

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 15, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Environmental Services Director Frank; Jail Administrator Schiltz; Chuck Schulte; Donna Buckbee; IS Director Milde; Engineer Pogodzinski; Finance Director Lapham; HR Director Arrick-Kruger; Interim HS Director Bahr; Sheriff Ely; Court Administrator Larson; County Attorney Hammell; Eric Johnson; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Financial Services Supervisor Kohlmeyer

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the January 8, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$46,854.45
Road & Bridge Fund	64,671.75

Total	\$111,526.20
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File No. 2 - At this time Chuck Schulte met with the Board to discuss the Houston County budget. Mr. Schulte indicated that he has been monitoring the county board for over a year. He stated that he has talked with many age groups of county residents including young couples, working individuals and elderly persons. His most recent discussion was with a woman in her eighties who cried as she explained to him that she is no longer able to pay all of her bills.

In an effort to be prepared, Mr. Schulte has gathered information which he presented to the Board. He stated that Houston County’s population has been declining. He provided various comparisons related to budget, population, and square miles of Houston, Fillmore counties and

Allamakee County, Iowa. He pointed out that the Road and Bridge budget for Houston County is greater than that of Allamakee County. He finds this fact odd when Allamakee County is significantly larger than Houston County.

Mr. Schulte questioned why Houston County's budget is greater than that of Fillmore County when they are similar in size and population. Fillmore County's population and square miles exceed that of Houston County.

Mr. Schulte expressed concern that Houston County approved a 6% levy increase, when expenditures amounted to a 9% increase. The Board approved balancing the budget by utilizing fund balance. He pointed out that recently the Board voted to approve a \$34,000.00 expenditure that, in his opinion, was unnecessary. Mr. Schulte stated that members of the Board need to answer to those who voted them into office. He stated that he has another appointment with the Board scheduled for January 29th and he expects an explanation. Mr. Schulte indicated that he is upset with the current fiscal situation of Houston County. When asked by Mr. Schulte if anyone had questions, Commissioner Schuldt responded that much information has been presented today and he would like time to review it before posing any questions.

File No. 3 - Environmental Services Director Frank along with Zoning Administrator Scanlan met with the Board to discuss the appointments to the Planning Commission. Environmental Services Director Frank reported that the two members whose terms have expired have indicated their willingness to serve another term. These members have provided their service to the Planning Commissioner for multiple years. During their tenure, they have learned and come to understand the land use plan, zoning ordinance and how these things work together. These things are lengthy and take time to learn and understand.

Environmental Services Director Frank indicated that there are many issues facing the County which the Planning Commission will be required to make decisions regarding. These gentlemen have knowledge and experience which is valuable.

Chairperson Zmyewski stated that there is unprofessionalism on behalf of certain members. They are derogatory and disrespectful. He expressed that he does not feel as if these individuals are representing their positions well. He also expressed disagreement that they should be reappointed just because they have served over the past few years. There are other individuals who have expressed a desire to become involved on the Planning Commission.

Environmental Services Director Frank expressed concern that members of the Planning Commission do not have an easy job. They are heavily scrutinized. The County has been continually challenged on property rights. The individuals serving on the Planning Commission have been "hammered on" more so than those serving on other Boards. He expressed agreement that discussion has become heated from time to time. He also expressed willingness for those involved to agree to disagree. Chairperson Zmyewski expressed concern that there isn't always common respect among members. Environmental Services Director Frank stated that in times of

conflict some members have a tendency to be reactive. There is room to improve communication. Chairperson Zmyewski stated that responses need to be professional and ethical.

Environmental Services Director Frank stated that individuals have been chosen to serve on the Planning Commission so that each area of the County has representation. By appointing individuals from various areas of the County, the hope is that when permits are under review, at least one member of the Commission will have knowledge of the area which may be impacted.

Members on the Planning Commission are often required to defend their decisions. Environmental Services Director Frank encouraged the Board to consider reappointing the individuals whose terms have expired. He indicated that he does not want to lose their experience. It takes several years for a new member to understand the ordinance and how it works with the overall land use plan.

Commissioner Walter has reviewed the rules governing Planning Commission membership/appointments. Only one commissioner is allowed to serve on the Board. The membership is well spread across the county for representation. Chairperson Zmyewski stated that he will remain on the Planning Commission. Commissioner Walter supports reappointing both individuals whose terms have expired.

Zoning Administrator Scanlan stated that in the event commissioners are being informed of concerns related to Planning Commission membership, he would like to be informed of them. He expressed a need to be aware of such concerns and indicated that “the door is always open”.

Commissioner Storlie stated that Planning Commission needs to work as a team. Those who are not good team members may need to step down and be replaced. It appears that the Planning Commission wants to have feedback and wants to work on communication. Individuals need to be careful when approached with what is “third party hearsay” as it may not be accurate.

Environmental Services Director Frank reported that term expirations for membership are staggered in an attempt to prevent significant turnover at any given time. The current Chairperson of the Planning Commission is Charles Wieser. This position will be put to a vote soon. Environmental Services Director Frank expressed his opinion that the county would be best served by reappointing the same members for another term. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to reappoint both Terry Rosendahl and Glenn Kruse. It was also agreed that Chairperson Zmyewski will remain on the Planning Commission.

Donna Buckbee stated that it is critical that residents be treated respectfully and in her opinion, this hasn't happened.

File No. 4 - Jail Administrator Schiltz stated that Renovo provides video visit technology for inmates and those who come to see them. They are offering an e-mail correspondence

program. Fifty percent of the proceeds will be given to the inmate fund. Jail Administrator Schiltz stated that the inmate fund is utilized to purchase programming materials and helps to keep minimize the amount of levy funding required. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the agreement with Renovo for inmate e-mail services.

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

RESOLUTION NO. 13-3

WHEREAS, Donna Trehus took office as Houston County Treasurer and Charlene Meiners took office as Houston County Auditor effective January 3, 2011;

NOW THEREFORE, BE IT RESOLVED that Donna Trehus, Houston County Treasurer, is granted the following powers: Open any deposit or share accounts(s) with Eitzen State Bank in the name of Houston County;

BE IT FURTHER RESOLVED that Donna Trehus, County Treasurer, Charlene Meiners, County Auditor, and Justin Zmyewski, Chairperson of the Houston County Board, are hereby granted the following powers: Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with Eitzen State Bank;

BE IT FURTHER RESOLVED, that the above mentioned powers are granted effective retroactive to January 2, 2013.

File No. 6 - Chairperson Zmyewski stated that there is a need to establish goals and monitor progress towards meeting the goals. He has discussed this with both Commissioner Walter and HR Director Arrick-Kruger. He provided a draft proposal of some goals he would like to see adopted.

Commissioner Storlie stated that the Board should establish goals together. She expressed concern that Chairperson Zmyewski had already drafted a list of goals. Commissioner Zmyewski clarified that his goals are a proposal only. He prepared them in an attempt to jump start discussion. Commissioner Storlie expressed a desire to participate in the drafting of goals. She stated her belief that participating in the drafting will result in each Board member taking ownership of the resulting goals because they had a part in determining what the goals would be. Chairperson Zmyewski reiterated that what he presented is a proposal only. The items may be included in the final goals, amended or omitted. He encouraged other members of the Board to present their thoughts and proposed goals. Currently, the County has no goals in place. It is his desire that some goals be established. Commissioner Storlie reiterated her desire to participate in the formulation of the goals. It was agreed to hold discussions late in the meetings to continue the process of developing a list of shared goals.

HR Director Arrick-Kruger stated that shortly after she was hired in 2009, she presented documentation related to strategic planning. She provided information related to the process of strategic planning and goal development. She expressed her belief that going through such a process is well worth the time. This process would be part of lean management. She offered to present the information related to strategic planning and goal development again.

She provided information regarding two types of assessment which may be utilized to measure whether goals are being attained. She cautioned the need to ensure that the proper things are assessed when developing goals. She indicated that goals will grow out of strategic planning work and that the “devil is in the definition” of the goals. An action plan will be required which may be simple or complex. The Board will need to develop a mission and values and then goals to accomplish the mission. The process will require the inclusion of staff other than the Board. She stated that the County has many resources which can be utilized to guide the process. Chairperson Zmyewski expressed agreement that a county-wide plan should be completed. However, there is a need to establish “Board only” goals as well.

Chuck Schulte encouraged the Board to review a pamphlet prepared by Fillmore County that was included with the information he presented earlier.

It was agreed to schedule HR Director Arrick-Kruger to discuss strategic planning and goals setting. She indicated that another requirement to the process will be to benchmark best practices. There is a need to determine the best means for assessment throughout the process. In addition, there is a lot that may be learned from other organizations both public and private.

File No. 7 - Auditor Meiners stated that there has been concern regarding the scheduling of Board appointments. Often individuals make a request without offering up useful information regarding the reason for their request making it difficult to be prepared. Recently, Auditor Meiners requested an appointment with the City Council of La Crescent. She was required to complete a form which asked for various information related to the request. The form encouraged the individual to provide background information which may then be used by the council/board to come prepared. Chairperson Zmyewski stated that the form assists to uncover the reasoning for requests, will allow for impacted department heads to be included in any discussion and will save time by reducing or eliminating the need to perform additional research prior to taking action. These requests will be reviewed by the Board prior to an appointment being scheduled. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adopt the agenda request form.

It was agreed that the deadline for submissions would be Monday at 4:00 p.m. Requests received until this time will be reviewed during the following Tuesday’s meeting. Essentially, requests will need to be received 1 week prior to having an appointment scheduled.

File No. 8 - Finance Director Lapham stated that on December 26th several budget amendments were approved. There is a need to correct minor errors contained within the

requests. In addition, the Surveyor's Office has made a new budget amendment request. Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the budget amendment requests and amendments as presented.

Auditor Meiners reported that EDA Coordinator Wilms questioned whether funds have been allocated to cover any deficit amount following a possible grant award for the Historic Jail re-use study. It was the consensus of the Board to instruct EDA Coordinator Wilms to complete the grant application. In the event the grant is awarded, and once the amount is known the Board may take action to provide the additional funding or decline the grant.

Discussion was held regarding the scheduling of department head reviews. It was agreed to schedule a few reviews each week on Tuesday's in February following the regular board meeting.

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

Commissioner Storlie reported that she attended a meeting in La Crescent regarding the connection of bike trails.

Chairperson Zmyewski questioned the status of an agreement to house inmates for La Crosse County. Commissioner Walter stated that it is moving forward. Individuals from Houston and La Crosse counties are working together to draft the necessary agreements which need to be in place.

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 hire and status changes

File No. 10 – Correspondence to area newspapers regarding printing bids

There being no further business and the time being 10:20 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 22, 2013.

BOARD OF COUNTY COMMISSIONERS

HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 22, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Environmental Services Director Frank; Chuck Schulte; David Unmacht; Kelley Stanage; Interim HS Director Bahr; Interim Social Services Supervisor Sanness; Donna Buckbee; Stan Bahr; Environmental Services Director Frank; Financial Director Lapham; Maintenance Supervisor Molling; HR Technician Diersen; IS Director Milde; Betts Ready; HR Director Arrick-Kruger; Yvonne Krogstad; David Unmacht; Julie Renk; Jeanette Twite; Carolyn Olson; Financial Services Supervisor Sanness; Jessie Reed; Diane Schulze; Doreen Denstad; Marilyn Moore; Michelle Massman; Jean Becker; Wendi Ruesgen; County Attorney Hammell; Liza Jandt; Sheriff Ely; Jacquelyn Hauser; Assistant County Attorney Bublitz; Sandy Ask; Corey Baker; Bruce Kuehmichel

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the January 15, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$143,123.08
Road & Bridge Fund	39,957.86

Total	\$183,080.94
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File No. 2 - Chuck Schulte stated that the Highway Maintenance Building has been ill kept and ill maintained. He provided a packet of photos showing/supporting his concerns. He explained his concerns as related to each photo. He claimed that in 1996 or 1997 orders were given that no maintenance was to be performed on the building. The photos show the results of

this in action. Mr. Schulte expressed concern that some of the problems such as a cracked single pane window would not have gone unaddressed if they were found in an individual's home. He questioned why they have not been addressed at the Highway Department Building. He stated that heating costs are expensive.

Mr. Schulte expressed concern that the state of the break room ceiling is deteriorating and is neither conducive to the break room environment, nor sanitary. It was agreed that the building is deteriorating.

Mr. Schulte questioned whether a long term plan was in place to address this building. Commissioner Schuldt stated that the County took action to purchase a 22 acre parcel of land with the intent of building a new facility. Mr. Schulte questioned why any taxpayer would support building a new facility when the current facility has not been properly cared for. He questioned why the current facility has been allowed to deteriorate to this level.

It was noted that there is a committee designated to address the Highway Department Concerns. Mr. Schulte questioned how active or how often the committee meets.

Mr. Schulte provided the following suggestions related to the Highway Department Building. First, a short and long term plan for the building should be developed. He defined long term as one year. Second, he would perform simple winterization techniques to the building including caulking and foam insulation. These techniques would come at a very minimal cost. He would find out the cost to re-roof the current building, repair the block and perform certain upgrades to the facility to make it more functional. In addition, if the intent was to continue to utilize the current building, he would have the block drilled and foam insulated. He expressed his opinion that this would reduce the heating costs by half.

Mr. Schulte expressed his opinion that the Board does not have the luxury to sit back and take no action. Rather, they have a responsibility to take action with regard to the Highway Department Building.

At this time Mr. Schulte offered to answer any questions. Commissioner Schuldt questioned whether Mr. Schulte thought that the county should take action to build a new building on the 22 acres which were purchased for the purpose of erecting a new Highway Department Complex. He indicated that this would be a very utilitarian building. It would not be anything fancy. Mr. Schulte expressed concern that costs related to the road and sewer system will need to be researched. In addition, if access to State 76 is desired, that too would need to be researched. He suggested the Board consider all options. Commissioner Schuldt expressed concern that the current Highway Department Building may have deteriorated to a point where it would not be prudent to repair and restore. He indicated that it would be possible to spend a significant amount of money on the building, and in the end, the County would still be operating out of a very old building. Mr. Schulte stated that there is a need to gather the costs for various options. Craig Morehead shared that when a Highway Department Building was last discussed

the cost estimate was \$1.2 million. Commissioner Schuldt reiterated that a new building would be functional and utilitarian. He stated that consideration may be given to selling the old highway department building and also a portion of the 22 acre parcel.

Commissioner Kjome stated that recently he visited the Highway Department Building. He understands that the plow trucks blades must be removed before being parked in the building, because otherwise the vehicles are too large and they do not fit and they are unable to close the overhead doors. In addition, the mechanic is unable to perform repairs to dump trucks inside the shop if the box is required to be lifted because the building lacks the necessary clearance. These repairs must be performed outside in the elements.

Commissioner Kjome indicated that the building has had additions constructed at various times. This has resulted on various levels of the building. Wooden ramps have been constructed to allow for the moving of oil barrels from one area to another. He expressed that he did not expect the level of building deterioration as he found, and he expressed concern about the lack of usefulness of the building. Commissioner Kjome questioned whether funding has been budgeted for repairs. Chairperson Zmyewski stated that the crop land rent of the 22 acres is designated for use in repairing and/or maintaining the building. Commissioner Kjome questioned whether there is an OSHA claim related to the building. It was confirmed that correspondence related to the building had been received, a response was required and has been sent in this regard. Mr. Schulte stated that he is meeting with the Board to “set a fire” so that something gets done.

File No. 3 - Environmental Services Director Frank reported that the Best Management Practices Report has been submitted annually to the State since 1995 or 1996. The State allocates funding for a low interest revolving loan program which the County administers. The loans may be used to bring feedlots and septic systems into compliance. Recently the program was expanded to include wells. The purpose of the program is to improve water quality. County staff works with owners and SSTS to develop plans whereby the owner is able to become compliant, a cost estimate is prepared and a low interest loan may be granted to fund the project. The County was unable to utilize all 2012 funding available. For 2013, Houston County is requesting approval for \$99,760.00 in funding. Eastwood Bank, a local lending institution backs up the loans. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve submission of the 2013 Ag BMP report to the State Department of Agriculture.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to recess until the next scheduled appointment at 10:00 a.m.

With all members present, the Board returned to open session.

File No. 4 – HR Director Arrick-Kruger introduced David Unmacht, a representative of Springsted who performed an organization review of the Human Services Department. Mr. Unmacht distributed a handout he had prepared for his presentation.

Discussion was held regarding whether or not to tape Mr. Unmacht's presentation. County Attorney Hammell stated that the County has not made it a practice to tape presentations in the past. She expressed caution with taping this presentation as it may set precedence. She suggested that the decision be referred to the Chair for a decision. Chairperson Zmyewski indicated his agreement with County Attorney Hammell that the proceedings should not be videotaped. He too is concerned with setting precedence. It is true these proceedings are open to the public, however, he is not supportive of videotaping them. When it was argued that there may be staff who wish to view the proceedings, Chairperson Zmyewski indicated that upper management is responsible to disseminate information to staff. He reiterated that he does not desire to set precedence by videotaping these proceedings. County Attorney Hammell expressed concern that both the public and staff be treated equally regarding accessibility to any videotaped documentation of the meeting. It would not be appropriate for staff to be granted easier access to information than other members of the public. Mr. Unmacht extended an offer to return to make the presentation for staff who are unable to attend this meeting. He was not clear whether there would be an additional charge for this service or not. Chairperson Zmyewski reiterated his opinion that the presentation not be videotaped.

Mr. Unmacht introduced himself and shared a brief history of his experience and qualifications. He has worked with approximately 20 counties and has familiarity with county government operations.

He indicated that he continually revises any prepared information until he prints it out. He expressed his belief that he would make additional adjustments to the Presentation to County Officials Human Services Findings if given the opportunity. These revisions do not change the overall findings. Mr. Unmacht has been working to prepare his presentation for many days.

Mr. Unmacht stated that his review pertains to workplace culture, it is not a quality assessment, nor is it a detailed performance analysis of the department. He will be presenting his findings as they are related to the dynamics of the department at the time when the information was being collected. The process started in late September.

The presentation isn't scripted, there are no prepared remarks except what is read from the report. There may be times when this discussion will be uncomfortable. He will be candid and respectful as he puts forth his information. Following his presentation, and in the future, the County Board will need to make a decision on how to move forward. This is meant to be a thoughtful discussion and he does not recommend any action be taken at this time.

On his drive to meet with the Board Mr. Unmacht indicated that he was listening to a radio program on which the hosts were discussing the current issues surrounding the NBA Basketball team, The Lakers. He couldn't help but liken The Lakers situation to that which exists in Houston County.

Mr. Unmacht stated again that he was contracted to present findings only. This was completed on a limited budget with limited time.

Mr. Unmacht provided an overview of the purpose and review process which have resulted in the findings he is presenting today. He indicated that Houston County's situation is emotionally charged. His discoveries presented interesting challenges related to the work he was contracted to perform. Because of this, he consulted with colleagues regarding his process. He commented that 87% responded to the employee survey. This is a high rate. The responses exhibited the strong opinion of individuals. He said it was unique to see that tenure was evenly distributed. Typically, if represented graphically this will reflect a bell curve or tend to lean heavily to one side.

The level of cooperation within the department was better than expected. Mr. Unmacht couldn't help but notice that staff works together to serve clients.

When presenting data related to strengths and weaknesses, Mr. Unmacht cautioned that the number of bulleted points in his written findings does not matter. Houston County strengths are good. He complimented the Board and staff. He stated that the organization is dedicated to providing services and is inwardly focused. He talked briefly about the strengths of the organization.

He indicated that he commonly sees that communication may be both a strength and an area listed for improvement. He stated that communication within Houston County is good. However, there is room to improve the communication.

The items listed under improvements were explained. Nothing in Mr. Unmacht's findings made "alarm bells" go off. It was noted that there is concern related to staffing levels. Mr. Unmacht expressed his understanding that the Board is cognizant of these concerns and they may have been addressed by this time.

Mr. Unmacht stated that there is universal support for permanency.

There is a specific group which lacks confidence in upper management. Upper management includes the Board and Human Resources.

There are two themes which have been well defined as a result of Mr. Unmacht's process. On one hand there is a perception that trust and respect are lacking and an open and honest conversation between management and staff is not possible, and on the other is that there was a need to make a change so that there is accountability. It was evident to Mr. Unmacht which side of the fence each interviewee was on. There were not vocal individuals who were "somewhere in the middle."

Mr. Unmacht noted that there were individuals who severed their working relationship with Houston County who indicated that they would like the opportunity to meet with Mr. Unmacht. He declined these meetings.

Mr. Unmacht presented his summary of findings. He stated again that this is not a performance review of any one individual.

It was noted that Houston County is unique. Typically Mr. Unmacht sees three responses to change. Some individuals have a sense of loss and wish for things to return to how they once were, others roll with the situation and accept it for what it is, neither positive or negative, or individuals may exhibit a “this should have been done a long time ago” response. In Houston County there weren’t many if any who accepted the situation and rolled with it. They either wanted things to return to how they were, or figured it was time that a change be made. Mr. Unmacht stated that the culture is clearly “camped.” This is unique.

Perception and how it has played a part in the culture at the County was discussed.

It is true that staff has left. This may have been the result of performance. People leave organizations when there is change. This is not unique or distinct, it simply happens.

The division among the members of the County Board has contributed to the ongoing dissension.

The Chain of Command within the organization broke down, accountability became blurred. This happens in organizations. However, in Houston County the result has not been healthy for the organization.

Mr. Unmacht stated that there were multiple interim positions. This has resulted in continued uncertainty. In addition, roles have lacked definition. He stated that to be an effective supervisor, Karen Sanness can’t be supervisor and carry full caseload. He stated that he is uncertain whether this has been addressed now or not.

Through all of this the Financial Unit has exhibited a unique sub-culture. The unit makes up the overall culture but, within itself, is pleased with support and direction.

Mr. Unmacht stressed that perceptions are overwhelming and unhealthy. He stated that there is a lack of trust within the organization. He indicated that the deterioration of trust and respect is at such a level that the organization would benefit from outside assistance in the rebuilding of that trust and respect.

The organization has two options. They may retain current leadership and make them permanent. In the event this is the decision there are things that must happen. The other option is to make a change to leadership.

There have been achievements attained under the guidance of current leadership. The organization may choose to acknowledge these successes and move forward. Regardless of the decision, the Board must be supportive of it.

He suggested that the County contract with Sand Creek for assistance if they decide to retain current leadership. Sand Creek would be able to coach and mentor leadership so that they are able to work through the dynamics that are present.

If the Board chooses to make a change, he suggested hiring an external interim. This would be a temporary position to allow things to “settle”. He suggested identifying what is desired in the new leader including but not limited to characteristics, skills, etc. The individual hired must fit the bill before extending an offer of employment. The Board could also simply post the position and hire from the outside.

Mr. Unmacht stated that the Board is facing a challenge. This is also an opportunity. There is a need for leadership. Individuals also need to accept personal responsibility.

This organization is special and is comprised of a good group of individuals who exhibit a genuineness and honesty.

Chairperson Zmyewski expressed appreciation for Mr. Unmacht’s work and presentation. He questioned whether, in Mr. Unmacht’s opinion, Houston County would benefit by employing an administrator. Houston County is one of only a handful of counties that does not employ an administrator. Mr. Unmacht expressed his belief that an administrator would be beneficial. Administrators tend to be preventative rather than reactionary. Commissioner Schuldt expressed his opinion that the information provided has been insightful and beneficial.

Chairperson Zmyewski indicated that a significant amount of information has been presented and there is a need for the Board to process the information and discern. Therefore, he will not be opening the meeting up for public comment.

Commissioner Walter reported on an Outdoor Recreation Alliance and solid waste meetings which she attended.

Commissioner Storlie reported on a Houston County Early Childhood Initiative meeting which she attended.

Chairperson Zmyewski reported on an informational frac sand meeting which he attended.

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

File No. 5 – Correspondence regarding SNAP-Ed funding reductions

File No. 6 - Report of Section 8 Vouchers by County

File No. 7 - Correspondence to Hank Koch regarding tons delivered to Xcel

File No. 8 – Correspondence regarding grant to cover Jail re-use study

There being no further business and the time being 11:26 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, January 29, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, January 29, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; PHN Director Rock; Chuck Schulte; Engineer Pogodzinski; Environmental Services Director Frank; Recorder Bauer; Stan Bahr; IS Director Milde; Highway Accountant Schroeder; Financial Director Lapham; Interim HS Director Bahr; VSO Gross; Yvonne Krogstad; Jail Administrator Schiltz; County Attorney Hammell; Zoning Administrator Scanlan; Sheriff Ely; Court Administrator Larson; Treasurer Trehus; Sarah Wexler-Mann; Diane Sullivan; Mary Thompson; Michelle Massman

Presiding: Teresa Walter, Vice-Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the January 22, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$322,058.13
Road & Bridge Fund	140,390.14

Total	\$462,448.27
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At this time Chuck Schulte met with the Board to discuss his ongoing concerns related to the County Budget. Mr. Schulte questioned why Houston County is spending significantly more than Fillmore County when Fillmore County has a 10% greater population and more square miles. He started by pointing out that the Houston County Board's budget is larger than that of Fillmore County's Board. He questioned why, in a non-election year, Houston County is budgeting for elections and voter registration. Auditor Meiners responded that there are maintenance agreements for machines etc. which are required in both election and non-election years. In addition, one staff position in the Auditor's Office is accounted for under the elections budget. She indicated that Houston and Fillmore County have similar costs relating to elections,

however, they are simply accounted for in a different manner. He went on to list several departments whose budgets exceed those of Fillmore County. He summarized this with questioning why the Houston County levy is \$2.5 million more than Fillmore County. He expressed that he is not comfortable with the management of Houston County. He indicated that other county residents share his concerns. He questioned how the Board intends to remedy this.

File No. 2 - Vice-chairperson Walter responded that the County has been subject to various funding reductions, however, they are mandated to provide services or be penalized. Currently, the County is working on Human Services redesign which should result in greater efficiencies and cost savings. The Board intends to look at other departments in the future.

Vice-chairperson Walter noted that Houston County's total budget is 30% levy, while Fillmore County's is 36% levy.

Vice-chairperson Walter stated that Mr. Schulte's information lacks consideration to revenue generated within various departments which offset the cost of the services provided. In addition, Fillmore County may have budgeted less, however, they have exceeded the budgeted amounts. Houston County has utilized \$246,000.00 in fund balance. Fillmore County has utilized in excess of \$300,000.00 in fund balance.

Mr. Schulte has expressed concern with the Highway Department Building. The Board is working to address the concerns. Houston County recently constructed the Justice Center, and costs to operate the building are being included in the budget. Mr. Schulte stated that the County has "robbed Peter to pay Paul" and this cannot be allowed to continue. There is a need to reduce costs now. In the next budget cycle salaries and health benefits will increase. Mr. Schulte desires to know how costs are going to be contained going forward and how financial obligations are going to be met without taxing residents out of the County.

File No. – 3 Engineer Pogodzinski shared a PowerPoint presentation he had prepared. The presentation showed how in 2010 Houston County had 49 deficient bridges. The number of deficient bridges following the coming construction season will be reduced to 38. This reduction in the number of deficient bridges is the result of careful planning and a pro-active approach to capture state bond funding as it becomes available. Fillmore County has 91 deficient bridges and they have not seen this number decrease.

With regard to the airports located in each county, Fillmore County performed upgrades in the past and is now simply budgeting for operations. Houston County is currently budgeting to complete upgrade projects. Houston County's airport pavement ranks in the bottom 5 in the State.

Engineer Pogodzinski stated that reports indicated that there will be a 20 year funding shortfall for CSAH roadways. There are counties which have bonded to be able to complete necessary projects. In addition, there are counties which have returned paved roads to gravel. Houston County chooses to fund projects which preserve pavement. Fillmore County does not.

Houston County also funds bridge preservation projects which Fillmore County does not. All funds required to perform these two types of preservation projects are 100% local funds. If the amounts funded for preservation were removed from the Houston County budget it would result in the budget being similar to that of Fillmore County.

Houston County suffered significant infrastructure damage during flood events in 2007 and 2008. Outside funding was available for repair projects which Houston County has been able to utilize.

Houston County provides assistance to townships. The townships are billed for services. Expenses related to this assistance is reflected in the budget, however, offsetting revenues are generated but have not been considered in previously presented information.

Engineer Pogodzinski provided comparison data related to revenues. Houston County has been proactive in pursuing federal funding and been successful. In response to the use of fund balance, he explained how funding was awarded in 2012 for a project which was delayed. The funds were carried forward to cover the project which will be completed in 2013. The expenses related to the project have been budgeted in 2013.

Houston County performs design work ahead of time. Once the designs are approved the designs are set aside. When the State offers bond funding, approved designs which were previously “set aside” are submitted for possible funding. By having approved designs set aside, Houston County has captured bond funding which is awarded on a first come first served basis. This allows the County to fund projects utilizing more outside revenues than local dollars.

The Highway Department’s performance and practices have not gone unnoticed by the State. Because of Houston County’s outstanding performance in upgrading bridges and reducing deficient bridge numbers, the State has suggested to other counties that Houston County practices and/or similar policies should be adopted. Houston County is a “model” county in this regard. In addition, Engineer Pogodzinski has been invited to participate on a bridge board at the State level.

VSO Gross provided differences between the Houston County Veterans Service Office and Fillmore County’s. He explained that he successfully wrote and was awarded grant funding. This funding is a significant source of revenue and has offsetting and equal expenses. VSO Gross discussed staffing levels of each county’s Veterans Service Office. When removing the grant from consideration, the offices budgets are similar. VSO Gross noted a significant difference between the offices. Houston County’s office generates \$7,300.00 in benefits for each \$1.00 spent. These benefits are provided to the veterans who have served. The amount of funding generated by the Houston County Veterans Service Office greatly exceeds that of the Fillmore County Office and is near to what is generated by the Winona County Office which serves twice as many constituents.

Sheriff Ely indicated that Houston County recently constructed the Justice Center. The operations for the Justice Center must be funded. The Fillmore County Sheriff's Department generates revenues through contracts. The Houston County Sheriff's Department does not generate revenue.

Environmental Services Director Frank reported that the solid waste program which Houston County operates has been recognized for excellence nationally. This program provides services to each and every county resident. The program is full service and includes fluorescent bulb, prescription drug and household hazardous waste collection in addition to trash pick-up within the cities and a drop site program for rural residents. As a result there are minimal reports of roadside dumping. Fillmore County does not offer near the services offered in Houston County.

Staffing of the planning and zoning office in Fillmore County is greater than the staffing for the same office in Houston County. Houston County provides feedlot enforcement where in other counties it is common that an agency such as conservation provides this service.

Houston County is planning for the future with regard to frac sand mining. The County is working diligently to establish an ordinance that will protect the taxpayers from having to cover expenses resulting from the industry. The ordinance should result in the costs related to the industry being born by those in the industry that are benefitting.

Finance Director Lapham indicated that she has attempted to combine costs within one budget to be reflective of how costs are represented in the other budget. Through this process she has come to realize that the way costs are broken out or represented in one budget may be beneficial for reporting purposes and consideration should be given to making changes. Financial reporting may be simplified by adopting practices similar to those of Fillmore County.

County Attorney Hammell indicated that both Fillmore and Houston counties operate with like staffing levels. Houston County experiences a greater volume of criminal, drug related, and child protection cases.

Interim HS Director Bahr stated that demographics between the counties vary greatly. Houston County has a younger population. This is reflected in the higher numbers of child protection cases. Child protection services involve local funding. Fillmore County has a more aged population. Long term care costs are higher in Fillmore County. The programs which fund these programs are State and Federal so the expenses aren't represented in the County budget like the expenses related to child protection services. Another significant difference between the counties is that Houston County provides mental health services within its organization. Fillmore County provides the same services but contracts with an outside agency for them. Houston County has expenses related to mental health services, however, it does recover approximately \$1.00 for each \$2.00 spent. Fillmore County will have an expense related to the contract but will realize no reimbursement for any portion of the contract expense. There are differences in how

the FTE's within the Human Services Department are divided among the individual divisions. Interim HS Director Bahr commented that the HS department is, in her opinion, in the best financial shape it has been in for years.

Investment income is significantly greater in Houston County. Treasurer Trehus stated that Fillmore County appears to maintain most excess funds in a money market account. Houston County has actively sought investments for excess funds which will generate a greater return. Treasurer Trehus stated that she does spend time working with the investments to ensure the highest rate of return possible.

Recorder Bauer stated that revenues within her department are generated by a 'user fee'. There are State offices which offer the same services and compete with the County to provide services and capture that user fee. Auditor Meiners is faced with the same issue. Auditor Meiners recently promoted use of the local county office for services so that the user fee is collected by and stays in the County. These user fees are dictated by Statute preventing the offices from adjusting them.

IS Director Milde stated that his budget is less than Fillmore County. In addition, his budget has been reduced annually over the past few years.

Public Health Director Rock reported that Fillmore and Houston Counties make up a Joint Board of Health. Houston County is the fiscal agent for the Board. This is reflected in the Houston County budget.

Finance Director Lapham has been reviewing the budgets of both counties. She expected Houston County salaries to exceed those of Fillmore County when in reality, Houston County salaries were less than those paid in Fillmore County. She expressed her belief that everyone is committed with providing the most to the taxpayer. It may be possible to reduce the need for levy funding through redesign, combining of services and/or departments.

Commissioner Storlie stated that she is proud of the people who work in this county. Often employees are not acknowledged enough. She expressed her appreciation and thanks to staff. Commissioner Kjome echoed the sentiment. He stated that the information provided today has been helpful. He expressed his desire to "hold the line" with regard to future tax increases.

Chuck Schulte indicated that he has been visiting with county staff and residents. He believes that staff are doing a good job. He has found this sequence of meetings with the Board to be a valuable exercise. He shared his opinion that Caledonia City residents have suffered as a result of the County's purchase of the Meyer Building which removed the property from the tax rolls, and as a result of the construction of the Justice Center which resulted in the razing of 5 homes which had to be removed from the tax rolls and also repairs/refurbishment of the street east of the Justice Center. He expressed his opinion that Public Health should return to the downtown County campus because there is adequate room.

Mr. Schulte stated that he has no desire to build a business in Houston County because he already pays nearly \$600.00 per week in taxes.

Environmental Services Director Frank stated that the proposed frac sand ordinance has been legally reviewed. In an attempt to expedite the process, Environmental Services Director Frank suggested holding a combined meeting to include the County Board, Planning Commission and frac sand study committee along with Jay Squires, legal counsel to discuss the proposed ordinance. He stated that there is language within the ordinance related to existing mines. Environmental Services Director Frank urged consideration of the work schedules of many members of the Planning Commission and frac sand study committee when scheduling the meeting. It was agreed to schedule the meeting for February 12th from 4:00 p.m. to 7:00 p.m. at the Justice Center lower level conference room. The meeting will be open to the public. No public comment is advised. Public hearings will be scheduled which will provide an appropriate forum for public comment.

Environmental Services Director Frank provided a reminder related to the frac sand information meeting scheduled for February 1st and the Winona County Historical Building. The meeting is scheduled to begin at 8:30 a.m. and will include representatives from across the region.

PHN Director Rock recommended postponing the scheduled birth defects awareness presentation until the full board could be present.

File No. 4 - PHN Director Rock requested approval for a waiver services contract with Mike Wiste of Spring Grove. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the waiver services contract.

It was agreed to schedule a strategic planning meeting with HR Director Arrick-Kruger. The two days of meetings were tentatively scheduled for Wednesday, February 13th and Thursday, February 14th.

File No. 5 – Following discussion, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-4

WHEREAS, Minnesota Statutes 244.19 subdivision 6 outlines a process for state reimbursement to participating counties of 50% of the previous year's expenditure for their probation officer salaries, and

WHEREAS, 27 County Probation Officer counties and 28 Department of Corrections Contract counties participate in this process, and

WHEREAS, appropriations from the state have steadily decreased from 50% in 1996 to an all-time low of 31% in FY 2012, and

WHEREAS, the 55 counties participating in this process have been forced to absorb the \$2,963,000 deficit in the FY 2012 reimbursement funding for their probation officers, and

WHEREAS, the 2013 legislative session will be establishing the FY 14 and FY15 appropriation for probation officer salary reimbursement for these 55 counties, and

WHEREAS, the Minnesota Association of County Probation Officers has been working with the Department of Corrections and legislative staff to ensure that an accurate FY 14 and FY 15 appropriation amount is determined, and

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners strongly requests the 2013 Minnesota Legislature to appropriate sufficient funds to reimburse the 55 participating counties for the full 50% of the cost of their probation officer salaries.

Commissioner Kjome reported on new commissioner training which he along with Commissioners Storlie and Schuldt recently attended. It was agreed that the training was extremely beneficial.

There being no further business and the time being 10:26 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 5, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Teresa Walter, Vice-Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 5, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Moorhead & Schuldt; Engineer Pogodzinski; HR Director Arrick-Kruger; Wayne Fitting; Surveyor Walter; Chuck Schulte; Finance Director Lapham; Kelley Stanage; Sara Wexler-Mann; Yvonne Krogstad; PHN Director Rock; Diane Sullivan; Mary Zaffke; Jesie Melde; Interim HS Director Bahr; Assessor Dybing; Environmental Services Director Frank

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the January 29, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$27,065.72
Road & Bridge Fund	33,969.36

Total	\$61,035.08
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File No. 2 - Engineer Pogodzinski reported that S.A.P. 28-598-10, a bridge replacement project on County 249, has been completed. The old bridge has been replaced with two box culverts. The original bid amount was for \$207,160.040. There was one change order and overrun which were a result of poor soil conditions and the need for additional rock. The total amount certified is \$219,948.95. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-05

WHEREAS, Contract No. 213 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.

At this time Wayne Fitting met with the Board. Mr. Fitting questioned why the Board took action regarding golf cart use on CSAH 26 without representation from both sides of the issue. He expressed his disappointment with this. He expressed concern that neither representatives from Money Creek Haven or Money Creek Township were allowed to present their stance or information pertinent to the issue.

Commissioner Schuldt stated that his action was based on the recommendation of the County Engineer. Mr. Fitting explained that, on the recommendation of Sheriff Ely, Money Creek Town Board adopted an ordinance regarding the use of golf carts on designated township roadways. Following this, a deputy sheriff met with Mr. Fitting and explained that the ordinance did not cover golf cart use of CSAH 26.

Mr. Fitting stated that it is his understanding that the County Engineer has prepared a draft ordinance regarding golf cart use on CSAH 26 and questioned what became of it. He expressed his opinion that the Sheriff, County Engineer, along with representatives from the Money Creek Town Board and he should have been allowed to meet and discuss the issues openly. The township board spent money to have an ordinance drafted and wasn't afforded the opportunity to share the information with the County. Commissioner Walter reiterated that the Board's decision was based on the recommendation of the County Engineer. There were safety concerns expressed.

Mr. Fitting responded that golf carts have been operating safely on CSAH 26 for many years. He has no knowledge of any accidents. The campground has agreements in place regarding golf cart use at the campground.

Engineer Pogodzinski clarified that he expressed concerns related to safety on areas of CSAH 26 which have a 55 mph speed limit, areas with limited shoulder and CSAH 26 west of the campground where it is winding and goes up the hill. Any ordinance at the County level would require that the vehicles have the appropriate insurance, permit and are operated only by a licensed driver. Permitting would be required and the length of the permit would not be allowed to exceed a 3 year period. This restriction is governed by State Statute. These items would need to be monitored and enforced.

Engineer Pogodzinski reviewed the risks and benefits prior to making his recommendation. He has explained the risks. There doesn't appear to be a great amount of

benefit for allowing the use of the golf carts. There are no stores within the town of Money Creek which a camper may want to go to.

Mr. Fitting explained that he doesn't have a problem with limiting the use of golf carts to areas of CSAH 26 which are within the 30 mph speed zone. Chairperson Zmyewski acknowledged that there wasn't equal representation. The decision may have been in response to one individual's adverse opinion of golf cart use. Mr. Fitting stated that if Houston County determines golf cart use is not in the best interest of the County following its due diligence he would respect that. He shared his perception that the County hasn't performed its due diligence before it took action. He would like to see the County perform its due diligence.

Chairperson Zmyewski questioned whether Mr. Fitting has interest in developing a proposal for golf cart use which the Board could then review. Commissioner Walter assured Mr. Fitting that the Board does not have an issue with Money Creek Town Board having taken action to adopt a township ordinance. The Board is concerned with safety on CSAH 26. Chairperson Zmyewski stated that all parties should have been afforded the opportunity to discuss this more fully. It was agreed to allow Mr. Fitting and the Money Creek Town Board to present a proposal for consideration.

Engineer Pogodzinski reported that the "draft" ordinance was a simple compilation of other like ordinances. He stated that before moving forward with any ordinance, the section of CSAH 26 to be considered for golf cart usage would need to be determined.

Chairperson Zmyewski stated that Money Creek Haven is a business which brings people to the area. This is important.

Mr. Fitting commented that it was mentioned that campers are not residents of the township. He pointed out that the campers are taxpayers. Their permanent structures are assessed and taxed. The taxes are paid to the County.

Mr. Fitting indicated that there was a considerable amount of work completed last year related to this issue. He would appreciate the opportunity to present the information. It was agreed to allow Mr. Fitting to present his information.

Mr. Fitting asked for clarification regarding what the next step would be. Chairperson Zmyewski suggested Mr. Fitting work with the County Engineer and Sheriff to identify the section of CSAH 26 to be utilized. He also encouraged him to prepare a "guideline/business plan". The "plan" will assist the Board to understand what is being requested and how it will work.

Commissioner Schuldt questioned whether traffic counts for the area of CSAH 26 being discussed are available. Engineer Pogodzinski stated that he would be able to provide that information.

File No. 3 - Surveyor Walter met with the Board and provided information about a cooperative project between Allamakee County, Iowa and Houston County, Minnesota to resurvey the state line. This joint venture will provide for representation from both states and as a result of collaboration will save on the cost to each state. When the original survey was completed, a monument was placed each ½ mile.

File No. 4 - Surveyor Walter stated that last week, when department heads were allowed to respond to the public regarding their budgets, he was unable to attend. At this time he provided information related to the Surveyor's Office, staffing, duties and expenses.

PHN Director Rock stated that January was birth defect awareness/prevention month. Public Health provides various services to combat birth defects. These programs include WIC, Peer Breastfeeding Support and Home Visiting.

File No. 5 - Diane Sullivan provided an overview of the WIC program. WIC is a nutrition program for women, infants and children. PHN Director Rock explained that WIC is a USDA funded program. There are opportunities for counties to be awarded additional funding related to the program.

File No. 6 - Jessie Melde provided an overview of the Peer Breastfeeding Support Program. This program is 100% externally funded. A collaborative grant between Fillmore and Houston Counties provides the funding. The program is in its third year. Participation has doubled as a result of referrals and "getting the word out" that the program is available. This influx of participants will require additional staff. PHN Director Rock reported that a new budget has been submitted and approved by the State. The cost for additional staff is included in the new budget and will be 100% externally funded.

File No. 7 - Mary Zaffke is a nurse in the Public Health Department and provides in home visits. The Home Visiting Program started in Houston County in the early 1990's. Later, the State, through MDH (Minnesota Department of Health) began providing financial support for the program with block grants. Ms. Zaffke provided an overview of the program and discussed its benefits. It has been estimated that for each dollar spent on the program, \$5.78 is saved.

At this time the Board discussed scheduling time to review the findings from the Human Services study performed by Springsted. Commissioner Storlie stressed the importance of scheduling this discussion so that those individuals vested in the outcome may be present. The discussion is expected to take approximately ½ hour. It was agreed to schedule discussion for Tuesday, February 12th during the regular Board meeting.

Commissioner Storlie expressed concern that the Historic Jail be addressed sooner rather than later. The building is costing tax dollars to heat and maintain. It was agreed to place this on the agenda under Old Business with a target date of May.

Chairperson Zmyewski acknowledged that the Board has many issues to be concerned with, however, he does not want work on Board goals and policy consideration to fall by the wayside.

File No. 8 - Auditor Meiners reported that the Houston Money Creek Snowmobile Club has submitted a Capital Improvement Request for Reimbursement. The county acts as the fiscal agent for area snowmobile clubs. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the request for reimbursement.

Discussion was held regarding adopting Roberts Rules of Order. The Board entertained the idea of having a trainer come in to do a presentation and answer questions related to Roberts Rules of Order.

Commissioner Storlie questioned whether the frac sand meeting which she attended entitles her to a per diem. The meeting was an all-day meeting. She expressed her understanding that the meeting would not qualify under the recently adopted per diem policy because attendees are not members of a specific committee associated with the meeting. This discussion brought forward a concern that the redesign meeting which is scheduled for later this week will not qualify either, however, it is imperative that County Commissioners attend the redesign meeting. Commissioners questioned whether the per diem policy was tightened up too much. It was noted that commissioners carpooled to the frac meeting in an effort to reduce and contain expenses. There are meetings which aren't "committee" in nature where attendance is a necessary part of county business. Commissioner Kjome stated that attendance at the frac meeting was important and provided valuable information to commissioners currently facing decisions related to frac sand mining. The per diem policy may need to be further revised to provide a provision for per diems if the Board approves specific meetings for them. It was agreed that prior to additional revisions to the policy, information should be gathered related to how other counties policies are worded. Additional discussion on this topic will be held once information has been gathered.

It was agreed to copy and include agenda request forms with lengthy explanation in packets for commissioners' review.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to accept the agenda requests. Discussion was held regarding department head requests for Board appointments. Department heads are required to submit the appropriate Board Request Form however, department heads will be allowed to have appointments scheduled with the understanding that the Board may refrain from taking action immediately.

The Board agreed to discuss strategic planning on February 19th during the regular scheduled meeting between the conclusion of regular business and the start of department head reviews.

Commissioners Kjome, Walter and Storlie reported on the regional frac sand meeting which they attended in Winona.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to recess until 11:00 a.m.

The time being 11:00 a.m., the Board met with Engineer Pogodzinski for his annual performance review.

The time being 11:30 a.m., the Board met with PHN Director Rock for her annual performance review.

The time being 12:00 noon, the Board met with Auditor Meiners regarding her annual performance review.

The time being 12:30 the Board met with Interim Human Services Director Bahr regarding her annual performance review.

The time being 1:00 the Board met with Environmental Services Director Frank for his annual performance review.

The time being 1:30 p.m. the Board met with Assessor Dybing for his annual performance review.

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

File No. 9 - Correspondence to State legislators regarding probation officer salary reimbursement appropriation

File No. 10 - Public notice regarding meetings commissioners will be attending

File No. 11 - Public notice regarding special meeting for 2/7/13

There being no further business and the time being 1:45 p.m., motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 12, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 12, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; John Griggs; HR Director Arrick-Kruger; Finance Director Lapham; Amanda Griggs; Donna Buckbee; Chuck Schulte; Cindy Cresswell; Cory Baker; Susan VanGorp; Mike Fields; Sarah Wexler-Mann (recorded the proceedings); Betts Reedy; Bruce Kuehmichel; Kelley Stanage; Marianne Zerbe; Jackie Baker; Yvonne Krogstad; Chad Oness; Kent Holen; Zoning Administrator Scanlan; IS Director Milde; Jeanette Twite; Julie Renk; Wendi Ruesgen; Sandy Ask; Karen Sanness; Michelle Massman; Doreen Denstad; Diane Schulze; Bryan VanGorp; See File No. A1 for listing of additional guests

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the February 5, 2013 meeting.

File No. 1 - Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$59,876.66
Road & Bridge Fund	30,152.68

Total	\$90,029.34
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Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to amend the agenda to include an appointment for Environmental Services Director Frank.

File No. 2 - Engineer Pogodzinski provided information related to the requirement to have an agreement in place for professional services with an airport consultant. The selection

process is supposed to take place once every five years. The most recent agreement expired in 2009 and was extended until December 21, 2011. In 2012 the county did begin the process of selecting an airport consultant. Two consultants were interviewed. Engineer Pogodzinski recommended approval of Mead & Hunt as they are well qualified, familiar with the Houston County Airport and the past experience with the firm has been positive. Engineer Pogodzinski stated that he has no reservations about Mead & Hunt's ability to perform the required duties well.

Commissioner Kjome questioned how the consultant bills for time. Engineer Pogodzinski responded that billing is dependent upon the agreement which is yet to be drafted. Commissioner Schuldt expressed concern that both Eric Benson and Arnie Beneke have voiced opposition to hiring Mead & Hunt. Engineer Pogodzinski indicated that opposition may be based on a project which was completed in 2006. The requirements of the project may have been a determining factor which drove the cost of the project up. In addition, part of the expense included in the cost of the project is for a well. Engineer Pogodzinski stated that since he has worked with Mead & Hunt they have performed the duties requested of them.

Commissioner Schuldt expressed a desire to reinstate the Airport Commission. As part of this, he would like to see the make up the Commission be a nice cross section of representation. Commissioner Schuldt noted that he has no desire to second guess the recommendation of Engineer Pogodzinski. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize Engineer Pogodzinski to work with Mead & Hunt to draft a Professional Services Agreement.

File No. 3 – At this time John Griggs met with the Board. He stated that nearly one year ago, by unanimous decision, a frac sand moratorium was adopted. Following that, Environmental Services Director Frank was charged with assembling a frac sand study committee. Work performed by the committee abruptly ended in December. Recently, a rough draft of a frac sand ordinance was distributed however, the draft failed to exclude washing and flocculant use which was to be included per the County Board. The health and economic impacts of industrial silica sand mining in the County have not been considered. Therefore, signatures of over 250 individuals have been collected to show support for an extension to the current frac sand moratorium. An extension of the moratorium will allow time to complete the work which began approximately one year ago.

Chairperson Zmyewski stated that there has been discussion regarding how to proceed. He expressed appreciation for those who have appeared today. Commissioner Schuldt indicated that additional time is necessary prior to making any decision. Today is not the time to take action related to the current moratorium. There is a need to discuss requirements. It was agreed to place this on the agenda for the next meeting. It was noted that the original moratorium was passed in February 2012 with a revision following in March of that year. It is expected that Attorney Jay Squires will provide information related to this at a meeting scheduled for later today. Mike Fields questioned whether a vote to extend the moratorium would be taken at the

next scheduled meeting. Chairperson Zmyewski stated that discussion will be scheduled for the next scheduled meeting.

File No. 4 - Finance Director Lapham provided information related to the audit. She was pleased to report that audit costs for last year were less than the budgeted amount. She hopes to continue to see audit expenses trend down as the result of new policies and efficiencies. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the letter of understanding related to the audit and to authorize the signature of Chairperson Zmyewski.

File No. 5 – Finance Director Lapham explained various budget amendments presented. These amendments are proposed so that expenses are accurately reflected. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the budget amendments as presented.

File No. 6 - Environmental Services Director Frank requested approval of a solid waste delivery agreement for Two Guys and a Dumpster. This is required as part of the solid waste ordinance. The long term agreement ensures that waste collected is delivered to La Crosse County. The license for Two Guys and a Dumpster was approved previously. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the solid waste delivery agreement.

HR Director Arrick-Kruger reported that it is the recommendation of the personnel committee to appoint Linda Bahr as HS Director. This includes the removal of the interim status. She also recommended that the probationary period be waived since Ms. Bahr has served in the interim HS Director position for a year already. Commissioner Storlie stated that the position should be subject to a one year probationary period. Commissioner Walter requested that Ms. Bahr receive training from SandCreek. HR Director Arrick-Kruger stated that it would be appropriate to have SandCreek provide EAP (employee assistance program) training to the department as a whole. This would be very positive going forward. There is training available for supervisors which may be beneficial, however, there are privacy concerns related to discussion involving the professional development of an individual. These discussions should be held at the personnel committee level. Commissioner Walter stated that the Springsted Report of Findings indicated that training for the director would be beneficial. Chairperson Zmyewski stated that Ms. Bahr's probationary period should be credited for time served as interim. Commissioner Storlie reiterated her desire to make the appointment subject to a one year probationary period. When asked, HR Director Arrick-Kruger indicated she supports any decision the Board makes and suggested the Board consider a compromise with regard to the length of the probationary period. Commissioner Storlie stated that the probationary period could be ended early. Policy provides for a mid-term review. This would provide an opportunity to end the probationary period in six months. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to remove the interim status and appoint Linda

Bahr to the position of HS Director effective February 13, 2012 with position subject to a one year probationary period with the understanding that a review will be held in 6 months.

HR Director Arrick-Kruger recommended a change in reporting lines of child support staff from HS Director Bahr to Financial Services Supervisor Kohlmeyer. Ms. Kohlmeyer has agreed to accept the additional duties. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the reporting line change effective March 1, 2013.

HR Director Arrick-Kruger indicated that she has become aware of scheduling conflicts related to the training taking place February 13th and 14th. She encouraged commissioners to be present as much of the time as possible.

Michelle Massman indicated a desire to speak. Chairperson Zmyewski stated that no public comment would be heard at this time. Discussion was held regarding allowing or not allowing public comment.

File No. 7 - Commissioner Walter stated that she has become aware of the proposed purchase of 36 acres in Yucatan Township. There are concerns because the sale will result in the property being removed from the tax rolls of both the county and the township. The property would qualify for payment in lieu of taxes (PILT) which is not perceived as equitable in its amount or distribution. It was agreed to contact representatives from the DNR and invite them to come and discuss this acquisition. Craig Moorhead questioned whether the county or township has any power to prevent the sale or not. The county and township do not have any authority to prevent the sale, however, they may voice their stance with regard to it.

File No. 8 - Chairperson Zmyewski expressed concern regarding Engineer Pogodzinski's intent to purchase new Trimble radio(s). It is a personal goal of Chairperson Zmyewski to try to replace a portion of the monies which have been taken from the general fund in order to balance the budget. He questioned whether the purchase is necessary to the operation of the department.

Commissioner Storlie questioned why the budget was passed if the intention was to replenish general fund monies in the same year. Commissioner Zmyewski responded that it was the Board's intention to continue to work to reduce the budget throughout the year. It is necessary to continue to monitor expenditures. Commissioner Storlie clarified that the departments have been given a budget. She expressed her opinion that the departments have a right to spend from that budget. They do not have the right to exceed their budget. She expressed concern that these department heads have had budgets approved, the expenditures in the budgets have been discussed and she does not favor micromanaging the expenditures in this manner. Commissioner Zmyewski indicated that spending has not been diligently monitored in the recent past. Salary increases have been granted when, in his opinion, no increases should have been approved. As a result the general fund has been depleted and needs to be replenished. There is a difference between allowing departments to spend within their budget versus exceeding their

budgets or granting requests for items which were not included in the budgeting process. Commissioner Walter expressed her opinion that the departments should be allowed to spend within their given budgets. Commissioner Storlie stated that passing a budget with a caveat that \$200,000.00 remains to be reduced is not budgeting. Reductions should have been determined prior to adopting the budget. Chairperson Zmyewski expressed that everyone understood that budgets may be reduced over the course of the year. He stated that the budgets are not guaranteed, they are an intention. It may be necessary to re-allocate money.

Commissioner Kjome questioned why this Board doesn't recite the Pledge of Allegiance at the opening of each meeting. It was agreed to discuss this during the goals and policies session scheduled for the 19th.

File No. 9 - Commissioner Storlie provided salary and per diem information she gathered from surrounding counties. The per diem being offered appears fair. She does not believe that per diems are abused. There is a need to respect the effort and time commissioners put into this position. Commissioner Walter stated that she would favor a salary only approach. This would result in easier budgeting as the salary would be known up front. It is difficult to anticipate the number of per diems which may be claimed throughout a year. This type of change may not occur until the next budget cycle therefore, she supports reinstating the sentence which was removed from the per diem policy. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to reinstate the sentence, "Per Diems will also be paid for meetings and events which pertain to and are directly related to county business".

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

RESOLUTION NO. 13-06
AUTHORIZING APPLICATION FOR MINNESOTA HOUSING & FINANCE AGENCY
FAMILY HOMELESS PREVENTION & ASSISTANCE PROGRAM

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

WHEREAS, the Southeastern Minnesota Housing Network, working through: 1) Lutheran Social Services LINK Program, 2) Olmsted Community Action, 3) Semcac, and 4) Three Rivers Community Action, has developed a renewal application for the Minnesota Housing Finance Agency Family Homeless Prevention & Assistance Program;

WHEREAS, the Southeastern Minnesota Housing network through Lutheran Social Services LINK Program, Olmsted Community Action, Semcac, and Three Rivers Community Action has demonstrated the ability to perform the required activities of the Minnesota Housing Finance Agency Family Homeless Prevention & Assistance Program;

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

File No. 11 - Following discussion, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to appoint Tom Bjerke to the EDA Board to fulfill the unexpired term of Christian Myrah.

Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to recess the meeting until 10:30 a.m.

The time being 10:30 a.m. the meeting reconvened with all members present.

At this time the Board met with HR Director Arrick-Kruger for her annual performance review.

At this time the Board met with County Attorney Hammell for her annual performance review.

At this time the Board met with Surveyor Walter for his annual performance review.

At this time the Board met with Finance Director Lapham for her annual performance review.

At this time the Board met with IS Director Milde for his annual performance review.

Commissioner Kjome reported on redesign and extension meetings which he attended.

Commissioner Walter reported on redesign and ARMER meetings which she attended. She also attended a meeting with La Crescent City regarding the collection of the quarterly household fee.

Commissioner Schuldt reported on redesign and extension meetings which he attended.

Commissioner Storlie reported on a redesign meeting and also a meeting with La Crescent City regarding the collection of the quarterly household fee.

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

File No. 12 - Information from DNR regarding intent to purchase property in Yucatan Township

File No. 13 - Correspondence from SMIF in appreciation of appropriation

File No. 14 - Posted notice of board attending leadership training on Feb. 13 & 14

File No. 15 - Correspondence from Senator Miller regarding funding levels for probation officer salary reimbursement

File No. 16 - Correspondence from the MN DOC regarding funding levels for probation officer salary reimbursement

File No. 17 - Notice from Engineer Pogodzinski of his intent to purchase a Trimble Replacement Radio (budgeted)

There being no further business and the time being 12:45 p.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, February 19, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 19, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Mike Fields; Chuck Schulte; IS Director Milde; Engineer Pogodzinski; HR Director Arrick-Kruger; Environmental Services Director Frank; Finance Director Lapham; Val Green; Assessor Dybing; Treasurer Trehus; Yvonne Krogstad; Cory Baker; VSO Gross; HS Director Bahr; Financial Services Supervisor Kohlmeyer; Zoning Administrator Scanlan; Diane Schulze

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the February 12, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$30,433.49
Road & Bridge Fund	94,436.95

Total	\$124,870.44
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File No. 2 – Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes from the Joint Meeting of the Board of County Commissioners, the Houston County Planning Commission & the Houston County Frac Sand Committee held Tuesday, February 12, 2013.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve an amendment to the agenda to include an appointment for Environmental Services Director Frank and Engineer Pogodzinski regarding a haul route concern.

File No. 3 - Chuck Schulte questioned whether any board members are veterans. He requested that a public comment period be included on the Board's agenda each week. He expressed his opinion that there is a need to provide time for the public to visit with the Board. Mr. Schulte provided examples of various boards which include a period for public comment during their meetings. He suggested that this period be placed at the end of the period reserved for appointments. Commissioner Schuldt indicated that a public comment period is a good idea. Chairperson Zmyewski stated that research has been gathered regarding this very idea. There is a policy meeting scheduled for later today at which time this will be discussed. Chuck Schulte questioned why this board doesn't approve its agenda. He also questioned if he were a commissioner where would he/she interject questions, concerns or thoughts into the meeting. He suggested that a section be included on the agenda for the comments and questions of the board members. Chairperson Zmyewski stated that all of these things would be discussed later during the policy meeting. Mr. Schulte stated that he is trying to inspire creativity.

File No. 4 - HR Director Arrick-Kruger announced that EDA Coordinator Jordan Wilms has submitted his letter of resignation effective April 5, 2013. She reported that she will be meeting with Mr. Wilms prior to the effective date to discuss his job duties. In addition, HR Director Arrick-Kruger would like to meet with the Personnel Committee to discuss the County's needs going forward. The EDA Coordinator position is part of the AFSCME Collective Bargaining Unit. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Jordan Wilms and to draft a letter of appreciation for his service to Houston County.

HR Director Arrick-Kruger recommended that the network technician position be increased from 0.5 FTE to 1.0 FTE. IS Director Milde, Finance Director Lapham and HR Director Arrick-Kruger have met to discuss the cost implications of this recommendation which equal \$24,406.00 for the balance of the current year. At this time, there is no health care benefit costs included in this rate estimation. HR Director Arrick-Kruger stated that there will be a need to cover these costs internally. With the recent resignation of the EDA Coordinator there will be short term salary savings which may be used to offset the cost for the increased FTE in the IS Department. There is a need to review the organization and re-organization options to identify long term funding for the increase. The need for the increased FTE is resulting from the EDMS project in Human Services. In addition, the EDA Coordinator has been maintaining the EDA website. He was also instrumental in the development and launch of both the County's website and the EDA website. IS Director Milde reported that IS needs are changing rapidly, contributing to the need for additional manpower. HR Director Arrick-Kruger commented that in an attempt to do more with less an intranet site is going to become more critical. Commissioner Walter questioned whether any portion of this position would qualify for reimbursement through the Human Services Department. Finance Director Lapham has estimated that approximately \$4,000.00 of the cost for the balance of the year may be reimbursable through Human Services funding streams. HR Director Arrick-Kruger indicated that this change should be made effective March 1, 2013. Commissioner Walter stated that this position FTE increase has been discussed

at length. She indicated that with the resignation of the EDA Coordinator, this may be a good time to make this change. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the increase from 0.5 FTE to 1.0 FTE of the Network Technician position. HR Director Arrick-Kruger commented that in the event this position had remained at 0.5 FTE she would have anticipated high costs resulting from turnover and also an inability to attract and retain qualified employees in this position.

File No. 5 - HR Director Arrick-Kruger shared information related to ongoing strategic planning. She stated that goals should be based on the institute's mission. Intentions will aid in the assembling of goals.

Environmental Services Director Frank reported that Fillmore County is working through the process to approve a frac sand mine. The EAW has been prepared and is in the period of gathering public comment. The approval of this mine will impact Houston County residents.

Engineer Pogodzinski has reviewed available information and prepared comments for submission to Fillmore County. The EAW is available on the Fillmore County website. Engineer Pogodzinski expressed concerns related to air quality, water quality, noise, and road impacts in the comments he prepared. He expressed his disappointment that Houston County hadn't been made aware of the process taking place in Fillmore County sooner.

One proposed haul route includes Houston County, the Cities of Spring Grove and Eitzen and county roadways. This route will take truck traffic east through Spring Grove and directly past the school. County 2 lacks wide shoulders and has only 4" of asphalt over an aggregate surface which will be damaged by the volume of truck traffic proposed. The primary haul route takes the product to Winona, Minnesota.

Groundwater in both counties is connected. Surface water from the Fillmore County mine site will drain into the Root River within a couple of miles of the site. Both the Root River and the South fork of the Root River may be impacted. These waterways already have an elevated amount of pollution.

No notification regarding this proposed haul route was sent to the cities of Spring Grove or Eitzen. The County only learned of this during a recent meeting hosted in Winona County.

The EAW does not address the fact that TH 44 is scheduled to be under construction during summer 2013. In addition, the City of Spring Grove has a main street project slated for the summer of 2013.

Engineer Pogodzinski reported that Allamakee County, Iowa has a moratorium in place at this time.

Chairperson Zmyewski clarified that the EAW is currently available for public comment. He questioned what the next step in the process is. Engineer Pogodzinski responded that concerns will be directed to Fillmore County. Fillmore County is expected to respond to the concerns in writing. They will explain how concerns have been or will be addressed. Fillmore County is the governing authority. Houston County has no authority in what happens to the project going forward.

Environmental Services Director Frank stated that the frac sand industry activity will cross county lines, and haul routes will utilize county roadways. Neighboring counties are meeting to discuss concerns. Neighboring counties need to be aware and informed of how projects in one area impact other areas.

Commissioner Kjome expressed concern with diesel fumes and the school which is directly next to the roadway designated as a haul route.

File No. 6 - Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to submit the comments prepared by Engineer Pogodzinski to Fillmore County. Commissioner Walter questioned whether Houston County has any opportunity to stop this in the event Fillmore County does not agree with or affirm our concerns.

File No. 7 - Environmental Services Director Frank reported that last week a joint meeting with Attorney Jay Squires to discuss the frac sand ordinance was held. During that meeting it became evident that the county will not have an ordinance in place prior to the moratorium's expiration. There are still concerns which require consideration and there is other work yet to complete. In addition to a frac sand ordinance there is a need to develop an ordinance to address existing mines. An extension to the moratorium has been recommended. Environmental Services Director Frank provided a timeline related to the current moratorium's expiration. The County is required to publish notice and hold a public hearing if it desires to extend the current moratorium. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to extend the moratorium on certain mining operations and activities, as previously authorized by the Board, for an additional period of up to one year, and authorize and direct staff to prepare a formal resolution to be presented to the Board for ratification in conjunction with a public hearing scheduled for March 5th.

File No. 8 - Commissioner Storlie provided information related to recommendations from the Houston County EDA. The Houston County EDA has recommended approval of the following three loans; a \$30,000.00 loan for Spring Grove Soda for the replacement of bottling equipment contingent upon approval of an SBA (Small Business Administration) loan. The Houston County loan is 14% of the project cost and will create two full time positions; a \$30,000.00 loan for Camp Winnebago for working capital to restart and expand camp programming. This loan is matched against a bank line of credit, makes up 38% of the project cost and will contribute to the retention of two full time and 1 part time position; a \$5,300.00

loan for Root River Market for equipment and renovation to add an in-house bakery. This loan is matched against cash equity and a bank loan, is 50% of the project cost and will contribute to the retention of 4 full time and 17 part time positions. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve all revolving loans for Spring Grove Soda, Camp Winnebago, and Root River Market.

The Houston County EDA is recommending the removal of the K Properties tax abatement which was approved in 2008. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to cancel the tax abatement for K Properties since they have been out of compliance and have indicated that they will be unable to comply going forward.

Finance Director Lapham reported that Houston County is a member of a computer coop. This coop provides the County with the required tax software. There is a desire to move from the current IBM platform to a more user friendly Windows platform. The software vendor is proposing moving to the Windows platform at this time and has provided an agreement in this regard. There is certain discounting offered for those entering the agreement prior to March 1, 2013. The cost for the upgrade is \$126,000.00 which will be paid for in equal installments over a period of 3 years. County Attorney Hammell has reviewed the agreements. She expressed concern with the lack of an "out clause." The executive committee is aware of counties concerns with the lack of an "out clause", however, they have been unable to negotiate one into the agreement. Treasurer Trehus spoke to the expected ease of use of the new Windows based software. Assessor Dybing stated that if the County does not move forward with the upgrade his office will be required to purchase alternate software.

It was reported that Manatron offered similar software for county use however, of the counties which purchased Manatron software, several have returned to the IBM platform. Auditor Meiners expects that this upgrade will reduce the County's dependence on and need for the AS400 system. This may result in not having to replace the AS400 system in the future.

Commissioner Kjome questioned whether the cost of the upgrade to the Windows platform has been budgeted for. Finance Director Lapham responded that it has not. She indicated that there may be compliance fund monies available and funds in a technical equipment line item which could be utilized to offset the expense. She reiterated that ratification by March 1 would allow the County to benefit from discounted pricing.

The Board requested detailed funding availability to cover the cost. Finance Director Lapham agreed to prepare funding information. She reported that the current ACS maintenance agreement costs \$8,000.00 per quarter. She anticipates that this cost could triple if we do not move forward with the upgrade. We are required to have a property tax system and upgrading it is an unfunded mandate. There are 22 Minnesota Counties utilizing this system, there are 17 which operate the Manatron system. Large counties including Hennepin, Olmsted and Dakota

have individual arrangements and do not work with small counties such as ours. It was agreed to place this on the February 26th agenda for further discussion.

File No. 8a - At this time Valerie Green of the DNR Forestry Unit met with the Board regarding a proposed land acquisition. She reported that land owners have accepted an offer extended by DNR Forestry to purchase 37 acres in Yucatan Township which is surrounded by State owned property. Ms. Green presented information regarding the estimated PILT payment related to this acquisition. The property is currently enrolled in a rural preserve program which results in tax revenue in the amount of approximately \$7.00 per acre. The estimated PILT payment will be equivalent to \$19.00 per acre.

Commissioner Walter questioned whether Yucatan Township had been made aware of this acquisition. Ms. Green indicated that she did not know whether the township had been notified or not. It was noted that often times townships are not pleased with this type of land acquisition because PILT distribution differs from tax revenue distribution. PILT distribution is determined utilizing a State mandated formula.

File No. 9 - IS Director Milde reported that quotes have been solicited for various purchases. The quotes are the result of the State bid and others not included on the State bid. The purchase of the SAN is necessary for the move to EDMS. The SAN will be the future backbone of the IS Department. Lynx Systems has submitted the cost for annual support. SHI has submitted quotes for 27 computers and docking stations. IS Director Milde stated that computers had been on a 5 year rotation, in many cases this is being extended to 6 or 7 years in order to contain costs. Both Human Services and Public Health cover the cost of their own equipment from within their respective budgets and that is why quotes are broken down. Software licensing has been budgeted for. The cost for the Microsoft licensure is \$22,052.00 per year for the next three years. Paying the licensure annually allows for the cost to be equally spread over a period instead of paid in one lump sum once during a period of years. All technology purchases with quotes provided today have been budgeted for. Overall, the quotes reflect costs of \$45,722.00 for the SAN, \$15,500 for computer hardware, \$1,750.00 for Lynx licensing and software upgrades, and \$20,052.00 for the required annual Microsoft Licensing. It was the consensus of the Board to allow said expenditures.

Chairperson Zmyewski reported that MCIT does not provide training related to Roberts Rules of Order. However, Craig Colbenson, a county resident who has expertise in this area and has prepared FAA teams for competition related to parliamentary procedure, has expressed a willingness to discuss the procedures and protocols with the Board. In the event the Board is interested in meeting with him he would suggest 2 sessions. The first meeting would be to introduce members to the overall concept and the second to discuss its intricacies in detail. It was agreed that Chairperson Zmyewski would contact Mr. Colbenson and invite him to make a presentation to the Board.

File No. 10 – Chairperson Zmyewski provided information from John Griggs regarding alternates to serve on the frac sand study committee. The alternates assigned to the committee have time commitments which are making it difficult to attend meetings. Names of individuals who have the time and are willing to serve as alternates have been provided. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to appoint both Bets Reedy and Kent Holen as alternates to the frac sand study committee.

The time being 10:21 a.m., motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess the meeting in order to convene the Human Services Meeting.

Meeting reconvened with all members present.

File No. 11 - At this time the Board discussed policies related to meetings of the County Board. Commissioner Zmyewski provided information he'd gathered from other counties with regard to their policies and how they operate their public meetings.

It was agreed that the budget should be reviewed quarterly and monitored for overruns and unexpected expenses which need to be provided for. It was questioned how this could be accomplished without micromanaging departments. It was pointed out that other counties have an administrator who typically performs this duty. Houston County does not employ an administrator, therefore this duty is the responsibility of the Board. Commissioner Storlie commented that the cost of an administrator would be great and at this time the county cannot afford it. Commissioner Walter stated that department heads work closely with Finance Director Lapham to review budgets and identify ways to cover unexpected expenses.

Commissioner Storlie expressed her opinion that rules related to the public comment period should be provided with the agenda at each meeting.

It was agreed to recite the Pledge of Allegiance at the start of each meeting. This will set the tone for the proceedings. This should be followed by approval of the minutes. After this a public comment period could be scheduled.

File No. 12 - Board members reviewed various neighboring county policies related to public comment periods. Discussion was held which items would be included in a policy for Houston County. Everyone was in agreement that an individual's comment period must be limited to 2 minutes. Commissioner Schuldt expressed concern that verbiage be included to prevent individuals from giving time to a specific individual to increase the time that individual would have to speak. Since the public comment period is for the public, it was agreed to exclude staff from the opportunity to speak during this time. It is expected that staff are to go through the proper administrative channels. The public comment period is not a time for discussion and no action will be taken in the event it is requested. Careful consideration was given to these things so that the policy would reflect the appropriate limitations and clearly reflect the intentions of the

Board. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt the Policy for Public Comment Period.

Discussion was held regarding scheduling and holding a finance meeting each month on the fourth Tuesday.

At this time the Board met with Sheriff Ely for his annual performance review.

At this time the Board met with VSO Director Gross for his annual performance review.

At this time the Board met with EDA Director Wilms for his annual performance review. The Board inquired which items are most important to be followed through on once his resignation takes effect. Mr. Wilms responded that tax abatements and loan payments are very important. There are also flood recovery funds that are being paid back to the County which go into the Revolving Loan Fund. Once a year there are reports on business incentives which must be filed with the State of Minnesota. Also, a big part of his job has to do with retaining existing businesses and nurturing start-up businesses. He indicated that it is very difficult to attract existing businesses to our area.

At this time the Board met with Recorder Bauer for her annual performance review.

At this time the Board met with Treasurer Trehus for her annual performance review.

File No. 13 – Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the County Board Agenda Policy.

Commissioner Kjome reported on a CJC meeting which he attended.

Commissioner Walter reported on the 2 day leadership training workshop which she attended. She commented that Great River 211 has requested updated information related to services offered by Houston County.

Commissioner Schuldt reported on the joint meeting to discuss the draft frac sand ordinance which he attended.

Commissioner Storlie reported on the EDA meeting which she attended.

Chairperson Zmyewski reported on the joint meeting to discuss the draft frac sand ordinance and also the leadership training workshop which he attended.

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

File No. 14 - Correspondence to payroll regarding appointment

File No. 15 - Notice of public hearing to be held at 9:00 a.m. on 3/5/13 regarding extending moratorium on certain mining operations

File No. 16 - Report of HUD vouchers received from SEMMCHRA

File No. 17 – Correspondence to State Officials requesting state regulation and permitting of industrial scale silica sand mining

There being no further business and the time being 2:42 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, February 26, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, February 26, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead, Rodriquez; Treasurer Trehus; Finance Director Lapham; Bets Reedy; Yvonne Krogstad; Engineer Pogodzinski; IS Director Milde; Sheriff Ely; HS Director Bahr; Assessor Dybing; Margie Skauge; HR Director Arrick-Kruger; Highway Accountant Schroeder; PHN Accountant Lillegraven;

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the minutes of the February 19, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$85,307.15
Road & Bridge Fund	4,474.96

Total	\$89,782.11
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Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to amend the agenda to include an appointment for HR Director Arrick-Krueger.

Yvonne Krogstad, of Caledonia Township, expressed her opinion that 'we' pay double for legal services. Taxpayers cover the expense of having a County Attorney on staff and for the services of another attorney in the event there is a conflict of interest. Ms. Krogstad indicated that the cost for the second attorney should be the financial responsibility of the County Attorney. In addition, she is aware of a discretionary fund, which is also taxpayer dollars, which is utilized to cover outside attorney fees.

Bets Reedy expressed her appreciation for the letter which was directed to the State Capital related to frac sand.

File No. 2 - Treasurer Trehus stated that she has provided information to Commissioners regarding her request for authorization to offer ACH - direct payment for taxpayers countywide. This would be just one of several ways a taxpayer may make their property tax payments. Anyone enrolling in the program would have the option to choose the payment frequency of either monthly or semi-annually and from which account the funds would be drawn, either checking or savings. Banks charge a minimum of \$0.10 per transaction, however, the County is granted earnings credit adjustments as a result of balances in accounts. This credit adjustment is expected to offset any charges for the service. The participation form would be available either in the office or on the website. A note will be included on tax statements to make taxpayers aware of this option and how they may sign up. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to authorize ACH - direct payment for property tax payers.

At this time a safety test was conducted.

Discussion was held regarding a request to post Human Services Minutes on line. HS Director Bahr reported that minutes are posted within her department. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to post Human Services Minutes and agendas on the County's website.

Chairperson Zmyewski stated that Craig Colbenson is available to provide information and training related to Roberts Rules of Order. Chairperson Zmyewski suggested that this be scheduled for some time later in March once Commissioner Storlie has returned.

Commissioner Schuldt reported that he has been in contact with MN DOT/Aeronautics regarding the "Adopt an Airport" program. This program may offer the opportunity for interested groups to become involved with maintenance at the airport. Any group participating in the program would be required to sign a waiver. Commissioner Schuldt expressed concern that housing of the maintenance tractor at the airport may need to be discussed further prior to program participation.

File No. 3 - Finance Director Lapham stated that it is important to continue to move forward. Changes to the tax system from the IBM to Windows platform will provide for ease of use and sharing of data with neighboring counties. Ratification of the agreement prior to March 1, 2013 will allow the County to capitalize on discounts that are offered. Houston County's share of the project is estimated at \$126,262.00 which would be divided into 3 payments as follows: 30% due in 2013, 30% due in 2014 and the balance due when the County migrates to the upgraded system. Finance Director Lapham explained various ways in which to fund the upgrade. There have been \$60,406.00 set aside for an AS400/i series upgrade which following the upgrade will no longer be required. These funds could be utilized to cover a portion of the

cost. In addition, excess TIF funds were paid to the County in 2012 in the amount of \$71,797.82 which could be utilized to cover the balance of the cost. Another option which was discussed would be to charge for data on Beacon, and utilize the revenue generated to cover the maintenance fees for GIS. These maintenance fees are currently being covered out of the Recorder's Tech Fund. Recorder's Tech Funds could then be redirected to cover a portion of the cost for the upgrade. Commissioner Walter expressed favor at utilizing the excess TIF repayment funds. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the Ratification Statement for the LRMS Property Tax Maintenance and Support Agreement, and to authorize the use of the funds set aside for the AS400/i series upgrade and excess TIF repayment funds to cover the cost. It was noted that the cost may be reduced in the event there is greater participation than estimated.

Assessor Dybing reported that last Wednesday he testified in front of the tax committee at the State. He expressed his support for simplifying the MN Tax System. There is consideration being given and support for simplifying the tax payment calendar. Any changes are expected to take effect in 2014. Treasurer Trehus commented how the October 15th and November 15th tax payment deadlines often cause confusion and can result in penalties for taxpayers.

HR Director Arrick-Kruger reported that Sandcreek has identified Susan Herreid as an individual who would be knowledgeable and available to provide EAP (employee assistance program) services. She provides executive counseling, and training related to organizational communications and behavior. The costs provided are \$65.00 per hour for travel, \$75.00 per hour for preparation, and \$200.00 per hour for work conducted on-site. HR Director Arrick-Kruger stated that costs for services would not exceed \$2,000.00. HS Director Bahr has identified funds within the HS budget which could be utilized to cover this expense.

HR Director Arrick-Kruger stated that she has met with EDA Coordinator Wilms regarding his job duties. The Personnel Committee will be meeting to discuss the needs going forward.

File No. 4 - At this time the Board met with members of the Finance Committee for a monthly review. Finance Director Lapham provided a summary, by department, for the year 2012 and to date for 2013. She provided information related to the cash flow needs of the County. It was noted that in 2013 agency funds have been established to aid in the accounting of monies which Houston County acts as fiscal agent.

HS Director Bahr reported that HS fund balance has declined significantly. Commissioner Walter questioned if unfunded mandates are the culprit. HS Director Bahr stated that it is a combination of items contributing to the decline.

Chairperson Zmyewski stated that the general fund has been subsidizing the budget. General fund balances have been declining rapidly. This cannot be allowed to continue.

Finance Director Lapham stated that the projections she has provided use an estimated increase of 20% for health insurance costs. When asked whether any savings due to changes in the health care offerings has resulted she responded that not at this point. She expects that if the changes had not been implemented, costs would have risen even more dramatically. Highway Accountant Schroeder expressed frustration with the inability for insurance companies to bid across state lines. Employer and employee are frustrated with continually increasing costs. She suggested that legislators should be lobbied to make changes with regard to who may provide bids.

File No. 5 - Treasurer Trehus provided detailed information related to her daily cash trial balance. General fund monies are deposited into and transferred from an account held at Bank of the West. There is activity in this account on a daily basis. She reported that she has been diligent in putting money into the cash book account. This was a planned activity in order to capitalize on the higher interest rate offered. She hopes that she is able to meet cash flow needs leading up to tax collections without having to access the funds which have been deposited into the cash book account. Discussion was held regarding pooling certain accounts and State Auditor concerns. Treasurer Trehus commented that State Auditor concerns have waned due to the computerization and daily balancing of the various accounts. Commissioners Schuldt and Walter indicated their support of the investment work of Treasurer Trehus as it is at this time.

Highway Accountant Schroeder reported that she does not need the high cash balances currently available. She would be comfortable with the excess funds earning interest in a different type of account which would still provide for access once construction season expenses start to come due. She mentioned discussing this with Treasurer Trehus. A greater portion could be invested instead of being held in a low/no interest bearing cash account. Treasurer Trehus stated that she could transfer cash account funds to higher interest earning money market accounts. HS Director Bahr stated that the same could be done for HS at this time.

Finance Director Lapham indicated that the State Auditors have questioned whether the Finance Committee has been meeting regularly to update the Board. It is important to the State Auditors that the Board is kept informed on a regular basis regarding the budget.

Commissioner Kjome questioned whether the financial data could be represented on a graph so that the trend can be easily recognized at a glance. HS Director Bahr reported that there is a graph to show the trends from HS found in the book she provided to Commissioners.

Commissioner Schuldt questioned what amount was budgeted for the mechanics truck. Highway Accountant Schroeder responded that \$80,000.00 was budgeted. He questioned whether information was available regarding bids received for the old mechanics truck. Highway Accountant Schroeder responded that no bids were received. The department had expected 3 bids. She reported that a bid notice was supposed to go out in a certain publication however the

notice was not included. The bid notice was published on the County's website, in local newspapers and on Craig's List.

Commissioner Walter questioned how finances within the Public Health Department are. PHN Accountant Lillegraven reported that membership dues and software maintenance fees are due. These are significant expenses that all come due early in the year and early in the budget cycle.

Highway Accountant Schroeder stated that the bulk of Highway Department expenses come due in the 3rd quarter.

File No. 6 – Sheriff Ely provided year end statistics for cases in Houston County.

Commissioner Walter reported on the Association of Township Officers meeting which she attended. The annual business meeting of the Association of Township Officers has been rescheduled for April 4th. The annual banquet is tentatively scheduled for September 5th. Al Franken is expected to be the keynote speaker at the annual banquet. Commissioner Walter stated that she has received complaints regarding snow plowing in the La Crescent area. The 67 day employee responsible for this snow route lacks experience. Engineer Pogodzinski is working to address concerns.

Commissioner Kjome reported that he attended the most recent Spring Grove City Council meeting. He made them aware of the proposed haul route coming out of Fillmore County. He also contacted the school in this regard.

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 change in FTE for Jeremiah Shaver

There being no further business and the time being 10:15 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, March 5, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 5, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Rodriquez, and Moorhead; Kent Holen; Kelley Stanage; Donna Buckbee; Sarah Wexler-Mann (videotaped proceedings); Mike Fields; Diane Fields; Cory Baker; Deputy Sheriff Kulas; John Griggs; Amanda Griggs; Engineer Pogodzinski; Dennis Karlsbrotten; Dean Thompson; Yvonne Krogstad; Bruce Kuehmichel; Finance Director Lapham; Environmental Services Director Frank; Maureen McCollum; Zoning Administrator Scanlan; Assessor Dybing

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the February 26, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$130,707.56
Road & Bridge Fund	5,668.04

Total	\$136,375.60
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File No. 2 - At this time Chairperson Zmyewski opened the public hearing.

Sarah Wexler-Mann expressed appreciation for the commissioners' support for additional time to study concerns related to the frac sand mining industry. She expressed concern with the potential impact frac sand mining may have on the area and its communities.

Amanda Griggs stated that she has been raised in this area. She expressed her appreciation for the commissioner's support of the moratorium and its extension. She expressed concern with the situation taking place in Wisconsin where there is a lack of oversight of the frac sand industry. She also expressed appreciation for the commissioners' support of legislation

drafted by Senator Schmitt. She expressed her belief that the comprehensive land use plan is important for Houston County.

File No. 3 - Donna Buckbee submitted additional petitions in support of extending the moratorium. She expressed appreciation for those working so hard to protect Houston County. She suggested that, going forward, the frac sand study committee should consider jobs lost versus jobs gained. She stated that recreation and tourism jobs in the area could suffer. She stated that there are current jobs in the area which may be lost in the event frac sand mining is performed in the area. The jobs created by frac sand mining would be temporary. Ms. Buckbee commented that much attention has been given to road damage, however little has been given to road safety. She indicated that this should be studied more. In addition, safety concerns related to diesel particulates should be more carefully considered as haul routes take heavy truck traffic past schools.

Kelley Stanage stated that this is an important issue for the entire region. She expressed appreciation for the consideration being given to protect Houston County residents. She commended the Board for putting the health, safety and welfare of residents above the interests of the frac sand industry. She stated that there are many unanswered questions and much that remains unknown regarding the frac sand industry and she is pleased that the Board is committed to learning more.

Since there were no other individuals wishing to comment, motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adjourn the public hearing.

Donna Buckbee announced that a group will be walking through Houston County on a journey from the Mississippi Headwaters to the Gulf of Mexico to raise awareness and concern for the protection of rivers and waterways. It is expected that the group will arrive in Houston County on or around March 19th. The Houston County Protectors will be hosting the walkers and may even join them.

File No. 4 - Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION 13-07
Houston County

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 regulate the use of property in a manner that is consistent with the purpose and intent of the Houston County Zoning Ordinance; and

Whereas, the use of property 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, Minnesota Statutes Section 394.34 allows Houston County to adopt a temporary interim Ordinance/Resolution 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. The same statute allows for the extension of a temporary interim Ordinance for an additional 12 month period; and

Whereas, the County Board has previously adopted a moratorium on certain silica sand mining activity to give the County an opportunity to adopt regulations that will appropriately regulate the activity; and

Whereas, continued 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.

Now, Therefore, Be It Resolved, that the Houston County Board of Commissioners hereby extends the moratorium 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, that the scope of the extended moratorium shall be that set forth in Resolution No. 12-11 adopted February 28, 2012, and amended by Resolution No. 12-18 on March 20, 2012 and also amended by Resolution No. 12-35 on July 24, 2012.

Be It Further Resolved, that the County Board of Commissioners, by this Resolution, ratifies all actions previously taken by the Board relative to the moratorium on silica sand mining activities; and

Be It Further Resolved, that the Houston County Board of Commissioners reserves the right to end the moratorium in less than the extended 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 further extend the moratorium as may be 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 5th day of March, 2013.

File No. 5 - Assessor Dybing provided details related to scheduling the County's Board of Equalization Meeting. This meeting is intended to provide taxpayers with the opportunity to discuss property tax concerns therefore it is required that the meeting be scheduled either on a Saturday or it may not adjourn before 7:00 p.m. Typically, Houston County has scheduled the meeting during the week at 6:00 p.m. and it adjourns after 7:00 p.m. Other requirements include having a quorum of Commissioner's and also to have a minimum of one trained member. Commissioner Walter is trained and will need to be present at the meeting. This year Houston County will be hosting Board of Equalization training for County Board and Township Officers. He encouraged commissioners to attend. He indicated that it would be beneficial to have multiple individuals trained. In the event the County failed to meet the requirement for a trained member to participate in the meeting, taxpayers would be allowed to go to the State. The State would assess the County \$500.00 for each property owner it assisted. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to schedule the Board of Equalization meeting for Tuesday, June 18, 2013 at 6:00 p.m.

Commissioner Schuldt stated that he is working to get a volunteer group involved in the "adopt an airport" program. The County owns a tractor and mower which is used to maintain the airport. There is nowhere onsite at the airport to store the equipment so it is stored by the Highway Department. It has come to Commissioner Schuldt's attention that there is a hangar at the airport available for purchase. He questioned whether the Board would have an interest in acquiring the hangar so that it could be used as an onsite storage facility for the tractor and mower. The sale price of the hangar is \$4,000.00. There are not funds budgeted to purchase the hangar. Chairperson Zmyewski stated that funding such a purchase is a concern. Commissioner Schuldt indicated that The Friends of the Airport have expressed interest in having a maintenance building onsite at the airport. Chairperson Zmyewski indicated that this may be more cost effective than erecting a maintenance building however, it may be even less expensive to erect a smaller structure. The need and all options should be carefully considered. Commissioner Kjome questioned what is being spent on an annual basis to mow/maintain the airport grounds. Depending on the annual mowing expense, it may be possible to offset this cost in the event a group adopts the airport and volunteers time to maintain the grounds. Auditor Meiners reported that mowing costs were approximately \$7,000.00 for the period 6/1/2011 through 7/1/2012.

Chairperson Zmyewski reported that his schedule has made it difficult for him to regularly attend Planning Commission meetings. Commissioner Kjome attended the most recent Planning Commission meeting. Chairperson Zmyewski suggested that Commissioner Kjome be appointed to the Planning Commission in his place. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to appoint Commissioner Kjome to replace Chairperson Zmyewski on the Planning Commission. It was noted that all commissioners serve as alternates on the Planning Commission.

File No. 6 - Chairperson Zmyewski provided information regarding a proposed letter of support to the Environmental Quality Board (EQB) requesting the State be designated as the Regulatory Government Unit (RGU) for an Environmental Impact Statement (EIS) for Minnesota Sands in relation to proposed operation of frac sand mines in Houston, Fillmore and Winona counties. Fillmore County has submitted a similar correspondence to the EQB in this regard. Zoning Administrator Scanlan has reviewed the letter. Commissioner Walter suggested that in addition to the signatures of the commissioners, that Houston County also include signatures of the County Engineer, Zoning Administrator, Public Health Director and Soil Conservation Director. Zoning Administrator Scanlan reported that his office is preparing information for Mr. Patton of the State EQB to consider. In the event the EQB grants the request it would take the burden off staff. Zoning Administrator Scanlan expressed his belief that State oversight of the EIS would be a positive thing. Originally Minnesota Sands was considering 5 sites within Houston County for potential frac sand mining. Zoning Administrator Scanlan stated that all of the sites within the county are within approximately 8 miles of one another. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the letter to include the additional signatures discussed above.

Commissioner Kjome reported on the Planning Commission meeting which he attended. He reported that Robert Vogel of Spring Grove may be interested and would be willing to work with the County regarding the Historic Jail. Mr. Vogel may be able to offer some of the services BKV has proposed.

Commissioner Walter reported on the department head meeting which she attended recently. It was suggested that department heads be included in quarterly budget review meetings. She also reported that safety training has been scheduled for County employees and that the Houston County Auditor and Recorder support that their positions remain elected positions. There is currently legislation being considered which could impact these positions.

Chairperson Zmyewski reported on the 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. 7 - Correspondence from National Trout Center regarding mining concerns

File No. 8 - Hiawatha Valley Resource Conservation & Development Council 2012 Annual Report

There being no further business and the time being 9:39 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, March 12, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 12, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, & Moorhead; Engineer Pogodzinski; Zoning Administrator Scanlan; Finance Director Lapham; Wayne Stenberg; Maintenance Foreman Molling; Rick Vesterse; Sarah Wexler-Mann; Kelley Stanage; Robin Danielson; Dwight Mierau; Pete Peterson; Chief Deputy Sheriff Yeiter; Steve Zmyewski; HR Director Arrick-Kruger

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the March 5, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$126,687.36
Road & Bridge Fund	26,211.72

Total	\$152,899.08
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File No. 2 - Robin Danielson of Money Creek Township has been made aware of information leading her to believe that the County Board is reconsidering its position related to the use of golf carts on County 26. She presented a petition supporting no change, a copy of M.S. 609.74 related to public nuisances, a copy of correspondence Ms. Danielson received from Money Creek Town Clerk confirming that no township ordinance allowing golf cart use has been passed, a copy of the Money Creek Haven, Inc. Campground Rules, and pictures of golf carts Ms. Danielson has taken dating back to August 2011. She expressed her concern that the operation of these golf carts on the County and township roads is a public safety and nuisance issue.

Kelley Stange expressed her gratitude and appreciation for the hard work of the Board in their efforts to gather information regarding potential impacts within the County related to frac sand mining. She suggested that when government is open and transparent in its work and decision making, trust from the public will increase. She indicated that members of and work performed by the Planning Commission is not available on the County's website. She recommended that the members of the Planning Commission along with their contact information, agendas and minutes be posted to the County's website. She expressed her belief that this will be well received by the public and result in greater trust of the decisions made by the Planning Commission. It was noted that the County's website has been recently revised and is still being improved. It was agreed that the members of the Planning Commission should be posted on the website.

Discussion was held regarding training related to Roberts Rules of Order. It was agreed to schedule this for a Tuesday. Chairperson Zmyewski will attempt to schedule Mr. Colbenson for Tuesday, April 2nd at 11:00 or 11:30 a.m. He will attempt to schedule a second session for April 9th at the same time.

Chairperson Zmyewski questioned Engineer Pogodzinski's thoughts on the possibility of purchasing a hangar at the airport for the purpose of utilizing it as a maintenance area to store the mowing tractor and other maintenance items in. Commissioner Schuldts commented that both he and Engineer Pogodzinski are reviewing "Adopt an Airport" program paperwork. It was noted that The Friends of the Airport are incorporated which may allow the group to bid on an airport manager RFP. It will be important to ensure that all things are documented appropriately so that the County is protected and the airport is maintained to the same standard as if it were in the direct care of the County.

File No. 3 – Engineer Pogodzinski introduced both Maintenance Foreman Molling and Mechanic Rick Vesterse. He reported that neither Mr. Vesterse nor Tom Burroughs will certify the 1989 chloride truck for road worthiness. In addition the 2001 plow truck is in need of a replacement box and plow. The cost off the State bid for a box is \$35,000.00 and does not include the hydraulic hoses. He estimates it will cost approximately \$40,000.00 to purchase and install the replacement parts. In the event the purchase of a new plow truck is approved, Engineer Pogodzinski would like to use the old plow cab and chassis and have it retrofitted to be utilized as an updated water truck.

During the most recent budgeting process Engineer Pogodzinski included funding to replace one plow truck. Funding for the truck was eliminated from his budget. He has reviewed his department's budget with both Highway Accountant Schroeder and Finance Director Lapham. The department has underspent its budget in each of the past 4 years. There is fund balance available which could be utilized to cover the cost.

Commissioner Zmyewski questioned whether the 2001 cab and chassis were in good working order. Maintenance Foreman Molling responded that it was, however, retrofitting this

vehicle would require the sand blasting of the frame once the box has been removed. Commissioner Zmyewski questioned whether it would be more financially prudent to replace the necessary items on the 2001 plow truck and purchase a used cab and chassis for use as a water truck. He estimated that this may cost approximately \$80,000.00 total, versus purchasing a new plow truck for approximately \$220,000.00.

Maintenance Foreman Molling reported that purchasing a used cab and chassis may require the frame to be stretched. He also stated that he is currently pricing brine tanks. The old tank has a 5 foot section in the cradle in need of replacement. In addition, the bulk head is cracked. The bulk head has been repaired once already. He has been researching options which include purchasing either a stainless steel tank or putting a flatbed on the truck and purchasing a poly tank. He hasn't considered a steel tank because those corrode causing pumps to fail and jets to become plugged. The cost for a new brine tank is estimated at \$25,000.00. Chloride weighs 12.9 pounds per gallon and Maintenance Foreman Molling is finding it difficult to find a poly tank approved for the weight.

Maintenance Foreman Molling restated that the 2001 truck is, at this time, mechanically sound. However, it was struck by lightning and has suffered a high percentage of electrical/computer based issues. This can create problems during peak snowfall periods. He did not feel these electrical issues would cause as significant a concern in the event the vehicle is utilized as a water truck.

Engineer Pogodzinski commented that the Highway Department's fleet of plow trucks is old. The cost for parts and maintenance to keep the fleet operational has been increasing as the average age of the fleet increases. He stated that some vehicles have cost the department \$70,000.00 annually in repairs. Commissioner Schuldt commented that there needs to be cyclical replacement to maintain a good fleet. Engineer Pogodzinski stated that the County used to keep its fleet of plow trucks on a 12 year rotation replacing 1 truck each year. Due to the current age of the fleet maintenance costs have been increasing.

The County's water truck is used to haul and apply brine and Chloride to roadways in addition to being used to haul water when pulling shoulders in. Brine and Chloride are corrosive therefore Maintenance Foreman Molling would prefer the replacement vehicle be equipped with air ride. As he mentioned earlier, the old water truck has suffered corrosion in the cradle area which has been repaired already and is failing again. Having a truck with air ride will reduce areas impacted by the corrosives. It was noted that in the event the department seeks to purchase a used truck for this, bidding would be required if the cost exceeds \$25,000.00.

When asked if a decision in this matter could be delayed, Engineer Pogodzinski responded that in the event the purchase of a new plow truck is approved, it will take several months after placing the order to have the truck in operation. The water truck is needed for work in pulling in shoulders following the removal of spring weight restrictions which will be followed by the time when Chloride is applied to roadways. Funds have been identified which

may be used to cover the expense of a new truck. Savings related to maintenance expenses would also be expected. The funds identified won't be detrimental to future planned expenses. Commissioner Schuldt indicated support for cyclical replacement of vehicles. Commissioner Walter expressed her agreement with this. Rick Vesterse commented that many of the trucks in the fleet are Ford Sterling's. He has found it increasingly difficult to acquire parts because they are no longer a standard manufacture item. He reported that recently he purchased the only gas tank available in the nation. He reported that if he needs another gas tank he expects a lengthy wait before parts are available. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the purchase of a new plow truck and approval to retrofit the 2001 plow truck to be utilized as a water truck.

File No. 4 - Engineer Pogodzinski reported that recently Mead & Hunt, Inc. was approved as the County's airport consultant. He presented a professional services agreement with them for approval. Commissioner Schuldt confirmed that the only major project expected to take place at the airport is the repaving. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Professional Services Agreement with Mead & Hunt, Inc.

File No. 5 – Engineer Pogodzinski reported that once every 5 years a master contract with MnDOT is required. It is time to approve a new master contract. The agreement is required before the State and County are allowed to enter into detour agreements and it provides for State testing of aggregate hardness on rock products used on road projects. County Attorney Hammell has reviewed the contract and recommends approval. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the Master Partnership Contract and to adopt the following resolution;

RESOLUTION 13-08

WHEREAS, The Minnesota Department of Transportation wishes to cooperate closely with local units of government to coordinate the delivery of transportation services and maximize the efficient delivery of such services at all levels of government; and

WHEREAS, MnDOT and local governments are authorized by Minnesota Statutes sections 471.59, 174.02, and 161.20, to undertake collaborative efforts for the design, construction, maintenance and operation of state and local roads; and

WHEREAS; the parties wish to be able to respond quickly and efficiently to such opportunities for collaboration, and have determined that having the ability to write “work orders” against a master contract would provide the greatest speed and flexibility in responding to identified needs.

THEREFORE, BE IT RESOLVED:

1. That the County of Houston enter into a Master Partnership Contract with the Minnesota Department of Transportation, a copy of which was before the Board.
2. That the proper County officers are authorized to execute such contract, and any amendments thereto.
3. That the County Engineer is authorized to negotiate work orders contracts pursuant to the Master Contract, which work order contracts may provide for payment to or from MnDOT, and that the County Engineer may execute such work order contracts on behalf of the County of Houston without further approval by this Board.

File No. 6 – At this time Wayne Stenberg met with the Board. He expressed appreciation for the continued support of the Board. He provided a brief overview of the area Semcac serves and of programs and participation. He reported that Semcac employs 235 employees with 77 of the positions being full time. In addition, over 3,000 volunteers contribute in excess of 115,000 hours of assistance. The governing Board once made up of 42 individuals from across the region is being downsized and will be made up of only 21 individuals in the future. Mr. Stenberg indicated that the sequester is expected to result in increased competition for available dollars and may impact Head Start resulting in the ability to assist 14 fewer children. He is unsure of the future of the weatherization program. This year the program assisted in the weatherization of 498 homes. Commissioner Walter questioned whether food shelf donations are matched during the month of March. Mr. Stenberg indicated that it was and suggested their website be viewed.

File No. 7 - Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Doug Thompson of Mound Prairie Township for a variance of 700 feet to meet the required ¼ mile setback from a registered feed lot to build a new dwelling. The second if for Ben Lind of Sheldon Township for a variance of 30 feet to meet the required 130 foot setback from State Highway 76 to build an addition on a house.

File No. 8 – Zoning Administrator Scanlan reported on two conditional use application for exhibition. The first is for Tom Vix of Cushon's Peak Campground. Cushon's Peak has traditionally hosted two music events annually being the Bluegrass Festival in May and another in August. These music events generate in excess of 250 people at their location. Mr. Vix would like to host up to 5 music events annually. The events would be made up of the Bluegrass Festival and weddings. One neighbor voiced concerns related to an incident which occurred last summer of which there is a police report. The Planning Commission recommended approval of the CUP without specific restrictions. The second request for exhibition permit came from Jake and Holly Wieser of Outback Ranch. Their campground is already permitted for 3 exhibitions annually however they wish to increase this. There were neighbors who spoke in support and others who spoke in non-support. Loud music is a concern. Wieser's submitted additional information which included security measures for events. The Planning Commission chose to table this request and review the information submitted. It was noted that when the campground

permit was originally issued the Sheriff's Department had expressed emergency access concerns. There is only a single access route, being a township road, into and out of the grounds. Neither Sheldon nor Yucatan Towns desired to improve the roadway. The Wieser's have spent personal funds to improve the roadway by making two "meet points" for traffic. In addition, there are designated parking spaces for emergency response vehicles. On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Walter and carried to approve the issuance of the following Conditional Use Permit:

Tom Vix of Cushon's Peak Campground – Houston Township - Exhibition Permit

Commissioner Schuldt questioned an administrative denial. The denial is the result of a non-conforming mobile home park in Money Creek Township which hasn't been properly permitted. The setbacks in this area have not been met. The property owners have been contacted and it has been requested that they meet with Zoning to develop a plan where the area can be brought into compliance.

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

Gary Thomas – Spring Grove Township - Build storage addition on existing pole shed (24' x 44')

James and Susan Sobotta – Money Creek Township - Build pole barn (30' x 48')

Marion Lynch – Mound Prairie Township - Install mobile home (14' x 70')

Daniel Griffin – Wilmington Township - Build garage addition (28' x 40') relocate grain bin (8,000 bushels)

Lillian Heiller – Mayville Township - Build garage/shed (40' x 40')

Troy Flatten – Money Creek Township - (Administratively denied to build deck and carport)

David Corcoran – Brownsville Township - Build pole shed (40' x 36') storage sheds (8' x 53') and (8' x 22')

David Studenski – Crooked Creek Township - Build ag building (36' x 80')

James Holty – Spring Grove Township - Build shed (36' x 88') with lean (16' x 40')

Kermit Meyer – Wilmington Township - Build pole barn (60' x 90')

David Winnes – Crooked Creek Township - Build machine shed (50' x 100')

David Dahle – Houston Township - Build pole shed (32' x 80')

Jim and Ron Holty – Spring Grove Township - Build grain bin (60,000 bushels)

Tom and Arlene Hegge – Hokah Township - Build seasonal porch (14' x 14')

Marvin Wunnecka – Crooked Creek Township - Build lean-to for ag equipment storage (24' x 29')

Brad Olinger – Crooked Creek Township - Build pole barn addition (45' x 32')

File No. 10 - Zoning Administrator Scanlan reported on the renewal request submitted by Porteous Olson for CUP #266 for mining and extraction in Section 2 of Houston Township. The original CUP was issued May 7, 1992 and has been renewed in 1997, 2002, and 2007. Approval has been recommended. The area does fall under the silica sand mining moratorium. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a 5 year renewal for Conditional Use Permit #266.

File No. 11 - Finance Director Lapham requested approval of budget amendments to provide for the accurate reflection of County financial activity. She provided brief information related to her request. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and carried with Commissioner Walter abstaining to approve budget amendments as presented.

File No. 12 – Auditor Meiners reported on a request for a disaster credit and tax abatement for Rita Watters. Ms. Watters lost home to fire in December 2011. She qualified for a disaster credit in the amount of \$779.00 for taxes payable in 2012. Ms. Watters did not rebuild so the value for the home should have been removed prior to the calculation of the 2013 taxes. The value wasn't removed, therefore, Ms. Watters is eligible for a tax abatement in the amount of \$575.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the both the 2012 disaster credit and a tax abatement for 2013 taxes payable on parcel #23.0284.000.

File No. 13 - Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to appoint Elizabeth Johnson as youth representative to the Extension Committee.

File No. 14 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a Minnesota Lawful Gambling Application for Exempt Permit for Ability Building Center (ABC) for an event to be hosted at Wildcat Park on August 10, 2013.

File No. 15 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve a Minnesota Lawful Gambling Application for Exempt Permit for ABLE Foundation Inc. for an event to be hosted at Ma Cal Grove Country Club on May 11, 2013.

Commissioner Kjome reported on a water commission meeting which he attended.

Commissioner Schuldt reported on meetings he attended with a representative of the Rollins family estate and also Dale Scobie, a member of the Red Barons Flying Club.

Commissioner Storlie reported on a La Crescent City Council meeting which she attended. La Crescent City is reviewing their cities solid waste collection practices.

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

File No. 16 – Correspondence from Bluff Country HRA thanking Houston County for annual appropriation

File No 17 - Report of tons delivered to Xcel during February 2013

File No. 18 - Notice of Award of Adult Mental Health Grants

File No. 19 - Notice of City of La Crescent Wellhead Protection Program

File No. 20 - Correspondence from Tim Penny (SMIF) regarding grants awarded to Spring Grove area

File No. 21 - Information received from Senator Miller regarding HF 1367 (Creation of Silica Sand Technical Advisory Council)

File No. 22 - Correspondence from LeSueur County regarding SF 786 (Silica Sand)

File No. 23 – Notice of townships participating in MAT Bond program

File No. 24 – Environmental Quality Board – Draft Findings of Fact

There being no further business and the time being 10:09 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, March 19, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 19, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, & Moorhead; Bruce Kuehmichel; Amanda Griggs; Finance Director Lapham; Financial Services Supervisor Kohlmeyer; Social Services Supervisor Sanness; Corey Baker; HR Director Arrick-Kruger

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the March 12, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$103,840.29
Road & Bridge Fund	63,190.78

Total	\$167,031.07
	=====

Amanda Griggs of Yucatan Township expressed concerns that the frac sand study committee has not been meeting. Time until the moratorium extension expires is limited and there has been little if any forward movement. Ms. Griggs stated that she has been attending meetings at the Capital related to possible State involvement. In her opinion, the County should not depend on the State to become involved or provide expertise. The County should rely on itself to study the issue.

File No. 2 - Discussion was held regarding a proposed letter to legislators regarding SEMMCHRA. Both Commissioner Walter and Zmyewski reported that they had received calls from and had lengthy conversation with Robin Tschumper regarding her concerns. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the letter as presented and to authorize the signature of Chairperson Zmyewski.

Commissioner Walter provided a reminder that tomorrow legislative policy meetings are taking place in St. Paul in the morning. The policy meetings will be followed by an EQB meeting regarding the request from Fillmore, Houston and Winona counties to change the RGU for the EIS of Minnesota Sands for their proposed projects which span the three counties.

Commissioner Storlie took this opportunity to discuss open policy. She stated that there has been discussion in the newspapers which has made her uncomfortable. She stated that The Winona Daily News quoted her incorrectly. The quote indicated that her stance on the per diem policy was directly related to a frac sand meeting which she attended which it was not. She expressed her belief that her reasoning had been made clear during the meeting when discussion took place. She expressed concern that recent articles related to Houston County have been negative. In a separate article which appeared in the Houston County News, it was implied that employees were the reason for tax increases in Houston County. This was very negative towards employees. She expressed her view that County Employees are good stewards of tax payer money. They have been known to pick up pens when at trainings or conferences which they use in the offices in order to reduce office expenses. The majority of employees do a good job even though there may be the occasional employee who would benefit from greater guidance. She reiterated her concern that these articles have been negative. She would like to see the County represented in a more positive manner. She expressed a desire to move forward and to do so in a positive manner.

Commissioner Kjome reported on a watershed meeting which he attended.

Commissioner Walter reported on the safety training which was presented by Chief Deputy Sheriff Yeiter that she attended. She also reported on the Public Health Task Force meeting which she attended.

Commissioner Walter reported that recently an article appeared in the newspaper which had inaccurate information, fund balance is not mandated, it is recommended. The County employs 168 individuals. The cost of insurance benefits has increased. Future insurance benefit costs are not known. Finance Director Lapham used a projected cost increase in the amount of 20% for the 2014 year. HR Director Arrick-Kruger stated that renewal costs will be a minimum of 2% and the actual renewal costs will be provided to the County in late August. Renewal costs are based on usage costs over a 2 year period. The County's most recent cost increase should have been 31% if based solely on usage however, because the County is part of a pool that increase was moderated to 19%.

Commissioner Schuldt reported on a meeting to discuss the needs related to the Highway Department Building, an airport meeting, and a Semcac meeting which he attended.

Commissioner Storlie reported on the safety training which she also attended.

Chairperson Zmyewski reported on a Highway Department Building meeting which he attended.

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

File No. 3 – Report of Section 8 & Family Self-Sufficiency Participants

File No. 4 – Correspondence from MN Department of Ag regarding genetically engineered plants being released in Houston County

File No. 5 – Correspondence from MN Department of HS for perfect performance in meeting financial reporting requirements for 2012

There being no further business and the time being 9:24 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, March 26, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, March 26, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; EDA Coordinator Wilms; PHN Director Rock; HR Director Arrick-Kruger; Finance Director Lapham; Highway Accountant Schroeder; PHN Accountant Lillegraven; HS Director Bahr; Amanda Griggs; Dale Omodt; Richard Torgeson; Wayne Meyer; Wayne Fitting; Corey Baker; Sheriff Ely; Kelley Stanage; Donna Buckbee; Sara Wexler-Mann (videotaped the proceedings); Zoning Administrator Scanlan; Environmental Services Director Frank; Michelle Massman; GIS Coordinator Krzoska; Fiscal Office Hankins; Glenn Kruse

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the March 19, 2013 meeting.

File No. 1 - Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$125,934.36
Road & Bridge Fund	159,854.26

Total	\$285,788.62
	=====

Amanda Griggs of Yucatan Township provided information related to a recent EQB (Environmental Quality Board) meeting. She reported that the EQB voted unanimously to be the RGU (Regulatory Governmental Unit) for the three county project of Minnesota Sands LLC. An EIS (Environmental Impact Statement) submitted for the three county project was reviewed page by page. The EQB determined that there were eight areas which lacked adequate information. Ms. Griggs indicated that she had provided links for interested parties to obtain copies of information reviewed during the EQB meeting. At the EQB meeting it was decided that the

Minnesota Sands LLC project spanning the three counties of Fillmore, Houston, and Winona would be reviewed in one report.

File No. 2 - Ms. Griggs distributed copies of a Trout Unlimited newsletter which contained an article regarding concerns about the potential impacts of silica sand mining on trout habitat.

File No. 3 - Engineer Pogodzinski and EDA Coordinator Wilms provided information on the proposed Old Highway 61 Bike Trail. The trail is located near the Dresbach lock and dam in Winona County and will be used primarily by La Crescent City residents. The local Trails Committee is proposing the adoption of a resolution in support of the trail and the necessary financial provisions. Grant funding may be available and MnDOT will write the \$500,000.00 grant on behalf of Houston and Winona counties and the City of La Crescent provided the three local governmental units will agree to provide the local match funds in the amount of 10%. EDA Coordinator Wilms stated that it may be possible to secure the local match funds through a Federal Grant which will be accepting applications next February.

Discussion has been held regarding a three-way partnership agreement. A 20 year maintenance agreement would be required in the event State grant funding is awarded for the project. Engineer Pogodzinski reported that Winona County would be in charge of maintenance. The costs for maintenance would be divided equally among the three parties with Winona County billing both Houston County and the City of La Crescent. He expects maintenance costs to be minimal.

The local match required would total \$50,000.00 and would be split equally among the three parties also. Each entity would be responsible for slightly less than \$17,000.00 each. The State is requiring that the 10% local portion be committed prior to submitting application for the \$500,000.00 State grant. The City of La Crescent adopted the resolution during a council meeting held recently. Winona County is expected to rule on the item following action by Houston County.

