogodzinski stated that there has been discussion regarding this. He indicated that in the event they simply haul through, there is little that may be done to collect any fees. In the event they load or unload within a given jurisdiction, it becomes easier to assess and collect applicable or permit established fees. The issue hasn't been resolved, however, there are ideas on how to address it. Environmental Services Director Frank reported that the committee has a desire to tour a frac sand mine in actual operation. This would be for educational purposes to understand the mining operation from start to finish. The mining company has been hesitant to host a group the size of the one he has proposed. He hopes to schedule a tour for June 18th.

File No. 9 -- At this time, all bids received for the County Auction were opened. Auditor Meiners reported that Kevin McCormick, Hoyt Zenke and Steve Schuldt have submitted a joint bid in the amount of 4.9%. Johnston Auction Service sent a letter indicating that they declined to submit a bid due to other commitments. Auditor Meiners clarified that letters were sent to all auctioneers who are licensed in Houston County inviting them to submit bids. After discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and carried with Commissioner Schuldt abstaining to accept the low bid provided by Kevin McCormick, Hoyt Zenke and Steve Schuldt.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to schedule a board meeting for May 29th.

Chairperson Miller reported on a redesign steering committee meeting which he attended. The major topic of discussion included governance. He indicated that one county is extremely opposed to the governance proposal. Concern was raised that in the event one or more small counties opt out, the weighting of Olmsted County votes would need to be reevaluated and could result in a governance model with one county having more than 50% governance power. Essentially, one county could rule the collaborative.

File No. 10 -- Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve an abatement for James Schleich on parcel #05.0197.001 & 08.0254.001 being a reduction of \$1,046.00 for payable 2011 and \$1,116.00 for payable 2012 due to incorrect classification.

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. 11 -- Correspondence to payroll regarding promotion and recent hires

There being no further business and the time being 11:02 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 29, 2012.

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 29, 2012

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; Finance Director Lapham; Interim HS Director Bahr; Marilyn Moore; Michelle Massman; Mark Shaw; Financial Services Supervisor Kohlmeyer; Julie Renk; Jeanette Twite; Dorie Denstad; Interim Social Services Supervisor Sanness; HR Director Arrick-Kruger; Environmental Services Director Frank

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the May 22, 2012 meeting.

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	\$27,254.37
Road & Bridge Fund	29,103.95

Total	<u>\$56,358.32</u>

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

Chairperson Miller introduced Mark Shaw representing Accenture. Mr. Shaw will be providing an update regarding redesign. He restated that the goal of redesign is to assemble a Service Delivery Authority (SDA) that will meet State requirements.

File No. 3 -- Since March 15th, the steering committee has been attempting to address 2 major issues. The first issue is to consider how funding would work. The second is to develop a governance model. Mark Shaw reported on recent developments resulting from last week's

steering committee meeting. Mr. Shaw is a project manager with Accenture. Accenture gathered ideas put forth by Human Services Directors. Two day long meetings were hosted on April 12 and May 7 to consider these ideas. As a result, updated funding and governance models have been developed.

Mr. Shaw highlighted points related to the funding model. Development of the funding model is the result of discussions held with both tentative participants and the State. Initially, a cost avoidance of approximately \$60 million was projected. This amount has remained the same. However, a more detailed breakdown of which entity will realize the cost avoidance has become clearer. The revised model shows an increase in the cost avoidance amount expected at the County level.

In order to develop the governance model, the recommendation to use 2010 spending amounts was utilized. The percentage was calculated based on the overall spend for the region and each county's individual portion of that spend. The resulting percentage determines amount of governing control within the SDA.

Commissioner Bjerke questioned where the savings from the SDA go. Mr. Shaw responded that hard savings have not been projected, rather cost avoidance figures have been estimated. Over a period of five years participating in the SDA, Houston County should be able to budget in excess of \$635,000.00 less than the amount needed if they did not participate in the SDA. The 12 counties involved are expected to realize a cost avoidance of \$34,784,046 over five years.

Mr. Shaw provided an overview of the proposed governance structure. A Governing Board would be established. Each participant would have membership representation on this Board. There would be an Executive Board and an Executive Director. The Executive Director would report to the Executive Board and the Executive Board would report to the Governing Board. The governing board membership would have a total of 100 votes divided among members based on the percentage of governing control. Affirmative votes would require both a majority of the votes plus a minimum of 2 counties to carry. It is likely that the bylaws of the SDA would outline specific questions that would require a super majority to carry.

Chairperson Miller stated that it is not official, however, it is believed that Freeborn County will not be participating. In addition, it is also believed that Fillmore County does not intend to continue participation with the regional SDA. He expressed concern that this will change the majority and the governance configuration. The importance of the affirmative vote rule would be greater. Chairperson Miller stated that Olmsted County offers non-mandated services in addition to mandated ones. Goodhue County representatives have expressed concern that the SDA offer only mandated services. Mr. Shaw responded that Accenture is assisting the steering committee with fleshing out these concerns. He expects that a resolution will be put forth with the following three options; participation with select non-mandated services offered, participation with mandated services only, or decline participation. Once this information has been gathered Accenture will be able to evaluate it and make additional recommendations.

Commissioner Bjerke questioned whether there is a participation cost. Mr. Shaw responded that there will be transition costs, and those are projected to be approximately \$19 million. He indicated that there are believed to be various sources that could be accessed to offset a portion of the transition costs. Funding will be addressed once participation has been determined. Commissioner Bjerke expressed concern that the original 12 county group may already be reduced to ten. This will result in higher transition costs for the remaining participants.

Mr. Shaw indicated that it has been projected that as much as \$9 million of the total transition costs could be covered by external funding. The balance of transition costs would then be reduced to \$10 million, of which Houston County may be responsible for 2% of based on the current governance model, for a total of \$200,000.00. Commissioner Bjerke questioned what the transition costs would be utilized for. Mr. Shaw directed Commissioner Bjerke to the business detail document. He indicated that a large portion of the costs would be utilized to cover the cost of the Executive Board. There will be a need to update and standardize equipment, provide EDMS, establish call centers and determine where satellite offices should be located. It is possible that space will need to be purchased and/or leased. It is expected that there will be costs associated with working with unions to determine wage and benefits packages and Accenture has included a 20% contingency also.

Commissioner Walter expressed her understanding that with decreased participation, costs may increase, and cost avoidance may decrease. Mr. Shaw stated that the current recommendation is to spend a portion of the \$19 million in projected transition costs to develop a more detailed design plan. Counties would not be required to commit to the design until after the detailed design plan had been completed and more is known about the true costs.

Commissioner Miller stated that a variety of items may be cause for concern. Hopefully, these concerns will be addressed in the event that a more detailed plan is developed. Commissioner Bjerke expressed concern that developing a more detailed model will require additional funding. He questioned whether the Bush Foundation was covering this additional expense. Mr. Shaw stated that it is his understanding that the Bush Foundation is committed to the project. Chairperson Miller believes that it may be beneficial to have a more detailed model developed. It is his understanding that, only after the more detailed model has been developed will counties be asked to lock into a financial obligation or participation commitment. Counties will be allowed to put forth the questions they want answered during this phase, and have the questions answered prior to making that final commitment regarding participation.

Charlie Warner requested clarification regarding the governance model and voting. This information was reviewed.

Chairperson Miller stressed that Accenture was hired to perform an analysis regarding the creation of an SDA following a competitive bidding process.

Michelle Massman questioned how a participating county could discontinue participation following the expiration of the initial participation period. Would a super majority vote be required for a county to discontinue participation? Mr. Shaw responded that it is his understanding that members would be allowed to opt out.

Interim Social Services Supervisor Sanness clarified that regardless of participation status, entities will be required to meet all performance standards established by legislation. This is correct.

Michelle Massman questioned what the estimated transition and cost avoidance figures would be in the event Olmsted County chooses not to participate. Mr. Shaw responded that specific calculations have not been performed. He was confident that the costs would change. Ms. Massman clarified that Houston County's percentage of governance authority would be 2% given the current model.

Finance Director Lapham expressed concern that Fillmore County may opt out. It is her understanding that Fillmore and Winona Counties have been working together. Does this mean that Winona County also intends to opt out? Chairperson Miller stated that Winona County Representatives were present during recent steering committee meetings and had not indicated this. It was noted that participation is not required, however, all entities are required to meet the established performance standards. It is widely accepted that individual counties will be unable to meet the standards. There are significant concerns regarding all that is unknown regarding the regional SDA.

Mr. Shaw has met with the Board today in order to answer questions and to assist the Board in sorting out its concerns. Commissioner Bjerke expressed concern that Houston County may have only a 2% stake in the governance model, which is minor. Costs related to participation in the SDA could be significant. Commissioner Schuldt pointed out that Olmsted County could realize in excess of \$18 million in cost avoidance over a 5 year period. He questioned why Olmsted County would desire to participate in the regional SDA. Projections reflect that cost avoidance would be greater with regional SDA participation as opposed to remaining stand alone.

Chairperson Miller re-stated that some counties are concerned with providing mandated only services. It is possible that participation in the regional SDA may offer participants the ability to offer services which they would otherwise have been unable to offer. Provided the group is focused on the same goals, collaboration could prove advantageous. Mr. Shaw stated that he has been involved with government and/or advising government for 30+ years. He urged counties to consider their ability to offer services, the availability of services and the cost to provide those services when evaluating their options. The model that is being recommended accomplishes all of these things. The region has resources, however, they are available in various pockets scattered across the region. This model would allow for more even distribution of resources across the region.

The concern was raised that in the event both Fillmore and Winona Counties opt out of the regional SDA, Houston County will be “cut off” from the balance of participants. Mr. Shaw indicated that even though it would be ideal for participant to have contiguous boundaries, it is not required and should not be indicative of success.

Auditor Meiners stated that Olmsted County offers higher wages than those offered by smaller counties. This is likely the result of their local economy and the involvement of Mayo within it. She expects that wages will be brought up to the level of Olmsted County in the event a regional SDA moves forward. She expressed concern that smaller counties do not have the same economies operating in their areas and increased wages could negatively impact the smaller counties. Higher wages will result in increased operation costs of the SDA. Mr. Shaw responded that the wages and benefits package offered to SDA employees will need to be determined. When determining these, the economy of the region will be considered, not just the economy in Houston County. Auditor Meiners shared the experience resulting from the State takeover of the court system. Following the State takeover, wages increased however, positions were reduced. Currently, the plan for the regional SDA reduces the current workforce over a 3 year period to a recommended level of staffing.

Mr. Shaw stated that if the project moves forward, an analysis will be completed to determine locations where services should be offered. Following determination, appropriate space would be leased or purchased. It is possible that some locations may remain the same while others are changed.

Chairperson Miller indicated that this is a complicated issue. Staff would no longer be categorized as county staff, rather they would be SDA staff. The SDA would be somehow tied to participating County Boards.

There are three unions with potentially affected staff. They are AFSCME, Teamsters and a bargaining unit out of Olmsted County. Negotiations with the unions will play a significant role in determining how the transition will operate. Commissioner Bjerke questioned whether the majority of current HS staff would transition to becoming SDA staff. Mr. Shaw responded that this is correct and the current vision.

Michelle Massman questioned whether it is the intention to re-evaluate positions descriptions in an attempt to reduce wages through rebanding versus increasing wages to meet those of the highest paid. Mr. Shaw indicated that he believes positions will need to be established for the SDA. He explained that each participating entity may have variations in position descriptions and these will need to be standardized. He expects employee positions will remain largely similar, however additional duties and slight changes should be expected. Mr. Shaw reported that the normal annual attrition rate across the region ranges between 10 and 15%. The number of employees who meet or are nearing retirement requirements is also being considered. It has been estimated that over a three year period 35% of current staff will qualify

for retirement. Taking this information into consideration, the current workforce may be reduced to recommended levels within a three year period through attrition. Michelle Massman questioned whether “pigeon holing” staff is being carried out in an effort to push individuals to quit. Mr. Shaw reported that 11 of 12 counties in the region have 3 levels of management, Olmsted County has 4 layers. The SDA model includes 4 layers. As far as staffing, estimates have been estimated from the bottom up. The number of caseloads has been gathered, they have taken into consideration the recommended number of cases that should be managed by one worker to determine the desired staffing level, and then they have determined the appropriate number of supervisors needed for staff, and so on and so forth. The dramatic changes are expected at the top level of management.

Commissioner Bjerke questioned what control each county has with regard to its employees, and who the directors report to. He expressed concern that the county will lose control of its employees. The response was that the staff will no longer be county staff, instead, they will transition into being SDA staff. The SDA will establish oversight and the counties will retain only their governance control with regard to the SDA organization.

Commissioner Walter expressed concern that the plan relies heavily on technology for the delivery of services. She shared that her father would need face to face contact to understand and access services. He doesn’t use the internet. She expressed her understanding that in Olmsted County an individual could ride the bus to the services. Houston County does not offer this option. Mr. Shaw responded that technology is being offered in addition to the current face to face option. It is understood that there are individuals in need of face to face contact. However, there are others who can access services remotely, therefore, this option is also being offered.

Financial Services Supervisor Kohlmeyer stated that currently Houston County is subject to merit system requirements when hiring. She questioned whether the SDA would also be subject to merit system requirements. Mr. Shaw responded that the SDA would not be merit system based. Olmsted County isn’t merit system based either. Some system will be established in place of the merit system to meet statutory requirements.

Michelle Massman indicated that she had previously requested information on how many line workers are currently employed across the region in Human Services. She has calculated that to meet the 700 member SDA that is being recommended, a 40% reduction in the current workforce would be required. Mr. Shaw expressed his belief that 40% is an excessive estimate. He did state that of the number of directors would be reduced to 6.

Interim HS Director Bahr clarified that soon a resolution will be proposed. The resolution will seek to determine those counties who desire to participate with an SDA which offers mandated and select non-mandated services, participation with the SDA for non-mandated services only or decline participation. This resolution is an effort to identify what the counties want, what they are not willing to forego, or what would make them not participate. In the future, the SDA would address any requests for the addition or discontinuation of services.

Mr. Shaw cautioned that counties may offer similar services and it is important to describe the services. Program names are most likely unique to each entity so using them could prove counterproductive. Descriptions will allow Accenture to identify similar services. Commissioner Bjerke clarified that this resolution is an effort to gather a consensus regarding the desires of the group as a whole. This information will aid in shaping policy. Chairperson Miller stated that the steering committee needs to find out where all counties are at. It will be beneficial to identify potential “deal breakers”.

Commissioner Bjerke expressed concern regarding budgeting. In order for counties to budget, costs must be known. Mr. Shaw anticipates that counties will have the information necessary in time to budget accordingly.

Mr. Shaw reiterated that the Bush Foundation is expected to remain engaged. In addition, there are funds remaining from the initial county contributions to cover a portion of continued development. Commissioner Bjerke questioned whether there was a drop dead date for the more detailed model to be presented. Mr. Shaw believes that sometime in July adequate information will be made available on which counties will be able to base their decision of whether or not to participate in the regional SDA.

Michelle Massman expressed her understanding that some counties have merged Public Health and Human Services. She questioned whether these counties are expected to opt out as a result of not being able to bring Public Health with. There are several counties including Mower, Fillmore and Winona counties considering the implications as they have merged the departments.

Commissioner Schuldt questioned what the consequences would be if the county were to opt out. It is his understanding that it could cost the county upwards of \$1 million to participate, and he inquired what the cost would be if they do not. Mr. Shaw referenced Interim Social Services Sanness’ statement that all performance measurements must be met. Those measures have been established by legislation. The county would be responsible for the cost to meet those standards also.

Auditor Meiners questioned whether Houston County has been engaged in ongoing discussion with Fillmore and Winona Counties regarding a smaller SDA comprised of the three counties. It is likely that all counties are pursuing other options in the event the regional SDA doesn’t continue to move forward.

Mr. Shaw reported that on May 7th several different groupings were considered. They found that as each grouping was varied, the operating model would change making it extremely difficult to project cost and cost avoidance amounts. He stated that the smaller the combination, the easier to deliver, the harder to offer services. With large combinations services are easier to provide, however, it becomes more difficult to govern and implement.

Commissioner Bjerke questioned how long it is expected to take to implement a regional SDA. Mr. Shaw projects that it will take approximately 12 to 18 months to plan followed by a 3 year implementation and transition period. Commissioner Bjerke questioned as to budgeting timelines and amounts. Mr. Shaw responded that once the detailed design plan has been developed, more information will be available to base budget decisions on.

Michelle Massman questioned whether the initial \$200,000.00 start up costs would go towards client services. The response was that it would not. Instead, that money would be utilized to develop the SDA. It would not be used to provide client services.

Commissioner Bjerke expressed concern that in the event both Winona and Fillmore pull out the regional SDA, it will have significant implications for Houston County. It was suggested that communication with Winona and Fillmore Counties should be ongoing. There is a need to have a good “plan b”. Commissioner Walter stated that Houston County is a rural community. It is important to be offering services to our residents. She also commented that Houston and Fillmore Counties work well through their joint Public Health venture. Because Houston and Fillmore work well together regarding Public Health, it can be expected that additional collaborative efforts would also be successful. Houston County could use the information generated by Accenture as a template for discussions with Winona and Fillmore counties regarding a smaller SDA.

Commissioner Schuldt stated that he plans to visit the property that is being offered to Veterans Services as a donation. There are concerns due to the fact that the property is essentially an island within a larger parcel owned by the previous owner of the property to be donated. There is no ingress/egress, the well which services the property is not located on the property, and there is no agreement in place with the well owner for continued service/use of the well. In addition, even though there is a septic system the drain field is located on the surrounding property. The entity making the donation has also put conditions on the donation. Commissioner Bjerke commented that the concept for this property was exceptional.

File No. 4 -- Environmental Services Director Frank reported on a wetlands application for Ivor Mighall on Town Hall Road in La Crescent Township. Mr. Mighall would like to replace a driveway culvert which has been damaged as a result of storms. Wieser Bros. is assisting Mr. Mighall with the design and wetland application. Representatives of the TEP panel have viewed the site, and the application. Approval is being recommended. The application is for approval of de minimis exemption for impacts of less than 2,000 feet. Environmental Services Director Frank reported that very little wetland will actually be disturbed in order to complete this project. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the wetland application.

Environmental Services Director Frank reported that he will be attending a Solid Waste Policy board meeting tomorrow. Commissioner Walter will also be attending. Discussion will

include possible extending a current contract with Xcel and also issues with metal and ash relating to solid waste.

Environmental Services Director Frank that he has been able to schedule a tour of a frac sand mine currently in operation. The tour will take place on June 20th. The exact number of attendees including a listing of their names is being required prior to the tour. Preferred Sands will provide MSHA training and protective hats, vests and safety glasses. The tour will be followed by a luncheon meeting.

The next frac sand study committee meeting is scheduled for June 5th. Speakers will be presenting information regarding air quality and storm water runoff and the water permitting process.

Commissioner Walter provided a reminder regarding the upcoming AMC District meeting scheduled for June 4th.

Following the newspaper report indicating the County is in need of chairs, the Eitzen Bank contacted the County to provide information about brown chairs which they have available for sale at \$15.00 each. It was agreed that one of these chairs and one of the blue plastic chairs from the school would be brought to the next meeting.

Chairperson Miller has been approached by two individuals interested in offering services to tear down the old jail. Prior to tearing down the building, a process to have it removed from the Historic Registry would need to be completed. It was agreed that the Board will decide on its intentions for the building at the next scheduled meeting.

Commissioner Zmyewski recently toured the old jail again. He stated that there is a need for it to be cleaned up. When other office moves took place, vacated offices were not left in the disarray of those in the old jail. Commissioner Zmyewski reported that there are computers, phones, appliances, lockers, papers and various other items remaining. These items need to be addressed. He expressed concern that there could be data privacy concerns related to the extreme amount of paper files remaining. These items need to be sorted, reuse items, throw items of no use, and sell any items with a value but no use. It was agreed that due to the nature of paper files both Sheriff Ely and Jail Administrator Schiltz should be in charge of the clean up and they would be allowed 10 days in which to complete the task. This time allowance will provide for all items with value and no use to be sold at the county auction.

Commissioner Bjerke stated that Chief Deputy Sheriff Yeiter has been e-mailing regarding a RRB grant in the amount of approximately \$30,000.00 for equipment. The Safety Committee has discussed the grant and uses for the proceeds. The County would be accountable for any equipment purchased by this grant. Commissioner Zmyewski expressed concern that the Board is unaware of how much has been spent on the migration to ARMER. There is no breakdown to detail the spending or identify whether the funding is County dollars or Grant

funding. In addition, there is no inventory listing of equipment or where the equipment is located. Commissioner Zmyewski expressed a desire to identify who may have a need and the justification for the need prior to accepting and spending grant funding. He indicated that even though the equipment costs may be covered by external funding, there would be 4 hours of training required which would be an expense to the County. Commissioner Zmyewski stated that he is not in favor of “spending money just to spend money”, and he has no problem if there truly is a need. There is always a cost, nothing is free as it is still being funded by tax dollars at some level. In the event Houston County declines the grant, it may be possible that another entity may have a need and be able to utilize the funding.

Chairperson Miller reported on a steering committee meeting which he attended.

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

File No. 5 -- Correspondence to payroll regarding of increase to full time employment and recent appointment

File No. 6 -- Public Notice of meeting scheduled for May 29, 2012

There being no further business and the time being 11:01 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, June 5, 2012.

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 5, 2012

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; PHN Director Rock; Steve Hartwick; Chief Deputy Sheriff Yeiter; Engineer Pogodzinski; Interim HS Director Bahr; Julie Renk; Doreen Denstad; Jail Administrator Schiltz; Steve Jansen

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 29, 2012 meeting with noted corrections.

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	\$63,564.44
Road & Bridge Fund	14,198.00

Total	\$77,762.44
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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 Director Rock presented Public Health provider contracts for approval. She reported that these contracts are standardized, are for services covered by waivers and are for a 3 year period. The rates are not included in the contract and are established by the State. There are a total of 28 contracts. The contracts cover a variety of services which aide in keeping individuals living independently. There are two new contracts, one with ABC Works for transportation services and another for a Spanish speaking interpreter. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the following contracts;

ABC Works
 Affordable Choice, Inc.
 Brookdale Senior Living Communities, Inc. DBA Sterling House of
 Winona
 Caledonia Care & Rehab DBA Buckley; Roseview Court; Roseview Court
 Memory Care
 Chad Myhre DBA Myhre Construction, LLC
 Global Home health Care, Inc.
 Golden Living Center
 Good Samaritan Home Care Agency
 Harmony Community Healthcare & Harmony EDA DBA Heritage Grove
 Of Harmony
 Heartland Security Services, LLC
 International Quality Home Care Corporation
 International Quality PCA, LLC
 Josh Meyer, DBA Josh's Lawn Service
 Kyle Vaaler
 La Crescent Area Healthy Community Partners, DBA Neighbors in Action
 La Crescent Mobil Meals, Inc
 Larry or Carmel Ledebuhr DBA Claddagh House
 Lutheran Social Services of Minnesota DBA Senior Companion Program
 Michael Meyer DBA Meyers Lawn Service
 Purefoods, LLC DBA Mom's Meals
 Quality Living Home Health Care, Inc.
 SEMCAC
 Southeastern Minnesota Center for Independent Living, Inc., DBA
 SEMCIL United Home Healthcare
 Spring Grove Assisted Living, LLC
 The Meadows of Mabel
 Tweeten Lutheran Health Care Center
 Valley View Healthcare & Rehab
 Agreement for Interpreter Services

File No. 4 -- Chief Deputy Sheriff Yeiter presented information regarding ARMER expenditures. It outlined the costs to date, reimbursements received, reimbursements applied for but not yet received, and reimbursements to be submitted. The information was prepared largely by Finance Director Lapham. Questions may be directed to either Finance Director Lapham or Chief Deputy Sheriff Yeiter. Chief Deputy Sheriff Yeiter is interested in ordering additional radios prior to the expiration of special pricing offered by Motorola. He would appreciate a decision at the next board meeting. Charlie Warner questioned what the reimbursement rate was. Chief Deputy Sheriff Yeiter responded that there is no set rate, rather certain purchases qualify for grant funding. Often the funding offered was 50%.

File No. 5 -- HR Technician Diersen recommended the status of Karen Kohlmeyer be changed from probationary to regular effective on her anniversary date. Interim HS Bahr reported that Ms. Kohlmeyer is doing a good job as Financial Assistance Supervisor, is outstanding in her technical knowledge and that there is good morale within her division. Financial Assistance Supervisor Kohlmeyer has improved the functioning of the division as reported during the last meeting. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the change in status of Karen Kohlmeyer from probationary to regular effective her anniversary date.

On the recommendation HR Technician Diersen, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of Anita Bashaw as a 67 day employee to assist as needed as a drop site supervisor at \$11.52 per hour.

HR Technician Diersen reported that Dorothy Schulte, a home health aide, has been on medical leave. Recently, it was learned that she would be unable to return to work. As a result, she is requesting acceptance of Ms. Schulte's resignation. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to accept the resignation of Dorothy Schulte effective May 31, 2012.

HR Technician Diersen requested authorization to hire Diane Giese as a roster Home Health Aide at a rate of \$11.99 per hour. This is a 67 day employee position. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Diane Giese.

File No. 6 -- Engineer Pogodzinski recommended approval of a grant agreement for airport improvement. The agreement will provide for 50% funding for the fuel tank cleaning project. The total cost of the project has been estimated at \$3,000.00. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 12-24
AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF
TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

It is resolved by Houston County as follows:

1. That the state of Minnesota Agreement No. 01260,
“Grant Agreement for Airport Consultant Services, “ for State Project No. A2801-22
at the Houston County Airport is accepted.
2. That the Board Chairperson and County Auditor are authorized to execute this Agreement and any amendments on behalf of Houston County.

Chairperson Miller reported on a recent meeting with the Friends of the Airport Group. There continues to be ongoing discussion regarding the possibility of establishing an FBO. Recently Human Services had a presenter in Houston County to provide mandatory civil rights training. The presenter was able to fly into the airport and made favorable comments about our airport.

File No. 7 -- Engineer Pogodzinski reported on bids received for S.A.P. 28-996-19. The low bid was submitted by Winona Excavating and was 3.4% below the engineer's estimate. They have completed work for Houston County in the past. Last construction season they completed a similar project in Winona County. This project is to provide for permanent repair of CSAH 26 which was damaged during the flood of 2007. The work will take place on the hill heading into Rushford. Additional paving projects are scheduled for this area of CSAH 26 in addition to other areas. Chairperson Miller questioned if bid amounts had been increasing. Engineer Pogodzinski responded that bids had been coming in below the engineer's estimate, as of late, bids have been at or even exceeding the engineer's estimate. He indicated that estimates are not keeping pace with inflation. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the low bid provided by Winona Excavating in the amount of \$1,125,254.40.

File No. 8 -- Chief Deputy Sheriff Yeiter presented information related to ARMER tower usage. Over the past 12 month period in excess of 1.8 million calls have been logged. The system is being used a lot.

Chairperson Miller reported that he attended a steering committee meeting two weeks ago. Another steering committee meeting is scheduled for next week. Julie Renk asked for clarification regarding pay of the SDA executive board. Chairperson Miller responded that operating costs for the SDA are a significant concern. Julie Renk referenced a pay amount listed for financial workers and questioned how it was to be interpreted. Chairperson Miller stated that information has been gathered and certain assumptions have been made when collecting and presenting data. He believes that the information she is referring to has been extrapolated from information that had been gathered.

Chairperson Miller stated that during yesterday's regional AMC meeting, those considering the regional SDA were invited to attend. A decision from each county whether to participate in continued discussions related to a regional SDA is expected soon. In the event counties opt out, a significant portion of information changes (weighting of votes etc.). All information is reviewed and evaluated as it becomes available. Chairperson Miller expects to have additional information following next week's meeting. Julie Renk stated that counties may have a specific amount allotted to them for spending on a specific program. Certain counties may overspend this allotted amount. She questioned if the "historic spend" takes into consideration the allotted amount or the total which may include overspend. Chairperson Miller stated that Ms. Renk's question was a good one. He expects discrepancies resulting from a difference in services offered throughout the region or by each individual county. This will also be affected by

mandated versus non-mandated service offerings. He expressed that he would like to meet with Ms. Renk to get her specific questions which he will then take to the steering committee meeting in hopes of discovering the answers.

Jail Administrator Schiltz introduced Steven Jansen from La Crosse. Mr. Jansen is a representative for Uvanta Pharmacy. Currently, Houston County has a contract in place with Witt Pharmacy to provide inmate medications. Sterling Drug recently bought out Witt Pharmacy and does not offer the services Jail Administrator Schiltz has been utilizing. As a result he is recommending terminating the agreement with Sterling Drug fka Witt Pharmacy and entering into a health care services agreement with Uvanta Pharmacy. Uvanta Pharmacy offers 6 day delivery. The contract with Sterling Drug only offers 5 day delivery. Uvanta Pharmacy also offers pharmaceuticals at Medicare rates. Chairperson Miller suggested waiting on any decision. During yesterdays AMC meeting discussion was held regarding drug discount cards which may be available to counties. He expressed his desire to explore all options prior to making any changes. When asked, Jail Administrator Schiltz replied that waiting would not negatively impact operations at the jail. He reported that the County will be required to provide 30 day notice to Sterling Drug fka Witt Pharmacy in order to terminate the current contract. The draft agreement with Uvanta Pharmacy is for a 3 year period with annual review to ensure medication costs are in-line with Medicare rates.

Jail Administrator Schiltz reported that the cleaning out of the Historic Jail is nearing completion. There is an entire room full of equipment and furnishings which may be sold at the County Auction. He expects the dumpster to be removed later this week. STS has been very helpful throughout this process and will move the equipment and furnishings out to the fairgrounds later this week in preparation for the County Auction.

File No. 9 -- Zoning Administrator Scanlan reported on the following variance which was approved by the Board of Adjustment: Josh and Jonah Ross of Hokah Township for a variance of 10 feet to meet the required 50 foot setback from the east property line to build a pole shed.

File No. 10 -- A preliminary plat has been submitted by Josh Ross of Union Township. He purchased the former Jehovah's Witness property. The preliminary plat looks good. It is simple since the building and driveway already exist. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the preliminary plat as presented.

File No. 11 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Zoning Permits:

Karen Schroeder – Yucatan Township - Build deck (26' x 16')

John and Terry Schroeder – Winnebago Township - Build pole structure

calf barn (32' x 48') no expansion

Jim and Kelly Frauenkron – Yucatan Township - Build garage (30' x 48')

Kevin and Joannie Schmidt – Caledonia Township - Build house (40' x 60') attached garage (24' x 24') shed (36' x 40')

Ray Mark – Houston Township - Build all season room (18' x 20') and garage (30' x 32') (Extension of permit #3419)

Steve Gulbranson – Yucatan Township - Build storage shed (18' x 32') deck (8' x 16')

Tom Paus and Lisa Johnson – Caledonia Township - Build house (46' x 32') garage (16' x 28') deck (12' x 38') porch (46' x 8')

Toby Burrichter – Wilmington Township - Build grain bin (13,000 bushels)

Wesley Lapham – Wilmington Township - Build grain bin (20,000 bushels)

Andy Von Arx – Brownsville Township - Build pole shed (36' x 72')

Michael Sieve – Yucatan Township - Build studio (35' x 75')

The Board questioned Zoning Administrator Scanlan on a permit that was issued in 1992 for a sand quarry. Zoning Administrator Scanlan responded that the parcel this permit was issued for has been sold to a party other than the one who applied for the permit. However, the permit is recorded and stays with the property. The property is located approximately 2 miles east of the Houston/Fillmore County line on State 16. It is a 19 acre parcel. There are intentions to remove large quantities of sand. When the permit was originally granted, the owner mined the sand for use on a major road project taking place in the area. Since no operation and/or reclamation plan were submitted with the initial permitting application, those items have been requested. The operation plan will outline haul routes, and address erosion control measures. In addition, a reclamation plan has been requested and supplied. Nothing out of line has been detected following the review of these plans which have been submitted. The haul route will be to travel west on State 16 to State 43 and north to Winona. Chairperson Miller questioned whether permits are perpetual. Zoning Administrator Scanlan reiterated that the permit remains with the parcel. Chairperson Miller questioned how the moratorium or related items will impact this permit. Zoning Administrator Scanlan responded that the moratorium will have no impact on the existing permit. The county does not have the ability to go back and invalidate permits which have been issued in the past. The permit has undergone a process whereby it is updated/renewed once every 5 years. This particular permit is scheduled for update/renewal in January 2013. Discussion was held in regard to the operational plan. Zoning Administrator Scanlan stated that

an application for annual water use and settling ponds has been submitted to the MN DNR. No information related to water use and/or settling ponds was included in the original operation plan. Zoning Administrator Scanlan stated that in the event the DNR issues the permit, an update to the operational plan will be required. Concerns were expressed regarding the use of 40 million gallons of water annually. The location of this property is in close proximity to the Root River. Erosion concerns were also voiced. Commissioner Zmyewski expressed great hesitation regarding the possible washing of the sands at this location. It was agreed that Zoning Administrator Scanlan will check with our attorney in this regard. Commissioner Zmyewski expressed concern regarding the logistics as they do not appear to be realistic, the quantity of loads and volume of water use indicate a sizeable operation moving great quantities of sand. Zoning Administrator Scanlan expressed his belief that the intention is to remove as much sand as possible from the location prior to the permit renewal date. Zoning Administrator Scanlan has been busy fielding calls from neighbors with questions and concerns regarding the operation. He has advised them to document incidents of erosion, traffic problems and any other issues which cause them concern. This information could be considered during the renewal process. Commissioner Zmyewski has discussed haul concerns with Senator Miller. Senator Miller indicated that the legislature has no current plans to enact legislation which would regulate haul traffic.

Discussion was held regarding a possible processing plant and rail spur in the St. Charles area. This area is being considered for a facility to load sand on rail cars.

File No. 12 -- Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Maintenance and Grooming application submitted by the La Crescent Snowmobile Club, and to adopt the following resolution:

RESOLUTION NO. 12-25

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

File No. 13 -- Auditor Meiners reported on the beer and liquor license renewals. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Liquor, Wine and Beer Licenses effective July 1, 2012 through June 30, 2013, 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's Back Forty, LLC dba Amanda's Back 40

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)

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

Commissioner Schuldt displayed two used chairs available for purchase. The county has been considering options for additional chairs. It was noted that the blue plastic chairs which are consigned to the County Auction are quite worn. The chairs for sale by the Eitzen State Bank are nice and only gently used. They show little sign of being worn. The chairs offered by the bank are priced at \$15.00 each. Commissioner Walter questioned whether there is truly a need for additional seating. It was noted that maintenance has a chair dolly for transporting chairs between meeting rooms and buildings. It was the consensus of the Board to refrain from purchasing additional chairs at this time and to monitor chair need and usage.

Commissioner Zmyewski stated that he was informed that a portion of the Historic Jail may have been an addition. In the event a request to have the structure removed from the historic register consideration may be given to tearing down the addition in an effort to reduce the footprint therefore reducing the upkeep costs related to heating, cooling and/or electricity. He also questioned whether there is a viable use for the Historic Jail. Commissioner Walter suggested that the county move forward with the process to have the structure removed from the historic register. From information which has been gathered it seems likely that any such request will be denied. Commissioner Zmyewski expressed concern that the structure is not saleable in part because it shares heating, cooling and electricity with the Historic Courthouse. Commissioner Zmyewski expressed concern that the State could choose to deny our request to have the structure removed from the historic register, it is not a saleable property, and the State is mandating it remain without any offer of funding to maintain it. He indicated that he would be in favor of simply installing a fence around the structure and foregoing maintenance. Following discussion, the Board expressed a desire to meet with the individual in charge of the process to consider removing the structure from the historic register. It was agreed that Auditor Meiners would contact the individual to explore the possibility of scheduling a meeting.

Chairperson Miller stated that he received a call from Robin Danielson regarding her concern about golf carts operating on CSAH 26 and various Money Creek Township roadways. It was reported that the Sheriff's Department has increased patrols in this area.

Being today is the last County Board meeting which Charlie Warner will be reporting on, the Board thanked him for the years of coverage and wished him well with his new Marketing Specialist position with Miken.

Commissioner Walter reported on a Solid Waste meeting which she attended. One significant issue discussed was how to deal with ag bags. Also discussed was the ash generated by Xcel. The ash may not be used in concrete. However, Mathy Construction has been purchasing this byproduct for use in asphalt. Commissioner Walter also reported on an AMC meeting which she attended.

Commissioner Schuldt reported on a Caledonia City Council meeting which he attended. As a result of concerns voiced at said meeting and related to the CJC he is working with HR Director Arrick-Kruger to resolve the concerns. He also reported on an AMC meeting which he attended and also a walk-thru of the CitiMortgage property which had been offered to Veterans Services as a donation.

Chairperson Miller reported on an AMC 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. 14 -- Public Notice of Frac Sand Tour scheduled for June 20, 2012

File No. 15 -- Correspondence requesting budget and inventory information related to ARMER radios

File No. 16 -- Correspondence regarding clean up of Historic Jail offices

File No. 17 -- SMIF 2013 Appropriations request

File No. 18 -- Correspondence from State Auditor regarding services to be offered through 2014

There being no further business and the time being 10:27 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, June 12, 2012.

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 12, 2012

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 Schuldt & Moorhead; HR Director Arrick-Kruger; Chief Deputy Sheriff Yeiter; Jail Administrator Schiltz; Court Administrator Larson; Financial Assistance Supervisor Kohlmeyer; HR Director Arrick-Kruger; Finance Director Lapham; Interim Social Services Supervisor Sanness; Interim HS Director Bahr; Jeanette Twite; Julie Renk; Doreen Denstad; Michelle Massman; Diane Schulze; IS Director Milde; Kelly Stanage; Steve Jansen; Donna Buckbee; Scott Anderson; Geoffrey Griffin

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 June 5, 2012 meeting.

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

County Revenue Fund	\$52,146.13
Road & Bridge Fund	18,958.93

Total	\$71,105.06
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File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- HR Director Arrick-Kruger reported that the safety committee has been attempting to address various concerns. One concern is for the safety of employees working in the field where there is spotty or no cell phone coverage. Social workers have expressed their concern regarding situations. If they are aware that a meeting could be confrontational they try to arrange for a deputy ride along however, they do not always know upfront which situations could

turn confrontational. In addition, it is not always feasible to coordinate social worker, client and deputy availability. Another employee group which has expressed concern is the appraisers. The safety committee recommends that ARMER radios be purchased for these departments. There are grant funds available which may be used to cover the expense. HR Director Arrick-Kruger cautioned that providing radios does not guarantee safety. She cautioned that cell phones will continue to be necessary. Private data should not be communicated over the radio. Private data will continue to require a secure connection which can be provided by cell phone use. This recommendation has been discussed with affected department heads.

Commissioner Bjerke provided an overview of the Regional Radio Board's purpose. This organization was charged with administering available grant funding in order to grow the ARMER infrastructure.

Commissioner Walter clarified that there is no match for the grant which will be used to purchase the radios recommended by the safety committee. Chief Deputy Sheriff Yeiter responded that there is no match. The grant is being overspent by \$53.06. This amount will be covered by the Sheriff's Office budget.

HR Director Arrick-Kruger stated that the safety committee has been engaged in ongoing discussion regarding employee safety. Discussion has been lengthy. The recommendation has been made because of this, not because a grant was available to cover the expense.

Chief Deputy Sheriff Yeiter reported that extra batteries have been purchased so that in the event someone works back to back shifts and is unable to charge a radio, they will have the option to switch out the battery for a spare to ensure radio life during their shift. All batteries are interchangeable.

Chief Deputy Sheriff Yeiter reported that there is a minimal training requirement of 3 hours. This training is provided in house by county staff including Maintenance Foreman Molling, Jail Administrator Schiltz, and himself. This is one-time training. Updates are not required, however refresher trainings could be made available. Radios will likely require tuning or updates/code programming once every 18 months. This work will also be performed in-house by trained county staff. If this work were required to be completed by an outside vendor, the cost would be approximately \$75.00 per radio.

Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and carried with Commissioner Zmyewski voting in the negative to approve the safety committee's recommendation to purchase radios and to utilize available grant funding to cover the expense.

HR Director Arrick-Kruger stated that there has been a request to hire a deputy. It was pointed out that the department has been short deputies as a result of a retirement and an internal promotion. Chief Deputy Sheriff Yeiter reported that there are a total of 28 law enforcement

officers in the county. Of those, 13 are in the Sheriff's Office, and the balance is made up of city officers.

Chief Deputy Sheriff Yeiter stated that the department would like to utilize the most recent pool of candidates. They would like to re-interview the top two candidates in the event either is still interested in a position. HR Director Arrick-Kruger indicated that she has no concerns with using the previous pool of candidates. Chief Deputy Sheriff Yeiter reported that the last applicant pool was large and the finalists for the position were very strong candidates.

Commissioner Bjerke expressed his understanding that due to a retirement and an internal promotion of a deputy to captain, the funds for the requested position are included in the current budget. Chief Deputy Sheriff Yeiter approval of the department's request would provide for minimal staffing. In recent years, there has been only one new position created within the department and that is the drug officer. This position has been discussed with the law committee. The drug officer is extremely busy. Recently, there have been numerous news reports about the increase in heroin use in the region. Chief Deputy Sheriff Yeiter confirmed that there have been cases involving heroin in Houston County. The volume of drug related crimes shows the importance of not only the drug officer position, but also the importance of collaborative agreements such as the participation in the SEMN Drug Task Force. This agreement provides access to an additional 14 drug investigators. Commissioner Zmyewski clarified that the request for an additional deputy is to replace the position held by Luke Sass prior due to his promotion to captain/chief investigator. Chief Deputy Sheriff Yeiter responded in the affirmative. Commissioner Bjerke questioned whether failure to replace would create a problem in providing coverage for vacation and sick leave. Chief Deputy Sheriff Yeiter responded that it would, and that he is already experiencing difficulty. He has historically not offered overtime. Recently he was forced to offer overtime to anyone willing to cover shifts guarding a prisoner. Even though OT was offered, he had difficulty finding anyone willing to accept the assignment because many deputies had been on for several days with little time off and scheduled for additional shifts for several days successively.

County Attorney Hammell has contacted commissioners expressing concern. Her office has been extremely busy. She believes there is a definite need for investigators and also for road coverage.

Chairperson Miller questioned the need for a deputy. The Board has encouraged the department to research and consider contracting with an outside vendor for courtroom security. The court security position is a shared position with emergency management. Chairperson Miller questioned whether there are 20 hours of work to be completed for the emergency management portion of the position week after week for the entire year. In addition, there is law enforcement staff in the cities within the county. City Police provide coverage for a significant portion of the population. Chief Deputy Sheriff Yeiter expressed concern that the police departments do not have round the clock staffing. La Crescent City is an exception and the city does have around the clock law enforcement. It is the sheriff's office's statutory responsibility to provide coverage to

the entire county. Chairperson Miller expressed his opinion that cities with law enforcement should be responsible for patrolling within their political boundaries. He questioned why the County was patrolling these areas. He also expressed skepticism that patrolling would result in crime detection. He suggested that patrolling policies be reviewed. Chief Deputy Sheriff Yeiter stated that patrolling does result in crime detection. Chairperson Miller questioned whether specific examples could be provided to which Mr. Yeiter responded “yes”. Chairperson Miller pointed out that Chief Deputy Sheriff Yeiter repeatedly references the amount of time he has spent working on the ARMER project. The system is up and the migration should be coming to a close. He questioned whether this has freed up time in Chief Deputy Sheriff Yeiter’s schedule. Chief Deputy Sheriff Yeiter responded that there is ongoing training which continues to require his time.

HR Director Arrick-Kruger suggested that a staffing study be completed. While the study is being completed she recommended a 67-day employee be hired to provide for adequate staffing.

Chief Deputy Sheriff Yeiter stated that the need has been discussed, and the position is included in the budget. He indicated that the Sheriff’s Office has been good stewards of tax dollars. He reported that daily expenses have been reduced, and the department operates within its budget. The department used to have on call deputies. These individuals were paid ½ hour of comp time for each hour of on call duty. This practice was discontinued. The department pays individuals to be out patrolling, not “on-call” which would allow the individuals to be participating in other activities while earning comp time. Chief Deputy Sheriff Yeiter stated that he is agreeable to completing a staffing study. He expressed his belief that the study would result in showing that there is more than one deputy needed. He questioned whether the Board would act to hire additional staff if a study showed it was necessary. Commissioner Walter commented that she has reviewed the schedules. Chief Deputy Sheriff Yeiter queried the Board if they knew which day of the week is the busiest for the Sheriff’s Department. He stated that Wednesday is the busiest day for crime followed by Friday and Saturday. The department is cognizant of these statistics and schedules staff accordingly. After discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and carried unanimously to approve the hire of a deputy.

Scott Yeiter stated that he is currently the vice-chair of the Regional Advisory Committee (RAC), an advisory committee to the Regional Radio Board (RRB). He expects to be asked to chair the committee once the position is up for review. He explained how the ARMER radio system has been built from the local level and up. He feels that his participation in the migration to ARMER will likely be his greatest career achievement.

Chairperson Miller reported that a previously scheduled redesign steering committee meeting has been postponed until June 21st. Interim HS Director Bahr reported that she recently attended a director’s meeting. Several pages of statistics were distributed during the meeting. She showed a short video also viewed during the director’s meeting which sums up the statistics. An

ageing population is the driving force necessitating redesign. The retirement age population is growing exponentially compared to the population of those entering the workforce. It was agreed by the Board that a decision regarding ongoing participation in the 12 county SDA will be made on June 26th.

When asked if it was known which counties would continue and which would opt out it was reported that Freeborn was opting out, Fillmore was likely to opt out and Goodhue would continue with conditions. It is not known how other counties intend to vote. Human Services Director Bahr reported that 4 counties are scheduled to vote on the issue today, 3 are scheduled to vote on the 19th, 3 are scheduled to vote on the 26th, and Olmsted is not scheduled to vote until July 10th. Fillmore and Winona are two of the counties scheduled to vote on the issue today.

Julie Renk questioned, in the event Houston County continues with the current 12 county SDA, how much decision making authority the local Board will have. She stated that individuals previously employed by Accenture indicated that no call centers were kept within the United States. Commissioner Schuldt indicated that this would likely be a decision made by the SDA governing board.

Michelle Massman questioned whether the Board has discussed how the employee health insurance pool would be impacted in the event a significant portion of HS staff is no longer included. Chairperson Miller stated that the Board is aware that this could significantly impact the pool. To date, it has not been discussed at length.

File No. 4 -- Jail Administrator Schiltz distributed a cost comparison of Uvanta versus Well Card pricing for 5 drugs most commonly used in jail settings. The Well Card offers reduced pricing. Uvanta offers the same pricing as Medicare. The Uvanta rate is lower than the rates offered by Well Card. Uvanta offers 6 day delivery, individually bubble packed medications, and return of unopened medications. Jail Administrator Schiltz checked into participating area pharmacies for the Well Card. There are participating pharmacies in La Crosse, however, they do not offer delivery. Some will deliver using a taxi service which is very cost prohibitive. The county currently has a contract with Sterling (fka Witt's Pharmacy). Sterling offers delivery 5 days per week. In the event there was an emergency, Sterling would work with Walgreen's Pharmacy in La Crosse and meds would be delivered via taxi service. Sterling does not offer a return program or refund on unopened medications. Commissioner Schuldt expressed his belief that Uvanta is offering the best option for the county at the best value. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the Healthcare Services Agreement with Uvanta.

File No. 5 -- Court Administrator Larson reported on two bids received for the Court Appointed Attorney RFP. It is the recommendation of the committee to accept the low bid provided by Kurt Knuesel. Mr. Knuesel is currently providing these services. The previous rate was \$52,500.00 per year for 2 year contract, and the bid for the new 2 year contract is

\$48,000.00. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the bid of Mr. Knuesel in the amount of \$48,000.00.

File No. 6 -- Auditor Meiners reported that the County has an indirect cost allocation report completed annually. The report is prepared by an outside vendor. The current contract with the vendor expires with the close of fiscal year 2011. On the recommendation of Auditor Meiners, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the letter of agreement with Government Management Group for services to prepare the annual cost allocation reports for fiscal years 2012 through 2014 for a fee of \$3,600.00 annually.

File No. 7 -- Commissioner Schuldt reported that the legion conducts corn bingo/10 cent bingo at the fairgrounds during fair week. There are buildings on the fairgrounds which have gravel surfaces. The legion would like to donate the funds necessary to upgrade one of these gravel floor surface buildings to concrete. However, the Fair Board is not a 501.3c entity which prevents the legion from making a direct donation. In the past, the County has acted as the fiscal agent for funds the Fair Board could not otherwise be granted. The legion would be allowed to donate funds to the County for use in completing the proposed concrete project. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to adopt the following resolution:

RESOLUTION NO 12-26

WHEREAS, the Caledonia and Spring Grove American Legions wish to make a donation to assist the Houston County Agricultural Society (Fair Board) in funding a concrete project at the Houston County Fairgrounds; and

WHEREAS, this donation must be submitted to 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 the fiscal agent for the Houston County Agricultural Society (Fair Board) to receive said donation 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.

File No. 8 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Cooperative Purchasing Agreement with the State of Minnesota.

At this time Scott Anderson met with the Board to express concern regarding a permitted sand mine. He anticipates increased activity at this site. Mr. Anderson has facilities for a fish hatchery located on his property. They are an asset. He is concerned that runoff from a proposed washing plant could damage his hatchery facilities or disrupt the waters which supply the facility. Chairperson Miller stated that it was his understanding that the request to permit a washing plant had been withdrawn. Mr. Anderson stated that he recently spoke with a representative from the Minnesota DNR who stated that the washing plant request had been withdrawn. However, this representative expects the request to be revised and resubmitted. The MN DNR's permitting process does not require a site visit. Mr. Anderson believes that without a site visit the organization will fail to realize the potential impacts if the permit is approved. Mr. Anderson clarified that his fish hatching facilities have not been used in the past 5 year period. The DNR would perform a site visit prior to any new operations could be started for the hatchery. Mr. Anderson's facilities are located approximately 1/3 of a mile from the mining site. During heavy rains his ponds get cloudy. Commissioner Zmyewski stated that he has discussed these concerns with Mr. Anderson. He reported that he has knowledge of an irrigation system which had been operating in the area which ran two artesian wells dry. One of the wells was located ¼ mile from the irrigation system, and the other was located even further away. Both wells were negatively impacted by the increased water usage required for the irrigation system. Commissioner Bjerke expressed an interest in learning what options the County has in this regard. He suggested that legal counsel be invited to attend an upcoming meeting to discuss County options. Commissioner Bjerke is aware that the mine has the potential to produce a significant amount of sand. The site is permitted, and the haul routes utilize state highways. It is possible that the County may have no options, or limited options, to restrict activity. Commissioner Schuldt indicated that in the event activity at the site generates excessive dust or some other nuisance type issue, legal options may be available to deal with those issues. Chairperson Miller expressed his belief that good questions have been raised. It would be beneficial to know and understand what legal options are available and who may be able to exercise those options. Scott Anderson stated that he believes an EA study was completed. It was noted that in the event regulations are followed, there may be little that can restrict the operation. Mr. Anderson expressed his opinion that it does not make sense to tear down the bluffs. Commissioner Zmyewski questioned whether individuals have discussed their concerns with local town boards.

Corey Baker introduced himself. He lives approximately 600 feet from the mine site. He stated that while the existing site is small, the proposed site is larger. He is concerned about the health of his family, especially his children. Mr. Baker stated that he has found it difficult to interpret the plan. He claimed that the mine permit did not include a reclamation plan. In the event additional information has been submitted, it is his opinion that the new information would constitute a new permit. Any new permits are subject to the moratorium. The mine was issued a permit in 1992, and the permit did not specify how the sand would be used. The federal government makes a distinction between various types of sand. He expressed his opinion that the mine has been allowed to operate on a technicality, so a technicality should be allowed to be used to interrupt the operations. Mr. Baker would like to see the mining operations at the site stopped until the moratorium has expired.

File No. 9 -- Kelly Stanage indicated that she has a prepared statement. She expressed concern regarding the mining activity at 3148 State 16 and alluded to mishandling of the matter by the Houston County Zoning Office. She claimed that two individuals were denied access to the Zoning Office's files related to this mine. Ms. Stanage claimed that the County failed to obtain all required information per the Zoning Ordinance. She expressed her opinion that because not all items were submitted, the application was therefore incomplete and the permit should not have been issued. In her opinion, the submission of any new information would constitute a new application which would be subject to the moratorium. In addition, failure by the Zoning Office to provide information subject to the Minnesota Government Data Practices Act is a violation of the act.