Chairperson Zmyewski has discussed the proposed Old Highway 61 Trail with Commissioner Schuldt during a committee meeting held earlier. The trail will benefit only a small portion of Houston County. Houston County is home to the Root River Trail which runs through a more substantial portion of Houston County and benefits a significant population. EDA Coordinator Wilms stated that no trails have been approved in the area since the Root River Trail was established several years ago. The proposed trail would be a portion of trail which could be significant in linking together other area trails. Commissioner Storlie stated that the trail should be expected to bring in tourism. It will benefit many individuals within her district. The City of La Crescent has a long range plan to tie in with other trails in the area. Commissioner Schuldt expressed concern that support for the proposed trail may require money from his district to be designated for the project which will largely serve the individuals in a different area. Chairperson Zmyewski stated that there are valid concerns and an opportunity

with the proposal. It will benefit a limited area. Commissioner Storlie expressed that there is a need to invest when there is an opportunity. Commissioner Kjome expressed agreement with the need to invest when an opportunity is available however, the current economic conditions and financial constraints resulting from it are a valid concern. Chairperson Zmyewski questioned whether support can be indicated at this time and withdrawn later if funding is not available. If adopted the resolution affirms that funding has been designated for the project. Commissioner Storlie expressed concern that trail opportunities are rare. Declining this opportunity may prevent trail expansion for many years because another opportunity may not come available for many years. It was noted that there is a significant amount of grant funding which has likely come available as a result of work scheduled to take place on the I-90 Bridge at the Dresbach interchange. This funding won't likely be available in the future. It was agreed to table any decision making until next week.

File No. 4 - Engineer Pogodzinski stated that discussion has been recurring regarding golf cart use on County 26 in the Money Creek area. He has viewed the area several times to review traffic volumes, lane and shoulder widths and other factors. Approximately 430 vehicles per day travel County 26 going west from State 76. Since this traffic volume study was completed the section of County 26 has been repaved which Engineer Pogodzinski believes will have resulted in increased traffic volume. 135 vehicles per day travel County 26 going east from State 76. The pavement east of State 76 has paved lanes that are 11 feet wide with only a minimal gravel shoulder. The current standard for the road would be for 12 foot paved lanes and a 4 foot shoulder. Comparing the actual road details with the updated standard reflect that the roadway is 10 foot narrower than current specifications would require. It was noted that when the road was constructed it met the standard for that time. In the event the Board was to move forward with a process which would result in approved travel by golf carts, Engineer Pogodzinski would recommend that the roadway be upgraded to meet current standards.

Money Creek Haven has in excess of 200 seasonal sites and many other camping sites. The portion of County 26 which runs through the campground has wider shoulders which would be adequate to safely operate the golf carts. The majority of the portion of County 26 where approval for golf cart operation is requested has a posted speed limit of 30 mph.

The Board has ruled on the issue in the past and may move to change the previous ruling. Engineer Pogodzinski stated that in the event the Board moves to change the previous ruling a specific process would be required. The process would include holding a public hearing.

Chairperson Zmyewski questioned whether other safety issues should be addressed as a result of the narrow roadway such as travel by agricultural equipment. The size of this equipment has increased substantially over time. Engineer Pogodzinski responded that ag equipment has been ever present. Golf carts have not been and taking action to allow them would be cause for safety concerns. Chairperson Zmyewski questioned whether the County should hold a public hearing to listen to public input on the topic. Both Commissioners Walter and Schuldt agreed that golf cart use on County 26 is a public safety issue. Commissioner Schuldt stated his belief

that it is a duty of the Board to watch out for public safety. The issue may be reconsidered in the future in the event the roadway is upgraded. Engineer Pogodzinski reported that the pavement condition on County 26 is currently acceptable and does not have significant damage and as long as the pavement condition remains unchanged the roadway will not be scheduled for repaving.

Dale Omodt, Money Creek Township Supervisor, reported that the Township Board took steps towards enacting an ordinance that would have allowed golf cart traffic on township roadways with the appropriate permit and insurance coverage. The process was never completed because without the approval for golf cart traffic on County 26, the carts have no access to the township roadways. Wayne Meyer, another Money Creek Township Supervisor stated that Money Creek Haven has been operating in the township for many years, and to his knowledge there has never been an issue until recently when an individual began “bullying” the local government and the County Board regarding the golf cart traffic. Mr. Omodt expressed respect for Engineer Pogodzinski’s evaluation of the roadway. The roadway is not wide. Mr. Omodt stated that the roadway is open and there is good visibility. He questioned safety concerns and commented that many township roadways are also narrow and traffic operates on those without significant issues.

It was noted that only 2 counties allow golf cart traffic on roadways and the sections approved for their operation are small.

Chairperson Zmyewski expressed agreement with Mr. Omodt. He is aware of proposed legislation that would accept golf carts as a vehicle that could legally travel the roadways. Commissioner Storlie questioned whether an off road trail could connect the campground with the township roadways.

Engineer Pogodzinski stated that the Federal Government is interested in improving road safety. As a result, Federal funding is often tied to roadway safety. The Federal Government has made it a goal to reduce injuries and accidents. Golf carts are not designed to withstand a collision even at a low rate of speed. Commissioners Walter, Schuldt and Kjome expressed their agreement that their previous decision in this regard should stand.

File No. 5 – PHN Director Rock stated that she desires to foster better communications related to Public Health and what services the department provides. In an effort to provide communication an annual report for Public Health has been prepared. PHN Director Rock, Dana Helton, and PHN Accountant Lillegraven provided information related to the report. PHN Director Rock stated that Public Health collaborates with the public and other entities in various ways. The report provides detail on the programs and number of cases, clients, visits or those served by the programs. Dana Helton provided an overview of the Home Health Care Services. PHN Director Rock provided information on Disease Prevention and Control Initiatives, Environmental Health, Emergency Preparedness, and Health Promotion. Houston County is a TZD (Toward Zero Death) grant recipient. Health Educator Heather Myhre works with the TZD grant and she is currently working with schools on bullying prevention. Public Health offers low

cost radon kits, education and a listing of radon mitigation service providers. PHN Director Rock encouraged feedback related to the report. Discussion was held regarding the difference in duties performed by RN's versus those provided by Home Health Aides. RN's provide skilled nursing services such as wound care and Home Health Aides provide CNA level services such as personal care services.

PHN Director Rock provided a reminder that April 1st through 7th is Public Health Week. The theme this year is ROI (return on investment). Public Health saves lives and money.

File No. 6 - HR Director Arrick-Kruger expects considerable work as a result of the Affordable Healthcare Act. In preparation she would like to see participants of the Insurance Committee updated so that all partners are involved in the discussion. The purpose of the committee is for communication. She recommended that the unions be allowed to appoint up to two representatives each to represent them on the committee. In addition, Sheila Schroeder was previously appointed to the committee. Ms. Schroeder is now a member of MAPE therefore HR Director Arrick-Kruger asks that the appointment by the County Board be retracted. It is possible that Ms. Schroeder would be appointed to serve on the committee by her union. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to discontinue the appointment of Sheila Schroeder and approve the invitation to the unions to appoint up to two members to the committee.

HR Director Arrick-Kruger reported that Houston County has been asked to host a meeting to be held by Southeast Service Coop representative Bill Colopolus. The meeting will be held in the Justice Center Lower Level Conference Room.

HR Director Arrick-Kruger reported that Springsted provided the professional services of David Unmacht to review the Human Services Department. Mr. Unmacht has provided services in addition to those agreed upon. As a result, she requested the total cost of services approved be increased from \$7,000.00 to \$7,900.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve expenses not to exceed \$7,900.00.

HR Director Arrick-Kruger stated that EDA Coordinator Wilms will be leaving the County's employ soon. She has been working with Finance Director Lapham regarding how to fill the void. HR Director Arrick-Kruger and EDA Coordinator Wilms have met with Ron Ziegler of CEDA (Community Economic Development Associates). She proposed the County contract with CEDA for 14 hours of professional services at an annual cost of \$33,300.00. The EDA Coordinator position is an AFSCME position and contracting for more than 14 hours of services would be in violation of the collective bargaining agreement with said union. A proposed contract with CEDA is being reviewed by County Attorney Hammell at this time. The county would work with a "lead individual" from CEDA. Others from CEDA may be assigned to perform specific duties for the county depending on their area of expertise. CEDA employs approximately 14 individuals to provide services. A CEDA staff member would represent Houston County on the EDA Board. GIS Coordinator Krzoska will represent Houston County on

the OHV committee. Mr. Krzoska has provided maps and information related to the work of this group and is familiar with it.

Commissioner Storlie questioned whether this had been discussed with the EDA Board and if they had expressed any concerns with the County hiring CEDA. EDA Coordinator Wilms responded that the EDA Board's main concern was that there is a smooth transition. CEDA will provide this. The Finance Department will be the County contact for CEDA. If the agreement with CEDA is approved, HR Director Arrick-Kruger would like to invite Ron Ziegler to attend a future Board meeting to provide information about CEDA and answer questions.

HR Director Arrick-Kruger reported that EDA Coordinator Wilms' financial duties will be transferred to the Finance Department, web design and maintenance duties will be transferred to the IT Department. As discussed, GIS Coordinator Krzoska will represent the County on a couple of Boards in place of EDA Coordinator Wilms. Commissioner Storlie questioned whether the work being given to the various departments will result in the need to hire additional staff in any of the departments. HR Director Arrick-Kruger responded that the duties will be absorbed by the various departments. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the 1 year agreement for CEDA in the amount of \$33,300.00 contingent upon the approval of the County Attorney.

Environmental Services Clerk, Julie Amundson has requested a leave of absence for a period of 3 weeks. Unpaid leave requests for this AFSCME employee are governed by the County's Personnel Policy and must be approved by the County Board. Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to approve Ms. Amundson's request for unpaid leave.

HR Director Arrick-Kruger stated that Fiscal Officer Heidi Hankins is nearing the end of her probationary period. Both supervisors support the change of her status from probationary to regular. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the change of status for Heidi Hankins from probationary to regular effective upon the completion of her six month probationary period.

Jailer/Dispatcher Matt Mackie works part-time and is nearing the end of his probationary period. HR Director Arrick-Kruger requested that his status be changed from probationary to regular. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the change of status for Matt Mackie from probationary to regular effective upon completion of a 1,040 hour probationary period.

HR Director Arrick-Kruger reported that there was a no notice OSHA visit to the Highway Department last week. A closing meeting will be scheduled soon. The meeting may take place via teleconference or in person.

Commissioner Walter stated that the daily jail census has been averaging mid-twenties. It has been mentioned that a half-time position is budgeted for within the Sheriff's Department budget which has remained vacant. Finance Director Lapham stated that two 0.5 FTE positions were filled. The individuals in the 0.5 FTE positions have been working a greater number of hours and are utilizing the budgeted funds. HR Director Arrick-Kruger and Finance Director Lapham will work with the Sheriff's Department to review the department's needs and budget.

Chairperson Zmyewski stated that Treasurer Trehus has spoken with him regarding the frequency of Finance Committee meetings. She reports on investments which do not fluctuate frequently. She would prefer to attend on a quarterly basis unless her presence is requested of the Board more frequently. Chairperson Zmyewski commented that perhaps the departments who work off site may also decrease the frequency of reporting at the Finance Committee meetings to quarterly unless specific concerns arise.

Finance Director Lapham reported that property tax notices and 2014 valuation statements will go out this coming Friday.

Finance Director Lapham stated that currently the Finance Committee meetings are being held on the 4th Tuesday of the month. The current month isn't closed by this date. She suggested holding the finance committee meeting the second week of each month. When those attending quarterly attend, the quarter will have been closed out.

File No. 7 - Finance Director Lapham provided a trial balance report. She explained how the report breaks down the various budgets. She provided an overview of the information contained within the reports.

Discussion was held regarding possible funding options to cover the local match portion of the Old Highway 61 Trail. Finance Director Lapham provided various funding options such as allocating some of the Commissioner's budget funds from the "Other Professional and Technical Fees" line item, utilizing available funds from Parks. She suggested that the Parks fund could be amended to be for Parks and Trails. Both Auditor Meiners and Highway Accountant Schroeder expressed concern with comingling the Wildcat Park funds with funds for other county parks and/or trails. Wildcat Park funds were placed in a unique fund for ease of reporting and for the ability to determine whether the park was self-sustaining. Engineer Pogodzinski stated that the 10% local match funding will not be needed until 2014. Chairperson Zmyewski suggested that it may be beneficial to plan for the expense and set aside a portion annually over a period of years.

File No. 8 – A summary of investments was provided for review.

File No. 9 – Both HS Director Bahr and Highway Accountant Schroeder provided graphs which show the trends of their departments fund balance over recent years. This was in response to the Board's request for a pictorial representation.

Hwy Accountant Schroeder reported that unique circumstances have impacted their fund balance significantly. Flood projects dating back to 2007 have had a significant impact on the Highway Departments fund balance trend. The department has continually underspent their county levy dollars. The department was approved for unanticipated funds resulting from flood damage experienced in 2007 and 2008 which has resulted in a significant increase in fund balance over the past few years. Engineer Pogodzinski expressed concern that work completed on County 249 is the sole responsibility of the County. This roadway does not qualify for State Aid funding or Federal funding to offset paving costs. There are two bridges which may qualify for State Bridge Bonding. Major reconstruction of this roadway needs to be planned for well in advance. It is expected that significant increases to fund balance will end with a final payment of unanticipated funds which is due next year. In the future, the only way to replenish the fund in the event it is depleted would be through levy dollars. It is expected that State Aid funds will be declining as soon as 2014. Highway Accountant Schroeder explained how construction projects impact fund balance. Discussion was held regarding the difference between the reserved and unreserved portions of fund balance. Finance Director Lapham stated that neither the reserved nor the unreserved portions of the Highway Department fund balances can be touched.

Engineer Pogodzinski reported that the State is currently reviewing MnDOT districts.

Commissioners Storlie and Schuldt reported on the Caledonia Rotary meeting which they attended.

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

File No. 10 – Notice from U of M that the Houston County Community Nutrition Educator position will not be refilled due to budget constraints

File No. 11 – Correspondence from Rep. Greg Davids in response to HF1027

There being no further business and the time being 11:13 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 2, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 2, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; EDA Coordinator Wilms; Environmental Services Director Frank; HR Director Arrick-Kruger; Donna Buckbee; Finance Director Lapham; Craig Colbenson; Jean Meyer; Sue Howe

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the March 26, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$61,902.12
Road & Bridge Fund	90,693.39

Total	\$152,595.51
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Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve amending the agenda to include additional items for HR Director Arrick-Kruger's 9:45 a.m. appointment being consideration to hire 4 67-day employees to assist with the Peer Breast Feeding program.

File No. 2 - Donna Buckbee submitted a petition in support of the extended frac sand moratorium. She also referenced an article which may be of interest and pertains to frac sand mining. The article appeared in the La Crosse Tribune today and highlights concern about the depletion of well water at a Wisconsin farm located near a frac sand mine.

Engineer Pogodzinski and EDA Coordinator Wilms met with the Board to discuss the Old Highway 61 Trail. It was noted that the City of La Crescent has adopted a resolution in

support of the Trail and a three-way partnership between local entities to provide for the financial share of the local match. Winona County has taken no action with regard to the resolution at this time.

File No. 3 - EDA Coordinator Wilms stated that this trail is an important piece in the development of trails within the County and is also a vital connection of existing trails. The Trails Committee has been active in pursuing its development. The development of the Old Highway 61 Trail will provide an additional 2 miles of very scenic trail. Commissioner Storlie expressed her understanding that a group had expressed interested in performing light maintenance of the trail. Commissioner Walter has spoken with La Crescent City residents and council members who support the development of the trail. Commissioner Schuldt questioned how the County would fund its portion of the local match. Engineer Pogodzinski responded that the expense will come in either 2014 or 2015. Discussion was held during a recent Finance Committee meeting on various funding possibilities. EDA Coordinator Wilms stated that there is the possibility of securing Federal funding to offset the local portion. Jean Meyer, MnDOT representative, provided information on how SIMS funding has come available to perform this Trails infrastructure improvement and how the timing is ideal because of the I-90 Bridge Project that will be taking place in the area. The development of the Old Highway 61 Trail is a vital connection of the Mississippi River Trail and a great partnership opportunity between Houston and Winona counties and the State. Sue Howe, a member of the Trails group and active living enthusiast, shared her perception of the beauty of the area where the Old Highway 61 Trail would be developed. A group recently traveled the route and bicycle enthusiasts expressed favor for the trail. Ms. Howe explained how she has participated in grant writing to improve walking and bicycling opportunities to benefit overall public health. Making communities more pedestrian and bicycle friendly will help combat the obesity epidemic our country is facing. The Friends of the Trail Group has extended an offer to provide light maintenance if the trail is developed. Jean Meyer explained that the group would do so under the supervision of the County. The City of La Crescent has shown huge support for the trail. The development of the Trail is viewed as a significant opportunity for both the City of La Crescent and Houston County to draw additional tourism revenue. This trail would be located on the Old Highway 61 road bed which is located between the rail bed and the Interstate. Ms. Meyer stated that the County isn't required to participate. However, infrastructure improvement for all modes of transportation are important. Commissioner Kjome stated that he has discussed this with residents of his district. Spring Grove isn't connected to the surrounding trails located within Houston County. There is little support for the initiative from constituents in his district. Commissioner Schuldt again expressed his funding concerns. Commissioner Storlie stated that the Board needs to look forward to initiatives which will benefit the County as a whole over the long term. Commissioner Walter stated that agriculture and tourism are the economic drivers in Houston County. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and carried with Commissioners Kjome and Schuldt voting in the negative and Chairperson Zmyewski voting to break the tie to adopt the following resolution:

RESOLUTION 13-09

**RESOLUTION OF JOINT AGREEMENT BETWEEN THE MINNESOTA
DEPARTMENT OF TRANSPORTATION (MnDOT), WINONA COUNTY, HOUSTON
COUNTY AND THE CITY OF LA CRESCENT FOR THE CORRIDOR INVESTMENT
MANAGEMENT STRATEGY (CIMS) PILOT SOLICITATION FUNDING PROJECT –
OLD HIGHWAY 61 TRAIL**

WHEREAS, the Houston County Board of Commissioners supports a funding application submitted by MnDOT District 6 for the CIMS Pilot Solicitation for reconstruction of approximately 2 miles of the 2.386 miles of Old Highway 61 Trail, along the I-90 right-of-way from the I-90 Mississippi River bridge to the southerly edge of the unincorporated village of Dresbach; and,

WHEREAS, the Houston County Board of Commissioners recognizes that there is a 10 percent local match requirement for the state CIMS Pilot Solicitation and Winona County Board of Commissioners, Houston County Board of Commissioners, and the City of La Crescent Council agree to be equal partners in the local share and have agreed to secure and/or seek other funding sources to be available at the time this project is let;

WHEREAS, the projected CIMS funding requested is \$500,000 which 90 percent of the costs associated with the work will be covered with MnDOT Trunk Highway Funds within the project.

NOW, THEREFORE, BE IT RESOLVED that if MnDOT District 6 is awarded the Pilot Project, the Houston County Board of Commissioners agree to enter into an agreement with MnDOT District 6 that outlines the following, as a minimum,

- The two Counties and the City will provide and/or secure completion of routine maintenance within each party's agreed upon jurisdiction. Routine maintenance includes, but is not limited to:
 - Patching, sweeping, debris removal, mowing, trimming as necessary to keep the trail safe and clear for the public
 - Replacement of signs and pavement markings
- Each party will be responsible for their own acts and their own employees and/or volunteers while maintaining and working along the trail.

The State will:

- Be the owner of the trail
- Provide non-routine maintenance of the trail. Non-routine maintenance includes but is not limited to the following:
 - Repair of washouts that include loss of pavement and gravel surface more than five feet in length
 - Resurfacing, seal coating, or reconstruct of the trail as determined necessary by the State

BE IT FURTHER RESOLVED that the Houston County Board of Commissioners appoints Bill Waller, City Administrator, City of La Crescent, 315 Main Street, La Crescent, MN 55947, as fiscal agent for the local share and for representation of the partners with the Project and David Kramer, Winona County Engineer, Winona County Highway Department, 5300 Hwy 61 West, Winona, MN 55987, as agent representative for the partners' maintenance agreement.

BE IT FINALLY RESOLVED that the Houston County Board of Commissioners hereby assures that the Old Highway 61 Trail will be maintained for a period of not less than 20 years.

File No. 4 - Engineer Pogodzinski reported that S.A.P. 28-609-13 had been completed. The original bid was for \$1,440,677.00. Mathy Construction was the contractor. They have certified work totaling \$1,464,181.72. The approximate \$24,000.00 overrun can be attributed to incentives and additional gravel required as a result of poor soil conditions in areas. Engineer Pogodzinski explained that a variance from 1 to 5% of the bid is common in the construction industry. This paving project included incentives and disincentives which are not part of the original bid which do impact the final work certified. This was a minor percentage overrun for this size project. The cost overrun will be covered by the State Aid account and will not require County tax levy dollars. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-10

WHEREAS, Contract No. 212 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 until 2009 Houston County secured bids for road salt. In 2008 there was a salt shortage and as a result Houston County paid twice the anticipated amount to cover road salt needs. Following 2008 the County has opted to participate in the State bid for road salt. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to participate in the State bid for 3 tons of road salt.

File No. 5 - Engineer Pogodzinski stated that there is a push for additional financial support of roadways. AMC has prepared a suggested resolution in support of increased/adequate State funding for the transportation system. Engineer Pogodzinski has reviewed the resolution. He provided a pamphlet that explains how funding is collected and is paid back to entities for the transportation system. He provided amounts which were awarded to Houston County for various accounts. He went on to explain the cost of individual projects which would be paid in part by funds in each of the various accounts. Most of the amounts awarded would barely cover a single

project and there are many projects qualifying for funding from each account. Funds awarded are not adequate to meet the need. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

RESOLUTION 13-11

Whereas Minnesota Counties have had to rely increasingly on the property tax to maintain roads and bridges; and

Whereas the annual funding gap for counties has resulted in deferring basic maintenance, delaying expansion projects with resulting safety concerns, mounting congestion, and missed economic growth for businesses and commuters; and

Whereas the rural road networks in the state should be adequate to bring goods to market; and

Whereas transportation-related jobs put over \$2.8 billion in the pockets of Minnesotans and generated almost \$195 million in income tax revenue in 2011; and

Whereas according to the Federal Highway Administration, (FHWA) every \$1 billion invested in highway construction would support approximately 27,800 jobs; and

Whereas the overall transportation and transit needs for Minnesota exceed \$2.5 billion dollars per year for the next twenty years; and

Whereas transportation funding comes primarily from user fees and are constitutionally dedicated to transportation purposes; and

Whereas the wheelage fee and local option sales tax for transportation should be options for all county boards to implement to meet their specific county needs; and

Whereas a comprehensive transportation solution should include funding for roads, bridges and transit, and address the varying needs in different parts of the state;

Now therefore be it resolved that the Houston County Board of Commissioners encourages the Minnesota Legislature to pass and the Governor to sign a bill that brings adequate funding to Minnesota's statewide transportation system.

File No. 6 - Environmental Services Director Frank requested approval of a contract between Houston and Winona Counties for the operation of a Household Hazardous Waste Program. Winona County acts as our regional representative. The County Attorney has reviewed the agreement. The proposed agreement mirrors the previous 5 year contract the County

participated in. Houston County is fortunate to have 2 facilities to use with Winona to the North and La Crosse to the East. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the contract and to authorize the signature of Chairperson Zmyewski.

Environmental Services Director Frank provided a reminder that draft ordinances related to frac sand have been sent to commissioners. He reported that the frac sand study committee is scheduled to meet on Friday, April 12 at 9:00 a.m. in the lower level conference room of the Justice Center.

File No. 7 - HR Director Arrick-Kruger reported that per M.S. 163.07, county engineers are to be appointed for four year terms. HR Director Arrick-Kruger recommended that the Board take action to re-appoint Brian Pogodzinski for another four year term as County Engineer. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to appoint Brian Pogodzinski as County Engineer for the period May 1, 2013 through April 30, 2017.

HR Director Arrick-Kruger stated that the exit interview following a no notice OSHA inspection has taken place. The OSHA inspector indicated that the formal findings will require the installation of an exit door in the third shop bay. The exit will require adequate emergency lighting also. The exit requirement is a matter of life and safety. HR Director Arrick-Kruger expects to consult with the Fire Marshal to determine appropriate placement of the exit door. It may be possible to complete the installation prior to receiving the formal findings. Once formal findings are received the County will have three weeks in which to come into compliance. At this time it is not known whether any penalties will be assessed. OSHA will be immediately notified upon completion of the door installation.

Engineer Pogodzinski reported that road bans went into effect approximately 2 weeks ago and will remain in effect for several more weeks. At the time the bans went into effect there was approximately 3 feet of frost.

File No. 8 - HR Director Arrick-Kruger recommended the hire of four Breastfeeding Support Peer Counselors. The peer counselor positions are 67 day employee positions and are 100% grant funded. The grant and positions cover both Fillmore and Houston counties. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Erin Edwards, Jill Colbert, Sarah Srsen and Mary Lehn as 67 day employees to work as Peer Counselors for the Peer Breastfeeding Support Program at a rate of \$12.23 per hour.

Chairperson Zmyewski stated that Zoning Administrator Scanlan has requested an appointment during the next Board meeting. It was agreed to allow Zoning Administrator Scanlan to present his annual feedlot report during the next scheduled Board meeting.

The Board has been invited to attend the Association of Houston County Township Officers meeting scheduled for later this week.

File No. 9 - Chairperson Zmyewski introduced Craig Colbenson who has been invited to present an overview of Roberts Rules of Order to the Board. Mr. Colbenson invited questions, as the material is not overly dynamic. Mr. Colbenson stated that he is a teacher and has taught parliamentary procedure for over 30 years and prepared teams to participate in competition in this regard at the State and National level. He expressed his belief that this is a skill that is being lost in our society much like cursive handwriting. Roberts Rules of Orders were developed by military personnel to provide for the standardization of meetings held within the organization. Mr. Colbenson provided an overview of meeting procedure including opening the meeting, actions, agenda, role of the chairperson and secretary, minutes, motions, amendments and use of the gavel.

Commissioner Kjome reported on a Planning Commission meeting which he attended.

Commissioner Walter reported on the Joint Board of Health meeting which she attended.

Commissioner Schuldt reported on the Department Head meeting which he attended. He also reported on an exit meeting with the OSHA inspector which he attended. Commissioner Schuldt reported that he also attended the Planning Commissioner meeting as a resident of the county, not in his official capacity as commissioner.

Commissioner Storlie reported on the Joint Board of Health meeting which she attended.

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

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

File No. 10 – Correspondence to payroll regarding approved
LOA and changes from probationary to regular status

File No. 11 - Notice of CY 2013 Children's Mental Health
Combined Grant Award

There being no further business and the time being 11:18 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 9, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 9, 2013 9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Zoning Administrator Scanlan; Bruce Kuehmichel; Finance Director Lapham; Donna Buckbee; Leonard Wieser Jr.; Rick Howden

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the April 2, 2013 meeting with corrections.

File No. 1 - Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$49,067.28
Road & Bridge Fund	24,425.57

Total	\$73,492.85
	=====

Finance Director Lapham introduced Rick Howden. Mr. Howden is pleased to be working with Houston County through CEDA.

File No. 2 - Zoning Administrator Scanlan provided detailed information related to each of the Conditional Use Permits and also the conditions placed on each.

File No. 3 - On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permit:

Shelley Ellingson Touching Moments Animal Assisted Activities – Mound Prairie Township - Home occupation for a therapeutic riding center and horse stable

File No. 4 - On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Conditional Use Permit:

Gary Skree and Skree Family Trust – Sheldon Township - Hardship dwelling

File No. 5 - On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Conditional Use Permit:

Leonard Jr. and Holly Wieser – Yucatan Township - Exhibition Permit

File No. 6 - On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the issuance of the following Zoning Permits:

Steve Quinnell – Wilmington Township - Replace pole barn destroyed by fire in same location (62' x 96')

John and Lynn Tschumper – Money Creek Township - Build a 4-season porch on home (20' x 20')

Ben Lind – Sheldon Township - Build addition on house (30' x 36')

Alan Esch – Mayville Township - Build house (46' x 32') garage (30' x 32') porch (20' x 6')

File No. 7 - Finance Director Lapham stated that there is a need to update the petty cash balance for the Recorder's Office. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-12

WHEREAS, the County Recorder has requested a change fund in the amount of \$125.00; and

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

County Revenue Fund:
Treasurer \$ 500.00

Motor Vehicle	100.00
Driver License	35.00
Auditor's Office/License Center	100.00
Sheriff	500.00
Public Health Nursing	200.00
Extension	200.00
Recycling	15,000.00
Solid Waste	300.00
Recorder	125.00

Total County Revenue Fund	\$17,060.00
Road & Bridge Fund	\$100.00

Total	\$17,160.00
	=====

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to appoint Kelley Stanga to the EDA Board for a 6 year term, said term to expire December 31, 2018.

Commissioner Schuldt questioned whether there has been any additional information provided to the County by SEMMCHRA. It was noted that Joe Wheeler provided a flyer entitled "financial statement." The flyer did not contain data that would be expected from a financial statement. It was devoid of detail. It was also reported that Mr. Joe Wheeler has claimed that only Winona and Dodge Counties would have SEMMCHRA levy's assessed and that no levy would be assessed in either Fillmore or Houston Counties.

Commissioner Kjome reported on EDA, Extension and Water Planning meetings which he attended.

Commissioner Walter reported on Association of Township Officers and ARMER meetings which she attended. During the ARMER meeting it was reported that 86 of Minnesota's Counties are operating under the ARMER system. A representative of the ARMER project has extended an offer to meet with individual County Boards to provide information related to ARMER's use across the State and how the project has been funded. It was agreed to accept the offer and to attempt to schedule an ARMER presentation for May 7th. Commissioner Walter stated that she is scheduled to attend Solid Waste and Workforce meetings later this week. She stated that during today's law committee meeting it was reported that the average daily inmate population rose to 33 over the recent weekend and is currently at 26 inmates.

Commissioner Schuldt reported on Association of Township Officers and Sencac meetings which he attended recently.

Commissioner Storlie reported on an EDA and Association of Township Officers meeting. She shared her belief that entering into an agreement for services with CEDA is appearing to be a very positive venture. She also reported that she had attended the city council meeting in La Crescent last evening.

Chairperson Zmyewski reported on the Association of Township Officers Meeting which he attended.

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

File No. 8 - Correspondence to payroll regarding re-appointment of county engineer and hire of 67 day employees

File No. 9 - Correspondence to legislators requesting support for adequate transportation funding

File No. 10 - Notice regarding Commissioner attendance at frac sand study committee meeting

File No. 11 - Houston County Jail Facility Inspection Report

File No. 12 - Correspondence from Greg Davids responding to Resolution No. 13-11 on Highway funding

File No. 13 – Agreement for IT Room Cooling System approved January 24, 2012

File No. 14 – Professional Services Agreement with CEDA approved March 26, 2013

File No. 15 – Human Services contract to participate in LCTS

File No. 16 – Resolutions approved during Joint Board of Health on March 26, 2013

File No. 17 – Breakdown of Commissioner per diems paid out over several years

File No. 18 – Discover Houston County Pamphlet prepared by the Houston County EDA

There being no further business and the time being 9:35 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 16, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 16, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Bob Sworski; Engineer Pogodzinski; Donna Buckbee; Sarah Wexler-Mann; Kelley Stanage; Bruce Kuemichel; Finance Director Lapham; Sheriff Ely; Rick Howden; Karen Sanness

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the minutes of the April 9, 2013 meeting.

File No. 1 - Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$84,473.10
Road & Bridge Fund	31,891.19

Total	\$116,364.29
	=====

File No. 2 - Kelley Stanage, Houston Township resident, read from a prepared statement. She expressed concern related to a recent frac sand study committee meeting. The impacts of frac sand mining on health of county residents, the economy and agriculture have not been addressed adequately. In addition, the study committee is ignoring the County Board's directive to prohibit the use of water and chemical flocculants. Ms. Stanage submitted various informational maps to the Board.

Donna Buckbee, Yucatan Township resident, commented that during a recent visit to Barista's coffee shop in Houston, she met a group of bicyclists from the Twin Cities area. The group was visiting the area to enjoy the bike trail. She questioned them as to whether they were aware of the frac sand discussion taking place in Houston County. She also questioned them how frac sand mining may impact their use of the bike trail. One of the group members expressed

concern related to silica dust. A member of the group indicated that in the event mining was taking place they would not return to the area to utilize the trails. Ms. Buckbee stated that it is her intent to question more bicyclists regarding how possible mining will impact their use of the local bike trails.

Sarah Wexler-Mann, Yucatan Township resident, also spoke regarding the recent frac sand study committee meeting. She expressed concern that the study committee was established for the benefit of the County Board. She shared her opinion that since it is for the benefit of the Board it should be chaired by a member of the County Board. During this recent meeting a member of the Planning Commission was allowed to chair the meeting. Ms. Wexler-Mann expressed her belief that there is a need for leadership on the study committee and appealed to the Board that Commissioner Zmyewski be appointed as chair of the frac sand study committee.

Gary Buxengard, Wilmington Township resident, spoke regarding the County's use of chloride to control dust on County roadways. He stated that he lives on a busy township road. The traffic on the road generates a lot of dust. He questioned why the County will spread chloride on a county road where the building site is well away from the road and not on the busy township roads where homes are located in close proximity to the road. He stated that his township will reimburse landowners \$50.00 towards the application of chloride on roads bordering their property. This amount isn't adequate to cover the cost.

Engineer Pogodzinski responded that County roadways, in general, have greater traffic volume than township roadways. It is true that the County applies chloride to County roadways. Township roadways are not within the jurisdiction of the County, they are the jurisdiction of the township. Each township operates autonomously and their policies related to the application of chloride are unique. He reported that some townships will coordinate the application of chloride and charge the fee to the landowners, other townships levy to cover the cost to apply chloride throughout their township, and there are some who reimburse landowners for a portion of dust control.

File No. 3 - At this time Engineer Pogodzinski and Bob Sworski met with the Board to discuss considerations when constructing a Public Works Facilities. Engineer Pogodzinski provided information related to Mr. Sworski's credentials. Mr. Sworski reported that he was a town board supervisor and chairman of said board for 2 of the 5 years he served. At this time he started a PowerPoint presentation. Mr. Sworski stated that planning is imperative. He provided a listing of items which should be planned for when considering a Public Works Facility. He noted important cost implications related to surface area. He compared compact "box" shaped buildings with a rectangle shaped building of equal square footage. He pointed out that public facilities may not be considered the best "neighbor" since they tend to have operations which may take place around the clock depending on the situation. This makes the site or location of a building very important. In addition, the site is important if future expansion is considered or if the facility is utilized by the owner and the public. He expressed his preference for a sloped site versus one that is flat. Sloped sites allow for easier storm water diversion and collection. He

provided an overview of internal building space needs. He compared various exterior, frame, and roofing construction material life lengths and costs. He showed an estimate for a recently let building and showed how a change to exterior construction materials while costing approximately 5% more would double the life length of the building. Over time Mr. Sworski has gathered data about similarly sized facilities of varying age and the costs to heat them. It was clear that heating costs increase as a building ages. In closing, Mr. Sworski encouraged questions and invited them at a later date through Engineer Pogodzinski. Mr. Sworski will be touring our current Highway Department Building following this presentation. Commissioner Schuldt expressed curiosity as to Mr. Sworski's opinion of location, current versus the property located by the School. Mr. Sworski provided the following square footage related cost estimates: office space \$150.00 per square foot, heated vehicle storage \$90.00 to \$95.00 per square foot, maintenance bays \$115.00 per square foot and cold storage at \$60.00 to \$65.00 per square foot.

File No. 4 - Engineer Pogodzinski stated that discussion has been held regarding the Coverall structure in Spring Grove. He presented a bid proposal from Structures Unlimited LLC to analyze the Coverall structure to determine retrofit course of action. Engineer Pogodzinski stated that the structure may be structurally deficient. The County Attorney has recommended that the situation with the structure be addressed. When asked, Engineer Pogodzinski responded that the building is of adequate size. He stated that the concrete bunker is in good repair. Maintenance staff has been instructed not to enter the structure. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the quote provided by Structures Unlimited LLC in the amount of \$4,800.00 to analyze the Coverall structure.

File No. 5 - Engineer Pogodzinski provided information related to the Professional Services Agreement with Mead & Hunt, Inc. for Task Order #2013-1. The agreement will provide for engineering design and construction administration services for the runway and apron overlay project. The total amount of the agreement is \$88,332.00. Engineer Pogodzinski stated that he believes he may be able to reduce the overall cost by approximately \$29,200.00. He stated that necessary inspection may be performed by County staff reducing the bid amount for inspections by approximately \$17,000.00. In addition, it may be possible to perform the materials testing therefore reducing the cost by an additional \$12,200.00. Engineer Pogodzinski stated that the County's practice of posting bids on-line coupled with the expectation that there will be a very limited number of bids submitted may allow him to negotiate lump sum fees for items 3 and 4 of the agreement to actual cost. He proposed retaining certain provisions within the agreement so that duties may be performed by Mead & Hunt, Inc. in the event County staff is unavailable. He requested authorization to negotiate details of the agreement and to enter into an agreement not to exceed a total cost of \$88,332.00. In the event there is significant deviation from Engineer Pogodzinski's proposal he agrees to return to the Board for approval. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize Engineer Pogodzinski to negotiate agreement details as proposed and enter into a final agreement in an amount not to exceed \$88,332.00.

HR Director Arrick-Kruger introduced Ron Ziegler and Rick Howden of CEDA (Community Economic Development Associates). Mr. Ziegler provided an overview of CEDA, their services and expertise. CEDA has been in operation for 27 years. CEDA provides grant writing and staffing to approximately 20 counties and cities in the tri-state region. It employs 16 individuals who have combined economic development experience in excess of 175 years. CEDA is a non-profit organization with a governing Board. HR Director Arrick-Kruger stated that concern has been expressed regarding grant writing and oversight. CEDA has a staff member with substantial expertise in grant writing and compliance. Mr. Ziegler stated that he is excited to be working with Houston County.

File No. 6 - HR Director Arrick-Kruger and PHN Director Rock met with the Board to discuss a recent resignation of Dana Helton, Home Care Coordinator. PHN Director Rock reported that Ms. Helton resides in Decorah and recently accepted a position there with the VA. She has made a significant contribution to Houston County. A temporary staffing plan has been prepared to address the interim period. The temporary staffing plan proposes that Marcia Bauer have her FTE increased from 0.6 to 1.0 in order to fulfill the home care coordinator duties, and that Mary Thompson's FTE be increased from 0.2 to 0.6 to provide additional coverage. Additional duties which Ms. Helton fulfilled, such as coordinating nursing students and working with immunization services, will be divided among other staff. This proposal would include a temporary salary increase for Ms. Bauer. If approved, MAPE will be informed of the changes. Since the creation of the Home Care Coordinator position in 1995 only two individuals have served in the position. The duties and needs of the position will be reviewed as a search for a replacement is conducted.

File No. 7 - Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Dana Helton and to draft a letter of appreciation for her dedicated service.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the appointment of Marcia Bauer as interim home care coordinator, to increase her FTE from 0.6 to 1.0 and to approve the temporary salary increase, and also to approve the increase in FTE for Mary Thompson from 0.2 to 0.6, all approvals effective May 2, 2013.

HR Director Arrick-Kruger stated that Karen Sanness has submitted her resignation from the position of Interim Social Services Supervisor. However, she has agreed to remain until a replacement can be named. Ms. Sanness has served in this position during a difficult period for the department. The position has experienced turnover approximately once in every 2.5 years, and the duties are difficult to fulfill. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the resignation of Karen Sanness from the position of Interim Social Services Supervisor.

HR Director Arrick-Kruger requested authorization to initiate a search for a 1.0 FTE Social Services Supervisor. Commissioner Walter questioned whether any review was required prior to initiating the search. HR Director Bahr reported that she feels that there is a need to initiate the search sooner rather than later due to the length of time the search will take. This position requires merit testing which takes time to schedule, administer and obtain results. During the time when the search is being carried out the position can be reviewed. There is a special skill set required for an effective supervisor in this area. Key responsibilities, education requirements, expectations and position description will all be carefully considered and discussed. Commissioner Walter questioned whether this discussion should take place prior to approving the search. Commissioner Schuldt expressed concern that there is a need to initiate the search. There is a significant amount of work and regulation which needs to be addressed. The search will take time. HR Director Arrick-Kruger stated that in the event there is restructuring the person overseeing the area should be heavily involved. Commissioner Walter questioned whether HS Director Bahr thought it imperative to begin the search today versus next week. HS Director Bahr stated that she feels strongly that a search should be initiated immediately. There is a need to have a supervisor. Discussion regarding specific attributes necessary to be successful within the position and expectations of the position may be discussed while the search is ongoing. It will also be determined whether this position will include a case load or not. Commissioner Schuldt questioned how hiring a supervisor will impact the budget. HS Director Bahr reported that waiver and disability services programs are being restructured which will result in the need for additional staffing. She believes that disability and waiver services programs are self-sustaining and will cover the cost of staff. HR Director Arrick-Kruger stated that she will bring additional information related to the costs to future meetings. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to authorize the initiation for a search for a Social Services Supervisor. It was clarified that Ms. Sanness will remain on staff as a social worker.

Discussion and action related to a Jail Maintenance Agreement will be rescheduled until the next regularly scheduled meeting.

It was agreed that Commissioner Schuldt would follow up on the CCS flag pole. It is believed that a pole is available.

There is a need to appoint an individual to the Bluff Country HRA in place of Jordan Wilms. The next meeting of the Bluff Country HRA is scheduled for Monday, May 20th. Commissioner Storlie stated that she is interested and has been giving thought to potential nominees. She would consider participating.

File No. 8 - Commissioner Storlie questioned whether K Properties was in compliance with their tax abatement agreement. Mr. Howden responded that they were not. Commissioner Storlie suggested allowing K Properties an opportunity to submit thoroughly completed paperwork. In the event acceptable reporting was received, the Board could consider reinstating the previously cancelled tax abatement. Commissioner Storlie stated that she does not support

payment of a denied tax abatement amount from last year which was denied as a result of non-compliance with reporting requirements. Any reinstatement should impact only those payments going forward. K Properties submitted three years of reports however, the data contained in them was inadequate. The reports were all dated the same date and the information contained in each report was identical to the others. Commissioner Storlie stated that the reports submitted needed to be greatly improved. The abatement benefits not only K Properties, but also each renter of the facility by containing rent expense. It is possible that renters may be misinformed as to the importance of the reporting information being requested. Commissioner Schuldt stated that number of employees, hours worked and pay rates are being requested. No personal data regarding employees is being requested. Commissioner Storlie questioned when the next tax abatement payments would be made. Auditor Meiners stated that the next tax abatement payments will be sent on or around July 1st. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to allow for the submission of acceptable reporting paperwork from K Properties no later than April 30th in order to be given consideration for reinstatement of their tax abatement. It was agreed that Mr. Howden will contact K Properties in this regard.

File No. 9 - Chairperson Zmyewski stated that currently Houston County does not have a Public Hearing Policy. A proposed policy has been submitted. The policy was used during a recent public hearing and worked well. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the Public Hearing Policy.

File No. 10 - Auditor Meiners stated that the Sheriff's Office will be offering "Personal Safety/Threat Awareness/De-Escalation/What Next?" training. She questioned whether Commissioners would be interested in attending and if so, would they consider cancelling the Board meeting scheduled for that day. Commissioner Storlie questioned whether the meeting should be rescheduled for that evening. Chairperson Zmyewski stated that although an evening meeting would allow for public participation, staff would not be freely available. Auditor Meiners stated that she has no money in the budget for premium pay for staff to attend and evening meeting. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to cancel the June 25th Board and Department Head Meetings. It was agreed to reschedule the Department Head Meeting for June 18th at 1:00 p.m.

Commissioner Kjome reported on active shooter training and also the frac sand study committee meeting which he attended this past week. He expressed his understanding that the committee was established to gather information related to possible impacts of frac sand mining. He questioned why, if the purpose was for the committee to gather data has the group began participating in the drafting of the ordinance. He indicated that there appears to be a loss of control of the committee meeting and purpose. He expressed his opinion that Commissioner Zmyewski should be chairperson for the study committee.

Chairperson Zmyewski expressed agreement that the committee has is not functioning as intended. He stated that he would have preferred greater township representation on the committee originally and voted against the makeup of the committee membership.

Commissioner Kjome expressed his understanding that the committee was comprised of staff members, and public members both for and against the issue. He expressed his belief that this “doomed” success of the committee from the start. Chairperson Zmyewski questioned whether there needs to be a change made to the membership and suggested greater township participation. Commissioner Storlie questioned whether there should be a study committee and an ordinance drafting committee. Chairperson Zmyewski stated that there are issues which have not been researched at all and time is limited. Commissioner Schuldt questioned whether Planning and Zoning staff should be acting more as the ordinance drafting group. Chairperson Zmyewski discussed the hierarchy of County government and how that impacts decisions. He stated that Public Hearings may be administered by Boards of Adjustment, Planning and Zoning or the Board of Commissioners. Commissioner Storlie stated that there is a need for the expertise of Planning and Zoning with regard to writing of the ordinance. Commissioner Zmyewski commented that there are no experts from the field of frac sand mining on the Planning Commission. He questioned why Jay Squires has been paid to draft an ordinance that was unable to pass on the first draft. There is a need for a study committee, to hear and consider information presented by experts and to determine how to proceed. Commissioner Storlie suggested that this discussion be held with the study committee. It was the consensus of the Board to discuss this further during a meeting immediately preceding the next scheduled frac sand study committee. It was agreed to schedule a special meeting for 8:00 a.m. on Friday, April 19th at the Justice Center Conference Room. Chairperson Zmyewski encouraged commissioners to come prepared because they will only have an hour before the frac sand study meeting. Commissioner Kjome questioned whether Board members would be allowed to speak at the frac sand study committee meeting. Chairperson Zmyewski stated that Commissioners could be seated with the members of the committee.

Commissioner Walter reported that she will attend a Solid Waste Meeting in La Crosse on May 15th. She stated that invitations to all Board members will be forthcoming. She also reported that a Workforce Development she was scheduled to attend had been cancelled due to weather and that Wabasha County has indicated their desire to continue discussions regarding Human Services collaboration.

Commissioner Schuldt reported that he will be attending Lean training in St. Cloud soon.

Commissioner Storlie reported on the frac sand study committee meeting which she attended.

Chairperson Zmyewski reported that he had attended the frac sand study committee meeting. He also met with the Nelson’s to discuss some Botcher Park issues.

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

File No. 11 - Correspondence to Kelley Stange regarding appointment to EDA Board

File No. 12 - E-mail from Senator Miller regarding resolution on increased funding for transportation system

File No. 13 - Report of Section 8 and Family Self-Sufficiency participants

File No. 14 – Letter of appreciation to Craig Colbenson for presentation

File No. 15 – Correspondence from Senator Miller regarding Multi County Housing and Redevelopment Authority Levy Authority legislation (SEMMCHRA)

File No. 16 – Public notice of Board’s attendance at frac sand study committee meeting scheduled for April 19, 2013

File No. 17 – Public notice of special meeting scheduled for Friday, April 19, 2013 at 8:00 a.m.

File No. 18 – Letter to City of La Crescent regarding County Solid Waste Program and fee collection

There being no further business and the time being 11:11 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, April 23, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Friday, April 19, 2013

8:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Reporter Moorhead; Sue Van Gorp; Brian Van Gorp; Donna Buckbee; Bruce Kuehmichel; Kelley Stanage; Sarah Wexler Mann

Presiding: Justin Zmyewski, Chairperson

Call to order.

Chairperson Zmyewski stated the purpose of today's meeting is to discuss the Frac Sand Study Committee. There will be no public comment allowed at this meeting. Commissioner Kjome stated that he felt the committee has done its job and it is time for the commissioners to take control of the process. The Frac Sand Committee was intended to be a study committee and it has done its job.

Commissioner Storlie stated that it is time to write the ordinance, and she felt this was staff 's job. If the public has input they should contact their commissioners. She expressed her opinion that the Frac Sand Study Committee should be commended for their work, but it is time to move on because we are under a deadline. Commissioner Walter suggested that a couple of commissioners work with staff on writing the ordinance. Commissioner Storlie stated that she wants staff to write the ordinance and give the Board an update each week so they know it is moving forward. Chairperson Zmyewski stated that there are a lot of things that still need to be addressed, and the Board needs weekly updates to ensure that everything is properly covered.

Environmental Services Director Frank inquired whether the Frac Sand Study Committee will still meet this morning. He stated that last week they went about half way through the proposed ordinances. He suggested that the committee review the remainder of the ordinances today. Also, he received feedback from Attorney Squires on utilizing CUPs versus IUPs, as well as on the waiver. He would like the opportunity to share this correspondence with the committee. Commissioner Storlie stated that this will be the committee's final meeting. She felt since the committee was invited, we should hold this final meeting. Environmental Services Director Frank stated that the substance of the ordinance is written, however, it requires more work from staff and legal counsel. The Planning Commission also needs to be more involved, as they will have to go through the hearing process. Chairperson Zmyewski stated that we still have plenty of time and there is more research that needs to be completed. Commissioner Walter indicated that it is her understanding that we need two public hearings, the first for public input and the second for the final draft to come before the Board. Environmental Services Director

Frank stated that he will post the minutes of the Planning Commission on the website so the public is aware of what has been discussed. He reported that Zoning Administrator Scanlan made a good suggestion to hold a meeting with the existing quarry owners to review the changes and give them an understanding of how these changes will affect them. The office is receiving a lot of calls from these individuals with questions, and he wants to work with them and keep them informed. Chairperson Zmyewski stated that if the Board gives a directive, the Planning Commission needs to follow it. Environmental Services Director Frank agreed that the ultimate decisions belong to the board.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to disband the Frac Sand Study Committee after today's meeting and move to the next level in order to keep the process moving forward.

There being no further business and the time being 8:15 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to adjourn the meeting.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, April 23, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Maintenance Foreman Molling; Zoning Administrator Scanlan; HR Director Arrick-Kruger; Steve Borchardt; Susan VanGorp; Brian VanGorp; Joan Redig; Betts Reedy; Kent Holen; John Griggs; Bruce Kuehmichel; Mike Fields; Steve Hartwick; Kelley Stanage; Finance Director Lapham; Assessor Dybing; GIS Coordinator Krzoska; Assistant County Attorney Bublitz; Chief Deputy Sheriff Yeiter; Jail Administrator Schiltz; Sheriff Ely; IS Director Milde

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the April 16, 2013 meeting.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes from the special meeting held Friday, April 19, 2013.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$56,679.51
Road & Bridge Fund	9,114.81

Total	\$65,794.32
	=====

Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve amending the agenda to include an appointment for Assessor Dybing and GIS Coordinator Krzoska.

File No. 2 - Bruce Kuehmichel, of Caledonia City, read from a prepared statement which is on file.

Susan VanGorp of Yucatan Township, noted that during the last frac sand study committee one commissioner was absent and 2 others left quickly once the public was allowed to speak. She had a prepared statement which she read from. Ms. VanGorp indicated that it had been her intention to read this statement during the frac sand study committee meeting public comment period. She expressed her perception that individuals are manipulating the ordinance through CUP versus IUP use. She stated her opinion that the Board is patronizing individuals with brief public comment periods. She appealed to commissioners to protect the health and safety of residents and the environment.

Brian VanGorp, of Yucatan Township, indicated his desire to make two points. The first being that after listening to 20 hours of frac sand study committee meetings, no member of the Planning Board, the County Engineer or the mining plan consultant has made any point in support of mining restrictions. They all want the ordinance to be permissive yet they claim they want a balanced ordinance. In addition, there has been an attempt to confuse when discussing the scope and scale of industrial mining. Mr. VanGorp expressed disagreement that these operations would amount to 10 to 15 trucks hauling from a 5 acre mine site. The second point he expressed was that the Board has the power and the authority to ban frac sand mining. He stated that with just 3 votes they could take a conservative approach and show priority for health and safety of residents until more is known about the true and long term effects of this type of industry.

Eldon Pohlman, representative from the Fair Board, reported that the sheep barn needs to be taken down. The building is in poor condition and is cause for concern. He indicated that efforts to raise funds to erect a new structure will be ongoing. He stated that he doesn't believe that a new building will be erected prior to the 2013 fair and depending on the ability to raise revenue may not before the 2014 fair. In addition, there is concern with the condition of the hog building which may also need to be taken down.

Donna Buckbee, of Yucatan Township, stated that she has sent an e-mail to all five commissioners. The e-mails directed to both Commissioner Kjome and Storlie came back. She expressed concern that this is a critical time and e-mail correspondence is not functioning properly. Both Commissioner Kjome and Storlie provided Ms. Buckbee with their business cards to ensure that she had the e-mail address correct. Chairperson Zmyewski stated that IS Director Milde has been contacted and has assured him that e-mail is functioning as it should.

GIS Coordinator Krzoska requested authorization to join the MCCC Property Information User Group (Schneider Group) at a cost of \$1,000.00 annually. Membership includes administrative rights within Beacon and would provide for the ability to charge a fee for specific data through a subscription. Another option would be to purchase a module to provide for the same type of functionality but the cost for the module alone is \$1,200.00. Houston County is one of two counties that do not charge for at least a portion of the data which can be

obtained through the site. Assessor Dybing reported that consideration is being given to charging a fee to print off maps generated on the site or for comparison data/reports which would be derived from his department. Commissioner Schuldt questioned whether a fee structure has been drafted and whether the amount of revenue this may generate has been estimated. Assessor Dybing responded that no fee structure has been drafted. Information to the fees charged by other small counties will be gathered and considered when drafting the fee structure. Commissioner Schuldt stated that he has utilized the Beacon site and also a site administered by Fillmore County. He stated that he prefers the Beacon site. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to authorize participation in the MCCC Property Information User Group (Schneider Group).

File No. 3 – Maintenance Foreman Molling reported on bids received for maintenance rock both applied to roadways, and also for stockpiles. He recommended acceptance of the low bid for rock applied to roadways and all bids for stockpile. By accepting all stockpile bids rock may be obtained from the quarry with the lowest overall cost (rock plus transportation costs). He reported that Bruening Rock Products, Inc. provided the low bid for all roads except C.S.A.H. #32. They were also the low bid for Wilmington township roads. Milestone Materials was the low bid for C.S.A.H. #32. Maintenance Foreman Molling explained that Wilmington Township joined with the County for bidding. The County will administer the contract. Maintenance Foreman Molling indicated that the cost is up approximately \$0.40 per ton over last year. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve all bids for stockpiles and to award rock applied to roadways to the lowest bidder as discussed.

File No. 4 - Zoning Administrator Scanlan provided the Annual County Feedlot Officer and Performance Credit Report for approval prior to submitting it to MPCA. He reported that the County is awarded credit for such things as inspections completed in excess of the State minimum requirements. He noted that inspections credits are granted per feedlot, not per inspection. When feedlot projects are being completed there may be multiple inspections at the site, however, performance credits are granted for only one inspection at the site. The Feedlot Officer is also required to follow up on manure application complaints in addition to various other duties.

Commissioner Zmyewski questioned how many feedlots there are in Houston County. Zoning Administrator Scanlan responded that there are in excess of 600, 447 of which are required to be registered by definition. The definition of a feedlot is location housing 50 animal units or more (10 animal units if they are housed near a creek), or housing animals in a confined area where vegetation cannot be maintained during the growing season. The others have voluntarily registered with the County. Chairperson Zmyewski questioned whether the information contained in the report contributes to funding level determination made by the State. Zoning Administrator Scanlan responded that he believes that is the case. The report contains information that is beneficial for legislators. Commissioner Storlie questioned whether someone who purchases property already registered as a feedlot is required to re-register. In the event

farm payments are being received re-registration is often required so that payments continue and are directed to the appropriate party. The County also re-registers feedlots once every four years. The office is completing the four-year renewal currently. The process started back in December 2012.

During recent years (the past 4 or 5) the department has exceeded minimal requirement which has resulted in incentive funding in the amount of approximately \$8,000.00 annually. Commissioner Kjome clarified the definition of a feedlot and what triggers the requirement to register. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the 2012 Annual County Feedlot Officer and Performance Credit Report, authorize the signature of Chairperson Zmyewski and submit said report.

Commissioner Schuldt reported that the Highway Department has a flagpole that is not being utilized. The pole is located too near to the power lines and trees. The pole can be taken down and moved to the CCS Building.

Commissioner Walter stated that she has contacted an individual who may be interested in serving on the Bluff Country HRA Board. She anticipates their response later today. It was agreed to wait until the May 7th meeting to appoint someone to the Board.

File No. 5 - HR Director Arrick-Kruger along with Jail Administrator Schiltz has been evaluating options since the April 16th expiration of warranty on the Justice Center security systems. They have determined that SGTS, Inc. has provided more cost effective pricing than Stanley Security Systems, the original system installer and service provider during the warranty period. The Justice Center security systems are quite complex and require service by specially trained technicians. SGTS, Inc. operates out of Wisconsin and has the ability to respond to the County's needs quickly. Stanley operates out of Indianapolis, Indiana. The On Call Maintenance and Service Agreement cost is \$2,000.00 for one year. This agreement provides for one, eight hour service call during the agreement period. In the event on call service is not required, the service call may be utilized for maintenance purposes. Due to the newness of the system only minimal issues if any are expected. Also provided for in the agreement are additional service hours to be billed at 20% below SGTS, Inc. regular rates and materials at 30% over SGTS, Inc. cost and priority scheduling. Those without an agreement in place may be required to wait weeks for service. Entities that have Service Agreements in place receive priority over others who call to request service. SGTS, Inc. provides all services related to the Justice Center security system. Like services from another provider have been estimated to be 60 to 80% higher. Chairperson Zmyewski indicated that the costs are unbelievable, he stated that large equipment may be rented at a rate of \$150.00 per hour, considering this agreement covers an eight hour visit, the cost per hour is nearly \$300.00 per hour. HR Director Arrick-Kruger reported that both she and jail Administrator Schiltz have performed maintenance cost calculations independently and even at this high cost, SGTS, Inc. offers the most cost effective agreement. The equipment in the Justice Center is highly technical and requires repair and maintenance with highly technical response. HR Director Arrick-Kruger reported that there are also liability clauses which name the County

as additional insured under the SGTS, Inc. liability insurance in the amount of \$1,500,000.00. Both HR Director Arrick-Kruger and Jail Administrator Schiltz feel strongly that there is a need to have this type of agreement in place. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the On Call Maintenance and Service Agreement with SGTS, Inc.

HR Director Arrick-Kruger reported that there were 4 serious citations resulting from a recent OSHA inspection. In recognition of the County's good faith efforts to address safety concerns, and because the County has an Aware Safety Program in place, a 30% reduction to fine amounts has been granted which reduces the \$2,500.00 in fines down to \$1,750.00. HR Director Arrick-Kruger reported on the following items requiring corrective action: repair damaged ceiling in vestibule and break room resulting from previous leaking; install a second exit door in the main shop; install emergency lighting throughout the Highway Department Building; and address obstructed access when plows are on trucks and the trucks are located in the maintenance bays. HR Director Arrick-Kruger stated that the County has a metal exterior door and frame which will be installed in the main shop. Because the door was on hand, there will be a savings of approximately \$500.00. HR Director Arrick-Kruger is working with local electricians for the installation of emergency lighting. Trucks no longer have the plows attached so the obstructed access issue has resolved itself for the time being. It is HR Director Arrick-Kruger's goal to have the necessary corrective measures completed prior to May 4th when a progress report is due to OSHA. It may be possible to be granted an extension in the event corrective measures have not been completed by this date. Discussion was held regarding how the fines and corrective measures would be paid for. The money to pay the fines amounting to \$1,750.00 would be taken from the Commissioner's fund. The money to cover the corrective measures will come from cropland rental which has been designated for Highway Department Building improvements. When asked what the total for repairs would be, HR Director Arrick-Kruger responded that estimates are not yet available.

File No. 6 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve a gambling permit for Camp Winnebago and to adopt the following resolution:

RESOLUTION NO. 13-13

BE IT RESOLVED, That the Houston County Board of Commissioners do hereby approve the Minnesota Lawful Gambling Premises Permit Application on behalf of Camp Winnebago for gambling activities to take place at the Shellhorn Bar & Grill.

Recently, Chairperson Zmyewski, Commissioner Storlie and Auditor Meiners met with others on the Wildcat Park Committee. Discussion was held regarding the need for restroom improvements. Due to the fact that the area near the bathrooms is prone to flooding, flush facilities are not an option. It was noted that during the 2012 camping season the County received revenues in excess of expenses in the amount of approximately \$22,000.00. These

funds were incorporated into the General Fund Balance at year end. Commissioner Storlie expressed that these funds should be returned to Wildcat Park for use in making necessary improvements. Finance Director Lapham expressed her understanding of the Board's request. However, she questioned stated that in the event these funds are designated it becomes a problem if expenses exceed the amount designated. She questioned how the Board would address this type of situation. She stated that designating the funds may not be the best option. She also stated that Wildcat Park does not qualify to be listed as a specific fund. It could be an "enterprise fund" however, making an enterprise fund would trigger specific audit requirements. Auditor Meiners stated that changes have been made to make the Park self-sustaining. Over the past three years the Park has generated a profit for the County. Chairperson Zmyewski expressed support of utilizing profits for improvements. Finance Director Lapham expressed concern that Wildcat Park is currently treated as a department of the County, in the event the Board allows this department to segregate profits generated what precedence does that set for other departments which may generate a profit. Finance Director Lapham suggested submitting a budget amendment to move the 2012 profits to a line item for Wildcat Park improvements. Chairperson Zmyewski stated that profits need to be tracked so that when consideration is being given to improvement projects it is known whether adequate funds have been generated to cover the cost. In addition to bathroom improvements, there is a need to upgrade a portion of the electrical and also the boat landing. Following discussion, it was agreed that Finance Director Lapham would generate the appropriate budget amendment to move previous wildcat Park profits from the General Fund into a Wildcat Park line item for improvements. This will be presented at the next meeting.

The state of the Wildcat Park boat landing was also discussed during the Wildcat Park Committee meeting held recently. Work is being completed on the I-90 bridge at Dresbach which will impact the use of the boat landing located there. It is expected that people may utilize the landing at Wildcat Park more as a result. Therefore, committee members are hoping to work with the Corp of Engineer's to have improvements to the Wildcat Park boat landing completed.

At this time, Steve Borchardt met with the Board to provide an overview of the ARMER system. He was joined by Chief Deputy Sheriff Yeiter. Mr. Borchardt is the Southern Minnesota Regional Interoperability Coordinator. Mr. Borchardt started a PowerPoint Presentation. The ARMER (Allied Radio Matrix for Emergency Response) system is a statewide, 800 MHz, trunked system. The backbone of the system is made up of towers linked by microwave and 6 computers. 800 MHz radio waves are unable to follow the topography of bluffs and valleys in the southeastern region therefore there are more towers located in closer proximity to one another than those located in other areas of Minnesota. The creation of the ARMER system was driven by the September 11th attacks, the Katrina natural disaster and a narrow banding requirement of the FCC. Because of an anticipated FCC requirement for all frequencies below 512 to reduce to 6.25, Houston County made the decision to go with 800 MHz technology which will be unaffected by the anticipated mandate. VHF radio communications become congested which negatively impacts communications. Trunking allows computer management of radio traffic allowing for good communications. Mr. Borchardt explained identification tiers and

programming which allows for controlled use of available frequencies. Chief Deputy Sheriff Yeiter reported that when utilizing the previous radio system, the County had 80% coverage with the mobile radio (in car) and only 30% coverage with the handheld. Following the migration to the ARMER system there is nearly 100% coverage in car, 98% coverage outdoors and 80%+ within structures. In addition, ARMER has provided the opportunity to speak with any group operating on the statewide ARMER system. Chief Deputy Sheriff Yeiter reported that usage has greatly increased with ARMER. There continue to be communications improvements as a result of bridging technology. Wisconsin has adopted a statewide system and it is expected that bridging communications with Wisconsin's will take place soon allowing both states to communicate. Iowa has not adopted a statewide system. However, they are beginning to realize the benefits Minnesotan's are seeing as a result of the ARMER system and they have been engaging in discussion regarding Minnesota's system. Although many regional counties have individual recording equipment, there is research being performed related to how recording can be collaborative. Commissioner Storlie questioned whether all Houston County Firefighters have ARMER radios. Chief Deputy Sheriff Yeiter responded that when considering the migration to ARMER, it was determined for the system to be beneficial, everyone needed to move to it. The County performed a radio inventory. They proposed to other entities that they would provide for the initial equipment investment and provide one ARMER radio for each VHF radio the entities had. Steve Borchardt commented that Houston County, although initially skeptical of the ARMER system, was fortunate to have early adapters who learned the system and were pivotal in implementing it.

Commissioner Kjome reported on the final frac sand study committee meeting which he attended. He is interested to learn how the Board intends to proceed. Chairperson Zmyewski stated that the Board needs to maintain control of the ordinance writing process. The Board will work with Jay Squires to draft the ordinance. It will be important to have weekly updates related to progress.

Commissioner Walter reported on the final frac sand study committee meeting and a La Crescent City Council meeting which she attended. La Crescent City will be holding a special meeting to discuss the solid waste program. She reported that Sheriff Ely has requested that the Board consider enacting an ordinance requiring solicitors operating in the County be licensed. A sample ordinance has been submitted.

Commissioner Schuldt reported on Lean Training which was offered as a result of collaborative efforts between the State of Minnesota and AMC. HR Director Arrick-Kruger also attended the training.

Commissioner Storlie reported on the final frac sand study committee and HVMHC meetings which she attended. She provided information about an upcoming "share" night being held at the Culver's Winona location where 10% of the evening's sales will be donated to HVMHC.

Donna Buckbee requested clarification regarding who would be writing the frac sand ordinance. Chairperson Zmyewski stated that the Board will spearhead the writing of the ordinance with the assistance of Jay Squires. The Planning Commission will be charged with conducting the process to adopt the ordinance once a draft of the ordinance has been generated.

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 interim changes in Public Health

File No. 8 – Trial Balance as of 3/2013

There being no further business and the time being 11:18 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 7, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 7, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Schuldt & Moorhead; Engineer Pogodzinski; Surveyor Walter; HR Director Arrick-Kruger; Mike Fields; Betts Ready; Kelley Stanage; Steve Hartwick; Finance Director Lapham; Environmental Services Director Frank; Deputy Sheriff Swedberg; Rick Howden; Roger Vogel

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the April 23, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$104,429.41
Road & Bridge Fund	33,104.86

Total	\$137,534.27
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File No. 2 - Mike Fields, Winnebago Township resident, read from a prepared statement which is on file.

Steve Hartwick, Money Creek Township resident, stated that last week was soil and water week. Soil and water boards were established as a result of the 1930's dust bowl era. Mr. Hartwick offered suggestions of individuals well versed in certain areas of water who could share knowledge regarding the establishment of setbacks from waterways. He appealed for scientific reasoning with regard to the frac sand ordinance.

File No. 3 - Kelley Stanage, Houston Township resident, stated that she has been volunteering her time for the past year to assist with the frac sand study committee. She has

provided much research for this committee. She commended the Board for spearheading the ordinance writing process. She stated that throughout this process, the County has not been looking ahead. She expressed concern that the Board doesn't appear to have a vision as they move forward. She stated that change is difficult and may be good or bad. New challenges require new perspectives. She encouraged careful consideration as the Board works with the development of a frac sand ordinance for the County. In closing, she submitted Section 1 of the Houston County Comprehensive Land Use Plan with areas highlighted to show how, in her opinion, frac sand mining will go against the Plan.

File No. 4 -- Engineer Pogodzinski reported on the following bids received until April 22, 2013 for a combined project being S.A.P. 28-604-31 and C.P. 2013-03:

Mathy Construction Co. Onalaska, WI 54650	\$2,657,448.86
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The bid reflects a per ton price for asphalt of \$72.72 for the larger portion of the project and \$98.50 for the smaller portion of the project. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the bid of Mathy Construction Co. in the amount of \$2,657,448.86.

File No. 5 - Engineer Pogodzinski reported on quotes received for Calcium Chloride. Quotes were received from Freeborn County Coop Oil, Tri-City Paving Inc., Envirotech Services Inc., and Sicalco, LTD. Prices were quoted for delivery to Caledonia, delivery to Spring Grove and delivered and applied to roadways. Freeborn County Coop Oil provided the low quote delivered to Caledonia and delivered to Spring Grove at \$0.84 per gallon. Both Envirotech Services Inc. and Sicalco, LTD provided lower quotes for delivered and applied to roadways than the quote provided by Freeborn County Coop Oil. Typically, Houston County does not have the vendor apply the product. Commissioner Schuldt questioned how many gallons are purchased by the County. Engineer Pogodzinski responded that he believes approximately 50% of the gallons purchased are used by the County while the other 50% is used by the townships and billed to them. The County benefits by including the townships gallons in the quote request. Engineer Pogodzinski provided the policy for applying the chloride to County roads and information related to the various township policies that he is aware of. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the calcium chloride quote provided by Freeborn County Coop Oil.

File No. 6 – Engineer Pogodzinski reported on a Cooperative Construction Agreement between Houston County and the State of Minnesota. The agreement allows the State to install 3 signs along County 29 which was designated as part of the Mississippi River Trail in March 2012. The State will provide the signs. The County will be responsible to inspect the signs. Engineer Pogodzinski stated that 3 signs will not increase inspection time costs. Even in the event the signs required reinstallation, there would be no significant cost implication. This

agreement is standard among the counties where the MRT is routed through. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the Cooperative Construction Agreement and to adopt the following resolution:

RESOLUTION NO. 13-14

IT IS RESOLVED that Houston County enter into Mn/DOT Agreement No. 03641 with the State of Minnesota, Department of Transportation for the following purposes.

To provide for the State to enter upon County Right of Way to install Mississippi River Trail signing along the designated Mississippi River Trail route on County roadways and for the County to provide for proper maintenance of the route signing. Such work will be conducted under State Project No. 8826-139 (T.H. 61) and State Aid Project No. 091-060-103.

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

Engineer Pogodzinski stated that the Board may see bills for services which are not typical. Any such bills would be the result of having work completed by an outside vendor because there is a staff member on leave.

Engineer Pogodzinski reported that the local Fire Chief was asked to provide input related to the installation of exit signage, emergency lighting and placement of an exit door. Following the Fire Chief's initial visit he asked that the input be provided by the State Fire Marshall. The State Fire Marshall will be providing a written summary of items to be addressed. Engineer Pogodzinski indicated the cost to implement the State Fire Marshall's suggestions will cost approximately \$2,000.00. In addition to the original OSHA concerns related to exit signage, emergency lighting and placement of an exit door, the State Fire Marshall addressed minor wiring concerns.

Commissioner Walter questioned whether the County has been sweeping streets. Engineer Pogodzinski responded that hills and areas with safety concerns are being swept to remove excess sand which may have accumulated over winter.

Commissioner Kjome stated that Engineer Pogodzinski is assisting the City of Spring Grove with the placement of pedestrian crossing signs on the City's new, grant funded, birding trail.

HR Director Arrick-Kruger reported that the County has been granted an extension until May 31st to install the exit door due to the fact that the County is working with the State Fire Marshall regarding proper placement.

HR Director Arrick-Kruger stated that several departments have requested approval to hire 67 day employees to assist them.

File No. 7 - HR Director Arrick-Kruger reported that the Highway Department would like to hire civil engineering student, Ryan Meiners. Mr. Meiners assisted both the Surveyor's Office and the Highway Department last summer. Engineer Pogodzinski reported that this is the last construction season in which to complete projects receiving flood bond funds. In addition, there is a Federal Project in the works this construction season. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the hire of Ryan Meiners as a 67 day employee to assist the Highway Department, at a rate of \$11.34 per hour.

File No. 8 - HR Director Arrick-Kruger and Surveyor Walter met with the Board to request authorization to hire third year surveying student, Samuel Kratt. Surveyor Walter reported that Mr. Kratt has been attending St. Cloud State University and is from the La Crescent area. The Surveyor's Office has always tried to target students studying in surveying or a related field. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to authorize the hire of Samuel Kratt as a 67 day employee to assist the Surveyor's Office, at a rate of \$11.34 per hour not to exceed the budgeted amount of \$3,500.00 for the summer season.

HR Director Arrick-Kruger reported that the roster of Veterans Service Driver's has decreased. In order to maintain an adequate roster, she requested authorization to hire Joseph Tollefson. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to authorize the hire of Joseph Tollefson at a rate of \$11.34 per hour contingent upon successful completion of the Veterans Service background check.

HR Director Arrick-Kruger clarified that Houston County is an EOE Employer. As such, the County cannot and does not exercise preferential treatment to students who are residents of the County. She stated that students who are also residents tend to seek employment in their home county. These students have applied to the County for the available work opportunities. They happen to reside in the County.

File No. 9 - HR Director Arrick-Kruger along with HS Director Bahr and Interim Social Services Supervisor Sanness met with the Board and recommended that the status of Melissa Foth be changed from probationary to regular. Interim Social Services Supervisor Sanness has conducted the required 6 month performance review. She stated that Ms. Foth joined the County having 2,000 documented hours working with children. She exhibits impeccable documentation, was able to "hit the ground running" and has been an asset to have on staff. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve a change in status for Melissa Foth from probationary to regular effective May 14th.

File No. 10 - Deputy Sheriff Swedberg presented the Annual County Boat and Water Safety Grant Agreement for approval. The grant is in the amount of \$6,998.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to

approve the State of Minnesota Annual Boat and Water Safety Grant Agreement and to authorize the signature of Chairperson Zmyewski and Auditor Meiners.

File No. 11 – Deputy Sheriff Swedberg reported that in addition to the State Boat Grant, there is also a Federal Boating Safety Patrol Supplement Grant Agreement. The Federal Grant provides for an additional \$5,000.00 to support the boat patrol. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Federal Grant and authorize the signature of Chairperson Zmyewski and Auditor Meiners.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to appoint Commissioner Judy Storlie to the Bluff Country HRA Board.

During a recent conversation Attorney Jay Squires recommended to Chairperson Zmyewski that the County wait while a piece of legislation related to frac sand mining made its way through the Minnesota House and Senate. This legislation, if approved, may result in an extension of a State frac sand moratorium until 2015 and the opportunity for local governments to do the same. Mr. Squires will contact the Board for further discussion.

Commissioner Storlie expressed concern regarding the use of Jay Squires and financial accountability for services provided by him. She indicated that she is unaware of the hourly rate for Mr. Squires' services. She questioned whether staff can perform certain duties at a less expensive rate. Chairperson Zmyewski stated that Mr. Squires' expertise in the area of land use will be well worth the expense. Commissioner Schuldt stated that County staff performed a tremendous amount of background and research work for the land use lawsuit which helped to contain overall costs related to Mr. Squires' representation of the County.

Commissioner Storlie cited an article in which Senator Jeremy Miller claimed to have held discussion with the Houston County Board. She stated that she has not spoken with Senator Miller and questioned if other Commissioner's had spoken with him. Commissioners Schuldt, Walter and Kjome responded that they had not spoken with him.

Commissioner Storlie expressed concern with the protection of trout streams in the event frac sand mining takes place in the County. She utilized staff to learn more about where trout streams within the County are located and how setbacks would impact the area. Commissioner Walter expressed her desire to support a recommended 1 mile setback from trout streams for frac sand mining operations.

Chairperson Zmyewski reported that he has spoken with Senator Miller. Senator Miller did support a recent bill authored by Schmidt but did not support an amendment to the bill which affected setback language in the bill. The newspaper reported that Senator Miller did not support the bill. Discussion was held regarding the trout stream setback recommendations outlined with the bill. Chairperson Zmyewski stated that he would like to see the State perform research and support a specified setback. He discussed the fact that he is looking to the State for some

direction with Senator Miller. Senator Miller supports local control. Chairperson Zmyewski reiterated that he looks to the State for some minimum standard based on research. This would provide direction to lower levels of government who could then choose whether to be more restrictive. Chairperson Zmyewski indicated to Senator Miller that Houston County is taking a conservative approach where frac sand mining is concerned.

Commissioner Walter stated that she was prepared to move to ban frac sand mining for a period of 5 years until learning about legislation currently moving through the capital.

File No. 12 - Roger Vogel of Pathfinder CRM, LLC met with the Board to discuss the Historic Preservation Assessment of the Historic Jail. The Assessment was prepared pro bono. It points out County obligations with regard to the building.

Mr. Vogel reported that the group assembled to assess the historic jail was surprised to find that, since 1966, no federal funds have been utilized in connection with the jail. This was unique and interesting. As a result there are no federal entanglements to address.

Mr. Vogel stated that there is no statutory requirement or regulation that forces the County to keep the historic jail. There is a process which would need to be followed which would include the preparation of an environmental assessment in the event the County chooses to demolish the building. Regardless of what is done with the jail there will be a cost associated.

In Pathfinder CRM, LLC's professional opinion, the historic jail is structurally sound, extremely durable, and well suited for reuse. The building is in good shape. The historic jail is well built and it is reasonable to believe that the building will stand for an additional 500 or 600 years. It is tough and durable. The jail cells do not contribute to the structural integrity, they do not "keep the building up". Therefore, they could be removed without risk to the buildings structural integrity.

Commissioner Storlie questioned how turning off the heat to the building might impact it. Mr. Vogel responded that the worst thing for an old building is not to be torn down, rather the worst thing is to be left vacant and to have environmental controls such as heat and electricity turned off. Buildings suffer when environmental controls are reduced and/or eliminated. Currently, the county has been providing the building with high level, stand in place maintenance.

Commissioner Storlie questioned whether there are individuals or groups seeking this type of building. Mr. Vogel responded that from a property management perspective it is less expensive to repurpose a building as opposed to building new. The challenge with the historic jail will be to find a sustainable use. Commissioner Walter expressed concern that current budget constraints don't provide for funding a reuse study.

Mr. Vogel indicated that an EA study will likely be required at some point. He suggested having people who are knowledgeable about historic buildings perform the study. He stated that, to his knowledge, there is no plan of any kind in place regarding the historic jail.

Mr. Vogel stated that Legacy Grants are available in amounts up to \$7,000.00. He indicated that the next grant application deadline may be June 21st. A grant in the amount of \$7,000.00 would fund a good study. However, a full scale adaptive reuse study would cost between \$20,000.00 and \$50,000.00.

The historic jail is a public building located on a government campus. It is reasonable to expect that the County would not be considering private development of the building. It would be within reason that the County would look to another public entity to utilize the space.

Commissioner Storlie questioned how expensive it would be to make the building handicap accessible. Mr. Vogel stated that it would not be difficult as his company has experience with the installation of elevators in historic buildings.

Mr. Vogel cautioned the Board that the longer there is inaction regarding the building, the more problems the County is likely to encounter. Commissioner Schuldt questioned Mr. Vogel with regard to recommendations. Mr. Vogel indicated that the Board should work with his organization or another qualified organization to draft a plan regarding the historic jail.

Mr. Vogel reported that State Bond funds in amounts between \$10,000.00 and \$100,000.00 are made available for Capital Investments. These funds are in addition to Legacy Funds. Bond Funds are typically available on an annual basis.

Mr. Vogel stressed the importance of getting a plan for the building in place. He provided an example from Kasson, MN where no plan was in place with regard to a school building. Legal action was sought and resulted in required maintenance of the building. Mr. Vogel stated that it is important to determine options. A reuse study would provide a group of scenarios, each with market analysis.

Chairperson Zmyewski stated that the County does not have funds available to retrofit the building and wait to find an interested and suitable tenant. Mr. Vogel suggested starting with an organized process and work through the process in a logical order. Chairperson Zmyewski questioned whether being granted and utilizing Legacy Funds would result in a requirement to preserve the building.

Discussion was held regarding whom or which organization could assist the County with grant writing. CEDA can provide grant writing services. Mr. Vogel stated that Pathfinder CRM, LLC can also perform grant writing services and that they have extensive experience in this area. Mr. Vogel expressed his belief that sooner or later the Board will need to take action. He expressed concern that the Board proceed carefully so that nothing is done that could provoke

legal action. He also encouraged the Board to commit to engaging in a process and reiterated that there are various grant options available, however, grant funding also ties the recipient to certain requirements and/or expectations. It was agreed that Mr. Vogel would return to the next scheduled meeting with a proposal to move forward.

Rick Howden met with the Board to discuss K Properties tax abatement. The Board gave K Properties until April 30th to submit revised paperwork. Revised paperwork was not submitted. The EDA Board recently expressed support for and upheld the County Board's action to cancel K Properties tax abatement. Mr. Howden has consulted with the County Attorney to ensure that all necessary action have been taken regarding the tax abatement cancellation.

File No. 13 - Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to appoint Al Jacob and Joe McManimon to the Water Planning Board with terms to expire December 31, 2015.

HR Director Arrick-Kruger expressed concern that certain staff related matters are being discussed with the Board prior to discussing them with her office which could result in data privacy issues. She requested that all matters involving staff go through her office. This will provide for more careful management of said privacy concerns.

Commissioner Storlie reported on an EDA Board meeting which she attended where discussion was held regarding the inclusion of representatives from Eitzen and Brownsville Cities on the EDA Board. She also reported on a Wildcat Park Committee meeting which she attended. Discussion was held at this meeting regarding improvements to be made at the park, funding and grant applications to secure funding. Finance Director Lapham suggested HR Director Arrick-Kruger contact CEDA regarding grant writing services and an appropriate agreement. She also suggested that costs be allocated back to departments which would benefit from successful grant applications written by CEDA.

Commissioner Walter questioned whether commissioners had received invitations to the La Crosse County Solid Waste meeting being held May 15th at Fox Hollow. She also provided a reminder of the upcoming District 9 meeting scheduled for June 10th in Wabasha.

Commissioner Kjome reported on EDA, Water Planning, Planning Commission and CEDA meetings which he attended. He stated that there are concerns related to the Planning Commission which he will be discussing with Chairperson Zmyewski and others later today.

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

File No. 14 – Correspondence to Xcel regarding tons delivered

File No. 15 – Public Notice regarding commissioner attendance
at Department Head Meeting scheduled for May 28th

There being no further business and the time being 10:37 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 14, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

**PROCEEDINGS OF THE HOUSTON COUNTY
HUMAN SERVICES BOARD**

Date: Tuesday, May 21, 2013 10:30 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: HS Director Bahr; Financial Services Supervisor Kohlmeyer; Auditor Meiners; Deputy Auditor Quinn; Sandy Ask; Lori Feldmeier; Jeanette Twite; Karl Schreck; Julie Winjum; Finance Director Lapham; Julie Renk, Carrie Allen; Wilma Schoh; Sheriff Ely; Diane Schulze; Bethany Moen; Shelly Cavanaugh; Gayle Stortz

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the April 16, 2013 meeting.

HS Director Bahr introduced Karl Schreck who works in DHS. Several years ago FPI (Fraud Prevention Initiative) was developed and a contract entered into. This FPI is being updated. This involves income maintenance workers.

Mr. Schreck is a retired officer who investigated fraud. Wants to revitalize the FPI program. The State is going to give the counties money to investigate welfare fraud. This has been relatively successful. In some areas it was successful and has waned in success. Meet on cases, goal of 25 cases per region, cost to benefit ration \$2 for every \$1 spent? Don't want Houston County to be forgotten county. In regional setting here are counties which get left out or feel as if they have. Mr. Schreck is going to come down and provide training sessions in house, what to, how to regarding referrals. Going to work with Sheriff's want deputies to become involved. Every 2 years the contracts come due. Counties said, contract not so effective. Recently attended fraud conference, speakers from across the country. Investigators can be the eyes to ensure that something is at it was claimed to be... deputies can help with this. Working out final agreements, want to perform additional training, financial workers have him as resource, want to be more connected. Commissioner Storlie questioned. Commissioner Schuldt questioned whether there is monetary recovery, it is tough to recover overpayments. They focus on the savings factor, money that shouldn't be going out. ADHA waiver, when something is discovered can cut off for one year, calculate cost to benefit ratio. Largest caste \$570,000.00 overpayment. For each state \$1 \$4.85 is retruned.

File No. - HS Director Bahr stated that there is a contract renewal. It includes a 5 county area. Sheriff Ely stated that it makes him sick how much fraud there is. He's excited to help with this. Word spreads that you don't get away with it. This is hard to measure Motion was made by Commissioner Zmyewski, seconded by Commissioner Schuldt and unanimously carried to approve the agreement.

File No. - HS Director Bahr introduced the disabilities services unit team members, Diane Schulze was spokesman and provided an overview outlined by a handout which is on file. MN Choices will increase responsibilities.

It was reported that Gayle 30 Shelly 14, Diane 13 Bethany 7. Years of services. Barriers in rural community different and greater than in a metro city.

Commissioner Storlie questioned whether assessments will change, they will still have to perform required face to face visits so travel to other counties will remain required in addition screening will be done in Houston County members of other communities who reside in Houston county. 183 cases increase are anticipated. HS Director Bahr stated that this group are excellent social workers and also administrators.

File No. – HS Director Bahr distributed a timetable of the MN Choices launch timeline.

Financial Services Supervisor Kohlmeyer reported that MNSure is out there but she isn't certain how this is going to impact. Discussion is being held about what are the needs and the timeframes. There will be a peak employee need with a declining need over a period of time. With regard to child support it is more difficult. There is a need to get a better handle on the child support impacts.

EDMS Andy is meeting with Winona County. They are assessing technology needs. Scanning equipment, child support to work with courts as courts is going to e-filing, need to buy equipment work for EDMS and interface with courts.

Data on MNSure is coming out slowly. Financial workers will be reimbursed at 70% versus the 50%, that additional percentage may cover the cost of a case aide. Needs to be penciled out to be certain. This will be brought back.

The changes resulting from MN Choices and MN sure are going to make the way the work is done different from today...

Child support will be attending regional training opportunities.

Financial Services Supervisor Kohlmeyer just completed kaison training. Governor Dayton supports this.

She will be attending financial worker training in June.

GRH contracts need to go out, no rates are known currently. With legislature completed rates are expected soon.

HS Director Bahr reported that prevent child abuse MN awarded Houston County the Blue Ribbon award. Nominated and recommended is what contributes to receiving the award. 25 counties were awarded this. A plaque to commemorate is hanging in their area.

UCare Aug 1 Blue Plus July 1 these were up for reprocurement. Once in 5 years the entire thing is put out for bid. We are required to have two providers in addition to straight MA. We are fortunate to find the two required.

File No. - EDMS update, statement of work from Winona County. Goodhue signed the same thing. Andy spoke at committee that we are on track perhaps ahead of schedule. Olmsted adopted EDMS in the second Friday of May, they are going with Compass Pilot with Northwoods edition. Steele, Waseca, Dodge, and Mower are going with Next Chapter technology. Fillmore going live soon, Wabasha and Houston tentative live with Sept 30. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the contract and authorize the signature.

File No. – Progress report from western group collaborating.

Linda will be meeting with rep from experience works. 55 or over, meet money guidelines, Judy Haugstad works ½ days but wages paid by experience works, Possibility of getting another employee. It would be another ½ time person, may have her do case aide work for social workers.

Legislative update, don't know much detail. Certain things have passed. Approved technology modernization for DHS, money in to revamp DOS based programs. MA is going to kick in for jail inmates.

Northstar care for children, relative custody assistance, versus foster care. Fund relative care better. PSOP (parent support outreach program) Houston County missed application deadline and did not offer it. This is a good program and going to be offered and not require individual county application. Also, have child support cases which are unenforceable, we'll be able to close these cases. If parent can't be located, if the parent resides in China, if it is only arrears

On the con side of legislation, cost shares are increasing for Anoka and St. Peter. County share increasing from 50 to 70 percent. MN Security Hospital in St. Peter increasing from 10 to 50%.

Region hired (12 counties) hired clinician who is at Anoka managing cases. Pay per hour to have this individual monitoring cases to get them out of Anoka quickly.

Discussion was held regarding the improvements and initiatives which have been put in place since David Unmacht's presentation.

There being no further business and the time being 12:09 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next meeting being Tuesday, June 18, 2013.

BOARD OF HUMAN SERVICES
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 14, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; HR Director Arrick-Kruger; Zoning Administrator Scanlan; Finance Director Lapham; County Attorney Hammell; Marilyn Frauenkron Bayer; Mike Fields; Donna Buckbee (videotaped the proceedings); Betts Ready; Robert Vogel; Kelley Stanage; Bruce Kuehmichel; Environmental Services Director Frank

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the May 7, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$87,851.00
Road & Bridge Fund	35,241.19

Total	\$123,092.19
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File No. 2 - Marilyn Frauenkron Bayer, Houston Township resident, read from a prepared statement which is on file.

Chairperson Zmyewski questioned whether the Board was interested in scheduling another presentation related to Roberts Rules of Order. It was agreed to have Chairperson Zmyewski contact Mr. Colbenson to schedule another presentation.

File No. 3 - Discussion was held regarding the fee charged for research conducted by County staff for members of the public. The fee is based upon the salary plus benefits of the lowest paid staff member. This amount has increased over time as a result of collective

bargaining agreements. The amount, adjusted to reflect current costs, would be \$24.65. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve an increase of the research fee to \$24.65.

File No. 4 – HR Director Arrick-Kruger reported that Engineering Supervisor Gary Bolstad has submitted his intentions to retire effective August 1st. Engineer Pogodzinski reported that Mr. Bolstad joined the Highway Department in April 2008 following the 2007 Flood. He assisted the County through a very difficult period. Mr. Bolstad's position as Engineering Supervisor is critical to Highway Department operations. HR Director Arrick-Kruger stated that she, along with Engineer Pogodzinski would prefer to fill the position of Engineering Supervisor no later than July 22nd. This would allow the new hire to work with the incumbent prior to Engineer Pogodzinski being out of the office. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the resignation of Gary Bolstad and to draft a letter of appreciation for his dedicated service.

The Engineering Supervisor position description has been reviewed and no changes to it are necessary. The Engineering Supervisor oversees engineering staff, is the contact person for consultants, and addresses all questions in the absence of the Engineer. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to authorize a search begin immediately for an Engineering Supervisor.

HR Director Arrick-Kruger recommended that the status of Chelsey Senn be changed from probationary to regular. HR Director Bahr reported that Chelsey Senn works in child protection, has completed all DHS training, is gaining experience, and is a longtime Houston County resident. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve a change in status for Chelsey Senn from probationary to regular effective June 5th.

HR Director Arrick-Kruger provided information on the options available to commissioners when requests are made to change the status of staff. She also provided an update regarding upcoming LEAN training.

File No. 5 – Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Andy Lutchens of Jefferson Township for a variance of 36 feet to meet the required 50 foot setback from the south property line to build an addition on an existing home. The second is for Matt and Pam Hendel of Caledonia Township for a variance of 776 feet to meet the required 1,320 foot setback from an existing house to expand a feedlot. The Hendel's will be updating their feedlot and in doing so would like to increase from 125 a.u. (animal units) to 210 a.u.

File No. 6 – Zoning Administrator Scanlan reported on a Conditional Use Permit which would allow Gordon Meyer to build a home on a 5 acre parcel located on County 3 in Mayville Township. The site has adequate road frontage, safe driveway access and is located on Class 4

soils. Three stipulations to the permit were discussed. On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and carried to approve the issuance of the following Conditional Use Permits:

Gordon Meyer – Mayville Township - Build a house on less than 40 acres in an agricultural district.

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:

Tim and Tammy Boldt – Houston Township - Build house (52'6" x 30') garage (32' x 30') deck (10' x 32')

Peter and Jessica Wiese – Caledonia Township - Build house (44' x 34') garage (44' x 30') deck (20' x 20')

David Kinstler – Union Township - Build house (38' x 52') garage (33' x 35') porch (36' x 14' and 14' x 19')

Theodore and Sarah Johnson – Hokah Township - Build house (42' x 42') deck (10' x 20')

James Douglas Thompson – Mound Prairie Township - Build house (35' x 52') garage (28' x 36')

Doug and Jan Moen – Caledonia Township - Enclose area below 2nd story deck for storage room (10' x 16')

Ken Witt – Houston Township - Build pole shed (50' x 128')

William Gerdes – Caledonia Township - Build pole barn for calves (36' x 48') – no expansion

Denis Mullen – Brownsville Township - Replace garage due to fire in same location (28' x 40')

It was noted that Commissioners will be scheduling a meeting with Attorney Jay Squires in early June to discuss work on the frac sand ordinance.

It was agreed to have Auditor Meiners schedule the required public hearing in order to move forward with possible implementation of an ordinance regulating/licensing transient merchants. Recently, Sheriff Ely expressed concern with transient merchant activity and proposed this as a possible solution.

File No. 8 – At this time discussion was held regarding a proposal provided by Pathfinder CRM, LLC to provide services related to the initial step of the re-use study process. Robert Vogel provided an overview of upcoming grant opportunities which could impact the County's ability to fund additional costs associated with completing a full re-use study of the Historic Jail. If accepted, benefits will include the supplying of data necessary to make grant application and also documentation required prior to possible demolition of the structure. Accepting the proposal should result in data which will greatly improve the chances of being awarded any grant which has been applied for. There is a Legacy Grant cycle with an application deadline of June 21st. In addition, there are larger grants offered with later application dates. The State is expected to open up some bonding opportunities also. These larger grants and bond opportunities will likely require financial match. Commissioner Walter stated that there is a need to proceed. This step will put the County in a position to make grant application and move forward with the decision making process. It is expected that there will not be another bond opportunity for two years. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and carried, with Commissioner Kjome abstaining, to accept the proposal submitted by Pathfinder CRM, LLC in the amount of \$3,500.00, to cover the expense from the Commissioner's Contingency Fund and to direct Auditor Meiners to draft and send the appropriate authorization letter to Pathfinder CRM, LLC.

Discussion was held regarding the cost for repairs to the Highway Department Building in response to a recent OSHA inspection. Commissioner Storlie expressed concern that there is no long term plan in place regarding the building and that fines and repairs required as a result of OSHA inspections are costly. She would like to learn more about the needs of the Highway Department and possible building options and costs associated with each option. She would prefer to make a decision whether to repair the current building or construct a new one sooner rather than later. Chairperson Zmyewski indicated that there is approximately \$600,000.00 available to meet the building needs of the Highway Department. It may be possible to build a practical structure that would meet the needs for this amount. The only option that has been presented in the past was a multi-million dollar complex consisting of multiple buildings. It was agreed to meet with Engineer Pogodzinski to discuss building options and costs.

Finance Director Lapham stated that the additional exit door and emergency lighting are required to be installed regardless of any future decision related to the Highway Department Building.

File No. 9 – Finance Director Lapham reported on various budget amendment requests which, if approved, will accurately reflect account activity. The first is for Wildcat Park to transfer \$22,000.00 in 2012 profits to the 2013 budget to be used for park improvement projects. The second reallocates EDA salary and benefits funds to cover the contracting of EDA services. Another will incorporate into the budget \$6,027.00 in SNAP bonus funding which was received. The final amendment will reallocate administrative staff salary and benefits funds due to a review and change to the proportions divided and charged to two divisions within Human

Services. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the budget amendment requests and amendments as presented.

Finance Director Lapham stated that \$6,868.00 remains in the EDA salaries line item. Discussion was held regarding whether to utilize these funds to cover grant writing services. It has been suggested that departments benefiting from the grants be responsible for the writing service costs.

File No. 10 - Finance Director Lapham provided information related to the General Revenue Fund graph which was provided.

File No. 11 - Finance Director Lapham provided information related to the Trial Balance Report. She suggested that staff from the Sheriff, Public Health, Highway and Human Services departments be invited to attend the next scheduled finance meeting. She indicated that there are line items within these departments' budgets which should be discussed.

Pursuant to M.S. 13D.05 subd. 1(d) County Attorney Hammell requested the Board convene a closed session to discuss threatened or pending litigation by a former employee. This discussion is protected attorney/client privilege.

The time being 10:11 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to convene a closed session.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to return to open session. The time was 10:29 a.m.

File No. 12 - County Attorney Hammell announced that discussion was held regarding threatened litigation and a settlement offer. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a settlement in the amount of \$1,628.00, the Mutual Release of All Claims, and to authorize the signature of Chairperson Zmyewski on the same.

Commissioner Kjome reported on a SE MN Water Resources Board meeting which he attended yesterday.

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

Commissioner Schuldt reported on an Eitzen City Council meeting he attended. Mitch Lutchens expressed interest in representing Eitzen on the EDA Board. It was agreed to invite Mr. Lutchens to the next scheduled meeting. Commissioner Schuldt also reported on a Sencac meeting which he attended.

Commissioner Storlie reported on the Law Committee meeting she attended earlier today. Work continues on an arrangement whereby Houston County would house La Crosse City inmates. She also reported on a La Crescent City Council meeting which she attended. She believes that La Crescent City will continue to collect the Quarterly Household Waste Fee and submit it to the County now that they have gained further understanding of the issue.

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

File No. 13 - Correspondence to payroll regarding hires and change of status

File No. 14 - Correspondence to Bluff Country HRA regarding appointment of Judy Storlie to their Board

File No. 15 – Section 8 vouchers by county report

File No. 16 – Notice of Houston County DBE Goal of 1.51% for the FY 13-14-15 Houston County Airport Improvement Projects

There being no further business and the time being 10:50 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 21, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 21, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; PHN Director Rock; Betts Ready; Rich Schild; Mike Fields; Bruce Kuehmichel; Donna Buckbee (videotaped the proceedings); Finance Director Lapham; Yvonne Krogstad; Jan Lochner; Marcia Bauer; Sheriff Ely; Eileen Meyer

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the minutes of the May 14, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$40,389.63
Road & Bridge Fund	12,015.80

Total	\$52,405.43
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File No. 2 - Betts Ready, Money Creek Township resident, stated that she, along with Kelley Stange, traveled to Bloomer, Wisconsin for a press release of a report prepared by Thomas Power, Ph. D for Wisconsin Farmers Union, Wisconsin Towns Association and Institute for Agriculture and Trade Policy. Dr. Power is a professor of economics at Montana State who has spent his life studying all types of mining. Phase One presents a general economic and community overview. Dr. Power commented that there is limited data available related to frac sand mining. He could not help but notice the amount of money involved with the industry and how very little, if any, of the money changing hands makes it into the communities where the mining is taking place. A copy of the complete study was provided to each commissioner and a copy has been made available and is on file.

File No. 3 - Mike Fields, Winnebago Township resident read from a prepared statement which is on file.

Rich Schild, Money Creek Township resident read from a prepared statement. He stated that he is a lifelong resident of Houston County and that he was a member of the frac sand study committee. Mr. Schild stated that he volunteered for the committee out of concern for potential economic and environmental impacts. He indicated that proponents of frac sand mining claim that it is an individual right. Mr. Schild contends that everyone has a right to clean air and water. In addition, it is known that increased heavy truck traffic will damage roads. The roads will require repair. He expressed concern that taxpayers from the county will be left to bear the financial burden to cover the cost of repairs, essentially resulting in the taxpayers supplementing private industry. The State has taken little initiative in any effort to impose controls on the industry expressing reliance on local government to do so. Mr. Schild appealed to commissioners to be considerate of everyone's rights, not just the miner's rights. The decision that will be made by the Board in this regard will impact the County for future generations.

Donna Buckbee, Yucatan Township resident, stated that the legislative session has come to a close. She indicated that Governor Dayton had met with lobbyists and officials from the mining industry and that he had refused to meet with those opposed to mining. The DNR and Trout Unlimited initially proposed a 2 mile setback for mining from streams. It was believed that the State would compromise and that a 1 mile setback would be adopted in order to protect streams however, the State took no action to enact any setback during the legislative session. Ms. Buckbee stated that Dr. Calvin Alexander, an expert with regard to Karst topography, recommended a 5 mile setback. Ms. Buckbee suggested that a 2 mile setback would help to preserve water quality and scenic beauty. She claimed that trout fishing brings in tourists and that if other regions allow mining and it negatively impacts their trout streams people will travel to Minnesota if Minnesota protects their streams so that they remain healthy and support the fish.

At this time Engineer Pogodzinski met with the Board per the Board's request. He indicated that he was not certain what the Board expected to be the result of the appointment. Engineer Pogodzinski reported that Boards have been considering options related to a highway Department Building over the past approximately 20 years. In 2008 land was purchased for this purpose. A designer was also hired at that time and plans for a proposed complex were developed. That plan included office space for not only Highway Department staff but also Surveyor's Office, Solid Waste, and License Center staff. It included a large public meeting space and multiple buildings including the main building, cold storage for vehicles, and covered salt storage. Shortly after the proposed complex plan was developed the County and City came to agreement and proceeded full steam ahead with the building of the Justice Center. Since then, there has been no progress regarding the proposed Highway Department Complex. The cost estimates for the complex which were calculated in 2010 were approximately \$7 million to build on the land located near the school. This amount included site development and the construction of all buildings included in the complex plans. The complex could be built in stages over time which would change building costs. Engineer Pogodzinski estimated that to prepare the site and

construct the main complex building would cost approximately \$4 million. This would be a building for only that department, and would not include cold vehicle storage or a salt shed.

Engineer Pogodzinski commented that there are limitations with regard to the current site due to storm water requirements. Meeting storm water requirements could be difficult, would increase costs, and could require the need for additional land. OSHA has imposed requirements for use of the current building. Trucks will not be allowed to be parked inside with plows attached due to the lack of space. When the plows are attached there is not adequate and safe walking paths, therefore, the plows must be dropped prior to parking the trucks inside. This will require staff time to remove and reinstall the plows each day.

Commissioner Zmyewski questioned if trucks required daily maintenance or why they were being parked inside each day. He indicated that they could be parked outside eliminating the need to remove and reinstall the plows frequently. Engineer Pogodzinski stated that the trucks are parked inside so that the buildup of snow and slush melts off and so that the hydraulics are allowed to thaw out. There is a considerable investment in each truck. Commissioner Zmyewski stated that farmers operate tractors valued at similar amounts and store them outside. Commissioner Storlie stated her belief that many farmers operate the equipment however, when not in use, the equipment is likely stored inside and out of the weather. Engineer Pogodzinski stated that it is typical for counties to store this equipment inside.

It was noted that over a period of time the County set aside \$100,000.00 annually for Highway Department Building purposes. The balance grew to \$600,000.00 before the practice was discontinued as a result of flooding and other financial needs. In addition to the \$600,000.00, Engineer Pogodzinski stated that there may be fund balance which could be used depending upon reserve needs/requirements. State Grants are not made available for county government projects such as this. It may be possible to utilize State maintenance funds however, this would need to be carefully planned because it would impact the County's ability to utilize maintenance funds for highway projects. There would be special requirements if maintenance funds were utilized such as the requirement to pay prevailing State wage which could result in a 10% increase in labor costs.

Commissioner Walter stated that a report has listed the Highway Department Building as one of the bottom 3 in the nation. The worst one is being replaced by a newly built facility.

Commissioner Zmyewski confirmed that there is \$600,000.00 set aside for the building.

Commissioner Zmyewski stated that demolishing the current building and rebuilding on the same site would be the most cost effective option. The land purchased for the proposed complex could be sold with the revenue offsetting more of the cost to build. Engineer Pogodzinski stated that there are advantages and disadvantages to each of the sites. The new site can be built to suit our needs and there is good highway access. The new site may impact neighbors who are not used to the activity of such a site. The old site is somewhat land locked

which may make it difficult to expand if necessary. The neighbors at the current site are accustomed to the activity. The complex could be built in phases over a period of time. Commissioner Schuldt indicated that he would benefit by seeing the pros and cons of each site listed and to have the ability to compare the lists. Engineer Pogodzinski expressed concern that hiring a consultant to compile information could cost upwards of \$40,000.00. He expressed concern with storm water requirements at the current site as space is limited, there are buildings constructed which would likely remain further limiting drainage pond installation options.

Commissioner Zmyewski stated that it is imperative to determine what is necessary versus what may be desired. Engineer Pogodzinski responded that office space, mechanic space, parts storage, and salt storage are necessary. The existing site is approximately 6 acres, to build new at the same location may require upwards of 10 acres. Commissioner Zmyewski questioned whether office and engineering staff could be brought to the main campus. Engineer Pogodzinski expressed concern with lost efficiencies, as both he and accounting staff work closely with other engineering and maintenance staff. Staff coming in from the field track in dirt and debris and they have a need to perform material testing. Commissioner Schuldt clarified that work space for the Engineer would be required at both locations. Commissioner Zmyewski stated that tracking in dirt and debris is something that he would not want to happen at a newly built facility. It was reported that Winona County has accounting staff located in a location that is separate from other highway department staff, when asked how that worked the response was that it didn't. Bills, time sheets and supply requests cycle through the accounting staff and routing them could be a significant barrier if staff is not located in the same location. There are times when the public (townships) come to the Highway Department to purchase supplies (i.e. pipe). Maintenance staff is not always on site, so the question arises who would assist these individuals in the event accounting staff were located elsewhere. There are coordination issues and efficiencies which would be lost. Commissioner Zmyewski expressed concern that issues being discussed are minimal and are being utilized to justify wants. Commissioner Schuldt indicated that there are multiple conference rooms available within the Justice Center including a very large room. Because of this he expressed his belief that there would not need to be another in the highway Department Building. Engineer Pogodzinski expressed agreement. Engineer Pogodzinski indicated that while the county may glean initial savings by splitting staff among locations, over time the cost would be great as a result of efficiencies lost. He expressed that a new facility would cost approximately \$4 million.

File No. 4 - Commissioner Zmyewski shared photos of various maintenance facilities. These are privately owned and are not governmental buildings. He stated that he cannot go to taxpayers to fund a new Highway Department Complex. Taxes in Houston County have increased 79% since 2005. Taxes have doubled in a short period of time. He admits there is a need for a maintenance facility. Commissioner Storlie questioned where staff would be located within the buildings pictured. Chairperson Zmyewski stated that there is space available in the old commissioner's room for engineering staff. There is space available within the Justice Center or the Historic Jail. He expressed that the Historic Jail may have adequate space for testing also. Chairperson Zmyewski was adamant that there are not funds available to construct a multi-

million dollar complex and it is necessary to meet the need within current funding constraints. Commissioner Storlie indicated that there is a need to consider needs now and to also plan for the future. This applies to both the Highway Department Building situation and also frac sand mining. Chairperson Zmyewski stated that the county cannot continue to sustain exorbitant tax increases. It was noted that Finance Director Lapham prepared the tax information which was presented.

Commissioner Walter stated that a good portion of recent tax increases are the result of bringing the Justice Center online. Taxes were increased to cover staffing and infrastructure costs/bond payments.

Engineer Pogodzinski stated that a steel building may meet the needs. There are useful life differences with regard to building materials. A pre-cast panel building will have a significantly longer building life. Chairperson Zmyewski stated that building life expectancy is only as good as the maintenance. He questions whether material alone would double the life expectancy of a structure.

Commissioner Schuldt indicated that he would have difficulty increasing taxes to cover the cost to construct a new facility. Commissioner Walter suggested that the facility could be bonded for. Commissioner Schuldt expressed agreement that bonding may be a viable funding option. Chairperson Zmyewski stated that the first order of business is to decide what is being constructed and where it will be constructed. A maintenance facility is necessary, storage facilities are not necessary at this time but may come later. Commissioner Walter stated that a lot of information has been presented and that she favors scheduling a special meeting to discuss options at greater length. Additional data including specific bond information is needed prior to making a decision.

Chairperson Zmyewski questioned Engineer Pogodzinski as to what his plan would be if he were limited to a \$600,000.00 budget. Brickle Brothers can erect a steel building with a 10' x 10' foot office space and restroom for \$260,000.00. Additional office space would cost \$150.00 per square foot. The maintenance foreman would be stationed in the office since that individual is responsible for the oversight of maintenance staff. Chairperson Zmyewski, speaking as a certified mechanic, stated that repairs to a jet carrying 500 individuals can be completed outside and that this vehicle may be housed outside. He indicated that if a vehicle responsible for transporting 500 lives safely may be stored and maintained outside, county plow trucks can be housed and maintained under the same or similar conditions.

Commissioner Storlie stated that she can't say that she won't go to the taxpayers for a portion of funding. Commissioner Walter stated again that a special meeting is necessary. It was agreed to meet on Thursday, June 6th from 10:00 a.m. to noon to discuss this further. This meeting will be held in the Commissioner's Room.

File No. 5 - Finance Director Lapham met with the Board on behalf of HR Director Arrick-Kruger. She explained that Human Services is seeking authorization to hire up to 6 67-

day employees to fill the roster for individuals to provide supervised visitation. In the past the County attempted to hire a single individual to perform these duties however it did not meet criteria to qualify the position as independently contracted. Duties have been provided by case aides and most recently by social workers. It is not fiscally prudent to utilize the services of a social worker for this work. Temporary employees providing these services would be paid \$11.23 per hour. The supervision is court ordered and often becomes more frequent as reunification dates move closer. In addition, in summer months there may also be an increase. Commissioner Walter expressed agreement that it is more fiscally responsible to pay a 67-day temporary employee versus a social worker for these services. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the hire of up to 6 67-day employees to assist with court ordered visitation at a rate of \$11.23 per hour.

Recently action was taken to appoint Marcia Bauer as interim home care coordinator. Wage information was not available at that time. With the status change it is appropriate to adjust salary also. HR Director Arrick-Kruger has recommended that Ms. Bauer's salary be changed to Step 5 of the appropriate wage band for the home care coordinator. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve increasing Marcia Bauer's salary to Step 5 of the appropriate comparable worth band effective May 24, 2013, being the same time her job classification was changed.

Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve hiring Bob Schuldt, Rod Humble and Mike Ernster as 67-day employees to assist as needed with boat patrol.

Finance Director Lapham provided a brief update with regard to the OSHA requirements for the Highway Department Building. She indicated that STS (Sentence to Service) has been able to assist with some of the requirements.

The privacy fence at the end of the parking lot has been installed. Some minor adjustments are necessary before the project will be considered complete.

The backup system for the fire alarm in the Historic Jail is failing. The system is no longer supported and parts are not available. HR Director Arrick-Kruger is attempting to find a cost effective option.

There have been ongoing dehumidification issues in the IT room of the Justice Center. As a result the contractor has issued a check in the amount of \$600.00 to the County. The funds will be utilized to purchase a dehumidifier for the space which should rectify the issues. IS Director Milde has worked diligently with contractors to formulate an acceptable solution to the problem.

Finance Director Lapham reported that an agreement for grant writing services has been reached with CEDA. Services will be billed at a per hour rate of \$50.00.

PHN Director Rock introduced Marcia Bauer who is in charge of long term care consultation and home care services, Jan Lochner a public health nurse with 20 years' experience who works with long term care consultations, is the primary assessment nurse, and who works with alternative care, elderly waiver and MN Choices, and also Eileen Meyer who is a HHA (Home Health Aide) with the County since 1991.

Jan Lochner reported that she assists individuals who are over age 65. Services are available to everyone regardless of income. She provides services in various locations including in the clients home, at the nursing home, etc. She assists in determining what services are available to meet the needs of the individual. Most individuals prefer to remain in their homes as long as possible. Keeping individuals in their homes is typically less expensive than placement in a skilled nursing facility. Ms. Lochner's goal is to coordinate the services which will allow individuals to remain healthy and living independently in their homes.

Ms. Lochner reported that in a 2 hour visit she assesses and individual's physical, social, and mental health. There may be discussion regarding their financial situation also. In order for individuals to qualify for certain services they need to be 65, meet specific financial qualifications, and be at risk for nursing facility placement. Programs such as Alternative Care and Elderly Waiver assist with chore services, HHA, personal care assistant, meals on wheels, etc. Again, providing these services in the individual's home costs less than a skilled nursing facility which averages \$5,900.00 per month.

Marcia Bauer stated that Ms. Lochner also deals with vulnerable adults within communities. This work may require collaboration with Human Services. Choices are always provided to the individuals being served by Public Health. Skilled nursing services are provided by Public Health nurses having either a 2 or 4 year degree. Nursing services are provided following a referral from family, hospital or nursing home. The services may be required as the result of a chronic disease or recovery from a medical issue or surgery. These nurses work with clients regarding safety in the home, they assist to establish preventative care, provide education on medications and chronic disease management. They work with the individual's families and health care providers. Nurses also supervise HHA's. Nurses are required to review care once every 60 days, this review process includes interviewing the client to ensure that their needs are being met, observing the HHA complete their duties to be sure that tasks are being completed timely and that adequate time is available for completion. The goal of Public Health is to maintain individual's health and assist them to remain in their home as long as it is a healthy and safe option.

Public Health works with 10 unique pay sources for the programs which it provides.

HHA's have 80 hours of specialized training and are required to obtain and complete CEU's. They provide personal care and homemaking services.