Ms. Stanage stated that this operation would include hauling by 575 trucks per day. She expressed concern that the haul route used by these trucks goes through downtown Rushford and past the school. She stated that Zoning Administrator Scanlan claims that the permit is valid. She questioned how the permit could be valid when not all information required per the Zoning Ordinance has been obtained. She addressed Chairperson Miller and encouraged him to do the right thing to fulfill his duty. She urged him to get involved.

The Board agreed that it would be beneficial to meet with legal counsel regarding this matter. Auditor Meiners will schedule an appointment. Ms. Stanage offered her assistance. She expressed her desire to help. Chairperson Miller stated that he favors economic growth and opportunities. He stated that he supported the moratorium because he does not want those opportunities to come at the expense of the welfare of county residents.

Kelly Stanage reminded the Board that an attorney's role is to protect an organization from litigation. A commissioner's role is to protect the residents. She cautioned the Board not to be swayed from their duty based on the advice of an attorney.

Corey Baker expressed concern that this activity will come quickly and once it's completed, the activity will rapidly decrease. He is concerned that startup companies will not have the ability to withstand such a volatile market.

Donna Buckbee requested that a study be completed regarding economic impacts. This study should show what jobs are to be gained by this activity versus which jobs will be lost as a result of the activity. She stated that individuals come to this area for the beauty. If that beauty is wrecked, the people will stop coming.

Geoffrey Griffin of G-Cubed in Chatfield was present. Mr. Griffin is a civil engineer with the company and prepared the operation and reclamation plans for the Thorson/Erickson sand mine. He apologized for not being prepared, as attendance at this meeting was unexpected and his file regarding this mine is at the office. Mr. Griffin questioned the source of Ms. Stanage's

information. Each of the documents required for the permit have been submitted to the County's Zoning Office.

Mr. Griffin stated that this mine is a small operation consisting of 19 acres. He considers this a clean site. Haul routes are on State Highways 16 and 43 which have been designed for this type of truck traffic. The haul routes do not utilize any township or county roadways. This pit has been in operation for many years. The original permit was issued in 1992, and most recently in 2008 a 5 year extension of the permit was approved without conditions. He finds the increased concern regarding operations perplexing because this pit has been used for sand mining since its inception. The end use for the product may have changed, however, sand is sand.

Mr. Griffin stated that there are regulations in place requiring the tarping of frac sand, however, this is not required for sand used as livestock bedding. Frac sand is course sand, while sand used for livestock bedding is fine. Course particles do not become airborne as easily as fine particles. In his opinion, it would be better if the fine sand were required to be tarped.

Commissioner Zmyewski questioned who is operating this mine. Mr. Griffin responded that he would have to look that information up. Commissioner Zmyewski questioned how many tons or yards the permit allows them to remove from the site, to which Mr. Griffin responded the permit is for a 19 acres site. He explained that the plan includes a map of the area. The sand will be removed from the north side of the bluff. The south face of the bluff which faces State 16 will remain intact and undisturbed by the operation. Mr. Griffin reported that the average wash plant will process one million ton per year, while Ms. Stanage is claiming this particular site will process 2 million tons over a 6 month period. The total product resulting from this mine may be 2 million tons over the life of the pit. Mr. Griffin indicated that it would be impossible to move that much material in 6 months. A reclamation plan has been submitted and shows how the site will look when finished. Commissioner Zmyewski questioned what Mr. Griffin's involvement with this mine was. Mr. Griffin responded that he completed the original survey work for Al Thorson, the previous owner. He also prepared the site, operation and reclamation plans. He stated that there is no wash plant planned for this site, however, the client had considered this at one point. Mr. Griffin stated that this site is not large enough for a wash plant. He reported that wash plants in this area initially use 400 gallons of water per minute which is reduced to 200 gallons per minute because of the recycling of pond water. The question was raised from the audience as to whether these figures represent one site with one pump. Concern was expressed that many sites utilize multiple pumps for this process. Mr. Griffin stated that typically, a wash plant in this area will go through 400 gallons per minute while the wash pond is filling, however, once there is water in the wash pond it begins to recycle reducing the water used by one-half.

Someone from the gallery referenced a frac sand mining operation located in Highland Minnesota which is located in Fillmore County. It was reported that the Highland mine had applied for a wash pond permit. The initial permit was to be for the use of 350 gallons per minute and had been revised to request the use of 2,000 gallons per minute. They would be operating a total of 4 water pumps. John Ryan is the owner of the Highland mine. Mr. Griffin reported that

he has been assisting Mr. Ryan with necessary plans for the permitting. He does not recollect the number of gallons which have been proposed for use in the wash plant. He indicated that it was not 2,000 gallons.

Kelly Stanage stated that the sources for her information include the Houston County Zoning Office, and the study committee, in addition to information which has been reported in the local newspaper. She didn't inflate this information. She did calculate certain numbers from totals which were reported. Ms. Stanage alleged that information was not supplied to her when she submitted public information requests to the Zoning Office. She would like to be informed why the information was not provided. She would like to know the specific dates when certain information related to the mine in question was submitted to the Zoning Office.

When Mr. Griffin was questioned as to the start date for operations in the Thorson/Erickson mine, he responded that he did not know. He reported that he develops the plans, and other entities perform the operation of the mine.

Mr. Griffin addressed the concerns regarding silicosis. MSHA performs the monitoring for the federal government. They arrive unannounced at sites to monitor air quality and measure particulates in the air. They often monitor staff working in what is presumed to be the most high risk areas. It is correct that they do not monitor any individuals who may live near the site, as it has been shown that the further you move from a site the risk decreases. And if they find the site levels safe for workers, it is also safe for the neighbors. Corey Baker expressed his concern that if they monitor there is risk. Otherwise, in his opinion, they would not perform any monitoring.

File No. 10 -- Chairperson Miller provided an overview of a news release he received in conjunction with the Highway 44 resurfacing project which will take place between Hokah and Caledonia. An open house is scheduled for Monday, June 18 at the Caledonia City Hall from 6:00 to 7:00 p.m.

File No. 11 -- Chairperson Miller reported on information he received regarding wellhead protection programs in Eitzen and Hokah.

Commissioner Walter reported that she recently attended a meeting with officials from the City of Brownsville regarding a 10 foot easement. Further information will come before the Board following final review by County Attorney Hammell.

Commissioner Schuldt reported on a Semcac Board meeting which he attended.

Commissioner Bjerke reported on a Regional Radio Board meeting which he recently attended. He reported that the PSAP study findings have been released which include consolidation recommendations. Later this year those counties involved with the study will need to determine whether they would like to participate in moving the project forward.

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. 12 -- Correspondence to payroll regarding change of status, resignation and recent hires

File No. 13 -- Letter of appreciation to Dorothy Schulte

File No. 14 -- Agreement for Pest Control Service approved May 22, 2012

There being no further business and the time being 10:58 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, June 19, 2012.

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 19, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Justin Zmyewski, Steve Schuldt, and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Schuldt & Moorhead; Engineer Pogodzinski; Chief Deputy Sheriff Yeiter; Interim Social Services Supervisor Sanness; Interim HS Director Bahr; Finance Director Lapham; HR Director Arrick-Kruger; Financial Services Supervisor Kohlmeyer; IS Director Milde; Doreen Denstad; Marilyn Moore; Michelle Massman; Julie Renk; Jeanette Twite; Terry Chiglo; Geoffrey Griffin; Environmental Services Director Frank; Cory Baker; Jackie Baker; Kelly Stanage; John Griggs; Justin Carrier; Steve Hartwick; Larry Hanson; Tammy Petersen; Teryl Sharpen; Holly Brannick; Glenn Kruse; Bets Reedy; Tom Driscoll; Larry Hanson; Ann Mathews; Mark Utz; Tom Canan

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the June 12, 2012 meeting.

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	\$ 62,564.44
Road & Bridge Fund	116,961.73

Total	\$179,526.17
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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 -- Engineer Pogodzinski stated that he would like approval to award two bids and one quote for various projects. The first project is S.P. 28-604-29, a federal bridge replacement project. The bridge is located on CSAH 4. The low bid, provided by VanGundy

Excavating LLP, came in 15.43%, or approximately \$35,000.00 below the engineer's estimate. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the bid of \$195,996.15 provided by VanGundy Excavating LLP for S.P. 28-604-29.

File No. 4 -- Engineer Pogodzinski recommended accepting the low bid provided by Brennan Construction for S.P. 28-598-10, another federal bridge replacement project. This bridge is located on County 249 near Freeburg. The low bid provided is 2.3% or approximately \$5,000.00 below the engineer's estimate. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to accept the bid of Brennan in the amount of \$207,160.40.

File No. 5 -- Engineer Pogodzinski reported that he solicited quotes for bridge maintenance items from three firms. Lunda Construction declined to submit a quote due to other obligations. He received no response from Brennan Construction. Minnowa Construction submitted a quote in the amount of \$97,150.00. This quote is just below the engineer's estimate. Work to be performed includes cleaning, sealing cracks, painting, grout, rip rapping and grouting rip rap. All of these maintenance items are performed in order to preserve the life of the bridge. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the quote in the amount of \$97,150.00 provided by Minnowa Construction for bridge maintenance.

File No. 6 -- HR Director Arrick-Kruger reported that interviews with candidates for a Sheriff's Deputy position have been completed. She recommend the hire of Nathan Smith contingent upon successful completion of POST required background check, physical and psychological testing. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the hire of Nathan Smith at step 1 of the appropriate wage band contingent upon the successful completion of Post required background check, physical and psychological testing.

HR Director Arrick-Kruger requested approval to hire both David Breault and Darrin Devau as 67 day roster employees to assist with boat patrol. Chief Deputy Sheriff Yeiter explained that this would be helpful since one 67 day employee will be unable to assist as planned due to an injury he sustained outside of his work with the County. Both Mr. Breault and Mr. Devau currently work in law enforcement within Houston County. This will reduce the time it takes to perform the required background checks. When the question was raised whether this created any union issues, HR Director Arrick-Kruger responded that it should not and she will monitor the use of 67 day employees. Chief Deputy Sheriff Yeiter stated that most deputies appreciate their time off and will be agreeable to having 67 day employees cover shifts to avoid overtime. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of both David Breault and Darrin Devau as 67 day employees effective immediately.

Discussion was held regarding anticipated high speed traffic on the West Channel for the upcoming weekend. Chief Deputy Sheriff Yeiter will try to provide a presence in the area as a deterrent for excessive speed and wake.

HR Director Arrick-Kruger requested authorization to advertise for a Human Services and Finance Fiscal Officer. This request was made earlier, however, the Board requested additional study and consideration. Initially, filling the need through the use of internal resources was highly encouraged. However, there is no qualified staff with the ability to contribute the amount of time necessary. The individual in this position will provide support to two department heads, who collectively provide oversight for \$20 million in funding. This position is necessary and HR Director Arrick-Kruger requested the Board reconsider the request.

Chairperson Miller indicated that he is a proponent of utilizing internal resources whenever possible. This is a small organization and it lacks multiple accountants who would be qualified to perform the duties. There are concerns within the Human Services department which need to be addressed. Interim HS Director Bahr needs to have the time to address these issues and she will not have the time until she has an employee in place so that she may delegate some accounting duties. Concern was expressed that the County is operating on lean staffing. This increases the likelihood that items may “drop off the radar” or “fall through the cracks” because staff only has the ability to address the most immediate needs.

Finance Director Lapham stated that the organization is small and already has difficulty maintaining separation of duties. Commissioner Bjerke questioned the likelihood of finding an individual with the necessary qualifications and knowledge base. Initially, he questioned the need for this position. However, he expressed agreement that staffing is lean and the risk of audit issues has made him reconsider. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize a search for a Human Services and Finance Fiscal Officer.

HR Director Arrick-Kruger indicated that there is a need to look to the future and to plan for succession. Approval of this position is a step towards good planning.

HR Director Arrick-Kruger provided information related to the costs to add a social worker. Currently, HS is over in children’s mental health cases. The State recommends no more than 15 cases per worker. Houston County currently has 11 more than the recommended number. This negatively affects the reimbursement rate received. In addition, the county is nearing a point where any new referrals would be subject to a waiting list.

Interim Social Services Supervisor Sanness reported that the County is required to provide reasonable effort to prevent placement. Failure to do so could affect IV-E funding. When preventative services are provided followed by a placement, the County will have satisfied the reasonable effort requirement and be eligible for IV-E reimbursement funding. If the County fails to provide preventative services no IV-E reimbursement requests should be submitted. The

cost of a social worker position could be covered by the capture of IV-E reimbursement funding. In addition, we would be in a better position to qualify for IV-E funding with the addition of another social worker. Recently, the County has had multiple placements. Until these placements took place, the County had not been working with these youth. Interim Social Services Supervisor Sanness reported that the County has been out of compliance in this area since 2008. By the County being out of compliance it risks IV-E funding and could be forced to payback IV-E reimbursements received in the event an audit reflects a failure to provide reasonable effort when reimbursements were submitted. The funding for the position remains in the budget. If approved, the position would qualify for salary expense reimbursements. Interim HS Director Bahr explained the funding streams which would offset the cost. Interim HS Director Bahr restated that the County is out of compliance and cannot continue to operate in this fashion. Chairperson Miller stated that he considers himself a fiscal conservative. He is also pragmatic. This request goes back to some issues which need to be addressed. The clientele requiring Human Services assistance is not diminishing. Until the overall economy improves, there will be a continued need for social services. It is the county's obligation to provide the required services, and we need to do so in an acceptable fashion. Commissioner Schuldt expressed agreement that the County needs to meet its responsibilities in this area. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize a search for a Social Worker.

The time being 9:42 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to recess this meeting to hold the scheduled Human Services Meeting.

At 10:38 a.m. the meeting reconvened with all members present.

File No. 7 -- Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to approve both the Capital Improvement Project Application and the Maintenance and Grooming Application for the Houston Money Creek Snowriders and to adopt the following related resolutions:

RESOLUTION NO. 12-27

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the capital improvement project application for the #10 Reroute of the Houston Money Creek Snowriders and authorizes the Board Chairman to sign said application with the Department of Natural Resources.

RESOLUTION NO. 12-28

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming application of the Houston Money

Creek Snowriders and authorizes the Board Chairman to sign an agreement with the Department of Natural Resources.

At this time a recess was called until 11:00 a.m. when the next appointment is scheduled.

The time being 11:00 a.m., the meeting reconvened.

Commissioner Schuldt expressed concern with discussion held in the Human Services meeting regarding the possibility of removing one of the vehicles consigned to and advertised as part of the upcoming county auction. Someone could submit a challenge for false advertising if an advertised item is not available for purchase. It may be possible to bid on the car, however, this raises other concerns. Due to the timing, it is advisable to consider other options, and to offer all consigned items as advertised.

File No. 8 -- At this time, Tom Canan met with the Board to discuss the Erickson mine. Chairperson Miller questioned whether Mr. Canan had any comments. Mr. Canan clarified that discussion will be regarding the Erickson Quarry which is a sand mining operation which was permitted in 1992. He expressed his understanding that there are questions regarding the character of the sand which is being mined.

Zoning Administrator Scanlan has provided information regarding the original CUP. Although some counties establish limits on CUP's such as a cap to the number of truck loads to be hauled from a given site during a specific time period, Houston County did not establish any limits. Mr. Canan clarified that the CUP has been periodically renewed every five years. In the event the operation has not changed since the CUP was issued in 1992, this is not a new operation and the moratorium specifically affects new applications only.

Mr. Canan reported that he has read a letter submitted by Jackie Baker. The letter indicates that the operation has materially changed since it was renewed approximately 4 years ago. He indicated that in order to determine whether there has been a material change or not a baseline is necessary. The letter indicates that in recent months substantially more materials have been removed from the site. The board will need to determine if this change is significant enough to qualify as a material change. Chairperson Miller questioned whether there is active mining taking place. To his knowledge there is not. In the event operations commence and increase to reach the scope of what has been projected, it could warrant consideration whether there has been a material change. He compared the situation to a small family owned tavern which gets sold and the new owners add live entertainment and an outdoor patio. He questioned whether in the scenario there has been a material change. In the event there was no operation plan, it is difficult to determine if this is different than the family originally intended. With this mining operation there is no baseline available from the time of the original application and approval on which to measure the amount of change. Mr. Canan questioned whether the zoning office has any knowledge or information to guide them regarding the original intentions. Zoning Administrator Scanlan reported that he had no indication as to how much activity was planned or what amount

of material was to be removed over the life of the permit. Historically, there has been no reporting of the amount of aggregate removed annually. Al Thorson on behalf of Minnowa Construction submitted the original application. The sand mined was to be utilized for a road/bridge project taking place in the area. The mine site would be utilized as local projects became available. The permit was renewed in 1997, 2002, and 2007 and is scheduled for review and/or renewal again in 2013. No activity was documented in the renewal years. Environmental Services Director Frank provided information on the renewal process/procedure. Specifically, he noted that no complaints regarding the site were received at any time when consideration was being given whether to renew the permit. Since there were no complaints, the renewal requests were granted.

Chairperson Miller questioned where this information leaves the Board. Mr. Canan responded that it is his understanding that there is no baseline to measure from. This leads him to believe that the Board would be unable to determine whether there has been a material change to the operation. Chairperson Miller stated that the moratorium was established as a result of apprehension regarding frac sand mining operations, a desire to understand the ramifications of mining operations and to ensure that Houston County has in place ordinances to address the concerns. The fact that there is a permitted site with sand deposits suitable for fracking puts the County in a difficult situation. Houston County lacks ordinances to regulate increased activity related to frac sand mining. Chairperson Miller stated that he is not attempting to denigrate any operator. He expressed his belief that the county should have some controls in place to govern these types of operations.

Commissioner Bjerke questioned whether the County has the authority to restrict the amount of sand removed from a site. Mr. Canan stressed that there is no baseline established. Going forward, it may be advisable to establish such a baseline. He cautioned that there may be liability if the rights of the operators are denied. Commissioner Bjerke questioned what the County should do. Mr. Canan responded that the Board is faced with making decisions. Mr. Canan explained that the County may have some authority in the event there are concerns related to dust, noise, etc. It is possible that reasonable accommodation could be required of the operator. This may include such things as covering of loads, applying chloride to gravel haul routes, or other reasonable restrictions which would serve to prevent collateral affects on the neighbors. These things may help to reduce concerns. Commissioner Bjerke questioned how this is regulated and monitored or enforced. Mr. Canan responded that a lot will rely on the neighbors. Neighbors would be the individuals to file a complaint which would then need to be followed up on. Concern was raised and discussion was held regarding liability in the event restrictions are imposed on this site when it is possible that other sand mining operations which are also grandfathered in do not have the same restrictions imposed. Mr. Canan indicated that the restrictions which may be imposed will not affect an operator's ability to conduct business.

Terry Chiglo, attorney representing Jackie & Cory Baker, indicated that he would like to provide a summary and position of his clients. The process began in December 1991, notice was published, and Al Thorson on behalf of Minnowa applied for a mining and extraction permit. In

1992 Mr. Thorson attended a planning commission meeting and indicated that he anticipated removing approximately 10,000 cubic yards of material from the site for a specific road project. The minutes reflect that no trees would be removed, and no blasting would occur. The Planning Commission recommended approval of a 5 year permit subject to renewal with the stipulation that natural screening remain. Alan Thorson was the fee owner of the property at this time. The permit clearly stated that it was non-transferrable. This was typed onto the permit. Mr. Chiglo has been unable to find any reference that the permit is transferrable. The permit has been periodically renewed. In 1998, it was renewed by Steve Thorson on behalf of Minnowa Construction. The current owner of the property where the mining site is located is Tracie Erickson.

Mr. Chiglo referenced the Houston County Zoning Ordinance. He shared his interpretation of a particular section which he believes equates to if more restrictive ordinances are in place they would be used to govern permits which were issued at an earlier date. Also, in the event that there may be an environmental affect the Board could require that those affects be shown. In yet another section which governs CUP's, he has interpreted the section and believes that so long as the conditions are agreed upon the CUP is valid and in effect, however, it is his opinion that the Board does have the authority to rescind a CUP.

Chairperson Miller expressed his opinion that the Board may not have any options regarding this particular permit at this time. Mr. Chiglo stated that there are two issues. First, the Board did not have the authority to automatically transfer the renewal of the permit to new owners. He restated that non-transferable is typed on the permit. In addition, he has been unable to find anything authorizing automatic transferability. He pointed out that within the ordinances this is address specifically in regard to feedlot permits, therefore, it may be argued that this would carry over to mineral extraction. Second, the minutes reflect that the original intention was to remove approximately 10,000 cubic yards of product, and that there would be no tree removal or blasting. The operation plan indicates that significantly more material will be removed. Mr. Chiglo restated that it is the position of his clients that this permit is not valid due to the fact that it was non-transferrable.

Terry Chiglo pointed out that there is a procedure to address transfers related to feedlot permits. There is no such procedure related to mineral extraction. These CUP's are not like those issued for homes, as one can't pick up a home and move it. In this regard it makes sense that the CUP remains attached to the land regardless of the owner. However, in the livestock ordinance it specifically lays out procedure regulating transfers. New owners must show that they can meet the requirements of the permit. Mining extraction is more akin to the feedlot permit and it then can be assumed it should be subject to the same restriction. In addition, the most restrictive ordinances should apply. As with the livestock permits, permits for mineral extraction should also auto terminate once the scope and ownership have changed. The permit cannot be restarted or renewed without Board approval. He questioned where authority is granted to renew or transfer the mineral extraction permit in question. He stated that there are new owners and a new operation. There has been significant change which constitutes a new permit which is subject to

the moratorium. In his opinion, the renewal is not valid and this permit should not be allowed to roll forward with new owners.

Rick Frick representing Minnesota Sands, Geoffrey Griffin of G-Cubed and Mark Utz the attorney for Minnesota Sands met with the Board at this time. Mr. Utz would like to respond to the information presented today. The Baker's moved here and were required to apply for a variance to build their house. They were fully aware that they were building next to an active sand mine operation and made no complaint about this nor did they express any health concerns. They applied for a variance to be allowed to build their home closer to the site than what ordinance allows. The Baker's have not expressed any concern during any of the numerous renewals for the mining permit.

Two conditions were place on this site pursuant to the approval of the CUP in 1992. First, the permit was subject to review and renewal once every 5 years. Second, existing natural screening was to remain. In the operation plan, storm water handling plan and reclamation plan these conditions are met.

Geoffrey Griffin stated that there have been numerous renewals. In 2008 and as part of the renewal request, a survey to show the scope of the mining operation was submitted. This survey reflected a mining area of 37 to 38 acres. This clearly reflected that this was not a 10,000 cubic yard operation. The Baker's applied for a variance to build a home close to this operation. In applying for this variance, they acknowledged that they would be living next to a sand mine. They were "moving to a nuisance." Mr. Griffin stated that he would not move next to an airport and then complain about the noise, nor would he move next to a college campus and complain about a lack of parking. There are laws which clearly govern those who choose to move to a nuisance. Commissioner Bjerke questioned the non-transferrable language which is included on the permit. The response was that it would transfer by fee title. In law, this concept is called a waiver. The use of the property has not changed. Historically, transfers have been allowed. This has set precedence. Commissioner Bjerke questioned whether there has been a substantial change to the operation. Minnowa has operated this mine for several years. When there was a project in the area, truck traffic increased, and it is likely that dust and noise increased also. When there was no project in the area, the site was idle. Commissioner Zmyewski questioned how many trucks per day will operate out of this site under the operation plan. Geoffrey Griffin responded that he did not know. He is currently working with a source on the receiving end to calculate the total volume. It is unknown how long it will take to remove the total anticipated volume of product from this site. A reclamation plan is in place for this site.

Commissioner Zmyewski stated his understanding that Rick Frick represents Minnesota Sands. He questioned who Mr. Frick was working with. Mr. Frick responded that Minnesota Sands mines, hauls and sells sand. Minnesota Sands purchases the sand from landowners. Mr. Frick has leases with several entities. He is concerned about the landowner. Commissioner Zmyewski questioned whether there are additional partners to which Mr. Frick responded that there are private partners. Commissioner Zmyewski questioned whether Mr. Frick had investors.

Mr. Frick responded that he operates the mine. He has been involved with frac sand for approximately 2 years. He used to haul milk. He's been a member of the community and neighboring communities all his life and currently lives on County 9 near Houston. He knows many landowners. He works with them to sell a product. He believes that if they have a product to sell off their land, they should be allowed to do so.

Commissioner Bjerke questioned whether Mr. Frick has been required to provide a bond related to the reclamation plans for mining sites. He responded that he has been required to provide such bonds which are typically for 110% of the reclamation plan. It was mentioned that the landowner participates in the development of the reclamation plan. They may have requirements in addition to those of the engineer. Landowner requirements are worked into the plan. The landowner also provides the final approval for the reclamation plan. Mr. Frick is the party responsible to provide the bond in this situation. In addition, a storm water runoff prevention plan is required. These items have been prepared by Mr. Griffin who has extensive experience with compiling this information. Mr. Griffin explained that there are standards which he follows in developing these plans. Commissioner Bjerke expressed a need for standards. He questioned if there was a start date related to this particular operation. Mr. Griffin indicated that sometime in the next two weeks operations are expected to begin.

Mr. Utz offered to supply his contact information. He encouraged the Board to contact Mr. Griffin if they have additional questions.

Rick Frick reported that it takes between 6 and 8 minutes to load a truck, tarp the load and weigh it. Commissioner Bjerke questioned whether Mr. Frick paid aggregate tax in any of the counties he operates in. He responded that he does not. The haul route for this site utilizes State Highways only. Mr. Frick reported that recently 100,000 cubic yards of material were removed from a site in Highland. There were 20 trucks hauling 4 to 5 loads each day and traveling through downtown Rushford. There were no complaints. People didn't even notice. These trucks are locally owned and operated. Local people will get jobs as a result of this operation. Justin Carrier questioned how many trucks are going to travel past the country club on a daily basis. He expressed concern that his business will be negatively impacted. The course will be subject to increased noise and dust making it less enjoyable. Mr. Frick reiterated that it takes 6 to 8 minutes to load each truck. He expects that will equate to 5 or 6 trucks per hour going past.

Commissioner Zmyewski expressed concern that all these figures regarding tons and loads may be speculation. Zoning Administrator Scanlan responded that the operation plan reflects total material removal at approximately 2 million cubic yards of material. This is the material suitable for the application and includes the entire resource.

Larry Hanson questioned how much of the hill is going to be removed and what the visual impact will be. He expressed concern that when the site was permitted the intended use was local only, whereas, now it will be used commercially. In addition, the Baker's built a house on a site

which was previously a building site. Zoning Administrator Scanlan reported that in 1992 the setback from the mining site was 500 feet, and in 1998 that changed.

Geoffrey Griffin reported that the front or south facing portion of the hill will remain. Those driving by on the Highway will see no visual change. Jackie Baker indicated that she read that there would be no screening to the east. Mr. Griffin stated that there are agriculture fields to the east. There has been no screening to the east as it has been open to the agricultural land. This too will remain unchanged. There is natural screening to the south as discussed and also to the north and west. There will be no change to the south hill face or the view the Baker's have of the site.

Steve Hartwick questioned how the view would change from the north and the west sides. There are setbacks requiring the mining operation remain 50 feet back from the property line. These setbacks requirements will be met.

Terry Chiglo indicated that his clients purchased property with a belief that an estimated 10,000 cubic yards of material would be removed. 2 million cubic yards of material is substantially more. All public records reflected the 10,000 cubic yard figure. Mr. Chiglo expressed his opinion that this is a dramatic change and a change in the scope of the operation.

Geoffrey Griffin met with the landowner prior to the 2008 renewal. At that time, the survey indicated the scope of this operation was approximately 35 acres. That plan has been reduced to 19 acres. The operation plan submitted to the Zoning Office reflects a 19 acre site.

Mr. Utz stated that Mr. Canan reported that no limits were established regarding this site back in January 1992. The restrictions applying to this site include the required renewal only.

File No. 9 -- John Griggs expressed concern that Mr. Chiglo appears to have established that the permit in question for the Erickson mine was non-transferrable. Therefore, in his opinion, there should be no further discussion. Mr. Griggs proceeded to read from a prepared statement from Bryan Van Gorp. In the letter, Mr. Van Gorp highlights M.S. 561.01 regarding nuisance; action. He also expresses concern that the property values for parcels located around and near the mine site may be negatively impacted and that the landowners will have less enjoyment of their property as a result. Mr. Griggs stated that only recently were operational, storm water runoff prevention and reclamation plans submitted to the Zoning Office. Zoning Administrator Scanlan stated that he has reviewed the plans. Initially there was concern regarding the proposed washing of sand on the site. That proposal has been retracted. There is no plan to wash sand on the site. Zoning Administrator Scanlan has found the plans to be in order. The plans are in order. Mr. Griggs expressed concern that silica sand is going to be aggressively mined at this site. He expressed his opinion that there has been a revision of the permit in an attempt to circumvent the moratorium. Chairperson Miller stated that this is a permitted site. It is not a new application. There appear to be items which may be arguable. It is clear that each side has interpreted items differently. Mr. Griggs commented that "non-transferable" seems black and

white. Chairperson Miller stated that the County will rely on the attorney. The intent of the moratorium was to learn more before allowing new mining to take place. However, there are permitted mines within the County which are grandfathered in. The County may not go back and add stipulations. He again stated that it will be up to the attorney's to sort through the concerns related to the permit which have been expressed today.

Steve Hartwick requested that the County make available for inspection all files related to mining operations currently active within the County under the Minnesota Data Practices Act and on behalf of those individuals who signed the petition for the moratorium. Zoning Administrator Scanlan stated that Mr. Hartwick's request needs to be made in writing. He stated that the files are open to the public. They are welcome to look at the files. There is office staff available during business hours. Zoning Administrator Scanlan noted that both he and Environmental Services Director Frank have duties which require them to be out of the office periodically. Commissioner Schuldt questioned whether a public copy of the files was available and expressed concern with allowing individuals to freely go through an original file of which there is only one. Zoning Administrator Scanlan explained that files in the Zoning Office are kept by year. It will take staff time to locate files and provide oversight if the public is viewing the file contents. He encouraged the group requesting the information to narrow the scope. He stated that there is a registered quarries book available. This would be easily accessible. There are 40 years worth of files. If the group is requesting conditional use orders and minutes there will be a need for a considerable amount of staff time to do so.

Steve Hartwick expressed concern related to the impact versus the benefit of something. There is an existing business, the golf course, located across the road from this site. He expressed his belief that it will suffer economic damage as a result of increased truck traffic, noise, and dust. The enjoyment of the course will be depleted as a result of these things also. State 16 is national scenic byway running from Dexter to La Crescent. These byways are designated because they are free of commerce. He expects that heavy truck congestion will result in reduced use and enjoyment. Mr. Hartwick provided scenic byway use statistics from a U of M study. Chairperson Miller interjected that the County has no jurisdiction over the State Highway. Mr. Hartwick stated that the use of the scenic byway brings new money into the area. The mining will be boom or bust. Chairperson Miller stated that the operation has been permitted for years. Mining won't be eliminated. He expressed his concern that mining be done in a manner that will protect the health and welfare of residents. This situation has been brought to the forefront due to recent discussion to update the ordinance to better address changes. Chairperson Miller referenced an article appearing in the newspaper recently, a gentleman who polluted streams is requesting approval to increase the number of animal units. This shows that not all individuals operate ethically. It is the hope that the ordinance will reduce the chances that one individual's actions will harm others. There are many legal aspects to consider. Mr. Hartwick again voiced concern about declining property values as a result of property being located near to a mining site. He provided statistics from a study which considered land values in the State of Michigan which were located near to mining sites or landfills. There are laws which protect individuals from being

negatively impacted by the actions of others. Officer Erickson deals with intent of law on a daily basis and should be familiar with this.

Larry Hanson has lived near the mine site his entire life. Today there has been discussion regarding permitted mines being “grandfathered” in. He expressed his belief that if the mines are grandfathered in the hills, which have been here longer should be too. He questioned where the weigh station would be located and other operational equipment. He stated that recently the roadways in this area were repaired. He is thankful for that, since he had been repairing his vehicle as a result of damage to the front end because the roads were in such disrepair. He’s hoping that since the roads have been repaired he will not have to be fixing his vehicle. He expressed concern that there have been vehicle fatalities near the site and that these could increase with an increase in truck traffic. Safety is an issue and concern. It seems that historically there has not been a significant removal of material. However, he is concerned with the visual impact once 2 million cubic yards of material have been removed. Mr. Hanson expressed his opinion that Mr. Canan may not have all the information he should.

Tom Canan clarified that he is assisting Houston County due to a conflict the County Attorney has with the issue. He reported that he has had time to review additional information during this discussion. Mr. Chiglo appears to be correct, the permit states it is valid for one year only and is non-transferrable. However, an order was issued at the same time which is contradictory to the permit which was issued as a result of said order. The order does not contain the same non-transferrable language. Since the initial permit was issued there have been subsequent requests for renewal. In 2002, Steve Thorson requested the renewal on behalf of Minnowa Construction. This is not a significant difference from the original application submitted by Al Thorson on behalf of the same company. In addition, there is no prohibitive language within the ordinance to prevent this. The significant issue is whether a material change has occurred. There may have been an error when the original permit was issued, however, several renewals have been approved and the error was not perpetuated.

Terry Chiglo stated that a Thorson family member on behalf of Minnowa Construction applied for the original permit and has requested all subsequent renewals. Mr. Erickson is the fee owner now which means there has been a transfer or reassignment. Mr. Canan indicated that this could be an arguable point. Mr. Utz has also reviewed the documents. He finds that no restrictions regarding transferability were included on the governing document.

Chairperson Miller stated that no decision will be determined today. The Board will consider information discussed today to determine the best decision which will be made at a later date.

Commissioner Zmyewski questioned whether the County has data and averages of what amount of material has been mined in the county over time and whether such data could be used to establish a baseline. Mr. Canan restated that the County has no established baseline at this time. They have nothing that they can use to measure whether there has been substantial change.

There is grey area within the ordinance which leaves certain things arguable. The ordinance is silent with regard to the transferability of mining extraction related permits. However, transferability of feedlot permits has been addressed. He also stressed that the neighbors have the ability to bring nuisance lawsuits forward against the operation. This type of action may or may not involve the county. Mr. Canan expressed that he will advise the Board, however, the decision is the Board's to make.

Commissioner Schuldt reported on the Board of Review meeting which he attended.

Commissioner Bjerke reported on a MAPE meeting and also a Board of Review meeting which he attended.

There being no further business and the time being 12:50 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 26, 2012.

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 26, 2012

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 Bialkowski, Schuldt & Moorhead; PHN Director Rock; Jerry Tessmer; Finance Director Lapham; Luann Hiniker; Environmental Services Director Frank; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Financial Services Supervisor Kohlmeyer; Jeanette Twite; Doreen Denstad; Michelle Massman; Liza Jandt; Terry Chiglo; Rich Stemper; Eric Johnson; Kelly Stanage; Ervin Barth; Donna Buckbee; Cory & Jackie Baker; Zoning Administrator Scanlan; Marianne Zerbe; Rick Frick; Bets Reedy; Meghan Wall; Tina Storlie; see listing of additional guests File A1

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the June 19, 2012 meeting.

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

County Revenue Fund	\$97,227.75
Road & Bridge Fund	10,080.22

Total	\$107,307.97
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File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Luann Hiniker, Regional Director for Extension, introduced new staff. Meghan Wall is the 4-H Coordinator and Tina Storlie is the Assistant Nutrition Educator.

File No. 3 -- Meghan Wall shared that she is a 3rd generation 4-H'er. She reported that there are 373 youth enrolled in 4H, 64 adult volunteers and 16 clubs within Houston County. The project with the greatest participation is photography followed by crafts & fine arts. The greatest participation in a livestock event is the swine project with 66 participants. She has been working with local Community Education programs to offer "adventures" for both 4H participants and non-participants. She views this as a way to recruit new 4H members. She reported that she is also very busy preparing for the fair.

File No. 4 -- Tina Storlie, the Community Nutrition Educator provided information on the organizations and locations where she has provided services. She was pleased to share that she visited the Valley View Manor where she was cautioned by the director to expect minimal if any participation and was greeted by 12 eager participants. It was noted that Ms. Storlie's position is federally funded.

Jerry Tessmer shares his time with Extension 50% each between Houston and Fillmore Counties. Luann Hiniker highlighted that Mr. Tesmer is instrumental in the "Farm Safety Day" which is conducted annually for 4th grade students. This year more than 400 youth attended. This program is unique within the state. There are many local partners who assist with and make this offering possible. Mr. Tessmer stated that he provides support to Ms. Wall with regard to the fair.

File No. 5 -- Luann Hiniker reported that the agreement for services is up for renewal. The proposed agreement is for a 3 year term and includes a 90-day out clause. The recommended increases for the period of the contract are as follows: 1% in 2013, 1.5% in 2014, and 1.5% in 2015. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the agreement as presented.

File No. 6 -- PHN Director Rock reported that on June 5th she presented several provider contracts for approval. One provider contract was with Semcil. She was notified that Semcil is now made of up two unique entities, Semcil which provides homemaking services, and also Choice Healthcare which provides home health care services. She requested approval of an additional provider contract with Choice Healthcare. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the provider contract with Choice Healthcare.

PHN Director Rock reported that Fillmore and Houston Counties applied for a joint grant. The State received 12 applications and subsequently awarded 6 grants. Fillmore and Houston Counties are the recipient of one of those grants. This a preconception health grant from the MDH in the amount of \$60,000.00 to be utilized over a two year period. Split proportionately between the counties Fillmore County will receive 51% of the proceeds and Houston County will receive 49%. PHN Director Rock will be authorized to sign the final agreement provided both Boards accept the grant award. Heather Myhre will implement the program funded as a result of the grant. No additional staffing is required. The goal of the grant is to promote good female

health prior to pregnancy in an effort to reduce birth defects. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the joint grant.

File No. 7 -- Environmental Services Director Frank reported that his department receives funds to implement programs including SSTS, Feedlot, WCA, Water Planning and Shore land. The funds must be applied for. He requested approval to apply for amounts level with his last request. In addition, competitive grants will be applied for. Environmental Services Director Frank indicated that he would like to implement a 50/50 cost share program related to non-conforming septic systems and also one related to well sealing. He intends to request \$300,000.00 for the septic program and \$30,000.00 for the well program. A portion of these funds will be applied for through grants offered as a result of the Clean Water Legacy Act. The Biennial Budget Request to be submitted to the Board of Water and Soil Resources will be for a 3 year period. Additional grant requests will be submitted with notice of award or denial following review by the legislature. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to authorize Environmental Services Director Frank to pursue said funding and to submit grant applications.

Environmental Services Director Frank has been notified by the State that Houston County has been selected for an ag waste collection. This event will be held on August 8th, from 2:00 p.m. to 4:00 p.m. at the Houston County Fairgrounds. Ag chemicals will be collected at no fee. Advertising for the event is paid for by the State. Environmental Services Director Frank explained that there is a surcharge assessed on ag chemicals which provides funding for these collection days and proper disposal.

Chairperson Miller reported that the steering committee meeting which was rescheduled for this Thursday has again been postponed. The next steering committee meeting is scheduled for July 10th. He stated that some counties have voted while others are waiting. He expressed hesitation with making any decision until more is learned. Wabasha County has discussed the possibility of a smaller group if the 12 county collaborative fails to progress.

Interim HS Director Bahr reported that Wabasha County has voted to discontinue participation in the 12 county collaborative. In addition, Wabasha officials have proposed a 5 county collaborative consisting of Winona, Goodhue, Fillmore, Houston and Wabasha Counties. Commissioner Bjerke stated that efficiencies for a smaller collaborative will likely be very different from initial projections. He would support entering into negotiations with the smaller group. Interim HS Director Bahr is pleased to hear that the board is looking forward. Options are being considered prior to casting any vote. She hopes that the Bush Foundation may continue to provide some funding to continue the research to determine the best options. She is concerned that a "no" vote will guarantee the end of financial assistance from the Bush Foundation. Continued participation may also include continued financial assistance from the Bush Foundation. Chairperson Miller stated that the Bush Foundation has offered continued assistance. It is already certain that the collaborative is no longer 12 counties. By July 10th, even more will

be known. Commissioner Walter indicated that Fillmore County is interested in engaging in discussions with Houston County.

File No. 7a -- Don Buckhout is a State employee working for BWSR. Since 2007, his job is to meet with local government entities which have water management and land conservation responsibilities. BWSR is the oversight authority, provides grant funding and works with the local government entities. Recently, a review of all entities and projects in Houston County was performed. In Houston County, 3 agencies sponsor soil and water conservation projects. These entities are the County Planning and Zoning Office, Soil and Water Conservation District and also the Watershed Districts. Mr. Buckhout provided an overview of the findings. Citizens are well served by the County Planning and Zoning Office and SWCD staff. There have been excellent outcomes following recovery from 2007, 2008 and 2010 flood events. County Planning and Zoning provides good coordination and communication related to routine work carried out as a result of the local water management plan. Several projects or goals are laid out in the plan, there is good progress or completion of many of the projects.

Mr. Buckhout noted that Houston County has a very active SWCD. From his observations, he expressed his belief that it is the most active within the State.

There is a need for the Crooked Creek Watershed District to update its plan. They have continued to operate under the original plan which was prepared in the 1960's. The plan developed then was very progressive. However, there is a need for the plan to be updated. BWSR is strongly recommending that the plan be updated. It is expected that an updated plan would result in the ability to tap greater financial resources.

Overall, the findings are good. Commissioner Schuldt questioned what things the Crooked Creek Watershed District would like to implement. There is an additional flood control structure they would like to erect and they would like to implement a cost share program to encourage good stewardship.

Mr. Buckhout stressed the need for the Crooked Creek Watershed District to update its plan. He has provided names of qualified individuals who could assist with this process. He has estimated the cost to complete the plan to be between \$5,000.00 and \$6,000.00.

File No. 8 -- Commissioner Walter reported on a proposed resolution regarding the vacation of an easement in the City of Brownsville. The County Engineer, Chairperson Miller, and Commissioner Walter met with representatives from the City of Brownsville. No opposition has been voiced regarding the proposed vacation. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-29
RESOLUTION VACATING THE HIGHWAY EASEMENT FOR A PORTION OF
HOUSTON COUNTY STATE AID HIGHWAY 3

WHEREAS, the County of Houston has determined on its own motion to vacate a portion of a public highway easement on Houston County State Aid Highway 3; and

WHEREAS, the County of Houston retains certain interests in highway right of ways associated with County State Aid Highway 3 within the City of Brownsville; and

WHEREAS, pursuant to Minn. Statutes 163.11, County highways may be established, altered, vacated, or revoked by resolution of the County Board; and

WHEREAS, the Houston County Board of Commissioners has examined the motion and being fully advised on the premises hereby adopts the following Resolution:

NOW THEREFORE BE IT RESOLVED:

1. That the highway easement for Houston County State Aid Highway 3 on the following described Tract A is hereby and herewith vacated pursuant to Minnesota Statutes Chapter 163.11; that said Tract A shall no longer be part of Houston County State Aid Highway 3 and the related easement to Houston County is hereby and herewith vacated;

Tract A

Vacating the Northerly 10 feet of Houston County Highway right of way Easement along Main Street in Brownsville City more particularly described as follows:

Commencing at the Southeast corner of Lot 1 of the Original Plat of Brownsville at a found lunde county monument;

Thence on the basis of bearing of the Houston County Coordinate System NAD 83(1996 adj.) of S 57° 21' 06" W a distance of 232.06 feet to the intersection of the Northerly line of Main Street and the South line of Adams Street also being the Point of Beginning;

Thence S 55° 27' 06" W a distance of 169.93 feet along said Northerly line of Main Street;

Thence S 34° 32' 54" E a distance of 10.00 feet;

Thence N 55° 27' 06" E a distance of 169.93 feet parallel to said Northerly line of Main Street;

Thence N 34° 32' 54" W a distance of 10.00 feet to the Point of Beginning.

2. The vacation applies only to that portion of the public highway easement legally described in Provision 1 above and not: (a) to any right of access, (b) the rights of existing utilities, if any, as provided in Minnesota Statutes, or (c) any other easements running to or benefitting the County of Houston.
3. The City of Brownsville is the underlying Fee Title owner of Tract A.
4. That the highway easement to Houston County and to the public on Tract A is hereby and herewith vacated and the title to Tract A remains with the City of Brownsville.

BE IT FURTHER RESOLVED THAT

Jack Miller, Chairperson for the Houston County Board of Commissioners

Name and Title of authorized official

is hereby authorized to execute and sign the Certification statement on said plat on behalf of Houston County.

File No. 9 -- Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-30

BE IT RESOLVED, that the Houston County Board of Commissioners, hereby authorizes the establishment of an Absentee Ballot Board and a UOCAVA Absentee Ballot Board under Chapter 203B.121, Subd 1 of 2011 Minnesota Statutes, pertaining to Ballot Boards; and

BE IT RESOLVED, that these Boards will meet on an as needed basis as determined by the Houston County Auditor during the 46 calendar days prior to each election; and

BE IT RESOLVED, that a minimum of any two people from different major parties can constitute a quorum for a meeting; and

BE IT RESOLVED, that these boards will Accept or Reject absentee ballots and process ballots throughout the Absentee voting period, and

BE IT RESOLVED, that these board will follow all statutory requirements enacted by the Minnesota Legislature and count the absentee ballots after the polls close rather than deliver absentee ballots to the polling sites;

NOW, THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners approves the establishment of an Absentee Ballot Board and a UOCAVA Absentee Ballot Board and appoints the following election officials to these that boards for 2012:

Mary Gulbranson
Charlene Meiners
Darlene Peter
Michelle Quinn
Carol Sherburne

Discussion was held regarding the voter ID amendment that is scheduled to appear on the November Ballot.

At this time, a recess until 10:30 a.m. was taken.

The time being 10:29 a.m. the meeting reconvened with all members present.

John Borman, general counsel for the Winona Dakota Unity Alliance met with the Board at this time. Mr. Borman stated that it has come to their attention that the site being considered has interesting characteristics, there are known recorded burial sites within 1 mile and he is requesting that the landowner or mine operator allow representatives from the Dakota and Ho Chunk people to investigate for burial grounds. He explained that M.S. 307.08 is a reactive statute. Allowing the people to investigate would be proactive and a sign of good will.

File No. 10 -- Mr. Borman presented a recommended ordinance which is included in both Winona County and The City of Winona ordinances. This provision is specific to Native American burial grounds. He suggested that the county consider this recommendation during their ordinance revision.

Mr. Borman explained that in the event burial sites are disturbed, it could be a crime punishable by law. The authority on this is the Indian Affairs Council.

If a site were located at the mine site, it would be either Dakota or Ho Chunk. The Director of the Indian Affairs Counsel is Chippewa. He would consult with representatives from the Dakota or Ho Chunk. In addition, the Director is on medical leave making it difficult to do a personal on-site visit. Mr. Borman restated his request that the landowner allow a representative of the Dakota and Ho Chunk people to investigate the site for burial sites. This will prevent the County Attorney from having to prosecute negligent parties if a site becomes disturbed.

In the event there is any knowledge of burial sites, it is a felony to disturb those burial grounds. Mr. Borman expressed his opinion that no one wants to disturb burial grounds. He is interested in preventing this from happening. He also requested that it be noted that the County

should be expecting to receive correspondence from the Attorney General for the Ho Chunk Nation.

Mr. Borman provided historical information related to the two tribes of Dakota who once lived in the area being discussed. Jim Whitted is the historian for the band of Dakota people who inhabited this area. He is the section 108 C coordinator for the federal government in this area. Mr. Borman requested the Board take action to encourage the landowner to allow the inspection. He indicated that the only way to know for certain whether there are burial grounds is to walk the area. The State Archeologist could be contacted. It is believed that lidar has been reviewed of the area. He cautioned the reliability of the technology due to foliage and heavy undergrowth. The best time to perform inspections is in the fall.

Mr. Borman noted that in the Winona County Zoning Ordinance there are maps which identify high probability areas. He offered his services to the Planning and Zoning Office. He is willing to assist with drafting an ordinance for Houston County or whatever else he can do to provide assistance.

Chairperson Miller stated that it was his opinion that the Board has no authority to order the landowner to allow an inspection. Mr. Borman indicated that the mining operator could also grant permission and may also be subject to the statute. Both the State and Federal governments provide protections for burial grounds.

Susan VanGorp stated that she and her family own and reside on a 50 acre hobby farm across State 16 from the Erickson Mine. She disputes testimony from last week regarding “moving to a nuisance”. The Baker’s moved next to a commercial sandpit, not an industrial sand mine. She read from a prepared statement and expressed her concerns. The statement was not submitted to the Board. Ms. VanGorp spoke regarding concerns related to decreased property values, decreased ability to enjoy property as a result of noise and dust. Historically, there have been no concerns with the mine, as it was used intermittently for brief periods. She expressed great concern that an ordinance means nothing if it goes unenforced. She made an accusation that individuals belonging to the Board of County Commissioners, staff of the Planning and Zoning Office and/or the frac sand study committee have a conflict of interest and have profited from frac sand. She requested this individual “do the right thing and recues themselves”.

Connie Arzigian, an archeologist with UW-L, met with the Board. Ms. Arzigian reported that she has worked with the Ho Chunk Nation, Office of MN State Archeologist and the MN Indian Affairs Council. She shared her opinion that the sand mine has a high probability for burial sites. The only reason the sites are not reported is likely because no one has looked. She stated that in the event human remains are found, construction will be stopped. She strongly recommended that an archeological survey be completed prior to the commencement of mining activities. It would be preferable to complete such a survey in the fall. If time is of the essence, a survey may be completed at any time. At any rate, a survey is important for the region. The region is rich with archeological sites. Commissioner Bjerke questioned whether lidar technology

has been utilized in an attempt to detect mounds. Ms. Arzigian explained that mounds may only be 2 to 3 feet high. There was a question regarding the procedure in the event a mound or mounds are discovered. She responded that a buffer zone would be placed around the outside of the group. This buffer zone would be 25 feet. It is typical that mounds found in an area being developed for housing will be left as green space as they are protected. There are additional restrictions preventing such areas from being developed in other ways. Ms. Arzigian went on to explain that there are 40 mounds within 2 miles of the site, some of which have confirmed remains. The mine site has a high probability of mounds due to the fact that it is a high spot overlooking a river.

Eric Johnson stated that Mrs. VanGorp has made accusations that someone is receiving money. He asked her to name the individual which Mrs. VanGorp declined to do stating it is “your job” to investigate. Mr. Johnson reported that he is a member of the frac sand study committee and he finds it offensive that someone would make such accusations. Environmental Services Director Frank stated that when the committee was formed, it was agreed to assemble a committee that would have a good cross section of membership. People from different backgrounds with varied interests were chosen to serve. The committee is to study and learn. They have absolutely no decision making authority. Commissioner Schuldt noted that there was significant open discussion regarding membership on the committee. Mrs. VanGorp questioned how an individual could be considered unbiased when they sell their logs and sand for financial gain.

Chairperson Miller explained that it was difficult to assemble the committee. The county did not perform background checks on these individuals. Personally he would not condone anything underhanded or considered to be “stacking the deck”. He requested that individuals keep their comments specific.

Donna Buckbee asked that the Board uphold the moratorium and find the Erickson Mine to be subject to the moratorium. She indicated that all mines in the county be treated the same and not in a “whack a mole” fashion.

Chairperson Miller provided information received from Tom Canan indicating that the CUP runs with the land and binds subsequent owners of the land unless there is clear evidence that the conditions have been violated. The permit for the Erickson mine remains valid unless there is clear evidence to the contrary.

Chairperson Miller questioned whether mine operator Rick Frick would grant the necessary permission for the archeological survey of the site. Mr. Frick declined to do so. He expressed his opinion that such permission should be granted by the landowner. Chairperson Miller indicated that he likes to see start up businesses in Houston County and he likes them to be transparent. The Board has expressed an interest in learning who, in addition to Mr. Frick is involved with Minnesota Sands. Mr. Frick declined to name any partners and referred the Board to his legal counsel.

There are many positive businesses operating in Houston County including such businesses as Sno-Pac and Miken. Mr. Frick questioned if the Board wanted jobs offered in the area to which they responded yes, jobs are a positive thing.

William Quackenbush stated that he recently learned that a mining operation would be operating near the Root River. He expressed concern that such an activity within a watershed should be subject to some degree of environmental review. Often, when environmental reviews are conducted in such an area, the tribes are contacted as part of the process. This has not happened in regard to the Erickson Mine. He questioned whether an EA study has been completed. Mr. Frick reported that he has personally walked the property 4 times. Mr. Quackenbush stated that this is good and shows due diligence on Mr. Frick's behalf. Mr. Quackenbush expressed his opinion that there is a need for mining. He realizes that no one wants such operations taking place in their back yard. He stated that allowing the archeological survey would be a gesture of good will.