Eileen Meyer, HHA, stated that she is given a weekly schedule. The schedule identifies the clients she will see, the work to complete at each location and the time which has been allotted for her to do so. Her time is often split between personal care and homemaking duties. Ms. Meyer shared a couple of stories which reflect the work she does.

File No. 6 - PHN Director Rock provided a brief overview of materials provided in a packet of information.

Chairperson Zmyewski indicated that he expects an update regarding frac sand and recent legislation from Environmental Services Director Frank now that the legislative session has come to a close.

Discussion regarding possible reuse of the Historic Jail is ongoing.

File No. 7 - Commissioner Storlie expressed concern that there are too many claims being submitted on the same day as the meeting. This does not allow for thoughtful review. The Board requested that all claims to be approved be e-mailed on the Friday before the meeting or they would be held and approved at the next scheduled meeting.

File No. 8 - Commissioner Storlie commented that all profits from Wildcat need to be spent on the park.

File No. 9 -- Auditor Meiners reported that the Gopherland Trails Snowmobile Club has requested approval of a Maintenance and Grooming Application. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the application and to adopt the following resolution:

RESOLUTION NO. 13-15

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. 10 – Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the Maintenance and Grooming application submitted by the Viking Ridge Riders and to adopt the following resolution:

RESOLUTION NO. 13-16

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 and authorizes the Board Chairman to sign an agreement with the Department of Natural Resources.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to appoint Chairperson Zmyewski to the Botcher Park Committee since that park is within his district and to appoint Commissioner Walter to the Wildcat Park Committee since that park is within her district.

File No. 11 – Chairperson Zmyewski stated that he has received a letter from Duane Hebert, Winona County Administrator. Winona County has been experiencing success with jail and estate collections and has extended an offer to assist with like collections for Houston County. A meeting to discuss the possibilities will be scheduled. HS Director Bahr, Jail Administrator Schiltz and Sheriff Ely will be included in said meeting.

Commissioner Walter reported on La Crosse Solid Waste meeting which she attended.

Commissioner Schuldt reported on an airport meeting which he attended. Work is ongoing to draft a management agreement for the airport.

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

File No. 12 – Notice of public hearing to consider adoption of Ordinance 13 related to transient merchants

File No. 13 - Correspondence to payroll regarding recent status change

File No. 14 – Letter of appreciation to Gary Bolstad

File No. 15 – AMC Update regarding recently passed legislation

There being no further business and the time being 10:37 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, May 28, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, May 28, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; County Attorney Jamie Hammell; Kevin Balfanz; Kelley Stanage; Betts Ready; Chuck Schulte; Finance Director Lapham; Zoning Administrator Scanlan; Bruce Kuehmichel; Joan Redig; Yvonne Krogstad;

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the May 21, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$30,896.98
Road & Bridge Fund	19,733.26

Total	\$50,630.24
	=====

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to amend the agenda to include an appointment for Zoning Administrator Scanlan.

Kelley Stanage, Houston Township resident, commented on a Planning Commission meeting she attended last Thursday evening. A resident complained that blasting from a nearby construction sand site had resulted in damage to their drywall and plaster in a new addition constructed on their home. Ms. Stanage expressed her opinion that the current ordinance and level of staffing in the Environmental Services Department has failed to protect this resident from the mining operations violation. She questioned how a new ordinance is going to protect residents. She shared her belief that residents should not have to suffer harm or damage and

complain about it before being protected. She expressed her opinion that the mining operator's violation should have been discovered before it resulted in harm to the neighboring property.

Yvonne Krogstad, Caledonia Township resident, stated that a recent news article reported that Senator Jeremy Miller will not support mining operation limits in relation to trout streams. She stated that in the event Houston County desires to protect its trout streams, the ordinance will need to provide for these protections.

File No. 2 – Zoning Administrator Scanlan reported that Northern Natural Gas has applied for a Conditional Use Permit and purchased an easement in order to expand a sub-station located in Money Creek Township to include additional line testing/monitoring equipment. They wish to begin with the expansion later this week. On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Conditional Use Permit:

Northern Natural Gas – Money Creek Township - Essential Services

File No. 3 - Engineer Pogodzinski reported on 3 quotes received for crack filling. Crack filling is performed annually in order to preserve paved roads. Work is performed until all cracks have been filled or until the budgeted amount has been exhausted, whichever occurs first. Typically, the budgeted amount is exhausted first. He reported that \$90,000.00 has been budgeted for crack filling. Fahrner Asphalt has provided the low quote. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the low quote provided by Fahrner Asphalt in the amount of \$1.91 per pound to clean, route and fill with a 2" wide band or \$1.81 per pound to clean and fill.

File No. 4 - HR Director Arrick-Kruger reported that mufflers were not installed on the boilers of the Justice Center. The exhaust from the boilers is loud and obnoxious. It is primarily a problem in the winter months when the boilers are operating. She has budgeted funds to have the appropriate mufflers installed. Supposedly the manufacturer had recommended installation of the mufflers at the time of construction, however, she is uncertain why the recommendation was not implemented. Commissioner Kjome questioned why the architect did not include these in the plans which were drafted and whether the County has any recourse. HR Director Arrick-Kruger stated that she will discuss this with the architect and return to the Board.

HR Director Arrick-Kruger stated that she has solicited quotes related to the emergency panel. She is waiting for additional quotes and will return to the Board once she has all of the information.

File No. 5 - At this time HR Director Arrick-Kruger provided Decision Maker Training which lasted from 9:29 a.m. until 10:12 a.m.

HR Director Arrick-Kruger reported that Fred Lee has submitted his letter of resignation effective May 31, 2013. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to accept said resignation and to draft a letter of appreciation to Mr. Lee for his service.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to authorize a search to fill the vacancy in the Automated Systems Manager/Custodian.

The time being 10:16 a.m. and pursuant to M.S. 13D.05, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to convene a closed session protected by attorney/client privilege to discuss ongoing litigation with Attorney Jay Squires via teleconference.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to return to open session at 10:44 a.m.

Chairperson Zmyewski stated that the reason for the closed session was to discuss ongoing litigation with a suit filed by Minnesota Sands LLC with the attorney representing the County in this matter.

File No. 6 - Kevin Balfanz, MCIT representative, met with the Board to present information provided in the 2013 MCIT Report to Houston County. With him was Brian Dowdy who works with loss control and who will be working with Houston County.

Commissioner Kjome reported on the Planning Commission meeting which he attended where a resident complaint was being discussed. Chairperson Zmyewski stated that he has also discussed this concern with another land owner. He questioned what the repercussions are when a violation has occurred as this will be an ongoing concern.

Commissioner Kjome stated that Kurt Roverud's building is still available and could be considered as an option for the Highway Department. Commissioner Schuldt indicated that he favors exploring this option.

Commissioner Walter reported that tours of the Xcel Energy Facility are offered on Thursdays. It was agreed that she would check into available tour times. She stated that in the event discussions are held with Winona County regarding possible collaboration related to jail collections, Sheriff Ely should be present. Sheriff Ely is unavailable on June 4th so any meeting should be scheduled on a different day.

Commissioner Storlie reported on the open house hosted by Public Health which she attended.

Chairperson Zmyewski reported on the open house hosted by Public Health which he also attended.

Motion was made by Commissioner Kjome, 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 recent action

File No. 8 – Public Notice of special meeting to discuss the Highway Department Facility

There being no further business and the time being 11:06 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, June 4, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 4, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Zoning Administrator Scanlan; HR Director Arrick-Kruger; Chuck Schulte; Betts Ready; Bruce Kuehmichel; Robert Vogel; Yvonne Krogstad; Donna Buckbee; Rick Howden; Ted Hanson; Finance Director Lapham; Investigator Sass

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the May 28, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$85,596.09
Road & Bridge Fund	17,469.19

Total	\$103,065.28
	=====

File No. 2 – Chuck Schulte met with the Board to present his suggestion for County Highway Department Facilities. He stated that building at the current location would be more fiscally responsible because the infrastructure is present. Providing infrastructure to the land by the school would be costly. Mr. Schulte’s written suggestion was placed on file.

File No. 3 - Zoning Administrator Scanlan reported on a Zoning Amendment request from Nick Thesing. Mr. Thesing owns approximately 5 acres north of Houston on State 76. The property is within 1 mile of Money Creek. These attributes make it favorable to grant his request to re-zone the property to residential. Currently there is a mobile home located on the property and Mr. Thesing would like to construct a stick built home. There is already another home in the 40 acre quarter quarter. Approval for re-zoning would be the first step of the process which

would allow Mr. Thesing to construct a home on the property. A preliminary plat has been requested as part of the next step. On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Walter, and unanimously carried to approve the issuance of the following Zoning Amendment Order:

Nick Thesing – Money Creek Township- Rezone from A-1 to Residential

Zoning Administrator Scanlan reported on the status of a CUP applied for by Bonanza Grain which has been tabled by the Planning Commission. A complaint was filed in relation to this request. The Planning Commission is considering concerns regarding the mines proximity to homes and handling of storm water runoff. Commissioner Storlie questioned how the damage to neighboring homes was being addressed, as this should be of great concern. Zoning Administrator Scanlan responded that two seismographs were used to record activity during blasting. The measurements did not exceed federal standards. In addition, a third party was brought in to document damage to 2 neighboring homes. Crack length and location were documented. In the event there is another blasting event, further damage would be the responsibility of the blasting company's bond/insurance. Commissioner Schuldt questioned where the seismographs were located. The equipment was located at homes nearer to the mine, but located in a different direction.

File No. 4 – On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Walter and carried to approve the issuance of the following Conditional Use Permit:

Josh Swenson – Sheldon Township - Build a house on less than 40 acres in an agricultural district.

File No. 5 - On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Zoning Permits:

Bruce and Shelley Meyer – Mayville Township - Build 3-season sun room (14' x 20')

Allen Johnson – Black Hammer Township - Build decks (6' x 30 open deck, 10' x 40' covered deck)

Matt Tewes – Caledonia Township - Build kitchen and garage addition (24' x 46')

John Dahle – Wilmington Township - Build pole building (55' x 60')

Cory Baker – Yucatan Township - Build rec-room addition and porch (12' x 24')

John Dvorak – Money Creek Township - Build 2 car garage (28' x 28')

Mathy Construction Company – Spring Grove Township - Install temporary asphalt plant (90 days)

Andy Lutchens – Jefferson Township - Build family-dining-playroom addition (28' x 28')

Dean Beneke – Jefferson Township - Build house (28' x 52') garage (30' x 34')

William and Heather Abrahamzon – Jefferson Township - Build barn (24' x 40') shed (12' x 20')

Debra Peterson – Union Township - Build patio deck (10' x 30')

Gary and Karmin Van Domelen – Hokah Township - Build deck (12' x 40') and screen porch (12' x 20')

File No. 6 - HR Director Arrick-Kruger stated that the list of roster employees to assist with jailer/dispatcher duties is no longer adequate. She requested authorization to advertise and hire to fill the roster in order to be able to provide adequate staffing without overtime. These roster positions are 67 day employee positions. The cost is budgeted for. HR Director Arrick-Kruger expressed a desire to add up to 5 employees provided the applicant pool is strong. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to authorize the hire of 67 day employees to fill the jailer/dispatcher roster.

HR Director Arrick-Kruger reported that currently she is working with Jail Administrator Schiltz to review staffing levels and needs at the jail, therefore, she will return to the Board at a later date to discuss a hiring request which had been submitted for a 0.5 FTE Jailer.

Commissioner Walter requested an update regarding the mufflers for the Justice Center boiler. HR Director Arrick-Kruger reported that the City has checked the noise/decibel level of the exhaust which is within legal limits, however, the noise generated is obnoxious and enduring.

HR Director Arrick-Kruger has learned that neither the architect nor the engineer feel responsible for having not installed the manufacturer recommended mufflers. Possible installation was discussed during construction at which point installation was considered a change order. Commissioner Kjome questioned who made the decision not to install the mufflers. HR Director Arrick-Kruger stated that she did not know but suspected that it was likely a decision made between the owner's rep and the engineer. She expressed her belief that a decision such as this would not have come to the Board for consideration.

HR Director Arrick-Kruger requested authorization to have the mufflers installed at this time at a cost of \$2,750.00. Chairperson Zmyewski questioned how much money has been spent on the Justice Center since the project was considered “completed”. HR Director Arrick-Kruger stated that the service agreements were foreseeable and a standard part of operation costs for a building the size of the Justice Center. Chairperson Zmyewski stated that the Justice Center was supposed to be efficient and more cost effective than housing inmates out. He questioned whether this was the case. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the purchase and installation of mufflers on the Justice Center boiler exhaust.

At this time Robert Vogel met with the Board to provide information related to his proposal relating to the Historic Jail. He stated that the preservation plan process has been initiated. The purpose of the plan is to organize what is known, what is not and also the preferred outcomes. At this time there are not significant critical issues to address. The more he learns about the Historic Jail building, the better it appears. He indicated that in 2005 an engineering study was performed. This study contains an error in that the cell blocks do not support or “hold up” the building. Through his firm’s research Mr. Vogel has learned that there once was an elegant tower atop the Historic Jail. Mr. Vogel had hoped to have the report prepared in time for today’s meeting. Unfortunately, the report will not be ready until later this week. He indicated that the next step would be to prepare a set of plans for the building since the original plans are likely gone, never to be found again.

Mr. Vogel reported that through his work on the Historic Jail he has learned that there are several similar buildings located across the country. There is a near identical building located in Texas. He stated that a similar building in Illinois was recently scheduled for demolition. The owner had not had any re-use study performed and groups have come forward in an effort to preserve the building resulting in court action which is expected to be both lengthy and costly. Legal battles are more costly than a re-use study would have been. Mr. Vogel expressed his opinion that Houston County should make a decision regarding the Historic Jail sometime during the next 12 to 18 months. Although he advised against it, one option would be to “moth ball” the building. This is a process whereby the structure is literally sealed up. Mr. Vogel has seen many instances where a moth balled structure has succumbed to fire or other destruction.

A meeting to discuss the Historic Jail was held late in May. That meeting quickly turned into a discussion about the Historic Courthouse. During this meeting Mr. Vogel was asked to propose a master plan for the Historic Courthouse. He stated that use of the Historic Courthouse doesn’t matter because use has already been determined.

There is a need to prioritize concerns as there is limited funding available to preserve and maintain the building. He stated that the roof has failed and is in need of repair. The steps have been an ongoing concern and repair of them is also necessary. He cautioned that there is a need for an objective appraisal of what is necessary. In his opinion, and roofing contractor consulted

will state that a new roof is necessary. He indicated that band aid repairs will work temporarily however, in the event one expects to remain in a building for perpetuity, the repairs need to be made with the long term in mind. Mr. Vogel suggested that a committee be established to develop a plan. He stated that the committee should have a sunset time established also.

Commissioner Walter questioned whether grants for the Historic Jail have been applied for. Mr. Vogel responded that the deadline for application is not until later in June. He stated that it is less than likely that the County will be awarded funds as the funds are in high demand and preference will be given to projects where the end result has been determined and is lasting. The County has not yet determined whether the Historic Jail will be preserved or not. Mr. Vogel stated that it would likely be more cost effective to fund the historic structure assessment without accepting grants to do so. The benefit to the County, even if its grant application is declined, would be a written reason and possible suggestions for making successful application.

Commissioner Schuldt questioned whether the roof on the Historic Jail is adequate. Mr. Vogel responded that it was and added that it was unfortunate it had been replaced. In his opinion, the previous roof would have lasted much longer.

Mr. Vogel commented how whoever designed the Historic Jail was quite clever. The building can easily be utilized in the 21st century, there is adequate room for systems. He went on to explain that jails with attached residences are unique to the Midwestern region and becoming fewer as time goes by.

File No. 7 - Auditor Meiners reported on the beer and liquor license renewals. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Liquor, Wine and Beer Licenses effective July 1, 2013 through June 30, 2014, and to authorize the signatures of Auditor Meiners and Chairperson Zmyewski:

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 Forty
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

File No. 8 -- Auditor Meiners reported that the Houston Money Creek Sno-riders Snowmobile Club has requested approval of a Maintenance and Grooming Application. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the application and to adopt the following resolution:

RESOLUTION NO. 13-17

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 Sno-riders and authorizes the Board Chairman to sign an agreement with the Department of Natural Resources.

File No. 9 - Discussion was held regarding the upcoming County Board of Appeal and Equalization Training scheduled for July 25th from 6:00 p.m. to 9:00 p.m. at the Four Seasons Community Center. It was agreed that Commissioners Kjome, Schuldt, Storlie and Chairperson Zmyewski would be attending. Auditor Meiners will also be attending. Commissioner Walter is current on her training requirements in this regard.

Auditor Meiners reported that, historically, the County has hosted an auction to dispense with forfeiture vehicles and other unused equipment. In addition, other government entities and the school districts within the County are invited to participate. It was agreed that the County will organize an auction again this year. It will tentatively be held at 4:30 on the Wednesday of Fair Week at the same location.

The time being 10:01 a.m. the public hearing regarding the Ordinance for the Regulation of Peddlers, Solicitors, and Transient Merchants requiring a license and providing penalties for violations thereof was convened.

Investigator Sass reported that the Sheriff's Department receives many complaints related to peddlers, solicitors and transient merchants. It is difficult to catch up with the vehicles reported. If adopted, Ordinance #13 would provide greater protection for the citizens of the County. It would apply to the townships only and would not supersede any city ordinances. He went on to report that since a similar ordinance was enacted in Hubbard County there have been no applications. He explained the proposed fee schedule which includes a non-refundable processing fee of \$25.00, and an additional fee which varies depending on the license applied for which would be due upon approval. The auditor's office would accept application and collect the

appropriate fees. Applications along with required data would be forwarded to the Sheriff's Office for investigation and possible approval. The entire licensing process is expected to take approximately 2 weeks to complete. Investigator Sass suggested that the license be similar to those issued by La Crescent City and include a photo of the licensed individual.

Chairperson Zmyewski invited public comment. Bruce Kuehmichel questioned how this Ordinance would be publicized. The Ordinance would be published per Minnesota Statutory requirements and it would be available on the County's website.

File No. 10 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt Houston County Ordinance # 13 - An Ordinance for the Regulation of Peddlers, Solicitors, and Transient Merchants, Requiring a License and Providing Penalties for Violations Thereof.

Summary of Ordinance #13: No peddler, solicitor, or transient merchant shall sell or offer for sale any goods, wares, or merchandise within the County unless a license therefore shall first be secured as provided in this ordinance. Application for such license shall be made to the Auditor's Office on a form supplied by the County. Every application shall bear the written approval of the County Sheriff after an investigation of the moral character and criminal history of the applicant. The completed application shall be presented to the County Board of Commissioners for its consideration and if granted, a license shall be issued by the County Auditor's Office upon payment of the required fee.

The foregoing is only a summary of Ordinance #13. The full text of Ordinance #13 is available on Houston County's website: <http://www.co.houston.mn.us/> or at the Houston County Auditor's Office, 304 S. Marshall Street, Caledonia, MN 55921.

Commissioner Kjome reported that he was contacted by an individual who expressed their concern regarding the dumping of cats and dogs. The resident questioned whether the County has a policy related to this. It was noted that the County has no policy in this regard.

Commissioner Walter reported on the LEAN training which she attended. She also reported on the Regional Radio Board meeting which she attended. She stated that the Regional Radio Board will become involved with a new Broadband project. It is expected that broadband will be expanded so that it is available to all residents. She also provided a reminder of the upcoming District 9 meeting scheduled for next Monday in Wabasha.

Commissioner Schuldt reported on the LEAN training which he attended.

Commissioner Storlie reported on an HVMHC meeting which she attended. There are concerns with budgeting and about the time it takes to collect on MA claims.

Chairperson Zmyewski reported that he was asked to speak at a Houston County DFL meeting held recently in La Crescent.

Commissioner Schuldt stated that Kurt Roverud is interested in setting up a meeting regarding his building. It was agreed that two commissioners would meet with him and 2 others may schedule a unique time to view the building.

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

File No. 11 – Notice of Public Hearing regarding Wildcat Park Ordinance update

File No. 12 – Letter of appreciation to Fred Lee

There being no further business and the time being 10:07 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 11, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 11, 2013 9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Finance Director Lapham; Betts Ready; Robert Vogel; Yvonne Krogstad; Heidi Hankins; Highway Accountant Schroeder

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the June 4, 2013 meeting.

Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the June 6, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$82,245.09
Road & Bridge Fund	126,490.72

Total	\$208,735.81
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File No. 2 - Engineer Pogodzinski requested approval of Houston County Right of Way Plat No. 52 in connection with S.A.P. 28-605-18 on CSAH 5. Following approval of the plat, the County may begin acquiring the necessary property and easement. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the plat and to adopt the following resolution:

RESOLUTION NO 13-18

RESOLUTION TO APPROVE AND ACCEPT
HOUSTON COUNTY RIGHT OF WAY PLAT NO. 52
FOR THE RECONSTRUCTION OF STATE AID PROJECT 028-605-018.

WHEREAS; Houston County desires to improve and reconstruct County State Aid Highway No. 5, Located Between 48 feet North and 1,377 feet South of the Junction with CR 249, with Grading, Underground Utilities, Aggregate Base, and Bituminous Surfacing, identified as SAP 028-605-018; and

WHEREAS; the Houston County Highway Department and the Houston County Surveyor have prepared Houston County Right of Way Plat Number 52 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. 52 as designating the definite location of that part of County State Aid Highway No. 5, located in Section 19, Township 102 North, Range 5 West and in Section 24, T102N, Range 6 West, as presented on this date, June 11, 2013, and authorizes it to be filed of record with the Houston County Recorder.

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

File No. 3 - Engineer Pogodzinski reported on 2 bids received for C.P. 2013-02, the seal coating project. Engineer Pogodzinski reported that \$400,000.00 was budgeted and the low bid, provided by Fahrner Asphalt Sealers LLC, exceeded this amount by approximately \$23,000.00. He will be meeting with a representative from Fahrner to discuss possible options to reduce the cost. Engineer Pogodzinski recommended the low bid provided by Fahrner be accepted. His department is considering options to cover the overage, one of which is to utilize State Aid Funds. The bulk of the project will take place on roadways around the La Crescent area. He reported that historically Houston County has completed simple seal coating only, however, many counties have changed to seal coat with fog seal. Simple seal coating is a process of applying a layer of oil covered by a layer of aggregate. The fog seal has an additional layer of oil applied over the aggregate making it appear black, providing additional sealing, and providing for a smoother ride. The additional fog seal increases the cost by approximately 15%. When asked, Engineer Pogodzinski stated that the work will impact roadways minimally for short periods of time. Road closures will not be necessary. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to accept the low bid of Fahrner Asphalt Sealers LLC in the amount of \$423,521.67 and to approve the use of State Aid funding, if necessary, to cover the amount in excess of that which was budgeted.

Engineer Pogodzinski provided an update related to signage, the CSAH 4 pipe replacement project and other road construction taking place in the area.

HR Director Arrick-Kruger reported that she continues to work with Jail Administrator Schiltz and Mike Olson regarding staffing needs and options for the Jail. She indicated that as they were reviewing options for staffing utilizing full time, part time, and temporary staff, concerns arose related to both the affordable healthcare and fair labor standards acts. This is resulting in a broad review of staffing in the Jail. She expects to be holding discussions with the Union soon. Reporter Craig Moorhead questioned the number of hours of staffing that is being considered. HR Director Arrick-Kruger responded that they are reviewing how to provide coverage in the most cost effective manner utilizing full time, part time, and temporary employees to cover sick leave, vacations and etc. within DOC regulations.

File No. 4 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the Sentence to Service contract which expires June 30, 2015.

File No. 5 – At this time discussion was held with the Finance Committee.

Finance Director Lapham reported that due to expenses occurring in 2012 that weren't billed until 2013 the Commissioner's Budget line item for lodging appears out of order. This has skewed the reporting. She also noted that May claims are not included in the report. She also reported on various things which are impacting the investment accounts, the Recorder's fund and also E911 funds. Interest is to be attributed to the funds generating the interest. Changes have been made so that interest is properly accounted for. This has had an impact on the reporting. Overall, most departmental budgets are within range for this time of year. She noted various line items which should be more carefully reviewed.

Highway Accountant Schroeder reviewed various line items within the Highway Departments Budget. She noted certain activity which impacted and has contributed to some reporting figures which appear skewed. She was pleased to report that in excess of \$200,000.00 in funding provided to Houston Township for the repair of the Traff and Torgerson bridges has been reimbursed to the County following the projects being closed by FEMA. It was noted that work comp expenses vary based on position. This is causing various line items to be short while others are long. Budget amendments will be necessary to better reflect actual activity. Highway Accountant Schroeder reported that the phone budget is out of line. This is largely due to an upgrade which was performed. The cost of programming far exceeded the projected amount. Overall, Highway Accountant Schroeder is satisfied with the Highway Department accounts.

Reporter Emily Bialkowski questioned the amount of the budget amendment to rectify the work comp issues. Highway Accountant Schroeder responded that there is a difference of approximately \$10.00.

File No. 6 - Fiscal Officer Hankins provided details related to the Human Services budget. Several items which appear skewed are due to the addition of accounts for tracking purposes. Once budgeted amounts are broken out in the same way, it will make the budgets appear more in line.

Commissioner Walter stated that the commissioners have received copies of the Historic Jail re-use study.

Commissioner Kjome questioned the status of the frac sand ordinance. The ordinance is with Attorney Jay Squires who is awaiting action by the EQB to assess how it may impact the ordinance.

Commissioner Kjome reported on EDA, Extension, Water Planning and Highway meetings which he attended.

Commissioner Walter reported on the District 9, and City of La Crescent Council meetings which she attended. She indicated that she will be attending a Solid Waste meeting tomorrow.

Commissioner Schuldt reported on the District 9 and Semcac meetings which he attended. He also reported on the Highway shop meeting which he attended last week.

Commissioner Storlie reported on an EDA meeting which she attended. She expressed the importance of having representation for both Brownsville and Eitzen cities. She also reported on the Highway shop and District 9 meetings which she attended.

Chairperson Zmyewski reported that he had attended the District 9 meeting. He also reported that Eldon Pohlman had contacted him regarding Fair Board activity.

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 local governments regarding County Auction

File No. 8 - Correspondence from county resident regarding highway department facilities

File No. 9 - Information regarding SMIF contributions to the region

File No. 10 - Semcac 2014 budget request & annual report

File No. 11 - Report of tons delivered to Xcel in May 2013

File No. 12 - Houston County Jail Historic Preservation Plan

There being no further business and the time being 10:13 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, June 18, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 18, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; PHN Director Rock; Rick Howden; HR Director Arrick-Kruger; Kermit McRae; Kelley Stanage; Sarah Wexler-Mann; Betts Ready; Yvonne Krogstad; Finance Director Lapham; Environmental Services Director Frank; Robert Vogel; Jail Administrator Schiltz; Jailer Mike Olson; Sheriff Ely; Barb Norgaard

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the June 11, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$41,566.34
Road & Bridge Fund	190,398.72

Total	\$231,965.06
	=====

File No. 2 - Barb Norgaard, La Crescent Township resident, expressed concern regarding clear cutting performed on Horse Thief Ridge. The Norgaard's home is situated below the area which has been clear cut. She and her husband are concerned that the lack of vegetation may result in damaging runoff from the area. She stated that they have not had any problem with runoff prior to the clear cutting, however, it is a concern now. In addition, there are no insurance coverage that would protect the Norgaard's in the event that they would suffer damage as the result of runoff. The Board suggested that Ms. Norgaard speak with Environmental Services Director Frank regarding her concerns.

File No. 3 - Sarah Wexler-Mann, Yucatan Township resident, shared information collected from a frac sand conference she recently attended. Said information was placed on file.

Kelley Stanage, Houston Township resident, provided an update regarding a recent meeting with Governor Dayton, the DNR Commissioner, the MPCA Commissioner and residents. She stated that two townships have implemented prohibitions on frac sand mining.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve an amendment to the agenda to include an appointment for HR Director Arrick-Kruger to discuss HR Issues requiring immediate attention.

Engineer Pogodzinski indicated that he would return to the Board at a later date to award S.A.P. 28-608-13. He is waiting for a response from the State regarding their review of DBE goals.

File No. 4 – Engineer Pogodzinski reported on the following bids which were received until June 17, 2013 for S.A.P. 28-599-63:

Minnowa Construction, Inc. Harmony, MN 55939	\$359,933.07
VanGundy Excavating LLP Houston, MN 55943	\$394,941.57
JB Holland Construction, Inc. Decorah, IA 52101	\$422,683.89
Zenke, Inc. La Crescent, MN 55947	\$465,483.51

The engineer's estimate for the project is \$411,745.50. Engineer Pogodzinski recommended accepting the low bid provided by Minnowa Construction, Inc. Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to accept the bid of Minnowa Construction, Inc. in the amount of \$359,933.07.

File No. 5 - Engineer Pogodzinski reported on quotes received for C.P. 2013-04 Pavement Marking. Two quotes were submitted. Both quotes exceed the budgeted amount of \$80,000.00. Engineer Pogodzinski recommended approval of the low quote provided by AAA Striping Service Co. He indicated that the Highway Department will cover the overages within their departmental budget or work with AAA Striping Service Co. to reduce the overall cost. The project will provide for fog and center lines on various county roads. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the low quote of AAA Striping Service Co. in the amount of \$93,293.60.

File No. 6 - At this time the Board discussed the option to implement a \$10.00 wheelage tax. Engineer Pogodzinski stated that he has discussed wheelage tax with other county engineers. In the past, the option to assess a wheelage tax was only available to the metro counties. Wheelage tax is a type of user tax and it does not apply to motorcycles or trailers. In addition, wheelage tax is different than a sales tax that border counties such as ours would be hesitant to enact because it could result in pushing business to neighboring areas without the tax. The tax collected would be utilized for roadway projects and preservation. The County currently provides funding for roadway projects and preservation. Enacting the wheelage tax would reduce the demand for levy dollars to fund roadway projects and preservation. Engineer Pogodzinski reported that Washington County has been assessing a wheelage tax since 2006. They received numerous calls the first year the tax was implemented and following that they no longer received calls regarding the tax. Engineer Pogodzinski stated that approximately \$1.25 of a \$100.00 registration tax on a vehicle goes to the county where the vehicle is housed. The wheelage tax would all go to the county where the vehicle is housed. It was noted that if the county chooses to enact a wheelage tax and desires to have the State collect the tax, a decision must be made by August 1st. Commissioner Schuldt questioned what the money could be utilized for. Engineer Pogodzinski responded that the funds could be utilized for transit projects/improvements. Commissioner Storlie stated that assessing the wheelage tax would benefit the county. Currently levy dollars are utilized by the department, and the tax would reduce the burden on the levy. Commissioner Walter stated that it was highly encouraged. It is a user tax. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to schedule the necessary public hearing to be held on July 16th at 10:00 a.m.

File No. 7 - PHN Director Rock reported on the MN Shared Services Learning Community. A grant in the amount of \$3,000.00 was awarded to assist public health departments and policy makers considering cross jurisdictional sharing. This could be collaborative measures including but not limited to sharing staff, services, and/or technology or anything that would increase efficiencies, reduce costs and improve the quality of services. It is important for all government to operate more efficiently considering dwindling resources. This is timely considering a Joint Board of Health meeting is scheduled for next week. The grant will allow us to consider the structure and governance of the Joint Board of Health. MDH representatives will be present at the Joint Board of Health meeting next week to discuss this. The grant runs from April 15, 2013 through September 30, 2014 and is being spearheaded by a Fillmore County staff person. A draft process has been prepared and submitted to the State.

PHN Director Rock provided a reminder of the Joint Board of Health meeting scheduled for 2:00 p.m., next Tuesday at The Creamery in Rushford.

File No. 8 - Rick Howden reported that the EDA Board approved a \$30,000.00 loan for Alpine Nursery of Houston, MN. Commissioner Schuldt questioned whether the loan was secured. Mr. Howden responded that the loan is not collateralized. Motion was made by

Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the loan for Alpine Nursery in the amount of \$30,000.00.

File No. 9 - Commissioner Schuldt reported that the MCIT walk thru of the Roverud building has yielded some minor concerns. These are things that should be more carefully reviewed prior to any decision being made. Placed on file was correspondence from MCIT in this regard

HR Director Arrick-Kruger expressed a desire to examine whether funding for Historic Courthouse improvements were available through State Legislative Bonding or Legacy Grants. Pathfinders has been instrumental in assisting with this and she requested approval to continue working with the organization up to an amount not to exceed \$4,000.00.

Legislative Capital Bonding requests are due this Friday, June 21st. This initial application serves as a place holder with greater detail regarding requests due in July. What began as a simple roofing project has morphed into a comprehensive needs assessment resulting in a laundry list of repairs which should and need to be completed.

There are multiple air conditioning (AC) units operating to provide warm weather temperature control for the Historic Courthouse. Two of the units date back to 1976, two other units date back to 1982 and there is a single unit which provides temperature control for the server room which is approximately one year old. The old units require constant repair and they are inefficient. The stairs for the east entrance need extensive work. The estimates for repair vary. There are several options for repair which impact the cost. The backup electrical component for the fire alarm system has failed. Parts for the antiquated system are no longer available. When the system is replaced, the County will be required to meet current codes. The initial cost estimate for the replacement of the system is \$35,000.00. There are windows which need replacement along with two security doors. In total, there are an estimated \$1 million in repairs which need to be carried out on the Historic Courthouse.

Local matching monies will be required in the event Legislative Capital Bonding funds are granted. HR Director Arrick-Kruger stated that the required match amount to 50%. Chairperson Zmyewski indicated that \$1 million in repairs are necessary, that has now been made public. He questioned how, in the event bond funds are not granted, these repairs will be made. It was noted that \$300,000.00 has been set aside for the roofing project. HR Director Arrick-Kruger stated that it would be less expensive to make all the repairs at once in the event bond funding is granted. In addition, the County would be responsible for only 50% of the overall cost. In the event bond funding is not granted, the facilities department will continue to prioritize repair needs and perform repairs as funds are available. They will continue to patch when necessary in order to get by. She stated that the longer major projects are delayed, the greater the cost. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize HR Director Arrick-Kruger to continue working with

Pathfinders up to an amount not to exceed \$4,000.00. This will allow for the submission of a Capital Bonding Request to be submitted before the June 21st deadline.

File No. 10 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO 13-19

RESOLUTION SUPPORTING AND AUTHORIZING SUBMISSION OF AN APPLICATION TO MINNESOTA MANAGEMENT AND BUDGET REQUESTING FUNDS BE INCLUDED IN THE 2014 BONDING BILL FOR THE HISTORIC HOUSTON COUNTY COURTHOUSE.

WHEREAS; the Historic Houston County Courthouse is listed on the National Register of Historic Places; and

WHEREAS; the Historic Houston County Courthouse holds the majority of the County's essential departments, including but not limited to the Commissioners Chambers, offices of the Auditor, Treasurer, Recorder, Human Services, License Center, Planning and Zoning, and administrative offices; and

WHEREAS; the Historic Houston County Courthouse is in dire need of repairs and rehabilitation including the replacement of: existing roof; windows and exterior doors; restoration of masonry steps at main entrance; renovation of AC system; renovation of flooring and interior steps; and installation of security and fire system upgrades. These measures will help protect County staff and visiting residents as well as provide sound stewardship of a historic Southeast Minnesota landmark.

NOW THEREFORE BE IT RESOLVED; that Houston County supports and authorizes submission of application and appropriate documents to Minnesota Management and Budget.

File No. 11 - HR Director Arrick-Kruger was joined by Jail Administrator Schiltz and Lead Jailer Olson to discuss a jailer/dispatcher staffing request. HR Director Arrick-Kruger provided a financial overview of actual staffing costs. These costs include premium pay and pay made to individuals working in excess of the 0.5 FTE they were hired for. Consideration needs to be given to potential increased costs related to ACA compliance.

HR Director Arrick-Kruger reported that a 0.5 FTE jailer/dispatcher position was left vacant while staffing levels were reviewed. In addition, Jessica Siminiski has submitted her letter of resignation effective June 26th. The department is anticipating a 12 week FMLA and many vacations. These issues are going to make it difficult for Mr. Olson to schedule the necessary staff and contain costs at the same time.

File No. 12 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the resignation of Jessica Siminski and to draft a letter of appreciation for her service.

There are now two 0.5 FTE vacancies (one position left open and the position vacated by Ms. Siminski). In addition, the 0.5 FTE staff members were working 0.71 and 0.77 FTE which is 0.48 FTE in excess of what they were hired on for or nearly an additional 0.5 FTE position. The cost for a 0.5 FTE staff member is estimated to be \$24,196.00. The costs resulting from premium payments far exceed the cost to add the position. The county needs to keep 0.5 FTE positions working the same and not exceeding the FTE which could result in the requirement to provide full time health benefits. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize the hire of three 0.5 FTE jailer/dispatchers.

HR Director Arrick-Kruger indicated that last week the Board approved a search for additional 67 day employees. The approved staffing plan may reduce the reliance on 67 day employees. Due to time constraints HR Director Arrick-Kruger anticipates performing an internal search to fill as many as 2 of the 0.5 FTE jailer/dispatcher positions. This will be a competitive process. She anticipates filling the 3rd 0.5 FTE jailer/dispatcher position with an external hire.

HR Director Arrick-Kruger stated that she will be putting forth a proposal to LELS #60 which would allow for greater flexibility in staffing. She is prevented from sharing greater detail because the proposal is still being negotiated.

HR Director Arrick-Kruger stated that currently needs in Public Health for home health care coordination is being provided for by an interim appointee. Discussion has been held regarding necessary staffing. HR Director Arrick-Kruger recommended initiating an internal competitive search for the Home Care Coordinator Position. This is allowed because it will result in attrition, in this case a 0.2 FTE reduction. This reduction coupled with a 0.6 FTE reduction last year will equal 0.8 FTE reduced in the Public Health Department overall staffing with no reduction in services. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize an internal search for a home health care coordinator.

HS Director Bahr reported that Erin Cognac has completed the required child protection social worker training during her probationary period and has excellent rapport with those she works with. It is HS Director Bahr's recommendation that Ms. Cognac's status be changed from probationary to regular upon completion of her probationary period. Motion was made Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to move Erin Cognac from probationary to regular status effective July 2, 2013.

At this time, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to recess the public meeting to hold the scheduled public hearing.

The public hearing convened. Auditor Meiners reported on the proposed ordinance changes. She provided a brief history of how the lottery was the result of the Corp of Engineers wanting to provide equal opportunity for all to enjoy seasonal sites. Unfortunately, the lottery has resulted in seasonal campers who choose not to return because of the uncertainty whether they will be awarded a seasonal site or not. There has been no waiting list since the lottery was enacted and in 2013 there were several that were not filled by the time the camping season commenced resulting in lost revenue. The proposed ordinance changes will provide for a lottery once every four years; allow for cancellation of the lottery with written approval of the Corp of Engineers; and allow for more frequent lottery in the event a there is a lengthy waiting list. Another proposed change will prevent the construction of any permanent structure on the seasonal sites. The changes will benefit the seasonal campers by providing greater assurance that they will have a site at the campground for multiple years.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to reconvene the regular scheduled meeting.

File No. 13 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to amend Houston County Ordinance # 9 - Park Rules and Regulations, Wildcat Park.

Summary of Ordinance #9 changes:

The lottery for seasonal campsites will be held every four years (beginning in 2015). Houston County reserves the right to hold the lottery in any year they feel necessary if more than one-half of the Wildcat Park Committee members vote in favor of holding the lottery. Houston County reserves the right to forego holding the lottery in every fourth year with the prior written approval by the United States Army Corps of Engineers. Seasonal campers are not permitted to erect structures/improvements to campsites so as to become a permanent part of the campsite. In the event that such permanent structures are erected, the violator of this provision will be notified and the structure must be removed immediately. Violation of this provision will be cause for eviction.

The foregoing is only a summary of Ordinance #9. The full text of Ordinance #9 is available on Houston County's website: <http://www.co.houston.mn.us/> or at the Houston County Auditor's Officer, 304 S. Marshall Street, Caledonia, MN 55921.

Commissioner Kjome reported on a CJC meeting and a bear creek watershed inspection tour which he attended.

Commissioner Walter reported on a Solid Waste meeting in La Crosse County which she attended. This week she will be attending EMS and Workforce Developments meetings.

Commissioner Schuldt reported on the walk thru with MCIT of the Roverud building.

Commissioner Storlie reported that she would be attending today's department head meeting in place of Commissioner Walter.

Chairperson Zmyewski reported on the Roverud building walk thru with the MCIT representative. He also reported that he had attended a frac sand presentation.

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

File No. 14 - Correspondence from DOC regarding recent overpayment

File No. 15 - Section 8 Vouchers by County Monthly Report

File No. 16 – Notice of PILT payments

There being no further business and the time being 10:22 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 2, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Sunday, June 23, 2013 2:10 p.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners, Engineer Pogodzinski and Reporters Schuldt & Moorhead

Presiding: Teresa Walter, Vice-Chairperson

Call to order.

File No. 1 – Placed on file was a list of closed and damaged roads in Houston County.

File No. 2 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following resolution:

**EMERGENCY REPAIR OF BRIDGES AND ROADS
RESOLUTION NO. 13-20**

WHEREAS, the County of Houston, Minnesota has sustained severe losses of major proportions, brought on by flood conditions occurring on June 21 and June 23, 2013; and

WHEREAS, Houston County is a public entity within the State of Minnesota; and

WHEREAS, the Houston County Board of Commissioners has declared Houston County to be in a state of emergency in its June 23, 2013 Flood Disaster Proclamation Resolution; and

WHEREAS, Houston County suffered significant damages to Houston County roads and bridges, rendering many county roads and bridges impassable and/or unsafe to travel; and

WHEREAS, immediate repair of flood damaged county roads and bridges is necessary to facilitate recovery and emergency aid efforts, to facilitate effective and timely delivery of emergency services, and to facilitate safe travel for public, government, and business purposes; and

WHEREAS, immediate contracting of emergency bridge and road repairs, without the requirement of bids and advertising, is necessary to protect public health, safety and welfare;

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners, acting on behalf of and for the people of Houston County, hereby declare that,

pursuant to Minnesota Statutes 375.21 and 375.22, the Houston County Highway Department is hereby authorized to immediately enter into necessary contracts for emergency repair of damaged and negatively impacted county roads and bridges without the requirement for solicitation of bids and advertising; said authorization to remain in place until modified or rescinded by this board.

At this time Engineer Pogodzinski met with the Board to report on the damage to county roadways. He reported that the damage is similar to 2008. Most of his department was called in. There are no bridges completely washed out, however, a lot of shoulders on roadways are washed out. There are trees down across some roadways. At one point 11 roadways were closed, but they are opening the ones with the least amount of damage first. They are trying to get things patched together so that roadways are passable for emergency vehicles. There are currently still 6 or 7 roads closed. Many township roads were also damaged. There has also been damage to State Highway 16, T.H. 76 south of Houston, State Highway 43 by Mabel and State Highway 26 by New Albin, Iowa.

Engineer Pogodzinski reported that he participated in a webinar at 1:00 this afternoon with the National Weather Service. They are projecting rain going to the south of Houston County tonight. However, they expect more rain Monday and Tuesday that could be similar to the amounts received last night. The ground is so saturated that additional rain could cause major issues.

At this point Engineer Pogodzinski is unsure whether this will be a FEMA event or a state aid disaster event. To qualify for a state aid disaster the threshold is approximately \$430,000 in damages and he indicated that we will easily reach that amount. A FEMA event could include damage in area county and states.

The Root River is expected to rise another 2 to 2 ½ feet, however it could go up more than that if we experience additional rainfall. It is currently expected to crest Monday evening.

Engineering staff has been locating damaged sites, documenting and taking pictures. Engineer Pogodzinski will be putting together cost estimates.

Engineer Pogodzinski reported that 6.29 inches of rain in a 24 hour period used to be considered a 100 year rain event. This is being increased to 7.8 inches of rain in a 24 hour period.

The Board thanked Engineer Pogodzinski and his staff for all of their hard work.

The time being 3:00, the Board toured County Road #10 and #12 to view road damage.

The time being 4:15 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Teresa Walter, Vice-chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, June 25, 2013

12:00 noon

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Engineer Pogodzinski; Reporters Balikowski, Schuldt & Moorhead; Emergency Manager Kuhlert; Gary Larson, NRCS; Ron Meiners, Root River Soil & Water Conservation District; Finance Director Lapham; Sheriff Ely

Presiding: Justin Zmyewski, Chairperson

Call to order.

Emergency Management Director Kuhlert reported that areas of the county received between 10 and 16 inches rain over last weekend resulting in serious issues throughout the county. There is a lot of damage to roads, bridges and culverts. There have been minimal reports of damage to homes other than water in basements. One home in the Brownsville area is experiencing issues with their foundation. There have been no fatalities.

Emergency Management Director Kuhlert is in the process of collecting preliminary damage assessments from government entities throughout the county, and these are due at his office by noon on Wednesday, June 26th. He indicated that the damage in Minnesota is limited mainly to Houston and Fillmore Counties, and he did not think there was enough damage in Minnesota to qualify for a presidential declaration. He has inquired at the state level whether the combined damage in Minnesota, Wisconsin and Iowa would qualify for a presidential declaration and the response he received was that this has never been done before. Chairperson Zmyewski reported that he has been in contact with Senator Miller who is trying to assist us in this process.

Emergency Management Director Kuhlert reported that Yucatan and Wilmington Townships are each estimating \$300,000 in damages at a minimum. He stated that Engineer Pogodzinski will be reporting on county road closures and conditions, however, in addition to that there are various township road closures. He indicated that FEMA breaks down their assistance into public or individual assistance, and he did not think we would qualify for individual assistance.

Emergency Management Director Kuhlert inquired whether the Board would consider pre-approving emergency funding for the purchase of sand bags if there is a need to have

additional ones available. After discussion, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to authorize the purchase of 2,000 sand bags.

File No. 1 - At this time Ron Meiners, RRSWCD, and Gary Larson, District Conservationist for NRCS, met with the Board and reported on the Emergency Watershed Protection Program which is available through NRCS. This program is designed to help remove some of the threats to life and property. In the 2007 flood the local sponsors were Houston County and Hokah City. He indicated that they are seeing significant agricultural damages as well as a home in the Brownsville area where earth material has sloughed away from the home and the footings are exposed. He also reported on various stabilization structures that need to be cleaned out. He indicated that the structures did their job well, however, they need to be cleaned out so that they function properly in the future. They have drafted a proposed letter whereby Houston County would agree to act as sponsor for the Emergency Watershed Protection Program. The program requires a 25% local cost-share, however, it was pointed out that this could be funded in various ways including by the landowners themselves. It was pointed out that if we receive a presidential declaration, the funding resulting from that would cover the 25% local cost-share. Gary Larson stated that the program is not a guarantee of funding, however, if the Board agrees to sponsor the program they will submit a request for funding. After discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve sponsoring the Emergency Watershed Protection Program and to authorize the signature of Chairperson Zmyewski on the letter of application.

Discussion was held regarding the amount of agricultural damage caused by the flood. Ron Meiners indicated a rough estimate of \$700,000.

File No. 2 - Engineer Pogodzinski reported on the status of all county roadways. He indicated that by the end of the day we should be down to three county roads being closed, two of which will be closed for an extended period of time. There are also many issues to be addressed with regard to mudslides, culverts and ditch repair. The County is utilizing a lot of equipment from local contractors. He indicated that we will soon be transitioning from getting roadways open to doing repairs.

The question was raised who is responsible for issues with township bridges. Engineer Pogodzinski responded that the county assists the townships and they should contact him if they have any concerns.

Engineer Pogodzinski showed pictures of damage on various roadways throughout the county.

Reporter Moorhead inquired how the townships will make the necessary repairs to their roads if they are strapped for cash. Emergency Management Director Kuhlers responded that

they are doing the preliminary damage assessments and if we do not qualify for federal assistance, hopefully our state legislators will assist us with state funding.

Engineer Pogodzinski stated that in order to qualify for state assistance we need at least \$700,000 in damages between the county and state. He felt we would easily surpass that amount. He indicated that we could be looking at damages of over \$2 million.

File No. 3 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt the following resolution:

**STATE OF EMERGENCY RESOLUTION
RESOLUTION NO. 13-21**

WHEREAS, the County of Houston, Minnesota has sustained severe losses of a major proportion, brought on by flood conditions on the date of June 21 and June 23, 2013; and,

WHEREAS, Houston County is a public entity within the State of Minnesota.

WHEREAS, the following conditions exist in Houston County as a result of the disaster:

Extensive damages to private homes, potential similar damages to businesses and to local government such as: loss of rock on roads, deteriorated road shoulders, mud slides and damages to bridge abutments and extensive damage to the agriculture sector such as: wash out of crops and failed erosion control devices. In addition, there are undetermined damages to buildings, roads, bridges, crops, and etc. due to rapid rain and being submerged under water.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Houston County, acting on behalf of and for the people of Houston County, declare that a state of emergency exists within Houston County, with all the powers and responsibilities attending thereto as provided by Chapter 12, Minnesota Statute, and Houston County Resolution titled Flood Disaster Proclamation, dated June 21 and June 23, 2013.

File No. 4 - Engineer Pogodzinski presented a proposed resolution to expedite the contracting for permanent road and bridge repairs due to the emergency flooding which occurred recently. If adopted, the resolution would allow the Engineer and the County Attorney to enter into contracts on behalf of the Board for quotes under \$100,000, rather than having to wait until a board meeting to have the quotes approved. Engineer Pogodzinski indicated that he would expect to meet with the Board on a weekly basis to provide the Commissioners with an update regarding any quotes accepted so that they are kept apprised of what is going on. After discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following resolution:

**EMERGENCY REPAIR OF BRIDGES AND ROADS
RESOLUTION NO. 13-22**

WHEREAS, the County of Houston, Minnesota has sustained severe losses of major proportions, brought on by flood conditions occurring on June 21 and June 23, 2013; and

WHEREAS, Houston County is a public entity within the State of Minnesota; and

WHEREAS, the Houston County Board of Commissioners has declared Houston County to be in a state of emergency in its June 23, 2013 Flood Disaster Proclamation Resolution; and

WHEREAS, permanent repairs of flood damaged county roads and bridges is necessary to facilitate recovery and restore Houston County road and bridges to their preexisting conditions; and

WHEREAS, to expedite the contracting for permanent bridge and road repairs related to this flood event and the Houston County road system and provide safe travel for public, government, and business purposes; and

NOW, THEREFORE, BE IT RESOLVED, that the Houston County Board of Commissioners, acting on behalf of and for the people of Houston County, hereby approve, Brian Pogodzinski, Houston County Engineer, and Jamie Hammell, Houston County Attorney to enter into contracts on behalf of the Houston County Board for quotes under \$100,000; said authorization to remain in place until modified or rescinded by this board.

It was agreed to cancel the tour of Highway Department Facilities in Onalaska and Crawford County which had originally been scheduled for Thursday, June 27th.

The time being 1:00 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 2, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie; Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Zoning Administrator Scanlan; Sarah Wexler-Mann (videotaped the proceedings); Environmental Services Director Frank; Mike Fields; Ron Meiners; Betts Reedy; Chad Oness; Kent Holen; Chief Deputy Sheriff Yeiter; Sheriff Ely; Finance Director Lapham; Alan Meyer; Gary Kruckow; Glenn Kruse; Dave Breault; Joe Scanlan; Julie Amundson; Steve Zmyewski; Yvonne Krogstad; Emergency Manager Kuhlers; Kelley Stanage; see listing of additional guests File No. A1

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the June 18, 2013 meeting.

File No. A2 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the Board of Equalization meeting held June 18, 2013.

Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the emergency meeting held June 23, 2013.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the emergency meeting held June 25, 2013.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$138,676.46
Road & Bridge Fund	18,781.64

Total	\$157,458.10
	=====

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve an amendment to the agenda to include an appointment for Zoning Administrator Scanlan to address permits requiring action prior to the expiration of a 60 day deadline.

File No. 2 - Drue Ferguson, Money Creek Township resident, distributed excerpts from the Houston County Zoning Ordinance and read from a prepared statement which is on file.

File No. 3 - Mike Fields, Winnebago Township resident read from a prepared statement which is on file.

Gretchen Cook, La Crescent City resident, asked that the Board carefully consider action which would serve to protect ground water. In addition, she suggested that signage in the building be updated so that individuals attending County Board meetings know where the meetings are located.

Elizabeth Oness, Houston Township, stated that the Zoning Ordinance is in place to protect the health and safety of everyone. It is the duty of county staff members to uphold the ordinances protecting everyone. Ms. Oness expressed her opinion that if county staff members fail to uphold the ordinances, they should be terminated. She reminded everyone that tax dollars fund the positions at the county. She stated that in the event an individual were caught speeding in a school zone they would be ticketed. Ticketing enforces the posted speed limits. Likewise, the Zoning Ordinance should be enforced. She stated again, if the ordinance is not enforced, those staff members with the power to do, so should be terminated.

Kelley Stanage, Houston Township resident, stated that she was unable to attend the most recent meeting of the Planning Commission. She has read the news reports of the meeting and it is her understanding that the Zoning Office and Planning Commission have developed a practice of not enforcing ordinances and that this is done at the recommendation of the County Attorney. She questioned how residents can have confidence that there will be enforcement in the future and how this practice came to be. She noted that the Chairperson of the Planning Commission has served for 39 years. She has discussed this with individuals in other counties who have indicated that this is unheard of in other counties. She suggested that commissioners carefully consider how the Planning Commission has been operating and evaluate how the Planning Commission should be operating and consider implementing changes so that public trust can be regained.

Allen Meyer, City of Caledonia resident, stated that he is a construction company owner. In his business, rock and sand are utilized. Local dairy farmers utilize a significant amount of sand as livestock bedding. He expressed his support of the recommendation of the Planning Commission to approve the 6 month CUP for Bonanza Grain Inc. There are many businesses which Bonanza Grain Inc. supplies, the six month period would allow businesses to get through the summer construction season and to have adequate time to look at options for acquiring the raw materials in the event the permit is not renewed following the 6 month period.

Bruce Kuehmichel, City of Caledonia resident, expressed concern that the 6 month permit is actually a 12 month permit. It will allow for one additional blast, following the 6 month period the mine operator will be allowed an additional 6 months to haul out the product resulting from the blast. He expressed concern that if harm is done by the blast the mine operator will be allowed to continue with operations.

Engineer Pogodzinski reported that he expects written correspondence regarding DBE goals related to S.P. 28-608-13 therefore he would like to return to the Board during the July 9th meeting to award the project.

Engineer Pogodzinski and Emergency Manager Kuhlert reported that they will be meeting with representatives of FEMA on Tuesday, July 9th at 9:00 a.m.

File No. 4 - Emergency Manager Kuhlert stated that the damage sustained is close to the \$7 million dollar threshold to qualify for Federal assistance (FEMA). The threshold is exceeded when you consider damage sustained in both Fillmore and Houston Counties. He recommended the Board adopt a resolution petitioning for a Presidential Declaration that Houston County is a disaster. In addition to the resolution, a cover letter outlining the situation and explaining the damages sustained, economic impact and need for assistance should be drafted to accompany the resolution. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize Emergency Manager Kuhlert to draft an appropriate cover letter and to adopt the following resolutions:

RESOLUTION NO. 13-23

WHEREAS, the County of Houston, Minnesota has severe losses of major proportion, caused by flooding on the dates of June 21 and June 23, 2013; and

WHEREAS, Houston County is a public entity within the State of Minnesota; and

WHEREAS, substantial damage has been sustained to public and private property; and

WHEREAS, the cost of recovery from this disaster is beyond the resources available within the county, and state and federal resources are necessary;

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners, for and on behalf of the citizens of Houston County, request the Governor of the State of Minnesota to petition the President of the United States to declare the County of Houston, Minnesota, to be a major disaster area, through appropriate channels.

BE IT FURTHER RESOLVED that this request is for:

1. The Public Assistance (Infrastructure Support) and Human Services Programs as offered through P.L. 93-288 and 106.390.
2. The Hazard Mitigation Program, as offered through P.L. 93-288 and 106.390.

BE IT FURTHER RESOLVED that the County Emergency Management Director is authorized to coordinate the damage survey teams with local government, and assist in the administration of the disaster recovery process, as needed.

Engineer Pogodzinski provided an update regarding the roads which remain closed as a result of recent flooding. He reported that County 25 remains closed indefinitely. County 10 is currently closed however, it is expected to reopen later today or tomorrow.