File No. 11 -- Zoning Administrator Scanlan provided information on the zoning ordinance. There is a specific process to follow if a review and decision is made regarding a project. In this case, if the Board is making a decision related to the Erickson Mine which has been operating under a valid CUP since 1992, the process needs to be followed. There is a need to determine what the violation is and how it can be corrected. Zoning Administrator Scanlan recommended the Board schedule the required public hearing and rule following said hearing. Commissioner Schuldt indicated that he is not prepared to make a decision at this time and would prefer to gather additional information, some of which would be from the attorney. It was questioned who is responsible for publishing notice of the required meeting. The County Board would be conducting the public hearing, therefore it would be the responsibility of the Auditor to publish the appropriate notice. Commissioner Walter would like to encourage the landowner to allow the archeological study. Environmental Services Director Frank cautioned that there needs to be coordination of certain items. Chairperson Miller stated that the Board can recommend that Mr. Erickson allow the archeological study. Commissioner Bjerke questioned whether a letter in this regard could be drafted. It was agreed that Auditor Meiners would prepare an appropriate letter.

Following discussion, it was agreed that a public meeting would be scheduled for Monday, July 16th at 6:00 p.m. in the Justice Center lower level conference room. The purpose of the meeting will be to review the Erickson Mine Permit and any alleged violations. Any concerns or violations will need to be discussed at that time. Eric Johnson clarified that the purpose of said hearing is to review the CUP for the Erickson Mine. The CUP was scheduled for review in January 2013.

Commissioner Zmyewski questioned whether the Board should seek a 3rd party legal opinion. He suggested that we contact Jay Squires and pay for the expense out of the commissioner's budget. He would like Mr. Squire's to review the issues prior to the public

meeting. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve hiring Jay Squires to review the issues prior to the public meeting.

Eric Johnson questioned what the Board expects to accomplish by scheduling this hearing. He expressed concern that this is simply “kicking the can down the road”. Commissioner Zmyewski responded that he would like to see things done correctly the first time. He does not want to be hasty and make mistakes. Chairperson Miller stated that everyone is well aware of the moratorium. The company has a valid permit and would like to commence operations prior to the expiration of the moratorium.

File No. 12 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Board of Equalization meeting minutes.

Commissioner Walter reported briefly on recent meetings which she attended.

Commissioner Schuldt reported on the County Auction which brought in nearly \$23,000.00 and had 100 registered bidders.

Commissioner Bjerke reported on the frac sand tour which he participated in.

Chairperson Miller reported on the frac sand tour which he participated in.

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

File No. 13 -- 2011 Semcac Annual Report & 2013
Appropriation Request

File No. 14 -- Correspondence to payroll regarding recent hires

File No. 15 -- Correspondence from Tom Canan re: disruption
of native American burial sites

There being no further business and the time being 11:25 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, July 3, 2012.

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 3, 2012

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 Bialkowski, Schuldt, & Moorhead; Engineer Pogodzinski; Jail Administrator Schiltz; Finance Director Lapham; IS Director Milde; Cory Baker; Interim HS Director Bahr; Shirley Johnson; Financial Services Supervisor Kohlmeyer; Michelle Massman; MaryAnn Heidemann; Tim Lange

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 26, 2012 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	\$70,579.56
Road & Bridge Fund	13,372.35

Total	\$83,951.91
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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 during construction of the Justice center, over 1 acre of land was disturbed. This triggered a requirement for an NPDES (National Pollutant Discharge Elimination System) Construction Stormwater Permit. Construction has been completed and vegetation has been established. These permits also apply to bridge projects. For the Justice Center project the Board Chair signed the permit application, therefore, Engineer Pogodzinski believes the Board Chair should also sign the Notice of Termination. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried

to approve notice of termination of the NPDES and to authorize the signature of Chairperson Miller.

File No. 4 -- Engineer Pogodzinski reported that S.A.P. 28-599-74 has been completed. This was a bridge replacement project. Zenke Inc. completed the project last fall and certified work totaling \$128,157.96. This is slightly below the bid amount of \$128,205.04. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-31

WHEREAS, Contract No. 203 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 Houston County received flood disaster funds following the 2007 flood event. These funds were utilized to cash flow multiple projects during recovery. The State has requested that \$1.525 million in funds be repaid. A portion of this funding was to be used for a project on County 22 which has been scrapped as a result of landowners unwilling to sell necessary property and/or easement. The County has been earning interest on these funds. The State has requested the payback for several months and has recently increased the pressure to submit the payback. The State is in need of the funds to help other areas, such as Duluth, to cash flow their recovery projects following a recent natural disaster. Houston County isn't currently facing cash flow concerns. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the payback.

Engineer Pogodzinski stated that recently he provided an annual highway projects report to the commissioners. He encouraged them to review the report and to see him if there were any questions. This report covers every project that the Highway Department spent funds on.

Chairperson Miller reported that the redesign steering committee meeting has been re-scheduled for July 12th. More will be known following that meeting. A vote will follow.

Chairperson Miller reported that the Sheriff Ely has indicated a change to the Digital Evidence Technician position which will be addressed upon the return of HR Director Arrick-Kruger.

File No. 5 -- Discussion was held regarding a request from SEMMCHRA requesting membership with their organization. Commissioner Walter reported that she has held discussion with a commissioner from Dodge County. Section 8 Vouchers are not being reissued in any

county as a result of inadequate funding. Dodge County has refrained from joining the SEMMCHRA organization for this reason. Commissioner Walter recommended that Houston County refrain from any action regarding SEMMCHRA membership. She indicated that there are other options related to housing which should be explored. Commissioner Schuldt expressed that he fails to see any benefit which would result from the proposed membership.

File No. 6 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Maintenance and Grooming application submitted by the Viking Ridge Riders, and to adopt the following resolution:

RESOLUTION NO. 12-32

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming application of the Viking Ridge Riders Snowmobile Club and authorizes the Board Chairman to sign an agreement with the Department of Natural Resources.

When asked if he'd like to address the Board, Cory Baker responded that he was present only to observe.

Finance Director Lapham discussed a request to establish specific funds related to Wildcat Park. She expressed her concerns and recommended that the funds be addressed by setting aside specified fund balance amounts.

Chairperson Miller reiterated information provided earlier regarding redesign. Interim HS Director Bahr reported that Freeborn County will be voting today regarding continued participation with the 12 county collaborative. Finance Director Lapham questioned whether Houston County has decided to enter into discussions with other counties regarding a smaller collaborative group. Chairperson Miller stated that Houston County is waiting to learn more at the steering committee meeting prior to making further decisions in regard to redesign.

Commissioner Zmyewski questioned whether the Erickson mine operator is moving forward with preparations to begin removing sand from the sight. He expressed concern that the operation plan fails to establish a starting elevation and that no reclamation bond has been required or submitted. He expressed concern regarding the operator. Chairperson Miller indicated that if there are requirements from the Zoning Office which have not been satisfied, and he felt the Board should question Zoning Administrator Scanlan first. It was noted that Environmental Services Director Frank has met with the operator and cautioned them to proceed at their own risk. Cory Baker expressed his agreement with Commissioner Zmyewski and he would like to see the County "put the brakes on".

Chairperson Miller stated that he is aware of concern that operations at the Erickson Mine may be scheduled to begin this week.

Environmental Services Director Frank has provided Attorney Jay Squires with all pertinent information. Mr. Squires is now reviewing the information and performing the necessary research.

Last Wednesday the mining company met with Zoning Office staff to review the operation and reclamation plans. They were informed of the questions, citizen concerns and also of the public meeting scheduled for July 18th. The Board will not take action with regard to the reclamation plan until following that public meeting. The mining operator may push ahead. Zoning Administrator Scanlan is onsite at the Erickson mine today to discuss surface water plans.

Commissioner Zmyewski questioned whether the County has a bond for the reclamation plan. Environmental Services Director Frank responded that we do not. He explained that there are provisions within the current ordinance which would allow for a bond to be required.

Commissioner Zmyewski reported that he has performed some background research. According to a legal document, Mr. Frick has filed bankruptcy and has judgments against him. This is a significant concern. Mr. Frick is the lead or manager of the mining operation. Environmental Services Director Frank explained that Mr. Frick is the operator, however, it is his understanding that he is not the financial backing for the operation. Chairperson Miller is concerned because Mr. Frick has been reluctant to name his partners. Chairperson Miller questioned whether the County has the authority to issue a stop work order. Environmental Services Director Frank stated that Attorney Squires is researching this. Chairperson Miller is interested in doing what is right. He does not like to say “no” without reason. It is in the best interest of the county to protect the health and welfare of its citizens. In the event the county makes certain decisions, he hopes that the County has the ability to enforce those actions. He would like to see the mining operator proceed respectfully. A conference call with Attorney Squires has been scheduled.

Cory Baker wants the minimum setback of 1,000 feet enforced. He indicated that when he applied for his variance he did so unknowing. Mr. Baker stated that the mine has committed 3 violations. There is an unpermitted landfill on the site, no permits were acquired prior to boring, and buildings were erected on the site without the proper permits. All of these violations have occurred and to date, they have not been addressed. At least, Mr. Baker would like an explanation. Mr. Baker expressed his opinion that he and his family are being “pushed around”. With regard to Mr. Baker's claim that there is an unpermitted landfill on the site, he stated that Minnowa disposed of construction debris and that is why some reclamation was performed. The reclamation, in his opinion, was performed to cover up the landfill.

The time being 9:46 a.m. a short recess was taken.

At 10:00 a.m., the meeting reconvened with all members present.

File No. 7 -- Maryann Heidemann, of the Minnesota Historical Society provided various handouts to members of the Board. Ms. Heidemann was invited to speak with the Board regarding the Historic Jail. The Board is considering pursuing options to have the building removed from the historic register so that it can be demolished.

The Courthouse and Jail are not single listings, they are listed together. There are 3 levels of law which govern historic sites. Sites are placed on the Historic Register if they are deemed cultural assets to the state and country as a whole. The Historic Courthouse and Jail meet these criteria. Since they are public properties they were listed. Private property owners may decline having their buildings listed. There are two qualities which qualified the courthouse and jail. There are 4 criterion which are considered nationwide. Buildings on the Historic Register must be deemed to be a pertinent part of the community history. In some cases, the structures may be associated with a famous person. The courthouse and jail do not meet this criteria. The architecture is another criteria which the courthouse and jail meet. Even though the buildings have been altered, the original craftsmanship remains largely intact. The final criterion is for the site to provide additional information about the past.

If lightning was to strike the building and the building was subsequently destroyed by fire, the building could be removed from the registry. Ms. Heidemann encouraged the Board not to consider the building to be an albatross around the neck. She would prefer the Board consider other options. She reported that many individuals travel to look at historical sites. The building could be an asset.

If the County chooses to demolish the building using county funds, there is one law which will govern the process. The County would be required to complete an environmental assessment worksheet. The environmental quality board would provide the oversight for this. The historical society would be provided a copy of the EAW and allowed to comment. If state funds are utilized for the demolition, the Historical Society would have greater involvement. The County would be required to consult with the Historical Society who would need to agree with the treatment of the building. If federal funds are utilized there is yet another set of laws which would need to be considered.

Chairperson Miller indicated that it is the desire of the county to demolish the building. Options have been considered limited due to the fact that the building shares heating, cooling and utilities with the Courthouse. This is rather unique. No entity has expressed interest in the building, nor have any other options been brought forward. The County is not flush with cash. For example, the county does not have funds available to pay staff to provide tours. Demolition has been the only viable option identified. Ms. Heidemann stated that demolition is an option, however there are also other options.

Ms. Heidemann explained that there are funding streams available. Legacy grants are one option. The Legacy funds are broken into three categories which include, arts and cultural affairs, clean water and parks. The Historic Jail would qualify under the arts and cultural affairs portion. She suggested that it may be possible to obtain funding to sever the reliance on the courthouse for jail heating, cooling and utilities. Some funding maybe available to offset maintenance costs. There are small grants up to \$7,000.00 which could be applied for and would provide for a consultant. There are also medium and large grants available which may provide funding for the rehabilitation of the building. In addition, tax incentives are offered in the event the building can be reused for an income generating purpose. Ms. Heidemann expects that there are many entities which may want to be located near to the Justice Center, these may include lawyers, those who work with land transfers or certain social service organizations. Funding for rehabbing the building come from both the federal government and also the state increasing the percentage to as much as 40%. There are several developers taking advantage of these incentives in the Twin Cities area. Ms. Heidemann stressed consideration of the alternatives. Commissioner Schuldts questioned whether Ms. Heidemann could provide a list of consultants who could assist with an assessment of the building in the event the county applied for and was awarded one of the \$7,000.00 grants. She responded that the office does have a list of consultants. A consultant would consider possible reuses for the building and also the physical state of the structure. Something will have to be done with the building regardless. There have been communities which have tried diligently to find a reuse for historic sites to no avail. In these situations, the historical society recognizes that all efforts to preserve the building have been exhausted and they do agree that for the community, demolishing the building is the only option. Commissioner Zmyewski clarified that grants may provide for 100% of the cost for a study with no match and that there are tax incentives if the building is sold for income producing reuse. Ms. Heidemann admitted that with the recently erected Justice Center, the county does not have a need for the building to provide additional office space.

Ms. Heidemann offered to answer questions. She also encouraged the Board to use her as a resource. In the event she is contacted and another individual specializes in the area of question, she will refer the County to that individual. She also mentioned that occasionally the state allocates funds referred to as state capital grants. Some of these require a local match and on occasion sweat equity will qualify as a soft match.

In closing, Ms. Heidemann stated that she will look into reuses of other Historic Jails and share those with the County.

Commissioner Zmyewski expressed concern that on occasion he has wanted to enter the Justice Center and is unable to do so because the Commissioner badges do not have clearance for the Justice Center. He expressed an interest in having the commissioner badges programmed to allow admittance to the Justice Center. It was noted that Carrie O'Heron works with the programming of badges for the Justice Center. Following discussion, motion was made by

Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve full access of the Justice Center for Commissioners.

Chairperson Miller reported on a letter received from John Dickson. He wrote about the recent fishing tournament, and the traffic and speed at which the boats traveled the West Channel. In his letter, he indicated that 75 boats at high speeds traveled the west channel beginning at 6:00 a.m. The west channel is a narrow stretch, and does not have a no wake ordinance, or speed limit. Chairperson Miller commented that the Houston County Boat Patrol was not present as requested. Commissioner Zmyewski questioned what it takes to establish a no wake ordinance. Establishing a no wake zone in this area would likely require agreement between both states, both counties, the DNR and Department of Fish and Wildlife.

Chairperson Miller reported on a Wildcat Park meeting which he attended yesterday.

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. 8 -- Notice of Public Meeting scheduled for July 18,
2012

There being no further business and the time being 10:39 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 10, 2012.

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 10, 2012

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 Bialkowski, Schuldt, & Moorhead; Kelly Stanage; Donna Buckbee; Shirley Johnson; Anita Palmquist; Chief Deputy Sheriff Yeiter; Sheriff Ely; Finance Director Lapham; Jail Administrator Schiltz; Debra Wray; Cory Baker; HR Director Arrick-Kruger; Interim Social Services Supervisor Sanness; Interim HS Director Bahr; IS Director Milde; Glenn Kruse; Michelle Massman; Julie Renk; Jeanette Twite; Court Administrator Larson; Judge Fabian; Rena' Patterson; Assistant County Attorney Bublitz

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 July 3, 2012 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	\$74,816.50
Road & Bridge Fund	1,601,623.29

Total	\$1,676,439.79
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Shirley Johnson expressed the Houston County Historical Society's appreciation for a recent donation from the County which included judge's furniture and law books. She stated it will make a good display in their new building.

Work on the new building for the Historical Society continues. Currently, the sprinkler system is being installed along with other plumbing and drywall. The exterior is complete. The

book sale was held in the new building. She reported how nice it was to have the book sale all on one level with no stairs to contend with. The Historical Society accepts books for their annual sale throughout the year.

This past year the Historical Society hosted visitors from 40 states and 9 foreign countries. Minnesota visitors came from over 100 cities, Wisconsin visitors from 37 cities and Iowa visitors came from 30 plus different cities. Donations were received from 70 individuals and organizations. Mrs. Johnson reported that in excess of 5,100 volunteer hours were logged. The Houston County Historical Society is fortunate to have such a dedicated group of volunteers.

Mrs. Johnson reported that last year the organization was applying for a grant to assist with funding for an elevator in the new building through Legacy funds. Recently, the Historical Society was notified that their grant application was denied because the building is new. Mrs. Johnson indicated that they may apply for a grant in the future once the new building has aged some.

The Historical Society is planning for increased expenses as a result of utilities and increased insurance costs associated with and resulting from the new building. Mrs. Johnson indicated that they have asked for their annual appropriation to be increased. This is the first increase requested in many years.

Mrs. Johnson expressed appreciation for the service of Commissioner Bjerke who is not running for re-election. She has enjoyed working with him and appreciates his support of their organization. She invited him to attend the grand opening of the new building once it has been scheduled.

Commissioner Schuldt questioned what type of books the Historical Society likes for its book sale. Mrs. Johnson responded that they like all kinds of books. They don't seek out anything specific. Commissioner Schuldt indicated that often books don't sell at the auctions he works. Mrs. Johnson pointed out that many auctions he works with are hosted at the fairgrounds and the Historical Society is not that far away. Commissioner Schuldt indicated that instead of recycling the books, the auctioneers would be interested in working with the Historical Society to send the unsold books to them for their sale.

Mrs. Johnson was present at the meeting last week when MaryAnn Heidemann was present to discuss options related to the Historic Jail. Commissioner Miller questioned whether Mrs. Johnson believed there would be interest in the Historic Jail in the event it could be made accessible. She responded that Houston County has very few buildings on the Historic Register, and the Historic Jail is a treasure to the county. She believes that there would be interest if the building can be saved.

Debra Wray stated that she is a new member on the Houston County Historical Society Board, and she is amazed by what the organization can do with the limited funds it has. Funds are used wisely and the organization is a good steward for the funds it is granted.

File No. 4 -- HR Director Arrick-Kruger recommended hiring Heather Fee as a probationary Social Worker. She has been working for the county as a 67 day employee. Interim Social Services Supervisor Sanness reported that Ms. Fee learns quickly and is flexible within the department. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to hire Heather Fee as a social worker at step 1 of the C-4-1 band. It was indicated that Ms. Fee would begin her full time employment on July 23rd.

Chairperson Miller indicated that he will share information related to ongoing PSAP consolidation discussion. Chief Deputy Sheriff Yeiter reported that a PSAP meeting is scheduled for this Thursday. A report was provided to participant awhile back summarizing the PSAP study. Recipients have had time to digest the information contained in the report. As a result of recent migration to the ARMER system, there are opportunities to dispatch for large areas from a central location. Chief Deputy Sheriff Yeiter noted that our E911 dispatchers also act as central control for the Justice Center. This is unique. In other counties E911 and central control duties are performed by separate individuals. He also indicated that any PSAP consolidation would likely take 2 years to implement.

Chairperson Miller expressed concern that following a request for boat patrol presence, there was none during the recent Bass Tournament on the West Channel. Chairperson Miller showed a short video of the traffic created by the tournament in this area and the speed at which the bass boats traveled the West Channel. He expressed concern for safety because there is a boat landing in the area used by families. In addition, the bass boats seemed to disregard the fact that there are many homes and docks along this stretch with residents who would appreciate no wake in the area. Chief Deputy Sheriff Yeiter stated that the bass tournament started early in the day and boat patrol typically isn't on the water until after 2:00 p.m. Chairperson Miller stated that he was able to locate a Minnesota Statute allowing for enforcement when there is excessive boating speed. Chief Deputy Sheriff Yeiter responded that from the video it appeared to him that the bass boats were traveling on the east side of the West Channel. He indicated that from the center of the West Channel east is State of Wisconsin jurisdiction. In addition, there is no speed limit on the river. The bass boat operators are professional fishermen who operate these vehicles on a regular basis at high speeds. They have a great deal of money invested in these vehicles. Chairperson Miller stated that he continues to receive numerous letters and phone calls about the issues on the West Channel. He shared his opinion that boat patrols presence in the area would signify that the county has a concern for safety in this area. In addition, it may not be illegal to speed on the river, however, it is inconsiderate of boat operators to speed through this heavily populated area.

Interim HS Director Bahr reported that Olmsted County is scheduled to vote today regarding ongoing participation in redesign. She will share any information she learns related to

this vote with the Board. Houston County is scheduled to vote next week. This vote is the next step in the process and has no direct cost associated with it. There was no further redesign discussion.

File No. 5 -- Environmental Services Director Frank reported on a June 28th Planning Commission Meeting which was held. There were no objections to a conditional use permit application for Peter and Jessica Wiese. On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and carried to approve the issuance of the following Conditional Use Permit:

Peter and Jessica Wiese – Caledonia Township - Build a dwelling on less than 40 acres.

File No. 6 -- 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:

John Greening – Mound Prairie Township - Build house (50' x 28') garage (28' x 28') deck (10' x 50')

Kathleen Olson and Thomas Brown – Union Township - Build house (36' x 58') (extension of permit #3837)

Josh and Jonah Ross – Hokah Township - Build pole shed (92' x 120')

Richard and Susan Kasten – Winnebago Township - Build garage (26' x 30')

Cory and Dean Feine – Money Creek Township - Install mobile home (13' x 40')

Curt Wagner – Crooked Creek Township - Replace shed destroyed by fire (50' x 80')

Harvey Buchite – Spring Grove Township - Build house (30' x 48') pole barn (50' x 56') greenhouse (30' x 96')

Jeff Gerard – Wilmington Township - Build garage (24' x 26') hallway (7' x 20') screen porch (8' x 12')

Michael and Teresa Ross – Hokah Township - Build deck (12' x 16')

Gerald Diersen – Mayville Township - Build lean-to on shed (32' x 72')

The time being 9:37 a.m. a recess was called for to allow 2 commissioners to attend a short conference call with the county's Land Use Attorney. It was agreed to reconvene for the next scheduled Board appointment.

The meeting reconvened at 9:57 a.m. with all members present.

At this time Judge Fabian met with the Board to discuss a motion passed last week related to Justice Center access for Commissioners. He expressed his appreciation for the Board's time. He stated that he does not come to the Board often. When he does come to the Board it is because he has significant concern.

File No. 7 -- Judge Fabian expressed concern that action was taken for something that was not included on the agenda nor discussed with those it would impact. He questioned Commissioner Zmyewski as to the date(s) when he was denied access. Commissioner Zmyewski responded that he was denied access to a public meeting which was being held in the building. Also, when he was working on the remodel of the old courtroom he was unable to access that room and wanted to enter the Justice Center to see if someone was available to open the door. He was unable to freely enter the Justice Center. He also stated he attended a meeting with the County Attorney, he was unable to enter the suite and had to be "buzzed in", he left some paperwork behind when he left the meeting and had to be "buzzed in" two additional times. He expressed frustration with the inability to move about the building. Judge Fabian questioned whether the commissioners want access to all the departments in the Justice Center which include the County Attorney's and Sheriff's departments which are run by elected officials, and Courts and Probation which are governed by the State. Judge Fabian stated that he doesn't even have this access. He must be invited into each of these departments. Commissioner Zmyewski restated that the meeting with the county Attorney required buzzing for admittance 3 times. He is charged with overseeing this building yet is unable to move about it with relative ease. Judge Fabian stated that Commissioner Zmyewski has never been denied access to an area for which he requested entry. The departments located in the Justice Center are charged with files, many of which contain private data. Judge Fabian stated that he does not have access to the entire Justice Center or all of the offices. He must ask for admittance and be invited in. He is no different than the highest or lowest paid employee of the county.

Court Administrator Larson stated that she has no problem with commissioners having access to the front door. However, the commissioners do not oversee her department or staff, therefore they have no need for access to her department suite. She reported that she is currently working on an assessment to diminish risk. Adding 5 commissioners would be counterproductive to the goal. She stated that the county is responsible to provide her with space.

Commissioner Zmyewski stated that he would like access to the Justice Center and questioned who has access. Court Administrator Larson responded that the Judge has explained who has access. She restated that even the Judge does not have access and must be invited into

various departmental work suites. Commissioner Zmyewski expressed that at the minimum, commissioners should have the same access as the custodial staff.

Chairperson Miller agreed with Commissioner Zmyewski that commissioners should have access to the building. He has discussed this with other counties and there are counties which grant commissioners access to all areas with the exception of the evidence room.

Judge Fabian indicated that following last week's motion regarding access, Carrie O'Heron was contacted regarding programming the access cards for commissioners. He stated that Ms. O'Heron works for the Sheriff who is elected and runs the Sheriff's Department. Ms. O'Heron works for the Sheriff. She takes her orders from him. She does not take orders from the County Board. Chairperson Miller expressed his understanding that the Board has a desire to have the ability to access the Justice Center to ensure that it is in good repair. Judge Fabian stated that access for these reasons won't be denied. He also stated that from the unofficial minutes "full" access, or access to all areas, is over-reaching to a near unbelievable point. Chairperson Miller stated that several individuals are over-reacting to the request. He stated that immediately following the meeting he received an e-mail from Chief Deputy Sheriff Yeiter. There was recently a request to utilize the lower conference room as a cooling center for Caledonia area residents suffering from the recent heat. Court Administrator Larson commented that the building is currently open and anyone may go down to the Conference Room.

Chairperson Miller indicated that he would like a key to enter the Justice Center. Judge Fabian pointed out that "full" access was requested. Commissioner Bjerke stated that he has no need to be in any office suite unless he's been buzzed in. He does not feel the need to enter any offices after hours unless staff is present. There is privacy which needs to be respected and he feels no need to micromanage the departments. Commissioner Zmyewski stated he has no desire to enter personal offices, however, he would like the ability to enter the various suites as the Board does have authority and some oversight responsibilities. It was noted that even staff from these suites invite very few individuals into the suites. They often utilize conference rooms for meetings or discussion. Commissioner Zmyewski indicated that he expects the same access as the secretary's for these offices. Judge Fabian stated that he couldn't explain this to Commissioner Zmyewski. Commissioner Zmyewski question why it could not be explained. Judge Fabian responded that it could not be explained to "him".

Judge Fabian stated that all of this could have been avoided if the item had been placed on the agenda as a discussion item. He stated that in the unofficial minutes the motion reads to grant "full" access. Judge Fabian has presented his views regarding access and stressed that departments in the Justice Center are overseen by elected officials or the State. He commented that there has been ongoing bantering between the Sheriff's Department and certain members of the Board. Until now, this has not affected him. He stated that the morale of road deputies is low as a result of this bantering. Chairperson Miller indicated that he would like to speak with the judge regarding this at another time. He will not accept responsibility for this.

Jail Administrator Schiltz explained that if someone enters the building after hours with an access card, as part of policy they are to notify dispatch. He stated that there are cameras throughout the building and they watch for activity. If there is someone wandering about the halls and they are unaware of staff presence they will contact law enforcement to investigate. Chief Deputy Sheriff Yeiter requested information and a specific date of the public meeting during which access was denied. Commissioner Zmyewski questioned whether the elevator issues have been resolved. Chief Deputy Sheriff Yeiter responded that they had.

Chairperson Miller stated that he was involved in the conference call discussion regarding the frac sand issue with our land use attorney. On the recommendation of our land use attorney, he would entertain a motion to impose a stop work order on the Erickson Mine, the basis for which Commissioner Zmyewski will explain. Commissioner Zmyewski stated that, based on the original CUP and prior scope of activity, the operation plan exceeds the original scope. In the plan, screening and crushing is included which is an expansion of the original CUP. Due to the number of acres involved, an EAW should have been required, and this requirement has not been fulfilled. Also, issues regarding the potential for Indian Burial Grounds on the site have been brought to the county's attention. After discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to authorize a stop work order and to authorize the Zoning Office to proceed with the necessary steps to enforce the stop work order.

Recently, preparation activities to prepare the mine site have been taking place. Commissioner Zmyewski expressed concern as a result of the lack of professionalism. Individuals involved with the mining operation refused to answer specific questions. He expressed his expectation that businesses wanting to operate in the County should be forthcoming with information which has been requested of them. This has not been the case with this mine operator.

Commissioner Bjerke stated that he feels strongly regarding redesign. He will not be present at the next Board meeting when the vote regarding redesign is scheduled to take place. He requested the Board postpone the vote for one week so that he may be present. Otherwise, he is prepared to propose a motion at this time. It was agreed to consider rules governing voting in abstentia or rescheduling the vote.

Commissioner Walter reported on a meeting with Val Green related to Botcher Park. Non-matching grants were discussed. These may allow for trails to be created and for installing signage. There is also a need for a parking lot and a driveway.

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. 8 -- Correspondence to Joe Wheeler indicating that
Houston County is not interested in joining SEMMCHRA

File No. 9 -- Correspondence from Wabasha County regarding
their vote to support PSAP Consolidation

File No. 10 -- SMTA 2013 Appropriation Request

There being no further business and the time being 10:26 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 17, 2012.

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 17, 2012

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 Bialkowski, Schuldt, & Moorhead; Donna Buckbee; Sarah Wexler; Larry Gaustad; Rick Frick; Tracie Erickson; Michelle Erickson; Kelley Stanage; Finance Director Lapham; HR Director Arrick-Kruger; Corey Baker; Interim HS Director Bahr; Interim Social Services Supervisor Lapham; IS Director Milde; Michelle Massman; Jeanette Twite; Financial Services Supervisor Kohlmeyer; Zoning Administrator Scanlan; Environmental Services Director Frank; Engineer Pogodzinski; see attached listing of additional guests (File No. A1)

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the July 10, 2012 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	\$132,855.08
Road & Bridge Fund	95,663.07

Total	\$228,518.15
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Engineer Pogodzinski reported that S.P. 28-604-29 and S.P. 28-598-10 qualify for Bridge Bond funding. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolutions:

RESOLUTION 12-33
For Agreement to State Transportation Fund (Bridge Bonds)
Grant Terms and Conditions
SP 028-604-029
July 17, 2012

WHEREAS, Houston County has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for construction of Bridge No. Old 7033/ New Br No 28J42; 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 \$ 38,123.43 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. The proper county officers are authorized to execute a grant agreement with the Commissioner of Transportation concerning the above-referenced grant.

RESOLUTION NO. 12-34
S.P. 028-598-010
RESOLUTION FOR BRIDGE BONDING TO CONSTRUCT BRIDGE NO. 28J41 ON COUNTY ROAD 249 OVER TRIB. TO CROOKED 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. 28J26 over Dry Run, 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 \$39,592.58 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. The proper county officers are authorized to execute a grant agreement with the Commissioner of Transportation concerning the above-referenced grant.

File No. 4 -- At this time Engineer Pogodzinski met with the Board and reported on the following bids received until July 16, 2012 for S.P. 28-599-75:

Minnowa Construction, Inc. Harmony, MN 55939	\$433,933.41
Brennan Construction Co. Lansing, IA 52151	\$437,978.98
Structural Specialties Inc. Hutchinson, MN 55350	\$559,422.15
Meyer Contracting Inc. Maple Grove, MN 55369	\$697,197.35

In addition, one bid was refused as it did not meet requirements, said bid was not read. The low bid came in 8.79% below the engineer's estimate. The submitted bids were competitive. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the low bid of Minnowa Construction, Inc. in the amount of \$433,933.41.

File No. 5 -- Engineer Pogodzinski reported on the following bids received until July 16, 2012 for a combined project with Fillmore County being S.A.P. 28-609-13, S.A.P. 28-626-10, S.A.P. 28-626-11, S.A.P. 28-626-12, and S.A.P. 23-627-19:

Mathy Construction Co. Onalaska, WI 54650	\$1,440,677.00
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The bid came in 8.98% below the engineer's estimate. Since there was a single bidder, the per unit pricing was compared with bids received by other counties for projects. The bid is in line with those. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the bid of Mathy Construction Co. in the amount of \$1,440,677.00.

HR Director Arrick-Kruger reported that the AC should be up and running later today. A recent storm likely impacted a control board module affecting the 3rd floor of the Historic Courthouse. The repairs are expected to cost approximately \$3,000.00. Winona Controls is on site performing the necessary repairs to the system.

In addition to the cooling system, the storm affected the entire phone system, one copier, at least one computer, and the wireless bridge which supplies the Highway Department Building with internet. It was noted that the County Community Services Building remains without voicemail. IS Director Milde has been gathering information related to the repairs. MCIT has been notified that a claim is forthcoming.

HR Director Arrick-Kruger reported that Ziegler was on site to perform routine service on the Justice Center generator. Ziegler has attempted to contact her and she expects to speak with them later as to what the call is regarding.

File No. 6 -- HR Director Arrick-Kruger stated that one of the neighbors has complained about light and noise coming from the Justice Center parking lot. In an effort to be a good neighbor, she recommended that a privacy fence be installed on the east end of the new parking lot. She stated that in addition to the parking lot lighting, headlights from vehicles impact the neighboring home. Commissioner Schuldt commented that he was invited to attend a city council meeting where the neighbor complained of privacy and light issues. Two quotes have been received for the fencing and installation. Phillips and American submitted bids for various types of fencing. The most cost effective fencing is red cedar. This type of fencing will require some maintenance. PVC fencing was also quoted. PVC fencing requires only minimal maintenance however, the initial cost is significantly greater than materials which require maintenance. There are funds available within the maintenance budget to cover the expense of the fence and installation. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve cedar fencing and installation quoted by American in the amount of \$4,870.00.

HR Director Arrick-Kruger provided an update regarding a multi-county agreement with Regina for morgue services. In April, Dr. Lindsey Thomas met with the Board to discuss space and facility concerns Regina has. They are working with the Hennepin County Medical Examiner to pursue possible collaborative opportunities. HR Director Arrick-Kruger expects to have full information related to this by next week.

Some of the counties who currently participate in the multi-county agreement are inquiring with other ME offices to see if they may be better served by services offered elsewhere. Fillmore County has been discussing options with Mayo. Mayo's Chief Medical Examiner can provide forensic analysis, however, their morgue focuses on medical autopsies, many of which are performed by graduate students who are unable to provide the forensic analysis. Mayo is not interested in a multi-county agreement. They will consider individual requests on a case by case basis.

Houston County's cost for services through the multi-county agreement is currently \$2.65 per capita. Updated information indicates that the per capita cost for those who renew the multi-county agreement through Dakota County will range between \$2.58 to \$2.75 per capita. This is a reduction from initial projections. Chairperson Miller received a call questioning

whether Houston County has made any decision at this point. He stated that cost will likely be the greatest factor regarding this decision. HR Director Arrick-Kruger stated that Gundersen Lutheran also has morgue facilities, and autopsies performed there are medical. In addition, services from this facility come with a significant cost.

File No. 7 -- Chairperson Miller provided information resulting from a recent steering committee meeting. Interim HS Director Bahr distributed a handout in this regard. The issue of HS redesign has become very complicated. It has been suggested that the elected officials of the 11 counties meet, as they will be making the decisions. Other options were also discussed. It should be noted that some counties offer preventative services in addition to those which are mandated, while others provide mandated services only. Further, some counties have combined their HS and Public Health. Chairperson Miller has engaged in discussion with Fillmore County Board members. Chairperson Miller expressed that he doesn't feel a sense of urgency to rush into entering an SDA. Information related to how the various counties in the original 12 county collaborative are proceeding was distributed. Chairperson Miller stated that per Commissioner Bjerke's request, the vote regarding future participation with the 12 county collaborative has been scheduled for next week when Commissioner Bjerke is present.

Interim HS Director Bahr reported that Accenture released a final handout last week. It provides the potential steps which will need to take place moving forward.

It was noted that HS Redesign requirements rely heavily upon performance standards. In the event the performance standards are met, there is little other criteria. The standards are expected to be difficult to meet with limited staff and programs. Increased demand, an aging population, and the economy triggered the legislature to mandate change. There is a need to determine how the county can continue to provide quality services at a reasonable cost.

Commissioner Walter expressed concern that cancelling the public meeting related to fraud issues could potentially cause additional issues. She expressed her desire to ensure all requirements regarding the cancellation be met and that as many affected individuals as possible be notified.

File No. 8 -- Donna Buckbee questioned whether the Board had received a copy of the Winona County Ordinance which John Borman had assisted in drafting. She reiterated that Mr. Borman offered to assist Houston County in drafting a like ordinance in order to protect bluffs and burial/sacred sites. Ms. Buckbee provided a copy of excerpts from Winona County planning and zoning related to archaeological sites. She indicated that both the City of Rushford and the Village of Rushford are pursuing similar ordinances. She wanted it noted that Winona County Ordinance 11.8.1 speaks to the importance of archaeological sites and burial grounds to residents and visitors. She explained that the Winona County ordinance requires that a qualified professional archaeologist conduct a survey when a specified amount of ground in a high probability area is disturbed. She also commented that Minnesota is a "no slap" which means individuals are prohibited from bringing lawsuits against governing bodies for lost

income because a governing body is doing its due diligence. She stated that there are rumors that such lawsuits have been threatened.

At this time a recess was taken until the next scheduled appointment at 10:00 a.m. It was noted that a closed session is planned.

The time being 10:00 a.m., pursuant to M. S. 13D.05 subd. 3(b) Attorney Jay Squires requested the Board convene a closed session to discuss matters protected by attorney-client privilege. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to go into closed session.

The time being 11:00 a.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to return to open session.

Motion was made by Commissioner Schuldt and seconded by Commissioner Zmyewski to lift the stop work order to allow mining as defined by Houston County ordinance, to not allow processing, and to authorize staff to continue discussions with the landowner, operator and their designated representative with the goal of negotiating a stipulated agreement. Commissioner Zmyewski requested that the motion be amended to include a limitation on the number of trucks hauling to a maximum of 5 per hour. The motion, including the amendment carried with Commissioners Schuldt, Zmyewski and Miller voting in favor, and Commissioner Walter voting in the negative.

Donna Buckbee expressed her opinion that the County is conducting itself like something akin to the "wild wild west". She indicated that ordinances are enforced by who in government has been influenced. She questioned the integrity of the County's law enforcement. She suggested that laws need to be followed by everyone equally. She questioned who decides who follows which laws.

Chairperson Miller explained that the closed session was with the attorney representing the county in this regard. He has no stake in Houston County other than to minimize or eliminate the possibility of lawsuits against the county. He stated that he is disappointed that Goodhue, Winona and Wabasha all had moratoriums in place and Houston County enacted a moratorium, however, the operators did not care to work with the county. They have left a perception that they were trying to circumvent the system. Now the County is charged with protecting itself and its citizen's health and welfare.

Someone questioned the Board whether the moratorium had been lifted. The Board responded that the moratorium has not been lifted, and it applies to everyone equally. The moratorium applies specifically to new mining applications. It does not impact existing permits. The Erickson mine is permitted. When it was permitted in the 1990's certain aspects were not clarified. These issues will continue to be discussed. The County will continue to work with the mine owner and/or operator to come to a stipulated agreement.

Mike Fields questioned the reasoning for the 4 to 5 truck per hour limitation that was included with the motion. He also questioned how one differentiates between construction sand and frac sand. It was pointed out that the differentiation is determined by the buyer or end user. Mr. Fields shared his perception that anyone wanting to open a frac sand mine could do so in spite of the moratorium. He stated that all an individual needs to do is to hire an attorney and threaten to sue the County if they attempt to stop the operation. He shared his opinion that there is no moratorium.

Environmental Services Director Frank stated that decisions today have been based on advice from the Houston County's land use attorney. The County will work towards a stipulated agreement, and will be doing what is in the best interest of the county as a whole. When the ordinances were drafted, frac sand was not an issue. Had it been an issue, the ordinance would have addressed it. The County is obligated to work within the current ordinance. This is proving difficult under the circumstances. There are currently permitted mines that were permitted under the ordinance. The County is in a no win situation. It is true that we have learned more regarding frac sand. The County is moving forward with this information in mind, and is working to address the concerns which have been raised. The moratorium prohibits new mining activity. However, it does not impact existing permitted mines.

Sarah Wexler requested to speak. Chairperson Miller stated that discussion on the issue was closed. Ms. Wexler insisted and Chairperson Miller restated that the discussion was closed, the meeting, although public, was not a public hearing and no further comment would be heard. He invited Ms. Wexler to speak with him following the meeting, via phone or e-mail or to visit him at his home to discuss the matter further.

Chairperson Miller reported on a recent frac sand study committee meeting which he attended. Another meeting has been scheduled. He reported that the committee has listened to many opinions and collected much information.

Kelley Stanage expressed agreement that the committee has completed a wide variety of things. She shared her opinion that there are topics which should be further considered. She expressed concern that the committee should consider how frac sand mining fits into the Comprehensive Land Use Plan. She also recommended study be completed regarding the economic impacts. She agreed that much work has been completed. She expressed her belief that there is a lot of work to complete yet. She expressed concern that State agencies do not appear prepared to deal with frac sand mining, ordinances to protect the public, or the enforcement of ordinances. She indicated that it is her hope that the committee will be able to come to a consensus, however, in her opinion the committee is not at such a point.

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. 9 -- Correspondence to Payroll regarding the hiring of Heather Fee as a social worker

File No. 10 -- HUD Section 8 Report

File No. 11 -- Copy of Stop-Work Order issued 7/10/12

File No. 12 -- Notice cancelling Frac Sand Public Meeting

File No. 13 -- Facility Inspection Report for Houston County Jail

File No. 14 -- A Minnesota Lawful Gambling Form LG555 Government Approval or Acknowledgement for Use of Gambling Funds in connection with a donation by American Legion Post 191 to the Agricultural Society in the amount of \$500.00 in connection with the recent cement work completed in the Bingo Hall at the Houston County Fairgrounds.

There being no further business and the time being 11:11 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 24, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 24, 2012

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 Bialkowski, Schuldt, & Moorhead; Zoning Administrator Scanlan; Environmental Services Director Frank; Public Health Director Rock; HR Director Arrick-Kruger; Surveyor Walter; Finance Director Lapham; Sarah Mann (videotaped the proceedings); Kelley Stanage; Terry Chiglo; Donna Buckbee; Corey Baker; Betts Reedy; Chief Deputy Sheriff Yeiter; Financial Services Supervisor Kohlmeier; Veteran Service Officer Gross; Interim Social Services Supervisor Sanness; Recorder Bauer; Julie Renk; Interim HS Director Bahr; PHN Accountant Lillegraven; Highway Accountant Schroeder; Treasurer Trehus; Mike Fields

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the July 17, 2012 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	\$77,535.31
Road & Bridge Fund	7,172.45

Total	\$84,707.76
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Environmental Services Director Frank stated that based on recent events involving frac sand mining, there is a need to address numerous registered mines/quarries. In the early 1970's, landowners with quarries/mines were allowed to register the sites which then were grandfathered in. These mines/quarries vary in size from small to approximately 80 acres. It is believed that, in an attempt to circumvent the moratorium, operators are attempting to utilize these sites for frac sand mining because they have been grandfathered in. However, this was not

the intent of the County. Environmental Services Director Frank has discussed this with Attorney Jay Squires. The County established the moratorium in an attempt to allow time to address frac sand mining in a responsible manner. Attorney Squires recommended adopting an amendment to the current moratorium which will address existing mines, and the development of them into frac sand mines. Chairperson Miller read the interim ordinance amendment aloud. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-35
Houston County
Interim Ordinance Amendment

WHEREAS, On March 20, 2012, by Resolution 12-11, the County Board adopted a moratorium to be able to fully study and evaluate the effects of silica sand mining operations and related processing and transportation facilities on the public health, safety, and general welfare.

WHEREAS, the moratorium adopted by Resolution 12-11 applied to “the issuance of any conditional use permit for new silica sand mining or accessory uses.”

WHEREAS, the County Board has determined it is necessary to broaden the scope of the moratorium on silica sand mining and processing operations to assure that it has the opportunity to evaluate the effects of these operations before new activities are commenced.

NOW THEREFORE, it is resolved that the moratorium on silica sand operations is amended to apply to: 1) the issuance of any conditional use permit for new silica sand mining or accessory uses 2) the conversion of existing non-silica sand mining operations into silica sand mining operations; and 3) All silica sand processing operations that are not expressly authorized by the terms of an existing conditional use permit

BE IT FURTHER RESOLVED, that this Resolution shall not affect the date of expiration of the moratorium as established by Resolution 12-11.

File No. 4 -- Zoning Administrator Scanlan reported on the following variance which was approved by the Board of Adjustment. Donald Morken: of Morken Farms in Black Hammer Township for a variance of 105 feet to meet the required ¼ mile setback from a dwelling to expand a feedlot.

File No. 5 -- On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and carried to approve the issuance of the following Conditional Use Permit:

Carl Myhre – Wilmington Township - Build a cabin in an ag district.

File No. 6 -- On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Zoning Permits:

Dan Wiste – Black Hammer Township - Build lean-to (28' x 86')

James Brown – Brownsville Township - Build garage (22' x 32')

Richard and Lisa Koprowski – Brownsville Township - Screen in existing deck and build new deck (12' x 18')

Michael Sexauer and Laurie Simmonds – Hokah Township - Build house (48' x 40')

Tim Bichel – Mayville Township - Build pole building (60' x 64')

Chris Von Arx – Mayville Township - Build wrap around deck (20' x 144') (20' x 16' covered)

Zoning Administrator Scanlan reported on the Tom and Jim Welscher renewal. An operation and reclamation plan was submitted with the original application in 2005. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a one year renewal for Conditional Use Permit #233.

Zoning Administrator Scanlan reported that the Federal case brought against the County by Solum and Davy has been ruled on. The complaint alleged that the County violated individuals first amendment rights, denied them due process, and claimed that individuals are treated differently and that the zoning ordinance is unconstitutional. All findings were in favor of the County. The ordinance is common compared to others on file for other rural counties. The plaintiffs have 30 days in which to file an appeal if they so choose.

Chairperson Miller stated that it is his desire to resolve conflicts before constituents feel the need to resort to court action.

File No. 7 -- Chief Deputy Sheriff Yeiter reported that Tracie Erickson and Chance have become certified as a K-9 team. He recommended that a new lease be approved for Chance. This will replace the lease agreement for Ike. He indicated that Deputy Sheriff Erickson may sell Ike. Chief Deputy Sheriff Yeiter reported that Chance has just turned four years of age and should be able to serve the department for several more years. He reported that when Assistant County Attorney Bublitz recently reviewed the new lease, she questioned why it was for a one year period. Auditor Meiners expressed concern that if the one year lease expired, insurance coverage is questionable. A multi-year lease would reduce the potential for disrupted coverage. Commissioner Bjerke clarified that the lease payments are funded through donations. Following

discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the lease agreement with Tracie Erickson for Chance to expire December 31, 2013.

File No. 8 -- PHN Director Rock recommended entering into an agreement with the State of Minnesota, Minnesota State Colleges and Universities which provides for Baccalaureate students with learning experiences in Public Health for periods up to 10 weeks in duration. PHN Director Rock reported that the County has entered into similar agreements in the past which have proven to be beneficial. There is no cost to the County. The agreement will be effective August 1, 2012 and expiring August 15, 2015. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to enter into said agreement.

PHN Director Rock provided information related to the recent spike in Pertussis (whooping cough) cases. Houston County currently has 13 confirmed cases. Last year there were 10 cases overall; several years prior experienced no cases with the exception of 2007 when there was 1 confirmed case. Pertussis is epidemic in both Minnesota and Wisconsin at this time. Nationwide, 13 individuals have died in 2012 as a result of becoming infected with Pertussis. A vaccine for the disease is available and included with the vaccine for Tetanus. Public Health has a supply of the vaccine for anyone interested or in need of a booster. She encouraged anyone who cares for young children to get vaccinated.

Chairperson Miller questioned the Board's wishes related to the original 12 county human services collaborative. Interim HS Director Bahr noted that in the event the Board chooses to discontinue participation, the county could expect a refund of approximately \$5,600.00 or ½ the initial investment. There is no additional cost for continued participation. Rice and Olmsted counties voted to discontinue participation and have received a portion of the refunds due.

Commissioner Bjerke expressed his opinion that to be efficient, the collaborative needs to be made up of contiguous counties. He noted that both Fillmore and Winona counties have voted to discontinue participation. Olmsted County has also opted out and they would have had a significant impact on the collaborative. He expressed doubt that the counties who have voted to continue participation could form an SDA that would result in efficiencies and cost savings. Commissioner Bjerke indicated that he would be in favor of the county moving in a direction of consolidation with Fillmore and Winona counties.

Interim HS Director Bahr commented that a yes vote indicates that the county is interested in continued research, and may or may not participate in the end. She expressed her understanding that the Bush Foundation is committed to providing assistance to the counties who choose to continue participation.

Commissioner Zmyewski indicated that a part of him shares the same opinion as Commissioner Bjerke. He does not want to waste time and resources with the original

collaborative if the intentions are to collaborate with Fillmore and Winona counties. He expressed his belief that focusing on the intended path may be the most beneficial.

Chairperson Miller admitted that the most recent meeting of the collaborative reflected the indecisiveness the situation has created. He indicated that he favors continued participation. Commissioner Walter expressed concern whether collaboration amongst the remaining counties would result in efficiencies. She also expressed a desire to collaborate with contiguous counties.

Winona County has extended an invitation to Houston County inviting us to participate in their collaborative. Winona County is structured in a specific way which differs from Houston County in that their Human Services, Public Health and Veteran Services are combined.

Chairperson Miller stated that solid numbers are not available at this time to show where cost avoidances would be with the original collaborative or a smaller one. Commissioner Bjerke commented that while technology may allow for many shared things, he is hesitant to believe that a collaboration that does not share borders could be as efficient as one that does share common borders. He encouraged the Board to act on fostering discussion with Fillmore and Winona counties sooner rather than later. He anticipates that participation will allow Houston County to contribute to how the collaborative is structured. He stated that joining later may predispose the county to accepting the structure that has been determined.

Commissioner Schuldt questioned what, if any, downside there is to opting out of the original collaborative. Interim Human Services Director Bahr stated that the Bush Foundation has funded research performed by actuaries who are well educated in collecting data and evaluating it and presenting the findings. She expressed concern that collaborating with bordering counties may not be the best fit for Houston County, as those counties may not share the same values and/or philosophies. Commissioner Walter expressed a desire to discuss options with various smaller groups. Concern was raised that continued participation with the original collaborative may delay this small group discussion and research.

Chairperson Miller indicated that the county may benefit greatly from the expertise the Bush Foundation may be able to offer. They may provide assistance in evaluating various options such as participation in joint powers versus the purchase of services. Commissioner Zmyewski questioned whether the Board could come to a compromise whereby it expressed interest in the small group collaboration while maintaining a foot in the door with the original collaborative. Interim HS Director Bahr suggested that is exactly what Freeborn County has done.

As a 12 county collaborative, the cost avoidance figures were significant. Individually, Houston County would not experience significant cost avoidance under this plan. Commissioner Bjerke noted that Houston County is the smallest county represented in the original 12 county collaborative. He expressed concern that sitting on the fence could be counterproductive. Commissioner Schuldt stated that continued participation simply equates to further exploration

of the options. Commissioner Zmyewski questioned whether it would be premature to opt out when there is no solid commitment between Houston, Fillmore and Winona Counties. Interim Social Services Supervisor Sanness indicated that it is important to be judicious with taxpayer dollars.

As a result of the split among the original collaborative, the county no longer has the benefit of the projected financial ramifications. The county no longer knows whether continued participation will result in significant cost avoidance or not. The county does not know what cost avoidance could be expected in the event a collaboration with Fillmore and Winona counties was negotiated.

Commissioner Zmyewski stressed his belief that the county needs to begin significant participation with Fillmore and Winona counties regarding possible collaboration. Commissioner Bjerke expressed concern that delaying such discussion may result in limited participation as to the structure of the collaborative. Commissioner Walter restated her concern that collaboration with counties located on the far western edge of the region may not prove beneficial. Commissioner Bjerke questioned where county officials should be devoting their time and research. He expressed concern with spending time and resources on an option which appears to be highly unlikely. He expressed his desire to focus on an option and move forward with developing the option. He stated that until now, there has been no or limited discussion with Fillmore and Winona counties. He indicated that there may have been a lack of discussion as a result of a focus on the 12 county collaborative. Commissioner Zmyewski compared the situation to car shopping. There is interest in purchasing from the local dealer, however, in an attempt to secure the best deal one must also shop the other dealerships. He expressed agreement that discussions with Fillmore and Winona counties need to take place sooner rather than later.

Financial Services Supervisor Kohlmeyer expressed concern that Winona County has a specific structure and the invitation to join them is subject to that structure. She questioned how this will impact Houston County.

Motion was made by Commissioner Bjerke and seconded by Commissioner Walter to discontinue participation in the 12 county collaborative. The motion failed with Commissioners Schuldt, Zmyewski and Miller voting in the negative.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to enter into discussions with Winona, Fillmore and Wabasha counties regarding possible collaboration.

File No. 9 -- Motion was made by Commissioner Schuldt and seconded by Commissioner Zmyewski to continue participation in the 12 county collaborative and to adopt the following resolution. The motion carried with Commissioners Bjerke and Walter voting in the negative and Commissioners Schuldt, Zmyewski and Miller voting in the affirmative.

RESOLUTION NO. 12-36
Houston County Resolution to
Declare Preliminary Intent to
Establish SDA Applying Minimum-Mandated 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, result in:

- A level of public funding allocated to the provision of human services that is out of alignment with the quantitative and qualitative demand for services; and
- Unsustainability of the current human services system for the foreseeable future;

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, six counties in southeastern Minnesota – in collaboration with the Minnesota Department of Human Services – developed a blueprint for the redesign of human services, as well as an operating model and a business case;

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; and

WHEREAS, these factors require leadership and innovation to assure that our county is well-positioned to serve our most vulnerable citizens well into the future.

NOW THEREFORE, be it first resolved that the Houston County Board of Commissioners, hereby declares preliminary intent to establish a service delivery authority (hereinafter “SDA”) under Minnesota Statutes 2011, Chapter 402A, to provide human services as minimally required by federal and state law and regulations as a consortium with other participating counties in southeastern Minnesota.

BE IT FURTHER RESOLVED that Houston County’s participation is conditioned on the following factors:

- Houston County will also explore joining with neighboring counties which may include, but are not limited to Fillmore, Winona, Wabasha and Goodhue counties.

BE IT FURTHER RESOLVED that the Houston County Board of Commissioners hereby commits to continue involvement in an SDA steering committee that is charged with identifying the following to this Board:

- The set of studies to be completed for the detailed implementation planning phase;
- The projected costs of completing such studies; and
- A recommendation on how to fund the work during the detailed implementation planning phase.

Such information will aid this Board in determining whether to proceed with the detailed implementation planning phase.

File No. 10 -- HR Director Arrick-Kruger recommended the hire of both Matt Mackie and Jessica Siminski as 0.5 FTE jailer/dispatchers at step 1 of the B-2-3 comparable worth classification. Both of these candidates come with extensive experience. Ms. Siminski is currently working as a 67-day employee for the county. Jail Administrator Schiltz expressed that he was pleased with the applicant pool. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire both Matt Mackie and Jessica Siminski effective August 14th or sooner, contingent upon the successful completion of background checks.

HR Director Arrick-Kruger requested authorization to advertise for transport drivers. Jail Administrator Schiltz reported that transport drivers are needed to transport juveniles and other inmates committed by the courts. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to approve advertising for transport drivers.

Following discussion by the Personnel Committee, HR Director Arrick-Kruger recommended that the position of Network Manager/Digital Evidence Technician be transferred from the Sheriff's Department to the IS Department effective immediately, and that the position be reduced from 1.0 FTE to 0.6 FTE effective October 1, 2012. On May 31st, the county's Multi-Agency Law Enforcement Joint Powers Agreement expired. The Digital Evidence Technician provided support for this agreement. Approximately 0.4 FTE of the Network Manager/Digital Evidence Technician position was used to support the multi-agency agreement. Upon review it was noted that no invoices have been generated as a result of the agreement for quite some time. The BCA provides forensic computer analysis at no fee to the county.

Commissioner Zmyewski expressed concern that history and action in this regard could increase county liability. HR Director Arrick-Kruger stated she has performed due diligence and the recommended changes are purely business oriented. Commissioner Bjerke expressed agreement that this is a budgetary decision. It has been discussed that IS Director Milde needs a 0.5 FTE staff person to provide adequate back up. Commissioner Zmyewski questioned the qualifications of individuals. The Network Manager/Digital Evidence Technician works with the IS Department already and performs duties which provide back up and support to the IS

Director. This individual will perform 0.6 FTE of the duties which are in his current position description and will be included in the position description for the part time IS position. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the transfer of the position from the Sheriff's Department to the IS Department effective Friday, July 27th, and to reduce the position to 0.6 FTE effective October 1, 2012.

File No. 11 -- Surveyor Walter reported that the FCC is requiring that wide banding radio equipment be changed to narrow banding. The surveyor's office utilizes GPS equipment which operates on wide band. He has discussed this with the land use committee. For the surveyor's office to be compliant with FCC mandates, the radio repeater needs to be replaced with narrow band equipment. Trimble has provided an extremely competitive quote for a compliant radio repeater in the amount of \$1,597.78. Commissioner Zmyewski questioned whether this is a onetime expense. Surveyor Walter responded that it is. Recorder Bauer indicated that following committee discussion, it was agreed that the cost is a qualifying expense and the compliance fund could be used to cover the expense. She reported that the balance in the compliance fund is approximately \$100,000.00. The bulk of the balance will be used to cover maintenance agreement expenses. The fund is not accruing new monies like it once did. Monies from this fund may be needed to cover additional staffing needs in the event that the County has difficulty remaining in compliance/processing documents within the required time allotment. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the quote of Trimble for the radio repeater and to authorize the expense to be paid for out of the compliance fund.

Commissioner Walter stated that she has been contacted by the La Crescent town board requesting assistance from the County Surveyor to locate an easement for the Thief Ridge development. The easement was included so that in the event emergency services were unable to report from the bottom, there was an alternate route by which they could respond. The town board expressed a desire to work with another government agency as opposed to going through the surveyor who platted the subdivision. La Crosse Engineering/Surveying provided the original surveying services. Surveyor Walter commented that the department has adequate work, however he expressed his belief that this project could be worked into their schedule. He could provide a quote to the town board for the services they are requesting. The services will not be provided gratis. There will be a charge for them. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to authorize Surveyor Walter to provide a quote for locating the easement.

Assistant County Attorney Bublitz requested approval for payment of 3 hours of work performed by Sandy Privet out of the forfeiture funds. In addition, she requested authorization to spend up to an additional 15 hours out of the forfeiture funds to hire Sandy Privet to complete additional projects within the department. Sandy Privet has assisted the department on numerous occasions with various projects. Ms. Privet is contracted to complete tasks, and is not a county employee. Finance Director Lapham reported that there are adequate funds available to cover the request. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and

unanimously carried to approve payment for 3 hours and to authorize up to 15 hours additional be paid out of the forfeiture funds.

File No. 12 -- At this time Engineer Pogodzinski met with the Board and reported on the following bids received until July 23, 2012 for S.A.P. 28-996-17:

Brennan Construction Co. Lansing, IA 52151	\$215,415.50
Minnowa Construction, Inc. Harmony, MN 55939	\$249,351.50
Structural Specialties Inc. Hutchinson, MN 55350	\$295,230.47
Taylor Construction, Inc New Vienna, IA 52065	\$310,898.86

The low bid came in 30.3% below the engineer's estimate. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the low bid of Brennan Construction Co. in the amount of \$215,415.50.

Commissioner Zmyewski questioned whether the engineer's estimates are too high. Engineer Pogodzinski responded that they are in line. He explained that it is typical in a down economy for bids to come in below the prepared estimate and to come in above the prepared estimate when the economy is flourishing. Discussion was held regarding how engineer's estimates affect budgeting. Engineer Pogodzinski explained that savings serve to preserve and maintain available balances in state aid accounts. Savings do not impact the local share much, if at all.

Engineer Pogodzinski requested approval of an AutoCAD Maintenance Agreement. He explained that options related to AutoCAD include annual subscriptions or the purchase of licenses and upgrades. The cost is comparable for both options. In order for the AutoCAD software to integrate with Eagle Point software the county uses, it is necessary to have access to a specific version of AutoCAD. This is available through the annual subscription option. The subscription will put the department over budget, however, they will find the necessary funds within their over-all budget to cover the expense. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the AutoCAD maintenance agreement.

At this time Donna Buckbee met with the Board. She reported that a petition with 288 signatures has been submitted to the EQB requesting an environmental impact study be

completed related to the Erickson Mine. She stressed that she was able to obtain all of the signatures within 48 hours. She shared her opinion that the group she is involved with is not just a vocal minority, otherwise they would not have been able to gather so many signatures in such a short time. She stated that many people realize that harm will come to the community as a result of the Erickson Mine.

Ms. Buckbee questioned whether a stop work order remains in place. Chairperson Miller responded that a revised stop work order was issued and remains in effect. The revision allows for minimal activity to take place at the site. There are limitations on the scope of activity which is allowable.

Following discussion, it was agreed that Commissioners Schuldt and Zmijewski would serve on the canvassing board for the Primary Election.

It was the consensus of the Board to schedule a public hearing for August 21, 2012 at 10:00 a.m. to discuss proposed changes to the wildcat ordinance.

At this time a brief recess was taken.

Discussion was held regarding the ramifications of discontinued victim services funding. This position has been grant funded, however, the grant funding is being eliminated. It was agreed to invite Michelle Hermanson to speak to the board regarding the victim services program and budget.

File No. 13 -- Treasurer Trehus provided information related to pooled cash balances, investments, and current interest rates. She commented that the pooled cash balances are lower than the multi-year average. Finance Director Lapham reported that fund balance has been used to aid in the balancing of the budget. In particular \$486,000.00 has been used to fund the ARMER migration project. \$300,000.00 of that amount was E-911 funding and represented as cash in previous reports. Highway Accountant Schroeder indicated that Houston County has submitted approximately \$200,000.00 in overages on the CSAH 23 FEMA project for reimbursement. It is not known whether the overages will be approved or not.

Treasurer Trehus reported that tax receipts are trickling in. The amount collected to date is in line with previous years. She expects these receipts to steadily increase until the tax deadline.

File No. 14 -- Finance Director Lapham provided information related to the use of fund balance and how expenses reported represent 50% of the year and that because receipts lag, the amount represented is approximately 40% of the year.

Interim HS Director Bahr reported that HS collects the bulk of their receipts in the second half of the year.

Financial Director Lapham reported that she is still waiting to submit the sales tax rebate related to the Justice Center building project. She expects the rebate to be approximately \$200,000.00. She indicated that she has been unable to meet with John Pristash to finalize rebate information. Chairperson Miller requested Mr. Pristash's contact information.

Chairperson Miller questioned whether anyone had budget concerns they wished to express. PHN Accountant Lillegraven expressed concern with the level of receivables which are typical of her department. She explained that reimbursements are slow and getting delayed longer. She stated that Medicare reimbursements used to come on a monthly basis. A change was made and reimbursement was made quarterly. She's noticed that the quarterly reimbursements are not coming timely.

Commissioner Bjerke questioned how Treasurer Trehus is investing excess county funds. He noted that Eitzen State Bank has been offering the best rates. He questioned why more hasn't been moved to investments with the bank. Treasurer Trehus responded that she has tried to move additional funds and the bank will not accept them. She indicated that she will ask them to consider accepting additional Houston County funds. Treasurer Trehus has discussed with other treasurers how they invest county funds and it is typical that 50% are invested with local banks and the balance is invested through brokerage companies. Commissioner Bjerke encouraged Treasurer Trehus to be diligent in investing monies so that the county can capitalize on the best interest rates offered.

Commissioner Walter reported on the Township Officers Association meeting which she attended.

Commissioner Schuldt reported on a Semcac 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. 15 -- Copy of revised Stop-Work order

File No. 16 -- Correspondence from Winona County regarding potential dispatch consolidation

File No. 17 -- Correspondence from Victim Services indicating that services of this agency will cease on 9/30/2012 due to the discontinuation of funding

File No. 18 -- SE MN Chemical Dependency Pilot Project Cooperative Agreement Amendment #2

There being no further business and the time being 11:27 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, August 7, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 7, 2012

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 Bialkowski, Schuldt, & Moorhead; Engineer Pogodzinski; Tim Penny; HR Director Arrick-Kruger; Cory Baker; Susan VanGorp, Mike Fields, Finance Director Lapham; Zoning Administrator Scanlan; IS Director Milde; Chief Deputy Sheriff Yeiter; Bets Reedy; Donna Buckbee; Kelley Stanage; Sarah Wexler (videotaped proceedings); Interim HS Director Baehr; Financial Services Supervisor Kohlmeyer; Surveyor Walter; Lindsay Pierce; Assistant County Attorney Bublitz; 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 July 24, 2012 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	\$112,745.58
Road & Bridge Fund	122,116.65

Total	\$234,862.23
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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 -- At this time Engineer Pogodzinski met with the Board and reported on the following quotes received until July 30, 2012 for C.P. 2012-03 (Pavement Marking):

AAA Striping Service Co.	
St. Michael, MN 55376	\$72,673.89

Traffic Marking Service, Inc.
Maple Lake, MN 55358

\$82,236.75

The low quote came in 0.4% below the engineer's estimate. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the low quote of AAA Striping Service Co. in the amount of \$72,673.89.

File No. 4 -- At this time Engineer Pogodzinski met with the Board and reported on the following bids received until August 6, 2012 for A2801-21 (Airport Hangar Pavement Rehabilitation):

Mathy Construction Company
Onalaska, WI 54650

\$176,732.50

The bid came in 24% over the engineer's estimate. Engineer Pogodzinski noted that the project is relatively small which contributed to high mobilization asphalt costs. He indicated that the bid could be rejected, however, doing so could jeopardize entitlement funding. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the bid submitted by Mathy Construction Company in the amount of \$176,732.50 contingent upon MN DOT Aeronautics and FAA funding availability.

File No. 5 -- Engineer Pogodzinski reported that S.A.P. 28-996-19 qualifies for grant funding in the amount of \$1,089,789.18. These funds are available as a result of flood relief bonds. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION 12-37
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: August 7, 2012

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 26 (SAP 28-996-019); 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 \$ 1,089,789.18 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. 28-996-17 qualifies for grant funding in the amount of \$215,290.50. These funds are available as a result of flood relief bonds. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION NO. 12-38
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: August 7, 2012

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 22 (SAP 28-996-017); 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 \$ 215,290.50 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 is aware that area construction and detours are time consuming to residents. His department is attempting to keep one lane of traffic open on the CSAH 4 project near Cut Across Road. Yesterday, in excess of 200 vehicles traveled through this particular work zone. This volume of traffic does cause concern by Engineer Pogodzinski. The department is also working closely with Emergency Management and dispatch to ensure that fire and

ambulance routes are available. He reported that the State 76 project could be subject to detour for a minimum of 4 to 6 weeks or up to as long as 3 months. Chairperson Miller expressed concern that there was little warning regarding traffic stoppages as a result of construction which is taking place on State 44.

Engineer Pogodzinski was and has been made aware of signage issues. In particular a lack of "road closed ahead" signage at the junction of State 76 and County 10 alerting travelers to the impact of the State 76 and CSAH 4 projects on their route north on County 10. He is checking into these concerns.

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 stated that the Foundation is 25 years old. 40% of funding is expended on early education, 50% is expended on economic development and the remaining is invested in local community funds by acting as the 501c.3 for them.

Mr. Penny reported that approximately \$7.00 is returned to the communities for each dollar that is invested with the Foundation. In Houston County the Foundation has provided early childhood outreach to all schools and provided a business loan to Spring Grove Battery.

Discussion was held regarding the use and exposure to technology by children of early education age. Mr. Penny provided information on the organizations who currently provide donation support and organizations which he is hoping to grow donation support with. He is currently working with a donor for recreational equipment which can further learning opportunities.

File No. 8 -- IS Director Milde provided a proposal from Ace Communications for point to point connections for the Highway Department/Building. He explained that, last month, the Historic Courthouse sustained a lightning strike which impacted several technology components including the wireless bridge which provided internet access to the Highway Department. IS Director Milde stated that a claim has been submitted to insurance. Parts necessary for repair of the bridge are unavailable. IS Director Milde recommended leasing a designated line through Ace Communications.

IS Director Milde explained that a designated line will be much more reliable. The wireless bridge connection can be unreliable during periods of severe weather. There is a designated line to the CCS Building. Ace has offered a reduced rate because the second line can be "bundled" with the line for CCS Building. The proposed fee is \$800.00 per line. In the event the proposal is accepted, the cost for both lines will slightly exceed the budgeted amount of \$1,440.00 for internet connections.

IS Director Milde reported that the wireless bridge would likely be less expensive than a designated connection. He noted that expenses related to the wireless bridge over the past couple

of years have been approximately \$21,000.00. IS Director Milde reported that another benefit of a lease line is that it will allow for the upgrade of the phone system. The current phone system at the Highway Department/Building is 16 years old, and it does not have voicemail capabilities. A designated line will allow for the Highway Department to utilize the phone system from the CJC, and provide for voicemail. When the wireless bridge is down the public is unable to access the egrams system which prevents potential bidders from accessing required bidding information and proposals. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the Ace Communications bid for a leased line for the Highway Department in the amount of \$800.00 per month when bundled with the CCSB connection.

Interim HS Director Bahr reported that on August 2nd, the six counties which voted to continue with regional redesign discussions met. Of these counties, only votes from Dodge and Steele counties were unanimous. The other counties had split votes. Mower County chose to continue, however they included 6 conditions. Freeborn, Waseca and Houston Counties also voted to continue their participation. The question has been raised whether involved parties understand the difference between mandated services and best practices. She expressed concern that the terms used in the example resolution have created confusion. Interim HS Director Bahr reported that a meeting has been scheduled for August 30th from 9:30 a.m. to 12:30 p.m. All board members from the participating counties are invited to attend. The goal of the meeting is to provide clarification and greater understanding. Commissioner Bjerke questioned the difference between best practices and mandated services. Interim HS Director Bahr responded that it is her understanding that best practices are “how you do something” and mandated services are “what you are required to do.” Chairperson Miller encouraged all commissioners to attend the meeting.

File No. 9 -- HR Director Arrick-Kruger and Engineer Pogodzinski requested that temporary employee Ryan Meiners be allowed to work for the Highway Department in addition to his work in the Surveyor's Office. HR Director Arrick-Kruger reported that Mr. Meiners may work up to 100 days as a temporary employee due to a student exception. Mr. Meiners has indicated that he is available more often and is interested in working more. Surveyor Walter reported that his office has additional projects which Mr. Meiners will assist with. Engineer Pogodzinski reported that since his department has only 9 maintenance workers, they have a need for additional help. Typically, maintenance workers are utilized in the summer months to assist with project staking. Mr. Meiners is going to school for civil engineering and would be able to assist with the staking. He and Surveyor Walter can work out a schedule whereby Mr. Meiners is able to work with both departments. HR Director Arrick-Kruger reported that her office has no concerns with Mr. Meiners working for 2 departments. Commissioner Schuldt commented that this is a good opportunity for the student. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve Ryan Meiners working for the Highway Department in addition to his work with the Surveyor's Office.

Chairperson Miller shared that La Crosse County will continue to include Houston County in its solid waste program. There is an annual fee for participation which is reduced by a set amount for each ton of solid waste delivered. The correspondence included a note that no payment is due in January 2013.

Chairperson Miller reported that MCIT has allocated dividends for a total amount of \$206,033.00. This is slightly less than the dividend allocated in 2011 which was \$213,192.00. Houston County will receive \$83,518.00 for the Workers' Compensation portion and \$122,515.00 for the Property/Casualty portion.

Pursuant to M.S. 13D.05 subd. 2(b), motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to go into closed session to consider allegations and/or to determine whether disciplinary action if any will be taken.

At the request of the party involved, Lindsay Pierce, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to rescind the previous motion and to remain in open session.

File No. 10 -- HR Director Arrick-Kruger distributed information regarding statutes governing closed sessions. She confirmed that the meeting may remain open at the request of the involved party. She stated the purpose of the meeting is to discuss the position status of Mr. Pierce as network manager/digital evidence technician. HR Director Arrick-Kruger provided examples of violations related to the following 4 personnel policies: The Policy Against Offensive Conduct, Harassment, and Violence; the Code of Ethics and Conflict of Interest Policy; Failure to Perform Duties at a generally acceptable standard with the profession; and Knowingly misrepresenting hours worked on time cards.

HR Director Arrick-Kruger reported that 40% of the position was expected to be made up of duties related to computer forensics, however, upon review it was noted that there has been minimal computer forensic duties completed. Invoices related to this work are limited to single invoices generated in November 2009, January 2010 and most recently March 2010. The County Attorney had requested some computer forensic work and had to follow up on multiple occasions to acquire the resulting reports and/or requested information. HR Director Arrick-Kruger stated that the computer forensic work does not exist.

On one occasion, HR Director Arrick-Kruger requested that Mr. Pierce take the afternoon off in order to cool down. Mr. Pierce requested that he be given 2 weeks in which to clean up his computer. Due to the network access once granted to this individual, HR Director Arrick-Kruger requested that his network access be suspended. Mr. Pierce was placed on paid administrative leave. HR Director Arrick-Kruger reviewed Mr. Pierce's work so that anything ongoing could be delegated to others for completion and found no outstanding work.

There is a process required prior to any employee termination. HR Director Arrick-Kruger is initiating the start of this process. She requested the Board consider the Notice of Intent to Terminate. She explained that this is a notice only, it provides a basis. A Loudermill hearing is required following this at which time the employee has the right to discuss with the Board reasons why his/her employment should not be terminated. She expressed concern that during these hearings, private data could be brought up. She has invited the Assistant County Attorney Bublitz, as the data compliance officer, to attend so that any perceived data privacy issue may be immediately addressed. She cautioned that an abrupt interruption could occur.

Commissioner Bjerke questioned whether Board action is required at this time. HR Director Arrick-Kruger responded that she was requesting approval to issue the Notice of Intent to Terminate. She explained the disciplinary policy and provided the excerpt from said policy which allows for immediate termination. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and carried unanimously to authorize the issuance of the Notice of Intent to Terminate.

Commissioner Schuldt questioned whether Mr. Pierce was allowed any response. It was agreed that Mr. Pierce could respond at this time. He requested a copy of the intent to terminate which lists the allegations and also a copy of his employment record where the incompleteness of work is supposedly documented. He asked that the information be provided today. HR Director Arrick-Kruger responded that the requested information could be provided to Mr. Pierce today.

Chairperson Miller announced that the anticipated closed meeting which was tentatively scheduled for 11:30 a.m. may take place as early as 11:00 a.m. It was stated that a recess, not a closed session, would be necessary to allow for Chairperson Miller and Commissioner Zmyewski to participate on a conference call with Environmental Services Director Frank and Attorney Jay Squires.

File No. 11 -- At this time Kelley Stanage read from a prepared statement. This portion of the meeting was videotaped by Sarah Wexler.

Commissioner Schuldt indicated that he would support requiring an EAW in the event the Board has authority in this regard.

Chairperson Miller stated that some of this is hyperbole. He questioned whether Ms. Stanage would prefer that all feedlots within the county be closed. He expressed that he has seen more damage from manure spills than from mining. Ms. Stanage responded that she would not close all feedlots, however, she would like the county to enforce ordinances and to periodically evaluate ordinances to ensure that they continue to protect safety and welfare.

Chairperson Miller stated that some of Ms. Stanage's concerns have been addressed. Perhaps they were not addressed in a public meeting. The Board has attempted to keep discussion civil and they have allowed individuals to speak. He expressed that civility is

important. There is a desire for knowledge and for expertise to be shared at the table. He questioned what it is Ms. Stanage is asking for. She responded that she wants knowledgeable individuals to serve on the committee, individuals with expertise and who are unbiased. Chairperson Miller stated that knowledgeable individuals are serving on the committee. She indicated that no one with expertise in the fields of water, soil or health are included on the committee. Chairperson Miller stated that individuals with expertise in these areas have been brought in and have spoken to the group.

Ms. Stanage stated that Wisconsin and Minnesota regulations vary. Wisconsin has NR135, a statewide mining ordinance. She expressed concern that Houston County may not develop an adequate ordinance.

Chairperson Miller stated that he has received an invitation to attend a meeting with representatives from the State. The State has been alerted to the concerns with and growing interest in frac sand mining. He expressed his belief that the State realizes that counties likely lack the resources to address frac sand mining. The counties also lack financial resources to pay for certain items.

Commissioner Bjerke stated that the frac sand study committee was established in good faith. He indicated that it is easy to look back and understand what went right as well as what did not. Not everyone will be pleased with each decision which is made. He encouraged Ms. Stanage to bring forward her questions. The Board has made no decision in this regard, and nothing has been determined. Recommendations will be considered.

Ms. Stanage indicated that she brings research to share at each of the meetings. There is a need to discuss the issues which are brought forth, however, there should be no expectation that everyone serving will agree. Ms. Stanage expressed her understanding that not everyone will agree on all items. Regardless, she would like to have committee members who have expertise in the fields of water, soil and health. It was noted that many counties have completed research. Houston County has a desire to utilize research and not recreate it just for the sake of doing so. Ms. Stanage claimed that "someone is always shouting down her cases." She expressed her opinion that the County will develop a weak ordinance.

Chairperson Miller requested that individuals seated in the gallery refrain from making comment.

The purpose of the frac sand study committee is to bring forth recommendations. The commissioners will vote on the recommendations. The commissioners may choose to accept, reject, amend or add to recommendations as they deem fit. Chairperson Miller stressed that he is committed to doing his best to protect the health and welfare of Houston County residents. Chairperson Miller stated that he has not chosen a side, and he has made no final decision in this regard.

Ms. Stanage noted that local governments are winning over corporate interests in higher level courts. Chairperson Miller stated that the details of these cases are not known.

Concern has been raised regarding the County's CUP permitting process. This process has been in place for many years during which time the process has evolved.

Ms. Stanage noted that the example of the Skyline Materials Quarry and the Fields' property is recent. This incident happened in 2011. Mr. Fields submitted his complaint immediately. The violation was reported to the Environmental Services Office.

File No. 11a -- Donna Buckbee stated that the Environmental Quality Board has approved an EAW. Placed on file was correspondence from the Environmental Quality Board stating that they have determined that Houston County is the appropriate governmental unit to decide the need for an EAW. Donna Buckbee requested that an independent organization perform the EAW. She expressed concern that the EAW not be completed by county staff. Commissioner Zmyewski indicated that he is aware of the Skyline Materials/Fields situation and expressed concern that the Fields had been affected by the activities undertaken by Skyline Materials. He stated that the county has not "stacked decks" to which Ms. Buckbee strongly disagreed. She expressed her opinion that commissioners are to be responsive to people. She accused Commissioner Zmyewski of being unresponsive in that he failed to attend the most recent meeting and did not ask another commissioner to attend in his absence.

Donna Buckbee accused the Board of allowing county staff to break ordinances and change rules to accommodate violations. She expressed her opinion that each elected official can provide leadership and conduct themselves ethically. She expressed her belief that elected officials can impose responsibility and hold staff accountable. She stated that the Board failed to establish a beneficial and unbiased frac sand study committee.

Chairperson Miller stated that there is a lack of resources for continuous monitoring. However, complaints or reports of violation are followed up on and investigated.

Ms. Buckbee expressed her displeasure that the County allowed the frac sand mining operator to scrape for two days prior to issuing a stop work order. During those 2 days, artifacts and burial grounds could have been disrupted and/or destroyed.

During discussion regarding the drafting of the ordinance, there has been a reluctance to include limitations related to working hours when located near residences. Discussion indicated that the permitting process would address these concerns. There are individuals who feel oversight of the permitting process will not be adequate. The individuals expressed a lack of faith in the ability of the Zoning Office to establish and enforce limitations.

Ms. Buckbee noted that landowners may be required to pay for the completion of the EAW.

Susan VanGorp read from a prepared statement. She and her spouse, Brian VanGorp, live across from the Erickson Mine. She referenced items which a completed EAW would assess and shared her concerns. She questioned why a project that appears to continually throw up red flags isn't resulting in great concern on behalf of the Board.

Commissioner Bjerke stated that the Board is concerned. With regard to the EAW, the Board has made no ruling. He expressed concern that many accusations have been made against the Board and county staff members. He stated that each party involved has rights. The Board is charged with gathering and reviewing information and making the best decisions for the county and its residents. They must consider everyone's rights. He expressed his belief that each member of the Board takes this role very seriously and strives to do their best. He admitted that it is likely that not everyone will be pleased with the Board's decisions.

Mrs. VanGorp expressed great concern that the Erickson Mine is located between the Root River and a scenic byway.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess the meeting to allow Chairperson Miller and Commissioner Zmyewski to participate in a conference call with Attorney Jay Squires.

The time being 11:38 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to reconvene.

PHN Director Rock reported that the need for home health aide services/hours has increased. Diane Giese, who has been working as a 67 day employee, has expressed interest in a regular position. Roster HHA's are paid only when they work or provide services. All HHA services are reimbursed. Hiring Ms. Giese as a regular HHA would create a vacancy in roster HHA's. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to change the status of Diane Giese from roster HHA to 0.8 FTE HHA at step 1 of the comparable worth band A-12-2 effective immediately.

HR Director Arrick-Kruger requested authorization to search and expand the roster HHA's. The roster HHA positions are 67-day employment positions which are reimbursed. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to authorize advertising for 67-day roster HHA's.

Chairperson Miller reported that the purpose of the recess was for discussion among Ten K International, Minnesota Sands, LLC, Attorney Jay Squires, and representatives from the County.

It was noted that the Board has 30 days in which to make a decision regarding the need for an EAW related to the Erickson Mine.

File No. 13 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve having an EAW completed. Commissioner Zmyewski requested that an independent 3rd party be considered for the completion of the EAW in order to prevent any perception of bias. Donna Buckbee questioned whether the mine would be allowed to operate during the EAW process. Chairperson Miller read the following excerpt from correspondence received from the EQB:

“no final government approvals may be given to the project named in the petition, nor may construction on the project be started until the need for an EAW has been determined.”

HR Director Arrick-Kruger reported that Jason Quandahl is nearing the expiration of his probationary period. Both Sheriff Ely and Jail Administrator Schiltz support the recommendation to change the status of Mr. Quandahl from probationary to regular. Mr. Quandahl was originally hired as a 0.5 FTE jailer/dispatcher. This position was later increased to 1.0 FTE. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to change the status of Jason Quandahl from probationary to regular effective upon the completion of 1,040 hours worked.

HR Director Arrick-Kruger reported that Danielle Swedberg has tendered her resignation effective August 10, 2012. Ms. Swedberg was employed as a 0.5 FTE child protection social worker. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of Danielle Swedberg.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize a search for a 0.5 FTE social worker to fill the vacancy created by the recent resignation of Danielle Swedberg.

HR Director Arrick-Kruger requested authorization to hire a 67-day employee as a case aide to assist in the social worker division while a competitive search is carried out to hire a 0.5 FTE social worker. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to authorize the hire of a case aide as a 67-day employee.

File No. 14 -- Interim Social Services Supervisor Sanness reported that previously the County has contracted for Supervised Visitation Services. These services were brought in house during a period when the need could be met in this manner. Recently, it has become increasingly difficult to provide these services and social workers have been required to provide these services. These are court ordered services which must be provided. However, it would be more cost effective to hire 67-day employees to provide this service versus paying social worker wages and benefits to provide said services. These services may be provided if a roster of 67-day

employees is maintained. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the hire of 67-day roster employees to provide supervised visitation services at an hourly rate of \$11.12.

Interim HS Director Bahr was pleased to report that Houston County's staff has been performing well since starting case banking in the Income Maintenance division. Winona County has struggled with this. In the past, Counties have requested voluntary assistance from neighboring county employees. Winona County has not put out a request. However, Interim HS Director Bahr would like to extend an offer of assistance. Employees would be able to volunteer to work for Winona County on their personal time. Any time worked for Winona County would also be paid by Winona County. There would be no cost to Houston County. Commissioners expressed agreement that this is appropriate. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize Interim HS Director Bahr to extend an offer for assistance.

File No. 15 -- Auditor Meiners reported that the cost to advertise the delinquent list was less than the budgeted amount. She requested authorization to amend her department's budget and transfer the savings realized into the elections advertising budget. Approval of the request would allow Auditor Meiners to advertise polling place locations and hours in addition to the sample ballot. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the budget amendment request.

Commissioner Schuldt expressed concern that Mr. Kelleher continues to raise concern regarding a past incident. He questioned how the Board can appropriately respond so that the issue does not continue to come up. HR Director Arrick-Kruger along with the County Attorney have been preparing redacted information that has been requested by Mr. Kelleher. Mr. Kelleher may be dissatisfied with the time it takes to receive requested information.

Commissioner Walter reported on Workforce Development, Trail & Park and Extension meetings which she has attended.

Commissioner Schuldt reported on a meeting with staff from the Sheriff's Office and PHN regarding property disposal of a meth house.

Chairperson Miller reported that he has attended a meeting with the Sheriff's Office and PHN regarding property disposal of a meth house and also a frac sand committee meeting.

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

Commissioner Bjerke reported on MAPE and Personnel meetings 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. 16 -- Public Notice regarding public hearing to consider Wildcat Park Ordinance

File No. 17 -- Correspondence to payroll regarding recent hires and changes

File No. 18 -- Public Notice regarding special meeting scheduled for August 9, 2012

File No. 19 -- Correspondence from Kevin Kelleher regarding DVD copying issue

File No. 20 -- Correspondence from MCIT regarding 2012 Dividend Notice

File No. 21 -- Correspondence from MCIT regarding coverage for MN Sands, LLC, et al vs. Houston County

There being no further business and the time being 12:03 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, August 21, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 21, 2012

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 Bialkowski, Schuldt, & Moorhead; John Beckman; Lowell Botcher; Jim Botcher; Donna Buckbee; Lindsey Pierce; Rick Frick; Jeremy Van Gundy, Leonard Tostenson; Assistant County Attorney Bublitz; Geoffrey Griffin; HR Director Arrick-Kruger; Investigator Luke Sass; Betts Ready; Finance Director Lapham; Environmental Services Director Frank; Eric Johnson; County Attorney Hammell; Public Health Director Rock; Sara Mann; Mike Fields; Jake Lonkoski; Court Administrator Larson; Assessor Dybing; Recorder Bauer; Attorney Jay Squires via phone; Gerri Hayes; Victim Services Coordinator Herman; Financial Services Supervisor Kohlmeyer; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Michelle Massman; 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 Schuldt and unanimously carried to approve the minutes of the August 7, 2012 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	\$70,765.19
Road & Bridge Fund	204,374.78

Total	\$275,139.97
	=====

File No. 2 -- Motion was made by Commissioner Walter, 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 Zmyewski and unanimously carried to approve the minutes of the Human Services Redesign Meeting held August 9, 2012.

File No. 4 -- Engineer Pogodzinski reported that S.P. 28-599-75 qualifies for grant funding in the amount of \$70,420.80. These funds are available as a result of flood relief bonds. This project is for a bridge replacement on Swede Bottom Road in Houston Township. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION NO. 12-39

For Agreement to State Transportation Fund (Flood Relief Bonds)

Grant Terms and Conditions

Date: August 21, 2012

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 Swede Bottom Road (Houston Township) SP 028-599-075; 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 \$ 70,420.80 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 expects this project to begin next week. Local traffic will be impacted, however there is an alternate outlet.

Engineer Pogodzinski reported on quotes received for disc mowers used for mowing roadsides. This is a budgeted item. The low quote is from Hammell Equipment in the amount of \$8,950.00 each for a total of \$17,900.00, less two disc mowers with trade amounts of \$1,000.00 each, further reducing the cost to \$15,900.00. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt, and unanimously carried to accept the quote provided by Hammell Equipment in the amount of \$15,900.00 and to approve the purchase of two disc mowers.

Engineer Pogodzinski provided an update regarding the status of the Airport EA Study. The initial study has been submitted to MnDOT Aeronautics for approval. Following approval, an additional 30-day comment period is open. Any comments will be considered prior to the release of the final EA Study Findings. Currently, the findings support no significant impact. Copies of the report are available at the Highway Department, Auditor's Office and local public libraries found within the county. The public comment period closes on Friday, August 24, 2012.

HR Director Arrick-Kruger and Assistant County Attorney Bublitz requested a closed session pursuant to M.S. Sec. 13D.05, subd. 2(a)(2) to consider allegations of criminal conduct by an employee. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to go into closed session.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to return to open session.

HR Director Arrick-Kruger stated that, at this time, the Loudermill Hearing regarding the August 7th Notice of Intent to Terminate is to be conducted. She reported that she has received a request from the attorney representing Lindsay Pierce that Mr. Pierce be allowed to respond to allegations. HR Director Arrick-Kruger requested that the Board consider terminating Mr. Pierce's employment.

HR Director Arrick-Kruger informed the board of a date correction to the original Notice of Intent to Terminate.

File No. 5 -- Mr. Pierce requested that correspondence from his Attorney David L. Strand be entered into the public record and read into the official proceedings. HR Director Arrick-Kruger read the correspondence aloud. Mr. Pierce indicated that he had no additional comment.

HR Director Arrick-Kruger stated that she stands by the arguments outlined in the Notice of Intent to Terminate which was presented and discussed during the August 7th meeting. She also reported that additional allegations including Mr. Pierce's recent televised event where he disclosed private data subject to the Data Privacy Act be considered. Mr. Pierce disclosed specific names which are private information under the act during his television interview. This disclosure is also a violation of County Policy and should not be condoned.

Following Mr. Pierce being placed on administrative leave, HR Director Arrick-Kruger attempted to determine why work had not been completed in a timely manner. As she began assessing his office contents she discovered forensic evidence which she believes was not being properly maintained. Mr. Pierce questioned what data he disclosed was considered private. HR Director Arrick-Kruger responded that specific names which were disclosed are private. Mr. Pierce stated that documents and data were public record. He requested that additional allegations be sent to his attorney as soon as possible. HR Director Arrick-Kruger requested consideration that Lindsay Pierce's employment be terminated. Commissioner Schuldt

questioned whether Mr. Pierce had received coaching or assistance related to his job performance. HR Director Arrick-Kruger reported that she had worked with both Sheriff Ely and Lindsay Pierce. Meetings were planned, however she is unaware whether the meetings occurred. There was no amount budgeted for any training for Mr. Pierce. Training for individuals working in IT is important due to constant change. HR Director Arrick-Kruger indicated that she encouraged Mr. Pierce to bring forward training opportunities which would be beneficial.

When offices were preparing to inhabit the Justice Center, IS Director Milde established timelines and expectations for the completion of necessary IS work. Mr. Pierce met some of these and not others. When asked if Mr. Pierce has had a history of poor performance, HR Director Arrick-Kruger responded that during the past three years performance has been a concern. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to terminate Mr. Pierce's employment effective at the close of the business day today. Mr. Pierce asked when he would be allowed to collect his personal affects. HR Director Arrick-Kruger stated that he could submit a list of personal affects and she would see to it that they were collected and given to him. He stated that his personal affects were in a box next to the file cabinet. Mr. Pierce and HR Director Arrick-Kruger agreed to work together so that Mr. Pierce could collect his personal affects.

PHN Director Rock provided an update regarding a mobile home seized July 5th as it was being utilized as a meth lab. The mobile home is located at 1017 Sunrise Lane in Caledonia. The home is owned by two individuals and the lot is owned by a different individual. There were 2 children present when the home was seized. The home has been deemed a public nuisance and as such, Public Health is responsible for the cleanup. The site is currently vacant.

The site is considered an uncontrolled hazardous waste site. Public Health notified both the mobile home owners and the property owner. The property owner expressed his opinion that he have no jurisdiction regarding the cleanup. The owners were incarcerated and an extension was granted to the initial period in which they were given the opportunity to have the appropriate cleanup performed. They requested an additional extension which has been denied.

Public Health has discussed the health concerns with the appropriate officials. The County is responsible for the remediation process. The mobile home was manufactured prior to 1975, therefore concerns regarding asbestos content exist. PHN Director Rock has been working with various state agencies regarding the site. The entire inside of the home along with the contents are considered contaminated. The cost for cleanup has been estimated at between \$5,000.00 and \$10,000.00. The owners have been unable or unwilling to initiate the remediation process and a crime was committed in the mobile home.

There are options for recovering cleanup costs. Restitution is one option. There are no guarantees that restitution would be ordered or paid. Another option would be through a special assessment on the real property. Commissioner Bjerke expressed concern that there is a need to move forward with cleanup. Every attempt should be made to contain disposal costs. He

expressed his opinion that taxpayers should not have to bear the costs. Chairperson Miller questioned whether cleanup of the site poses health risks to neighbors. PHN Director Rock stated that cleanup will be performed by licensed contractors and there will be no risk to neighbors. Chairperson Miller indicated that a significant amount of information has been presented. There are various options which will have varied costs associated with each. It was agreed that PHN Director Rock would gather cost comparison information for the various options and return to the Board for further discussion. Assistant County Attorney Bubiltz expressed concern that the mobile home, while secured by law enforcement, is present and individuals could gain entry. It is important to move forward with cleanup of the site. Commissioner Bjerke questioned whether the mobile home could be moved to an alternate site while awaiting testing and disposal. It was agreed to move forward with this as quickly as possible.

Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess the current meeting and to convene the scheduled Public Hearing to consider changes to the Wildcat Park Ordinance.

The time being 10:05 a.m. the Public Hearing was convened.

Auditor Meiners provided details regarding 2 proposed changes to the Wildcat Ordinance. The first change would be to hold the site lottery once every two years. The lottery would be held on odd numbered years. Seasonal campers would be allowed to retain the same site for the subsequent even numbered year. Sites becoming available in the even years would be offered on a first come first serve basis. Historically, there have been remaining sites following the lottery. The county would reserve the option of holding the lottery every year if there are concerns that develop.

The second proposed change would allow the campground manager to rent out available sites for one night stays at their discretion. The policy currently reads reservations will be accepted for a minimum two nights on weekends and 3 nights on holiday weekends.

The County Attorney's Office has reviewed the proposed changes to the ordinance and has expressed no concerns.

File No. 6 -- There was no public comment regarding the proposed changes to the Wildcat Ordinance. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adjourn the public hearing.

The meeting reconvened in open session.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the ordinance changes as proposed.

File No. 7 -- Environmental Services Director Frank reported on a wetlands application for the City of Houston. The City desires to extend city water and sewer services to the Westgate Industrial Park on the west side of town. In an effort to disrupt as little wetland area as possible they will bore under the wetlands instead of digging through them. There will be a need to perform connection work which will impact an area of less than 400 square feet. The City has worked with various agencies and the contractor to minimize disruption of wetlands. The required bond related to the project has been received and is on file. In the event the application is approved, there will be a public review period. Following the review period and barring any public concern, the project will commence. Representatives of the TEP panel have viewed the site and the application. Approval is being recommended. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the wetland application.

Victim Services Coordinator Herman reported that grant funding for Victim's Services will be expiring October 1, 2012. Grant funding for 2013 has been denied. This is a loss of funding in the amount of \$42,309.00.

County Attorney Hammell stated that until now, the position of Victim Services Coordinator has been fully grant funded. This position is critical to the preparation of witnesses. County Attorney Hammell expressed extreme concern with the potential loss of this office. She reported that other counties' victim services offices are part of the County Attorney's Office and she would like to see this in Houston County. County Attorney Hammell has discussed her concerns with the larger cities within the county, as many of their cases are handled by her office and victim services are provided by Ms. Herman. She believes that it may be possible to have the cities contribute funding to aid in offsetting the cost to maintain the Victim Services Office. The loss of the grant raises concerns. County Attorney Hammell expressed a strong desire to maintain the office. Because the grant funding will sunset on October 1, 2012, there is a need to address the position of Victim Services Coordinator prior to that date. Funding to retain the position through year end would cost approximately \$10,000.00. Chairperson Miller expressed concern that now there is a need to scrape together \$42,000.00 to provide services for victims, when the County has spent \$17 million to construct a building for criminals. County Attorney Hammell is researching work conducted on behalf of the cities. She wants to be able to provide information on the amount of work Ms. Herman performs for cities when the cities are approached to contribute to funding to retain victim services. In addition, County Attorney Hammell is working with HR Director Arrick-Kruger regarding the personnel issues in the event the county continues to fund the position and also with Finance Director Lapham to identify possible funding sources for the services.

Victim Services Coordinator Herman reported that her office has been awarded a grant in the amount of \$500.00 for emergency funds in 2013. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the grant in the amount of \$500.00 for victim's services and to approve the grant agreement with the Minnesota Department of Public Safety.

File No. 8 -- Auditor Meiners provided information on Certificates of Real Estate Value (CRV), what information they contain and how the information is utilized. She reported that as part of e-recording, the State has developed software to process CRV's electronically (e-CRV). The State is assessing a fee for the utilization of e-CRV. The fee has been discussed in land use committee and qualifies for payment from the compliance fund. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve payment of the \$1,250.00 user fee for e-crv from the compliance fund.

Recorder Bauer reported that her office had contracted to have microfilm converted to electronic images. When the microfilm was sent to the company performing the conversion, it was discovered that it had deteriorated. In order to provide reasonable image quality the cost would increase substantially. The company provided a demonstration whereby they scanned the books and created electronic images. The quality for this process was very good. Recorder Bauer was able to negotiate with them to perform the scanning instead of the microfilm conversion for \$15,000.00 over the microfilm conversion quote amount. Recorder Bauer reported that the project of scanning the books has begun and is expected to be completed within a few days. There will be a period of time before the final product is delivered. This project is being paid for by the technology fund.

File No. 9 -- Environmental Services Director Frank distributed findings regarding the citizens' request for an EAW related to the Erickson Quarry. Attorney Squires joined the meeting via telephone/conference call. He provided a brief history including information related to the August 7th board motion authorizing the preparation of an EAW. He provided an overview of the information contained in the Findings of Fact, Conclusions of Law and Order which were the basis for the Board's August 7th action.

Following Attorney Squires' presentation of information, Commissioner Bjerke questioned whether the August 7th motion should be rescinded. Attorney Squires indicated that it was not necessary to rescind the motion. Information presented today has been provided to memorialize the concerns of the Board which were present and led to the action taken during the August 7th board meeting. Gerri Hayes expressed concern that her clients were not advised that a decision would be made on August 7th. She requested the opportunity to respond to the Board's concerns which led to their action to require the preparation of an EAW. Attorney Squires responded that the EAW petition was based on information submitted to and on hand in the County Zoning Office. This information was specifically requested by Zoning Administrator Scanlan as a result of inadequate information on file. The basis for the decision related to the EAW has been based on the operational plan submitted and on file as of August 7th. Commissioner Bjerke reported that this information was reviewed and is the basis for the decision made on August 7th. Attorney Squires recommended that action be taken to accept the findings. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the Findings of Fact, Conclusions of Law and Order and to affirm

that these were the basis for action taken on August 7, 2012 regarding the requirement to have an EAW prepared.

At this time a brief recess was taken.

File No. 10 -- Auditor Meiners reported that recently a parcel of property located in the City of Houston located at 505 S. Sherman Street recently tax forfeited. The owner had vacated the property prior to the forfeiture and the neighbors began maintaining the lawn. Now that the property is held in trust for the State, the County is responsible for maintenance. Auditor Meiners has learned that Public Health pays \$20.00 for chore services assistance for mowing of residential lawns. She has spoken with the neighbor who has been mowing the lawn and they are willing to continue mowing the lawn for the same fee. An agreement for lawn mowing has been drafted and reviewed by the County Attorney's Office who expressed no concerns. Auditor Meiners has discussed the agreement with MCIT who expressed no concerns. She recommended approval of the Agreement for Mowing. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the Agreement for Mowing.

File No. 11 -- As part of the tax forfeiture process there is a need to classify the property. The parcel in the City of Houston which has been tax forfeited is a residential lot within the city. There are two options available to determine classification. Auditor Meiners recommended action to opt out of the long process regarding property classification. She indicated that if this method is chosen, the County will be bound to utilizing the same method for a period of five years. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-40

WHEREAS, Minnesota Statute 282.01 requires that parcels of land becoming the property of the state in trust under law declaring the forfeiture of lands to the state for taxes must be classified by the county board of the county in which the parcels lie as either "conservation" or "non-conservation"; and

WHEREAS, Minnesota Statutes 282.01 prescribes two different options in procedures for making this classification; and

WHEREAS, A county board may by resolution elect to use the classification and reclassification procedures provided in M.S. 282.01 paragraphs (g), (h), and (i), instead of the procedures provided in paragraphs (b), (c), and (d), with the understanding that once this election is made under this paragraph, it is effective for a minimum of five years;

NOW, THEREFORE, BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it elects to use the classification and reclassification procedures

provided in M.S. 282.01 paragraphs (g), (h), and (i), instead of the procedures provided in paragraphs (b), (c), and (d), for a minimum of five years.

Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to categorize the tax forfeited parcel located in the City of Houston as non-conservation property.

At this time photos of the tax forfeited property located in the City of Houston (Parcel 24.0411.000) were viewed. Environmental Services Director Frank reported that there are holes in the second story floors. He stated that appliances and household hazard wastes could be removed from the property and recycled through the County program. Any metals could be collected from the site and recycled with the proceeds going against the costs for cleanup/disposal/demolition. It was noted that asbestos abatement may be required. Saleable items could be collected, stored and sold at the County Auction. Proceeds would be used to offset cleanup/disposal/demolition costs. Auditor Meiners reported that proceeds from the sale of the property would first go towards County costs related to the property; any proceeds in excess of County costs would be divided among various qualifying taxing districts. Discussion was held regarding the state of the property and buildings, concerns that a buyer could purchase the property and perform few if any improvements leaving the neighborhood blighted, and the option of the County demolishing the structures thereby improving the area. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to authorize Auditor Meiners and Environmental Services Director Frank to pursue proper disposal of items and demolition of buildings contained on the tax forfeited property.

EDA Coordinator Wilms reported on an application for a revolving loan in the amount of \$25,000.00 for a corner café in the City of La Crescent. The request is 38% of the total cost which falls below the 50% maximum threshold. The loan would be for a 10 year period. The café will focus on breakfast offerings and will also have lunch offerings, and will provide 4 FTE's. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the loan.

File No. 12 -- Auditor Meiners reported on request for abatement on a mobile home which was taxed on the real estate and also on personal property. It should have been taxed on one or the other, not both. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the abatement for David and Sandra Lehmann on M05.9014.000 in the amount of \$250.00.

Auditor Meiners reported on a request for disaster credit for property taxes paid on a house damaged by fire. A disaster credit was issued for 2008. No improvements have been made to the house and the residents moved out of state. Disaster credits are typically issued to property owners based on the number of months they did not live in the house. Property owners, Thomas and Kay Rohn, were recently visiting the area and have submitted a request for disaster credit for 2009. Disaster credits are paid solely from county dollars. Historically, tax abatements are

approved only for one or two years. It was agreed to table decision regarding the disaster credit until the next scheduled meeting.

File No. 13 -- Finance Director Lapham reported on a budget amendment request from the finance department. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the budget amendment request as presented.

File No. 14 -- Finance Director Lapham recommended scheduling budget meetings. It was agreed that budget meetings would be scheduled for Monday, August 27th during the a.m. hours.

Commissioner Walter reported on a Justice Center meeting which she attended.

Commissioner Schuldt reported on Justice Center, Sem cac and Canvassing Board meetings which he attended.

Commissioner Zmyewski reported on Canvassing Board and frac sand study committee meetings which he attended.

Commissioner Bjerke reported that he worked at the EDA fair booth.

Motion was made by Commissioner Schuldt, 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 various status changes

File No. 16-- Correspondence from Carver County regarding withdrawal from JPA

File No. 17 -- SMIF request for appropriation

File No. 18 -- Correspondence regarding Section 8 use by County

File No. 19 -- STS Quarterly Report

File No. 20 -- Jail re-use information received from MN Historical Society

File No. 21 -- Correspondence from MN Dept of Education regarding minimum SELCO appropriation for 2013

File No. 22 -- MPCA Correspondence regarding Scott Sanness
Feedlot Expansion

There being no further business and the time being 11:35 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, August 28, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 28, 2012

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; Reporters Bialkowski, Schuldt, & Moorhead; HR Director Arrick-Kruger; Environmental Services Director Frank; Engineer Pogodzinski; Donna Buckbee; Kelley Stanage; EDA Coordinator Williams; VSO Gross; Recorder Bauer; Assessor Dybing; Court Administrator Larson; Interim HS Director Bahr; Financial Services Supervisor Kohlmeier; Michelle Massman; Sarah Wexler; IS Director Milde; Michael Fields

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 21, 2012 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	\$86,298.30
Road & Bridge Fund	72,432.31

Total	\$158,730.61
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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 -- At this time Auditor Meiners made a presentation regarding the proposed constitutional amendment and how it would affect voting in Minnesota.

Discussion was held regarding redesign. Commissioners Schuldt, Miller and Walter plan to attend the meeting this week in Owatonna. Interim HS Director Bahr reported that the refund from Olmsted County amounts to approximately \$5,600.00. If we continue with the multi-county group, a new budget will have to be configured and one county will need to act as the fiscal agent. Dodge County is going to front the cost for the meeting this week and then we will

reimburse them for our portion of the cost. The Board agreed that we should request our refund from the multi-county group. Interim HS Director Bahr reported that the unions are allowed to attend the meeting. The suggestion was made that county boards should consider allowing their union representatives to attend on county time and utilize county cars.

Interim HS Director Bahr reported that one big issue that needs to be discussed is in regard to each county's preference in providing best practices versus mandated services.