Emergency Manager Kuhlert stated that when he meets with FEMA on July 9th they will be performing site inspections at both county and township sites. MN DOT has visited the area. Engineer Pogodzinski indicated that the damage to major roadways will result in the ability to access at least 2 additional funding sources if not three.

Emergency Manager Kuhlert reported that initial report projections indicated county level damage at between \$2 and \$2.5 million. This amount did not include the damage sustained by townships. The county projections alone currently exceed \$4 million, taking into consideration township damage that total climbs to over \$6 million.

File No. 5 - Chairperson Zmyewski shared correspondence he received from Representative Davids.

Engineer Pogodzinski reported that the area has been toured by Senator Jeremy Miller, Senators Klobuchar and Franken and Representative Walz. The State appears to be taking a wait and see approach. Emergency Manager Kuhlert indicated that in the event Houston County is declared a disaster it will be for public assistance only, it will not include individual assistance.

File No. 6 - HR Director Arrick-Kruger reported that interviews for Engineering Supervisor have been conducted. Justin Conway is being recommended for said position. Mr. Conway has been with the County for approximately 2 years. He has experience working in engineering and also signage. He meets all criteria. Mr. Conway has a civil engineering license, has numerous certifications for various types of inspection and is pursuing additional

accreditation. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to hire Justin Conway as Engineering Supervisor at step 3 of the appropriate comparable worth band effective July 15th.

HR Director Arrick-Kruger reported that the hire of Mr. Conway creates a vacancy in his former hybrid position which was ½ time engineering and ½ time signage. His position was created following the 2007 flood which increased the need for assistance in the engineering side. This need has been reduced, however, there is need on the maintenance side. Maintenance has been providing snow plowing coverage utilizing 67 day employees. During the first season this was an ineffective way to provide for the needs of the County. Last season, the position provided a guarantee of hours which made it better, however, the needs were still lacking. Changing the hybrid position to be shared between maintenance and signage will hopefully provide for consistency in the winter months and eliminate the need to hire 67 day employees to provide for necessary winter coverage. HR Director Arrick-Kruger requested authorization to search for 2 positions, one hybrid position shared between maintenance/signage and another for maintenance with the understanding that in the event an internal candidate is hired for the hybrid position, an external candidate may be hired for the resulting vacancy. In the event an external candidate is chosen to fill the hybrid position, only that position would be filled. This will minimize advertising costs and decrease the time to fill and/or backfill vacancies. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize dual advertising as discussed.

HR Director Arrick-Kruger reported that a candidate to fill the social services supervisor position has been identified. Timothy Hunter is being recommended for hire based on unanimous committee selection. Mr. Hunter has a BS in social work, his Master's prepared with an emphasis in public administration, experience with performance planning which is tied to goals. Mr. Hunter has been working in Wabasha County. He has worked in various areas of Human Services including but not limited to child protection and mental health. HS Director Bahr reiterated Mr. Hunter's broad base of knowledge including policy and programming.

HR Director Arrick-Kruger recommended the Board take action to end the interim term of Karen Sanness and to thank her for her service. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter, and unanimously carried to draft a letter of appreciation for Ms. Sanness' work as Interim Social Services Supervisor and to terminate said appointment effective July 5, 2013.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Timothy Hunter as Social Services Supervisor at Step 5 of the appropriate comparable worth band effective July 23rd, and contingent upon successful completion of a required background check.

HR Director Arrick-Kruger reported that per the collective bargaining agreement with MAPE, and subsequent to the Board's Declaration of Emergency, the Board may make a Declaration of overtime for exempt MAPE staff. This impacts two staff members. These funds may be recovered in the event the county receives FEMA funding. In the event the county does not receive external funding the cost will be the responsibility of the county. HR Director Arrick-Kruger stated that staff members have been working 16 hour days and are deserving of this compensation. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to make a Declaration of overtime for exempt MAPE staff, retroactive to June 23, 2013 and to pay said overtime at straight time and only for those hours in excess of 80 hours per pay period that are documented to be directly related to the emergency response, clean up and repair.

File No. 7 – At this time, Houston Police Chief, Dave Breault, met with the Board. Mr. Breault reported that during the 2007 flood, the Stone Church was utilized as the City of Houston's evacuation point. During recent flood events it came to his attention that the Stone Church was not accessible. The City of Houston's Fire Department which is used as a command post is not on high ground and in the event the levee surrounding the city were breached it would not be a safe location therefore, he asked the County to consider allowing the use of the Highway Shop just north of the city as their emergency evacuation center. Chief Deputy Sheriff Yeiter indicated that the Highway shop is accessible, the State 76 bridge leading out of town is new and high, and there are two outlets from the Highway shop being State 76 and also County 9. There is a generator at the location which would provide power in the event of an outage. In addition, the drop site is located only a short distance away and is on higher ground. Commissioner Walter expressed her opinion that this is a common sense request. An agreement for use of the Highway shop as an emergency evacuation center may be necessary. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to allow the City of Houston to utilize the Highway shop as emergency evacuation location.

File No. 8 - Zoning Administrator Scanlan reported on the following variances which were approved by the Board of Adjustment. The first is for Jeff Eastman of Jefferson Township for a variance of 15 feet to meet the required 50 foot setback from the north property line and variance of 70 feet to meet the required ¼ mile setback from an existing feedlot to build a dwelling and shop. The second is for Mark Schulte of Mayville Township for a variance of 380 feet to meet the required ¼ mile setback from an existing dwelling to expand a feedlot.

At this time discussion was held regarding a conditional use permit application submitted by Bonanza Grain Inc. Zoning Administrator Scanlan stated that Section 26 of the mining ordinance provides the process which must be followed related to alleged violations. The County Board has the option to hold a public hearing. The Planning Commission has already conducted a public hearing related to the application. The applicant has a right to due process. This allows the applicant the right to notice, an arbiter, testimony and provide evidence. Zoning Administrator Scanlan reported that with regard to the application of Bonanza Grain Inc., a public hearing has been held, the site was viewed on June 18th, the homes of individuals claiming

damage were visited and the cracks to sheetrock seams were viewed, blasting records for the past 5 years along with the operation and reclamation plans have been reviewed. Federal blasting limits have not been exceeded. The Planning Commission, taking into consideration testimony, has drafted a set of conditions including obtaining and following all Federal and State permits, establishing a 6 month time limit on the CUP, recording data from an additional 2 seismographs (making a total of 4), establishing locations for the additional seismographs, replication of the April 4, 2013 blast as closely as possible, and requiring notification to all home owners within a ½ mile of the site prior to the next blasting event and is recommending approval based on conditions.

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

Mark Schulte – Mayville Township - Build a manure storage basin

Randy Steele – Caledonia Township - Rezone from Residential to Highway Business

Chairperson Zmyewski questioned whether Bonanza Grain Inc. exceeded their original described mining boundaries. Zoning Administrator Scanlan responded that it is possible that the original boundaries were at one time exceeded. This is based on aerial photography which is close, but not exact, in order to be certain a survey would need to be performed. Chairperson Zmyewski questioned how boundaries are described, and what assurances there are that operations remain within permitted boundaries. Zoning Administrator Scanlan responded that, historically, boundaries are a simple description. In the proposed frac sand ordinance, a survey would be required. The County Board has the option to require a survey as a condition attached to the approval of a CUP. Chairperson Zmyewski expressed concern that boundaries have been exceeded in the past by mining operators. He questioned what the repercussions were. Zoning Administrator Scanlan indicated that one option to remedy such a situation would be to apply for a variance. With regard to this other situation, there was no survey and the boundary was an assumed one. The area in question has since been sloped and seeded

Zoning Administrator Scanlan explained that when an application is submitted the County is required to act. Bonanza Grain Inc. is not mining outside of the permitted area at this time. They are operating within the permitted area. Bonanza Grain Inc. moved within the boundary once they realized that the permitted area may have been breached. Zoning Administrator Scanlan reiterated that the alleged breach is based on aerial photography which is not exact. The County Board has the authority to have a survey performed. Zoning Administrator Scanlan can guide any Board directive. Commissioner Schuldt stated that Bonanza Grain Inc. was operating in an area which appeared to be outside of the permitted area, once this came to their attention they immediately moved back within the permitted area. Commissioner Kjome questioned how long they operated outside of the permitted area. Bonanza Grain Inc. was

removing overburden when it came to their attention that they may have exceeded the permitted area. Commissioner Schuldt stated that he has carefully read Section 26 of the Zoning Ordinance with regard to mineral extraction. Commissioner Walter stated that the CUP is precise with its stipulations, deadline and etc.

File No. 10 - Chairperson Zmyewski questioned who determines whether use is injurious. In this situation there are homeowners claiming that the activity is injurious. Zoning Administrator Scanlan responded that decision, in this situation, should be based on blasting records, these records reflect that Federal standards have not been exceeded. Seismic readings are scientific, they are not opinion or emotion. The Planning Commission has taken into consideration testimony and through the conditions placed on the permit, is attempting to mitigate the impact on neighbors. Commissioner Schuldt confirmed that federal guidelines have not been exceeded. Chairperson Zmyewski questioned at what locations and distances the seismographs were located. The seismographs were located 900 and 1,500 feet away to the north and to the east near residences. There are residences closer than the ones the equipment was located at. The locations were unique as were the readings. Distance away from the blast will impact the readings. There will be a seismograph located near the Schroeder residence prior to the next blasting event. The setback from a mine is 1,000 feet. Chairperson Zmyewski questioned whether this distance was adequate. Zoning Administrator Scanlan responded that this is a common setback used by many counties. The seismograph readings which are collected are an exact science. Commissioner Schuldt shared an experience he had with blasting in the City of Eitzen. He indicated that blasting is precise. Commissioner Kjome expressed concern that if the CUP is approved, the County is essentially telling Bonanza Grain Inc. to perform an additional blast. He questioned whether the County would be responsible for damages. It was noted that the blasting company carries insurance which would be responsible for any resulting damages. Landowners would be required to file paperwork regarding damages. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt to approve the following CUP:

Bonanza Grain Inc. – Caledonia Township – Expand a mine operation
(Existing permit #118)

A roll call vote was taken: District 1 - yes; District 2 - no; District 3 - yes; District 4 – yes; District 5 – no. The motion carried.

Commissioner Schuldt requested that he be notified when a blast is scheduled at the site as he would like to be present when the blast takes place.

Chairperson Zmyewski stated that he favors gathering more data. He suggested placing more than four seismographs around the site prior to the next blast. Environmental Services Director Frank clarified that Chairperson Zmyewski is suggesting more than four seismographs. Chairperson Zmyewski responded that he would be more comfortable with additional data and suggested that 6 or 8 seismographs be placed around the site. He questioned whether the site

should be surveyed. It was noted that the operations are encroaching on the western and southern boundaries. A survey may be required at re-application. Following discussion, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to make it a condition of the CUP that 6 seismographs be placed around the site prior to the next blasting event and that a survey be required upon re-application.

When questioned, Gary Kruckow indicated that the cost per seismograph is \$200.00. Commissioner Storlie expressed concern that in the event 8 seismographs were required it would have tripled the operator's costs.

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

Dave Thompson – Crooked Creek Township - Expand 2 decks (18' x 26') and (22' x 22')

Allen Meiners – Winnebago Township - Build attached garage (26' x 26')

George Sanness – Wilmington Township - Build shop (26' x 32')

David Wedl – Yucatan Township - Build storage shed (32' x 40')

Gerald Steele – Winnebago Township - Install mobile home (16' x 60') with 3' entry

Alan Engstler – Union Township - Build garage (30' x 30')

Tom Langen – Hokah Township - Build a pole shed (40' x 50') (after-the-fact)

Steve and Rita Thom – Jefferson Township - Build house (28' x 60') garage (24' x 24')

Chad and Deann Vix – Houston Township - Build 2 car garage (28' x 30') shed (38' x 54')

Larry Kreibich – Hokah Township - Build 4 season room (12' x 20')

Dusty and Tammy Twite – Union Township - Build attached garage (30' x 36') porch (10' x 38' and 10' x 13')

Joshua and Amanda Bedard – Money Creek Township - Build shed (32' x 60')

Hendel Farms – Caledonia Township - Build free-stall barn (118’ x 184’)

Richard Haines – Mound Prairie Township - Build storage building (30’ x 60’)

Fred Kroshus – Spring Grove Township - Build garage with breezeway attached to house (32’ x 32’)

Marilyn Flannery – Brownsville Township - Install trailer house (16’ x 76’) w/change in use of existing house to storage bldg.

Eric Nelson – Caledonia Township - Build a silage bunker (110’ x 230’)

Robert Himmer – Black Hammer Township - Build pole shed/shop (40’ x 80’)

File No. 12 – Environmental Services Director Frank reported that feedlot performance is reviewed annually. Houston County ranks in the top 10 in the State. The other counties ranking in the top 10 have full time feedlot officers. Houston County has in excess of 600 feedlots requiring inspection. Feedlots must re-register every four years. The performance credit monies awarded do not require matching funds and are in addition to other feedlot funding. The grant amount of \$9,286.00 is significantly more than the 2012 amount which was just over \$6,000.00. This is a testament to the good work performed here. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the MPCA 2012 County Feedlot Performance Grant Agreement in the amount of \$9,286.00.

Commissioner Walter stated that Pepin County has banned frac sand mining within 10 miles of the Mississippi River. There are other counties which have taken action to ban frac sand mining also. Commissioner Walter has been gathering verbiage used by the various counties related to their bans.

Discussion was held regarding the Highway Department Building. Currently, the priority of the Highway Department is to address flood damage repairs. Commissioner Storlie stated that action is necessary with regard to the Highway Department Building. The financial implications of the recent flooding will need to be reviewed prior to taking action regarding the building.

File No. 13 - Following discussion, motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to authorize Auditor Meiners to enter into an agreement with ES&S, in the amount of \$7,630.00 per year, for maintenance of election equipment.

File No. 14 - Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-24

WHEREAS, the Minnesota Department of Human Services has published a Request For Proposals to provide health care services to recipients of Medical Assistance and MinnesotaCare in the seven Metropolitan area counties including Houston County; and

WHEREAS, the Minnesota Department of Human Services has requested County evaluations and recommendations regarding the managed care organization proposals from each respective county; and

WHEREAS, UCare, Blue Plus and Medica submitted proposals to provide managed health care services in Houston County; and

WHEREAS, representatives of Houston County Human Services have reviewed and evaluated the proposals; and

WHEREAS, UCare, Blue Plus and Medica did submit proposals, and

WHEREAS, UCare and Blue Plus have submitted proposals suitable to meet our needs.

THEREFORE, BE IT RESOLVED that the Houston County Board of Commissioners supports the recommendation of Houston County Human Services approving UCare and/or Blue Plus as managed care organizations providing managed health care services in Houston County.

File No. 15 - It was the consensus of the Board to utilize county staff to conduct the county auction. Commissioner Schuldt volunteered to assist Sheriff Ely. It was indicated that Auditor Meiners would take care of advertising.

Ron Meiners provided an update regarding flood damage. His office has been accepting data daily regarding damages to the ag sector. He stated that this was a unique flood which exhibited great velocity causing significant scour erosion and debris delivery. It was unlike the 2007 flooding which was excessive rainfall on already saturated soils causing more mudslides. Damage estimates to watershed structures is being collected. The office hopes to secure EWP (emergency watershed protection) funding to repair the watersheds. He also intends on requesting special legislation to provide for the repair of the flood damaged structures. He stated that Iowa Governor Branstad recently visited Waukon. Commissioner Storlie stated that it appears that farmers have been hit hard. Mr. Meiners reported that several agencies have met to discuss the damage and what resources are available to private landowners. Representatives from the agencies will be meeting again next week. He invited commissioners to attend. Mr. Meiners

will notify them of the scheduled time and location. Mr. Meiners will be drafting letters which he will submit to State legislators in his appeal for assistance.

Mr. Meiners reported that his department has struggled with getting projects underway. The weather has proved challenging for contractors. He hopes to put together a tour later this season.

Discussion was held regarding soil ordinances. Currently, Houston County does not have a soil ordinance. Methods of farming have changed overtime. There was a time when buffer strips were commonly used. There are no buffer strips now. Offices such as SWCD and NRCS are promoting “Healthy Soils” and no till. No till is a tough sell and Houston County farmers seem to be slow to change. Houston County has unique watershed issues with many “mini” watersheds in various areas.

Commissioner Kjome reported on personal safety, Joint Board of Health, and emergency Board meetings which he has recently attended. He suggested that a committee be established to consider reorganization of the Planning Commission. Chairperson Zmyewski expressed agreement and went on to report that he has had discussion with Winona County Administrator, Duane Hebert who has indicated that Winona County has term limits for their Planning Commission members. They are limited to serving three 2 year terms.

Commissioner Walter reported on personal safety, Joint Board of Health, and emergency board meetings which she attended.

Commissioner Schuldt reported on Joint Board of Health, personal safety and Caledonia Town Board meetings which he has attended.

Commissioner Storlie reported on Joint Board of Health, personal safety, emergency board and La Crescent City Council meetings which she recently attended.

Chairperson Zmyewski reported on personal safety, Joint Board of Health, and emergency board meetings which he attended. He also indicated that he recently met with a landowner who expressed a concern to him.

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

File No. 16 - Correspondence from Jim & Doris Besikof

File No. 17 - Public hearing notice regarding wheelage tax
scheduled for 7/16/2013

File No. 18 - Correspondence to payroll regarding recent changes

File No. 19 – Correspondence to Pathfinder CRM, LLC regarding scope of work

File No. 20 – Response to Winona County regarding their offer to assist with collections

File No. 21 – Correspondence from La Crescent City regarding their position of no change to collection of quarterly household fee

File No. 22 – Correspondence from Senator Miller regarding Flood assistance

File No. 23 – Correspondence from State regarding new MN Law on Silica Sand Operations

File No. 24 – Public Notice of Highway Department tour which was later cancelled

There being no further business and the time being 10:48 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 9, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 9, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineering Supervisor Bolstad; HR Director Arrick-Kruger; Jail Administrator Schiltz; Tim Penny; Finance Director Lapham; Sarah Wexler-Mann (videotaped the proceedings); Donna Buckbee; Eric Johnson; Glenn Kruse; Environmental Services Director Frank; VSO Gross; Treasurer Trehus

Presiding: Teresa Walter, Vice-chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the July 2, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$60,143.01
Road & Bridge Fund	80,834.47

Total	\$140,977.48
	=====

Donna Buckbee, Yucatan Township resident, stated that she was not present at last week's meeting. She viewed video excerpts of the meeting which were posted on You Tube. She expressed that she was appalled that it had been reported that the mine had no violations. She stated that she was in attendance during a Planning Commission meeting where the violation was discussed. Ms. Buckbee expressed disapproval that the CUP was approved since there had been a violation. She stated that, while Commissioners may desire to support employees, there should be support only when employees do the right thing. When employees do not do the right thing, Ms. Buckbee believes that it is the Commissioner's duty to discipline employees.

Eric Johnson, Houston Township resident, expressed his appreciation for the decision related to the Kruckow mine. He stated that the Kruckow's have been in business for many

years. He shared his opinion that the Planning Commission and Commissioners have made a prudent decision in this regard.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve an amendment to the agenda to include an appointment for HR Director Arrick-Kruger to discuss HR Issues requiring action.

Engineering Supervisor Bolstad reported that quotes were solicited for work to repair CSAH 1 following recent flood damage. Three quotes were received. The quotes ranged between \$56,000.00 and \$79,000.00. These quotes were less than the Engineer's Estimate. VanGundy Excavating LLP, who submitted the low quote, was awarded the project.

File No. 2 - Engineering Supervisor Bolstad reported on the following bids received until June 10, 2013 for S.P. 28-608-13:

JB Holland Construction, Inc. Decorah, IA 52101	\$2,356,756.56
Griffin Construction Company, Inc. Chatfield, MN 55923	\$2,467,779.49

He recommended that the bid of JB Holland Construction, Inc. be accepted. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to accept the low bid of JB Holland Construction, Inc. in the amount of \$2,356,756.56.

HR Director Arrick-Kruger reported that the front security door will be replaced at a cost of \$1,547.89 which includes installation. The contractor will be re-using the locking mechanism on the current door.

HR Director Arrick-Kruger along with Jail Administrator Schiltz met with the Board. Both Michael Rasmussen and Kelsey Connor are recommended for hire as 0.5 FTE jailer/dispatchers. Both Mr. Rasmussen and Ms. Connor have been working as 67 day employees as jailer/dispatchers, have completed DOC training and meet standards for work in the Jail and have educational backgrounds in criminal justice. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the hire of both Michael Rasmussen and Kelsey Connor as 0.5 FTE jailer/dispatchers at step 1 of the appropriate comparable worth band.

HR Director Arrick-Kruger provided an update related to several searches currently being conducted. She expects the search for roster jailer/dispatchers to conclude Friday as well as the search for a third 0.5 FTE jailer/dispatcher. Interviews have been scheduled for Thursday for 5 candidates who are seeking the position of Automated Systems Manager/Custodian. There were a total of 15 applicants for said position. HR Director Arrick-Kruger anticipates identifying

the successful candidate in time for next week's Board meeting. The following week she anticipates identifying candidates to fill the remaining jailer/dispatcher positions.

File No. 3 – Discussion was held regarding a request made by Dean Foltz to vacate the old abandoned road off Highway 44/76 between his property and the neighboring property. Commissioner Schuldt reported that he has done some research in this regard. He indicated that there is nothing recorded whereby the state has abandoned this portion of road. This was discussed in committee and Engineer Pogodzinski will follow up with the state in this regard. It was agreed to table this matter until additional information is received.

File No. 4 – Finance Director Lapham explained the various budget amendments presented. These amendments are proposed so that expenses are accurately reflected. Most of the amendments are the result of reviews of the Human Services and Highway Department budgets. They do not impact the bottom line. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the budget amendments as presented.

Finance Director Lapham reported that she expects to distribute budget worksheets to department heads later this week. It was agreed to schedule budget meetings during the afternoons of August 13th and 20th.

Finance Director Lapham reported that the legislature has implemented levy limits in the amount of 3%. There are several items which are not subject to these limits. Houston County's bond payments are exempt. Also excluded are economic tax abatements. Houston County's increase, other than the two exemptions, is limited to \$301,167.00 for taxes payable 2014.

VSO Gross reported that grants for veterans and surviving spouses for recovery from recent weather events across the State are being made available on a temporary basis through the end of September 2013. Veterans and surviving spouses residing in Houston and Fillmore Counties as well as other counties identified across the state are eligible to apply for grants to cover up to \$500.00 worth of lost freezer contents/food as the result of power outages and for grants in amounts not to exceed \$1,000.00 for reimbursement for building materials, rental equipment and/or other unmet needs. The grants are for uninsured losses only. VSO Gross reported that press releases are being utilized to spread the word. In addition, there will be advertisements as well as word of mouth campaigns, and the Legions and VFW's have been notified. VSO Gross indicated that spreading the word will be paramount. In 2007 \$150,000.00 worth of \$300.00 each vouchers were awarded in our area alone. He is unsure what type of need to anticipate for these event.

File No. 5 - At this time Treasurer Trehus met with the Board and provided a report of cash on hand. She indicated that taxes have been received which has contributed to the increase to cash balances. Fund investments have remained relatively unchanged with the exception of additions to soil and water investments. She questioned whether the Highway Department will require greater cash flow amounts following the recent flooding event. She is hesitant to make

additional investments with tax collections until more is known about cash flow requirements as we recover from the flood event.

File No. 6 - Finance Director Lapham provided information related to the handouts.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to recess the meeting until the next scheduled appointment at 11:00 a.m.

The time being 11:02 a.m., motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to reconvene the regular meeting.

File No. 7 - Tim Penny, representing SMIF (Southern Minnesota Initiative Foundation), met with the Board to provide an annual report to the Board. He reported that SMIF provides business loans, gap funding and also early childhood initiatives across the region. They are currently piloting a program titled "Parenting Matters". This program is offered at businesses during lunch break periods. Together with corporate partners, SMIF is able to offer programs such as "See It Painted" (in conjunction with Valspar Paints) and "Young Explorer" (in conjunction with IBM). SMIF also provides Community Fund administration. The only fees charged for this are applicable investment fees. Mr. Penny expressed his appreciation for the continued financial support of Houston County.

Commissioner Schuldt noted that, according to the graph, Houston County underutilizes SMIF offerings in comparison to neighboring Fillmore County. Mr. Penny stated that Fillmore County residents have become increasingly more aware of the offerings of SMIF resulting in greater utilization of services.

Commissioner Storlie indicated that there are needs related to early childhood development which are not being met. Many trainings offered for childcare providers are offered in Rochester. It is difficult for Houston County providers to attend the trainings as it may significantly increase their workday or time of commitment due to the travel involved. Mr. Penny stated that he would discuss this concern with the individual in charge of this programming. He expressed understanding that training offered closer to this area would greatly improve participation which would in turn increase eligibility for other assistance and programs.

Commissioner Storlie questioned whether others planned to attend the meeting hosted by the State to discuss recent legislative changes impacting frac sand mining within the State scheduled for August 2nd. She indicated that she planned on attending. Both Commissioners Kjome and Schuldt expressed interest. It was agreed that one of them would attend with Commissioner Storlie.

Commissioner Walter reported that she has a copy of the Pepin County document which enacts the ban on frac sand mining along the Mississippi River within that county. She expects that this could serve as a template to enact a similar ban in Houston County.

It was agreed that HR Director Arrick-Kruger will be invited to provide an update related to the reuse of the Historic Jail Building.

It was reported that Commissioners Kjome and Storlie would be attending a meeting on Thursday, July 11th at 1:00 p.m. being coordinated by Soil and Water. Multiple agencies will be in attendance to discuss flood recovery.

Commissioner Storlie reported on the Law Committee meeting held earlier today.

Motion was made by Commissioner Storlie, 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 recent changes

File No. 9 – E-mails received from several residents requesting term limits for the Planning Commission

There being no further business and the time being 11:26 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, July 16, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Teresa Walter, Vice-chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 16, 2013 9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; HR Director Arrick-Kruger; Engineer Pogodzinski; PHN Director Rock; Chad Bloom; Ron Meiners; Sarah Wexler-Mann (videotaped the proceedings); Betts Reedy; Finance Director Lapham; Environmental Services Director Frank; Donna Buckbee; Dale Omodt; Ron Meiners; Val Green; Paul Whalen; Joel Twaiten

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the July 9, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$134,113.74
Road & Bridge Fund	272,466.39

Total	\$406,580.13
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Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve an amendment to the agenda to include an appointment for Ron Meiners to discuss the EWP (Emergency Watershed Protection) Program.

Ron Meiners reported that the Joe Alameida house, located in Brownsville is an exigent site. The landowner has requested EWP assistance. A letter was submitted by Houston County to co-sponsor the program however, concern was expressed that the letter failed to authorize Ron Meiners to act on the County's behalf. Auditor Meiners has prepared a revised letter to meet the requirement.

An engineer is at the Alameida site today. It was noted that while the NRCS will assist with repair to the slope, it will not perform any repair work to the dwelling. In addition, there was damage to dwelling concrete which is required to be repaired prior to any slope repair.

It is necessary for the Board to make a determination regarding the responsible party for the 25% local share. Mr. Meiners has met with County Attorney Hammell in this regard. The Board may choose to pick up all, none or a portion of the 25% match.

NRCS has provided a rough estimate for repairs at \$54,000.00 to \$55,000.00. The local match would be approximately \$13,000.00. Mr. Meiners is having difficulty finding a contractor willing to provide the necessary repair work due to the critical nature of the slope requiring repair.

Homeowners insurance will not provide any coverage for the damages sustained.

Mr. Meiners reported that the EWP program was utilized following the flood events of 2007 and 2008. Following both of those events, additional state funding was granted which covered the 25% local match. At this time, no state funding is available to cover the local match.

Mr. Meiners stated that the Alameida site is considered exigent. For this status to exist the project needs to get underway within 10 to 14 days. In order for this to happen the revised verbiage for the letter authorizing Ron Meiners to act on behalf of the County must be approved, the concrete work must be completed, and a decision and agreement which outlines who is responsible for the 25% match will need to be made. In the event the landowner is responsible for the 25% match, he will need to secure funding.

Commissioner Schuldt questioned whether a decision regarding who is responsible for the 25% match is required today. Mr. Meiners responded that it was not, however, it does need to be determined soon. He also explained how the EWP program works. The County will pay for the work completed and will be reimbursed by NRCS and possibly the entity chosen to be responsible for the 25% match or applicable portion thereof. When questioned, Mr. Meiners reported that this is the only exigent site which has been brought to his attention at this time. Commissioner Schuldt questioned whether the landowner would be the sole beneficiary of any work that may be performed. Mr. Meiners reported that the Alameida property is located on a cul de sac, the stream bends behind the Alameida home and that is the location where the bank has been eroded away. The Alameida's will benefit, however, if left without repair or intervention the bank will continue to erode away which may impact others in the sub-division. Commissioner Schuldt indicated that this sub-division is made up of more than one home and there is a tax base which will be protected from additional damage if repairs are performed.

File No. 2 - Following discussion, motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize Chairperson Zmyewski to sign the revised letter.

Commissioner Storlie expressed concern that the County will set precedence with this decision. Auditor Meiners questioned whether the landowner is prepared to cover the 25% local match in the event other funding sources are not approved. Ron Meiners responded that he is. Commissioner Schuldt questioned whether this individual is a veteran as there are small grants available to assist with expenses otherwise not covered. Commissioner Storlie clarified that a decision is necessary in order for the landowner to apply for a loan therefore, it may be necessary to make a decision today. Chairperson Zmyewski stated that there is erosion in many areas of the County and expressed concern that this is a precedent setting decision. Commissioner Walter commented that the County does not have extra funds available. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to make the landowner responsible for the 25% match.

File No. 3 - Engineer Pogodzinski reported on the 2013 Terms and Conditions for Accepting Airport Improvement Program Grants. This is an annual agreement with minor changes. The document has been reviewed by County Attorney Hammell. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the terms and conditions and to authorize Engineer Pogodzinski to sign the appropriate document.

File No. 4 - PHN Director Rock reported on a waiver services contract with Oxford Property Management, LLC for Clara House, (formerly Claddaugh House). The new agreement provides updated provider numbers. PHN Director Rock stated that effective January 2014, the State will take over the contract process for providers. She will no longer be required to bring this type of contract before the Board. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the agreement with Oxford Property Management, LLC/Clara House and to approve the business associate addendum.

File No. 5 - HR Director Arrick-Kruger reported that the Automated Systems Manager/Custodian position drew a competitive pool of 15. Five individuals were interviewed for the position. She recommended the hire of John Dollar. Mr. Dollar has an extensive background in maintenance and custodial duties with 2 year program degrees/certifications in industrial mechanical and electrical together with a Class A Boiler's License making him an ideal candidate for this position which is 50% Automated Systems Management and 50% Custodial. Jail Administrator Schiltz was a member of the interview committee and expressed support of this recommendation. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to hire John Dollar at step 1 of the appropriate comparable worth band effective August 1, 2013.

HR Director Arrick-Kruger reported that the external search for a 0.5 FTE jailer/dispatcher position has closed. She is also working through the hiring process for a position in Public Health and one in Human Services which is making for a very busy summer season.

HR Director Arrick-Kruger reported that the County has applied for a Legacy Grant in the amount of \$10,000.00 for the Historical Courthouse. The grant funding would provide funding to complete a preservation plan which could in turn be used to apply for capital bond funding. The County is prohibited from applying for more than one Legacy Grant during the same cycle. It was decided that the application to fund the Historic Courthouse preservation plan would be submitted first to allow for the plan to be prepared prior to the anticipated capital bond funding application period. There will be another Legacy Grant application opportunity in October at which time the County will submit an application for funding for the Historic Jail. In addition, Senator Miller and Representative Davids are being invited to the County to discuss the Historic Courthouse and capital bonding. The legislators will be hosted to a tour and discussion regarding the County's plans for the Historic buildings in hopes of securing their support for our capital bonding request.

HR Director Arrick-Kruger reported that discussion was held in December 2012 regarding Legacy Grant funding application with regards to the Historic Jail. No grant application was ever submitted. In October application will be made. Commissioner Schuldt commented that things are moving forward and that is what is important. HR Director Arrick-Kruger cautioned that even with grant funding the Historic Jail re-use study has been estimated to cost between \$14,000.00 and \$15,000.00 which would require additional funding above and beyond that which the grant would provide.

HR Director Arrick-Kruger reported that in the event our requests for Legacy Grant Funding and capital bond funding are successful, the Historic Courthouse roof project could begin as early as Spring 2014.

Commissioner Storlie questioned whether commissioners would be involved with the tour being hosted for Senator Miller and Representative Davids. HR Director Arrick-Kruger explained her vision for the legislators visit and stressed that commissioners would serve a vital role.

Chairperson Zmyewski questioned whether the project to update the signage in the Historic Courthouse could be fast tracked since it has been in the works for approximately two years. HR Director Arrick-Kruger expressed what a lengthy process the re-numbering of rooms has been. Both the Historic Courthouse and the County Community Services Building will be re-numbered. The vendor has performed a walk through on two occasions. The final estimate is due this week. Once the proposal is accepted, it will take between 4 and 5 weeks for fabrication and installation.

Commissioner Walter expressed concern that there is no reference to where the Commissioner's Room is located on the signage in the lobby. There is information related to its location in the elevator. The lobby information needs to be updated to provide the location of the Commissioner's Room.

Commissioner Walter questioned whether new dates have been set for the Highway Department tour. Engineer Pogodzinski responded that they have not. He suggested waiting another month to month and a half to allow for flood recovery to take place both here and in Crawford County.

Commissioner Schuldt questioned whether Engineer Pogodzinski has had the opportunity to conduct further research related to the Dean Foltz request. Engineer Pogodzinski indicated that with the flood recovery efforts he has not had time to perform the research.

File No. 6 - Chad Bloom, southern MN representative for Pheasants Forever and Quail Forever, met with the Board to discuss a purchase agreement which has been worked out between these groups and the Whalen family for the purchase of approximately 76 acres bordering the Winnebago Creek located in Jefferson Township. Val Green of MN DNR and Paul Whalen, property owner, were also present. This will be a multi-beneficial purchase providing for public access, public hunting and fishing opportunities, preservation of habitat for trout, game birds and other wildlife in addition to benefitting rural community economies.

Commissioner Walter questioned whether the township had been notified. Mr. Bloom reported that he had attempted to contact a Jefferson Township supervisor.

Paul Whalen stated that this property is a portion of a 215 acre family farm. The farm has been in the Whalen family for 120 years. The family will be retaining ownership of cropland and land utilized in his cow/calf operation. Leo Whalen, Paul's father, was heavily involved with the Turkey Federation and many birds were trapped on this property for transplant to other areas of Minnesota to establish flocks. The sale of this portion of the farm is the opportunity to better utilize the property and preserve habitat for many species. It also furthers the passion and stewardship of Leo Whalen. Paul Whalen stated that the farm, when homesteaded generated approximately \$13.00 per acre in tax revenues. Through PILT payments approximately \$22.50 per acre will be generated. This will benefit the County more so than the Township due to the way in which PILT is distributed. In addition, the property is no longer homesteaded so taxes have increased to approximately \$6,000.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the sale/acquisition of the described Whalen property.

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

RESOLUTION NO. 13-25

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.

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

The time being 10:02 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to open the public hearing regarding wheelage tax.

Chairperson Zmyewski read aloud the rules of the public hearing.

Joel Twaiten expressed appreciation for Chairperson Zmyewski's efforts to keep the residents informed of what is going on at the County. He questioned how the wheelage tax would be collected. The tax will be collected through the vehicle registration and renewal process. He suggested that there would be greater attendance if public hearings such as this one were held during evening hours. He expressed concern with real estate taxes and compared them to taxes he pays for property owned by him in Maricopa County, Arizona.

Commissioner Schuldt indicated that this presents an opportunity to generate additional revenue to offset property taxes and it is being highly recommended by the State. Commissioner Walter noted that there are certain exemptions. Commissioner Storlie stated that the funds would benefit the Highway Department. Chairperson Zmyewski stressed that he is very much opposed to raising taxes in any way and this is a tax. He expressed that it is important to be fiscally responsible. Wheelage tax is just a different way to tax residents. He stated that the County has not been spending money wisely. Commissioner Walter indicated that there is a need to address the Highway Department Building. Something must be done and this is an opportunity to increase funding without assessing it by way of property taxes. Chairperson Zmyewski stated that there are other more creative solutions as opposed to simply taxing to increase revenues. There is a building available, and \$600,000.00 has been designated towards a solution. It may be possible to purchase a suitable building on a Contract for Deed and utilize the \$600,000.00 on hand and purchase over time. It was noted that Board members are not considering the wheelage tax to build or purchase more than what is absolutely necessary. Commissioner Schuldt does not believe that money has been spending foolishly, but rather, that supplies, fuel and other operating costs have increased. In addition, the change to homestead credit/exemption has had an impact on property taxes. This change was out of the control of the Board. Chairperson Zmyewski indicated that the Justice Center is an albatross. Commissioner Storlie responded that members of the current Board did not make the decision to build or how big to build, however, this Board is responsible to provide for the operational costs. She also expressed concern that a

false impression is being given regarding the Board's intentions. This is not necessary and only serves to "stir the pot". She has no intention of spending \$5 million on a Highway Department Complex and expressed doubt that this is the intention of any Board member. However, it has been reported otherwise. Chairperson Zmyewski stated that Engineer Pogodzinski presented a proposal that had an estimated cost of \$5 million and it is his understanding that all options remain on the table. Commissioner Storlie expressed concern that past Boards have repeatedly "kicked the can down the road" with regard to the needs of the Highway Department Building. This Board has agreed to make a decision in this regard and stop the snowballing effect. The wheelage tax is an opportunity to address the Highway Department's needs without adding expense to property taxes. The wheelage tax will not adversely affect businesses or farmers. Commissioner Walter stated that the Board is closely monitoring the budget. AMC has provided information regarding the proposed wheelage tax and the funding which may be generated. Other counties are considering assessing the wheelage tax and metro counties have assessed it for many years. Wheelage tax is a user fee. Chairperson Zmyewski reiterated that this is a tax and that he does not support increasing taxes. Commissioner Kjome questioned whether the wheelage tax has a sunset. The wheelage tax would be in effect unless the Board took action to terminate it which could be done at any time. There would be an option to increase the tax in 2018 with a cap of \$20.00.

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

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to reconvene the regular Board meeting.

File No. 8 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie to approve assessment of a \$10.00 wheelage tax and to adopt the following resolution:

RESOLUTION NO. 13-26

BE IT RESOLVED that the Houston County Board of Commissioners hereby adopts a \$10.00 Wheelage tax effective January 1, 2014 as authorized by M.S. 297A.993.

BE IT FURTHER RESOLVED that Houston County hereby requests the state to handle the collection on behalf of Houston County.

A roll call vote was taken: District 1 – yes; District 2 – no; District 3 – yes; District 4 – yes; District 5 – yes. The motion carried.

Discussion was held regarding attendance at an August 2nd meeting to be hosted by the State related to legislative action impacting frac sand mining. Meetings are being hosted in Red Wing and Winona with specific dates and times to be determined. Both Commissioners Kjome

and Walter indicated that they would attend. Other commissioners have saved the date and anticipate participating.

Commissioner Kjome reported on EDA, Water Planning, and SE MN Water Resources Board meetings which he attended.

Commissioner Walter reported on a Nursing Taskforce meeting which she attended and provided a reminder of the upcoming Association of County Township Officers meeting scheduled for July 22nd at the Redwood Café. She also provided information on a grant which has been awarded which will provide free mammography. The mammograms will be offered on 3 dates in September and significant advertising of the event will take place.

Commissioner Storlie reported on EDA and Soil and Water meetings which she attended. She stated that Rick Howden has been a wonderful motivator for change and a new revolving loan fund application has been developed as a result. She requested that Mitch Lutichens be invited to the next scheduled EDA 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. 9 - Correspondence to payroll regarding recent hires

File No. 10 - Correspondence to Xcel regarding tons delivered

File No. 11 - E-mails received from residents requesting term limits for the Planning Commission

File No. 12 - Correspondence expressing appreciation from SMIF for financial support

File No. 13 – Professional Services Agreement with CEDA authorized May 7, 2013

File No. 14 - Resident forwarded Star Tribune article regarding Pepin County frac ban

File No. 15 – Letter of appreciation to Karen Sanness

There being no further business and the time being 10:15 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, July 23, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, July 23, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; HR Director Arrick-Kruger; Shirley Johnson; Donna Buckbee; Bruce Kuehmichel; Georgia Rosendahl; GIS Coordinator Krzoska; Glenn Kruse; Finance Director Lapham; Environmental Services Director Frank; Arlie Blexrud; Steve Zmyewski

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the minutes of the July 16, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$70,870.22
Road & Bridge Fund	138,438.57

Total	\$209,308.79
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Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to amend the agenda to include an appointment for GIS Coordinator Krzoska.

File No. 2 - GIS Coordinator Krzoska reported on a contract for work to bring the phone system within the four county buildings into compliance with E911. There is a one-time set up fee of \$67.00 per 100 records. GIS Coordinator Krzoska reported that there are approximately 200 records for a total of \$134.00. The monthly maintenance fee will be \$16.50. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve said contract.

File No. 3 - Shirley Johnson, representing the Houston County Historical Society, met with the Board to provide the Historical Society's annual report. She introduced Georgia Rosendahl, and new Historical Society board member, Arlie Blexrud. She reported on the number of visitors from other countries, states, and cities within Minnesota, Wisconsin and Iowa. She provided information on various displays including a display commemorating 100 years of Girl Scouting. The annual book sale was a success in spite of inclement weather and so many books were donated that they were able to hold an additional book sale. Mrs. Johnson provided a timeline related to the new building which will celebrate a grand opening during the fair. She expressed appreciation for the continued financial support of the County.

Discussion was held regarding the Highway Department Building. It was suggested that the County have an appraisal of the Roverud building performed. This would allow the Board to then determine whether additional consideration should be given to purchasing that building. Commissioner Schuldt provided the names of a couple of reputable appraisers and estimated the cost for such an appraisal would be \$3,000.00 or more. It was agreed to compile a list of appraisers and continue discussion at the next scheduled meeting. Commissioner Walter suggested providing the appraiser with the list provided by MCIT regarding their concerns with the property. It was agreed that quotes and timelines would be solicited following additional discussion.

File No. 4 - It was noted that HS Director Bahr has expressed interest in serving on the Semcac TAC (Transportation Advisory Committee). Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to appoint Linda Bahr to the Semcac TAC.

File No. 5 - HR Director Arrick-Kruger reported that both Sheriff Ely and Chief Deputy Sheriff Yeiter have monitored and reviewed the work of Nathan Smith and are supportive of the recommendation to change his status to regular. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the change of status from probationary to regular for Deputy Nathan Smith effective July 30th.

HR Director Arrick-Kruger recommended improvements be made to the outer foyer and stairwell lighting system in the CJC. She stated that the metal halide lamps in these areas need replacement. Replacement of the lamps is expensive and requires the construction of scaffolding to complete the process within the stairwell. Metal halide lamps use a significant amount of energy and are not compatible with motion sensors due to the time it takes the lamps to become fully illuminated. She recommended that longer lasting, energy efficient LED lighting along with motion sensors be installed to replace the metal halide lamps. She reported that due to the stairwell being illuminated 24 hours per day, 7 days a week she has received a complaint from the neighbor regarding these lights. Motion sensor technology would allow for the lighting time to be reduced drastically. The improvements would result in energy savings and would be more neighbor friendly. Commissioner Storlie questioned how the Sheriff's Department and other departments who work in the CJC feel. HR Director Arrick-Kruger responded that she received

only one concern regarding the cost and no other feedback when she queried the various departments in the CJC. Furthermore, the improvements will have no impact on exterior lighting or cameras. The cost for the improvements is \$4,508.00, which is available within the general repair budget. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve installation of LED lighting and motion sensors in the foyer and stairwell of the CJC at a cost of \$4,508.00.

HR Director Arrick-Kruger reported that interviews for jailer/dispatchers are scheduled for next week. She will bring forward hiring recommendations during the August 6th Board meeting.

File No. 6 - Auditor Meiners reported on a parcel of tax forfeited property within the city limits of Brownsville. The property is located on the ledge overlooking the river however, trees obstruct any view of the river and the buildable area of the parcel is small and located between the access road and a steep embankment. She is recommending selling the property as is. The parcel does not have city services and shares water access with a neighboring parcel. There is no septic. Brownsville Clerk Moriarty has indicated that the lot is buildable. Mike Paulson, county assessor staff, indicated that lots in the area are typically assessed at \$32,000.00. Due to the cleanup required of a cabin in disrepair and other factors, Auditor Meiners is recommending a minimum bid of \$21,000.00. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO 13-27

BE IT RESOLVED THAT Parcel #20.0224.000 of tax-forfeited land listed on List of Tax-Forfeited Land #2 be classified as non-conservation land; that the basic sale price be set at \$21,000.00, and that authorization for a public sale of this land be granted, pursuant to M.S. 282.01; that the sale will be held at 9:00 a.m. on Monday, August 19, 2013, by the Houston County Auditor in the Commissioners Room at the Houston County Courthouse, for not less than the basic sale price; and that full payment of the purchase price and the additional costs shall be due at the time of sale.

BE IT FURTHER RESOLVED, that the property be sold “as is” and that the successful purchaser is responsible for the cleanup of the small dilapidated cabin currently located on the property.

Commissioners have been receiving many calls, e-mails and other correspondence regarding term limits for Planning Commission members. Chairperson Zmyewski suggested that language governing term limits be included in the ordinance and that terms should be limited to 2 consecutive three year terms. Individuals would be permitted to re-apply for appointment following being off of the committee for a full term length period. Auditor Meiners noted that a change to the ordinance would require a public hearing. Commissioner Storlie questioned whether this proposal had been discussed with members of the Planning Commission and/or the

Environmental Services Department. She expressed concern that good discussion take place with those individuals and departments which may be impacted by change. Chairperson Zmyewski indicated that discussing this with current membership would be similar to allowing “the fox to guard the hen house”. Both Commissioners Storlie and Walter expressed agreement that there should be discussion with the membership of the Planning Commission. Members of the Board indicated that they would like to have time to discuss this with constituents and to gather additional information. Chairperson Zmyewski expressed a desire to engage in discussion as terms expire on December 31st. They need to allow time for the public hearing and to advertise and accept application by interested individuals prior to making appointments to vacant seats in January. Commissioner Storlie stated that she does not have a desire to rush the process. She is not opposed to term limits however, there are good ways to have discussion and implement change. Chairperson Zmyewski stated that when an individual runs for office they do so in order to make decisions and set policy. Commissioner Storlie reiterated that she has a desire to speak with constituents. Chairperson Zmyewski stated that individuals serve on the Planning Commission “at the will of the Board”. Commissioner Storlie stated that just because she chooses to have open discussion with constituents, Planning Commission members and others who may be impacted does not mean that she will vote or take action which those individuals recommend. She does want to hear what these individuals have to say so that she may take it into consideration when making decisions. Auditor Meiners reported that the soonest a public hearing could be scheduled would be August 13th. Commissioners Schuldt and Walter expressed concern that the coming weeks are busy with out of town and budgeting meetings. They suggested holding a Public Hearing in late September. Chairperson Zmyewski indicated that public hearings have been taking approximately 15 to 20 minutes, sometimes less. Commissioner Storlie expressed disagreement that this meeting could be concluded as quickly as others which have been recently held. Chairperson Zmyewski reported that three counties have term limits for their Planning Commission members. He expressed his opinion that you are either for or against term limits. Commissioners Schuldt and Storlie indicated that they were both undecided and that they do not have an aversion to term limits. Commissioner Walter reported that neither La Crescent City nor La Crescent Township have term limits for those serving on their Planning Commissions. Commissioner Storlie expressed concern that many individuals have indicated that they have been unable to attend public hearings in which they have an interest. She suggested that the public hearing be scheduled during evening hours when working individuals would be able to attend. It isn’t necessary to conduct all public hearings in the evening however, it may be important to schedule those related to frac sand and zoning during the evening hours. Hearings for these topics tend to take a greater amount of time. It was agreed to hold the public hearing at 6:30 p.m. on Monday, September 30th which would allow for action to take place during the regularly scheduled Tuesday Board meeting.

Commissioner Storlie questioned whether other commissioners plan to attend the AMC Policy Meeting scheduled for September 6th in Alexandria. Registration is required by August 9th. It was agreed that Auditor Meiners would register Commissioner Storlie and book a hotel room for Thursday evening. Commissioner Walters is considering attendance.

Commissioner Storlie reported that she has registered to attend a Regional Risk Management meeting hosted by MCIT.

Commissioner Schuldt reported that Engineer Pogodzinski has expressed concern that future needs should be considered prior to taking action regarding Dean Foltz's request to vacate a portion of roadway.

Commissioner Schuldt reported on the Association of Township Officers meeting he attended last night.

Motion was made by Commissioner Kjome, 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 recent hire

File No. 8 – Section 8 Vouchers by County Report

File No. 9 – Correspondence to Mitch Lutchens regarding attendance at upcoming EDA meeting

File No. 10 – City of Caledonia Notice of Zoning Application

There being no further business and the time being 9:51 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 6, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 8, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Justin Conway; HR Director Arrick-Krueger; PHN Director Rock; Dave Geske; LuAnn Hiniker; Nicole Pokorney; Rick Howden; Finance Director Lapham; Kelley Stanage; Glenn Kruse; Ron Meiners; Jerry Tesmer; Eldon Pohlman; Jail Administrator Schiltz; John Dollar; Environmental Services Director Frank; HS Director Bahr

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the July 23, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$108,493.35
Road & Bridge Fund	173,814.10

Total	\$282,307.45
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Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve an amendment to the agenda to include an appointment for Ron Meiners regarding the Almeida site.

Ron Meiners provided an update regarding the Almeida site. He stated that yesterday there was a viewing of the construction, and that bids are due tomorrow. Mr. Meiners has been working with County Attorney Hammell regarding an agreement between the County as "sponsor" and the landowners. County Attorney Hammell has suggested that the County collect the 25% local match up front and hold the funds in escrow. Mr. Meiners indicated that the County could also have promissory verbiage included in the agreement. Finance Director

Lapham reported that she has been in contact with County Attorney Hammell regarding the management of any collected escrow funds. She explained how the monies would be accounted, managed and disbursed. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to collect the 25% local match from the land owner and to hold said funds in escrow.

Mr. Meiners reported that once the bid is let construction will begin soon. Contractors will be allowed 10 working days to complete the project. In addition, agreements with neighboring landowners to the north and south will be required. Mr. Meiners indicated that there has been discussion with the neighboring landowners regarding the need for agreements. The neighboring landowners are supportive of the project.

File No. 2 - Luann Hiniker met with the Board to discuss the 4H Coordinator position. She reported that Meghan Wall has resigned and has accepted a full time community education position in La Crescent. Ms. Hiniker commented that Houston County has an opportunity to work with Ms. Wall to increase the 4H presence in the La Crescent area. In addition, surrounding counties all employ full time 4H Coordinators. Houston County has always supported the 4H program, there is good participation and the Houston County 4H program would benefit from a full time coordinator.

Nicole Pokorney provides supervision for the 4H Coordinator position. She will be assisting with the 4H program in Houston County once Meghan Wall has vacated the position. Ms. Wall's last day will be the Sunday of the County Fair. There is a need to have the program covered through the State Fair. In addition, Extension Educator Jerry Tessmer will also be assisting to provide the necessary coverage.

Ms. Pokorney commented how five years ago, Houston County reduced funding which resulted in the 4H Coordinator position being reduced to 0.75 FTE. The reduction has resulted in the loss of two Coordinators who were able to find full time employment elsewhere. It takes time for a coordinator to become familiar with the County and its participating families. The training for either full time or 0.75 FTE is the same. A 0.75 FTE coordinator spends the same amount of time training and the time devoted to the program itself is less as a result.

Luann Hiniker stated that she is required to have County authorization to post the vacancy. The University of Minnesota will provide coverage until a new 4H Coordinator is brought online. They will advertise, interview, negotiate and hire. These services are provided for in the agreement. In addition, changes were made to the standard agreement which makes the U responsible to cover travel expenses instead of back and forth paper shuffle with the Counties. The salary is set by the University and is commensurate with experience. The County has a contractual obligation through the agreement for a set amount which is the same across the state. Commissioner Walter confirmed that salary and benefit negotiations are the University's responsibility and the County has no say in this regard. Commissioner Kjome questioned what the salary was for the 4H Coordinator. The wages and benefits package for the 0.75 FTE position

was \$48,675.00. Commissioner Walter questioned whether the contract price could be negotiated. Luann Hiniker responded that the fee charged to Houston County is contractual at \$64,900.00 for 1.0 FTE and non-negotiable. The contract price is standard across the state. The cost for Houston County to increase from a 0.75 to 1.0 FTE would be \$16,225.00. Commissioner Schuldt expressed a desire to see the position go to full time, but also expressed concern with funding the additional cost. Commissioner Storlie expressed her support for children and programs which support them and help them grow. Eldon Pohlman stated that he has been constantly working with the 4H coordinator. He explained that it takes a significant amount of time for a new coordinator to get up to speed. Commissioner Walter stated that this is a good value for our tax dollars. Finance Director Lapham stated that funding an increased FTE would require budgeting and reductions elsewhere. Chairperson Zmyewski recommended tabling any action in this regard. Ms. Pokorney stated that delaying a decision by a week or two will not make a significant difference. Commissioner Walter stated that she feels the Board is leaning towards increasing the FTE to full time. It was agreed to table any decision until next week or the following week.

File No. 3 - PHN Director Rock introduced Dave Geske, Vector Control Manager. Mr. Geske has been working with Houston County for 34 years. He provided a brief history of the vector control program. He stated that the University of Minnesota along with the CDC (Center for Disease Control) has studied the cost to treat cases of La Crosse Virus. The cost to treat one case of the virus is enough to fund the vector control program across a 13 county region for a period of 10 years. The La Crosse Virus impacts the central nervous system in a catastrophic way. Over time, the program has reduced the annual number of La Crosse Virus cases to 3. This is significant because there was a time when Houston County alone experienced double digit annual case amounts.

Mr. Geske provided information on habitat, survival rate and annual number of generations of vectors. Natural tree hole environments provided a breeding ground for approximately 3 generations annually that experienced a low survival rate. Manmade habitat such as buckets and tires increased not only the number of generations which could reproduce annually but also the survival rate. Logging has reduced the natural habitat and the vector control program has reduced and addressed the manmade habitat to reduce the number of annual infections from La Crosse Virus.

Mr. Geske reported that tick borne diseases are on the increase. Ticks are responsible for diseases including anaplasmosis, erlychiosis and Lyme. Anaplasmosis is serious and disabling to humans and often fatal to canines. The lone star tick has been found in the area. This species is new to the region. Ticks don't typically carry viruses well however, there are a few viruses they are carrying and transferring well.

Things are changing environmentally. One significant factor, in addition to increased temperatures and increased moisture, is a higher than normal mouse population.

Mr. Geske indicated that it is imperative to be proactive in Public Health. Commissioner Walter questioned whether the greatest problem is containers and tires. Mr. Geske stated that containers can be a problem. Environmental Services Director Frank has been instrumental in aiding in reducing and controlling tire habitat through the programs which he administers. If the problem is discovered, they are easily treated. When a new case of La Crosse Virus is detected, Mr. Geske looks for the habitat which he then treats to get it under control. Specific species are targeted. Commissioner Walter questioned whether backyard ponds and water falls are a concern. Mr. Geske stated that moving water is not a significant concern, however, ponds may be a concern. He indicated that it is very inexpensive and safe to treat ponds so that they do not become a breeding ground. There are small specialized briquettes which can be tossed in the water, they will interrupt/impair the life cycle of the vectors and are safe to other wildlife and household pets. The briquettes are inexpensive costing approximately \$1.00. Mr. Geske indicated that the vector control program seeks to provide education so many individuals are receptive to those administering the program.

HR Director Arrick-Kruger introduced John Dollar, Automated Systems Manager/Custodian. Mr. Dollar joined Houston County on August 1st. She provided an overview of Mr. Dollar's qualifications which include a boiler's license and journeyman electrical. She is checking with MCIT regarding allowing Mr. Dollar to perform certain electrical maintenance since he has certain qualifications.