At this time Donna Buckbee met with the Board. She stated that she wants to talk about frac sand mining and the study group. At the invitation of the Fillmore County concerned citizens group, she attended one of their meetings. There were at least 40 people present. The people seated on the Frac Sand Study Committee in Fillmore County encourage comments, and these comments were welcomed and respected. She asked the Board to consider the possibility of making a mid-course correction with the Frac Sand Study Group. She felt that Commissioner Bjerke's statement that no one intended the committee to be a "stacked deck" was an acknowledgement that it is. She indicated that there are currently only two Houston County protectors on the committee, and she felt that half of the committee should be made up of Houston County protectors.

Discussion was held regarding the Application for Disaster Credit which was discussed last week. Auditor Meiners is attempting to obtain additional information from the state in this regard.

Discussion was held regarding the AMC Policy Meeting scheduled for September 27th and 28th in Brainerd, MN. Commissioners Schuldt, Walter and Miller will attend.

Commissioner Schuldt reported on a Township Board meeting he attended.

Commissioner Zmyewski reported on a Planning Commission meeting he attended.

Chairperson Miller reported on a Trails Committee meeting he attended. There is a group in La Crosse who builds trails and are involved with the promotion of biking. Houston County's attempts to complete the trail from Houston to Hokah, and then to La Crescent has been stymied by reluctant landowners. Also, for the segment from Millers Corner to La Crescent they would be dealing with MN DOT, the DNR and Fish and Wildlife. So they discussed smaller destination type trails and the potential for mountain bike trails. The DNR representative in attendance at the meeting was very supportive of the ideas and indicated that there are some very under-utilized public lands with horse trails which he felt may be compatible.

File No. 4 -- At this time the Board met with HR Director Arrick-Kruger and IS Director Milde. HR Director Arrick-Kruger requested that the Board take action to approve the position description for the position of Network Technician at the banding of C-4-2. She also requested that the Board take action to approve initiating a search to fill the position at a 0.5 FTE. Motion

was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the position description of Network Technician and to authorize advertising for a 0.5 FTE.

HR Director Arrick-Kruger reported that it has come up on several occasions that social workers would like phone access to their e-mail and e-calendar. Such access has raised conversations in connection with the FLSA for hourly waged employees. The County would like to provide this access to employees during their normal work hours and would be developing a statement of expectations that this is not being done to create overtime. Rather, it would be for convenience of employees at their request. IS Director Milde reported that with the update of our mail server, there has been an upgrade in technology. They are now able to utilize encryption, and if a phone is lost it can be wiped by remote access. HR Director Arrick-Kruger stated that this would be at no cost to the county. The Board indicated that they are in agreement with this proposal.

File No. 5 -- HR Director Arrick-Kruger reported that Schumacher installed the elevators in the Justice Center, and the one-year warranty is about to expire. Our agreement on the courthouse elevator expires in two years. However, in the interim we need to enter into a maintenance agreement for the Justice Center elevators for the next two years. The proposed agreement is a two year agreement commencing 10/1/2012 at the rate of \$268.00 per month. Once both agreements expire, she plans to do an RFP for maintenance on all three elevators. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the agreement.

File No. 6 -- At this time Environmental Services Director Frank met with the Board and presented a wetland application on behalf of Jim Hoscheit. This has been reviewed by the TEP panel and they agreed with the proposal. They are recommending that the Board approve the application. This will be subject to a 30 day public notice. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the same subject to the condition that there is a 400 foot de minimis exemption and any disturbance would stay within those limits.

File No. 7 -- Environmental Services Director Frank requested approval of an agreement with Liberty Tire Recycling (formerly Auburndale Recycling) for the recycling/disposal of tires. This is a three year contract and is at a \$10.00 per ton increase over the last contract. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the agreement with Liberty Tire Recycling.

The time being 10:18 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to recess the meeting so that two commissioners can attend a phone conference with Attorney Jay Squires.

The time being 10:42 a.m. motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to reconvene the meeting.

Chairperson Miller reported that they had a short discussion about the September 11th court date on the Erickson mine issue. At this point they will continue to monitor this and any other potential issues in the county.

File No. 8 -- Engineer Pogodzinski reported on a final estimate for maintenance rock. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the same.

RESOLUTION NO. 12-41

WHEREAS, Contract No. C.P. 2012-01 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 that S.A.P. 28-609-12 has been completed. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-42

WHEREAS, Contract No. 207 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 requested authorization to purchase equipment for use during construction including a shaker and sieve, a sound enclosure, a timer/controller and a smaller sieve. The total cost is \$8,380.60. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve said purchases. These items are budgeted.

File No. 10 -- Engineer Pogodzinski reported on an FAA grant agreement for paving along the hangars at the airport in an amount not to exceed \$168,354.00. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the same.

Engineer Pogodzinski reported that the air handler at the Highway Department building keeps freezing up when the air conditioners are on. There are also issues with the radiators on the main level. They have been using a local vendor to make repairs to the equipment and have spent \$2,000.00 on repairs to the air handler and boiler over the past five years. They have patched it as much as they can, however, it is 17 years old and they cannot get parts for it. The vendor making repairs has recommended obtaining quotes for a high efficiency furnace which would be a backup heat source and provide air movement for the air conditioners. Three quotes were received, the low quote being that of Schulze Plumbing for a 95% efficiency furnace at a total cost of \$3,333.00 which includes installation. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to accept the low quote of Schulze Plumbing.

Engineer Pogodzinski reported that Swede Bottom Road near State 76 is shut down as of today. County 249 should be opened up in the next few days. They hope to have County 4 open for the Labor Day weekend.

File No. 11 -- Received and filed was an Amendment to the Food Service Contract between Houston County and CBM Managed Services for the Jail. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the contract amendment and to authorize the signature of Chairperson Miller.

At this time the Board met with EDA Coordinator Wilms regarding his proposed 2013 budget.

At this time Veteran Services Officer Gross met with the Board regarding his proposed 2013 budget.

File No. 12 -- At this time Recorder Bauer met with the Board regarding her proposed 2013 budget. Discussion was held regarding the balance in the Compliance and Technology Funds.

At this time Assessor Dybing met with the Board regarding his proposed 2013 budget. Assessor Dybing reported that the re-write of the tax system will cost Houston County \$150,000.00 over the next three years. We are going to have to come up with \$35,000.00 of this before January.

At this time Court Administrator Larson met with the Board regarding her proposed 2013 budget.

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 to payroll regarding the hiring of Donna Christianson as a 67 day employee to provide clinical supervision of adult mental health cases.

File No. 14 -- A notice of a public hearing to be held at 10:00 a.m. on Tuesday, September 4, 2012, to adopt new fees.

There being no further business and the time being 12:05 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, September 4, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 4, 2012

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 Bialkowski, Schuldt, & Moorhead; HR Director Arrick-Kruger; Jail Administrator Schiltz; Engineer Pogodzinski; Sarah Wexler (videotaped the proceedings); Michelle Massman; PHN Director Rock; Finance Director Lapham; Interim Social Services Supervisor Sanness; Financial Services Supervisor Kohlmeier; Sheriff Ely; Zoning Administrator Scanlan; Denise Schaffer; Interim HS Director Bahr; PHN Accountant Lillegren; Chief Deputy Sheriff Yeiter; Environmental Services Director Frank; County Attorney Hammell

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the August 28, 2012 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	\$46,024.70
Road & Bridge Fund	47,909.41

Total	\$93,934.11
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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 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the minutes of the August 27, 2012 budget meetings.

File No. 4 -- HR Director Arrick-Kruger reported that recently advertising for 67 day employees for roster transport officers and jailer/dispatchers was approved. She and Jail

Administrator Schiltz are recommending the hire of several individuals. Adding these individuals will assist in meeting the County's needs. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the hire of the following individuals at a rate of \$13.52 per hour and contingent upon the successful completion of the appropriate background check: Kelley McGraw, Michael Spittler; Jeffery Brohmer; Jackie Kush; Carol McGraw; and Audrey Stadler.

HR Director Arrick-Kruger was joined by PHN Director Rock. Discussion was held regarding the need to provide for adequate roster staffing of 67 day employees to meet the need for HHA's. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of Susie Goetzinger as a 67 day employee at a rate of \$11.99 per hour for the HHA roster.

HR Director Arrick-Kruger recommended that the Board consider eliminating both the CMM \$500/\$1,000 and CMM \$1,500/\$3,000 health care plan options. This will reduce administrative costs and help contain future insurance premium costs. These options had 2012 enrollment of 5 employees and 3 employees. Once the Board has made a determination in this regard, health insurance carriers will be able to determine final renewal rates. HR Director Arrick-Kruger reported that the County as a whole has experienced significant claims history over the past year. In addition, she has meetings scheduled with Blue Cross Blue Shield and SE Service Cooperative representatives to discuss renewal information. Eliminating the plan options with low enrollment could reduce administrative costs by as much as 5%. Commissioner Bjerke expressed concern with rising healthcare costs as these are already being discussed at budget meetings. Health insurance costs are projected to increase 15% for the coming year. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve eliminating both the CMM \$500/\$1000 and the CMM \$1,500/\$3,000 as healthcare plan options.

HR Director Arrick-Kruger reported that as a result of neighbor complaints, lighting of the Justice Center stairwell and hall areas will be adjusted so that they are occupancy and vacancy sensed. This should reduce both the light pollution to the neighboring properties and also the utility costs. The cost to install the motion sensors is expected to be approximately \$1,100.00.

File No. 5 -- Engineer Pogodzinski reported that S.A.P. 28-996-11 and S.A.P. 28-996-12 have been completed. These were roadway reconstruction projects which took place on C.S.A.H. 20 between Caledonia and Hokah completed by Minnowa Construction. The final costs certified total \$432,927.87. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-43

WHEREAS, Contract No. 206 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 -- PHN Director Rock reported that the County has been awarded a TZD (Toward Zero Death) Grant in the amount of \$14,100.00 per year for 2 years. Commissioner Schuldt reported that he has attended meetings where TZD has been discussed. This grant to the Public Health Department will focus on efforts to educate the public, and not on enforcement. 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 NO. 12-44 AUTHORIZING EXECUTION OF AGREEMENT

BE IT RESOLVED that Houston County Public Health enter into a grant agreement with the Minnesota Department of Public Safety, for a Safe Roads community project during the period from October 1, 2012 through September 30, 2014

The Public Health Director is hereby authorized to execute such agreements and amendments as are necessary to implement the project on behalf of Houston County Public Health and to be the fiscal agent and administer the grant.

File No. 7 -- PHN Director Rock reported on a grant in the amount of \$25,000.00 which has been awarded to Fillmore and Houston Counties jointly by the UCare Fund. This grant will provide funding for initiatives similar to those of the SHIP grant. This will include such things as working to reduce obesity through menu planning and choosing healthier food options. An interim and final report regarding the initiatives is required. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the UCare Fund grant in the amount of \$25,000.00 which expires August 31, 2013.

File No. 8 -- Interim HS Director Bahr provided information from a recent redesign meeting hosted in Owatonna. Chairperson Miller, and Commissioners Schuldt and Walter also attended the meeting. The meeting included representatives from the 6 remaining counties of the original 12 county collaborative. They were able to determine what items are required moving forward. The Bush Foundation has indicated that they would provide 50% funding up to a pre-determined maximum. Initial cost projections indicate that to continue with the collaborative, Houston County will need to contribute over \$9,000.00 in funding. Projections reflect that Houston County's greatest potential for cost avoidance will come from collaborative with neighboring counties. The 5 counties in addition to Houston County are not contiguous with

Houston County. When asked, Michelle Massman, AFSCME Local #2166 President, responded that she supports a position of collaborating with neighboring counties. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to decline further participation in the ongoing SDA and to adopt the following resolution in this regard:

RESOLUTION NO. 12-45
Resolution for Counties to Opt Out from Establishing SDA at Present

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, result in:

- A level of public funding allocated to the provision of human services that is out of alignment with the quantitative and qualitative demand for services; and
- Unsustainability of the current human services system for the foreseeable future;

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—in collaboration with the Minnesota Department of Human Services-- developed a blueprint for the redesign of human services, as well as an operating model and a business case;

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; and

WHEREAS, these factors require leadership and innovation to assure that our county is well-positioned to serve our most vulnerable citizens well into the future.

NOW THEREFORE, be it first resolved that the Houston County County Board of Commissioners, hereby declares that it does not intend at this time to establish a service delivery authority (hereinafter “SDA”) under Minnesota Statutes 2011, Chapter 402A, as a consortium

with other participating counties in southeastern Minnesota.

File No. 9 -- Zoning Administrator Scanlan reported on a CUP application. Scott Sanness is seeking approval to expand a feedlot and add manure storage. Mr. Sanness has an existing feedlot permit for the site. He wants to retrofit nursery buildings into finishing buildings. This will result in an increased number of animal units. Mr. Sanness has worked through the permitting process with MPCA as part of federal requirements. MPCA has granted Mr. Sanness' expansion request. The planning commission is recommending approval of a CUP subject to 3 conditions. Dan Griffin, planning commission member, has suggested that a fourth condition be included on the CUP to require the inclusion of bio filters in the event a building is erected over the manure basin. Zoning Administrator Scanlan stated that the County has the option to include the additional condition. Following discussion, motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permit with the original 3 conditions plus an additional condition to require bio filters on any building erected over the manure basin:

Scott Sanness – Wilmington Township - Expand a feedlot and add manure storage

File No. 10 -- On the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Zoning Permits:

John Holzwarth – Brownsville Township - Build pole shed (22' x 31' and 7' x 20')

Aaron Klinski – Union Township - Build a machine shed (85' x 120')

Peter Orr – Yucatan Township - Build deck (16' x 24')

Norbert Staggemeyer Trust/Mike Staggemeyer and RRSW CD – Winnebago Township - Substantial land alteration 30,000 yds – NRCS approved plan

Pat Burke of Burning Daylight Farms LLC and RRSW CD – Winnebago Township - Substantial land alteration 8,890 yds – NRCS approved plan

MN DNR and RRSW CD – Winnebago Township - Substantial land alteration 6,850 yds – NRCS approved plan

Mary Lou Walther and Houston County DOT – Money Creek Township - Substantial land alteration – County Hwy 26 project – County Engineer approved

Cory Baker – Yucatan Township - Install sign

Dennis Holte – Black Hammer Township - Build shed (60' x 96')

Allen Klinski – Mayville Township - Build machine storage/pole barn (32' x 120')

David Skaug – Black Hammer Township - Build addition to wood shed (14' x 24')

Donald Morken/Morken Farms – Black Hammer Township - Build cattle barn (54' x 112')

John Halverson – Spring Grove Township - Build playhouse/storage building (20' x 15')

Steve Quinnell – Wilmington Township - Build grain bin (5,000 bushels)

Michael Sieve – Yucatan Township - Change in use of structure from art studio to dwelling, art studio and garage (35' x 75')

Gerald Hallum – Yucatan Township - Build farm shop (40' x 56')

David Strike – Wilmington Township - Build swine confinement barn w/manure storage underneath (31' x 220')

Chris and Coleen Nelson – Sheldon Township - Build house (28' x 44')

Scott and Judy Johnson – Brownsville Township - Build house (58' x 77')

File No. 11 -- Information regarding available grants which may be utilized for public buildings on the National Historic Register was discussed. EDA Coordinator Wilms has been provided the information. The capital grant program would require a minimum 1:1 match.

Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to recess the meeting for the purpose of conducting the scheduled Public Hearing on Proposed New Fees.

The time being 10:00 a.m. the Public Hearing was convened.

File No. 12 -- Sheriff Ely stated that M.S. 347.51 provides the criteria which constitutes a “potentially dangerous dog” or “dangerous dog” designation. The statute further identifies

requirements for the licensing of any dog which has been identified as a “dangerous dog.” Sheriff Ely provided examples of requirements which include but are not limited to providing law enforcement with proof of vaccinations and neutering, posting of required signage in addition to other listed requirements. Several proposed new fees being considered are related to the requirements outlined in this Minnesota Statute.

There was no public comment regarding the proposed new fees. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to adjourn this public hearing.

Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the new fees including the dangerous dog fee.

The Board met with Denise Schaffer to review the proposed 2013 Court Services budget. The Board inquired whether the mileage, lodging and meals line items could be decreased, as they are being utilized very little. They also questioned the need to continually budget for interpreter fees. They suggested not levying for this item, but if the need comes up, we can cover it.

The time being 10:38 a.m. the Board met with Interim HS Director Bahr, Interim Social Services Supervisor Sanness and Financial Services Supervisor Kohlmeyer to review their proposed 2013 budget. Interim HS Director Bahr reported that the proposed 2013 budget represents an increase in \$207,143.00 in tax dollars, of which 80% is the pay increase for staff. The proposed budget does not include funding for EDMS, and she plans to research the possibility of grant funding to cover this cost. Interim HS Director Bahr reported that the state changed the way they calculate maintenance of effort for mental health. The formula now includes costs related to sex offenders which has resulted in Houston County’s maintenance of effort increasing from \$472,000.00 in 2012 to \$753,000.00 in 2013. The sex offender whose costs caused this increase has passed away. It was agreed to appeal this increase.

Discussion was held regarding the possibility of moving the budget for Extended Employment out of the Human Services budget and making this an annual appropriation. Interim Social Services Supervisor Sanness indicated that if this is handled as an appropriation, the county will lose control of how the funding is spent. After discussion, it was agreed to continue budgeting extended employment through the Human Services budget.

The Board met with HR Director Arrick-Kruger regarding the building maintenance budget for 2013. Discussion was held regarding the need to replace the roof on the historic courthouse.

File No. 12a -- At this time the Board met with PHN Director Rock and Public Health Accountant Lillegraven regarding the proposed 2013 budget. Placed on file was information received from Finance Director Lapham showing the amount the county has been subsidizing the

Public Health Department. Chairperson Miller suggested considering dropping the home care program, as other counties are doing so. PHN Director Rock stated that by doing so, we would lose more revenue than expenditures. She indicated that the proposed 2013 budget would require approximately \$163,000.00 of tax levy dollars. It was pointed out that the state rates have not kept up with the actual cost of providing services.

The time being 12:10 p.m. the Board recessed for lunch.

The Board reconvened at 12:45 p.m. and met with Environmental Services Director Frank regarding the proposed 2013 budget. Mr. Frank indicated that he has budgeted \$44,500.00 for a new truck. Discussion was held regarding the possibility of increasing the per household fees for the drop sites. It was raised to \$2.50 per household in 2004. The proposed budget is based on a 25 cent per house/household increase. After discussion, the Board suggested increasing the household fee by 50 cents.

The Board met with County Attorney Hammell regarding her proposed 2013 budget. Discussion was also held regarding the Victim Services Program. This program was grant funded in the past, however, the \$43,000.00 grant funding was cut as of September 30, 2012. The HR Department is looking into the banding, if this should become a county funded position.

The Board met with Sheriff Ely and Chief Deputy Sheriff Yeiter regarding the proposed 2013 budget. Sheriff Ely indicated that he is willing to offer some of the funding in the Other Professional and Technical fees line item in the Jail budget to assist with funding the Victim Services Program. Discussion was held regarding vehicle purchases.

Both Commissioner Walter and Schuldt reported on the redesign meeting hosted in Owatonna which they attended

Chairperson Miller reported on a MAPE negotiation and frac sand study committee meetings which he attended.

Commissioner Zmyewski reported on a frac sand study committee 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. 13 -- Correspondence from MCIT regarding lightning strike damage

File No. 14 -- Quotes for disc mowers accepted August 21, 2012

File No. 15 -- Correspondence to Donna Buckbee re: Findings of Fact and Conclusions of Law and Order related to request for EAW on the Erickson Quarry

File No. 16 -- Correspondence in recognition of Danielle Swedberg's years of service

There being no further business and the time being 2:20 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 11, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 11, 2012

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 Bialkowski, Schuldt, & Moorhead; Kelley Stanage; EDA Coordinator Wilms; Robyn Tschumper; Finance Director Lapham ; Interim HS Director Bahr; Sarah Wexler; Michelle Massman; HR Director Arrick-Kruger; Julie Renk; Kermit McRae; PHN Director Rock; Environmental Services Director Frank; Assistant County Attorney Bublitz; Kevin Keller; Chief Deputy Sheriff Yeiter; Treasurer Trehus

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the September 4, 2012 meeting.

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	\$70,065.09
Road & Bridge Fund	188,951.69

Total	\$259,016.78
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

EDA Coordinator Wilms provided information related to Legacy Fund Grants available for use in performing a re-use study of the Historic Jail. The Historic Jail meets the grant requirements. There is no county match required and the grant maximum is \$7,000.00. EDA Coordinator Wilms is gathering cost estimates from consultants regarding a re-use study. This type of study typically costs between \$5,000.00 and \$15,000.00. A list of consultants who provide the services related to a study will be provided to the County by the Minnesota Historical Society. EDA Coordinator Wilms stated that he has been advised to request the

maximum grant amount of \$7,000.00 in the event the County applies. The deadline for applications is October 5th. Chairperson Miller questioned whether EDA Coordinator Wilms had adequate time to prepare the grant application to which he responded "yes". This grant has an online application. These types of applications are typically not time consuming or difficult. In the event the County decides not to pursue performing a re-use study and grant funding is awarded, the County would have the option to decline the grant. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to authorize EDA Coordinator Wilms to apply for said grant.

File No. 3 -- At this time Robyn Tschumper met with the board to discuss the Houston County Homeless Response Team. This group has been directed by HUD to develop a response plan for the county. Ms. Tschumper believes that there is a much larger problem regarding poverty than people realize. She expressed concern that many agencies have suffered funding reductions recently and expects additional reductions in the next fiscal year. She also expressed concern that there is discourse between the County and SEMMCHRA. Section 8 vouchers are not being reissued within the county if they are allowed to lapse. In addition, SEMMCHRA owns The June Khome Place which provides housing to individuals escaping domestic violence. Ms. Tschumper reported that nearly 10% of Houston County residents live in poverty. She shared statistics regarding local and regional poverty. In the current year, the organization Ms. Tschumper works with has provided emergency housing assistance to 3 times the number of individuals as they have in past years. She invited Board members to become involved in the Homeless Response Team by attending their meetings. In closing, she stated the purpose for today's meeting was simply to increase awareness of the growing problem with homelessness in the County.

Interim HS Director Bahr reported that she recently attended an eastern hub meeting regarding mental health. Discussion was held regarding EDMS. The majority of counties which have invested in EDMS software have purchased E-docs. However, Rice County reported that they will be purchasing an alternate software. Interim HS Director Bahr will continue to gather information related to EDMS.

Chairperson Miller confirmed that Freeborn County has taken action to opt out of the 12 county collaborative.

Interim HS Director Bahr reported that she has sent queries to representatives at the State regarding Houston County's increased maintenance of effort (MOE) requirements. She hopes that representatives will consider modifying the Houston County MOE amount. The formula for determining the amount recently changed. The formula took into consideration a case which resulted in a significant increase. However, the individual related to the case is now deceased and will no longer require funding through Human Services. She indicated that the only other way to decrease the required MOE would be to join an SDA. This is one way the State is encouraging redesign efforts.

File No. 4 -- Finance Director Lapham reported that the County is required to certify the “not to exceed” levy amounts to the Auditor by September 15, 2012. She provided three options and explained how the options varied. It was noted that the jail bonds are a significant burden. In addition, the costs to operate the new facility are contributing to the proposed levy increase. Commissioners expressed their concern that the levy be finalized at an amount well below the proposed. In order to accomplish this, tough decisions will be necessary. To date, the Board has not enacted a hiring freeze, they have refrained from laying off staff and they have not mandated furloughs. The County is a service agency, and as such a significant portion of costs is the result of staffing. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to adopt the following resolution reflecting an increase equal to 9% of net levy:

RESOLUTION NO. 12-46

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$10,770,208 be made on all taxable property in the County of Houston for taxes payable in 2013 in the following amounts by County Fund:

County Revenue	\$6,336,713
Road & Bridge	2,731,547
Human Services	1,293,075
Bond Fund – 2009B Jail CIP Bonds	371,674
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	269,220
Bond Fund – 2010B Jail Bonds	224,707

Total	\$11,495,224
Less CPA	(725,016)

Total Levy	\$10,770,208
	=====

File No. 5 -- HR Director Arrick-Kruger recommended approval of a change in status from probationary to regular for Jacquelyn Hauser. Interim HS Director Bahr spoke to Ms. Hauser's positive performance and contributions to the department. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the change in status for Jacquelyn Hauser from probationary to regular effective October 4, 2012.

HR Director Arrick-Kruger stated that recently the Board approved the hire a 67 day employee to assist with social work support. This is a temporary case aide position. This is an attempt to bridge the gap in the social work division as the search to replace 1.75 FTE continues. Currently, social workers are responsible for additional cases. It is necessary to provide them

with adequate support staff. HR Director Arrick-Kruger reported that there will be salary savings even after considering the cost for this 67 day position. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to hire Judy Graf as a 67 day employee to act as a case aide at step 1 of the B-2-2 band, effective September 12, 2012.

HR Director Arrick-Kruger stated that in light of the recent budget discussions she would like to attend the AMC conference to collaborate with other counties regarding staffing in a service agency.

File No. 6 -- PHN Director Rock and Environmental Services Director Frank reported on two quotes received for asbestos inspection of the public nuisance mobile home located at 1017 Sunrise Lane:

Midwest Environmental Management Co. Wisconsin	\$1,365.50
Bay West, Inc. Minnesota	\$2,705.00

The asbestos inspection is the first step. Abatement may be required and is dependent upon the findings of the inspection. Once any abatement has been completed the mobile home can be hauled away for demolition. Originally, consideration was being given to moving the mobile home to an alternate staging area. It has been determined that this is not an option per federal regulations. The costs to complete this clean-up have not been budgeted and will be the responsibility of the County. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the low quote in the amount of \$1,365.50 provided by Midwest Environmental Management Company.

Kevin Kelleher met with the Board to reiterate his concerns regarding the Sheriff's Department. He stated that PHN Director Rock and recent news reports have highlighted a growing concern related to the production of methamphetamine in the region. Mr. Kelleher expressed his opinion that Sheriff's Department staff should be focused on law enforcement, not spending time copying DVD's or most recently drag racing squad cars at the Houston County Airport. In his opinion, it is the duty of the Sheriff's Department to enforce and obey the law and to set a good example. Mr. Kelleher stated that he has presented information regarding the illegal copying operation. Last night, (September 10th) on WXOW a story was presented which reported on the actions of Houston County Law Enforcement. Drag racing county vehicles on county time at a federal facility (Houston County Airport) is not a prank or a joke. Mr. Kelleher stated that we have a situation of no one being held accountable for these actions. Members of law enforcement who were involved with the DVD copying operation have not been held accountable for their actions. Those individuals got away with it and now there is another situation with drag racing in a county vehicle on county time. Mr. Kelleher explained his knowledge of law enforcement. In his opinion, each agency has a culture within itself. Some

agencies strive to uphold the law and are beyond reproach while others take advantage of their role and abuse their powers. The Board is the responsible party. It is possible that the Sheriff refuses to reprimand staff, however, the Board has a responsibility to address this. It is true that the Sheriff is an elected official. The Board has limited authority regarding the Sheriff. The Board does have authority over other staff. Mr. Kelleher questioned who would have been sued if something had happened when the Sheriff's staff were drag racing the county vehicle. The Sheriff would not have been sued, the County would have been sued. The Board needs to take action. Commissioners need to assure residents that county staff members are held accountable. Mr. Kelleher stated that area law enforcement agencies view Houston County Law Enforcement as a joke.

Chairperson Miller stated that he can't disagree with what has been said. He has had citizens ask him questions regarding both of these issues. The Sheriff's contention is that the Board has no authority. There are outstanding allegations of misconduct which should be addressed. There are public concerns and it is an item of ridicule. Chairperson Miller expressed his opinion that this is not acceptable. During recent budget meetings, the Sheriff's Department has submitted request for the purchase of new squads. He indicated that he can't help but wonder how these vehicles will be used. Certain behavior within the department has been unacceptable. Mr. Kelleher encouraged the board to contact the Association of Minnesota Counties and find out what the Board's roles and responsibilities are versus those of elected officials. Mr. Kelleher expressed his belief that they will be informed that the Board has limited authority regarding elected officials. He also expects that the Board will learn that employees fall under the purview of the Board.

Commissioner Zmyewski questioned whether Sheriff Ely should be invited to the Board to provide information. It was agreed that Sheriff Ely should be invited to speak with the Board during the next scheduled meeting.

At this time Chief Deputy Sheriff Yeiter requested the opportunity to make a statement. His request was granted. Chief Deputy Sheriff Yeiter stated that the DVD copying issue came up 3.5 years ago. He reminded the board that Sheriff Ely himself reported this issue in 2009 during a budget meeting. He further stated that there has been no attempted cover up. Multiple investigations have been completed, of which the department had no control over. Chief Deputy Sheriff Yeiter shared his opinion that there has been cooperation on the part of those involved. Chairperson Miller expressed disagreement regarding whether there was cooperation during internal investigations into the DVD copying issue. Chief Deputy Sheriff Yeiter stated that drag racing with a County squad did occur. The deputy involved was truthful, forthcoming and admitted to the activity. It was a bad decision. An internal coaching session has been completed and this will be noted on the deputy's next employee review. The City of Caledonia did take action to suspend the City employee involved. There was additional information which was considered in addition to the drag racing which resulted in the action taken. Chief Deputy Sheriff Yeiter stressed that this is one complaint in a 3.5 year period. He expressed his opinion that Houston County Deputies do a good job. Drag racing by one deputy was a mistake and a

decision which wasn't thought out. In addition to the coaching session, signs have been placed at the airport with notification that vehicles are not allowed on the runway. Some individual's present voiced concern that it should not be necessary to inform employees that drag racing in county vehicles at the county airport is not allowed. Kevin Kelleher questioned why Chief Deputy Sheriff Yeiter just reported that action has been taken to coach the individual involved, when the news report interview with Sheriff Ely reported that there was an ongoing investigation into the matter. He questioned whether there is an ongoing investigation into the matter or whether the matter has been dealt with. Mr. Kelleher expressed great concern that there may be times when the life of someone will be in the hands of a deputy, and dependent upon that deputy's decision. There is an expectation that the deputies will make good decisions. It concerns Mr. Kelleher that these deputies make "stupid" decisions.

File No. 7 -- Treasurer Trehus requested approval of a budget amendment. Following budgeting for 2012, an escrow fee was implemented which resulted in the collection of \$11,255.00. This revenue was not included in the 2012 budget. She would like to utilize \$6,704.00 of the revenue to purchase a cash register software application. If approved, Treasurer Trehus would like to have the new software implemented before January 1, 2013. In addition to the software, a maintenance agreement will need to be approved. The cost for the maintenance agreement will be pro-rated once training is complete for the 2012 calendar year. In 2013 the cost for the maintenance agreement will be \$2,473.84. There will be an annual fee for maintenance which will need to be considered. Treasurer Trehus questioned whether the expense could be covered by the compliance fund. Recorder Bauer has expressed concern with the balance of the compliance fund and numerous annual fees which are paid out of the fund. If there are not adequate funds, the fee would need to be budgeted for in the Treasurer's budget. Approving the purchase of the software will obligate the County to pay for annual maintenance. Treasurer Trehus reported that the software will eliminate hand written receipts. She estimated the cost for daily receipt books at \$70.00 per month, or \$840.00 per year. This does not include Mortgage Registry, Deed or Delinquent tax receipt book costs. Staff time to generate and input receipts will be greatly reduced. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the budget amendment as requested.

File No. 8 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the MCCC Maintenance and Support Agreement.

File No. 9 -- Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve a Grant Agreement for the Viking Ridge Riders in the amount of \$16,657.00 and also a Grant Agreement for the Viking Ridge Riders in the amount of \$10,489.00.

File No. 10 -- Auditor Meiners reported on an application for reduction in valuation of real estate and/or refund of taxes paid submitted by Joann P Harlos. This property should have been classified as homestead property. Motion was made by Commissioner Zmyewski, seconded

by Commissioner Bjerke and unanimously carried to approve an abatement for Joann P Harlos on parcel #25.0800.000 in the amount of \$340.00 due to a classification error.

Auditor Meiners reported on the Board meetings scheduled through the end of the year. She suggested various changes to ensure that county business is conducted in a timely fashion. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to schedule meetings for Tuesday, October 30th and Wednesday, December 26th, and to cancel the meeting scheduled for Tuesday, December 4th. The November 6th meeting was cancelled previously as that is Election Day.

Chairperson Miller reported that the hearing scheduled for Monday, September 10th has been postponed for 30 days at the request of Minnesota Sands. This is related to frac sand mining within the County.

Discussion was held regarding ongoing concerns related to frac sand operations which are being organized within the County. Certain entities continue to attempt to circumvent the moratorium. Commissioner Zmyewski has heightened awareness of these attempts. He expressed concern that if the County is unable to pursue and complete adequate research as a result of continually being required to address each of these attempts, consideration should be given to enacting a very restrictive ordinance. There are 110 existing quarries/mines within the County. It appears that these are being targeted for increased operations or operations related to frac sand mining because they were existing and loosely permitted originally.

Bob Scanlan has requested the attendance of Chairperson Miller and Commissioner Zmyewski at an onsite meeting at the Chapel limestone quarry located in Houston Township at 10:30 on Thursday. Commissioner Schuldt may attend in place of Commissioner Zmyewski if necessary.

Commissioner Walter stated that she is still waiting for quotes from two additional consultants in regard to the Human Services Department project.

Commissioner Zmyewski reported that he would be unable to attend the upcoming frac sand study committee meeting. He asked that another commissioner attend in his absence.

File No. 11 -- Discussion was held regarding a disaster credit request from Thomas and Kay Rohn. Their home was damaged by fire in late 2008. A pro-rated credit was issued for 2008. Taxes for 2008 and 2009 have been settled and disbursed to the appropriate entities. Any abatement would be paid using county tax dollars. Following the fire, the Rohn's moved out of the state. The structure has remained in disrepair. During a recent visit to the area a disaster credit for 2009 was requested. Commissioner Zmyewski stated that he expects owners to submit requests and take action quickly. Requesting an abatement 4 years following a disaster is, in his opinion, excessive. He expressed his opinion that if this abatement were important to the owner, the request would have been made immediately. Motion was made by Commissioner Zmyewski,

seconded by Commissioner Bjerke and unanimously carried to deny the request for abatement made by Thomas and Kay Rohn.

Commissioner Schuldt reported on a Semcac board meeting which he attended.

Commissioner Zmyewski reported on a soil and water board meeting which he recently attended.

Chairperson Miller reported that both he and Commissioner Schuldt participated in the CJC walk through. He expressed disappointment with some of the craftsmanship and/or materials/products which were used in the CJC. There is a lengthy list of issues for a new building that was expensive to erect.

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

File No. 12 -- Correspondence to payroll regarding several recent hires

File No. 13 -- Grant Agreement for Victim Services Emergency Funds for 2013 accepted/approved August 21, 2012

File No. 14 -- Presentation information provided by County Attorney Hammell regarding the need to continue funding for a Victim Services Coordinator discussed August 21, 2012

There being no further business and the time being 11:09 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 18, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 18, 2012

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 Bialkowski, Schuldt, & Moorhead; Sarah Wexler-Mann (videotaped the proceedings); Bud Fitting; Engineer Pogodzinski; Assessor Dybing; Sheriff Ely; Robin Danielson; Pete Peterson; Yvonne Krogstad; Michelle Massman; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Financial Director Lapham; HR Director Arrick-Kruger; Environmental Services Director Frank; Financial Services Supervisor Kohlmeyer

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the September 11, 2012 meeting.

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

County Revenue Fund	\$33,548.35
Road & Bridge Fund	429,369.69

Total	\$462,918.04
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File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

Engineer Pogodzinski reported that he is awaiting a response from the State regarding some determinations related to S.A.P. 28-996-07. Therefore, he will postpone awarding the bid until after he's heard from the State.

Engineer Pogodzinski provided an update on local roadway projects. The State project on 76 is expected to continue through the second or third week of October.

Bud Fitting met with the Board to ask that they consider granting permission for golf carts to utilize a portion of County 26 to access township roads in Money Creek. He reported that recently the Town Board granted permission for golf carts to travel township roads provided they meet insurance requirements and obtain the proper permit from the township. Mr. Fitting reported that golf carts have been utilized by campers for many years. Use of the golf carts had not been an issue until recently. People come to the campground to relax and enjoy themselves. They participate in a Fourth of July golf cart parade (pictures of parade participants were shared). Sheriff Ely reported that per Minnesota Statute, golf carts are not allowed to travel county roads unless authorized to do so.

Chairperson Miller questioned what length of county road would be utilized by the golf carts. There is approximately ½ mile from the campground to State 76 and then there is a portion of County 26 in the town of Money Creek. Golf Carts may legally cross State 76, however, they may not travel on the roadway. Robin Danielson interjected that at the annual township meeting, allowing golf carts to utilize township roadways was voted down. Engineer Pogodzinski stated that he had been contacted by township supervisor, Dale Omodt, when the township board voted to allow golf cart traffic on their roadways.

Commissioner Bjerke provided information related to the Spring Grove ordinance allowing for golf cart operation on city streets. He expressed his opinion that this works well within the city. Golf carts are simply an alternative mode of transportation much like a bicycle. Mr. Fitting reported that the township will provide the “sticker/permit” to those operating golf carts. Robin Danielson questioned why individuals need to travel on the township roadways as they have no business to conduct in Money Creek. She claimed that she was assaulted by someone operating a golf cart when she photographed them.

Commissioner Zmyewski expressed his opinion that he does not view utilizing golf carts as an alternate means of transportation as a problem. He stated that he can see benefits in operating a golf cart as opposed to driving a car. Driving the golf cart provides campers with an activity to enjoy. Robin Danielson repeated that there is no reason for these individuals to drive around her neighborhood. She further claimed that she has witnessed 6 year old children and drunken golf cart operators. Commissioner Bjerke expressed that the Board may not restrict use in the township. He encouraged her to work through the township if she wants the ordinance allowing their use changed.

Chairperson Miller invited Sheriff Ely to share his thoughts regarding possible golf cart use on County 26. Sheriff Ely expressed concern with golf carts traveling County 26 west of the campground property boundary. There is a steep, curvy hill with minimal shoulder to the west. Mr. Fitting stated again that campers have been using golf carts for many years. Brief discussion was held regarding the age a golf cart driver is required to be in order to drive on authorized roadways. Chairperson Miller stated that he would like to see a map of the area so that he can understand what portion and distance of County 26 would be utilized. Motion was made by Commissioner Zmyewski to grant approval for use of County 26 from the campground east to

the town of Money Creek. Engineer Pogodzinski and Sheriff Ely requested no action be taken until they've had time to review state statute and law. Commissioner Zmyewski withdrew his motion.

Interim HS Director Bahr reported that the western counties which voted to continue pursuing a multi-county collaborative are continuing to meet. Houston County voted to opt out of participation with this particular group. The Bush Foundation has offered to provide continued funding for 50% up to a maximum of \$80,000.00. Since Houston County opted out of the one group, Interim HS Director Bahr suggested that further steps be taken locally. Commissioner Bjerke stated that it is important to meet with our neighbors including but not limited to Winona and Fillmore. A directive has been given to employees to look for collaborative opportunities. Interim HS Director Bahr reported that Winona County has expressed concern with their lack of supervisory staff. It may be possible to share supervisory staff.

Winona County has EDMS and it will be important to learn more about the software and other software alternatives. IS Director Milde recently attended a region wide technology meeting.

Interim HS Director Bahr reported that Winona County sent out a call for assistance in their income maintenance division. Once she has learned more about the call she will put it out for staff that may be willing to assist. This opportunity would provide Houston County staff the chance to learn more about the EDMS software which Winona County utilizes.

Chairperson Miller expressed a desire to consider all opportunities for collaboration. Commissioner Bjerke suggested approaching the Bush Foundation for funding. Commissioner Walter would like to see the pursuit of funding through the Bush Foundation also. Interim HS Director Bahr indicated that it may be helpful in securing funding if the request was presented by a defined group.

Chairperson Miller questioned if the next step is to schedule a meeting of those interested in collaborating, who should be invited to attend.

Interim Social Services Supervisor Sanness has been involved with discussion among area supervisors regarding possible collaborative opportunities. Houston County has a limited number of cases requiring the expertise of an adoption worker or a civil commitments worker. These areas are specialized and required training which is expensive to provide. In addition, Houston County does not have a caseload to support a full time position in each area of expertise. Full time positions could be supported if the worker were to be shared among multiple counties. Interim Social Services Supervisor Sanness stated that her group meets monthly, however a special meeting could be scheduled.

Interim HS Director Bahr stated that she has been sent information regarding sharing of supervisors. She stated that it may be beneficial to consider trading hours as opposed to establishing rates and purchasing services.

File No. 3 -- HR Director Arrick-Kruger recommended the re-appointment of Tom Dybing as County Assessor for another 4 year term. Chairperson Miller stated that Mr. Dybing is a fine gentleman to have in this position. Mr. Dybing has worked with the State regarding the green acres program, and he does a very good job in a difficult position. He deals with the public well. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to appoint Mr. Dybing to a four year term as County Assessor, said term to expire December 31, 2016.

HR Director Arrick-Kruger reported that the Highway Department is in need of additional help in order to complete various projects prior to cold weather setting in. Their previous 67 day employee has returned to school and is no longer available to assist the department. Engineer Pogodzinski stated that in the past he would have utilized maintenance staff to assist with surveying and staking however, maintenance staffing was reduced by 1 FTE and are unable to assist engineering. There are four projects and it is likely that a fifth project will begin soon. Currently the sign technician has been assisting however, there are sign related tasks which also require completion. Due to the mild winter there is funding available to cover the cost for a 67 day employee. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve searching for a 67 day employee to assist the Highway Department.

Sheriff Ely met with the Board. He expressed his understanding that recent events may have caused concern. These events have been discussed at length. He indicated that the situation with the county employee is significantly different than the situation that the city is dealing with involving their employee. It is true the event happened and it has been dealt with. Sheriff Ely stated that he has nothing further to say regarding the matter.

Chairperson Miller expressed concern that the lack of Sheriff response is part of the issue. He explained that nothing that he may ask or comment on should be construed as a personal attack. Chairperson Miller stated that the Board is seeking clarification regarding who has disciplinary authority in this situation. He reported that he has received numerous comments from the public regarding the incident. He expressed concern that there has been a series of events involving mis-use of county equipment. The Board and the public want an explanation of how this issue has been dealt with. The public is upset that a county deputy did something wrong and the name of the individual hasn't been released nor the punishment which was handed down. If a member of the public had committed the act their name would have been published in the paper along with the fine imposed. Sheriff Ely stated that he is simply following data practice rules and he is not allowed to release the name or make further comment.

Commissioner Bjerke questioned whether the punishment fit the crime. He expressed concern that the Sheriff's Department addresses various situations with minimal or no Human Resources participation. The entire Board is questioning whether the punishment fits the crime. The Board doesn't want county deputies to be setting a bad example. The Board would have appreciated some involvement when the Sheriff was determining the appropriate sanctions for the deputy's actions.

Collective Bargaining Agreements outline authority regarding disciplinary action. The current contract clearly reflects that the Sheriff determines disciplinary action. It is possible that had the punishment been greater, more details may have been released. It was agreed that members of the Board believe disciplinary action should have been greater. This deputy made a bad choice. Sheriff Ely questioned what it is the Board would like. Chairperson Miller stated his belief that if an employee in the private sector had made the same bad decision the punishment would have been far worse than a coaching session. Commissioner Bjerke pointed out that jails are full of people who made bad choices. This deputy broke the law. This individual is a county employee. The punishment determined was not appropriate.

Commissioner Zmyewski stated that he doesn't believe people understand the severity of what took place. Last week, Chief Deputy Sheriff Yeiter stated that there was no sign posted which informed individuals that vehicles on the runway are not allowed. Commissioner Zmyewski stated that law enforcement's job is based on knowledge of knowing right from wrong. This is a serious issue. Pursuant to FAA section 61 the county could be sanctioned. Sanctions could include the loss of \$150,000.00 of annual funding for the airport. In addition, had an accident occurred the County's insurance would have provided no coverage. He noted that currently there is a recall issued for Crown Vic police cruisers, the vehicle which the city employee was operating at the time of the incident. This drag racing issue was featured in a report on Fox 9 a Philadelphia, Pennsylvania station. This activity is prohibited by the Federal Aviation regulations. Commissioner Zmyewski expressed his agreement that a more severe punishment was called for. The deputy's actions reflect a lapse in judgment. The public expects law enforcement staff to know right from wrong. Commissioner Zmyewski stated that Sheriff Ely is approachable, he came in today to discuss the Board's concerns and the effort is appreciated.

Sheriff Ely reiterated that the matter has been dealt with. He assured the Board that if they knew the full set of circumstances, the events, and how they have been dealt with, they would be more understandable. Commissioner Bjerke stated that the Board is still gathering information related to which body has what authorities. He encouraged Sheriff Ely to work with Human Resources. The Board is taking a lot of heat regarding this issue. The Sheriff's Department working with HR would provide the Board with an opportunity to provide input and some degree of participation in certain decisions. This situation has left the Board feeling very much "in the dark" which is not the position they are comfortable in. Commissioner Zmyewski stated that this situation is a direct reflection on the Sheriff and his department.

The Board is responsible for taxpayer dollars, how they are used and the equipment which is owned by the county. Property has been misused.

Yvonne Krogstad questioned Sheriff Ely regarding what the punishment, fine or ticket would be if she had been the one caught dragging on the airport runway. Sheriff Ely replied that he did not know.

Commissioner Bjerke thanked Sheriff Ely for meeting with the Board to discuss concerns. Sheriff Ely stated that he believes few other men in his position would have agreed to such a meeting. Commissioner Walter expressed her appreciation also.

Chairperson Miller stated that the Board requested that HR Director Arrick-Kruger provide clarification regarding who has what disciplinary authority. This is a result of the Board's dissatisfaction with the punishment determined. This is the second issue involving Sheriff's Department staff who received minimal or no punishment for their wrongdoing. The Board cannot allow this to continue. Commissioner Zmyewski reported that he has been in contact with the Association of Minnesota Counties. That organization has informed him that the Sheriff has the authority to deliver disciplinary action for staff working in his department. It is possible that the Board may have some authority in dealing with the misuse of county property. HR Director Arrick-Kruger expressed agreement following her review. The Sheriff has the authority to deliver disciplinary action. In addition, the collective bargaining agreement affirms this position by granting the Sheriff authority to deliver disciplinary action. In addition, it grants the Sheriff the power to rule on grievances. In Statute it may be interpreted that there is dual authority when it comes to enforcing county policy, however the collective bargaining agreement is clear in Houston County. The County has no authority to enforce departmental policies or standards. Chairperson Miller indicated that other counties have informed him that the Boards in their counties have reserved rights regarding disciplinary action. Commissioner Zmyewski stated that language in the next collective bargaining agreement may need to be carefully reviewed and changed.

Environmental Services Director Frank requested the Board take action to convene a closed session to discuss matters protected by attorney-client privilege. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to go into closed session. The time was 10:15 a.m.

The time being 10:50 a.m., motion was made by Commissioner Zmyewski, seconded Schuldt and unanimously carried to return to open session.

File No. 4 -- Commissioner Walter reported on quotes solicited from 3 consulting services to perform an organizational review of Human Services. She recommended accepting the quote provided by Springstead. She reported that Springstead's quote included a more comprehensive analysis and was lower in cost than that which was submitted by Jeff Thompson.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and carried with Commissioner Zmyewski voting in the negative.

File No. 5 -- Auditor Meiners recommended approval of several Grant In Aid agreements. The County acts as a pass through agency for the funds which are granted to the area snowmobile clubs. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the following Grant In Aid agreements: Viking Ridge Trail in the amount of \$18,386.40; Houston Money Creek in the amount of \$23,885.40; La Crescent in the amount of \$16,807.20; and Gopherland Trails in the amount of \$50,703.60.

File No. 6 -- Auditor Meiners reported that Jake Lonkoski is willing to enter into an agreement to continue management of Wildcat Park. Auditor Meiners reported that there are minor changes to the contract per the request of the State Auditor. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Agreement for the Management and Operations of Wildcat Park with Jake Lonkoski.

Finance Director Lapham reported that the State Auditor has scheduled the final exit interview for Wednesday, September 26th.

Commissioner Walter reported on EMS and Workforce Development meetings which she attended. She also provided information on area county levies.

Commissioner Schuldt reported on the frac sand study committee meeting which he attended and also an on-site meeting at the Chapel mine site.

Commissioner Bjerke reported on an EDA meeting which he attended.

Chairperson Miller reported on a frac sand study committee meeting which he attended and also an on-site meeting at the Chapel mine site.

Motion was made by Commissioner Bjerke, 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 status change & recent hire

File No. 8 -- Public Notice of various meeting changes

File No. 9 -- Correspondence from City of Caledonia regarding water meter replacement

File No. 10 -- Information on HUD Section 8 vouchers

File No. 11 -- SMIF – Notice of Annual Luncheon – 10/11/12
in Owatonna

File No. 12 -- Response from Sheriff Ely regarding Board's
invitation to meet

There being no further business and the time being 11:03 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 25, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 25, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

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

Others Present: Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, & Moorhead; PHN Director Rock; Environmental Services Director Frank; Sarah Well; County Attorney Hammell; Robin Danielson; Sheriff Ely; Chief Deputy Sheriff Yeiter; Finance Director Lapham; Interim HS Director Baehr; HR Director Arrick-Kruger; Michelle Massman; Dwight Mierau; Judy Storlie

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 September 18, 2012 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	\$105,101.08
Road & Bridge Fund	7,112.11

Total	\$112,213.19
	=====

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

PHN Director Rock reported that an inspection of the mobile home used in methamphetamine production shows that asbestos is present in roofing materials and requires abatement. PHN Director Rock has received conflicting information regarding who the clean-up authority is. It is possible that MDH is the authority. She is working to have this information clarified. There are two options for removing the roofing materials. One is to tent the structure and have the materials removed. This option is expected to be very expensive. Another method is a "wet" method which will likely be more cost effective than the "tenting" option.

Environmental Services Director Frank reported that STS will be able to assist with preparation to move the mobile home once the abatement has been completed. STS will likely complete tasks such as removing the skirting and decking.

Commissioner Schuldt stated that there is a significant amount of personal property remaining in the mobile home. The owner of the personal property has been released from jail. He expressed concern that this individual may be tempted to gain access in order to retrieve items.

PHN Director Rock reported that she has received correspondence from both MN Pollution Control and MDH regarding specific disposal requirements. Once the clean-up authority has been determined/clarified, she will be able to determine what action, if any, needs to be taken in regard to the correspondences.

Environmental Services Director Frank stated that there have been many hurdles which are delaying the timely clean-up of this mobile home. He questioned in the event an agreement is reached to allow for the transport of the mobile home to a secondary site, whether the Board supports action to move the structure. This may add some cost to the overall clean-up, however, it will remove the trailer from public view, it would moved be an unknown location providing for less chance of the previous owner attempting to gain access and it would allow for the land owner to rent out the lot. It was the consensus of the Board to allow Environmental Services Director Frank and PHN Director Rock to take advantage of such an opportunity if they believe it is in the best interest of the county.

File No. 3 -- Sarah Wells, with Bluff Country Family Resources, met with the Board to discuss domestic violence awareness month. She provided information on activities taking place within the county to increase awareness of domestic violence. She reported that there were 145 victims of domestic violence in Houston County in 2011. She reported that this number was an increase over previous years and that the number will be increased for 2012. It is believed that the current economic climate has contributed to the increase. Ms. Wells provided information about the clothesline project both on a statewide and local level. She reported that funding has been reduced by approximately 47% for 2012.

Chairperson Miller reported that there is a gentleman willing to discuss re-use of the Historic Jail with Commissioners. He has agreed to meet with Board members at no cost.

File No. 4 -- Chairperson Miller reported on correspondence received from the FAA regarding recent drag racing on the Houston County Airport runway. The letter outlined possible sanctions, such as withholding of additional funding for non-compliance with FAA rules/regulations. Chairperson Miller stated that in addition, had an accident occurred as a result of the racing, MCIT would have provided no coverage leaving the County open to liability which could have amounted to as much as \$1.5 million. The magnitude of this event cannot be understated. Commissioners continue to hear public comments regarding this matter.

Chairperson Miller reported that he has spoken with the financial advisor of the Bush Foundation. The group is committed to providing funding to the remaining counties involved with the original 12 county collaborative. In addition, they would be open to discussing funding for other groups with a defined structure. The Bush Foundation is committed to fostering collaboration.

Commissioner Walter reported that Wabasha County is interested in meeting with neighboring counties to discuss collaborative efforts. Wabasha County has expressed that they would like meetings to commence following the November election. They would prefer not to start them prior to the election since the election may impact the makeup of their Board.

It was noted that neither Chairperson Miller nor Commissioner Zmyewski will be able to attend the scheduled frac sand study committee meeting. Commissioners Schuldt and Walter are unable to attend in their absence as they are scheduled to attend an AMC policy meeting.

File No. 5 -- HR Director Arrick-Kruger reported that the search process to find a Fiscal Officer has been completed. She recommended the hire of Heidi Hankins. This position will work 0.6 FTE for Human Services and 0.4 FTE for finance. A specific schedule for this position has not been determined. The filling of this position will provide for succession planning. Ms. Hankins is a qualified CPA. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the hire of Heidi Hankins at step 1 of the C-4-1 banding effective October 1, 2012, and contingent upon the successful completion of a required background check.

Finance Director Lapham provided a reminder that the State Auditor will hold an exit interview tomorrow, September 26th at 8:30 a.m.

HR Director Arrick-Kruger reported that long time county employee Audrey M. Petersen passed away at her home. Ms. Petersen served as the County Treasurer for many years.

File No. 6 -- HR Director Arrick-Kruger stated that last week the Board took action to accept the quote of Springstead for reviewing the Human Services Department. She presented an agreement for services for the appropriate signatures.

HR Director Arrick-Kruger reported that she has been working with Mike Poellinger to secure morgue/coroner services. They expect two proposals to be submitted, one from Mayo and another from Hennepin County. Mayo is in the process of finalizing their proposal prior to presenting it. There are advantages related to each provider, and the costs at this point appear similar. HR Director Arrick-Kruger will provide additional information as it becomes available. The current contract for morgue/coroner services expires December 31, 2012.

File No. 7 -- County Attorney Hammell presented information related to the Minnesota Counties v. Fannie Mae, Freddie Mac suit. Hennepin County has initiated this class action lawsuit and has invited other Minnesota Counties to join with them in the suit. Of the Boards who have reviewed the information, each has taken action to join with Hennepin County in the suit. Hennepin County has indicated that they would absorb any damages which could result if this suit is unsuccessful. Commissioner Schuldt questioned the possible gain. County Attorney Hammell is unaware of the potential gain. This is a federally filed class action. She has reviewed the information presented by Hennepin County and has been unable to identify anything that would indicate to her it would not be advisable to join. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to authorize joining Hennepin and other counties in the class action lawsuit against Fannie Mae and Freddie Mac.

File No. 8 -- County Attorney Hammell reported that Houston County participates in a Joint Powers Agreement which provides for access and/or use of the criminal justice data communications network. She requested approval of an amendment which modifies and supplements the JPA. A similar agreement was approved for the Sheriff's Department on May 22, 2012. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the Court Data Services subscriber Amendment to CJDN Subscriber Agreement and to authorize County Attorney Hammell to enter into and sign the agreement with the Department of Public Safety, BCA on behalf of the County.

County Attorney Hammell is concerned with the Victim Services position. External funding will sunset as of September 30, 2012. She had hoped to have banding information available at this time. Unfortunately, the information has not been received. County Attorney Hammell expressed concern that the position be funded through the end of October. This will allow her to gather additional information about the cost to fund the position along with funding mechanisms. The Sheriff's Office has offered funding from a specified line item within their budget. County Attorney Hammell expressed a strong desire to maintain this as a county position within the County Attorney's Office.

The Victim's Services Coordinator position has been externally funded for the past 20 years. Commissioner Zmyewski questioned whether external funding will be available in the future. Michelle Herman responded that the grant application has been a competitive process which will not be held for a period of 5 years. County Attorney Hammell indicated that there has been no reason provided as to why Houston County was denied funding following the most recent grant process. Southeastern Minnesota was particularly hard hit with grant denials.

Finance Director Lapham explained that the funding offered up by the Sheriff's Department isn't "cash on the counter". The funding is represented in a line item for housing prisoners. The line item had \$50,000.00 budgeted for 2012. This amount has been reduced to \$15,000.00 for the 2013 budget being a decrease of \$35,000.00. These are the funds which have been offered to cover a portion of the Victim Services Coordinator position in the event it is approved as a county position. Finance Director Lapham explained that as budgets are currently

proposed, in order to meet the approved 9% levy, approximately \$960,000.00 will need to be cut. If the proposed levy is decreased, additional cuts will be necessary.

Discussion has been held with the municipalities which have been approached to contribute some funding in order to retain the services within the County. The municipalities have expressed a desire to support and continue the services. There is a need to develop a formula to determine what each municipality should contribute to support the position. A percentage based formula has been discussed, however, it seems inadequate due to fluctuations.

County Attorney Hammell stated that there are many details up in the air. She expressed strongly that the position is necessary. Chief Deputy Sheriff Yeiter stated that he serves as a La Crescent City Councilman. It is his belief that there is general support from the City Council. Additional information and specifics are necessary prior to any action.

HR Director Arrick-Kruger suggested that a per capita weighted average type of formula to determine trends and analysis may serve as a guide for the assessment of financial participation.

Michelle Herman reported that there are some funds available from fines which could be used to fund the position for the month of October. Finance Director Lapham stated that she would prefer that funding be planned or approved through the end of the calendar year, not just on a month by month basis. Commissioner Walter questioned where the funding would come from. Finance Director Lapham suggested that each line item for each department which benefits from the program be reviewed in an attempt to identify funding.

It is imperative that a method of cost assessment to municipalities be determined. All of these entities are in the budgeting process at this time. Chairperson Miller suggested that County Attorney Hammell, HR Director Arrick-Kruger, Finance Director Lapham and Skip Wieser, City Attorney for La Crescent, meet and determine a formula for assessing a portion of the cost to the cities. He expressed his desire to support this position, however, there has to be funding identified/available to fund it. County Attorney Hammell cautioned that there is potential for liability in the event the county fails to meet the needs of victims should it choose not to fund this position.

County Attorney Hammell requested the Board meet in closed session to discuss threatened litigation. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to enter into closed session. The time was 10:09 a.m.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to return to open session.

County Attorney Ham mell reported that following receipt of a demand letter and/or threatened litigation she requested the closed session in order to keep the board apprised of the situation. To date, no claim in this regard has been filed.

At this time Robin Danielson met with the Board to discuss her ongoing concern related to the golf cart issue in Money Creek Township. Both she and Bud Fitting were present at last week's Board meeting. Mr. Fitting asked the Board to consider allowing golf cart traffic on County 26. She questioned why the Board is considering Mr. Fitting's request when she has expressed concern and was directed to work through the Town Board. Ms. Danielson reported that in a short time she has collected 38 signatures on a petition which opposes any changes.

Chairperson Miller has discussed options related to golf cart traffic with the County Engineer. Engineer Pogodzinski along with Sheriff Ely are researching Statutes governing this activity. Engineer Pogodzinski is not prepared to make a recommendation at this time.

Ms. Danielson stated that she has requested that signs be posted in the area. She stated that operators continue to leave the campground on their golf carts. She questioned how the County can consider a request for something that was voted down at the township level. She questioned whether the County Board can overrule the township. It was noted that the township has taken action to allow golf cart traffic on township roadways. A request has been made of the Board to allow golf carts access to County 26 so that they may access those township roadways.

Ms. Danielson questioned why Mr. Fitting wasn't directed to work with the township. Commissioner Zmyewski stated that he has attended Money Creek Town Board meetings which Mr. Fitting has been present at. Mr. Fitting has worked with the township. The township has implemented changes. Mr. Fitting is taking the next step which is to ask the County Board to take action to allow golf carts to travel a section of County 26. The Board is considering all requests. Ms. Danielson questioned why Mr. Fitting is involved in this situation, as he is not a township resident. It was pointed out that Mr. Fitting does have a vested interest in the situation. Ms. Danielson expressed her concern that her requests have not been considered or acted upon and Mr. Fitting's request appears to garner more consideration than hers. Commissioner Zmyewski explained the process which needs to be followed by going first to the township and then to the county if necessary. When Ms. Danielson first came to the Board she needed to have exhausted her efforts at the township. Mr. Fitting has been to the township board who has taken action. He is taking the next step and making an appeal to the county. Ms. Danielson was insistent that the County is over-riding the township. She indicated that the Money Creek Ordinance allows "residents" to operate golf carts on township roadways. In her opinion, campers are not residents of the township and therefore may not operate their golf carts on township roads. She stressed that she has proven that people continue to violate the law. She wants these individuals held accountable for their actions. She stated that residential township roads are for residents and again stated that campers are not residents. Chairperson Miller stated that Ms. Danielson has stated her concerns. The County Engineer is not prepared at this time to

make a recommendation. Discussion regarding this situation will be held once the County Engineer makes a recommendation which is expected to be at the next scheduled meeting.

Commissioner Schuldt reported that constituents have raised concerns regarding the fence on property purchased for a proposed highway department complex which is in disrepair. He questioned whether STS could remove or perform maintenance on the fence.

Commissioner Walter reported on solid waste, Workforce Development and EMS meetings which she attended.

Commissioner Schuldt reported on a TZD meeting and the Township Officers Banquet which he attended.

Commissioner Zmyewski reported on the Township Officers Banquet which he attended and also a meeting with attorney's regarding frac sand.

Chairperson Miller reported on the meeting related to frac sand he attended with Commissioner Zmyewski. Attorney's representing both the County and operators with mining interests were present. A proposal was presented by the County. The attorney's will correspond regarding their thoughts following the discussion.

Chairperson Miller reported that a frac sand study committee meeting is scheduled for tomorrow evening. The group will be working to draft a proposed ordinance. The goal is to develop an ordinance that is defensible and all encompassing. Commissioner Walter stated that concerns are mounting in the area about county ordinances and enforcement. Commissioner Zmyewski stated that the cost for permits may need to be high in order to fund an employee who will provide the enforcement of the ordinance.

At this time Dwight Mierau spoke to the Board. He explained that the golf cart issue in Money Creek does not involve a couple of golf carts. Golf cart traffic is non-stop all day. The golf carts travel up and down the town streets. The golf cart traffic is becoming a nuisance. Other residents, not just Ms. Danielson, are upset by this traffic. He estimates that there are approximately 150 golf carts. He has personally witnessed groups of 8-9 golf carts traveling down the street he resides on as late as 8:00 p.m. It is out of hand. Mr. Mierau stated that he has lived in Money Creek his entire life. He appreciates the peace and quiet and said there has never been a problem like this. He stated that Ms. Danielson is not the only resident being affected. He expressed concern multiple times that in the event the County allows golf cart traffic on County 26, "they'll rub it in our face."

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. 9 -- Correspondence to payroll regarding re-
appointment & 67 day employee to assist the Highway Department

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

There being no further business and the time being 10:48 a.m., motion was made by
Commissioner Schuldt seconded by Commissioner Zmyewski and unanimously carried to
adjourn the meeting, the next advertised meeting being Tuesday, October 2, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 2, 2012

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Jack Miller, Steve Schuldt, Teresa Walter and Tom Bjerke

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, & Moorhead; Assistant Engineer Bolstad; Finance Director Lapham; Jail Administrator Schiltz; IS Director Mielde; HR Director Arrick-Kruger; Michelle Massman; Interim HS Director Bahr; Financial Services Supervisor Kohlmeyer; Environmental Services Director Frank; Zoning Administrator Scanlan; Assistant County Attorney Ashmore

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 September 25, 2012 meeting subject to a requested change.

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

County Revenue Fund	\$53,101.58
Road & Bridge Fund	283,938.35

Total	\$337,039.93
	=====

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

File No. 3 -- At this time Assistant Engineer Bolstad met with the Board and reported on the following bids received until September 6, 2012 for S.A.P. 28-996-07:

JB Holland Construction, Inc.	
Decorah, IA 52101	\$619,903.50

Winona Excavating

Winona, MN 55987	\$720,942.00
Griffin Construction Company, Inc. Chatfield, MN 55923	\$760,280.54
VanGundy Excavating, LLP Houston, MN 55943	\$773,558.12

Assistant Engineer Bolstad recommended that the bid of JB Holland Construction, Inc. be accepted contingent upon final approval of the Minnesota State Historic Preservation Office (SHPO). He explained that the La Crosse Archeological Society has provided approval and SHPO approval is expected. The bids had a large overall range. He indicated that there is no reason not to accept the low bid of JB Holland Construction, Inc. One can speculate that they bid aggressively on this project and that is why the bid is 15% below the engineer's estimate. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to accept the low bid of JB Holland Construction, Inc. in the amount of \$619,903.50 contingent upon receipt of the required SHPO permitting.

File No. 4 -- HR Director Arrick-Kruger and IS Director Milde recommended the hire of Jeremiah Shaver at Step 1 of the C42 comparable worth band. Mr. Shaver will provide help desk services and will be floating around the building, therefore she requested a monthly cell phone per diem in the amount of \$30.00. Mr. Shaver was previously employed with Trane Company. Trane recently outsourced its IT services. There were 6 applicants for the position. Each applicant interviewed indicated a desire for full time employment. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Jeremiah Shaver as a Network Technician at step 1 of the C-4-2 comparable worth band effective October 15, 2012 and to approve a \$30.00 per month cell phone per diem for him.

HR Director Arrick-Kruger was joined by Jail Administrator Schiltz. They recommended the hire of several individuals for 67 day roster positions to assist as jailer/dispatchers. The roster has been depleted and this will provide for an adequate calling list to minimize overtime. They are called to provide coverage for vacation and sick leave. Jail Administrator Schiltz was pleased that all of the individuals have a criminal justice background. He would like to provide training to all new hires at one time. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the hire of the following individuals as 67 day jailer/dispatchers at a rate of \$18.44 per hour: Travis Good; Kelsey Connor; Brandon Meiners; and Tyler Heiden.

HR Director Arrick-Kruger asked that any action related to the Public Health PERA phased retirement be tabled until next week.

File No. 5 -- In response to a Call for Nominations to the Southeast Service Cooperative Board of Directors, it was the consensus of the Board to nominate Theresa Arrick-Kruger. Ms.

Arrick-Kruger is currently a member of said Board. It is beneficial to the County to have representation on the Board. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to support the nomination of Theresa Arrick-Kruger to the Southeast Service Cooperative Board of Directors.

File No. 6 -- Assistant Houston County Attorney Ashmore reported that Houston County has been deemed the county of financial responsibility for an incarcerated individual for consideration of civil commitment under the Sexual Psychopathic Personality and Sexually Dangerous Person statutes. The Houston County Attorney's Office (HCAO) does not budget for this type of expense as they occur infrequently. Therefore, the HCAO is requesting an appropriation in the amount of \$1,250.00 to provide for a psycho/sexual assessment of this individual. The Attorney General's (AG) office provides the expertise and service. Dependent upon the findings of the assessment, the AG will also submit any appropriate request to the courts. This is all part of the civil commitments process. The history of this individual is cause for great concern of the HCAO. The assessment is necessary and in the best interest for the safety of county residents. Commissioner Schuldt questioned whether this individual will continue to be a financial liability in other ways. Commissioner Bjerke questioned whether the HCAO budget has been reviewed in an attempt to identify line items with balances which may go unused and could be transferred to cover the expense of the assessment. Assistant County Attorney Ashmore stated that there isn't a line item for this specific expense. She is unaware whether other areas of the budget have been reviewed in an attempt to identify funding from within the department. She will discuss whether there are funds within the departmental budget to cover the expense with County Attorney Hammell.

Chairperson Miller reported that during a recent meeting discussion was held regarding the State's serious consideration of technology upgrades. This could be difficult because counties have been moving ahead with electronic document management software. These county software upgrades may or may not be compatible with an upgraded State system. This could result in increased expenses for counties if they are required to procure interfacing software. Interim HS Director Bahr reported that Winona County has purchased E-docs. She believes that Fillmore County will go with the same software as Winona County. Financial Services Supervisor Kohlmeyer indicated that some Houston County staff will assist with Winona County's backlog this Saturday. The Houston County employees will be paid through Kelly Services. The Houston County employees who choose to assist Winona County will have the opportunity to preview and work with the Winona County E-docs software system.

Interim HS Director Bahr reported that Interim Social Services Supervisor Sanness has not participated in any supervisors meeting since discussion was held regarding possible collaborative efforts.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to enter into closed session to discuss attorney-client privileged information. Craig Moorhead questioned which case would be discussed. Environmental

Services Director Frank responded that the closed session is being convened to discuss the suit filed by Minnesota Sands LLC as related to the Erickson Quarry. The time was 9:46 a.m.

The time being 10:17 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to return to open session.

Commissioner Walter reported that many counties are continuing to provide victim services. They are maintaining the program as part of the County Attorney's Office. These services are not mandated therefore, some counties are limiting the scope of services which are provided.

File No. 7 -- Received and filed was correspondence from Tom Falbo regarding his resignation from the Multi-County Housing and Redevelopment Authority (HRA) effective December 31, 2012. Discussion was held regarding a appointment of a replacement to finish the term which will expire in 2016.

Commissioners Walter, Schuldt and Chairperson Miller reported on the AMC policy meeting which they attended.

Commissioner Bjerke reported on audit and regional radio board meetings which he has recently attended. He expressed concern that another commissioner will need to participate in the RRB meetings once his term as commissioner expires at the end of the year. Commissioner Walter expressed interest in serving on the RRB.

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. 8 -- Correspondence to payroll regarding the hire of Heidi Hankins

File No. 9 -- Correspondence to the State Auditor regarding pending or threatened litigation

There being no further business and the time being 10:26 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 9, 2012.

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 9, 2012

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 Bialkowski, Schuldt, & Moorhead; County Attorney Hammell; HR Director Arrick-Kruger; Zoning Administrator Scanlan; Environmental Services Director Frank; Veteran Services Officer Gross; Finance Director Lapham; Sheriff Ely; PHN Director Rock; Rick Frick; Kelley Stanage; Interim HS Director Bahr; Corey Baker; Engineer Pogodzinski; Financial Services Supervisor Kohlmeyer; Michelle Massman; Julie Renk; Jeanette Twite; Donna Buckbee (videotaped the proceedings); Mike Fields; Glenn Kruse; Dr. Chad Olness; Steve Hartwick

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 2, 2012 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	\$109,684.67
Road & Bridge Fund	180,457.05

Total	\$290,141.72
	=====

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 -- County Attorney Hammell stated that recently Assistant County Attorney Ashmore met with the Board to request a budget amendment in the amount of \$1,250.00 to fund having a psychological assessment performed on an inmate. At that time the Board requested that the Houston County Attorney's Office (HCAO) review its budget in an attempt to cover the expense from within the department. County Attorney Hammell stated that the line item for other professional and technical fees contains \$700.00 which may be put towards the cost of the assessment. She requested the Board fund the remaining balance. She stated that prior to the

final 2013 budget being approved, this situation will need to be assessed. The HCAO has not been budgeting for this type of assessment, however, they may need to reconsider this practice.

County Attorney Hammell stated that small counties do not have the resources to address these types of issues. Therefore, the Attorney General's Office (AG) offers services and expertise to the smaller counties to pursue these cases. Commissioner Bjerke questioned the ramifications if the County does not address this issue or authorize the funds. County Attorney Hammell responded that her office would be unable to make the necessary referral to the AG. It would be near impossible for the HCAO to pursue the case independently. The AG is equipped to address the issue and pursue the case in a timely manner. In the event the money is not appropriated the inmate will be released. County Attorney Hammell expressed concern for the safety of citizens in the event this individual is released. Commissioner Walter indicated that this situation is similar to the County being financially responsible for the medical issues of its jail inmates. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the referral and to appropriate the funds necessary to cover the \$1,250.00 expense which exceed the \$700.00 of HCAO funds.

County Attorney Hammell stated that during a recent meeting it appeared to be the consensus of the Board to provide funding to continue the Victim Witness Program through the end of the calendar year, however, no official action was taken. She requested the Board take action if this was indeed their intent. Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to fund the Victims Witness Program through the end of the year.

HR Director Arrick-Kruger reported on a phased retirement request made by Mary Thompson. PHN Director Rock asked that consideration be given to granting a request for Ms. Thompson to work 8 hours per week. HR Director Arrick-Kruger stated that there are no financial tails associated with this request. She provided criteria required for participating in PERA phased retirement. In phased retirement, Ms. Thompson will begin drawing from her annuity and the County will discontinue contributions on her behalf. Each party will benefit from the arrangement. Ms. Thompson has worked with Public Health for several years, and has been working 4 days per week. The department has been planning for her retirement and individuals have been cross trained to cover many of her duties. In the event the Board grants Ms. Thompson's request for phased retirement, she will work 0.2 FTE. The salary cost for this will be approximately \$14,000.00. PHN Director Rock reported that a revised 2013 budget has been prepared and submitted to the Finance Department for review. Commissioner Schuldt questioned whether there would be a need to backfill for Ms. Thompson's position. PHN Director Rock reported that the duties have been split up and designated to various staff members. Commissioner Walter spoke favorably with regard to this opportunity. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to approve phased retirement for Mary Thompson and to approve her position at 0.2 FTE for 2013. HR Director Arrick-Kruger will begin the process of drafting the necessary agreement.

At this time HR Director Arrick-Kruger provided a reminder related to the scheduled MAPE negotiating meeting. She also scheduled commissioners to meet in 15 minute sessions with a representative from Springstead regarding the HS analysis.

Interim HS Director Bahr met with the Board to discuss redesign. Chairperson Miller stated that EDMS should be the first thing to approach. It would be beneficial to involve IS Director Milde. Interim HS Director Bahr expects the State to become more involved in encouraging redesign. The State is expected to move forward with technology upgrades also. Interim HS Director Bahr reported that statewide E-docs by Northwoods Compass appears to be the software of choice. Rice County has chosen to go with a different EDMS software company which isn't as costly as E-docs. It was agreed that a committee including Interim HS Director Bahr, Financial Services Supervisor Kohlmeyer and IS Director Milde should begin exploring EDMS technologies. Financial Services Supervisor Kohlmeyer reported that Winona County has purchased E-docs software and is working with it. Houston County staff will have the opportunity to work with the software when they provide assistance to Winona County.

At this time discussion was held regarding the requirements and/or need for monthly Human Services meetings. Commissioner Walter stated that often times discussion held during committee is reiterated during the monthly Human Services meeting. It was reported that the monthly Human Services meetings are not required. Many things which were once discussed during these meetings have been deemed private data and are no longer discussed in this forum. Commissioner Bjerke stated that there is a lot to learn and know about Human Services. There are numerous funding streams and programs, a significant budget and a large number of staff. He expressed concern that in the event the monthly meetings were discontinued the only Board members to develop and have a good understanding of the department would be the commissioners serving on the committee. It was suggested that discussion during committee could be limited and the bulk of it could be taken up during the monthly meetings. This would reduce the redundancy and free up committee time. It was agreed that redesign discussion would be scheduled to take place during the monthly Human Services meeting instead of during the weekly Board meetings. Michelle Massman questioned if the redesign discussion would take place at a set time during the Human Services meetings. It was agreed that redesign discussion would take place first thing on the agenda.

File No. 4 -- Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Daniel and Laurie Nekola of Mound Prairie Township for a variance of 27 feet 6 inches to meet the required 50 foot setback from the west property line to build a garage. The second is for Chester Doering of Mayville Township for a variance of 859 feet to meet the required 1,320 foot setback from an existing house to expand a feedlot up to 250 animal units. Commissioner Zmyewski questioned whether a variance in excess of 50% of the requirement was common. Zoning Administrator Scanlan responded that variances of this degree are granted. With regard to this specific variance, significant weight is given to the fact that this is an existing facility. In addition, a calf raising

operation such as this has far less potential to produce odors as opposed to a hog facility. These facts have contributed to the decision.

File No. 5 -- Zoning Administrator Scanlan reported on a CUP application. Joel Serres and Kathy Hafner are seeking approval to build a house on less than 40 acres in an agricultural district. The Planning Commission added one condition requiring the landowner to work with Root River SWCD on the slope requirements for the driveway. On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and carried to approve the issuance of the following Conditional Use Permit:

Joel Serres and Kathy Hafner – Brownsville Township - Build a house on less than 40 acres in an agricultural district.

File No. 6 -- Zoning Administrator Scanlan reported on a request from Larry Hanson. Certain statuses of this site were recently reviewed following a survey. It has been determined that the structure is no longer located in a flood plain. The property is located within 2 miles of the City of Rushford Village. A preliminary plat has been requested. On the recommendation of the Planning Commission, motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and carried to approve the issuance of the following Conditional Use Permit:

Larry Hanson – Yucatan Township - Re-zone from Ag Protection District to Residential

Zoning Administrator Scanlan reported that Jeff Lind's conditional permit #145 for mineral extraction (sand) is not being renewed. County Staff is working with the landowner to have the reclamation plan implemented.

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

Bruce Dunbar – Yucatan Township - Build house (24' x 24')

William Gade – Caledonia Township - Build garage (30' x 48')

Victor and Annette Christian – Brownsville Township - Build house (32' x 50') garage (28' x 28') pole shed (30' x 54')

Robert Wiemerslage – Wilmington Township - Build grain bin (6,000 bushels)

Tim Von Arx – Union Township - Build machine shed (60' x 104')

Thomas Johnson – Houston Township - Build pole building (26' x 27') granary addition (24' x 30') shop addition (6'8" x 40')

Kent Knutson – Brownsville Township - Build house (38' x 62') garage (24' x 25.5') deck (12' x 20')

Jim Scanlan – Mayville Township - Build roof on lean-to (12' x 48')

Steve Klinski – Mayville Township - Replace pole shed destroyed by fire in same location (50' x 72')

Mike and Nancy Gulbranson – Spring Grove Township - Build additions (15' x 17') and (14' x 16') porch (14' x 18') deck (15' x 12')

Robert Carlson – Houston Township - Build pole barn (52' x 48')

Lloyd Sanness – Wilmington Township - Build lean-to on shed (20' x 58')

Dwight Privet – Caledonia Township - Build grain bin (14, 000 bushels)

Joyce Betz – Sheldon Township - Build house (30' x 50') attached garage (30' x 34') porch (8' x 50')

File No. 8 -- Environmental Services Director Frank reported that the cost to dispose of tires collected at the drop sites has increased \$10.00 per ton. In an effort to recover the increased cost, he recommended increasing the fees charged at the drop sites to businesses and for farm vehicle/implement tires. He provided information on the proposed per tire increases. It was confirmed that the drop sites accept batteries at no fee. The drop sites will accept passenger vehicle tires (off the rim) from individual county residents at no fee. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the rates for disposing of tires effective November 1, 2012.

The time being 10:04 a.m. County Attorney Hammell requested that a closed session be convened to provide information to the Board related to threatened litigation. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to enter into closed session.

The time being 10:31 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to reconvene in open session.

County Attorney Hammell reiterated that information discussed during the closed session was related to threatened litigation.

File No. 9 -- Veterans Service Officer Gross recommended accepting a grant in the amount of \$2,800.00. This, 2012 CVSO Operational Improvement Grant will be used to improve services. If approved, VSO Gross intends to utilize the funds to upgrade a 7 year old laptop and to purchase a mobile scanner. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Grant Contract with the Minnesota Department of Veterans Affairs and to adopt the following resolution:

RESOLUTION NO. 12-47

BE IT RESOLVED by Houston 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 Operational Improvement grant Program**. The 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 RUTHER RESOLVED by the Houston County Board that Robert Gross, the County Veterans Service Officer, and Jack Miller, County Board Chairperson be authorized to execute the attached Grant Contract for the above-mentioned Program on behalf of the County.

WHEREUPON the above resolution was adopted at a regular meeting of the County Board this ninth day of October, 2012.

Dr. Chad Olness stated that he had submitted an e-mail to Commissioner Zmyewski requesting that an impartial third party prepare the EAW required of the Erickson Mine. He was upset to learn that the firm preparing the EAW is the same firm which prepared the operation plan for the project. In his opinion, this does not qualify as an objective third party. It is expected that industrial mining operations will affect the quality of life for residents and also could negatively impact property values. Dr. Olness expressed his belief that it is a moral and ethical obligation to ensure that studies such as this EAW are conducted in a moral and ethical manner. He indicated that projects involving 5 to 10 loaded trucks per hour traveling down a gravel roadway will also generate 5 to 10 unloaded trucks returning to the site for loading. He lives near a proposed site and the dust generated by vehicles passing his home is excessive. At this time, the road he lives on is not heavily traveled. He expressed concern for the safety of his livestock. Recently, a truck struck and killed one of his dogs. He had a significant amount of money invested in the dog in addition to his emotional attachment. Commissioner Zmyewski read an excerpt from the minutes of August 7th where he suggested that an independent 3rd party be considered for completion of the EAW to prevent any perception of bias. He assured Dr. Olness that his concerns did not go unheard. Dr. Olness stated that he is a recent transplant to the area. He chose this area because of its beauty and the ability to live self-sufficiently. Because of recent developments, he is now searching for a new and clean place to live. He implored the Board to take a stand and to protect the area's natural beauty and cleanliness from industrial interests so that others like him have a place where they want to live.

Steve Hartwick stated that he has been out of town for several weeks. He returned to learn that the same engineering firm which developed operations plans for the Erickson Mining project has been entrusted with preparing the EAW. He cited one newspaper article where it was reported that the Board's desire was have the EAW completed by an impartial third party.

At this time Chairperson Miller invited Environmental Services Director Frank to join the conversation. Environmental Services Director Frank provided a brief history of the events leading up to the requirement to have an EAW performed. He reported that when the County has required EAW's, past practice has been to request the EAW from the applicant. The applicant is responsible to hire a firm to prepare the EAW and submit it to the County. The County has never dictated to an applicant who they should hire to perform the necessary work. The EAW for the Erickson Mine has not been completed. It is in draft form. Additional information must be gathered and incorporated before the EAW is submitted. Environmental Services Director Frank explained the process an EAW goes through. Once the document has been submitted to the County and accepted, it will be submitted to the EQB and other entities for comment. In addition, the document will be subject to a public comment period. Once the comment period has been closed, a third party will review the document and all comments received. This party will determine whether all concerns have been addressed adequately or whether additional information is necessary or if there is incomplete information. This third party will ensure that all questions and/or concerns have been adequately addressed. Otherwise, they will return to the organization which prepared the document for additional information. There is a specific form for an EAW and it must be followed. Chairperson Miller clarified that, during the comment period, any member of the public will be allowed to submit comments.

Kelley Stanage questioned what the current ordinance states as related to EAW's, and then continued with her interpretation of the current ordinance. She explained that her interpretation states that the permit applicant is responsible for the cost. She believes that the County has the authority to dictate who performs the EAW. The County did not exercise that right and require that an unbiased third party perform the EAW. She expressed her opinion that it was the County's obligation to ensure that the EAW was performed by an impartial third party. Environmental Services Director Frank responded that it is his belief that the current ordinance does address who is financially responsible to cover the cost for an EAW in the event one is required. The County has not dictated to any applicant which firm would complete a required EAW. The applicant has determined who would develop the EAW. An impartial 3rd party will review the EAW to ensure that all concerns and questions have been adequately addressed in the EAW.

Steve Hartwick expressed his understanding that the EAW is already in draft form. He assumed that EAW's take approximately 3 months to complete. This EAW is in draft form. This has been completed in a significantly shorter time frame. Mr. Hartwick pointed out that Attorney Gerri Hayes reported that she was not notified of decisions which were made in regard to her client. Mr. Hartwick questioned the process and whether it was flawed. He indicated that if the

process is flawed the results will be flawed. Someone responded that there was a citizen's petition for an EAW. It was determined that the County was the Regulating Government Unit (RGU). It was agreed that an EAW was necessary and findings of fact were approved.

Mr. Hartwick stated that this situation is akin to a "fox in the henhouse", and the fox is being allowed to design the henhouse.

Mike Fields questioned whether the ordinance allows the permit applicant to determine who would be performing the EAW. Again, it was reported that past practice has been that the permit applicant chooses the vendor and pays for those services.

Donna Buckbee questioned when G Cubed was authorized to perform the EAW for the Erickson Mine. She questioned why the people were not notified of this decision. She expressed concern that industry is being allowed to testify for industry. Ms. Buckbee demanded the date on which G Cubed was authorized to perform the EAW again.

It was noted that the mining company is required to supply the County with the EAW. Commissioner Schuldt questioned whether the questions contained in the EAW are scientific in nature. It was agreed that indeed, questions may be scientific in nature. Environmental Services Director Frank noted that scientific data may be scrutinized and disputed both ways.

Chairperson Miller stated that he was under the assumption that an impartial third party would be performing the EAW. Kelley Stanage stated that Commissioner Zmyewski read an excerpt from the minutes where the suggestion was made that an unbiased third party complete the task of preparing the EAW.

Commissioner Zmyewski stated that the EAW requests specific information. The information is submitted by one party and reviewed by an impartial third party prior to the finalization of the document. This draft is not the final document. G Cubed is gathering required information. An impartial third party will review the information which has been submitted by G Cubed. Environmental Services Director Frank stated again that G Cubed is developing the EAW for the Erickson Quarry. The County will determine when the EAW is complete and acceptable. The County may flag concerns and send it back. If information is missing, it will extend the time it takes to gain its approval.

Steve Hartwick questioned how thorough the information can be if this EAW took only one month to prepare when typically this type of document takes three months to prepare. He also questioned whether the third party will have access to the site and be allowed to search for mounds, plants and animals.

Zoning Administrator Scanlan read an excerpt from the zoning ordinance with regard to EAW's. The ordinance allows the County to assess fees related to the preparation of an EAW back to the permit applicant. Chairperson Miller expressed concern that the County should have

been more involved with choosing the vendor authorized to prepare the EAW for this project. Zoning Administrator Scanlan reported that past practice has been to allow the applicant to choose the vendor who prepares the EAW. It was argued that in this particular situation, an unbiased preparer would have been advised and was discussed. Chairperson Miller stated that this situation and the choice of vendor has degraded trust. Commissioner Walter questioned why the County did not hire the vendor initially. Engineer Pogodzinski provided Minnesota Statute information affecting this situation. An EAW shall be prepared as early as possible following an RGU's determination requiring one. The proposer shall submit the prepared portion. The RGU will determine if the proposal is acceptable or incomplete and may return it to the proposer if data is missing and/or inadequate. It is the County's intention to hire a third party to review the information presented in the EAW. This third party will review all technical issues raised. Commissioner Bjerke indicated that EAW's are not new to the County. The County has remained true to past practice. To interfere and hire the vendor for the EAW would have been inconsistent. He agreed that it would be prudent to bring in an outside third party to validate the completeness.

Dr. Olness expressed his opinion that the ordinance is vague. He disagreed with Commissioner Bjerke. In his opinion, the County has no history with industrial sand mining, therefore there is no precedent. Chairperson Miller noted that a significant portion of the document has been prepared. Commissioner Schuldt questioned whether a third party may be brought in at this point. Commissioner Bjerke suggested that this be discussed with the attorney. He expressed concern that if the County interferes at this stage, there could be potential for litigation. Environmental Services Director Frank stated that the County is conducting business in the same manner as in the past. The third party will be hired to review the EAW submitted. Zoning Administrator Scanlan stated that the third party's input will be most valuable following the period of public comment. Environmental Services Director Frank reiterated that the RGU makes the final determination whether the EAW is complete and acceptable. The third party will determine whether the EAW has adequately addressed all questions and/or concerns. Chairperson Miller stated that by hiring an impartial third party at a late stage, the county will incur costs which could have been avoided if the third party had been responsible for the preparation of the document. Commissioner Zmyewski stated that G Cubed would have been required to submit a certain amount of information to the vendor charged with preparing the EAW.

Someone questioned whether the draft EAW provides information related to washing. It is believed that the draft EAW does not address washing.

Kelley Stanage clarified that the mining operator has submitted data to be used in the EAW. She indicated that, at this point, the County could hire an unbiased third party to prepare the EAW and to charge the fee to the permit applicant. It is her understanding that necessary data has been provided. Environmental Services Director Frank reported that the EAW is already in draft form. He expressed agreement that an impartial third party should review the EAW. Commissioner Zmyewski stated that Ms. Stanage expressed herself well. G Cubed has definite

interests in frac sand mining operations. Zoning Administrator Scanlan indicated that any consultant will have been paid at some point in its history to perform work for a mining operation. Commissioner Zmyewski clarified that he would be in favor of hiring a third party not invested in this situation. He stated that there is bias at this point and there is a need to have impartial third party involvement and review.

Steve Hartwick stated that there is road construction being performed on County 26 in front of his house. This road project will last for a certain amount of time and then be finished. The truck traffic for this construction is tiresome. He couldn't imagine what the truck traffic related to an industrial sand mining operation would be like.

Commissioner Zmyewski suggested soliciting a listing of third party candidates who could review the EAW.

Glenn Kruse, member of the Houston County Planning Commission, reported that recently a 200 page EAW was completed for the Sanness hog operation. This has been submitted to the State. There is a public comment period. The EAW is very in depth. The permit applicant hired the consultant who prepared the EAW.

Commissioner Walter expressed agreement that a list of third party vendors should be solicited. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to solicit a list of vendors who are uninvolved with the Erickson Quarry that could review the EAW.

Mike Fields questioned why the County has appealed the court decision related to his case and which commissioners voted for or against this action. The Board declined to respond because there is ongoing litigation.

Emily Bialkowski requested clarification regarding the most recent motion. She is questioning whether the third party would take over the preparation of the EAW, or review the EAW and if so, at what point would the EAW be reviewed. The motion was to solicit names of vendors who would be able to review the EAW that is submitted. This review would take place prior to the EAW going to the public comment period.

Engineer Pogodzinski stated that it is the mining operations responsibility to submit a completed EAW. Following the submission, it is his understanding that an impartial third party will be hired to review the EAW.

Environmental Services Director Frank expressed concern that action in this regard will result in action on behalf of the mining operation. He encouraged caution in assessing the mining operation for the third party review. Environmental Services Director Frank stated that a request has been made for an EAW which the permit applicant is responsible to supply.

As a governmental unit, the County could face liability for not allowing involvement.

Mike Fields requested confirmation that G Cubed would not be performing the EAW and that an impartial third party would be completing the EAW. He also wanted assurances that the third party would complete all the work, not just perform a review. This would include the third party researching for mounds etc.

Donna Buckbee questioned the status of the frac sand study committee. Chairperson Miller responded that the next meeting will be scheduled.

It was reiterated that the motion related to the solicitation for third party vendors is just that. The County has approved soliciting the names of vendors who could perform a review of the EAW.

Commissioner Walter reported on a Brownsville City meeting which she attended regarding the right of way for the gas station.

Commissioner Schuldt reported on Extension and Semcac meetings which he attended.

Chairperson Miller reported on a SCHAC meeting which he attended.

Commissioner Schuldt reported that the jail census is currently single digits.

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

File No. 10 -- Correspondence to payroll regarding recent hires

File No. 11 -- Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 12 -- Budget information related to salaries & health benefit costs

File No. 13 -- Sympathy Correspondence to Fred Petersen

There being no further business and the time being 11:52 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 16, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 16, 2012

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 Bialkowski, Schuldt, & Moorhead; Finance Director Lapham; Chuck Schulte; Carla Blahnik; Donna Buckbee; Sarah Wexler-Mann (videotaped the proceedings); Kelley Stanage; PHN Director Rock; Environmental Services Director Frank; Fiscal Officer Hankins; Steve Hartwick; Recorder Bauer; Yvonne Krogstad; HR Director Arrick-Kruger; Jail Administrator Schiltz; County Attorney Hammell; Assessor Dybing; Michelle Massman; Interim Social Services Supervisor Sanness; IS Director Milde; Interim HS Director Bahr; Financial Services Supervisor Kohlmeyer

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to approve the minutes of the October 9, 2012 meeting with one correction.

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	\$62,345.43
Road & Bridge Fund	448,601.62

Total	\$510,947.05
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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 -- Carla Blahnik of the State Auditor's Office met with the Board to discuss the recently completed audit. She provided trend information related to county finances. The County was awarded an unqualified opinion which is the best that may be awarded. Ms. Blahnik expressed her congratulations. A recent trend reflects a significant spike of net assets for the County. This may be attributed to the completion and addition of the CJC. There are other infrastructure increases represented in this statistic also. With regard to revenue statistics, Ms.

Blahnik reported that bond revenues are not included. This may make pictorial representations of revenues versus expenditures appear skewed. There are findings issued for the following four categories: internal controls; federal award programs; legal compliance; and management practices. Houston County has some small offices which don't allow for segregation of duties to the degree that the State Auditor prefers. This contributes to the internal control findings. The State Auditor would like to see written IS policies and procedures for addressing various situations such as the termination of an employee. They would also like to see IS policy related to document encryption. In addition, concern was expressed with the position of Finance Director and the fact that this individual has security access to the entire IS system. This presents the opportunity for the Finance Director to make unapproved adjustments to the financials. A disaster recovery plan should be developed to address management practice findings. Chairperson Miller clarified information related to the significant changes of intergovernmental revenues. Ms. Blahnik confirmed that investment income has decreased in counties across the state. This is due to the economic conditions.

PHN Director Rock and Environmental Services Director Frank met with the Board to provide an update on the clean-up of the mobile home where methamphetamines were manufactured. PHN Director Rock reported that there are issues with delinquent taxes. Typically, mobile homes may not be moved until a statement has been received from the County Treasurer stating that taxes have been paid and are current. Treasurer Trehus considered abating the taxes in this regard, however, she has decided to attempt to collect the taxes through revenue recapture. She will provide the appropriate letter so that the mobile home may be moved. Environmental Services Director Frank is working with a mover who will transport the mobile home to a staging area where the asbestos abatement will be completed. The same mover will transport the mobile home from the staging area to the La Crosse County Landfill for proper disposal.

PHN Director Rock reported that the asbestos inspection cost was \$1,365.50, the mover will charge \$1,200.00 to transport the mobile home to the staging area and then onto the landfill, the asbestos abatement cost has been estimated at \$4,800.00, certified mailings have cost \$34.50 and the landfill will charge between \$900.00 and \$1,100.00 for the disposal of the mobile home. The total expenses for the clean-up of this are expected to total between \$8,300.00 and \$8,500.00. The City of Caledonia also incurred costs in the amount of \$2,578.78 for the initial seizure and hazardous materials assessment.

PHN Director Rock reported that, in all, eleven county departments have been involved in this clean-up effort and ordinance enforcement of this clandestine drug lab. Environmental Services Director Frank reported that this type of event cannot be planned or budgeted for. There are some options for the collection of clean-up costs. There was a prior situation for which the clean-up costs were assessed to the real estate. The taxes are delinquent therefore the costs have not been recaptured at this point. This situation is unique because certain individuals own the mobile home and another individual owns the real estate where it was located. Commissioner Bjerke stated that there should be funds available within the Commissioner's Contingency Fund

which may need to be used to cover the cost. The County has a responsibility to ensure the proper clean-up. Environmental Services Director Frank indicated that individual departments have absorbed a certain degree of costs already.

Environmental Services Director Frank reported that he is not prepared to provide information related to the EAW and would like to cancel the appointment that he had scheduled with the Board. He stated that he is preparing a timeline to show the process and responsibilities related to the EAW. He expects to have this completed in time for the next scheduled Board meeting. Chairperson Miller stated that there is a significant amount of work related to the EAW which only the landowner can prepare. This information cannot be prepared by someone other than those who are affiliated with the project because it is information related to the specific plans.

Recorder Bauer reported that a property owner came in with a "deed processing notice". The notice came from Secured Documents and reflected an address located in Washington D.C. It indicated that the recipient could acquire a copy of their deed for the cost of \$83.00. Recorder Bauer stated that this organization cannot provide "certified" copies. Only the government holder of the document may provide certified copies. The Recorder's Office provides certified copies for a cost of \$2.00 per page. She stated that this "notice" was a scam and wanted the Commissioner's to be aware of it in case any property owners questioned them about it. She indicated that the property owner who received the notice was under the impression that her response was required and that she needed to pay the fee of \$83.00.

County Attorney Hammell requested that a closed session be convened to discuss matters related to threatened litigation and are attorney client privileged. The time being 9:33 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to enter into a closed session.

The time being 9:46 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to return to open session.

File No. 4 -- Upon the request of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Bjerke and unanimously carried to enter into closed session to discuss negotiations with MAPE.

The time being 10:04 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to return to open session.

HR Director Arrick-Kruger reported that the closed session was convened to discuss ongoing negotiations with the MAPE collective bargaining unit. No decisions were made.

HR Director Arrick-Kruger and Jail Administrator Schiltz reported that that Sandee Feuerhelm has submitted her intent to retire. Ms. Feuerhelm has worked for the County for 25

years. Jail Administrator Schiltz reported that she has been a wonderful employee and will be missed. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to accept Sandee Feuerhelm's retirement request and to thank her for her years of service.

HR Director Arrick-Kruger stated that Ms. Feuerhelm's retirement will create a jailer/dispatcher vacancy. Recently interviews were held for this position, and HR Director Arrick-Kruger requested authorization to re-interview candidates for the new vacancy. She stated that there will be savings if no external search is required. Commissioner Zmyewski expressed concern with filling the vacancy with the current inmate population. He questioned whether the vacancy could be left open for a period. HR Director Arrick-Kruger is not requesting consent to fill the position. She stated that there are a minimum DOC staffing requirements. Jail Administrator Schiltz reported that the county is required to have 3 staff members on duty around the clock whether there is 1 or 30 inmates. There is an exception for two staff members to be on duty between the hours of 2:00 a.m. and 6:00 a.m. Again, this is not a request to hire, only a request to conduct interviews from the pool which was just gathered. Jail Administrator Schiltz reported that there are 12 or 13 inmates in the jail today. Over the weekend, there were 16 or 17 inmates. It was the consensus of the Board to authorize the search for a replacement.

File No. 5 -- At this time, Chuck Schulte met with the board. Mr. Schulte suggested that closed sessions be scheduled for the end of the Board meetings as this would be more considerate of those members of the public in attendance. Mr. Schulte wants the county to reduce the budget by 5% each year for the next 3 years. Even with this action, the budget will not be reduced to 2010 amounts. Houston County is roughly 24 miles square. If the total county budget were divided equally, the cost to each square mile would be approximately \$51,000.00. Mr. Schulte expressed that he is astounded by this calculation. He stated that Houston County is not growing. The 2010 census is just 2,695 individuals greater than the 1880 census. In Mr. Schulte's opinion this is stagnation. The towns are not growing. The small businesses are not growing, they are merely getting by. Production acres within the county have been reduced by 30,000 acres. These acres are no longer being cultivated. They may be enrolled in programs such as CRP or various DNR programs.

Chairperson Miller reported that nearly 26% of the budget is related to the building of the CJC and the operation of that facility. The bond payments need to be made and the operation costs must be paid for. These are fixed expenses regardless of whether it was a prudent decision to build the facility or not. Chairperson Miller stated that the decision to build the facility was a catalyst for him to run for commissioner. Mr. Schulte provided some statistics related to poverty in the County. He indicated that 1 out of every 3.92 persons in Brownsville City live in poverty. 1 out of every 6.21 persons in Caledonia City live in poverty. Commissioner Walter stated that the County is mandated to help these individuals and it costs to provide the required services. Mr. Schulte questioned how many more individuals are going to be forced into poverty as a result of the property taxes. Chairperson Miller provided information on the percentage of increase of the County levy over the past 10 years. The County has been trending the right way

and is trying to keep the tax increases at a minimum. Last year there was a 0% increase to the tax levy. Mr. Schulte also reviewed a listing of wages paid to county employees. He shared his opinion that the Human Services Director was paid an excessive amount. Auditor Meiners clarified that the Human Services Director position was combined with the PHN Director position for the time period which Mr. Schulte had information for. The wage paid was to one individual who was heading up the two largest departments for the County.

Chairperson Miller stated that he meets many individuals who commute from the county to work in Wisconsin. He expressed concern that these individuals may move from the county and closer to their place of employment in an effort to reduce their costs related to commuting. There are certain things that the Board can do to help contain costs. However, there are things which are required and that the Board can do little if anything about. The County needs to provide for certain things. They need to operate the jail and plow the roads. Mr. Schulte pointed out that the pay increases total \$956,000.00. He calculated the average compensation package for a county employee to be \$59,000.00. There are 157 employees. Mr. Schulte stated that the County employs many good workers. He expressed concern that he doesn't know of any other jobs in the County where employees are offered a \$60,000.00 compensation package. He expressed concern that the county cannot continue to increase compensation packages when others are earning less. People are tired of paying increasing taxes. At the current rate, Mr. Schulte believes that the taxes in the County will double over the next 10 years.

Chairperson Miller stated that pay increases and benefits are negotiated. He reported that prior to the current wages and benefits package at the county there was a package which provided for as much as 100% of the premium being paid by the County in addition to a \$100.00 per month stipend. This was unacceptable to Chairperson Miller. In order to change the benefits package, negotiations took place and there was give and take. Commissioner Bjerke expressed concern that Mr. Schulte is assuming that the Board wants to raise taxes. Commissioner Bjerke stated that budgets are minimal, and further cuts will mean a reduction of services. He questioned what Mr. Schulte would eliminate. Mr. Schulte stated that he would begin with reductions to the Sheriff's Department. He expressed his opinion that instead of purchasing high performance race cars, he would budget for street stock Chevy Impalas. He expressed his belief that there is no reason the Sheriff's Department needs anything with any greater performance than the average vehicle. Performance engines cost more to operate and there is no need to have a vehicle which exceeds speeds of 100 mph. He indicated that he would reduce staffing in the Sheriff's Department also. He would give them a budget amount and tell them to work within it. Mr. Schulte expressed his belief that departmental budgets may be further reduced. There are many wants. He questioned the need for the County to have three club cab 4 wheel drive trucks.

Mr. Schulte stated that another thing that irritates him is the Highway Department Building. He stated that it appears to be an abandoned building when you drive past it. He provided a list of items in disrepair. He expects that the heating costs for the building could be greatly reduced with caulk, foam insulation and other minor weatherization. Heat costs money

each year. He expressed his belief that replacing the single pane windows would result in heating cost savings. There is only one Highway Department Building. He suggested performing an analysis and repairing necessary items. He would pay for these repair costs out of the Highway Department budget.

Mr. Schulte would sell the 22 acres which were purchased for the purpose of erecting a new Highway Department Building and also the Meyer Building. This would greatly reduce overhead costs.

The County needs to analyze the needs of the Highway Department so that something suitable could be built. However, the current building should not be neglected even if the building doesn't meet current needs, it is what the County has at this time and for the foreseeable future. Commissioner Zmyewski stated that a \$7 million dollar building was proposed for the 22 acre parcel of land. There currently isn't money available to construct the building. The County Engineer has proposed a budget to include plow trucks to replace old plow trucks. It may be time to evaluate which is of greater need, new plow trucks or a new Highway Department Building. Mr. Schulte expressed concern that the Highway Department Building maybe neglected in an attempt to get a new building constructed.

Someone questioned if Houston County's budgets costs \$50,000 per square mile, how much neighboring counties budget cost per square mile. Mr. Schulte did not calculate this amount for neighboring counties. Mr. Schulte stated that he did not ask to meet with the Board to give commissioners a difficult time. He wanted to meet to call certain things to the attention of commissioners.

Chairperson Miller stated that, to some degree, the disrepair of the Highway Department Building may have been planned neglect. If the County had moved forward with building a new Highway Department Building the County could have had an additional \$8 million on the tax rolls. He expressed that he is not against selling the 22 acres which were purchased for a proposed Highway Department Building. A pole building of sorts could be well suited to serve the needs of the Highway Department. Budgeting comes down to how much money is available and how we choose to spend it. Chairperson Miller stated that either he or Commissioner Schuldt would be willing to meet with Mr. Schulte to discuss specific ideas related to the budget. There are realities which must be faced. Mr. Schulte indicated that one reality is the taxpayer. He felt it is important that citizens like him to speak out. There is concern when looking ahead that there is limited industry in the County, costs to commute continue to increase and this could result in further decreasing the County population.

It was agreed to schedule budget meetings for the afternoon of Wednesday, October 24th.

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. 6 -- 2012 SELCO Annual Report

There being no further business and the time being 10:47 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, October 23, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 23, 2012

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 Bialkowski, Schuldt, & Moorhead; Kelley Stanage; Donna Buckbee; Sarah Wexler-Mann (videotaped the proceedings); Engineer Pogodzinski; Dale Omodt; June Omodt; Corey Baker; Jim Nissen; Jeremy VanGundy; Rick Frick; Betts Reedy; Mark Sylla; Zoning Administrator Scanlan; Environmental Services Director Frank; HR Director Arrick-Kruger; Finance Director Lapham; Mike Fields; Karla Bloem; Hendrick Bloem; Sheriff Ely; Steve Hartwick; Tom Johnson; Virginia Johnson; Lucille Omodt Crow; See listing of additional guests (File No. A1)

Presiding: Jack Miller, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the October 16, 2012 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	\$186,009.34
Road & Bridge Fund	316,670.72

Total	\$502,680.06
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File No. 2 -- Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- Engineer Pogodzinski reported that S.A.P. 28-996-07, the Perkins Valley Drive bridge replacement project, qualifies for grant funding in the amount of \$619,903.50. These funds are available as a result of flood relief bonds. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION NO. 12-48
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: October 23, 2012

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 Perkins Valley Drive (Money Creek Twp); SAP 28-996-007; 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 \$619,903.50 by reason of the detail damage cost estimate prepared by the agency and approved by Minnesota Department of Transportation, District State Aid Engineer;

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 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 there are two windows in the Highway Department office area that are not energy efficient. He has solicited quotes for the replacement of these windows. The low quote was received from Stemper Construction in the amount of \$3,976.00. Commissioner Bjerke stated that last week the state of disrepair of the Highway Department Building was called to their attention, and he suggested that Engineer Pogodzinski solicit quotes for any caulking and sealing work which may be completed to aid in maintaining the building and/or making it more energy efficient. Chairperson Miller expressed his agreement. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the low quote in the amount of \$3,976.00 provided by Stemper Construction for the replacement of office windows at the Highway Department Building.