File No. 4 - HR Director Arrick-Kruger stated that she has been busy with the hiring process for jail staff. She stated that Carl Eberle has been identified as the best external candidate for the 0.5 FTE jailer/dispatcher position. Mr. Eberle has been employed by Fillmore County in the same capacity. Fillmore County would like to retain Mr. Eberle's services in the event Houston County hires him. Jail Administrator Schiltz indicated that he is willing to work with the Fillmore County Jail Administrator so that Mr. Eberle may continue with Fillmore County. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the hire of Carl Eberle subject to the successful completion of the required background check as a 0.5 FTE jailer/dispatcher at step 1 of the appropriate comparable worth band.

HR Director Arrick-Kruger reported that the list of roster jailer/dispatchers is minimal. She recommended the hire of several individuals with 2 or 4 year criminal justice degrees to increase the roster listing. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the hire of Samantha Hancock, Karen Rislov, Michael Meredith and Jessica Siminski as 67-day jailer/dispatchers at step 1 of the appropriate comparable worth band. Jail Administrator Schiltz indicated that he is pleased with the pool of candidates and that it will take several weeks to complete required training.

HR Director Arrick-Kruger and PHN Director Rock met with the Board to discuss an internal search for the position of Home Care Coordinator. HR Director Arrick-Kruger stated that Marcia Bauer exhibited impressive technical knowledge and had good responses during the

interview process. Ms. Bauer has been serving as the interim for said position since May 2nd. She has moved from peer to supervisor with grace and has been fulfilling the duties of Home Care Coordinator. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to hire Marcia Bauer as Home Care Coordinator.

File No. 5 - PHN Director Rock stated that Home Health Aide, Catherine Hagen, has submitted her resignation effective August 23, 2013. PHN Director Rock expressed a desire to leave the position vacant at this time to allow for a review of caseloads and need. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to accept the resignation of Catherine Hagen.

File No. 6 - HR Director Arrick-Kruger provided an overview of the restructuring of Human Services. Changes to the department have resulted in one-time salary savings of approximately \$60,000.00, there was a reduction of 0.4 FTE to the management team which has resulted in an ongoing savings of approximately \$16,000.00. Since Linda Bahr has been acting Director of the department reimbursement rates have increased by between \$45,000.00 and \$50,000.00. Ms. Bahr has submitted a narrative regarding her accomplishments while she has served as director. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to change the status of Linda Bahr from probationary to regular. Commissioner Storlie stated that she was hesitant with the changes however, she is pleased with the work of Ms. Bahr and the resulting changes to the department. She encouraged Ms. Bahr to keep up the good work.

File No. 7 - HR Director Arrick-Kruger reported that she recently distributed information related to quotes received for roofing the Highway Department Building. Engineer Pogodzinski indicated that HR Director Arrick-Kruger should move this project forward in his absence. Highway Accountant Schroeder provided an apples to apples analysis of the quotes. Stemper Construction submitted the low bid in the amount of \$21,750.00. Their quote includes the application of 2 inches of closed cell insulation with two layers of acrylic covering.

HR Director Arrick-Kruger stated that it is imperative to repair the leaking Highway Department Building roof at this time. It is possible that a decision would be made in the future to purchase a different building or perhaps to erect a new building however, neither of these options would allow for the immediate vacation of the current building. She expects that, regardless of future decisions, Houston County will have staff working out of the current building for a minimum of 12 months and more likely as many as 24 months. The new roof will increase the value of the building in the event it were sold or provide necessary maintenance so that the building may continue to be utilized in the future. There has been mold abatement performed and could be required in the future if the roof is left in disrepair and the leaking continues. Highway Department fund balance will be utilized to cover the roofing expense.

Commissioner Walter expressed concern that Commissioner Kjome had noticed crumbling on the walls of the Highway Department Building. HR Director Arrick-Kruger stated

that there are areas where the tuck pointing is crumbling and certain block would benefit from replacement, however the walls are not bowing and remain solid. Justin Conway commented that he has been on the roof, and the current product on the roof is cracked all over. It is difficult to determine where the water was getting in. Patching is futile. There is a need to improve the roof if the building will be inhabited for the next year or two. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to move forward with the roofing project and to accept the quote provided by Stemper Construction. Commissioner Kjome questioned the warranty on the product and workmanship. HR Director Arrick-Kruger indicated that warranty information was not available.

File No. 8 - Justin Conway reported on a single bid which was received for the airport runway and apron pavement rehabilitation project. The bid received came in 25% below the Engineer's Estimate. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the low bid provided by Mathy Construction in the amount of \$419,027.75.

File No. 9 - Rick Howden provided an excerpt from the EDA bylaws regarding consecutive absence of EDA commissioners. He recommended that the resignation of Julia Crawford and Kelly Meyer be recognized pursuant to the bylaws. This will allow for the recruitment and appointment of new EDA Board members. Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to accept said resignations.

Commissioner Storlie commended Mr. Howden on his work in shaping the vision and focus and moving the EDA Board forward.

File No. 10 – Zoning Administrator Scanlan reported on a variance which was approved by the Board of Adjustment for Randy Krueger of Brownsville Township for variances of 25 feet on north and west property lines to meet the required 50 foot setbacks to build a shed.

File No. 11 – Zoning Administrator Scanlan provided information on the CUP application of Chris and Denise Schaffer. They are located in a bluff land and are required to obtain permits for land alteration. The soils are sandy in the terrain around their home. This has resulted in erosion. The permit would allow them to perform work that would repair and prevent future erosion issues. They will be working with the conservation office on the project. The second permit requested is for an annual exhibition at the Old Gray Barn. Stipulations have been included that will define and limit the scope of the permit since it will be ongoing and run with the property. On the recommendation of the Planning Commission, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Conditional Use Permits:

Chris and Denise Schaffer – Hokah Township - Substantial land alteration in a bluff impact zone.

James Gray – Spring Grove Township - Exhibition Permit.

File No. 12 - 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:

Jessup Kohnen – Yucatan Township - Build deck (21' x 6')

Myron Wagner – Hokah Township - Build shed (28' x 28')

Skree Family Trust/Gary and Marion Skree – Sheldon Township - Install manufactured home (28' x 44')

Myron Sylling – Wilmington Township - Build grain bin (60,000 bushels)

Cheryl Flatin/Bernard Krenzke – Wilmington Township - Build cattle shed (60' x 63')

Steve Wiste – Black Hammer Township - Build cattle shed over existing feedlot (42' x 112')

Ron Fruechte – Sheldon Township - Build storage shed (12' x 20')

Mathy Construction Co./Dennis Golberg – Spring Grove Township - Install temporary asphalt plant

Gerald Hallum – Yucatan Township - Build pole barn/3 side open front (40' x 60')

File No. 13 – Zoning Administrator Scanlan reported on the renewal request submitted by Curt Roverud for CUP #284 for quarry and mineral extraction. Approval has been recommended. This permit was first granted on June 3, 2008. This is the first extension. Zoning Administrator highlighted some of the conditions the permit is subject to. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve a 5 year renewal for Conditional Use Permit #284.

File No. 14 - Zoning Administrator Scanlan reported on the Tom and Jim Welscher renewal. The Welschers have held the permit since 2005 and sought annual renewal even though they have not exercised it. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve a one year renewal for Conditional Use Permit #233.

Chairperson Zmyewski questioned whether a survey could be required for the Roverud quarry. Zoning Administrator Scanlan responded that the permit is existing and additional

requirements may not be imposed. He explained that the stipulation he read references amended setbacks which need to be reflected on a map on file in the Zoning Office. There has been no change to the permitted mining area since the permit was granted.

The Planning Commission has been considering future zoning amendments to the ordinance. Originally, it was expected that these amendments could be discussed with the implementation of the frac sand ordinance. Work on the frac sand ordinance is not progressing therefore the Planning Commission would like to move forward with other zoning amendments. Discussion is planned for the August 29th Planning Commission meeting. Consideration is being given to interim use and also housing density within the 2 mile radius of a municipality.

Commissioner Walter indicated that the CUP just approved for the Old Gray Barn is a prime example where an interim use permit would have restricted the permit to the current organization. The CUP which was granted runs with the property, in the event the property changes hands, the permit remains. An interim use permit would terminate in the event the property was sold.

Commissioner Walter stated that the frac sand moratorium may be renewable through March 2015. This was information learned during a recent legislative update meeting. Also discussed, was the amount of standards regulating Minnesota frac sand mining which need to be determined.

Commissioner Schuldt indicated that he has received one quote to provide an appraisal of the Roverud building. He would like to solicit an additional quote.

Commissioner Schuldt stated that Engineer Pogodzinski is reviewing the request of Dean Foltz. There is concern that the right of way may be needed in the future if a straightening of the roadway takes place.

File No. 15 – Auditor Meiners reported on a request for a tax abatement for Raymond and Nancy Schuldt. The Schuldt's own contiguous property located on the border between Winona and Houston Counties in La Crescent City. The homestead classification was applied to the Winona property however was not applied to the portion of property located in Houston County. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the 2013 tax abatement on parcel #25.2062.000 in the amount of \$28.00.

Commissioner Kjome reported on Water Planning, Extension, and frac sand legislative update meetings which he attended.

Commissioner Walter reported on Planning Commission, frac sand legislative update, and Workforce Development meetings which she attended. She has been researching Planning

Commission term limits and has learned that neither Fillmore nor Wabasha County have term limits. Winona County limits terms to 2 3-year terms.

Commissioner Schuldt reported on Extension and frac sand legislative update meetings which he attended.

Commissioner Storlie reported on a meeting she attended with Gerry Krage of Bluff Country HRA to discuss grants available. Houston County is not utilizing funding for building improvements which may be available. She also attended a SMIF Early Childhood Celebration in Owatonna. She reported on Board of Review training which she completed and also the frac sand legislative update meeting which she attended.

It was noted that only Commissioner Storlie would be attending an upcoming AMC Policy meeting.

Commissioner Storlie expressed concern that there is a need for greater communication with local governmental entities. She stated that recently “no parking” signs were posted on a section of CSAH 6 which is also Elm Street in the City of La Crescent while striping of the roadway was completed. There was no explanation included on the signs. The City Police were not aware of the reason for the sign placement either. She suggested that it would be good practice to notify, for example, local police departments when the County is performing work on CSAH’s within their jurisdictions. Discussion in this regard will take place once Engineer Pogodzinski has returned.

HR Director Arrick-Kruger returned to notify the Board that the spray foam product which Stemper Construction will use on the Highway Department Building roofing project has a lifetime warranty. The contractor will warranty their workmanship for 25 years provided the acrylic is inspected for damage annually and properly maintained.

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

File No. 16 – Correspondence to Semcac regarding committee appointee

File No. 17 - Correspondence to payroll regarding recent status change

File No. 18 - Dividend notice from MCIT

File No. 19 - Child welfare grant award notification correspondence

There being no further business and the time being 10:42 a.m., motion was made by Commissioner Schuldt seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 13, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 13, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, and Moorhead; Engineer Pogodzinski; Victim Services Coordinator Herman; HR Director Arrick-Kruger; Recorder Bauer; Dale Omodt; Environmental Services Director Frank; Jerry Tessmer; Sheriff Ely; Chief Deputy Sheriff Yeiter; Nicole Pokorney; County Attorney Hammell; Finance Director Lapham

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the August 8, 2013 meeting with corrections.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$90,200.58
Road & Bridge Fund	188,281.51

Total	\$278,482.09
	=====

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve an amendment to the agenda to include an appointment for Recorder Bauer to discuss a document scam.

File No. 2 - Recorder Bauer reported that she has received notification from the Attorney General's Office regarding a document scam. Companies are offering to provide certified copies of real estate deeds for a fee. She stated that only the custodian of the deed, being the recorder's office, can provide certified copies of such documents. In addition, the recorder's office charges a significantly lessor fee than these companies are. The Attorney General's Office has been

receiving complaints and has issued an opinion in this regard. She hopes to get the word out to residents by having the information displayed on the website and through media.

File No. 3 - Dale Omodt, Money Creek Township resident, stated that he has issues with a project which took place in Money Creek Township where borrow was taken from a property. Mr. Omodt expressed concern that the Zoning Ordinance was not properly followed. He provided an excerpt from the Zoning Ordinance and indicated that the contractor who applied for the permits did not go to the Town Board for approval during the process. He stated that over the course of the project, one borrow pit which was located near a cemetery was denied. A borrow pit on the Beckman property was approved. In addition, approximately 7,000 yards of borrow was removed from property owned by Lucille Omodt Crow which adjoins the Beckman property. An agreement had been put in place to allow the contractor access to the Crow property for the purpose of blending and the removal of fence and trees which would allow for easier removal of borrow from the adjoining Beckman property. Ms. Crow was unaware of any intentions to remove borrow from her property. Mr. Omodt questioned whether the Board was aware of this issue. The Board acknowledged that they were aware of the concerns.

File No. 4 - Engineer Pogodzinski reported that C.P. 2013-01 had been completed. The original contract with Bruening Rock Products, Inc. was for \$167,384.80. The actual cost of the project has amounted to \$175,791.00 which exceeds the original amount by just over \$8,000.00. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-28

WHEREAS, Contract No. 222 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 5 - Engineer Pogodzinski reported on a Grant Agreement for Airport Maintenance and Operations. The agreement has been reviewed by the County Attorney. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 13-29

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF
TRANSPORTATION GRANT AGREEMENT FOR AIRPORT
MAINTENANCE AND OPERATION

BE IT RESOLVED by the County of Houston as follows:

1. That the State of Minnesota Agreement No. 03887,
“Grant Agreement for Airport Maintenance and Operation,” at the Houston County Airport is accepted.
2. That the County Board Chairperson and County Auditor are authorized to execute this Agreement and any amendments on behalf of the County of Houston.

File No. 6 - Victim Services Coordinator Herman reported that her office has been awarded a grant in the amount of \$500.00 for emergency funds in 2014. These funds provide assistance to victims of crime. Motion was made by Commissioner Storlie, seconded by Commissioner Walter 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.

Victim Services Coordinator Herman reported that she continues to make application to receive grant funding. Unfortunately, Houston County’s grant application was denied. Commissioner Walter questioned whether it was known why some entities were granted funding while others were denied. Victim Services Coordinator Herman responded that the grant application noted that grant awards would be selected to provide funding for unmet need. Those awarded funding were likely able to show that there was a population that was not being served or that there was a need to provide assistance that was not otherwise provided. Ms. Herman indicated that she will continue to make application in hopes of securing additional external funding.

File No. 7 - HR Director Arrick-Kruger requested authorization to advertise for roster employees. This will allow the County to maintain a viable listing of employees to meet need. There is no additional cost to the County. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize advertising for roster employees.

File No. 8 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve a Peddler’s License for Charles Swartz.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to schedule the TNT meeting for the first Thursday of December, being December 5th, 2013 at 6:00 p.m.

File No. 9 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve a Flood Repair Agreement with Joel and Jennifer Alameida contingent upon receipt of the required deposit to the County trust account.

Chairperson Zmyewski stated that there is a need to make a determination regarding the 4H Coordinator position. Finance Director Lapham indicated that, in the event a 1 FTE position is approved, there will be a need to plan funding for the increase. Discussion was held regarding budgeting for a full time position and levy limits. Commissioner Walter expressed her opinion that the County would be well served by a full time 4H Coordinator. Commissioner Schuldt stated that retention has become a problem with the 0.75 FTE position. Commissioner Storlie stated that 4H is a very positive thing. She indicated that the County funds many things which are mandated and serve specific populations. The 4H Coordinator position is not mandated, however, it will serve a significant population. Finance Director Lapham stated that this program may result in cost avoidances in the future because it engages youth. Commissioner Storlie stated that there is an opportunity to grow the 4H program at this time. Chairperson Zmyewski clarified that Jerry Tessmer's position is shared between Houston and Fillmore counties. He questioned whether the counties would be interested in sharing the 4H Coordinator. Mr. Tessmer stated that the 7 counties surrounding and near to Houston employ full time 4H Coordinators so there would be no interest in sharing a staff person in this capacity. Commissioner Kjome expressed concern that the University sets the salary and benefits which removes control from local governments while local governments are responsible for the cost. Discussion was held regarding the provisions of the memorandum of understanding. Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve funding for a full time 4H Coordinator.

Nicole Pokorney explained the process going forward. The full time position will be posted and the goal would be to have a person in place within 30 days. If the University is unable to accomplish this, an interim 0.5 FTE 4H Coordinator will be provided at no additional cost to the County. Megan Wall is aware of individuals interested in the position. It is possible that the position could be filled quickly.

File No. 10 - Auditor Meiners stated that commissioners have been invited to attend a meeting in Rochester with DNR leaders to discuss reducing/eliminating the Ag land exclusion for Forestry land acquisitions and to provide a local perspective. It may be possible to discuss other issues. Townships have expressed concern with DNR acquisitions for some time due to the manner in which PILT payments are distributed. Chairperson Zmyewski questioned whether any township officers would be in attendance or invited. It was suggested that the DNR be encouraged to include township officers in the meeting.

At this time the Board met with Extension Educator Tesmer regarding the proposed 2014 Extension budget.

File No. 11 – Finance Director Lapham presented the monthly finance report. Finance Director Lapham stated that the county is required to levy 105% of bond payments to ensure we have sufficient funds to cover bond payments in case of delinquencies in tax payments, etc.

The Board met with Auditor Meiners regarding the proposed 2014 budgets for Auditor, General Government, Board of Commissioners, License Center, Elections and Parks.

The Board met with Recorder Bauer regarding her proposed 2014 budget. Discussion was held regarding the possibility of establishing a minimum balance for the compliance fund. Recorder Bauer stated that, if the county was ever out of compliance on the turnaround time for the recording process, the compliance fund is meant to be utilized to bring the county back into compliance. To date, the county has never been out of compliance in this regard. She indicated that the turnaround time is currently 10 days. Once e-recording is implemented, the required time frame for document turn around on e-recorded documents will be 5 days.

At this time the Board met with Assessor Dybing regarding his proposed 2014 budget.

The Board met with IS Director Milde regarding his proposed 2014 budget.

The time being 12:20 p.m., the Board recessed for lunch.

The time being 1:05 p.m., the Board reconvened.

The Board met with Veteran Services Officer Gross regarding his proposed 2014 budget. Discussion was held regarding the van utilized for transporting veterans to medical appointments. The van is beginning to require a number of repairs. Veteran Services Officer Gross discussed various options when the van needs to be replaced, including leasing a vehicle.

The Board met with Treasurer Trehus regarding her proposed 2014 budget.

The Board met with Surveyor Walter regarding his proposed 2014 budget.

The Board met with Denise Schaffer regarding the proposed 2014 Department of Corrections budget.

Commissioner Kjome reported on an EDA meeting which he attended.

Commissioner Walter reported on an Emergency Communications Board (formerly ARMER, and Regional Radio Board) meeting which she attended.

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

Commissioner Storlie reported on EDA and La Crescent City Council meetings which she attended.

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

File No. 12 - Correspondence to payroll regarding hires & changes

File No. 13 - Correspondence to Schuldt's regarding abatement approval

File No. 14 - Correspondence to Xcel regarding tons delivered

File No. 15 - Letter of appreciation to Cathy Hagen for her service

There being no further business and the time being 1:55 p.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, August 20, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 20, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Assistant County Attorney Bublitz; PHN Director Rock; Public Health Nurse Thompson; Engineer Pogodzinski; HR Director Kruger; HS Director Bahr; Financial Supervisor Kohlmeyer; HS Accountant Hankins; Zoning Administrator Scanlan; County Attorney Hammell; Finance Director Lapham; Highway Accountant Schroeder; E911/GIS Coordinator Krzoska; Sheriff Ely; Chief Deputy Sheriff Yeiter; Home Care Coordinator Bauer; PHN Accountant Lillegraven; Court Administrator Larson; Reporters Bialkowski, Schuldt, & Moorhead

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the August 13, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$ 34,296.49
Road & Bridge Fund	595,500.66

Total	\$629,797.15
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Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve agenda amendments for HR Director Kruger and Assistant County Attorney Bublitz.

File No. 2 - Assistant County Attorney Bublitz reported that previously she requested that the Board give the County Attorney’s Office authority to “acquire, retain and sell personal and real property related to estate recovery efforts.” They have been pursuing collections through small claims cases. Further they have been pursuing collections for juvenile placement fees and

other services that Human Services has paid. Their collection work has grown and they are now doing collections through conciliation court. She reported that some of their small claims cases have resulted in settlements or judgments. One case has been appealed to the District Court and they have a deadline in which to serve a Summons and Complaint. At this time she wants to reaffirm the department's authority on behalf of the county. She indicated that she will be using "Houston County, a political subdivision of the State of Minnesota" in the case caption. She suggested that Jean Becker and/or Linda Bahr also be authorized to be named as plaintiffs on behalf of the Human Services Department. After discussion, motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to reaffirm the County Attorney Department's authority as stated, and to authorize naming Jean Becker and Linda Bahr as plaintiff in collections related complaints.

File No. 3 – At this time PHN Director Rock and Public Health Nurse Thompson met with the Board to report on the immunization program. Public Health provides immunizations to children, adolescents and adults. Public Health Nurse Thompson does performance improvement assessments for all of the clinics in our county as well as in the Public Health Department.

Public Health Nurse Thompson reported that in Africa only children receive vaccines. However, 98% of vaccine preventable deaths involve adults.

Public Health Nurse Thompson reported that she and Mary Zaffke provided outreach at the Houston County Fair by doing immunization reviews for people. They made an effort to impress the need for adults to keep their immunizations up to date and provided counseling regarding tetanus, shingles and pneumonia shots.

Public Health provides services to protect the health of the public. They work with the clinics to update them on what is new with regard to immunization laws and regulations. Public Health Nurse Thompson is a member of Coulee Coalition Immunization group that meets in La Crosse. This group is working to raise the immunization rates of the entire Coulee region.

Public Health provides the Minnesota vaccines for children and for uninsured/underinsured adults. While the vaccine is free, they charge \$20.00 for an administration fee. However, they waive the fee for people who cannot afford it. They also work with schools by providing school based immunization clinics each year.

File No. 4 - Public Health Nurse Thompson reported that their department is required to participate in the SE MN Immunization Information Connection through the MN Department of Health. She presented a report showing various statistics with regard to the immunizations provided by their department.

Public Health Nurse Thompson reported that they have received their first shipment of flu vaccine. She inquired whether the Public Health Department is authorized to provide a flu

clinic for county employees again this year. Employees insurance is billed to cover the cost. It was the consensus of the Board to allow a flu clinic for county employees again this year.

File No. 5 – At this time Engineer Pogodzinski met with the Board regarding the County 8 project. This project involves state and federal funds and we also can utilize state bridge bonding funds. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-30
S.P. 028-608-013
Resolution For Agreement to State Transportation Fund (Bridge Bonds)
Grant Terms and Conditions
August 20, 2013

WHEREAS, Houston County has applied to the Commissioner of Transportation for a grant from the Minnesota State Transportation Fund for construction of Bridge No 28J44 over Dry Run on CSAH 8; 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 \$112,667.94 by reason of the lowest responsible bid;

NOW THEREFORE, be it resolved that Houston County does hereby agree to the terms and conditions of the grant consistent with Minnesota Statutes, section 174.50, subdivision 5, clause (3), and will pay any additional amount by which the cost exceeds the estimate, and will return to the Minnesota State Transportation Fund any amount appropriated for the bridge but not required.

Engineer Pogodzinski reported on flood repairs. FEMA has met with county staff and has seen about half of the damage. FEMA is in agreement with the county on their assessment of the damage. He reported that the process to utilize federal highway relief funds on the federal highway system is a much longer process; therefore, some of those repairs may not be addressed until next year. He indicated that there has been a lot of paperwork and documentation involved with the flood repairs.

Commissioner Storlie reported that she has been contacted by a constituent with concerns about the bike route on North Ridge. Engineer Pogodzinski indicated that he would take a look at this.

Commissioner Storlie inquired as to cost estimates for the proposed bathroom facility at Wildcat Park. She stressed the importance of getting this information so that we can apply for grants and hopefully be ready to proceed with the project by spring.

File No. 6 - At this time HR Director Kruger met with the Board and reported that interviews were held for the position of Financial Worker. She recommended offering the position to Maria Stemper at step 1 effective August 26. Maria is currently a receptionist in the Human Services Department. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to hire Maria Stemper as a probationary financial worker beginning at step 1 effective August 26, 2013.

HR Director Kruger requested authorization to fill the vacancy in the receptionist position with a case aide, as they currently have receptionists provided through Experience Works. Karen Kohlmeyer reported that the plan is to have this individual very involved in the implementation of the EDMS system and to provide case aid services in a number of areas. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to authorize advertising for a full-time case aide.

HR Director Kruger reported that Houston County does not have our own stand alone Affirmative Action Plan, however, the merit system still requires that an Affirmative Action Plan be in place. She stated that counties have the opportunity to adopt the Merit System Equal Employment Opportunity and Affirmative Action (EEO/AA) Guidelines as its plan or create a unique plan. On the recommendation of HR Director Kruger, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the Merit System Equal Employment Opportunity and Affirmative Action (EEO/AA) Guidelines as its plan.

File No. 7 - Commissioner Schuldt reported that he has received two quotes for appraising the Roverud building. After discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to accept the low quote of Bi-State Realty & Appraisals in the amount of \$2,000.00.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to increase Jeremiah Shaver's cell phone per diem from \$30.00 per month to \$50.00 per month, as his position has increased to full-time in the IT Department.

Auditor Meiners reported on the county auction held August 14th. Originally Sheriff Ely planned to run the auction himself, as there were very few items to be sold other than vehicles. However, at the last minute it was discovered that there were a number of items from the Building Maintenance Department to be sold and the Sheriff's Office asked for assistance with the auction. Commissioner Schuldt and his wife graciously donated their services to run the auction. Treasurer Trehus, Recorder Bauer and Auditor Meiners also donated their time to assist

with the auction. This resulted in sales in the amount of \$21,246.73, and the only expense was the advertising in the amount of \$179.40.

Commissioner Storlie reported that she worked at the fair booth for the EDA, and she felt they had a good representation of the cities in the county. She also reported on a Bluff Country HRA meeting she attended. Houston County has not had anyone apply for first time home loans yet, which is uncommon.

Commissioner Schuldt reported on the county auction.

Commissioner Walter reported on the county fair.

Commissioner Kjome reported that he also worked at the EDA booth at the fair.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to recess for the Human Services meeting.

The time being 10:45 a.m. the Board reconvened.

At this time the Board met with HS Director Bahr and HS Accountant Hankins regarding the proposed 2014 budget.

The Board met with HR Director Kruger regarding her proposed 2014 budget.

At this time the Board met with Zoning Administrator Scanlan regarding his proposed 2014 budget. Mr. Scanlan expressed his concern with the lack of time he has to spend on the feedlot program.

The time being 12:05 the Board recessed for lunch.

The time being 12:50, the Board reconvened.

The Board met with County Attorney Hammell regarding her proposed 2014 budget.

Discussion was held with County Attorney Hammell regarding a complaint made by a constituent.

The Board met with Engineer Pogodzinski and Highway Accountant Schroeder regarding the proposed 2014 budget.

The Board met with E911/GIS Coordinator Krzoska regarding his proposed 2014 budget.

The Board met with Sheriff Ely and Chief Deputy Yeiter regarding the proposed 2014 budget.

The Board met with PHN Director Rock, Home Care Coordinator Bauer and PHN Accountant Lillegraven regarding the proposed 2014 budget.

The Board met with Court Administrator Larson regarding the proposed 2014 budget.

File No. 8 – Placed on file was a breakdown of the FTE's for the Public Health Department for 2006 through 2013.

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 – A report on the number of Section 8 Vouchers and Family Self-Sufficiency Participants.

There being no further business and the time being 3:17 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, August 27, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, August 27, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Senator Jeremy Miller; Representative Greg Davids; Finance Director Lapham; Engineer Pogodzinski; Sarah Wexler-Mann (videotaped the proceedings); Betts Ready; Yvonne Krogstad; Dale Omodt; Bruce Kuehmichel; Kelley Stanage; Kent Holen; Donna Buckbee; Mike Fields; Drue Ferguson; Hendrick Bloem; Lucille Omodt Crow; Environmental Services Director Frank; Rick Howden; HR Director Arrick-Kruger; Robert Vogel; Sheriff Ely; HS Director Bahr; Ron Meiners; Heidi Hankins

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the August 20, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$47,355.54
Road & Bridge Fund	2,733,337.31

Total	\$2,780,692.85
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Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve an agenda amendment for Engineer Pogodzinski.

File No. 2 - Lucille Omodt Crow, property owner in Money Creek Township, read from a prepared statement. A copy of Ms. Crow's prepared statement was requested, and placed on file following the meeting. Ms. Crow stated that her signature on a document on file in the Zoning Office was forged by JB Holland. She further claimed that the document has been analyzed by a top handwriting analyst who has confirmed this.

File No. 3 - Engineer Pogodzinski reported that C.P. 2013-01 had been completed. The original contract with Milestone Materials was for \$3,510.00. The amount of maintenance rock applied to County 32 exceeded the estimate. The total amount applied was \$4,144.89. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-31

WHEREAS, Contract No. 236 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. 4 - Engineer Pogodzinski stated that Mathy Construction Company is currently performing work in the area. There is a section of County 3 which is need of repair before the area becomes a hazard. Mathy Construction Company has submitted a quote to make the necessary repairs which includes laying a wedge patch of asphalt. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to accept the quote provided by Mathy Construction Company in the amount of \$106.85 per ton to perform the necessary repairs to the section of roadway.

File No. 5 – Discussion was held regarding a request by the Corp of Engineer’s to haul rip rap through Wildcat Park and to load it onto barges. Commissioner Storlie expressed concern that the roadway could sustain damage as a result and questioned whether Engineer Pogodzinski could draft an agreement to ensure that any damage to the roadway would be repaired by the Corp of Engineer’s once the hauling was complete. Engineer Pogodzinski stated that it is common to have this type of agreement in place. The standard agreement that the County utilizes is approximately 30 pages long. In this situation, Engineer Pogodzinski hopes to be able to draft a two page agreement that would meet needs. Commissioner Walter stated that the townships document road conditions before and after with pictures. Engineer Pogodzinski indicated that he would do the same.

File No. 6 - HR Director Arrick-Kruger introduced both Representative Davids and Senator Miller. Representative Davids along with Senator Miller have toured the Historic Courthouse earlier this morning. They have been invited to discuss Houston County’s capital bonding request.

Representative Davids indicated that he has initiated bonding and legacy requests in the past. He expressed that both he and Senator Miller work diligently when school districts, townships and other entities present projects to move them forward through the legislative process. He expressed caution that securing capital bond funding could be difficult as there are

many more dollars being requested than are available, and the process is very competitive. Representative Davids reported that he has a ways and means committee meeting scheduled for tomorrow evening. During said meeting he expects a bill related to disaster aid will be assembled. He will forward on information from the meeting to Houston and Fillmore Counties so that they are aware of what is being negotiated.

Representative Davids provided an overview of the most recent legislative session. He expressed concern that little was accomplished and what was accomplished is having a negative impact on Minnesota. He reported that cigarette tax revenues have decreased 21% which he attributes to border populations going to neighboring states to purchase cigarettes due to the tax difference. He does not believe that the increase in the cigarette tax has caused smokers to quit. He expressed concern that there have been massive income tax increases. The warehouse tax has resulted in businesses warehousing products in other states with lower taxes. This has taken jobs out of Minnesota. A sales tax on farm equipment repairs resulted from the previous session which has been detrimental to the farming industry. He indicated that the Governor indicated that he would repeal the tax but has not done so to date.

Representative Davids stated that there is no balance in the legislature. Republicans are in the minority.

Representative Davids reported that they will be breaking ground in September for the new Veteran's Cemetery which will be located in Fillmore County.

Representative Davids indicated that the special session is being convened to discuss disaster response. He expects some tax amendments to come out of the session also. The regular session will not convene until late February. There will be decisions made regarding the capital bond funding during that session.

Senator Miller expressed appreciation for the tour of the Historic Courthouse. He also cautioned that being awarded capital bond funding will be a challenge. The request from Houston County was submitted late in the game, however, he will advocate on behalf of Houston County. He expressed his belief that Houston County may have greater success in securing Legacy Grant funding. The amount requested is large when compared to other Legacy Grants. Either funding stream will require time to work through the process. There are various groups and organizations which have been working to secure funding for multiple years. Tours will be taking place during the session and related to capital bond funding requests. It will be challenging to get the Houston County's project on the list.

Senator Miller toured Houston County a few days after the June flooding. Engineer Pogodzinski and his staff provided him with the information he needed very quickly. This allowed legislators to keep pressing FEMA and keep Fillmore and Houston Counties on FEMA's radar. This ultimately led to the securing of FEMA funding/Federal assistance for recovery from the June flooding. Senator Miller wants to see now what the State can do to aid in

the recovery from the flooding. He will be in St. Paul during the special session to advocate for Fillmore and Houston Counties.

Representative Davids toured the area in his personal vehicle. The disaster was enormous. He expressed appreciation for the work completed by Engineer Pogodzinski and his staff who provided documentation, estimates and worked diligently to assess damage and make repairs. Representative Davids expressed his appreciation for all local units of government and the work they did following the flooding in June. He hopes to be able to be part of making funding for the recovery available quickly.

Commissioner Storlie questioned whether Houston County will have to wait several years to be awarded funding or whether legislators could make it happen quickly. In the event Houston County is not granted capital bond funding, she questioned whether our legislators would work hard to aid the County in securing Legacy Grant funds. It was reiterated that it will be difficult to be granted capital bond funding. Representative Davids assured the Board that he will do what he can. He asked for a single contact for the County. It was agreed that Auditor Meiners will serve as the contact person. Representative Davids indicated that much has already been decided regarding funding. There are details yet to be worked out.

Representative Davids commented that Representative Pellowski has been very good with disaster planning/funding. This may be beneficial during the upcoming special session.

Commissioner Storlie commented that the far southeastern corner of Minnesota lacks funding. The county can't afford to place the funding shortfall on the taxpayers.

Representative Davids assured the Board that he will work to get the southeastern corner of the State included on the capital bond funding tour which he expects to be scheduled for March 2014. The tour currently has stops scheduled in Red Wing, Winona and Chatfield. It was questioned whether the fact that the Courthouse is on the Historic Register would benefit funding requests. Representative Davids believes the status will aid when it comes to Legacy Grant funding requests.

Representative Davids will work to get Houston County before the bonding committee. Again, securing capital bond funding will be difficult. Senator Miller indicated that he will work on both funding streams. He is a member of the Legacy committee for the Senate. He questioned whether funding may be available through the Minnesota Historical Society which is a recipient of Legacy Grant funding. It is believed that since the County was awarded a Legacy mini-grant, that the Legacy committee views the project favorably and may award additional funding following completion of work to be completed utilizing the mini-grant funds.

Commissioner Walter expressed appreciation for the assistance of Senator Miller and Representative Davids with regard to ongoing flood recovery in Houston County

Commissioner Storlie questioned what issues will be discussed during the special session. Representative Davids explained how special sessions typically work and how certain rules may be suspended for the upcoming special session and how he anticipates the special session will go, how long it will last and what issues will be discussed and/or decided upon.

Senator Miller stated that there are political games being played. Next year is an election year and legislators are vying for their political positions. His top priority is disaster relief and he would like to repeal the farm equipment repair tax.

File No. 7 - Rick Howden was pleased to report that Houston County has been awarded a Minnesota historical and Cultural Heritage Grant in the amount of \$10,000.00 to be used in the completion of a Houston County Courthouse Historic Structure Report.

File No. 8 - Auditor Meiners reported that the original minimum bid price established for the tax forfeited property in Houston City (parcel #24.0411.000) was \$11,000.00. She has been unsuccessful in selling it at this price. It is located in an older part of the town and the lot is narrow therefore, Assessor Dybing has reviewed the valuation taking these details into consideration. It would be in the best interest of all concerned to sell the parcel and get it back on the tax rolls. With the recent sale of the tax forfeited parcel in Brownsville City, the County will still come out ahead with regard to the tax forfeited parcel sales. On the recommendation of Auditor Meiners, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie to adopt the following resolution:

RESOLUTION NO. 13-32

BE IT RESOLVED THAT Parcel #24.0411.000 of tax-forfeited land listed on List of Tax-Forfeited Land #1 be classified as non-conservation land; that the basic sale price be set at \$6,000.00, and that authorization for a public sale of this land be granted, pursuant to M.S. 282.01; that the sale will be held at 10:00 a.m. on Monday, September 30, 2013, by the Houston County Auditor in the Commissioners Room at the Houston County Courthouse, for not less than the basic sale price; and that full payment of the purchase price and the additional costs shall be due at the time of sale.

During committee meetings earlier today discussion was held regarding allowing the public to utilize the CJC Lower Level Conference Room as a cooling center during this period of extreme heat. The City of Caledonia would monitor activity at the cooling center. The use of the room for this purpose has been approved in the past.

Commissioner Storlie questioned when the public hearing to discuss Planning Commission term limits was required to be posted and published. Auditor Meiners reported that it will go the newspaper for publishing next week. Commissioner Schuldt clarified the process related to the Public Hearing. He expressed concern that quick turnover of several seats on the

Planning Commission could be detrimental. There is a significant amount of knowledge and experience on the Commission at this time. In addition, Commissioner Schuldt is unaware of any gross negligence on the part of the Commission. Furthermore, he believes that the Commission has followed the ordinances. Chairperson Zmyewski expressed concern that with the lifelong membership others are denied the opportunity to become involved, and to share their gifts and knowledge. Commissioner Schuldt expressed concern that change should take place over a period of time. Commissioner Storlie stated that the Board needs to consider the big picture. She expressed concern that there is a personality issue on the Commission. Commissioner Kjome questioned whether there was a desire to cancel the public hearing. Chairperson Zmyewski stated that a public hearing will be beneficial. It will allow many people to have input. He reiterated that no change of the membership of the Commission denies other interested individuals the opportunity to participate. It may have been poor decision making on behalf of past Boards to perpetually renew appointments. Implementing term limits will prevent this from happening in the future. The implementation of term limits will also show that the Board has learned from past mistakes. The fact that several individuals have served many terms may not be anything intentional, it may have been an oversight. It has, however, prevented others from becoming involved in their government. Commissioner Walter stated that each year the Board makes necessary appointments to various Boards. They do go through a process of review when making such appointments. Commissioner Storlie expressed concern that appointments are made at the beginning of the year when new commissioners have come on board following fall elections. The new commissioners may know little about history and/or concerns. She suggested making appointments in December when commissioners with history are still serving out their terms. She stated that it may also be more beneficial to perform department head reviews at this time. Chairperson Zmyewski stated that he has brought up concerns related to the membership on the Planning Commission multiple times during the past three years. Commissioner Walter expressed favor toward the suggestion to make appointments in December. Discussion was held whether commissioner elects could participate in some way in December. Chairperson Zmyewski commented that in December new commissioners wouldn't have taken the oath of office yet. It was noted that commissioner elects could be invited to provide input and be present. This would allow the commissioner elects to indicate their interests and provide input with regard to the Boards which they would be appointed to and serve on. Commissioner Storlie indicated that new commissioner training would be beneficial. Commissioner Schuldt indicated that he wants to gather public input regarding term limits and the public hearing will be beneficial in doing so.

File No. 9 - Finance Director Lapham stated that the Board does not have budgetary authority over Soil and Water, however, they do attend a budget meeting to discuss their proposed budget because they receive a county appropriation. At this time, the Board met with Ron Meiners to discuss the Soil and Water budget and appropriations request for 2014.

At this time the Board met with Environmental Services Director Frank to discuss the proposed Solid Waste and Recycling budgets for 2014. There have been changes made at the dropsites regarding collections which is expected to increase revenues. The proposed budget

reflects the projections. Discussion was held regarding the Houston Recycling Center storage area roof. The roof is leaking and is in need of repair. The necessary repair costs are included in the 2014 budget proposal. The Board expressed their concern about waiting to repair the roof until next year and directed Environmental Services Director Frank to obtain quotes for their review as soon as possible.

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

File No. 10 – Correspondence to payroll regarding recent hire

There being no further business and the time being 10:44 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 3, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 3, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; Gerry Krage; Dr. Reichard; Carrie Tower; Jail Administrator Schiltz; Donna Buckbee; Bruce Kuehmichel; Mike Fields; Joan Redig; Robyn Zmyewski; Zoning Administrator Frank; Financial Director Lapham; Financial Services Supervisor Kohlmeyer; HR Director Arrick-Kruger

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the minutes of the August 27, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$6,576.63
Road & Bridge Fund	142,215.69

Total	\$148,792.32
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Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve an agenda amendment to provide for an appointment for HR Director Arrick-Kruger.

File No. 2 - Donna Buckbee, Yucatan Township resident, read from a pre-prepared statement which is on file.

Mike Fields, Winnebago Township resident, expressed concern that law enforcement was diverted to the Commissioner's meeting room for no apparent emergency. He felt that this action

could have prevented law enforcement from a timely response to a real threat or emergency elsewhere within the County.

File No. 3 - Engineer Pogodzinski reported that there is a need to retrofit the Spring Grove Salt Shed due to structural deficiencies which make the building non-compliant with State building code for snow load. Therefore, an engineering firm has been brought in to make recommendations to bring the building into compliance. It has been determined that two rows of purlins need to be installed. Structures Unlimited LLC has provided a quote in the amount of \$7,560.00 to make the necessary upgrades. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to accept the quote provided by Structures Unlimited, LLC.

File No. 4 - Engineer Pogodzinski recommended approval of a Grant Agreement in the amount of \$447,988.00 for runway rehabilitation. The total amount of the local share is still being determined. The local share is expected to be less than \$17,000.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the Grant Agreement and authorize the signature of Chairperson Zmyewski.

File No. 5 - At this time Gerry Krage, representing the Bluff Country HRA, met with the Board to provide an annual update. Mr. Krage expressed appreciation for past and continued financial support. He noted that Semcac provides administrative and financial support also. He provided a brief history of the organization and an overview of projects which the group has completed in Fillmore and Houston counties. He was pleased to share news of a \$1.4 million project which is taking place in Preston as well as plans to implement a similar project in the City of Houston. Funding for these large projects has been contributed by organizations including, but not limited to, DEED, Rural Development and Minnesota Housing as part of a Small Cities Grant.

Bluff Country HRA works with County staff and the EDA to identify large projects for the future. Many of the projects include the acquisition and rehabilitation of property utilized for affordable housing. The organization hopes to grow a program whereby the organization purchases foreclosed properties, makes necessary improvements and then works with families who may be experiencing difficulty in securing financing to purchase a home. Commissioner Schuldt questioned how many foreclosed homes are on the market in the county. Mr. Krage did not have a specific number but indicated that there are many. Mr. Krage expressed appreciation for the staff he works with at the county. He stated that he will be providing a list of properties to commissioners in hopes that they may have knowledge that may aid in moving projects forward.

File No. 6 - Dr. Ross Reichard commented how there has been a smooth transition to Mayo providing ME services to Houston County. He provided the 2012 Annual Report including a breakdown of cases and causes of death. He followed this with a report for the first half of 2013 which included the same type of data for the first six months of this year. The 2013 year appears to be on track for similar case numbers as 2012.

Dr. Reichard announced that Mayo has added an additional forensic pathologist who brings with him a cardiac sub specialty to complement the office overall.

Dr. Reichard stated that soon a formal contract will be provided. He indicated that the per capita cost for services will remain the same at \$2.75. The current contract was for a one year period. He expects that the new contract may be for a slightly longer period, perhaps two years.

Commissioner Storlie questioned whether funeral directors are receiving timely information from the ME so that they are able to respond to family concerns. Commissioner Kjome indicated that a local funeral director within his district had mentioned a communications concern also. There is concern that local funeral directors are unfamiliar with how to communicate effectively with Mayo. Dr. Reichard is open to working with local funeral directors to make sure communications are effective and timely.

File No. 7 – Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the signature of Chairperson Zmyewski on the Addendum to Memorandum of Agreement between the University of Minnesota and Houston County for providing Extension Programs.

File No. 8 - HR Director Arrick-Kruger reported that Carl Eberle has submitted his resignation from the position of 0.5 FTE jailer/dispatcher. He has secured full time employment elsewhere. As a result, Jail Administrator Schiltz and HR Director Arrick-Kruger have discussed the vacancy being created. They would like to review recently submitted applications versus re-posting the position. There has not been a significant time lapse since they hired for this position. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Carl Eberle effective September 12, 2013.

HR Director Arrick-Krueger reported that recently, HS promoted Maria Stemper to the position of Financial Worker. Ms. Stemper had been the HS Office Support Specialist for the department. This has created staffing issues for the HS reception desk as one of the part time Experience Works employees has taken an extended leave. Financial Workers typically provide coverage for the front desk, however, they are currently training for MN Sure and also preparing for the launch of EDMS which makes it difficult to meet needs and maintain the training schedule and launch timeline. HR Director Arrick-Kruger recommended that Bonnie Felten be hired as a 67 day employee to assist with front desk duties. Commissioner Storlie clarified that the department did not currently employ other 67 day employees. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to hire Bonnie Felten as a 67 day employee to work as an HS Office Support Specialist at a rate of \$12.12 per hour.

File No. 9 – Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve Amendment No. 3 to the Food Service Contract

with CBM Managed Services providing for a contract negotiated 2.8% price increase based on the CPI.

Commissioner Walter reported on a meeting where discussion was held regarding work on County 26 and the intersection with CSAH 3.

Commissioner Schuldt reported on the Planning Commission meeting which he attended last Thursday.

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. 10 – Notice of Public Hearing regarding term limits for Planning Commission members

File No. 11 – Correspondence regarding tax forfeited property going to public auction

File No. 12 – Budget information distributed by Finance Director Lapham

There being no further business and the time being 9:58 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 10, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 10, 2013 9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Bruce Kuehmichel; Kelley Stanage; Sarah Wexler-Mann (videotaped the proceedings); Engineer Pogodzinski; Environmental Services Director Frank; Jail Administrator Schiltz; Yvonne Krogstad; HR Director Arrick-Kruger; Finance Director Lapham; Zoning Administrator Scanlan

Presiding: Teresa Walter, Vice-chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the September 3, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$69,729.13
Road & Bridge Fund	462,296.81

Total	\$532,025.94
	=====

File No. 2 - Engineer Pogodzinski recommended approval of the final payment for SAP 28-996-19, a reconstruction project which took place on CSAH 26. This project was related to the flood event of 2007. The project was awarded to Winona excavating for \$1,125,254.40. There were revisions which have resulted in bringing the project total to \$1,146,425.94. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-33

WHEREAS, Contract No. 211 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. 3 - Engineer Pogodzinski reported on quotes received for crosswalk and stop bar painting. The County will spearhead the project and bill the City of Caledonia for their portion. Two quotes were received. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to accept the low quote provided by B & D Sealcoating in the amount of \$9,550.00.

Engineer Pogodzinski reported that each year quotes are solicited for bridge repairs. This year repairs are planned on 6 bridges. Quotes were received from two service providers. The Highway Department budgeted \$100,000.00 for bridge repairs. The quotes are significantly less than the budgeted amount. Engineer Pogodzinski indicated that the remaining budgeted amount could be utilized to perform approach improvements. This is routine work completed annually. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to accept the low quote provided by Minnowa Construction in the amount of \$64,750.00 to perform the routine bridge repair work.

Zoning Administrator Scanlan reported on variances which were approved by the Board of Adjustment. The first is for A. Peter and Jeanne Johnson of Houston Township for a variance of 44 feet to meet the required 50 foot setback requirement from the north property line to build a shed. The other is for Dean Miller of Wilmington Township for a variance of 30 feet to meet the required 50 foot setback requirement from the north property line to build a storage shed.

A preliminary plat has been submitted by Nick Thesing of Money Creek Township. The plat is in order. On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve said preliminary plat.

A preliminary plat was also submitted by Larry Hanson of Yucatan Township. MNDOT expressed concern regarding a discrepancy therefore, the Planning Commission tabled approval of Mr. Hanson's preliminary plat.

File No. 4 – Zoning Administrator Scanlan provided a history of Interim Use proposals at the County. He explained the differences between CUP's and proposed Interim Use Permits. The greatest differences are the CUP runs with the land and has no expiration and an Interim Use Permit does not run with the land and may sunset. Zoning Administrator Scanlan stated that a 4/5ths majority vote would be required regarding a recent application proposing an interim use. He suggested that a decision regarding the application be tabled at this time. He will clean up the Interim Use language prior to action. Zoning Administrator Scanlan provided detailed information related to the application submitted by the Frydenlund Family Trust. It was the consensus of the Board to table further discussion until the full board is present.

File No. 5 - On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Zoning Permits:

Charles and Kevin Kruse – Winnebago Township - Build grain bin (30,000 bushels)

Sheldon Neeley – Spring Grove Township - Build house (30'6" x 42'6")

Ron and Kim Holty – Wilmington Township - Build 2 additions to house (6' x 15' and 10' x 24') no new bedrooms

Scott Feine – Money Creek Township - Build pole barn (30' x 64')

Tom Welscher – Caledonia Township - Build utility building (10' x 14') corn dryer (12' x 26') and 2 bulk bins

Lowell Kinstler – Money Creek Township - Build a hay shed (32' x 36')

Matt Kubly – Houston Township - Build deck on house (12' x 20')

Hetland Family Limited Partnership – Money Creek Township - Build multi-purpose garage (56' x 70') with bathroom (80 sq ft or less)

Randy Krueger – Brownsville Township - Build pole shed (42' x 54')

Gary and Dawn Huebner – Mound Prairie Township - Install house (26' x 49') 3 car garage (40' x 36') deck (9' x 26')

Mike Banse – Winnebago Township - Build addition to free-stall barn (80' x 88')

Joshua Dahl – Yucatan Township - Build mono slope building (20' x 60')

Mark Schulte – Mayville Township - Build livestock building (113' x 168')

Tim Orr – Yucatan Township - Build shop (44' x 48') with porch (8' x 44')

John Koch – Caledonia Township - Build dog house (24' x 36')

Franklin Hahn – Yucatan Township - Replace hay shed due to fire loss (48' x 56')

Dan Gade – Jefferson Township - Build grain bin (13, 000 bushels)

Karl Sylling – Wilmington Township - Build shop (32' x 26')

File No. 6 - HR Director Arrick-Kruger along with Jail Administrator Schiltz met with the Board regarding jail staffing. HR Director Arrick-Kruger reported that recently there was a resignation of a 0.5 FTE jailer/dispatcher. In addition, a competitive search was recently held for the same. The pool of applicants recently collected was utilized in order to save both time and money. HR Director Arrick-Kruger recommended a change in status for Michael Meredith from 67 day jailer/dispatcher to probationary 0.5 FTE jailer/dispatcher. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the change in status of Michael Meredith to probationary 0.5 FTE jailer/dispatcher at step 1 of the appropriate comparable worth band effective September 11, 2013. Jail Administrator Schiltz reported that Mr. Meredith has been participating in regional training for his position.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize the hire of Alicia Arenz as a 67 day employee to assist as a jailer/dispatcher as needed. Ms. Arenz will also be hired at step 1 of the appropriate comparable worth band.

File No. 7 - HR Director Arrick-Kruger reported on a Grant Acceptance Agreement which is required in order to accept the \$10,000.00 grant which was recently awarded to the County for a historic structure study. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the Grant Acceptance Agreement.

HR Director Arrick-Kruger reported the Engineering Assistants are considering organizing. This would create a sixth union at the County, being a second Local 49er's Union. She reported that she has posted the status quo order from the Bureau of Mediation Services (BMS). She provided an overview of the process of organization which would include defining the unit, voting to unionize, followed by negotiating a stipulated agreement. She does not expect this to be overly complicated. Commissioner Kjome questioned how many individuals may be impacted by the Union. HR Director Arrick-Kruger responded that it will impact 2 or perhaps 3 individuals.

File No. 8 - Finance Director Lapham distributed a packet of information related to the proposed 2014 budget. She indicated that there is a need to establish the 2014 proposed levy and operating budget. Commissioner Schuldt commented that surrounding counties are holding their levies to a 0% increase, however, they are balancing their budget utilizing fund balance. Discussion was held regarding the recommended amount of fund balance. Houston County has maintained a fund balance adequate to cover 6 months operating expenditures. Commissioner Schuldt recommended that the proposed levy be set high at 3.52%. It was noted that this amount may be reduced, however, it could not be increased. Further reductions will require reduced

services and/or staffing. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-34

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$10,855,549 be made on all taxable property in the County of Houston for taxes payable in 2014 in the following amounts by County Fund:

County Revenue	\$6,714,200
Road & Bridge	2,483,217
Human Services	1,306,712
Bond Fund – 2009B Jail CIP Bonds	486,229
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	245,763
Bond Fund – 2010B Jail Bonds	224,707

Total	\$11,729,116
Less CPA	(873,567)

Total Levy	\$10,855,549
	=====

File No. 9 - Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO. 13-35
RESOLUTION ADOPTING 2014 OPERATING BUDGET

	Revenue	Expenditures	Revenues Over (Under) Expenditures
	-----	-----	-----
County Revenue	\$ 10,807,504	\$ 10,921,756	\$(114,252)
Road & Bridge	12,991,735	13,033,991	(42,256)
Human Services	4,455,478	4,482,287	(22,236)
Debt Service	1,224,987	1,224,987	0
	-----	-----	-----
Grand Total			
County Funds	\$29,484,277	\$29,663,021	\$(178,744)
	=====	=====	=====

Finance Director Lapham provided information related to concerns expressed by a Houston County Landowner recently. The County's annual audit findings are available on the County's website. Furthermore, Houston County is adequately positioned to respond to financial obligations and there is no concern regarding the County's current debt load. Contrary to landowner claim, AMC does not prepare or provide comparative data regarding levy increases of counties. With regard to unrealistic and unsustainable wage increases, Houston County has not granted a 6.5% increase. Houston County granted a 1% increase effective in January, and a 1% increase effective in April. Because it was implemented at different times it does not equate to a 2% annual increase. Fillmore County granted a 1.5% increase while Freeborn County has granted 1.75% increases and 2% increases over a 3 year contract period and Winona County granted 1% in January, 1% in June and 1% in October. Finance Director Lapham indicated that the 6.5% amount quoted includes not only wage increases, but also benefits increases such as insurance and step increases for eligible employees. She noted that insurance benefit increases are born by both the County and the employee. There was no comparable information available regarding benefit impacts to employee wage and benefit package increases however, she expects that other counties experience similar insurance benefit impacts. In addition, Houston County has increased staffing which also impacts staffing cost figures. The comparison presented was not an apples to apples comparison.

Auditor Meiners reported that there is a need to determine whether the County will require liability insurance for those applying for a Temporary Liquor License. It is not mandatory to require the insurance. She has discussed this with MCIT and learned that most counties do require liability insurance for their temporary liquor license applicants. Furthermore, MCIT noted that Houston County has an exclusion on its insurance policy which means in the event insurance coverage is not required, Houston County will have no coverage. Auditor Meiners contacted a local insurance provider who has estimated that liability coverage for an organization hosting a single day event and operating under a temporary liquor license would cost approximately \$125.00. Commissioner Schuldt commented that often events such as this fall under the umbrella of a greater organization. He expressed concern that the County be covered under any circumstance. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to establish a policy whereby liability insurance is required for temporary liquor licenses applicants.

File No. 10 - Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the gambling permit for Caledonia Lions Club for an event to be held at Ma Cal Grove Country Club.

Commissioner Kjome reported on EDA and Association of Township Officers meetings which he attended.

Commissioner Schuldt reported on Planning and Zoning, TZD (Toward Zero Deaths), Semcac and Association of Township Officers meetings which he attended.

Commissioner Walter reported on Association of Township Officers, La Crescent City Council and La Crescent Township meetings which she attended.

Motion was made by Commissioner Kjome, 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 recent hire

There being no further business and the time being 10:03 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 17, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Teresa Walter, Vice-chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 17, 2013 9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Environmental Services Director Frank; Zoning Administrator Scanlan; PHN Director Rock; HR Director Arrick-Kruger; Health Educator Myhre; Sarah Wexler-Mann (videotaped the proceedings); Donna Buckbee; Engineer Pogodzinski; Finance Director Lapham; Frydenlund family members (3); unknown female guest

Presiding: Teresa Walter, Vice-chairperson

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the September 10, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$77,631.90
Road & Bridge Fund	719,410.17

Total	\$797,042.07
	=====

Donna Buckbee, Yucatan Township resident, expressed concern with an article which appeared in the Caledonia Argus. She again stated that, in her opinion, there was no reason for law enforcement to have been called to this room three weeks ago.