Engineer Pogodzinski reported that he has been receiving calls regarding the golf cart issue. Commissioner Zmyewski stated that Wayne Fitting, owner of Money Creek campground has been in contact with him and would like to wait to discuss this matter at a later date. Engineer Pogodzinski reported that a draft ordinance has been prepared. He also expressed a desire to schedule discussion in this regard at a later date.

File No. 4 -- Jim Nissen with the US Fish and Wildlife Service out of La Crosse, Wisconsin met with the Board to provide information regarding a revenue sharing payment which was disbursed to Houston County in August, and also to provide an update of projects undertaken within Houston County. He reported that \$25,634.00 was paid to Houston County for

lost tax revenues for lands owned by The US Fish and Wildlife Service. Revenue sharing payments are issued annually. The amount for 2012 is greater than the previous year. Mr. Nissen reported that once every 5 years land owned by them undergoes a reappraisal process. Lands in Houston County will be subjected to this process in 2013.

File No. 5 -- Jim Nissen reported that the US Fish and Wildlife Service acquired a 34 acre tract of land near State 26 earlier in 2012.

File No. 6 -- Jim Nissen reported that a new visitor center and office has been constructed in Bryce Prairie near Onalaska. He invited everyone to visit in the event they are in the area.

File No. 7 -- Jim Nissen reported that The Pool 8 Islands habitat rehabilitation project has been completed. The overlooks near where the swans are will be staffed during the weekends during the migration period when the swans are there.

Commissioner Zmyewski commented that the suggestion has been made to sell the 22 acre parcel of property which was purchased for the previously proposed new Highway Department Complex. He indicated that the crop land lease will be expiring following the next growing season, therefore it would be the time to sell without having to terminate the contract. Commissioner Schuldt commented that the parcel would have been an ideal location for the complex. Commissioner Zmyewski stated that the location where the current Highway Department building is already has amenities such as curb and gutter, and city water and sewer. There would be a significant cost related to preparing the purchased land prior to being able to construct a building on it. Commissioner Bjerke stated that he supports getting the property back on the tax rolls. Commissioner Schuldt reported that if the property were returned to the tax rolls it would generate approximately \$1,200.00 in revenues as calculated by Auditor Meiners. Under the current crop land lease the property is generating in excess of \$8,000.00 in revenues annually. Chairperson Miller expressed that he favors selling the property. It was noted that the county paid approximately \$15,000.00 per acre to purchase the property. There would be benefits to selling the property as the funding would not be tied up in land. Rather the proceeds would be available as cash. The Commissioners agreed that they are not interested in selling the property at a loss. They would like to make the property available in the event there is interest. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to advertise the property for sale. It was noted that there has been no recommendation to sell the property at a loss. It was agreed that Auditor Meiners will run an advertisement.

Commissioner Walter questioned whether consideration had been given to moving Highway Department Office staff to the Historic Courthouse. She expressed her belief that there is space available within the Historic Courthouse. This would need to be discussed with Engineer Pogodzinski. Concern was expressed that Highway Department Office staff works closely with Engineering and Maintenance Staff, therefore close proximity may be imperative.

File No. 8 -- VSO Gross reported that his office has been awarded a non-competitive, no-match grant in the amount of \$2,298.00 for outreach. He indicated that these funds may be utilized for brochures, signage, booths and advertising leading up to events. He asked that the Board approve the grant agreement. The funds will be distributed to the County prior to expenses being incurred. Commissioner Bjerke commented that during a recent visit to the Spring Grove Cinema he viewed an advertisement put out by VSO Gross' office and he suggested running similar ads on TV. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to accept the grant, to approve the grant agreement and to adopt the following resolution:

RESOLUTION NO. 12-49

BE IT RESOLVED by the Houston County Board of Commissioners 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 Community Outreach Grant Program**. The grant must be used for community outreach as defined in Minnesota Statutes, section 197.608, to all eligible veterans regarding the availability of benefits they have earned and especially those relating to posttraumatic stress disorder for all veterans, including World War II, Korean War, and Vietnam War era veterans, and should not be used to supplant or replace other funding.

BE IT FURTHER RESOLVED by the Houston County Board of Commissioners that Robert Gross, the County Veterans Service Officer, and Jack Miller, the County Board Chairperson, be authorized to execute the attached Grant Contract for the above mentioned Program on behalf of the County.

WHEREUPON the above resolution was adopted at Caledonia, Minnesota this 23rd day of October, 2012.

File No. 9 -- HR Director Arrick-Kruger met with the Board and recommended the hire of Sandee Feuerhelm as a 67 day employee to assist as a jailer/dispatcher. Ms. Feuerhelm has a wealth of experience in this area. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Sandee Feuerhelm as a 67 day employee jailer/dispatcher at a rate of \$18.44 per hour effective December 1, 2012.

HR Director Arrick-Kruger reported that external funding for the peer breastfeeding program is being reduced. Jessie Melde administers services directly related to this grant and her FTE is contingent upon external funding. Since funding is being reduced, HR Director Arrick-Kruger requested that Ms. Melde's FTE be reduced from 0.375 to 0.3. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to reduce Jessie Melde's FTE from 0.375 to 0.3 effective immediately.

File No. 10 -- HR Director Arrick-Kruger reported that two contracts for medical examiner services were sent out for consideration. The agreement with Hennepin County included a cost of \$2.75 per capita plus costs over a four year term subject to a 2% increase and also the possibility of a refund. Since that time, the Hennepin County Cooperative Agreement for Medical Examiner Services has been rescinded. They expressed concern that they may be unable to have their program fully functional by January 1, 2013. HR Director Arrick-Kruger reported that several counties have opted out of the Joint Powers Agreement with Dakota County for medical examiner services.

Chairperson Miller expressed appreciation to Mike Poellinger for his efforts to support the county in continuing the victim services program.

File No. 11 -- HR Director Arrick-Kruger reported that another agreement with Mayo Clinic for medical examiner services is similar to the Hennepin County Agreement. At this time, the Mayo Clinic agreement is the only viable agreement offered at this time. The new agreement will cost more than the previous contract with Regina Medical Center. Commissioner Bjerke questioned what happened to the old contract. As a result of participation, the medical examiner outgrew the facilities available to them. The medical examiner was offered the opportunity to join with Hennepin County in their recently expanded building. Mayo Clinic is just coming online with their forensic facility. The ME, Dr. R. Ross Reichard joined Mayo seven months ago. He comes from an accredited facility located in New Mexico and has 17 years worth of experience. Commissioner Bjerke questioned whether services are offered in La Crosse, Wisconsin. Mr. Poellinger responded that La Crosse County used to have an agreement with a Minnesota facility. They currently contract for services with Dane County. Chairperson Miller questioned how often the county utilizes these services. Mr. Poellinger responded that Houston County averages 60 to 100 cases annually. Statute contributes to the number of cases which require investigation. Motion was made by Commissioner Walter, seconded by Commissioner Zmewski and unanimously carried to appoint Dr. R. Ross Reichard as the Medical Examiner for Houston County to fulfill the unexpired term of Dr. Lindsay Thomas and to adopt the following resolution:

RESOLUTION NO. 12-50

BE IT RESOLVED that the Houston County Board of Commissioners hereby appoints Dr. R. Ross Reichard as County Coroner to fulfill the unexpired term of Dr. Lindsey C. Thomas which expires December 31, 2014.

File No. 12 -- Motion was made by Commissioner Walter, seconded by Commissioner Zmewski and unanimously carried to approve a 1 year agreement for Medical Examiner/Autopsy Services with Mayo Clinic. The agreement shall be effective January 1, 2013 through December 31, 2013. The agreement is renewable for up to 4 years.

Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to discontinue participation in the Joint Powers agreement with Dakota County and other counties for medical examiner services.

The time being 9:56 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to enter into closed session to discuss ongoing labor negotiations.

The time being 10:03 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to return to open session.

HR Director Arrick-Kruger reported that the closed session was in regard to ongoing negotiations with MAPE. Discussion was held regarding certain cost implications. No action is being taken at this time.

Mark Sylla representing Minnesota Sands, LLC met with the Board. He commented that he was present in the event a decision regarding two specific mines, being the VanGundy and Johnson quarries, was made.

File No.13 -- Auditor Meiners reported that quotes have been solicited for the demolition of the tax forfeited house located in Houston City. At this time all quotes received until 4:30 p.m. on Friday, October 19, 2012 were opened and read:

Ole's Excavating Inc. Houston, MN 55943	\$5,500.00
Botcher Construction Houston, MN 55943	\$6,445.00
Generation X Construction Rushford, MN 55971	\$7,450.00

Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to accept the low bid of \$5,500.00 submitted by Ole's Excavating Inc.

File No. 14 -- At this time Donna Buckbee submitted correspondence to each commissioner.

The time being 10:10 a.m., motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to go into closed session to discuss matters protected by attorney/client privilege.

Donna Buckbee stated that she is part of a group which has filed to be interveners and questioned whether Minnesota Sands, LLC would be part of the closed session. Minnesota Sands, LLC will not be participating in the closed session.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to return to open session.

Chairperson Miller stated that the closed session was held in order to engage in detailed discussion regarding a proposed temporary operating agreement. In addition, the potential benefits and costs associated with the proposed agreement with Minnesota Sands, LLC were also discussed.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried not to enter into a temporary agreement with Minnesota Sands, LLC at this time.

File No. 15 -- Zoning Administrator Scanlan reported on a CUP requested by JB Holland for mineral extraction in the township of Money Creek. This request is being made as a result of the Perkins Valley Drive bridge replacement project. Dennis Kinstler is the land owner with the existing borrow pit. JB Holland was awarded the bid for the bridge replacement project. The application included an operations plan and reclamation plan. The request is for the removal of 30,000 cubic yards of material. There is a familial cemetery located nearby. An archeological study has been completed and finds that no negative impacts to the cemetery are expected. The Planning Commission has recommended approval of the CUP. Dale Omodt spoke regarding the close proximity of the borrow pit to the family cemetery. Commissioner Bjerke questioned why the findings noted that the enjoyment of property in the vicinity was marked no. Zoning Administrator Scanlan reported that the neighboring borrow pit has been active. The proposed borrow pit will be farther away from the cemetery and the existing borrow pit. The Board questioned how long they have to rule on this request. Zoning Administrator Scanlan reported that the application was filed on September 9th. A decision is required within 60 days. Without counting exact days on the calendar, 60 days will be approximately November 9th. Failure to make a decision by the deadline would result in automatic approval. Commissioner Bjerke questioned options for proceeding. Zoning Administrator Scanlan reported that board members could view aerial photos of the site or make a site visit. Mr. Omodt offered to meet commissioners during an on-site visit.

Adam Larson, representing JB Holland commented that they are pursuing a different location. He expressed concern that another archeological study on the alternate site will cost time. They are concerned with ensuring that material for the project is available.

Lucille Omodt Crow is the owner of a farm located on Perkins Valley Drive. The cemetery being discussed is 158 years old. The topography is unique, there is a shoulder where the cemetery is located and the amount of material which is proposed to be removed equals an

amount equal to a 9 story building. This is significant. This proposed quarrying will isolate the family cemetery as an island. The pit will create a permanent eyesore. Ms. Crow stated that there are two alternate sites. One is near the construction location, and the other is perhaps ¼ mile in the opposite direction. The property owners of both of these sites would be receptive to this project. Ms. Crow wants a long term solution with no impact on the neighborhood.

Dale Omodt expressed concern that this project will close one of two outlets to the valley. The other outlet is a minimum maintenance road which suffered substantial damage during 2007. This road is slated for repair and reconstruction in 2013. He supports confining both the material quarrying and project to the same site. He stated that 32,000 cubic yards of material hauled in 20 cubic yard loads will result in 1,600 loads of material being moved along the township road. This will be a tremendous amount of traffic.

It was noted that an archeological study will be required for the second site. The application for a CUP for the second site will require the same public hearing.

File No. 16 -- Zoning Administrator Scanlan reported that Randy Roemer has applied to build a cabin in Black Hammer Township. The cabin will not exceed 400 square feet nor will it have utilities. 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 Conditional Use Permit:

Randy Roemer – Black Hammer Township – Build a cabin in an agricultural district

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to renew CUP #146 for Fred Sandvik/Old Hickory Orchards, and also CUP #216 for Dan Van Lin/Van Lin Orchards both for temporary ag housing.

File No. 17 -- On the recommendation of the Planning Commissioner, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the following zoning permits:

Greg Bichel – Union Township - Install trailer to replace house (16' x 80') and pole building (60' x 104')

Solum Farms/James Solum – Black Hammer Township - Build additions onto free-stall barns (70' x 72') and 2 -(12' x 36') (no increase in animal units)

Allen Deters – Spring Grove Township - Build pole building/machine shed (40' x 64')

Daniel and Laurie Nekola – Mound Prairie Township - Build garage (32' x 44')

Pat and Julie Burns – Sheldon Township - Build garage/shed (30' x 40')

Wayne Dosch – Mound Prairie Township - Build wood shed (20' x 60') and lean-to on garage (14' x 24')

Commissioner Zmyewski questioned whether there was technology available to project handouts to a larger screen in the event a guest presents them during a meeting. This would allow those in attendance to view the items submitted. He suggested checking into this possibility.

Commissioner Walter reported that she attended a meeting in La Crescent City regarding Victim Services. Houston County asked that the City contribute \$3,500.00 towards the continuation of the Victim Services Program in Houston County. The City has offered to contribute \$5,000.00 towards the program provided the County agrees to fund the balance to retain the program.

Attendance at the AMC District meeting was discussed.

Commissioner Schuldt reported that he met with Chuck Schulte at the Highway Department Building to view the building deficiencies.

Commissioner Zmyewski reported that he attended a City of Houston EDA meeting and also a frac sand study committee meeting.

Chairperson Miller reported that he attended a frac sand study committee meeting and also a Bike Trails meeting. Discussion was held at the Bike Trails meeting regarding the possibility of signage being posted so that State 16 would be more widely utilized as a connection between the Root River Trail and Wisconsin.

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. 18 -- Notice of special meeting on October 24th to review budgets

File No. 19 -- Letter of appreciation for Sandee Feuerhelm's years of service

There being no further business and the time being 11:26 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, October 30, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 30, 2012

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 Bialkowski, Schuldt, & Moorhead; Richard Torgeson; Wayne Meyer; Dale Omrodt; Yvonne Krogstad; Chuck Schulte; Engineer Pogodzinski; Zoning Administrator Scanlan; Environmental Services Director Frank; Tom Sawle; Wayne Purtzer; Joan Redig; Network Technician Shaver; IS Director Milde; Court Administrator Larson; Finance Director Lapham; HR Director Arrick-Kruger; Sheriff Ely; Jail Administrator Schiltz; PHN Director Rock; Victim Services Coordinator Herman; County Attorney Hammell; Investigator Sass; Assistant County Attorney Bublitz; PHN Accountant Lillegraven; Interim Social Services Supervisor Sanness; GIS/E911 Coordinator Kzroska; Denise Schaeffer; VSO Gross; EDA Coordinator Wilms; Recorder Bauer; Surveyor Walter

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 23, 2012 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	\$21,022.66
Road & Bridge Fund	11,768.86

Total	\$32,791.52
	=====

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

IS Director Milde introduced Jeremiah Shaver. Mr. Shaver was recently hired to fill the Network Technician position in IS.

Court Administrator Larson presented the revised dedication plaque for the Justice Center.

File No. 3 -- Engineer Pogodzinski presented a revised Bridge Replacement List for approval. He explained how the list is utilized. Commissioners questioned the funding streams for the bridges on the list. Engineer Pogodzinski stated that most of the bridges will qualify for funds from either the town bridge or state aid accounts. He indicated that at least one project is expected to receive federal funding and some of them may qualify for bridge bonding funds. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve the prioritized bridge replacement list and to adopt the following resolution:

RESOLUTION NO. 12-51
Prioritized Bridge Replacement List
 October 30, 2012

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
L3993	South Prairie Dr	496,460	476,460	0	0	20,000	0	2013
L2546	Daley Creek Dr	372,860	224,110	0	128,750	20,000	0	2013
L4556	Charlie Dr	408,910	234,410	0	154,500	20,000	0	2013
28503	CSAH 3	684,950	288,400	0	396,550	0	0	2013
88417	CSAH 8	1,968,411	560,867	1,407,544	0	0	0	2013
L2547	Daley Creek Dr	429,510	234,410	0	175,100	20,000	0	2013
88418	CSAH 9	1,379,170	1,379,170	0	0	0	0	2014
6671	CR 249	612,139	0	0	371,315	240,824	0	2014
7546	CSAH 19	559,094	559,094	0 0	0	0	0	2014
88419	CSAH 10	373,437	373,437	0 0	0	0	0	2014
1703	Looney Valley Rd	373,437	226,129	0	127,308	20,000	0	2014
L3985	Rood Rd	288,565	183,693	0	84,872	20,000	0	2014
L4571	Bush Valley Rd	515,767	495,767	0	0	20,000	0	2015
L3990	Old Indian Trail Rd	306,494	286,494	0	0	20,000	0	2015
L3984	Wiebke Hill Road	295,567	249,903	0	25,664	20,000	0	2015
L3983	Wiebke Hill Rd	295,567	249,903	0	25,664	20,000	0	2015
6940	CR 249	690,602	0	350,000	95,614	244,988	0	2015
88425	CSAH 17	499,375	187,445	245,000	66,930	0	0	2015
L4011	Rooster Valley Road	491,847	342,413	0	129,434	20,000	0	2016
L4549	Fort Ridgley Rd	491,847	342,413	0	129,434	20,000	0	2016

L3994	Wildflower Dr	491,847	342,413	0	129,434	20,000	0	2016
8161	CSAH 12	396,179	396,179	0 0		0	0	2016
L4573	Bush Valley Rd	506,603	353,286	0	133,317	20,000	0	2017
L9669	Swede Bottom Rd	506,603	353,286	0	133,317	20,000	0	2017

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. 4 -- Zoning Administrator Scanlan stated that last week, the ruling related to the JB Holland request for a conditional use order for mining extraction was tabled to allow time for additional research. Commissioners Schuldt and Walter met on-site with Zoning Administrator Scanlan. Members of the Money Creek Township Board were present and expressed their concerns. Dale Omodt, Town Board Chairperson read from a prepared statement which he submitted. The Town Board opposes the proposed mining extraction site. Mr. Omodt has spoken with both Commissioners Walter and Zmyewski in this regard. In addition, the contractor has two other sites which the Town Board expressed would be better choices. Mr. Omodt expressed concern that the Town Board is being bullied by the contractor, County Zoning Office and Highway Department to support this particular site when other, more suitable sites are available. Chairperson Miller indicated that he had visited the site also. Commissioner Zmyewski expressed his support of the Town Board. He indicated that he does not agree with findings #9 or #10 and that he has concerns whether a 150 foot setback from the cemetery is adequate. Engineer Pogodzinski urged caution in using road impacts as the argument to support denial of the application. Chairperson Miller expressed concern with the manner in which decisions are made. In this situation there is a Town Board who feels strongly about the situation, while on the other hand the Planning Commission is charged with making recommendations to the Board. Chairperson Miller expressed his opinion that the Town Board is deserving of the County Board's respect in this matter. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to deny the Conditional Use Permit. Zoning Administrator Scanlan confirmed that the basis for the denial are #'s 9 and 10 on the findings.

File No. 5 -- County Attorney Hammell provided an update regarding the Victim Witness Program. She submitted a letter from Olmsted County Attorney Mark Ostrem and a letter from a recipient of services provided by the program in support of its continuation. She provided an updated cost estimate reflecting the cost share amounts which have been proposed to each of the cities within the county. La Crescent City has already approved an appropriation to the program in excess of the amount requested. This speaks volumes regarding the worth and need of the program. County Attorney Hammell is scheduled to meet with the Caladonia City Council on November 13th. She reiterated that the County has been fortunate to have been awarded external funding to support the program for so many years prior to this. Commissioner Zmyewski expressed his support for the program and indicated that he has utilized services offered as a result of the program. In addition, the county has invested a significant amount to provide for the

needs of criminals. The County should provide the necessary funding to aid the victims. Commissioner Bjerke expressed his support for the continuation of the program.

File No. 6 -- PHN Director Rock reported that the trailer requiring disposal has been removed from the lot and taken to a staging area. The asbestos abatement is scheduled to take place soon. Immediate Response Abatement of La Crosse, Wisconsin will be completing the asbestos abatement. They will remove the roof which may impact the structural integrity of the mobile home. This service will be completed for the amount of \$4,950.00. Options related to maintaining the integrity of the structure or alternative options are being discussed. It is possible that the mobile home would need to be demolished at the staging area and hauled to the landfill as opposed to pulling the mobile home to the landfill intact. It may also be possible to construct framework to maintain the integrity so that the unit may be pulled to the landfill as originally planned. Chairperson Miller questioned whether the county will be able to recapture the costs of clean up. PHN Director Rock is working with Treasurer Trehus to learn more regarding recovery options. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the asbestos abatement proposal with Immediate Response Abatement. Environmental Services Director Frank stated that no department has funds available within their budgets for these clean up expenses. The departments are attempting to absorb costs but it is difficult and may not be possible to do so.

Environmental Services Director Frank reported that he has contacted 4 consultants regarding a 3rd party review of the Erickson Quarry EAW. Two of the four have declined his request for proposal. The remaining two will review his request and respond. He stated that the EAW is expected to be completed soon.

File No. 7 -- HR Director Arrick-Kruger reported that 5 individuals have been interviewed for the open social worker positions. She recommended the hire of both Melissa Foth and Susan Rockers-Wittkopp. Ms. Foth will be working with children's mental health cases and Ms. Rockers-Wittkopp will be working with child protection cases. Interim Social Services Supervisor Sanness reported that Ms. Rockers-Wittkopp worked for Houston County between 1994 and 1998. She has a desire to relocate back to the area and has been working for Mower County. Ms. Foth has extensive history working with disabled children and comes to the County from ABC. Interim Social Services Supervisor Sanness reported that the child mental health social worker position qualifies for targeted case management reimbursements. In addition the positions may qualify for certain grants which may be used to offset the cost of the position. The positions are not new, they are being refilled. The child protection position FTE has been increased as a result of some departmental reshuffling.

Chairperson Miller reported on a meeting he recently attended in Owatonna. During the meeting, performance measures were discussed. He expressed his understanding that there is an expense related to staffing. However, adequate staffing is required because failing to meet standards has significant financial and liability implications. Commissioner Bjerke confirmed that these hires are related to backfilling vacancies. Motion was made by Commissioner Walter,

seconded by Commissioner Bjerke and unanimously carried to hire Melissa Foth at step 1 of the appropriate comparable worth band effective November 14, 2012 and also to hire Susan Rockers-Wittkopp at step 2 of the appropriate comparable worth band effective December 3, 2012.

HR Director Arrick-Kruger requested that last week's action to hire Sandee Feuerhelm on the 67-day employee roster as a jailer/dispatcher be rescinded. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to rescind said action.

Auditor Meiners questioned who would be attending an upcoming AMC Conference. It was agreed that Commissioners Walter, Zmyewski and Chairperson Miller would be attending.

File No. 8 -- Auditor Meiners reported that Commissioner Bjerke has been the MCIT voting delegate. Commissioner Schuldt is currently listed as the alternate. It was the consensus of the Board to name Commissioner Schuldt as the delegate and Commissioner Zmyewski as the alternate.

The time being 10:15 a.m. the Board met with PHN Director Rock and PHN Accountant Lillegraven regarding the proposed 2013 Public Health Department. Commissioner Walter reported that she and Commissioner Schuldt have been meeting with Public Health staff to obtain a better understanding of their budget. She indicated that the last couple of years there have been issues with getting our Medicare reimbursements. PHN Director Rock reported that they have prepared two separate budget options, one with home care and one without. After discussion the Board requested more information as to cuts that could be made if home care services were no longer provided by Houston County.

The Board met with Denise Schaffer from Court Services regarding the proposed 2013 budget.

The Board met with Environmental Services Director Frank and Zoning Administrator Scanlan regarding the proposed 2013 budget. Discussion was held regarding increasing the fee for Conditional Use Permits, as the current fee does not currently cover the county's expenses involved in this process. Discussion was held regarding budgeting for attorney and consultant services in view of the issues coming forward with mining.

After discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to increase the Conditional Use Permit fee to \$500.00 effective immediately.

Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to increase the solid waste household fee by 50 cents effective January 1, 2013.

The Board met with Surveyor Walter regarding his proposed 2013 budget.

The Board met with GIS/E911 Coordinator Krzoska regarding his proposed 2013 budget. Mr. Krzoska stated that MCCC is starting a user group for counties using Beacon. So he plans to terminate our beacon contract at year end and go with MCCC which will result in a savings.

The time being 12:20 the Board recessed for lunch.

The Board reconvened at 1:00 p.m.

The Board met with EDA Director Wilms regarding his proposed 2013 budget. Commissioner Bjerke suggested having cities contract with Houston County for EDA services.

The Board met with Recorder Bauer regarding her proposed 2013 budget.

The Board met with Veteran Services Officer Gross regarding his proposed 2013 budget.

The Board met with County Attorney Hammell regarding her proposed 2013 budget. Discussion was held regarding increasing child support fees. County Attorney Hammell indicated that the Victim Services line item she is proposing to add to her budget would be approximately \$32,449.53, depending upon the level of contributions the cities make toward this program. It was the consensus of the Board to add the necessary amount to the County Attorney's budget to fund this program.

The Board met with HR Director Arrick-Kruger to discuss the proposed 2013 budget.

Commissioner Walter reported on District IX and 7 Rivers Outdoor Recreation meetings which she attended.

Commissioner Zmyewski reported on frac sand study committee and EDA meetings which he recently attended.

Chairperson Miller reported that during the recent EDA meeting, the group visited FlexCraft. The group has been visiting area businesses to learn more about them. This allows the group to identify ways in which the organization may provide opportunities to grow the business. He also reported on a 7 Rivers Outdoor Recreation meeting which he attended and also a frac sand study committee meeting.

Chairperson Miller stated that AMC has identified 23 action items for the upcoming legislative session.

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 hire and change in FTE

File No. 10 -- MCIT 2012 Annual Meeting Announcement and Notice of Board Election

File No. 11 -- Revolving Loan agreement for La Crescent Corner Café approved August 21, 2012

There being no further business and the time being 3:10 p.m., motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 13, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 20, 2012

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 Bialkowski, Schuldt, & Moorhead; Chuck Schulte; Donna Buckbee (taped the proceedings); Chad Oness; Judy Storlie; Finance Director Lapham; Betts Reedy; Engineer Pogodzinski; Mike Fields; Dana Kjombe; Yvonne Krogstad; Court Administrator Larson; Tim Lange; Environmental Services Director Frank; HR Director Arrick-Kruger; County Attorney Hammell

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 13, 2012 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	\$100,867.08
Road & Bridge Fund	527,230.15

Total	\$628,097.23
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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.

File No. 3 -- Environmental Services Director Frank stated that the Board elected to have a third party review the EAW submitted for the Erickson Quarry. He was charged with soliciting proposals from qualified consulting firms and making a recommendation to the Board. A panel including Zoning Administrator Scanlan, Engineer Pogodzinski, Commissioners Schuldt and Zmyewski, and himself interviewed perspective firms. The goal established by the Board is to enter into an agreement for services with a firm that does not have ties to frac sand mining in Houston County. SEH/Short, Elliott and Hendrickson Consulting Firm was interviewed by the panel. Members of the interview committee expressed that SEH participated in the interview, were transparent and the panel was comfortable with their representatives. SEH Consulting Firm

has knowledge of the frac sand mining industry from work they have participated in from Wisconsin. They have no connection to frac sand mining or those involved with it in Houston County. An informational packet related to SEH was provided along with other materials in preparation for today's meeting. Environmental Services Director Frank reported that he has a rough draft of the EAW for the Erickson Quarry on his desk at this time. If approved, SEH will work with the firm preparing the EAW to ensure that all concerns are addressed within the EAW. Environmental Services Director Frank stated that he inquired with multiple organizations regarding his request for proposal and only SEH responded with confidence that they were not involved or connected to frac sand mining in Houston County. Commissioner Bjerke commented that Houston County has worked with SEH in the past. They completed the PSAP study. They have also worked with La Crosse County Solid Waste. Mike Fields questioned whether SEH still has a conflict. He indicated that their goal is to ensure that their client's projects go through. Commissioner Bjerke stated that the County will be their client. The County has worked with SEH in the past and they have performed well. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve the hire of SEH to perform the third party review of the Erickson Quarry EAW.

Environmental Services Director Frank reported that the frac sand study committee has reviewed the first draft of the industrial sand mining ordinance. He noted that there is a separate section to be included in the ordinance to govern commercial sand mining for sand which is utilized for road and bridge projects or used as livestock bedding. There is significant consideration yet to be given to major issues within the industrial sand mining ordinance. He noted that there has been good discussion among members of the committee. The committee is working diligently to overcome the issues.

File No. 4 -- Court Administrator Larson reported that a Court Appointed Attorney contract was approved June 12, 2012. She presented the final contract for the appropriate signature. The contract is for a two year term at a cost of \$48,000.00 annually. This is less than the previous Court Appointed Attorney Agreement.

File No. 5 -- At this time Engineer Pogodzinski reported on the following bids received until 1:00 p.m. on November 14, 2012 for S.A.P. 28-996-06:

Minnowa Construction, Inc. Harmony, MN 55939	\$441,160.86
Taylor Construction, Inc. New Vienna, IA 52065	\$621,827.00

This project is for a bridge replacement on Day Valley Drive. The cost is being covered in part by Flood Bonds. The low bid provided by Minnowa Construction, Inc. is 0.5% below the Engineer's Estimate. The successful contractor has the option to begin the project this fall or next spring once road bans have been lifted. Motion was made by Commissioner Bjerke,

seconded by Commissioner Zmyewski and unanimously carried to accept the low bid of Minnowa Construction, Inc. in the amount of \$441,160.86.

Chairperson Miller reported on an MCIT dividend in the amount of \$206,033.00 which will be paid to the County. The amount is less than the amount paid in 2011 but more than the years prior to 2011.

File No. 6 -- HR Director Arrick-Kruger recommended the Board accept the resignation of social worker Kelly Smith. Ms. Smith has accepted a position with Hiawatha Valley. In addition, she recommended the Board approve the hire of Chelsey Senn at step 1 of the appropriate comparable worth band. In an effort to ensure a smooth transition the department would like Ms. Senn to begin work effective December 4, 2012, a few days prior to the effective date of Ms. Smith's resignation. Commissioner Bjerke expressed great concern with the amount of turnover within the social worker division of Human Services. He requested that no action be taken with regard to the employment offer to Ms. Senn until there has been further discussion. It was agreed to discuss this matter during the Human Services Board Meeting. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to accept the resignation of Kelly Smith effective December 7, 2012.

HR Director Arrick-Kruger recommended the approval of a status change for Tammy Petersen from probationary to regular effective November 29, 2012. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve said status change for Tammy Petersen.

Chairperson Miller reported on Outdoor Recreational Alliance meeting which he recently attended. The Alliance seeks to promote non-motorized activity within the Coulee Region area. The Alliance would like those who support their ideas to sign a compact. The compact does not create a financial liability for those who sign it. It is a public show of support of the Outdoor Recreational Alliance and its initiatives. Finance Director Lapham expressed concern that the compact be reviewed by County Attorney Hammell. She indicated that the State Auditor may view the compact as something akin to a Joint Powers Agreement. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the compact, subject to the approval of County Attorney Hammell.

Discussion was held regarding linking the bike trail which currently ends in Houston City to the coulee region/Wisconsin. Concerns have been raised regarding State 16 and rumble strips. There has been consideration given to designating County 21 instead. The use of County 21 also raises safety concerns because County 21 does not have shoulders.

The time being 9:30 a.m., motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to convene the Public Hearing to consider proposed new fees.

File No. 7 -- Treasurer Trehus has proposed a revenue recapture fee in the amount of \$30.00. This would be in addition to any amounts to be recovered through revenue recapture. Treasurer Trehus explained the process her office goes through in order to proceed with revenue recapture. The office is required to send a notice to the delinquent party 90 days prior to implementing revenue recapture. She hopes to utilize revenue recapture for the collection of delinquent mobile home taxes and also clean up fees associated with a recent meth trailer. The fee would offset the expenses her office incurs as part of the collection process. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the proposed new fee.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to close the public hearing and to reconvene in open session.

At this time County Attorney Hammell requested a closed session be convened to discuss threatened litigation. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to convene in closed session.

Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to reconvene in open session.

Chuck Schulte requested a synopsis of proceedings of the closed session. Chairperson Miller stated that the session was convened to discuss threatened litigation. Mr. Schulte requested the names of the parties involved. Chairperson Miller indicated that the information was not public, and in the event Mr. Schulte had additional questions, he should refer those to County Attorney Hammell.

Commissioner Schuldt reported on a Semcac meeting which he attended.

Commissioner Zmyewski reported on the frac sand study committee meeting which he attended. He indicated that one area of great concern is ground water. He stated that Fillmore County's ordinance is reported to exclude the use of water or chemical flocculants for the washing of frac sand. He questioned whether it would be appropriate for the Board to give a directive to the frac sand study committee in this regard. Chairperson Miller expressed his agreement that the ordinance should exclude the use of water and/or chemical flocculants. He expressed his belief that it would be appropriate for the Board to give a directive in this regard. It was agreed that the Board is in favor of restricting the use of water for this type of mining. The area has karst topography and the county should not take risks with regard to the ground water. This is the type of issue where damage may not become apparent until twenty years from now. Motion was made by Commissioner Zmyewski, seconded by Commissioner Bjerke and unanimously carried to direct the study committee develop the ordinance to disallow the use of water for processing, prohibit the use of chemicals and mining to the depth of the water table.

Commissioner Zmyewski reported that during the most recent frac sand study committee discussion was held regarding truck traffic. Concerns related to mine density and the resulting truck traffic were discussed. Commissioner Zmyewski cited a news article regarding mining in Allamakee County, Iowa. In the article it stated that the mined product from the Allamakee County area would be shipped to either Clayton, Iowa or Winona, Minnesota. In the event the product was shipped to Winona, Minnesota, the haul route would take truck traffic through Houston County. Individuals present disagreed with Commissioner Zmyewski's assertion. When the Chairperson opened the floor for visitor comment, Rick Frick accused Commissioner Zmyewski of lying. Commissioner Zmyewski stated that a proposal submitted to the County indicated that 10 trucks per hour would be hauling product from the mine and returning. The mining hours were proposed to cover a 14 hours per day. If you calculate this out, one can expect nearly 300 trucks per day to be traveling the haul route. Mr. Frick stated also that he will not be utilizing County Roads as haul routes because he is unwilling to pay the proposed taxes. Commissioner Zmyewski stated that he finds this disturbing. In addition, non-use of County Roads will likely reduce haul route options. Chairperson Miller believes that Winona passed something that will impact truck traffic to the Winona area. It is possible that more traffic will be destined for St. Charles as a result. St. Charles is expected to have a rail spur which frac sand would be hauled into. It was noted that there are committee members who do not desire to limit mine density.

Commissioner Zmyewski reported that he attended a Planning Commission meeting this past Thursday. The owner of JB Holland was present to request approval of an alternate borrow pit since the proposed pit located on the Dennis Kinstler property was denied. The Planning Commission recommended approval of the Kinstler site borrow pit however, the County Board denied issuance of the permit based on strong opposition by the Town Board. The owner of JB Holland commented that the alternate site is a better option. Material required for the project will not need to be trucked because of the close proximity to the project site. He indicated that he would have requested approval for this site even if the initial site request had been granted. His company will not suffer any financial loss as a result of the denied permit. During this meeting, Charlie Wieser suggested that the County dissolve the Planning Commission. He accused the County Board of poor decision making with regard to frac sand mining. Commissioner Walter suggested that Mr. Wieser was simply venting his frustrations. Terry Rosendahl, another Planning Commission member suggested that County Board members "count pigs". This comment was in regard to a recent application related to a hog confinement building. Commissioner Zmyewski stated that comments such as these reflect a lack of respect. This lack of respect causes Commissioner Zmyewski concern. Commissioner Bjerke commented that the Planning Commission does good work. He expressed that he does recall two occasions when the County Board ruled opposite the Planning Commission's recommendation. Members of the County Board are cognizant of the hard work Planning Commission members perform. Commissioner Bjerke reiterated his appreciation for Planning Commission members. Chairperson Miller stated again that the full County Board supports the Planning Commission. He expressed his belief that the group has an important function and they perform their work well.

Chairperson Miller reported on a CJC meeting which he attended. Discussion was held regarding security issues. There is technology (metal detectors) which is not being utilized. Security processes and procedures will be reviewed.

Commissioner Walter provided a reminder of the upcoming Joint Board of Health meeting.

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

File No. 8 -- Correspondence to payroll regarding status change and addition of county position

File No. 9 -- Notice for bids on 22 acres of cropland

File No. 10 -- MCIT 2012 Dividend

There being no further business and the time being 10:11 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, November 27, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 27, 2012

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 Bialkowski, Schuldt, & Moorhead; Dana Kjom e; Chuck Schulte; Finance Director Lapham ; Jail Administrator Schiltz; Engineer Pogodzinski; Environmental Services Director Frank; Zoning Administrator Scanlan; Denise Schaffer; Adam Larson; Dennis Karlsbrotten; HR Technician Diersen

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 20, 2012 meeting.

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

County Revenue Fund	\$83,176.72
Road & Bridge Fund	278,076.81

Total	\$361,253.53
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File No. 2 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve license center and Human Services disbursements.

File No. 3 -- HR Technician Diersen reported that Judy St. Mary worked as a transport officer approximately 4 years ago, and is available for this type of work again. On the recommendation of HR, motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to hire Judy St. Mary as a 67 day employee to assist as a transport officer.

HR Technician Diersen reported that recently four 67 day jailer/dispatchers were hired. Unfortunately, one of the individuals was not a good fit for said position. She recommended hiring Michael Rasmussen as a replacement for the other individual. Motion was made by

Commissioner Walter, seconded by Commissioner Schuldts and unanimously carried to hire Michael Rasmussen as a 67 day employee to work as a jailer/dispatcher.

HR Technician Diersen recommended that the status of Steven Garrett be changed from probationary to regular. Mr. Garrett has received positive reviews from supervisors in the Sheriff's Department where he works as a Deputy. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldts and unanimously carried to approve a change in status of Steven Garrett from probationary to regular effective December 5, 2012.

File No. 4 -- At this time Engineer Pogodzinski reported on the following bids received until 1:00 p.m. on November 14, 2012 for S.A.P. 28-996-18:

JB Holland Construction, Inc. Decorah, IA 52101	\$726,932.29
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Minnowa Construction, Inc. Harmony, MN 55939	\$772,612.22
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The low bid provided by JB Holland Construction, Inc. is 17% below the Engineer's Estimate. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to accept the low bid of JB Holland Construction, Inc. in the amount of \$726,932.29.

File No. 5 -- Engineer Pogodzinski reported that S.A.P. 28-996-18 qualifies for grant funding in the amount of \$404,735.01. These funds are available as a result of flood relief bonds. The project is for a bridge replacement on CSAH 25. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION 12-54
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: November 27, 2012

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 25, SAP 28-996-018; 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 \$ 404,735.01 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. 28-996-06 qualifies for grant funding in the amount of \$441,160.86. These funds are available as a result of flood relief bonds. The project is for bridge replacements on Day Valley Road. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the grant agreement with MnDOT and to adopt the following resolution:

RESOLUTION 12-55
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: November 27, 2012

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 Day Valley Road (Mound Prairie Twp) SAP 28-996-006); 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 \$ 441,160.86 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 on bids received for S.A.P. 28-996-02 on Christianson Hill Road. Three bids were received of which two were not read because they did not meet specifications and the other exceeded the Engineer's Estimate significantly. He recommended rejecting all bids. The specifications have been reviewed and will be amended in

an effort to reduce the overall cost of the project . Once these changes have been incorporated to the specifications, the project will be put out for bid. Chairperson Miller questioned whether changes may be made without affecting the integrity of the project. Engineer Pogodzinski explained the proposed changes and how they will impact the cost of the project. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to reject all bids received for S.A.P. 28-996-02.

File No. 8 – 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 Permit:

J.B. Holland Construction – Money Creek Township - Mineral Extraction

Zoning Administrator Scanlan reported that Travis Zenke has requested renewal of a CUP for substantial land alteration in a shoreland district. Top soil is removed from the area. Ponds for wildlife habitat have been created as a result. No concerns have been raised related to this operation. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to renew CUP #262 for Travis Zenke/Zenke Partnership. Environmental Services Director Frank provided additional information related to the project.

File No. 9 -- Zoning Administrator Scanlan presented a listing of zoning permits for approval. Commissioner Zmyewski stated that he has been contacted by several individuals who have expressed their concerns regarding a permit for Scott Sanness to build a hog confinement building and that he will exceed the approved number of animal units. Mr. Sanness is permitted to house 1,500 animal units. Zoning Administrator Scanlan explained that the majority of pigs born are subject to contract. Hog owners have come to realize that hogs should not be overpopulated within buildings and there are health benefits to providing hogs with adequate space. Mr. Sanness is amending the number of animal units to be housed within his various buildings and is adding this building in order to more comfortably house the number of animal units he is approved for. Chairperson Miller questioned who is responsible to monitor whether Mr. Sanness exceeds his approved number of animal units. Zoning Administrator Scanlan responded that, as the County Feedlot Officer, he would be responsible for this monitoring. In the event a complaint was submitted, he would be obligated to “count tails”. He would refer his findings to the MPCA representative in Rochester, as they are the oversight agency. Following discussion and on the recommendation of the Planning Commission, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the following zoning permits:

Brian Erickson – Spring Grove Township - Build addition on garage (36’ x 48’)

John Wruck – Money Creek Township - Build detached garage (30’ x 32’)

Paul Rosaaen – Black Hammer Township - Build lean-to on pole shed (20' x 60') and replace barn that was torn down (32' x 70')

Chester Doering – Mayville Township - Build confinement barn addition for calves (16' x 160')

Jim Link – Mayville Township - Build pole shed (36' x 54')

Gary Wilson – Houston Township - Build garage extension (26' x 16')

Michael and Claudette Semling – Money Creek Township - Build barn (36' x 64')

Burton Fruechte – Wilmington Township - Build garage addition (20' x 22')

Jay Solum – Spring Grove Township - Build house (64' x 30') garage (28' x 28') porch (8' x 20')

Michael Woyczik – Brownsville Township - Build house (42' x 56')

Steve and Darlene Quinnell – Wilmington Township - Replace trailer house (14' x 62')

Jerry Welke – Hokah Township - Build pole shed (12' x 25')

Scott Sanness – Wilmington Township - Build confinement barn for hogs (61' 4" x 164') no increase in animal units

Ingvalson Hilltop Farms – Caledonia Township - Build storage shed – ag use (30' x 50')

Hidden Bluffs, Inc. – Black Hammer Township - Build addition on maintenance shed (24' x 24')

Paul Zilly/Spring Grove Lumber – Spring Grove Township - Build lumber storage addition (22' x 40')

Bob Scanlan – Brownsville Township - Build lean-to addition on existing shed (12' x 70') install sign (4' x 8')

Tom Frisby – Houston Township - Build a storage building/garage (44' x 46')

Richard Van Lin – Hokah Township - Build bedroom addition on house/garage (28' x 28')

File No. 10 -- Denise Schaffer requested authorization for probation officers who are State employees under contract with the County to utilize County owned vehicles. The contract provides for these employees to be reimbursed mileage. The current mileage rate charged by the State to the County is \$0.555. The County has vehicles in the Zoning, Sheriff's and Veterans Service Departments which could be utilized if available. It is expected that allowing the use of a County vehicle to these individuals would be less costly than reimbursing them for mileage. Winona County allows its probation officers the use of County owned vehicles. Chairperson Miller clarified that the county is responsible for the costs whether these individuals utilize a county vehicle or are reimbursed for mileage. Ms. Schaffer assured that Board that if her request is granted the department will utilize county vehicles if available before seeking individual mileage reimbursement. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the use of county vehicles for probation officers.

Commissioner Zmyewski reported on a frac sand study committee meeting which both he and Chairperson Miller attended last evening. Chairperson Miller stated that zoning needs to be entrusted with some discretion. Discussion was held regarding decibel levels and mine density.

Auditor Meiners reported that Duane Hebert, of Winona County has responded that Winona County would be willing to host a multi county meeting related to redesign.

Auditor Meiners provided a reminder of the TNT meeting which is scheduled for Thursday, December 6th.

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 status change and recent hire

File No. 12 -- Notice for 2013 advertising bids

File No. 13 -- Letter of appreciation for years of service

File No. 14 -- Correspondence from MN Dept of Labor & Industry regarding Highway Department Building

File No. 15 -- Houston County Historical Society Treasurer's Income Report

File No. 16 -- Correspondence regarding denial of CUP

There being no further business and the time being 9:51 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 11, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 18, 2012

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 Bialkowski, Schuldt, & Moorhead; Chuck Schulte; Robin Danielson; Engineer Pogodzinski; Treasurer Trehus; Surveyor Walter; Recorder Bauer; HR Director Arrick-Kruger; Environmental Services Director Frank; Finance Director Lapham; IS Director Milde; Chief Deputy Sheriff Yeiter; Interim HS Director Bahr; Financial Services Supervisor Kohlmeyer; Jessie Reed; Michelle Massman

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 11, 2012 meeting.

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	\$100,827.04
Road & Bridge Fund	264,300.98

Total	\$365,128.02
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File No. 2 -- Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve license center and Human Services disbursements.

Robin Danielson expressed concern that she may wish for corrections to be made to the official minutes. She questioned the procedure for this. Discussion was held. After discussion Ms. Danielson agreed that the minutes, as written, properly addressed her area of concern.

File No. 3 -- Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 51 in connection with S.P. 28-608-13 on County 8. The project spans a three mile stretch. Several land acquisition will be required which will impact 21 parcels and approximately six landowners. Due to the size of the project, appraisal and appraisal reviews are required.

Commissioner Bjerke questioned whether County Assessor office personnel is utilized to perform appraisals. Discussion was held. Commissioner Schuldt questioned the cost for each appraisal. Engineer Pogodzinski responded that each appraisal costs approximately \$400.00, however, this fee fluctuates with difficulty and various other factors. Surveyor Walter commented that he performed work in conjunction with the preparation of the plat which was interesting due to the location of the state borderline. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to approve Plat No. 51 and to adopt the following resolution:

RESOLUTION NO 12-59

RESOLUTION TO APPROVE AND ACCEPT HOUSTON COUNTY RIGHT OF WAY PLAT NO. 51 FOR THE RECONSTRUCTION OF STATE PROJECT 028-608-013.

WHEREAS; Houston County desires to improve and reconstruct County State Aid Highway No. 8, Between 630 feet South of the Junction with State Line Road and the Junction with T.H. 44, with Grading, Bridge Replacement (No. 88417 Old) (No. 28J44 New), Concrete Curb and Gutter, Aggregate Base and Surfacing, identified as SP 028-608-013; and

WHEREAS; the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat Number 51 to identify and delineate the right of way and temporary easements within the state of Minnesota required for this project; and

NOW THEREFORE BE IT RESOLVED; that Houston County approves and accepts Houston County Right of Way Plat No. 51 as designating the definite location of that part of County State Aid Highway No. 8, located in Sections 20, 29, & 32, Township 101 North, Range 7 West, as presented on this date, December 18, 2012, 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.

Engineer Pogodzinski reported that the County has 7 projects subject to flood bonding. Agreements for six of the projects were approved, however, there is a need to amend the agreements to provide flood bond funds to cover cost overruns associated with or anticipated with the projects. The projects are in process or scheduled for completion in the coming year.

File No. 4 -- SAP 28-996-19 located on County 26 is nearing completion. There were cost overruns as a result of there being less base than anticipated. The total cost of the project is \$1,139,766.76 which is \$49,987.58 more than the originally approved amount of \$1,089,789.18. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and

unanimously carried to approve Amendment No. 1 to the 2008 Local Road and Bridge Disaster Relief (LRBDR) Grant Agreement 99346.

File No. 5 -- SAP 28-996-17 located on County 22, which is a bridge rebuilding project, has been largely completed and is awaiting final approval. The original grant in the amount of \$215,290.50 was approved, and an additional \$10,000.00 is being added to the grant amount to cover any cost overruns. The total LRBDR Grant Agreement will be for \$225,290.50. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Amendment No. 1 to the 2008 LRBDR Grant Agreement 01182.

File No. 6 -- SAP 28-996-18 located on County 25 has been let. The successful bidder, JB Holland, will begin work on the project in spring 2013. The original grant amount approved was for \$404,735.01, an additional \$20,000.00 is being approved to cover any cost overruns. The total grant amount approved will be \$424,735.01. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve Amendment No. 1 to the 2008 LRBDR Grant Agreement 01615.

File No. 7 -- SAP 28-996-07 located on Perkins Valley Drive had an original grant amount of \$619,903.50. An additional \$31,000.00 is being approved to cover any cost overruns for a total grant amount of \$650,903.50. Motion was made by Commissioner Schuldt, seconded by Zmyewski and unanimously carried to approve Amendment No. 1 to the 2008 LRBDR Grant Agreement 00165.

File No. 8 -- SAP 28-996-06 located on Day Valley Drive had an original grant amount of \$441,160.86. An additional \$20,000.00 is being approved to cover any cost overruns for a total grant amount of \$461,160.86. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve Amendment No. 1 to the 2008 LRBDR Grant Agreement 0188.

File No. 9 -- SAP 28-996-09 located on County 6 had cost overruns as a result of soft soils. The original grant amount was \$352,842.85. An additional \$37,546.81 is being approved to cover the added expenses for a total grant in the amount of \$390,389.66. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to approve Amendment No. 1 to the 2008 LRBDR Grant Agreement 98677.

File No. 10 -- Engineer Pogodzinski requested approval of a 2008 LRBDR Grant Agreement for SAP 28-996-02 located on Christianson Hill Road. This is a township project with FEMA and Flood Bond funding. In order to ensure that adequate funds are available to cover the cost of the project all remaining flood bond funding is being assigned to this project. The 2008 LRBDR Grant Agreement amount is \$438,805.87. The township will be responsible to cover any amount in excess of the external funding amounts. Motion was made by Commissioner Schuldt, commissioner Zmyewski and unanimously carried to approve the 2008 LRBDR Grant Agreement and to adopt the following resolution:

RESOLUTION NO. 12-60
For Agreement to State Transportation Fund (Flood Relief Bonds)
Grant Terms and Conditions
Date: December 18, 2012

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 Christianson Hill Road, (Money Creek Twp) SAP 288-996-002; 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 \$ 438,805.87 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 in budget years 2010 and 2011 funds were budgeted in preparation for possible land acquisition. Additional funding for land acquisition was discontinued. The portion of funding which would have been local was utilized to perform the paving project which was completed at the airport this past construction season. In the event the County moves forward with resurfacing the runway, funds will need to be designated to cover the expense. Engineer Pogodzinski reported that 100% of the runway costs will be covered either by entitlement and/or State funding. The cost for paving the apron area will be covered 95%. There will be a need for the County to fund the remaining balance of 5% which is estimated at \$20,000.00. In order to secure the available funding, a contract will need to be in place by April 2013. The cost of the project would increase to a County cost of approximately \$50,000.00 if the contract is not in place by the deadline. Chairperson Miller questioned whether the Friends of the Airport could be approached to contribute to the required local portion. The group may be approached, however, they are not required to contribute. Engineer Pogodzinski indicated that there should be funds which were set aside for various airport improvements which could be utilized to cover the expense. Chairperson Miller indicated that the flyers are the individuals who will benefit from the improvements.

Chairperson Miller questioned as to the status of the proposed fixed base operation agreement. It is currently with County Attorney Hammell. Engineer Pogodzinski offered to check into the status.

File No. 11 -- Environmental Services Director Frank recommended approval of the FY 2013 State of Minnesota Board of Water and Soil Resources Natural Resources Block Grant Agreement in the amount of \$89,155.00. This grant is awarded to his office because they have certain responsibilities associated with implementing certain State programs including but not limited to Shoreland, Feedlot and SSTs. The amount is largely unchanged from previous years. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the Natural Resources Block Grant Agreement.

File No. 12 -- Environmental Services Director Frank reported that interviews were conducted to select a third party reviewer for the Erickson Quarry EAW. Originally, the County had approved working with SEH, however, they declined to proceed with the agreement due to a potential conflict. Bolton & Menk, Inc. has assured the County that they do not have any potential conflict. They do have knowledge of the frac sand mining industry. Bolton & Menk, Inc. has supplied an agreement for professional services for an amount not to exceed \$13,155.00 which is slightly lower than the agreement proposed by SEH previously. County Attorney Hammell has reviewed the agreement. The original agreement was amended as a result. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the Agreement for Professional Services with Bolton & Menk, Inc.

File No. 13 -- Environmental Services Director Frank reported that an agreement for collections of lamps, aka fluorescent bulbs, is annually entered into. He reported on the opportunities throughout the County to recycle old fluorescent bulbs. The County has been performing these collections since the mid 1990's. In addition to the collections, Houston County has agreements with both Winona and La Crosse Counties for the bulbs. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the Agreement for Collections of Lamps with Wisconsin Energy Conservation Corporation.

File No. 14 -- Chairperson Miller informed Environmental Services Director Frank of correspondence he had received from the City of Caledonia regarding the wellhead protection plan.

It was noted that the household solid waste fee was recently approved for increase to \$3.00 per month per household. Environmental Services Director Frank recently met with the La Crescent City Council which inquired whether the fee could be collected through the County. Currently the County bills the individual cities and townships quarterly to collect the fee. The City of La Crescent bills the fee on utility bills. Townships levy for the required amount. This fee covers the cost of the drop site program. Businesses and agricultural producers pay for the disposal of certain waste at the drop sites. Auditor Meiners noted that real estate taxes are levied per parcel, while the household fee is per household. Finance Director Lapham stated that there is an option for a solid waste module in the taxing software system, however, this would require the County to track households. She advised against this. Environmental Services Director Frank indicated that the City of La Crescent would be directing correspondence to the County with

regard to their request that the County collect the fee. It was the consensus of the Board to wait for receipt of said correspondence before responding.

File No. 15 -- HR Director Arrick-Kruger reported that recently there was a resignation of a children's mental health social worker. HR had a strong pool of applicants and finalists from recent interviews to hire for this position. She along with Interim HS Director Bahr recommended the hire of Erin Cognac. Interim HS Director Bahr provided information related to reimbursements which HS captures to offset a portion of staffing costs for this position. Children's mental health services are mandated by the State. In addition, workers should not exceed 15 cases. Currently, the County has 44 cases. Ms. Cognac would be the 3rd worker to share in these cases. In addition to her social work knowledge, Ms. Cognac has a BS in psychology. She is new to the field and has passed the required merit exam. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to hire Erin Cognac at step 1 of the appropriate comparable worth band, effective January 2, 2013.

HR Director Arrick-Kruger recommended action to rescind a motion passed last week to close the Courthouse all day on December 24th. It was originally scheduled to close at noon. She explained that certain offices tied to State functions are required to be open and another office has already been scheduled to provide home health services. In the event the Justice Center is open, maintenance is required to have staff on hand to provide services. The Sheriff and Highway Departments provide emergency services around the clock. The issue becomes how to pay individuals who are required to report for work that are not governed by contract. HR Director Arrick-Kruger stated that there are no provisions for some offices. She indicated that for all practical purposes closing for the additional four hours would be considered a holiday and trigger holiday pay provisions which could result in wages at 2.5% the normal rate. Commissioner Zmyewski questioned why this would be a holiday when it was set up as an "optional" workday and it was not being recognized as a holiday. HR Director Arrick-Kruger stated that employees have the option to utilize vacation or compensatory time off or to take the time unpaid. Recorder Bauer stated that in the event the building is open to the public, her office along with the office of the Auditor and Treasurer are required to be staffed. If the building were closed there would be no requirement to staff the offices. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and carried to rescind the motion passed December 11th to close the courthouse with Commissioner Zmyewski voting in the negative.

File No. 16 -- HR Director Arrick-Kruger stated that salaries for non-union employees and elected officials are required to be established for 2013. With regard to non-union employees she recommended approval for applicable step adjustments, a 1% adjustment for those individuals within the discretionary range and the same COLA increase granted to union members through collective bargaining agreements. The increases recommended have been included in the 2013 budget. This includes the same step increases awarded to union membership as a result of collective bargaining agreements. Motion to grant the aforementioned salary adjustments was made by Commissioner Walter, seconded by Commissioner Schuldt. A roll call

vote was taken. The motion carried with District 3, 4, and 5 voting yes and District 1 and 2 voting no.

Chairperson Miller stated his understanding that recent healthcare changes would result in level or decreasing healthcare costs. HR Director Arrick-Kruger reported that the changes mitigated the healthcare cost increases. Increases would have been greater if the County were still offering only CMM plans. The County is still experiencing rate volatility as a result of significant use during the look back period when the only plans were CMM. Major claims such as those experienced by the County pool of participants is impacting costs. Finance Director Lapham reported that costs are slightly lower and will decrease with the decreased HSA contribution amount.

HR Director Arrick-Kruger reported that there is a need to establish elected official salaries. Last week, the Board adopted a new policy to guide them in establishing elected official salaries. She stated that 2010 was the last year in which elected officials were granted any pay increase. Salaries for this group remained flat for both the 2011 and 2012 years. She presented several options for the Board's consideration. The Board may view the 2011 and 2012 savings as either a one time savings or as ongoing savings. HR Director Arrick-Kruger indicated that to bring elected officials to par with the balance of employees the Board may choose to grant a 4% increase. This would not take into consideration experience adjustments. Another option would be to grant a 2013 increase equal to that which others are being granted in the same year or a 2% increase. The Board may choose whether to take action with regard to granting experience increases. There are four elected officials who are not presently at their targeted guideline salaries, these include the Sheriff, County Attorney, Auditor and Treasurer. Chairperson Miller questioned whether they are required to approve increases as a whole or individually. HR Director Arrick-Kruger responded that either method is acceptable. Statute requires the establishment of salary, however, it does not designate what that salary is. Elected officials have the right to contest their salary in the event it is arbitrarily set.

Chairperson Miller expressed concern that one elected official makes nearly as much as their counterpart in a county with a much greater population. He questioned which option(s) have been included in the 2013 budgeting process. It was noted that increases for elected officials' equivalent to those granted the balance of employees were included in both the 2011 and 2012 budgets. HR Director Arrick-Kruger expressed concern with salary compression which may affect the ability to retain staff. Commissioner Bjerke stated that elected officials are required to campaign for their positions. These individuals are held accountable by the people and are subject to public scrutiny. In the event there is a problem, the people may vote them out of office. These individuals are not covered by any collective bargaining agreement or employee policy. The County has granted increases to all other employee groups. Commissioner Bjerke stated that while elected officials are not required to report for duty, it is his belief that those serving Houston County work in excess of 40 hours per week. He expressed his opinion that they should be granted 2% for the past year and an additional 2% for 2013. He went on to express his opinion that base salaries do not appear out of line.

HR Director Arrick-Kruger shared her opinion that an analysis could be completed to determine an appropriate salary lane for elected officials.

File No. 17 -- Motion was made by Commissioner Walter, seconded by Commissioner Bjerke to set the 2013 salaries for elected officials as follows:

County Recorder	\$59,577.04
County Treasurer	\$52,000.00
County Sheriff	\$84,875.32
County Attorney	\$89,440.00
County Auditor	\$65,268.09

A roll call vote was taken: District 1 – yes; District 2 – no; District 3 – yes; District 4 – yes; District 5 - yes. The motion carried.

HR Director Arrick-Kruger asked whether she was to proceed with a comprehensive analysis of elected officials' position duties. There will be a cost of \$250.00 for each position reviewed as well as staff time to complete position description questionnaires. In addition, elected officials would not be required to participate. The analysis would not result in formal banding, however, it would result in guidance. It was agreed that HR Director Arrick-Kruger should move forward with performing the comprehensive analysis of all elected positions with the exception of the county commissioner position.

Following discussion, motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and carried unanimously to keep the commissioner salary unchanged from 2007. The following is the salary approved for the position of County Commissioner.

County	Commissioner	\$18,687.00
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HR Director Arrick-Kruger requested approval of personnel policy amendments to the Houston County Personnel Policy. The amendment will bring said policy in line with MAPE and AFSCME collective bargaining agreement language regarding exempt employee work hour expectations and vacation and sick leave use and assures that exempt employee status is not at risk under FLSA. Motion was made by Commissioner Bjerke, seconded by Commissioner Zmyewski and unanimously carried to adopt the recommended policy amendments.

File No. 18 -- Treasurer Trehus reported on delinquent mobile home taxes due on a mobile home owned by Barbara Colsten, a decedent. She requested approval to cancel all penalties and interest in the amount of \$276.02. These taxes, penalty and interest are owed by Ms. Colsten. Don Hill, mobile home court owner is interested in paying all delinquent tax amounts excluding penalty and interest. He is working with the family to acquire ownership which will allow him to remodel the home so that he may rent or sell the unit. Mr. Hill has been

working diligently with Treasurer Trehus to encourage residents to pay their mobile home taxes and he is also working with the city for the collection of utility bills. Commissioner Zmyewski clarified that the person offering to pay the delinquent tax amounts is not the owner who was assessed the penalty and interest. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to approve the abatement of penalty and interest on MH Parcel 25.9061.000 in the amount of \$276.02.

File No. 19 -- Auditor Meiners recommended approval of an abatement for property that should have been classified special ag-homestead. The owner has adjoining parcels in both Fillmore and Houston Counties. The classification should have been extended across county lines. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the abatement on parcel 01.0330.000 in the amount of \$1,424.00 due to incorrect classification.

Chief Deputy Sheriff Yeiter provided an update regarding available EMPG funds and how they could be best utilized. He reported that a small portion may be utilized to reimburse the County for training and travel expenses which qualify under the agreement. He recommended using the balance to purchase Tough Book laptops for staff whose responsibilities require them to respond in the event of natural disasters. The laptops would be utilized in the field during periods of inclement weather. Laptops which are currently used are 6 years old. Any remaining funds could be used to purchase additional radios. Currently, if a radio were to malfunction there are no extras which could be programmed and sent out in place of radios in need of repair. Any remaining funds would be returned.

Chief Deputy Sheriff Yeiter recommended that the County forego participation in the EMPG program in the future. He reported that there are several requirements which take require a significant amount of Emergency Manager Kuhlert's time. There are monthly out of county meetings and conferences where participation is required. Commissioner Zmyewski stated that he would like to see Houston County set precedence and return funds which are not necessary. If there is truly a need for items he supports utilizing grant funding to purchase them.

It was agreed to hold the Joint Board of Health via teleconference at noon instead of holding the meeting off site later in the day due to the current weather conditions.

Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Tobacco Licenses for 2013: Money Creek Haven, Inc., River Valley Convenience, Inc., and Houston Food Mart.

Commissioners Walter and Schuldt reported on the budget meeting which they attended.

Commissioner Zmyewski reported on the interview with the third party EAW reviewer Bolton & Menk, Inc. He also reported that Ron Meiners from Soil and Water has expressed interest in working with the County and offering his office's expertise in regulating frac sand

mines. Their office is especially interested in participating with the review of reclamation plans as they have expertise in water runoff. Mr. Meiners indicated that his office would also be willing to assist with monitoring. Commissioner Zmyewski indicated that any collaboration may require that fees be built into the ordinance to cover expenses related to assistance provided by outside agencies such as Soil and Water. Commissioner Zmyewski also commented that Assessor Dybing expects the ACS tax system to be updated. When this takes place, the County will need to plan for its portion of funding which will be required.

Chairperson Miller reported on a SCHAC 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. 20 -- Correspondence to payroll regarding hire

File No. 21 -- Correspondence to appointees to CCWB

File No. 22 -- Public Notice of Special Budget Meetings

File No. 23 -- Public Notice of meeting changes/additions for the month of January 2013

File No. 24 -- Section 8 Vouchers by County

File No. 25 -- Correspondence from MCIT re: Board vacancy

There being no further business and the time being 10:58 a.m., motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Wednesday, December 26, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Wednesday, December 26, 2012

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 Bialkowski, Schuldt, & Moorhead; Engineer Pogodzinski; Ron Meiners; Environmental Services Director Frank; Chuck Schulte; Jail Administrator Schiltz; Finance Director Lapham; Recorder Bauer; Steve Zmyewski; IS Director Milde; Interim HS Director Bahr; Geraldine Klug; Carolyn Olson; Michael Kost; Cynthia Melbostad; Shelly Cavanaugh; Loretta Lillegraven; PHN Director Rock; Dar Peter; Carol Sherburne; Mary Gulbranson; Matthew Papenfuss;

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 18, 2012 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	\$146,947.28
Road & Bridge Fund	43,646.56

Total	\$190,593.84
	=====

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

Jail Administrator Schiltz stated that earlier this year the Board approved a \$55.00 per day fee for housing other entities inmates. He has learned that neighboring entities are charging \$50.00 per day. He recommended the Board act to adjust the per day fee to \$50.00. He indicated that he would like the fees charged by Houston County to mirror those charged by neighboring counties. Jail Administrator Schiltz was pleased to report that Houston County is currently housing inmates from Fillmore County. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt and unanimously carried to set the fee to house other entities inmates at \$50.00 per day.

File No. 3 -- At this time Engineer Pogodzinski met with the Board and reported on the following bids received until December 21, 2012 for S.A.P. 28-996-02:

JB Holland Construction, Inc. Decorah, IA 52101	\$836,502.70
Zenke, Inc. La Crescent, MN 55947	\$886,367.49
Griffin Construction Company, Inc. Chatfield, MN 55923	\$1,018,655.53

He stated that the low bid is slightly less than the Engineer's Estimate. JB Holland Construction, Inc. has submitted the low bid. Engineer Pogodzinski indicated that they are working on a job near to the site being bid and he expressed his belief that this may be contributing to their ability to bid this new project so competitively. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to accept the low bid of JB Holland Construction, Inc. in the amount of \$836,502.70.

Engineer Pogodzinski reported that he had included funding to replace the mechanics truck in the 2013 budget. He was made aware of a used truck which is available that would fit the needs of the department. The cost to purchase the truck is expected to be approximately \$22,000.00 after trade. He provided information on how extending the time between vehicle replacements may result in savings to the equipment budget. He indicated that it has caused repair costs to increase from approximately \$139,000.00 in 2009 to \$272,000.00 in 2012. It is his desire to contain repair costs. Commissioner Bjerke stated that extending the life of equipment will result in increased repair costs.

Engineer Pogodzinski reported that he has attempted to contact members of the Friends of the Airport to see if the organization would consider contributing to the local cost portion to have a runway overlay project completed. He has been unable to speak with any representatives. In the past the Arlyn Falck Foundation pledged \$25,000.00 towards the cost of an airport realignment project. He contacted this Foundation to see whether they would contribute funding towards the runway overlay project. The Foundation indicated that it would contribute but did not commit to a specific amount. They requested assurance that the project was approved for completion prior to identifying an amount. It was noted that on December 11, 2012 the Board, by motion, approved moving forward on the overlay project.

File No. 4 -- Recorder Bauer stated that there is a need to amend her budget to account for expenses which were approved for payment from the technology fund. The funds will transfer to the appropriate general revenue line item which the expenses were paid out of. She recommended approval of the budget amendment. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the budget amendment as requested.

Recorder Bauer provided a listing of accounts with expenses approved for payment out of the compliance fund. Payments from the compliance fund are approved throughout the year, however, the listing provides an annual overview.

Recorder Bauer noted that the technology fund balance is approximately \$80,000.00 and the compliance fund balance is approximately \$99,000.00. These levels are less than previous years. Recorder Bauer reported that 2 payments towards the book scanning project for her department have already been made. She is planning on utilizing the one fund to cover e-recording costs. This will further draw down the overall balance. IS Director Milde has inquired whether funds from one of the accounts could be tapped to cover a portion of e-docs hardware upgrades. Once a SAN is installed a portion of the storage will be for recorder office documents. He would like to assess a portion of the SAN cost back to the department. The expense may be a qualifying expense for the technology fund. Commissioner Bjerke stated that there was discussion regarding the amount of funds which should be allowed to accumulate within the compliance fund. Recorder Bauer expressed agreement, but was unable to recall the specific amount that was established. The technology and compliance funds are for use by land use offices only. Commissioner Bjerke questioned whether these funds could be utilized to offset professional service costs related to ordinance revision. Recorder Bauer cautioned that these funds are the result of fees charged for document recording. Over the past couple of years the number of documents being recorded has been less than historic levels. The fund balances are not increasing/being replenished as quickly. She stated that maintenance fees which are paid out of the fund actually exceed the new revenues being generated to the fund.

File No. 5 -- Environmental Services Director Frank met with the Board seeking approval for various contracts and licenses. The first contract is with ABC/ Woodland Industries for staffing at the Recycling Center. The second request is for approval of Houston County Solid Waste Collection and Transportation Licenses and an intermediate disposal facilities license. These businesses are under contract through 2023 and the license is a requisite of said contract. Finally, he requested that the contractual amounts paid to Richard's Sanitation be approved. The amounts are per contract provisions. In 2013 the contract provides for a 2% increase. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Recycling Center Agreement with Woodland Industries, the Richard's Sanitation Drop Off Site Rates, an intermediate disposal facilities license for Richard's Sanitation and to authorize the issuance of the following Solid Waste Collection and Transportation Licenses:

Richards Sanitation	Caledonia, MN
Hilltopper's Refuse and Recycling	Onalaska, WI
Waste Management of La Crosse	La Crosse, WI
Bob & Shirley Giblin	Caledonia, MN
Midwest Roll-off Inc.	La Crescent, MN
Harter's Trash & Recycling, Inc.	La Crosse, WI
Two Guys and a Dumpster	Onalaska, WI

Chairperson Miller reported that he spoke with Bruce Schwartzman via phone and requested that he forward his proposal related to the Historic Jail Re-use Study Services to the Board. EDA Coordinator Wilms is researching external funding opportunities. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to table action on the proposal until funding availability and amounts are known.

File No. 6 -- Ron Meiners reported that Houston County requested an extension to complete a required revision of the water plan. A two year extension was granted. There is a need to take the next step towards performing the required revision. A resolution is required to be adopted and then submitted to BWSR. Submitting the required resolution will set the process in motion. Mr. Meiners stated that the Board will contribute to the process. The review isn't as detailed as the water plan itself. The water plan is solid and he does not anticipate significant changes to result from the revision. Commissioner Bjerke indicated that the Board expects to look to SWCD for input related to the frac sand ordinance which is being drafted. Commissioner Zmyewski stated that the SWCD's offer to participate and provide their expertise as it relates to frac sand mining in the area was presented to the Board. Mr. Meiners stated that the SWCD is interested in working with the Board to ensure that surface water concerns are addressed. The SWCD has established positive relationships with landowners in part because they are not an enforcement agency. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 12-61
To Update the Houston County
Comprehensive Water Management Plan

WHEREAS, Minnesota Statutes, Chapter 103B .301, Comprehensive Local Water Management Act, authorizes Minnesota Counties to develop and implement a local water management plan, and

WHEREAS, the Act requires that a county update and revise their local water management plan on a periodic basis, and

WHEREAS, the Act encourages that a county coordinate its planning with contiguous counties, and solicit input from local governmental units and state review agencies, and

WHEREAS, the Act requires that plans and official controls of other local governmental units be consistent with the local water management plan, and

WHEREAS, Houston County has determined that at the revision and continued implementation of a local water management plan will help promote the health and welfare of the citizens of Houston County, and

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners resolve to revise and update its current local water management plan.

BE IT FURTHER RESOLVED that Houston County will coordinate its efforts in the revision and update of its plan with all local units of government within the county, and the state review agencies; and will incorporate, where appropriate, any existing plans and rules which have been developed and adopted by watershed districts having jurisdiction wholly or partly within Houston County into its local water management plan.

BE IT FURTHER RESOLVED that the Houston County Board of Commissioners authorizes the establishment of a Water Management Advisory Committee with the responsibility of revising and updating the plan and who shall report to the County Board on a periodic basis.

BE IT FURTHER RESOLVED that the Houston County Board of Commissioners delegates the Root River SWCD the responsibility of coordinating, assembling, writing and implementing the revised local water management plan pursuant to M.S. 103B.301.

File No. 7 -- Finance Director Lapham provided details regarding a proposed 6% levy versus the approved proposed levy of 9%. She indicated that in the event the 6% levy is approved, \$211,348.00 in fund balance will be required in order to balance the budget unless additional reductions are agreed upon following the levy approval. It was noted that foster care projections were based on current year experience. In the event the need exceeds the budgeted amount, the department may be required to utilize reserves to cover the cost.

Chairperson Miller indicated his preference that the levy be lower than it is. He stated that the Justice Center has made an obvious impact. He expressed agreement that the Board should continue to look for additional budget reductions.

Commissioner Zmyewski stated that the Board could have acted to make the tough decisions. He questioned why these things haven't been done. He also expressed concern that in order to balance the 2012 budget, fund balance was utilized. The same is being proposed again. He expressed concern that people are comfortable with this practice. He expressed concern that there is a 4.5% increase for those living in the Caledonia School District, in addition to a County wide increase in the amount of 6% as well as increased federal taxes. This is going to have a negative impact on residents. He stated that he tends to stand a firm line on issues. He expressed his opinion that there are personnel issues which have been overlooked. These issues should have been reviewed prior to this time. He does not favor passing a levy with the verbal agreement to review the issues in the future. He referred to this as "kicking the can down the road." In his opinion, too often these issues that should be discussed are perpetually put off. He suggested considering restructuring in order to reduce expenses so that the County is not required to utilize fund balance in order to balance the budget in the future.

Commissioner Walter expressed her opinion that last year, instead of a 0% levy increase, there should have been a modest increase.

Commissioner Zmyewski stated that expenses are increasing. There is a need to work within the budget. There is a need to make reductions instead of increasing taxes to cover the deficit. It is not acceptable for a department to exceed its budget and expect to increase taxes to cover it. Department heads are paid a significant amount to work within their budgets. It is their duty not to exceed their budgets.

Commissioner Walter stated that the Justice Center is a significant expense. Increasing the levy to get out of a mistake that was made is not favorable. Chairperson Miller expressed his opinion that the private sector deals with things differently. There are events which happened that should have been dealt with either through the budget or through personnel decisions.

Finance Director Lapham stated that the County is a big business. However, it is not expected to make a profit. Commissioner Bjerke commented that LGA is being continually reduced. Finance Director Lapham indicated that the loss of homestead age credits impacted the County significantly this past year. Commissioner Bjerke stated that decisions have been made to refill vacancies, and it may be necessary in the future to leave positions vacant.

It was noted that budgeting is difficult and that no one has a desire to "point fingers." Departmental budgets have been reviewed multiple times. Further reductions will result in decreased services and or staff.

Commissioner Bjerke indicated that he does not support a 9% levy increase. He encouraged the Board to address personnel issues.

Commissioner Zmyewski stated that he has raised his personnel related concerns in the past. His concerns have not been addressed. The County took action to grant salary increases. This has contributed to the budget issues being faced. They were not the result of State reductions. He shared his opinion that there was not money available for raises, therefore they should not have been granted. He expressed that he finds it unacceptable to grant salary increases which result in a need to levy additional tax revenues. Commissioner Zmyewski stated that over \$100,000.00 could be reduced from the budget by eliminating one position. He indicated that there is a need for a new roof and State LGA reductions have impacted the County budget. However, the County has approved action which has contributed to the budget situation. He expressed his belief that additional reductions can be made if the Board were willing to make tough decisions.

File No. 8 -- Finance Director Lapham stated that departmental budgets are where they need to be in order for the departments to continue functioning. In the event additional reductions are necessary, she suggested reviewing how services are provided and giving consideration to consolidating offices in an effort to reduce the need for staff. It was suggested that Houston County consider County Redesign much like the State HS redesign. Personnel expenses are a significant portion of the budget. Motion was made by Commissioner Bjerke, seconded by Commissioner Schuldt, and carried with Commissioner Zmyewski voting in the negative to adopt the following resolution:

RESOLUTION NO. 12-62

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$10,473,779 be made on all taxable property in the County of Houston for taxes payable in 2013 in the following amounts by County Fund:

County Revenue	\$6,291,597
Road & Bridge	2,493,677
Human Services	1,279,632
Bond Fund – 2009B Jail CIP Bonds	371,674
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	269,220
Bond Fund – 2010B Jail Bonds	224,707

Total	\$11,198,795
Less CPA	(725,016)

Total Levy	\$10,473,779
	=====

Finance Director Lapham stated that the certified levy has been approved. There is a need to approve the budget.

Chairperson Miller stated that the county is mandated to provide certain services. He noted that the County continues to provide services which are not mandated. He indicated that these services could be provided by the private sector. He noted that neighboring counties have discontinued such services and they are now being provided by the private sector. To his knowledge, residents in the county have not suffered.

File No. 9 -- Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the budget and to adopt the following resolutions:

RESOLUTION NO. 12-63
RESOLUTION ADOPTING 2013 OPERATING BUDGET

	Revenue	Revenues Over Expenditures	(Under) Expenditures
	-----	-----	-----
County Revenue	\$ 11,440,570	\$ 11,651,918	\$(211,348)
Road & Bridge	14,015,029	15,066,029	(1,051,000)
Human Services	4,216,006	4,216,006	0
Debt Service	1,133,889	1,133,889	0
	-----	-----	-----
Grand Total			
County Funds	\$30,805,494	\$32,067,842	\$(1,262,348)
	=====	=====	=====

File No. 10 -- At this time the following employees were recognized for their years of service.

35 Year Awards

Geraldine K Klug

30 Year Awards

Nancy J Strike

Carolyn J Olson

25 Year Awards

Sandra L Feuerhelm

20 Year Awards

Michael P Kost

Sharen K Lapham

Cynthia E Melbostad

15 Year Award

Shelly M Cavanaugh

Dale O Erickson

Loretta L Lillegraven

Deborah K Lind

Darlene M Peter

Carol A Sherburne

10 Year Awards

Mary M Gulbranson

Matthew Q Papenfuss

Chairperson Miller and Commissioner Bjerke expressed their gratitude to staff and for their experience with the County. Commissioner Zmyewski expressed his appreciation for the service of the outgoing commissioners. Commissioner Miller commented that when he started as commissioner he did not know many of the employees working at the County. During his tenure he has come to know many of the staff members.

File No. 11 -- Interim HS Director Bahr presented several routine contracts and recommended approval. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to approve contracts with the following entities: ABC/Woodland Industries; SE MN Chemical Dependency Pilot Project; ABLE; Sengistix, LLC; and ICAN. These programs provide for extended employment, the continuation of program participation, monitoring and waiver services.

Engineer Pogodzinski stated that he met with the Board earlier today to discuss replacement of the mechanics truck. He has learned that RDO is not interested in accepting the County's truck on trade. They have offered the County the 2003 GMC with 125,000 miles on it, box, crane welder, and oil pump reservoir for a cash price of \$34,000.00. The vehicle is in good shape. Engineer Pogodzinski stated that there are some rust spots which can be easily repaired and a small tear in the seat. The crane is larger than the one the County has on its current mechanic truck. This would benefit the county because the current crane limits are often exceeded.

Commissioner Zmyewski questioned what would be done with the old truck. Engineer Pogodzinski indicated that it could be sold on the county auction or offered for sale by bids. Commissioner Zmyewski questioned whether there were items from the old truck which could be removed and utilized to outfit a replacement. Engineer Pogodzinski responded that the crane limits are often exceeded. A larger crane would suit the needs of the department better. Commissioner Zmyewski suggested utilizing a pay loader to lift items which exceed the cranes limits. Engineer Pogodzinski was unsure whether the welder could be removed. The box and crane are one unique piece. The crane is in sufficient and the box is also. He expressed that it would be easier to leave the truck as is. Commissioner Zmyewski questioned the prudence of replacing equipment when the equipment could be retrofitted for use on a different cab and chassis.

Engineer Pogodzinski stated that the package deal for the replacement vehicle would better suit the needs of the county. There is interest in the used County vehicle if it remains as it with the equipment.

Chairperson Miller stated that the budget and budget concerns were just discussed. He questioned where the money for the replacement vehicle was going to come from. Engineer Pogodzinski stated that he would prefer to make the purchase out of the 2012 budget. This would provide his department with some degree of flexibility in the upcoming budget cycle. Commissioner Zmyewski stated that unused funds will carry forward as fund balance into the

next budget cycle. He questioned whether the used county vehicle would be worth more parted out. He suggested selling the mechanics truck first and then replacing it. The county would know how much revenue was generated by the vehicle which could be put towards a replacement. Commissioner Zmyewski stated his opinion that a more cost effective replacement for the mechanics truck can be found. He suggested purchasing a cab and chassis and transferring the equipment from the current vehicle onto the new cab and chassis. Commissioner Zmyewski stated that county staff could complete the conversion. Engineer Pogodzinski expressed concern that the current capabilities do not provide for the conversion.

Commissioner Schuldt questioned whether any additional negotiations could further reduce the price. Engineer Pogodzinski responded that RDO initially was asking \$40,000.00 for the vehicle which has already been negotiated down to \$34,000.00. The current county vehicle is a LD3500 Chevy. It was the consensus of the Board to have Engineer Pogodzinski review various suggested options and return with cost estimations.

Finance Director Lapham recommended that the major fund listing be approved. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to designate the following funds and their use for 2013: General Revenue Fund, Road and Bridge Fund, Human Services Fund, Debt Service Fund, and Capital Projects Fund.

Finance Director Lapham reported that the State Auditor required adjustments related to Houston County acting as the fiscal agent for the Region 1 Radio Board and CHS. These pass through funds should not be held within Houston County Funds. She recommended establishing the appropriate funds. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to establish agency funds for Region 1 Radio Board and CHS funds.

Finance Director Lapham recommended that the Historic Bluff Country agency fund be closed. The Highway Department used to be the fiscal agent for this however, there has been no activity requiring continuation of the fund. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to close out the Historic Bluff Country agency fund.

Finance Director Lapham stated that in the event there are funds which are to be carried forward for use on specific projects, those funds should be designated. Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to designate \$200,000.00 to the CR 249 bridge project and \$25,000.00 from the Arlyn Falck Foundation to the Airport realignment project.

Finance Director Lapham reported that there is \$25,000.00 in the 2012 budget that should be used to cover a portion of the cost for the SAN (storage area network). With the end of the year approaching, it may be difficult to find the most cost effective supplier for the SAN and have a purchase invoiced in time. She requested authorization to accept the low quote for the purchase of a SAN and to utilize the 2012 funds towards the purchase price regardless whether it

is invoiced in 2012 or 2013. She will carry forward the designated funds to 2013 if necessary. Motion was made by Commissioner Bjerke, seconded by Commissioner Walter and unanimously carried to authorize the purchase and approve the request.

File No. 12 -- Finance Director Lapham reported on several budget amendment requests. If approved, the amendments will provide for budgets to be accurately reflected. All of the amendment requests have been reviewed. Motion was made by Commissioner Walter, seconded by Commissioner Bjerke and unanimously carried to approve the budget amendments as requested for Sheriff/IT/Finance and Highway Departments.

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 to payroll regarding hire

There being no further business and the time being 10:48 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 8, 2013.

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 13, 2012

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 Schuldt, & Moorhead; Eric Benson; Chuck Schulte; Dana Kjom e; EDA Coordinator Jordan Wilms; HR Director Arrick-Kruger; County Attorney Ham mell; Engineer Pogodzinski; Interim HS Director Bahr; Dr R. Ross Reichard; Sheriff Ely; Finance Director Lapham ; Environmental Services Director Frank; Judy Storlie; PHN Director Rock; Financial Services Supervisor Kohlm eyer; LeAnn Benson; Victim Witness Coordinator Hermann; Assistant County Attorneys Bublitz and Bublitz; VSO Gross; John Benton; Arne Beneke; Dale Scobie; Tom Welscher; Craig Schroeder; Thor Kolle; Fiscal Officer Hankins; Evan Barrett; Jeff Flynn; Harris Baker; Don Berre; Sandy DePottey; Lisa Colborn; Carrie Trower

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 30, 2012 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	\$286,193.03
Road & Bridge Fund	72,434.42

Total	\$358,627.45
	=====

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

EDA Coordinator Wilms requested approval for an equipment purchase. He reported that a laptop quit working some time ago. The purchase of a new laptop would replace the old one and is a qualifying purchase under a Region I EMPG Grant. This was discussed with Emergency Manager Kuhlers. Houston County is the fiscal agent for the Region I grant. The request for a

new laptop has been approved by Region I. There are remaining funds from the grant which will sunset in March and may be used to cover the cost of the equipment. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to authorize the purchase of a new laptop at a cost of \$1,218.63 utilizing Region I EMPG grant funds.

At this time HR Director Arrick-Kruger introduced Dr. R. Ross Reichard, Lisa Colborn, and Carrie Trower. They work at the Mayo Medical Examiner's Office. Houston County has entered into an agreement with Mayo whereby Mayo will provide Medical Examiner and Coroner Services. Dr. R. Ross Reichard provided a history of his education and work and an overview of his qualifications. He provided information on the staff at Mayo including their qualifications, certifications and specialties. Mayo Health System is already present in many regional communities. They desire to expand the collaboration by providing ME services within the same area. Chairperson Miller questioned whether an autopsy can be requested by a family. Dr. Reichard described the process. ME jurisdiction is determined per Statute. In the event a death falls outside the defined parameters, a family may request an autopsy. When a patient of Mayo dies they do provide this service at no charge if requested. Dr. Reichard commented that non-natural deaths may present insurance issues. Mayo has provided ME services to Olmsted County for decades. Recently, they began providing services to Dodge County and they provide consultation services to Mower, Winona and Wabasha Counties. Commissioner Schuldt questioned the charge for an autopsy/death investigation. The contract provides for a per capita fee of \$2.75. This includes services such as transportation, autopsy, investigative services and cremation approval if appropriate. Commissioner Walter questioned whether there would be additional billing or a refund in the event services required exceed or are less than those estimated. Dr. Reichard responded that the fee is flat. Only services defined under the agreement as billable would result in additional costs and there would be no refund. Sheriff Ely questioned whether professional testimony was provided. Professional testimony is included. HR Director Arrick-Kruger reported that Mike Poellinger has been working with Mayo and Dr. R. Ross Reichard regarding the agreement for services. The contract length is for a one year term. This will provide for the necessary services and allow for any adjustments to the agreement to be made before entering into a multi-year agreement. Historically the County has entered into 4 year agreements for ME and coroner services. Dr. Reichard expressed his desire and belief that the relationship with Houston County will be a long term one.

HR Director Arrick-Kruger recommended that the status of Erin Bauer, a 0.8 FTE Home Health Aide, be changed from probationary to regular. PHN Director Rock reported that Erin Bauer is doing a very good job. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to change the status of Erin Bauer from probationary to regular.

HR Director Arrick-Kruger along with Engineer Pogodzinski requested authorization to initiate a search for a full time seasonal employee. This would be a step 1 hire. This position will be utilized to meet the needs of the department for snow removal. Last year the departmental

needs were met utilizing two 67 day employees. Commissioner Zmyewski commented that discussion has been held regarding the possibility of training a sign specialist to provide the necessary coverage. This would reduce the need to accrue additional payroll expenses. Engineer Pogodzinski expressed concern that even though the sign specialists may hold a CDL, they do not make their living operating dump trucks and/or snow plow trucks. He is hesitant to send these individuals out when the conditions are the worst. In addition, this solution would provide the department with no back up in the event someone was ill or on vacation. La Crescent Township has expressed concern that because no one is working out of the La Crescent location, it takes time for deteriorating conditions to be addressed. Engineer Pogodzinski stated that there is adequate work for such a position in the event there is little snow. The request today is for authorization to conduct a search only. No request is being made to approve hiring. Engineer Pogodzinski reported that there are funds available within the 2012 budget from the areas of regular wages and also premium pay that could be utilized to fund the position. The 2013 budget is still under discussion and a full time position is included in the proposed budget. Commissioner Zmyewski pointed out that the Board is in a position to eliminate in excess of \$900,000.00 from the 2013 budget. Engineer Pogodzinski indicated that the 2012 budget did not include any funds for equipment purchases. This is having an impact on the 2013 budget. In 2012 funding for two 67 day employees was included. In 2013 they are proposing to replace the two 67 day employees with a single seasonal position. Commissioner Zmyewski questioned whether Engineer Pogodzinski would prefer budget funds for a seasonal employee or for equipment. Engineer Pogodzinski stated that there is a 21-22 year old dump truck which the department would like to replace. This replacement has already been delayed and the years of use have been extended on this equipment. Staff suffers because the department operates with the minimums. Maintenance staff realize that if they are sick and call in, other members will have to absorb their route in addition to their own. Staff has reported to work ill as a result. In addition, staff is unable to take time off during the winter months because there is not staff available to cover the vacation. The result is vacations being taken during the summer months when staff is needed to keep projects on schedule. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the initiation of a search for a full time seasonal maintenance staff person.

County Attorney Hammell reported that in addition to \$5,000.00 from the City of La Crescent, the City of Spring Grove has approved \$1,500.00 in support of a continued Victim Services Program. The court has ordered that 100% of fine proceeds be designated to the Victim Services Program also. Previously, the proceeds were split between this program and Bluff Country Women's Resources. This is not a significant source of funding. County Attorney Hammell estimated that over a 3 to 5 year period the proceeds were approximately \$875.00. Tonight representatives from the County Attorney's Office will meet with City of Caledonia and City of Houston councils in regard to the Victim Services Program and City contributions.

The Victim Services Coordinator position has been banded at B-2-4. The hourly wage for said position effective January 1, 2012 will be \$17.22 per hour. HR Director Arrick-Kruger requested that no external search be conducted and that any probationary period be waived. The

position will be filled by the current Victim Services Coordinator who has in excess of 20 years of experience. Motion was made by Commissioner Walter, seconded by Commissioner Zmyewski and unanimously carried to add Victim Services Coordinator as a county position and to include budgeting for the position within the County Attorney's Office budget, to forego an external search and waive probationary period requirements.

HR Director Arrick-Kruger reported that MAPE has approved the tentative collective bargaining agreement. Chairperson Miller commended HR Director Arrick-Kruger for her work in negotiating this collective bargaining agreement. He expressed his appreciation for her ability to identify points which included or may have resulted in financial liabilities. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the MAPE contract retroactive to January 1, 2012 and expiring December 31, 2014.

File No. 3 -- Environmental Services Director Frank reported that Ole's Excavating has submitted a Solid Waste Collection and Transportation License Application. The appropriate Certificate of Insurance has been submitted with the application and all ordinance requirements have been met. Ole's Excavating was the successful bidder for the demolition project involving a Houston City tax forfeited house. Environmental Services Director Frank requested that the license application be approved. Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the haulers license for Ole's Excavating.

Environmental Services Director Frank reported that the mobile home utilized in the manufacture of methamphetamines has been disposed of. He indicated that a complaint has been received about the contractor performing asbestos abatement on said mobile home. The contractor was responsible for site cleanup. Since the work was performed, a coffee can full of nails have been collected from said site.

Environmental Services Director Frank reported that an interview was held with a candidate who may be able to perform the third party review of the Erickson Mine EAW. Several firms have been contacted to provide said review. It has proved difficult to find a consulting firm without relationships to frac sand mining. The firm interviewed has no involvement with frac sand mining in the State of Minnesota. They have limited involvement in Wisconsin. This provides them with adequate knowledge of the industry. Environmental Services Director Frank stressed the point that the successful firm not be involved with frac sand mining in this area or with any involved parties. Environmental Services Director Frank will provide information to Commissioners regarding this firm's accomplishments. Commissioner Zmyewski was present at the interview and stated that the individual representing the firm was very open.

Environmental Services Director Frank reported that the frac sand study committee is considering for inclusion to the ordinance that the applicant is responsible to provide the EAW

and also be financially responsible for the third party review of said EAW. This will protect the county from financial liability to provide an independent third party review.

File No. 4 -- Engineer Pogodzinski reported that S.A.P. 28-996-09, a bridge reconstruction project on County 6, has been completed. The original bid was for \$354,754.85. There were minimal overruns related to poor soils and the need to haul in acceptable ones. The final cost is \$392,037.66. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution;

RESOLUTION NO. 12-52

WHEREAS, Contract No. 209 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 recommended approval of a grant agreement related to the airport paving project. This is an "after the fact" agreement because the project has already been completed. He reported that the funding breakdown is made up of 81.02% federal share, 4.99% state share and 13.99% local share. The odd funding breakdown is the result of the main entrance being eligible for State funding. The taxi lanes, or areas between the hangars, were not eligible for State funding. The project may not exceed \$207,800.00. The county share, in the amount of \$29,076.00, was budgeted for. Motion was made by Commissioner Schuldt, seconded by Commissioner Zmyewski and unanimously carried to approve the grant agreement and to adopt the following resolution:

RESOLUTION NO. 12-53

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

It is resolved by **Houston County** as follows:

1. That the state of Minnesota Agreement No. **02470**, "Grant Agreement for Airport Consultant Services, "for State Project No. **A2801-21** at the **Houston County** Airport is accepted
2. That the **Board Chairperson** and **County Auditor** are authorized to execute this Agreement and any amendments on behalf of **Houston County**.

At this time Evan Barrett of Mead & Hunt and project manager for the environmental assessment project completed earlier this year met with the Board. Mr. Barrett provided a brief history of the EAW project and options presented as part of the EAW. Following his presentation will be a question and answer session with the following individuals: himself, Jeff Flynn, Harris Baker, and Don Berre, all representatives of MnDOT Aeronautics; and Sandy DePottey representing the FAA.

Mr. Barrett explained the purpose and need for the EAW, options available to address the need, public events which were hosted and how the County could implement improvements. The airport has deteriorating pavement on the runway, and no instrument approach which prevents airport use during periods of inclement use and prevents use by certain entities.

Mr. Barrett provided the following options to address the needs of the airport. Do nothing which would eventually result in closure of the airport. Perform runway reconstruction which would require 21.88 acres of land acquisition and cost approximately \$2.3 million. This would not result in instrument approach reinstatement. Perform runway reconstruction and reinstate instrument approach which would impact all structures currently located at the airport and would be the most costly of all options presented. Realign the runway which would require the acquisition of 57 acres and cost an estimated \$3.1 million to complete. This is the recommended option because it is a good balance and provides for the needs and enhances the airport.

Commissioner Schuldt questioned the impact to the County in the event the Board chose to do nothing with the airport. The response was simply "the county would have no airport." He questioned what the financial liability would be to close the airport. Sandy DePottey stated that the FAA is not in the business of closing airports. It is a lengthy process with financial implications. She reported that recently an airport in Ohio closed. The complete process took 5 years to complete. Commissioner Schuldt indicated that budgets are tight and there are competing interests for the budget dollars available. He expressed his desire to simply "get by" for the time being. It was pointed out that Houston County is expected to have compliance issues due to the deteriorating pavement which at some point will fail. The airport needs to be maintained in a safe operational state. Engineer Pogodzinski reported that the pavement condition is currently acceptable. In the event nothing is done to preserve the pavement it will further decline and eventually be deemed inadequate. He stated that a mill and overlay project could extend the useful life of the pavement. The mill depth and overlay amount can be adjusted so that the useful life is extended minimally or for a longer period. Commissioner Zmyewski questioned why a mill and overlay option has not been presented as part of the EAW. Mr. Barrett responded that a mill and overlay project does not meet the long term needs therefore it was not considered. A mill and overlay project would be a short term solution. Commissioner Zmyewski questioned why the County was granted instrument approach only to have it revoked at a later date. Ms. DePottey explained that originally, instrument approaches were issued without first evaluating the design of an airport. More recently this procedure was changed so that review of the design was required prior to issuing an approach for a facility. This new procedure resulted in the revocation of Houston County's instrument approach. The clearances at the Houston

County Airport were not adequate under the new guidelines. Commissioner Zmyewski expressed concern that often existing items are grandfathered in when there are changes. In this case, the instrument approach which was originally granted was not grandfathered in and was revoked. This can be perceived as an unfunded mandate. The trees and buildings were always present at the facility. In order to have the instrument approach reinstated the County could be required to spend \$4 million. Ms. DePottey admitted that there was a disconnect with the approach grant process. The approach should not have been issued in the first place. Furthermore, instrument approach is not a requirement. The County has the option to maintain the airport as it is currently and be satisfied with it. Reinstatement of the instrument approach would be an upgrade, improvement or enhancement to the current facility. Federal funding for an enhancement project would be 90%. It may qualify for additional State funding which has varied splits depending on the project.

Commissioner Zmyewski questioned whether any change to the funding split levels is expected. Ms. DePottey responded that it is possible that the split would be increased to 95%. She does not anticipate a decrease to the split percentage. A mill and overlay would also qualify for 90% funding. It was noted that MnDOT Aeronautics representatives have seen very competitive reclamation bids. It was pointed out that Houston County receives \$150,000.00 in entitlement funding annually. These funds can be managed and preserved to accrue to \$600,000.00. In the event the County decided to undertake a very costly project, additional funding could be borrowed from others' entitlement funds and repaid with future Houston County entitlement funds. A mill and overlay project would not result in reinstatement of a straight in instrument approach. Commissioner Schuldt confirmed that in the event the County accepts funding to perform a mill and overlay project, the County will be subject to a 20 year financial tail if it were to choose to close the airport. Engineer Pogodzinski stated that the County is already obligated by financial tails for bathroom improvements, fuel system upgrades and the recent paving project. In addition, any grant funds to purchase the land for the airport originally are present for eternity. Any costs assessed related to a closure would go by the sale price of the land, not the original purchase price. MnDOT has a guide for closing airports, a copy of which could be sent to Engineer Pogodzinski.

It was reported that the bond funding list has been finalized. Originally, Houston County had a project included on the list, however, the project was removed as a result of the EAW being incomplete. Not all of the bids for the projects appearing on the list have been received. It is possible that there may be funding available once all bids have been received and the costs tabulated. MnDOT Aeronautics representatives offered to lobby for Houston County to be awarded any remaining funds in the event they chose to perform some significant project at the airport. Engineer Pogodzinski questioned what the Board has in mind for the 5 year plan for the airport. Commissioner Schuldt expressed that he supports a plan which would include a reclamation project. He expressed that he does not support an expansion project at present. Commissioner Walter expressed that she does not favor an expansion project either. It is possible that the pavement could fail and the airport could be forced to shut down until improvements were made. Commissioner Zmyewski clarified his understanding that an

expansion project is not being considered, however, a mill and overlay project is or maybe. The Board expressed its agreement that it would be beneficial to learn whether the County could qualify for any remaining bond funding to complete such a project.

Dale Scobie expressed his opinion that in the event the County allows the pavement to fail and the airport is shutdown, the County would be liable to refund lease payments and property taxes to tenants. In addition, the County will lose fuel sales revenues. He stated that the ramp is breaking up now. He expressed his opinion that the runway will break up soon. He believes that the spring thaw could be the catalyst.

John Benton pointed out that the County has had a "get by" attitude with regard to the airport for the past 10 years. He expressed his opinion that the Board missed the boat. He stated his belief that funding could have been secured to complete the expansion project.

Thor Kolle stated that this meeting took "them" by surprise. He accused the County of making verbal assertions in regard to the airport. These assertions, in his opinion, are as good as written assertions. The lack of communication regarding this meeting has not shown a good effort on the part of the County to collaborate with the flyers. He expressed his opinion that the airport can be a significant economic machine within the County.

Dale Scobie has been involved with the airport for 25 years. He has served on the Airport Commission for several of those years. He expressed his opinion that the airport sustains itself. The County collects revenues generated by the airport in the form of lot lease payments, cropland lease, property taxes paid on the hangars and fuel profits. These revenue streams generate income. He felt that people benefit in ways the Board fails to recognize. If instrument approach were reinstated med link services would be enhanced and Fed Ex and UPS would utilize the airport for package off-loading when the La Crosse airport is fogged in. This could result in an economic boom and would cost a mere 10 cents on the dollar. The County is barely meeting the minimum requirements and is satisfied with this. Mr. Scobie indicated that the county has a large budget which should be watched. However, in his opinion the airport is a good expense. Engineer Pogodzinski reported that the County loses anywhere from a few thousand dollars to as much as \$40,000.00 annually on the airport. Arne Beneke stated that 10 years ago the county budgeted \$30,000.00 annually to support the airport. He has monitored this over the years and believes that the cost to the county is offset by the reimbursements it receives and the income generated by the airport. He indicated that over a period of years the airport has not cost the county much, perhaps \$2,000.00 annually. The County maintains many miles of pavement. The runway is less than one mile.

Eric Benson stated that he has an economic indicator developed by a professor which calculates the economic benefits of an airport to a community. This indicator projects the airport could be a significant economic driver. He stated that the County population is shrinking. There is a need to preserve local jobs. He shared his opinion that infrastructure can make the economy

grow. Commissioner Schuldt requested a copy of the economic data which Mr. Benson referenced.

Discussion was held regarding correspondence received from JB Holland expressing their dissatisfaction with the denied CUP for a borrow pit in Money Creek Township. Commissioner Zmyewski reported that all supervisor of the Money Creek Town Board met with the Board to express their concerns. In addition, this group submitted their concerns in writing and requested that the CUP be denied. Commissioner Zmyewski stated that it is important for the County Board to work with and to respect the Town Boards. He fully supports his decision to deny the permit based in part on the request made by the Town Board in this matter. Several County Board members took offense at the correspondence because in it, JB Holland implied that the County Board was acting improperly.

Chairperson Miller shared correspondence from MPCA regarding SCORE block grant payments which have been processed to the County Treasurer.

Commissioner Schuldt reported that there are currently 16 inmates housed in the County Jail. Jail meals to date have cost \$56,600.00, while approximately \$68,000.00 was budgeted. It has been projected that under the previous jail meals contract the cost to date would have been \$72,500.00. The average daily population throughout the year has been 16. There have been discussions with other communities about the possibility of housing their inmates. Finance Director Lapham expressed concern that in the event Houston County begins housing other communities' inmates, current staffing levels may need to be increased. She feels that if increased staffing is required the arrangement may not be beneficial for Houston County. It was noted that Houston County is approved to house an average daily population of 30 or fewer inmates. Finance Director Lapham expressed concern that in the event of an emergency and with a population nearing the not to exceed population of 30 the County could subject itself to increased liability.

Auditor Meiners reported that 22 acres of county owned property has been advertised "for sale by owner". She has been contracted by interested parties. She was notified by Engineer Pogodzinski that the sale of the property is subject to Statute requiring 3 weeks advertising and acceptance of sealed bids. She asked how the Board wishes to proceed. Discussion was held. Commissioner Schuldt expressed his opinion that the property location is ideal. Commissioner Zmyewski expressed concern that the County already has \$328,000.00 invested in the property and there would be significant additional expenses to prepare the site for building. These expenses would include but are not limited to infrastructure improvements, gaining street access, and running utilities and other services to the site. Chairperson Miller stated that neither Ready Bus nor Caledonia Haulers store all equipment under cover. Motion was made by Commissioner Zmyewski, seconded by Commissioner Walter and unanimously carried to advertise the property per Statute, set the minimum bid amount at \$328,012.40, and to assign the rents to the buyer in the event a bid is accepted and a sale agreed upon.

The time being 11:20 a.m. the Board met with Human Services Director Bahr regarding the proposed 2013 budget. Discussion was held regarding the purchase of an EDMS system. HS Director Bahr suggested utilizing fund balance to purchase EDMS. Chairperson Miller suggested also covering the proposed \$120,357.00 increase in the Human Services budget with fund balance.

Finance Director Lapham stated that all departments, with the exception of Public Health, were directed to make budget cuts. She inquired whether she should direct them to make cuts. It was agreed that this department should be directed to make cuts to their budget.

Commissioner Walter reported on Workforce Development and EMS meetings which she recently attended.

Commissioner Schuldt reported that he and Commissioner Zmyewski participated in the interview with consultant SEH this past Friday.

Chairperson Miller reported on a frac sand study committee meeting he attended last week. Another meeting is scheduled for tomorrow.

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. 6 -- Correspondence to payroll regarding hires and changes

File No. 7 -- ICAN Satisfaction Survey results

File No. 8 -- Correspondence from JB Holland Construction regarding Conditional Use Permit concerns

File No. 9 -- Public Notice of hearing for adopting new fees

File No. 10 -- Correspondence to parties involved with meth trailer re: removal of mobile home

File No. 11 -- SSC Board of Directors Election Information

There being no further business and the time being 11:45 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 20, 2012.

BOARD
HOUSTON

OF COUNTY COMMISSIONERS
COUNTY, MINNESOTA

By:
Jack

Miller, Chairperson

Attest:

Charlene Meiners, County Auditor