File No. 2 - PHN Director Rock met with the Board regarding Public Health Emergency Preparedness (PHEP). Health Educator Myhre highlighted PHEP with the aid of a PowerPoint Presentation. Examples of recent Public Health emergencies within Houston County were provided. There are Public Health events planned for fall, including a collaborative flu clinic with La Crosse County. Commissioner Kjome questioned whether Houston County would be hosting flu clinics. PHN Director Rock responded that she anticipates providing flu clinics at the various county buildings. The Public Health Department has received a small amount of flu vaccine and expects more soon. Members of the public are welcome to come to the County Community Services Building to receive their flu shot.

File No. 3 – On the recommendation of PHN Director Rock, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the Mass Dispensing Agreement with Caledonia School District #299.

Commissioner Walter stated that she serves on several joint boards within the region. Individuals serving on the Boards represent districts. On the majority of these Boards the Chairperson participates in discussion and votes so that their district has fair representation. The Chairperson on the Houston County Board of Commissioners has traditionally refrained from making motions and voting unless a tie needs to be broken. She felt that this prevents the Chair from representing his/her district. Motion was motion by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to enact a policy whereby the Chairperson participates in every vote.

File No. 4 - Environmental Services Director Frank provided a brief overview of the agreement with La Crosse County regarding the disposal of solid waste. Houston County has been working with La Crosse County in excess of 20 years. Thirteen years ago there was a need to perform upgrades to remain in compliance with Federal guidelines. There was a cost assessed to each partner to cover the expense of the upgrades. Houston County's annual payment amount is \$19,204.39 a portion of which is offset by the rebates offered per ton for waste delivered to the complex. During the years of 2007, 2008 and also 2013 flooding debris helped to increase rebates and increase credits available to cover the annual payment. However, the credit has been depleted to \$507.85. Environmental Services Director Frank indicated that there may be a need to include monies in the budget to make the payment in the future. In recent years, there have been no funds budgeted due to the credit balance. He stated that the arrangement with La Crosse County Solid Waste has been good. Their program is favorably recognized at both the State and Federal levels and it is within close proximity to Houston County.

File No. 5 – HR Director Arrick-Kruger provided background information related to a Professional Services Agreement with Wabasha County. During a recent MCIT meeting discussion was held regarding liability and concerns with cross county collaboration. This agreement will outline responsibility. Consideration is minimal at one dollar. Commissioner Storlie questioned how frequently this type of agreement will be necessary. HR Director Arrick-Kruger responded that there are instances when the County Attorney, Sheriff's or other departments may deem it necessary and/or appropriate to seek assistance from neighboring county staff. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the Professional Services Agreement with Wabasha County.

HR Director Arrick-Kruger provided an update regarding the new signage being installed throughout the Historic Courthouse and County Community Services Building. It is expected to take an additional few days to complete the installation.

File No. 6 – Zoning Administrator Scanlan provided a final copy of proposed Section 7 – Interim Use Permits and also Section 13 – Agricultural Protection District. He provided an overview of the proposed amendment to the existing zoning ordinance, what benefits it provides and how it allows for flexibility. The amendments would allow for non-commercial family cabins. The Frydenlund family has proposed these amendments so that they may make application to bring their property and dwellings into compliance. This is the first step in a series of steps required. If approved, the Frydenlund’s will make specific application with regard to their property. The proposed zoning amendment will allow the Frydenlund family to use and enjoy their property as they wish. The amendment would provide for application of an IUP which will specify an end date which may be a calendar date or an event upon which the IUP would sunset. Commissioner Schuldt commented that the amendments would provide for some degree of flexibility in certain situations. Commissioner Kjome questioned whether definition is provided for an IUP. Zoning Administrator Scanlan responded that Section 7 defines an IUP. The amendment to Section 13 defines non-commercial family cabins. Commissioner Walter questioned whether public hearings are required prior to Board action. Zoning Administrator Scanlan stated that the Board may take action. A public hearing was held regarding the proposed amendment. In addition, if approved, the changes to the ordinance will be published.

File No. 7 - On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the issuance of the following Zoning Amendment affecting Section 7 and Section 13:

Frydenlund Family Trust – Black Hammer Township - Amendment to the
Houston County Ordinance to allow Interim Uses

File No. 8 - Zoning Administrator Scanlan provided information related to a request for expedited permitting of a project to repair and restore damaged areas of Hidden Bluffs Campground resulting from June 2013 flooding. A dike protecting the main camping site area was breached and another area suffered substantial deposits of flood debris. The breach impacted a road to access sites and caused scour erosion on the landward side. The debris deposits need to be cleaned up/removed. If the dike is not repaired it could be cause for concern in the future in the event of additional future flooding. The proposal is to repair the breach in the dike and restore the dike to pre-flood elevations, remove the flood debris which was deposited and repair the scour erosion caused. They would like to complete this work prior to winter. Zoning Administrator Scanlan reported that the DNR is involved and he is waiting for representatives from the DNR to schedule a site visit. He will also be including Soil and Water in the project details. Soil and Water will check slope angles and assist with vegetation selections. The DNR is involved because Rice Creek flows adjacent to the project areas. The process has been delayed because the DNR has been unable to view the site. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the permit for the project subject to DNR and Soil and Water involvement and oversight.

File No. 9 - Finance Director Lapham provided Commissioners with financial information through August.

Commissioner Walter provided information related to an advertising opportunity for Wildcat Park. There are funds budgeted to cover the expense. The participation deadline is today with information being printed later this month and distributed the first week of October. It was the consensus of the Board to move forward with placing a color advertisement for Wildcat Park.

It was agreed that Commissioner Storlie would attend the SMIF annual luncheon meeting.

Commissioner Storlie requested an update from the Highway Department with regard to the Wildcat restroom update project during the next regularly scheduled Board meeting.

Commissioner Storlie reported on a risk management workshop and also AMC policy meetings which she attended.

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

Commissioner Storlie suggested reviewing technology following an October 17th Microsoft update to pad computers. The news media indicated that they are familiar with working with paperless packets.

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

File No. 10 – Correspondence to Office of State Auditor regarding pending or threatened litigation

File No. 11 – Correspondence to payroll regarding recent changes and hires

File No. 12 – Invitation to SMIF Annual Luncheon

File No. 13 – Correspondence from Dave Strike regarding proposed highway facility

File No. 14 – Report of Section 8 vouchers by County

File No. 15 – Letter of appreciation to Carl Eberle

There being no further business and the time being 10:13 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, September 24, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Teresa Walter, Vice-chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, September 24, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Ron Meiners; Terry Smith; Betts Reedy; Kelley Stanage; Finance Director Lapham; Jail Administrator Schiltz; Environmental Services Director Frank; Michelle Massman; Social Services Supervisor Hunter; Ervin Barth; Jerry Tesmer; Al Jacob; Tom Gile

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the September 17, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$161,475.26
Road & Bridge Fund	86,277.22

Total	\$247,752.48
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Kelley Stanage, Houston Township resident, commented that she had attended a recent EQB (Environmental Quality Board) meeting. She stated that the EQB did not limit the time a member of the public was allowed to speak. She expressed that this impressed her and restored her faith in democracy. In addition, the EQB is planning to engage the public in the process as they move forward.

File No. 2 - Engineer Pogodzinski recommended approval of a detour agreement with Mn/DOT. The detour is necessary while work is completed on State 76. The detour will utilize CSAH 10 and for this the County will receive \$5,835.88 for maintenance and road life exhausted. Commissioner Kjome questioned whether the amount was adequate. Engineer Pogodzinski responded that the cost of blacktop has increased significantly, however, the same

formula is used statewide for making a fair determination. The repair work is expected to begin later in October. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the detour agreement (Mn/DOT Contract No: 04587) and to adopt the following resolution:

RESOLUTION NO. 13-36

IT IS RESOLVED that Houston County enter into Mn/DOT Agreement No. 04587 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 C.S.A.H. 10 as a detour route during the contract construction to be performed upon, along and adjacent to Trunk Highway No. 76 from RP 14.0 to RP 17.7 under State Project No. 2807-22 (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.

Engineer Pogodzinski stated that he expects to have information related to the proposed Wildcat Bathroom Project in time for next week's Board meeting. Commissioner Storlie stated that there is a grant that the County would like pursue which has an application deadline in late October.

File No. 3 - HR Director Arrick-Kruger recommended that Cathy Hagen be hired as a 67 day employee. This request is supported by both Public Health Director Rock and Home Care Coordinator Bauer. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to hire Cathy Hagen as 67 day employee to work as an HHA at a rate of \$12.23 per hour.

Discussion was held regarding staffing in Public Health and whether replacements in specific positions were hired or whether duties were absorbed within existing departmental staff. HR Director Arrick-Kruger noted that duties have been absorbed within the department which has resulted in savings. However, there will be a need to review staffing levels.

File No. 4 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve an abatement for Daniel and Helen Schulze on parcel #21.1084.000, being a reduction of \$1,346.00 due to incorrect classification.

On the recommendation of HR Director Arrick-Kruger, and pursuant to M.S. 13D.05 subd 2 (b), motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to recess the open session in order to convene in closed session for preliminary consideration of allegations or charges against an employee subject to Board authority.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess the closed meeting and return to open session.

File No. 5 - The time being 10:03 a.m., motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to recess the regular meeting in order to convene the scheduled public hearing on the Draft 2013 Houston County Local Water Management Plan Amendment.

Ron Meiners questioned whether everyone had the opportunity to review the Water Plan Revision.

He provided a brief history of the Water Plan. The original plan was drafted in 1990. The County is required to review and revise the plan once every 5 years. Currently, the County is engaged in the review and revision process. The Water Plan expires in 2017. The process to draft the new Water Plan will begin shortly.

Mr. Meiners stated that changes within the Water Plan have been highlighted. The revisions are intended to improve the local water plan. He reported that he has received 3 comments, one from a landowner and 2 others from governmental agencies. These comments, in addition to any public input from today will be taken into consideration and discussed during the next scheduled Water Plan meeting. He expects the Board to take action today whether or not to accept the draft revision and approve its submission to BWSR.

Mr. Meiners noted that on page 5 there is a special note in regard to the estimated amount of cash and in kind services required to implement the Water Plan which is estimated at \$740,000.00.

Chairperson Zmyewski questioned whether anyone present desired to make a statement. Kelley Stange questioned where a copy of the Water Plan Revision could be accessed. Mr. Meiners responded that a copy is on file at the public library and it is also available on the District Soil and Water website which may be accessed via the Houston County website. She questioned how long the public comment period was open. Mr. Meiners responded that the public comment period has been open for a period of 30 days. Public comment will be accepted through this hearing. The public comment period expires following this meeting.

Ron Meiners introduced Regional Representative Tom Gile. He indicated that both he and Mr. Gile can answer questions which the Commissioners may have.

Commissioner Kjome reported that he serves on the Water Planning Board. He verified that a significant amount of time has been invested in this revision. There has been a great deal of input from members regarding the revision. He expressed his belief that the Water Plan revisions have been well thought out.

Ron Meiners reported that the draft revision has been shared with many resource partners including neighboring conservation districts. The Department of Agriculture is one entity which chose to submit a comment. There has been a suggestion that some language be changed for clarification.

Mr. Meiners expressed his opinion that the group working on the revision has gone “above and beyond”.

Recently, an evaluation of the performance to implement the Water Plan was conducted and the County received a star rating. This resulted in only minimal revision requirements. In addition, drafting of the new water plan will begin soon further negating the need for an extensive revision.

Commissioner Kjome questioned the details of the landowner comment. Ron Meiners explained that in the Water Plan Revision a graph is utilized which shows the number of hay acres compared to the number of row crop acres and how the proportions of these has changed over time. The information used in the graph was collected from Extension, in addition to other sources. The landowner expressed disagreement with the declining number of hay acres and expressed concern that the source data be reviewed. The landowner expressed his belief that many acres coming out of CRP are being utilized as hay acres. Mr. Meiners indicated that many acres coming out of CRP are being row cropped. The proportion of hay acres to row crop acres has not been calculated. Commissioner Schuldt commented that he has noticed that there appear to be less hay acres. The size of hay strips between row crops has narrowed and in some cases, there are no longer hay strips between row crops.

Mr. Meiners reported that the number of livestock within the County has declined along with the number of landowners operating acres. It is labor intensive to have livestock. In comparison, it takes less labor for commodity crops. The land is being farmed using larger machinery. There is a delicate balance regarding conservation ethics and profit margins for farmers/landowners. Farming is the backbone of Houston County and a business. Soil and Water partners with farmers and landowners to do the best job possible.

Commissioner Storlie questioned whether land use has been impacted as a result of declining family run farms and increased rental acres. Mr. Meiners stated that many second, third or even fourth generation family members control the acres, however these individuals are not actively farming. The Soil and Water offices desire to provide services to these landowners to help them to understand how farming practices by their renters are impacting their property. It is difficult to understand the implication if one is not engaged. Some initiatives to increase awareness include news articles. Soil and Water has a goal to provide education regarding the fragileness of local resources and how quickly they can be depleted if they are not properly cared for.

Commissioner Kjome questioned whether the Water Plan is a tool that can be used when considering the impacts for frac sand mining in the area. Mr. Meiners admitted that there is a relationship between frac mining and water planning. However, there is nothing specific within the Water Plan regarding the relationship other than to acknowledge that mining is present. It is his hope that Soil and Water is able to develop and offer services which partner with mining operators regarding water issues. He indicated that frac sand mining in the area may need to be addressed more so in the new Water Plan.

Commissioner Walter commended those who worked on the revision. Mr. Meiners commented that much work had been completed before he became District Manager and how the Steering Committee has had good participation and has taken their duties very seriously.

Mr. Meiners commented that the topography in Houston County creates water planning challenges.

Tom Gile stated that the Water Plan along with many grant funds pass through his office. He commended Ron Meiners for the fantastic work he does. The local committees in the region he serves are wonderful. Funding aids to preserve and strengthen natural resources of the region in turn strengthening the economy and providing for enjoyment. The Water Plan revision and soon the new Water Plan, will be used as a tool for planning purposes but also to leverage funding to benefit the resource, community and economy. He encouraged those working with the Water Plan to continue with their strides forward. He looks forward to continuing to work in this area with the wonderful individuals.

Following discussion, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the draft and to submit the draft Water Plan Revision to BWSR for their approval.

The time being 10:19 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to close the Public Hearing and to reconvene the closed session.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the closed session.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to reconvene in open session.

At this time HR Director Arrick-Kruger reiterated that the closed session had been convened in order to consider allegations against an employee subject to Board authority. At this time, the Board is considering the information presented and has made no conclusion.

Commissioner Walter reported on a Public Health Advisory Board meeting which she attended.

Commissioner Storlie provided a reminder regarding the annual AMC conference which is scheduled for December.

Commissioner Storlie stated that some time ago there had been discussion regarding the security system in the CJC. She indicated that, to date, nothing in this regard has been settled. Further discussion regarding the placement and use of the security system needs to take place. She also reported that there are 25 incarcerated individuals being held in the jail. One-fourth of the inmates are female. It is beneficial that decisions were made so that female inmates could be housed in county.

File No. 6 - Finance Director Lapham reported that the State Auditor requires a Management letter to be signed regarding the completion of the State Audit. She presented said letter for Chairperson Zmyewski's signature.

Commissioner Storlie expressed concern that the public hearing policy be reviewed prior to the September 30th scheduled public hearing.

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

File No. 7 - Request for update with regard to proposed
Wildcat bathroom upgrade project

There being no further business and the time being 11:12 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 1, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 1, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; HR Director Arrick-Kruger; Engineering Supervisor Conway; Finance Director Lapham; Betts Reedy; Yvonne Kragness; Kelley Stanage; Sarah Wexler-Mann (videotaped the proceedings); Environmental Services Director Frank; Michelle Massman; Sheriff Ely

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the September 24, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$24,760.41
Road & Bridge Fund	93,659.57

Total	\$118,419.98
	=====

File No. 2 - Engineering Supervisor Conway reported on a single bid submitted for C.P. 2013-05 Shouldering Aggregate. The bid came in at 6.93% over the engineer's estimate. It is necessary to perform this work in order to stabilize road shoulders and prevent damage to pavement edges which could result following erosion and scour resulting from the June 2013 flood event. The Highway Department is working with FEMA in hopes that the project expenses will be covered by FEMA. Commissioner Schuldt clarified that the work needs to be completed prior to fall harvest when large equipment may damage road edges. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to accept the bid provided by Bruening Rock Products, Inc. in the amount of \$223,455.35 for C.P. 2013-05.

File No. 3 – It was reported that the Houston County Agricultural Society (Fair Board) has requested sponsorship which would enable them to apply for a grant from the Minnesota Horse Council. The grant must be applied for by a 501C3 organization. The Houston County Agricultural Society (Fair Board) does not have this designation. The Fair Board has requested that the County, as a government entity, sponsor the grant application. Finance Director Lapham expressed concern with sponsoring organizations for grants because it makes the County liable for certain grant obligations. In addition, there are audit requirements associated with being a grant sponsor and financial pass through. Commissioner Schuldt commented that the Fair Board should review their status. Their lack of 501C3 status not only prevents them from applying for grants, it also prevents civic organizations such as the American Legion from making donations to them. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adopt the following resolutions:

RESOLUTION NO. 13-37

WHEREAS, the Houston County Agricultural Society (Fair Board) desires to apply for a grant from the Minnesota Horse Council; and

WHEREAS, the grant must be submitted by a 501C3 organization; and

WHEREAS, the Houston County Agricultural Society (Fair Board) is not a 501C3 organization;

NOW, THEREFORE, BE IT RESOLVED THAT Houston County act as sponsoring agency for the Houston County Agricultural Society's (Fair Board) grant application and acknowledges herewith that it is willing to be the project sponsor and accepts responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

File No. 4 - Auditor Meiners reported that Camp Winnebago has applied for a single day liquor license. Granting the license would allow the organization to serve alcohol during their Puttin' on the Ritz event. Camp Winnebago is required to provide applicable insurance per County policy. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the single day liquor license for Camp Winnebago.

Discussion was held regarding the public hearing to discuss term limits for Planning Commission members which was held last night. Chairperson Zmyewski received a suggestion that the board be increased to a membership of 9. This would prevent any year from experiencing a majority of new members if term limits of 3 3-year terms were to be established. Discussion was held regarding representation and how to ensure that all areas within the county are represented. A suggestion was made that commissioners each appoint an individual to serve who is from their district. It was reported that many counties have a Planning Commission

comprised of 5 members plus 2 commissioners for a total of 7 members. There are many options to consider. It was agreed to discuss this at greater length during the next scheduled Board meeting.

Commissioner Storlie requested that a Wildcat Park meeting be scheduled. She stated that it would be beneficial to discuss the past year's operations and also possible improvements to the beach. It was agreed to schedule the meeting for Tuesday, October 5th at 1:00 p.m.

File No. 5 - HR Director Arrick-Kruger reported that she and Rick Howden are scheduled to make a 10 minute presentation related to the County's capital bonding request to lawmakers. The presentation is scheduled for October 8th at RCTC. The meeting begins at 6:00 p.m. She asked whether there were commissioners who could be present to show support for the request. She stated that the time limit requires that the presentation be concise while providing time to answer any resulting questions. She provided a timeline related to the process lawmakers go through when selecting capital bond request recipients.

The time being 9:30 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to enter into closed session.

HR Director Arrick-Kruger requested that the closed session be rescheduled for next week. She stated that, in order to comply with statutory requirements related to notification, she had received information that not all Board members were prepared to hold discussion during the closed session. Therefore, she was required to provide appropriate notification to those involved and the union.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to reconvene in open session.

HR Director Arrick-Kruger stated that the process governing the matter which was to be discussed is driven by statute and has a rigid procedure. Upon hearing that there was a possibility that some Board members were not yet prepared to hold discussion, she was required to provide appropriate notice to the employee and the union. Statute is clear with regard to the timeline when notices must be provided to affected individuals. Notices are required to be sent in a timely fashion. This particular closed session may not be cancelled and rescheduled at a moment's notice.

HR Director Arrick-Kruger expressed concern that there have been several individuals who have questioned the County's process governing this meeting. She restated that the closed session was pursuant to M.S. 13D.05 subd 2 (b) which allows the Board to convene in closed session for the preliminary consideration of allegations or charges against an employee subject to its authority. It is not the time for a motion to be brought forward or to make a decision. She has reviewed this statute and sought the advice of legal counsel well versed in employment law in this regard to ensure that she is following proper procedure. She reported that a closed session

will be scheduled for next week to allow the Board time to consider allegations. The meeting next week will not be the time for a decision to be made.

HR Director Arrick-Kruger stressed that, throughout this process, it is imperative that the Board adhere to data practice policy. Any decision maker may, at any time during the process, recuse themselves if they feel that they are unable to be impartial. Decision makers may have a personal relationship, or they may have a pre-determined opinion which impacts their ability to be impartial.

HR Director Arrick-Kruger stated that in the event it appears that decision makers are coming to some consensus regarding discipline, and if that discipline is termination, the Board will immediately come out of closed session. HR Director Arrick-Kruger will then follow procedure and draft a notice of intent to terminate. This letter of intent will trigger a Laudermill hearing to be set.

A Laudermill hearing is a meeting when the affected employee has the opportunity to address the Board. It is the discretion of the affected employee to hold this hearing in either open or closed session. The employee will have union representation present at this meeting. In the event the Board does not intend to terminate, the situation will be remanded to the appropriate department and/or supervisor.

The closed session which is being scheduled for next week is a continuation of the meeting held September 24th. The purpose of the meeting is for the Board to discuss preliminary consideration of allegations. If the Board consensus is anything other than the intent to terminate, there will be no further action by the Board and no additional meetings and/or hearings will be scheduled regarding the matter. HR Director Arrick-Kruger is available to answer questions with regard to the process. She stated that she will not discuss merits outside of closed session. It is HR Director Arrick-Kruger's duty to ensure that the procedure is followed precisely.

Commissioner Walter indicated that she was prepared for additional discussion. It was on the agenda, however, concern was raised by others that they were not prepared. HR Director Arrick-Kruger stated that it was her understanding that some Commissioners were unprepared to take up discussion therefore she proceeded accordingly to ensure proper notification was extended.

Commissioner Storlie inquired whether a motion on this issue could be made without going into closed session. HR Director Arrick-Kruger responded that, this would give the appearance that discussion had taken place outside of closed session which would be a direct violation of data privacy and the proper procedure. An additional closed session is being scheduled in order to hold discussion that will lead to a consensus.

Commissioner Kjome reported on Department Head and Planning Commission meetings and the Public Hearing to discuss Planning Commission term limits which he attended.

Commissioner Walter reported on the Department Head meeting and Public Hearing to discuss Planning commission term limits which she attended recently.

Commissioner Storlie reported on the a Hiawatha Valley Mental Health meeting and also the Public Hearing to discuss Planning Commission term limits which she attended.

Chairperson Zmyewski reported on the Public Hearing to discuss Planning Commission term limits he attended last night.

Motion was made by Commissioner Storlie, 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 recent hire

There being no further business and the time being 9:48 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 8, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 8, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; Zoning Administrator Scanlan; HR Director Arrick-Kruger; Betts Reedy; Finance Director Lapham; Kelley Stanage; Environmental Services Director Frank; Bruce Kuehmichel; County Attorney Hammell; Jail Administrator Schiltz; Heidi Hankins; Sue Schwebach; Social Services Supervisor Hunter

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the October 1, 2013 meeting.

File No. 1 - Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$106,585.42
Road & Bridge Fund	665,538.50

Total	\$772,123.92
	=====

Engineer Pogodzinski stated that he has several flood related projects to present for final approval. The projects will be covered 75% FEMA and 25% State.

File No. 2 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-101 located on CSAH 1. The original contract amount was \$56,310.00. Certified to date is \$55,419.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-38

WHEREAS, Contract No. 224 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. 3 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-1001 located on CSAH 10. The original contract was for \$55,510.00. The amount certified to date is \$67,786.00. The overrun is due to additional need for top soil and the amount of ditch requiring cleaning was greater than originally estimated. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-39

WHEREAS, Contract No. 225 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. 4 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-2101 located on CSAH 21. The original contract was for \$29,770.00. The amount certified to date is \$26,736.00. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-40

WHEREAS, Contract No. 229 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.
Griffin.

File No. 5 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-1801. The original contract was for \$26,049.30. The amount certified to date is \$22,501.22. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-41

WHEREAS, Contract No. 228 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 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-2301 located on CSAH 23. The original contract was for \$27,050.00. The amount certified to date is \$27,855.53. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-42

WHEREAS, Contract No. 240 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

File No. 7 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-3101. The original contract was for \$42,775.00. The amount certified to date is \$42,629.98. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-43

WHEREAS, Contract No. 241 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. 8 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-2201. The original contract was for \$14,628.00. The amount certified to date is \$15,689.90. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-44

WHEREAS, Contract No. 233 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 recommended approval of the final payment for C.P. 2013-1101 located on CSAH 11. The original contract amount was for \$52,862.50. The amount certified to date is \$50,595.82. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-45

WHEREAS, Contract No. 230 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. 10 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-2001. The original contract was for \$37,730.75. The amount certified to date is \$37,584.08. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adopt the following:

RESOLUTION NO. 13-46

WHEREAS, Contract No. 232 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. 11 - Engineer Pogodzinski stated that the FAA requires that the County's DBE (Disadvantaged Business Enterprise) program be updated once every 5 years. Houston County needs to update its program now. He recommended approval of Amendment #1 to Task Order #2301-1 to Professional Services Agreement. The cost for the agreement is \$4,856.00. Engineer Pogodzinski spoke with representatives from the FAA and MN DOT who approved attaching this to the same grant agreement as the pavement rehabilitation for the airport runway. Due to the shutdown he has been unable to contact the FAA recently to obtain a final determination regarding the cost share breakdown for the amendment. He anticipates a 95/5 or 80/20 cost share with the FAA funding the larger percentage. Commissioner Storlie questioned whether there were funds available to cover the local share regardless which split is determined. Engineer Pogodzinski stated that he would need to review the budget. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve Amendment #1 to Task Order #2301-1 to the Professional Services Agreement with Mead & Hunt, Inc.

Engineer Pogodzinski was pleased to report that Structural Specialties has completed the necessary repairs to the Spring Grove salt shed bringing it into building code compliance. He is expecting documentation in this regard soon. This has been a lengthy process.

Commissioner Walter has been questioned why the County chose to simply overlay the pavement on the airport runway as opposed to milling and overlay. Engineer Pogodzinski reported that the runway had at most 3 inches of asphalt and a 5 inch base. There are places where the asphalt is only 1.5 inches. The existing pavement and base were left intact in order to support the weight of the paving equipment. Even with the existing pavement and base, the pavement flexed beneath the equipment. If the County had performed a mill and overlay the cost of the project would likely have been four times greater. It may be true that a mill and overlay may have lasted longer, however, with the current economic factors the simple overlay was the best option. A similar project performed on a County roadway would result in an additional 7 years of road life. Engineer Pogodzinski stated that the airport was built in 1968 or 1969, the pavement recently overlaid was the original pavement with only micro surfacing being performed on it in 2006. The micro surfacing has extended the runway pavement life by 7 years. He reported that the heaviest plane utilizing the runway is approximately 6,000 pounds. The weight of planes won't be the cause for pavement degradation. The weather will be the primary factor in pavement life. If the pavement is sealed and protected from moisture this overly may last as many as 20 years which will provide the County ample time for future planning.

File No. 12 – Zoning Administrator Scanlan reported on variances which were approved by the Board of Adjustment. The first for Darryl Sharon of Winnebago Township was for a variance of 41'4" to meet the required 50 foot setback requirement from the west property line to build a garage, and the other was for James Stromberg of Money Creek Township for a variance of 15 feet to meet the required 30 foot setback requirement from the east property line and variance of 30 feet to meet the required 50 foot setback requirement from the south property line to build a mini storage building.

File No. 13 – Zoning Administrator Scanlan reported that Eric Johnson has applied for a CUP to perform excavation to the old railroad bed to the east of CSAH 25 which has 3 breeches. The breeches are allowing high waters resulting from heavy rains to cause damage on the landward side. Mr. Johnson is proposing to lower the existing 10 foot rail bed to 5 foot which would allow high waters to overtop the rail bed mitigating damage from high waters funneling through the breeches. Zoning Administrator Scanlan, along with Engineer Pogodzinski, representatives from Corp of Engineers along with concerned neighbors all met at and viewed the project site. Representatives from the DNR were invited to attend but were not present. It was agreed that the water is already causing damage and getting into the area, and this project will mitigate the damages. On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Conditional Use Permit:

Eric Johnson – Mound Prairie Township - Move more than 50 cubic yards of material in a shore land district.

File No. 14 – Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve a one-year extension to CUP #146 for Old Hickory Orchards, LLC for temporary farm housing. There is no expansion and/or changes intended, just business as usual.

File No. 15 - On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Zoning Permits:

Tom and Jeff Gerard – Wilmington Township - Build lean-to on existing shed (40' x 64')

Irvin and Joanne Schansberg – Caledonia Township - Build house (32' x 38') deck (14' x 10') garage (28' x 36') shop (32' x 48') with 10' lean

Morken Farms – Black Hammer Township - Build bunker silo (80' x 150')

Jeffrey Eastman – Jefferson Township - Build shop/garage (18' x 30')

Arlin Gran and Greg Gran – Crooked Creek Township - Replace existing trailer – no additional bedrooms (16' x 60')

A. Peter and Jeanne Johnson – Houston Township - Build shed (24' x 27')

Dean Miller – Wilmington Township - Build storage shed (36' x 50')

Travis and Naaren Kingsley – Sheldon Township - Build a garage (30' x 30')

Josh Swenson – Sheldon Township - Build house (43'4" x 32') garage (24' x 35')

Karl Stokman – Winnebago Township - Build pole shed (40' x 64')

Tony Breeser – Union Township - Build shed (30' x 60')

Dennis Gulbranson – Spring Grove Township - Build pole storage building (60' x 104')

Tim Schieber – Caledonia Township - Build shed (60' x 120')

Finance Director Lapham discussed an e-mail from Bruce Kimmel from Ehlers. Mr. Kimmel will be in Zumbrota on October 29th and would be willing to come to Houston County to provide information about current bonding debt and bonding capacity for consideration in the future. It was agreed to schedule a board meeting for October 29th and to schedule an appointment with Mr. Kimmel. It was also agreed to discuss budget and policy that day.

File No. 16 – At this time Finance Director Lapham provided information represented in a financial report she distributed. Discussion was held regarding the budget, percent of year expired and percent of budget exhausted. She highlighted certain areas of concern and provided explanation of areas which appear out of line as a result of timing of receipts and reporting.

It was agreed to schedule an appointment with Public Health to discuss the state of their budget.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to amend the agenda to provide time for HR Director Arrick-Kruger to address two resignations.

File No. 17 - HR Director Arrick-Kruger reported that Gary Bubbers has submitted his resignation effective December 28th. Jail Administrator Schiltz reported that Mr. Bubbers has worked for the County for over 30 years with the past 2 serving in a lead jailer position. Mr. Bubbers has provided a lengthy period of notice which his appreciated. Commissioner Schuldt spoke to Mr. Bubbers genuineness and likeability. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to accept the resignation of Gary Bubbers with regret.

HR Director Arrick-Kruger indicated that she along with Jail Administrator Schiltz would like to conduct an internal search for a lead jailer/dispatcher. This is an internal promotional opportunity. They will return to the Board with a staffing plan to address the FTE being vacated by Mr. Bubbers. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize an internal search for lead jailer/dispatcher.

File No. 18 - HR Director Arrick-Kruger reported that PHN Director Deb Rock has submitted her resignation effective November 1st. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to accept Ms. Rock's resignation.

Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to convene in closed session pursuant to M.S. 13D.05 subd 2 (b) which allows the Board to convene in closed session for the preliminary consideration of allegations or

charges against an employee subject to its authority. HR Director Arrick-Kruger stated that this is a continuation of the last closed session. The time was 9:56 a.m.

The time being 12:21 p.m. the Board reconvened in open session with all members present.

HR Director Arrick-Kruger reiterated that the closed session was a continuation of a previous meeting to consider allegations or charges against an employee subject to its authority.

Discussion was held regarding the recent appraisal of the Roverud building. It was agreed to meet with Assessor Dybing for further discussion related to the appraisal.

File No. 19 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the minutes of September 30th Public Hearing to consider term limits for the Planning Commission. Further discussion related to term limits is to be placed on the agenda.

File No. 20 - Commissioner Storlie provided information related to an application for Legacy grant funding. If awarded the grant would be utilized for an improvement project at Wildcat Park. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following resolution:

RESOLUTION NO 13-47

RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION TO DEPARTMENT OF NATURAL RESOURCES.

BE IT RESOLVED that Houston County act as legal sponsor for the project contained in the Park Legacy application to be submitted on October 24, 2013 and that Rick Howden is hereby authorized to apply to the Department of Natural Resources for funding of this project on behalf of Houston County.

BE IT FURTHER RESOLVED that Houston County has the legal authority to apply for financial assistance, and financial capability to meet the match requirement (if any) and ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that Houston County has not incurred any development costs and has not entered into a written purchase agreement to acquire the property described in the Cost Breakdown section on this application.

BE IT FURTHER RESOLVED that, upon approval of its application by the state, Houston County may enter into an agreement with the State of Minnesota for the above-referenced project, and that Houston County certifies that it will comply with all applicable laws

and regulations as stated in the grant agreement including dedicating the park property for uses consistent with the funding grant program into perpetuity.

NOW, THEREFORE BE IT RESOLVED that CHAIRPERSON JUSTIN ZMYEWSKI is hereby authorized to execute such agreements as are necessary to implement the project on behalf of the applicant.

The crop lease for the property for a proposed highway department complex expires at the end of this year. The lease was for a 3 year period and included an “out” clause. Discussion was held whether to go out for bids and enter into a new lease. It was agreed to repeat the previous leasing process. A live auction will be held with auctioneering services donated by Commissioner Schuldt. It was agreed to enter into a new 3 year lease for the land. The auction will be held out at the Highway Department Building. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to advertise the auction.

File No. 21 - Environmental Services Director Frank reported on correspondence from the EQB (Environmental Quality Board). The letter explains how the EQB is reaching out to local units of government and what they can offer. In addition, there are model ordinances they wish to present and explain to County staff. Meetings have been scheduled for this purpose. Environmental Services Director Frank reported that he intends to attend the meeting scheduled for Tuesday, October 29th in St. Charles. Discussion was held with regard to the Board’s attendance. Environmental Services Director Frank also noted information related to the multi-facility environmental impact statement. He questioned the status of a particular site impacted.

File No. 22 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve a Minnesota Lawful Gambling Application for Exempt Permit for Bluffland Whitetails Association for an event to be hosted at Outback Ranch on November 2, 2013.

File No. 23 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the 2013 tax abatement for Nenetta Onstad on parcel #01.0145.003 in the amount of \$257.00 due to duplicate entry of the parcel resulting in duplicate tax amounts being assessed.

Commissioner Kjome reported on an EDA meeting which he had attended.

Commissioner Schuldt reported on a meeting regarding the Roverud building which he attended.

Commissioner Storlie reported on EDA, HVMHC meetings which she attended recently. She also reported on a mental health forum she attended. The forum was held at Winona Health. She provided statistics related to the number of individuals suffering from mental health issues.

Chairperson Zmyewski reported that he attended the meeting regarding the Roverud building with Commissioner Schuldt.

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

File No. 24 - Correspondence from MN Revenue

There being no further business and the time being 12:46 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, October 15, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 15, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Assessor Dybing; Donna Buckbee; Betts Reedy; Kelley Stanage; Jail Administrator Schiltz; Glenn Kruse

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the October 8, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$81,695.64
Road & Bridge Fund	60,193.90

Total	\$141,889.54
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File No. 2 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-501. The contract amount was \$37,977.40. Certified to date is \$38,726.27. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-48

WHEREAS, Contract No. 226 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. 3 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-1501. The original contract amount was \$19,865.00. Certified to date is \$12,357.30. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-49

WHEREAS, Contract No. 231 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. 4 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-801 located on CSAH 8. The contract amount was \$73,902.00. Certified to date is \$50,558.33. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-50

WHEREAS, Contract No. 227 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 the final payment for C.P. 2013-1701 located on CSAH 17. The contract amount was \$12,620.00. Certified to date is \$12,785.80. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adopt the following:

RESOLUTION NO. 13-51

WHEREAS, Contract No. 239 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 - Assessor Dybing reported that he has received notification related to a tax court filing by Minnesota Energy Resources Corporation. Tax court filings are a review of the appraised value of property assigned by the State. This property may cross many political boundaries within the state. An example of property that would be assessed by the State would

be a pipeline. In the event Minnesota Energy Resources Corporation were to prevail and be granted a reduced assessment, a 10% reduction could result in a significant amount of tax revenue lost by the affected entities. The Department of Revenue is responsible for all attorney fees, court related costs and defense of the suit. The Department of Revenue will simply notify affected jurisdictions of the outcome. Assessor Dybing reported that recently the Department of Revenue has taken a more aggressive approach with this type of property appraisal which may have caused a change in the valuation resulting in this tax filing.

Chairperson Zmyewski has reviewed the Roverud building appraisal. In addition, Assessor Dybing was asked to review the appraisal which has resulted in some concern. Assessor Dybing specifically questioned why a cost approach was not prepared. There is an express response contained on page 6 of the appraisal document. He expressed that when dealing with commercial properties, a cost approach is his preference. In this particular situation the County is considering many options including purchase a facility, retrofit a current facility or build a new facility. Even though the Roverud building was erected in the 1980's, a cost approach would have shown what the cost to erect a comparable facility would be at this time. A prudent buyer could use this information to weigh options of whether to purchase an existing facility or build a new facility.

Assessor Dybing also had difficulty with the comparable properties used for this appraisal as they are located in communities several hundred miles from Spring Grove. In addition, the comparable properties do not exhibit the same function as the subject property. Assessor Dybing expressed surprise that comparable commercial properties could not be located in Winona, Rochester and/or La Crosse areas. He wants the commissioners to be aware of his concerns.

Chairperson Zmyewski questioned whether these concerns warrant a correction or discussion regarding the preparation of the appraisal. Commissioner Schuldt questioned whether a cost approach could be requested. In this circumstance a cost approach would have been extremely beneficial. It was agreed that Commissioner Schuldt would discuss the concerns with the appraiser.

File No. 7 - HR Director Arrick-Kruger along with Jail Administrator Schiltz met with the Board to discuss staffing in the jail. HR Director Arrick-Kruger stated that the jail will lose 1 FTE at the same time it loses a lead jailer. There are several (four) part time staff who are fully trained and who may welcome the opportunity to move into a full time position. Last week the Board approved that an internal search be conducted for a lead jailer. HR Director Arrick-Kruger requested authorization to conduct an internal search for the 1.0 FTE jailer/dispatcher position. This may result in the lead coming from current full time staff or from part time staff who move into the full time position. In the event a part time person is hired for the 1.0 FTE position a vacancy in a 0.5 FTE position could result. HR Director Arrick-Kruger requested approval to advertise for said position if this is the chain of events. Motion was made by Commissioner

Storlie, seconded by Commissioner Schuldt and unanimously carried to authorize an internal search for a 1.0 FTE jailer/dispatcher position.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to authorize advertising/performing an external search for a 0.5 FTE jailer/dispatcher position contingent upon filling the 1.0 FTE position with a current part time staff person.

HR Director Arrick-Kruger requested authorization to initiate a search for a Public Health Director. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to authorize the initiation of a search for a Public Health Director.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to extend Mary Thompson's phased retirement (0.6 FTE) for an additional year effective December 1, 2013 through November 30, 2014.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to appoint Mary Thompson as Interim Public Health Director effective November 2, 2013 at step 4 of the D-61 comparable worth band. Chairperson Zmyewski questioned why we would appoint an interim that wasn't intended to be the permanent solution. HR Director Arrick-Kruger indicated that typically the interim is not the same person hired to fill the position on a permanent basis. Ms. Thompson will serve only until the competitive search has been concluded and a Public Health Director is hired. Ms. Thompson will revert back to current duties upon hiring a new PHN Director. The County is fortunate to have a qualified individual who is able to serve during the search period. Ms. Thompson, because of her phased retirement, is not interested in the permanent position.

File No. 8 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve a gambling permit for Camp Winnebago and to adopt the following resolution:

RESOLUTION NO. 13-52

BE IT RESOLVED, that the Houston County Board of Commissioners do hereby approve the Minnesota Lawful Gambling Application on behalf of Camp Winnebago for gambling activities to take place on February 1, 2014 at Camp Winnebago, 19708 Camp Winnebago Road, Caledonia, MN.

Commissioner Schuldt reported on the Capital Budget Committee meeting in Rochester last week and also on an insurance committee meeting he attended.

Commissioner Storlie reported on a Wildcat Meeting and the SMIF annual luncheon which she attended.

Commissioner Storlie provided a reminder related to the AMC District meeting. This meeting is being held in Rochester. Discussion was held with regard to who would be in attendance. Commissioners Storlie and Walter will be attending the meeting. It is possible that Commissioners Kjome and Schuldt may attend.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to recess the regular meeting.

The time being 9:56 a.m., the regular Board meeting was reconvened.

Commissioner Storlie was provided an answer to her question regarding a payment made to Houston County Historical Society.

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

File No. 9 – Public Notice regarding Board meeting scheduled for 10/29/2013

File No. 10 - 2013 MCIT Annual Meeting Announcement & Notice of Board Election

File No. 11 - Notice of land rental auction

File No. 12 - Notice of vote to amend MCIT Joint Powers Agreement

File No. 13 – MCIT Voting Delegates & Alternates

File No. 14 – Tons delivered to Xcel

There being no further business and the time being 10:00 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 22, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 22, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; HR Director Arrick-Kruger; Engineer Pogodzinski; Treasurer Trehus; Finance Director Lapham; PHN Director Rock; Michelle Massman; Kelley Stanage; Sarah Wexler-Mann (videotaped the proceedings); Yvonne Krogstad; Jail Administrator Schiltz; Sheriff Ely; PHN Accountant Lillegraven; Mary Thompson; County Attorney Hammell; Donna Buckbee; Social Services Supervisor Hunter

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the October 15, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$44,851.79
Road & Bridge Fund	319,958.34

Total	\$364,810.13
	=====

Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve amending the agenda to include an appointment for Engineer Pogodzinski.

File No. 2 - Engineer Pogodzinski reported on the following bids received until October 21, 2013 for project C.P. 2013-1201:

Griffin Construction Co., Inc. Chatfield, MN 55923	\$1,032,931.00
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Engineer Pogodzinski explained how this project was difficult to bid due to the uncertainty with the extent of work involved. The project is on CSAH 12 to repair damage resulting from June 2013 flooding. In the event the project is awarded, the pre-construction meeting will be scheduled for Thursday with work beginning either Friday or Saturday. FEMA has provided their approval of this project. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to accept the bid of Griffin Construction Company Inc. in the amount of \$1,032,931.00.

Engineer Pogodzinski reported that County 19 sustained some damage as a result of June 2013 flooding. He has been working with the Federal Highway Administration and MN DOT regarding the installation of guardrails on a section of roadway. Quotes have been solicited, however, only one contractor being Mattison, has submitted a quote. On the recommendation of Engineer Pogodzinski, motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the quote of Mattison for the installation of guardrail on County 19 in the amount of \$16,587.50.

Engineer Pogodzinski stated that there are two sections of County roadway which would benefit from guardrail installation. Installation of guardrail at these sites will not qualify for FEMA reimbursement. The Highway Department has funds within its budget as the result of asphalt under runs. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to accept the quote provided by Mattison in the amount of \$23,365.00 to install guardrail on a portion of County 32. Completion of this project will increase driver safety.

The final location is on County 5 where slope slid following the August 2007 flood event. The slope was stabilized, however, traffic safety would be improved with the installation of guardrail. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the quote provided by Mattison in the amount of \$25,370.00 for guardrail installation.

Engineer Pogodzinski reported that a seasonal employee caused damage to the La Crescent shop which is owned by La Crescent Township. Temporary repairs were made to the building however, there is a need to make permanent repairs. In addition, La Crescent Township plans to paint the building. The County's portion of repairs is estimated at \$5,187.00. Commissioner Walter questioned whether the cost to repair the damage caused by the employee is covered by insurance. Engineer Pogodzinski indicated that perhaps \$3,500.00 of the repair bill may be covered by insurance. There is a \$1,000.00 deductible that would need to be met. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the described repairs.

File No. 3 – Treasurer Trehus reported on requirements of the State Auditor. There is a need to update the resolution authorizing depositories of public funds. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-53

BE IT RESOLVED That the Houston County Board of Commissioners do hereby designate the following banks as depositories of public funds on behalf of Houston County:

BANK OF THE WEST – CALEDONIA BRANCH
EITZEN STATE BANK
EASTWOOD BANK
MERCHANTS BANK- SPRING GROVE BRANCH
MERCHANTS BANK- CALEDONIA BRANCH
RUSHFORD STATE BANK

Discussion was held regarding accepting credit cards at county offices. Treasurer Trehus provided a brief update. She is considering a company used by 5 other Minnesota counties.

Chairperson Zmyewski reported that he recently met with the Director of the EQB (Environmental Quality Board). Discussion was held regarding the EQB's governance and how they may be able to assist counties with county frac sand ordinances. Chairperson Zmyewski stressed how unique the southeastern region is and how he would prefer a regional approach to regulations versus a statewide one. Chairperson Zmyewski questioned whether the EQB was still considering a prohibition of frac sand mining in certain areas. The Director indicated that their technical advisor is willing to work with counties to draft guidelines and would be available to assist counties working with the Attorney General in this regard. The Director is originally from Rhode Island and until his meeting with Chairperson Zmyewski had never toured this area. The Director is supportive and willing to work with counties to meet their goals.

Commissioner Walter provided a reminder of the upcoming meetings scheduled with the EQB. Environmental Services Director Frank along with Zoning Administrator Scanlan will be attending the morning meeting to be held in St. Charles next Tuesday. Commissioners are considering attending a session scheduled for Tuesday afternoon in Wabasha County.

File No. 4 - HR Director Arrick-Kruger reported that she along with Engineer Pogodzinski and Maintenance Foreman Molling interviewed candidates for the Highway Maintenance position. The County again attracted a competitive and well qualified pool of applicants. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to hire Chris Hartley, contingent upon successful completion of the required background check.

Engineer Pogodzinski reported that Mr. Hartley has worked with Dunn Blacktopping since 2003. He started work with Dunn as a maintenance worker, moved up to operator and most recently worked as paver operator. His supervisors at Mathy Construction stated that Mr. Hartley would be sorely missed. Engineer Pogodzinski expressed that Mr. Hartley will fit in well with Highway staff. Mr. Hartley resides in Hokah which will enable the department to improve response time in the La Crescent area and have someone working out of the La Crescent shop full time. Response time is critical to public safety. Mr. Hartley is well qualified and has considerable experience in the operation of various types of equipment.

File No. 5 - HR Director Arrick-Kruger requested approval of a Professional/Technical Services Agreement with Hoskin's Electric for the removal of the existing fire alarm control panel and all associated devices throughout the Historic Courthouse and installation of Custom Alarm Notifier fire alarm control panel and all new fire alarm devices to comply with fire alarm codes in the Historic Courthouse. Recently, a false alarm went out causing a response from three fire trucks. This was a good drill which resulted in a full search of the building being conducted. In addition to the installation of a new control panel and devices, HR Director Arrick-Kruger would like to devise a plan and cost estimate to have sensors installed throughout the building in order to minimize loss and search time. She is working with Commissioner Kjome in this regard. Commissioner Storlie questioned whether installation of sensors would result in an insurance savings. HR Director Arrick-Kruger will check with the insurance provider. HR Director Arrick-Kruger explained why the estimate she is recommending accepting appears to be just over \$700.00 higher than the other estimate. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the contract with Hoskin's Electric in the amount of \$9,280.00 which includes labor and tax.

HR Director Arrick-Kruger reported that all major drain tunnels have been cleared. The tunnels are a green alternative which act as a retention area for storm runoff and allow water to slowly be absorbed into the ground. In order to for the tunnels to work well they must be clear of silt and debris. The tunnels are located beneath the parking lot. One tunnel had a significant buildup of sand. The clearing of the tunnels is a three person operation.

File No. 6 - PHN Director Rock met with the Board to discuss the state of the Public Health budget. Commissioner Walter questioned whether some of the budget concerns are the result of not having received expected reimbursements. PHN Director Rock reported that \$78,808.00 in grants were expected but were not received in the month of September. These grant funds would have offset expenses incurred by the department through the month of August.

It was noted that in any given month, the books reflect receivables in the amount of two months' worth of visits. This amount is averaging \$144,000.00.

PHN Accountant Lillegraven reported that Medicare is billed only when a 60 day episode is concluded. Payments from Medicare are issued based on a strict schedule. Medicare payments may include nursing and HHA visits in addition to physical therapy (PT) sessions. In order to

submit the billing, Public Health must first receive the log sheets for billing from PT. Of the 64 episodes so far this year, 56 have included billing for PT. In comparison, last year the Public Health department dealt with a total of 50 episodes. In the first 9 months of this year the department has exceeded the annual amount from last year. The PT billing impacts the line item "Other professional and technical fees" which is up considerably in part because 80% of episodes involve PT.

PHN Accountant Lillegraven stated that there is a trend related to State Grants. Instead of receiving grant funds up front, the majority are now paid as reimbursements for expenses incurred. In addition, depending on the grant agreement, invoicing may be performed monthly or quarterly. She explained how Public Health has approximately 6 months' worth of expenses recorded prior to receiving reimbursements for the first 3 months.

The WIC program operates on a different fiscal year than the County. The WIC fiscal year begins October 1st and ends September 30th. WIC does not close out a year until the following February or March. In addition, the County is not guaranteed full funding. PHN Accountant Lillegraven reported that during her tenure, WIC has provided full funding during only 3 years. Currently, the WIC program owes the County \$39,000.00.

The County practices cash basis reporting which means expenses and receivables are reported when they occur even though they may not occur at the same time, or even during the same fiscal period or year. One example of when this skews reporting would be the U Care grant which is the only remaining grant where payment is distributed up front. A UCare grant has been received in Fiscal Year (FY) 2013 for expenses which will be recorded in FY 2014. Finance Director Lapham indicated that the reporting should still reflect cyclical patterns. UCare grant funding has been both received and expenses reported in the same fiscal period.

It was noted that Public Health is unique in that it bills for services much like a clinic would. There is a lag between when an expense is recorded and when the offsetting payment is received.

PHN Director Rock stated that the UCare Grant is a competitive grant. Houston County has been fortunate to be awarded this grant on multiple occasions. However, in the event there is a year when Houston County is not awarded the grant, there may continue to be expenses while the County expends funds received earlier.

PHN Director Rock reported that caseloads also impact financial statements.

When asked whether Public Health is on par with the annual budget, PHN Accountant Lillegraven responded yes, the department is where it expects to be financially at this time as far as she has been able to determine. She reiterated how there are many variables and each case they bill is unique. She explained that Medicare clients are typically short term ranging from services being provided from 2 weeks to 4 months and typically include nursing, HHA and PT

services. Some cases may not receive all services. Each case is based on diagnosis and nurse assessment. With Medicare clients, payment is not based on a per visit amount, it is based on the needs as determined by the assessment.

PHN Accountant Lillegraven explained how LPH payments may be withheld if the issuing organization is tight with their budget.

Mary Thompson commented that budgets are simply a snapshot at a given moment in time. The PHN budget is likely based on the previous years' experience. Along with a budget, goes an explanation. Hospitals may raise rates in response to budget trends, however, Public Health does not have this luxury.

Finance Director Lapham expressed that the Board needs to know the impact of the PHN budget with regard to levy dollars. Chairperson Zmyewski questioned whether the department is within budget. PHN Accountant Lillegraven responded yes, provided the department is paid what is owed and anticipated.

PHN Accountant Lillegraven stated that some bills are filed jointly with Fillmore County. This requires Houston County to have received the Fillmore County billings in addition to its own.

PHN Accountant Lillegraven indicated that over a period of ten years there have been significant changes in the department's ability to generate profits. She reported that recently implemented changes have resulted in fees which may be annual such as a \$90.00 per month fee to provide for consumer survey and also a provider application fee which must be renewed once every two year's which costs \$550.00.

Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to convene in closed session pursuant to M.S. 13D.05 subd 2 (b) for the preliminary consideration of allegations or charges against an employee subject to its authority. HR Director Arrick-Kruger stated that this is a continuation of a prior closed session. The time was 10:12 a.m.

The time being 12:37 p.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to reconvene in open session. All members were present.

HR Director Arrick-Kruger reiterated the reason for the closed session which was held pursuant to M.S. 13D.05 subd 2 (b) and reported that at this time the matter is being remanded to the supervisor of the employee. The supervisor and HR will work together regarding the matter going forward. No action is being taken by the Board

Commissioner Kjome reported on a CJCC meeting which he attended.

Commissioner Storlie stated that a meeting has been scheduled for staff from various departments including HS, courts and sheriff's department to get to know one another and what job duties they perform.

File No. 7 - Commissioner Walter reported on a Regional Radio Board meeting which she attended. The group has taken action to change the name of the Board to "Southeast Minnesota Regional Emergency Communications Board" (ECB). Prior to finalization of the name change, entities involved with the Board through a Joint Powers Agreement must take action to approve the name change. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve of the name change and to adopt the following:

RESOLUTION NO. 13-54

A Resolution Approving Modifications to the Joint Powers Agreement Forming the Southeast Minnesota Regional Radio Board

WHEREAS, Houston County is a participating member of the Southeast Minnesota Regional Radio Board (hereinafter the "Board"), a Joint Powers Entity formed pursuant to Minnesota Statutes 403.39 and 471.59; and

WHEREAS, a Joint Powers Agreement creating the Board was approved by the parties to the Agreement comprising the Board, including Houston County; and

WHEREAS, the Minnesota legislature has amended Minnesota Statute 403.39 by adding a new section entitled "Regional Emergency Communications Boards" that provides authority for Regional Radio Boards to assume responsibility for coordinating regional 911 services; and

WHEREAS, compliance with this amendment to Minnesota Statute requires modification of the existing Joint Powers Agreement; and

WHEREAS, the Board recommends modification of the Joint Powers Agreement governing the Board to provide for regional coordination of 911 services and public safety broadband data services and changes the name of the Board to "Southeast Minnesota Regional Emergency Communications Board".

NOW THEREFORE BE IT RESOLVED the Houston County Board of Commissioners approves the modifications to the Joint Powers Agreement recommended by the Board and attached hereto; and be it further

RESOLVED that the Board Chairperson is hereby authorized to execute the required addendum to the existing Joint Powers Agreement to implement the authorized modifications.

Commissioner Storlie provided information related to an upcoming AMC Leadership Academy scheduled for January 23rd and 24th. She also provided information related to how AMC offers webinars and is now making pre-recorded webinars available for viewing at a later time via their website. She reported that AMC supports a change to the road funding formula which would move to a more equitable distribution of funding for out state and metro areas.

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

File No. 8 - Correspondence to payroll regarding changes

File No. 9 - MAWD 2013 Annual Meeting & Trade Show

File No. 10 – Correspondence from Land Stewardship Project

There being no further business and the time being 12:38 p.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, October 29, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, October 29, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Bruce Kimmel; Finance Director Lapham; Betts Reedy; Bruce Kuehmichel; Sarah Wexler-Mann (videotaped the proceedings); Kelley Stanage; Mike Fields; Engineer Pogodzinski; Jail Administrator Schiltz; HR Director Arrick-Kruger; Rick Howden; Heidi Hankins; Treasurer Trehus

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the October 22, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements.

Mike Fields, Winnebago Township resident, addressed the Board. Mr. Fields indicated that he could be doing other things with his time. He stated that, in his opinion, there are many good reasons to implement term limits and few, if any, bad reasons. He encouraged the Board to “do the right thing.” He closed by stating that after the vote is taken it will be known “which commissioners should be replaced.”

Chairperson Zmyewski expressed concern with the number of agenda amendments being requested and how those requesting them are being allowed to meet with the Board prior to regularly scheduled appointments. This is something that needs to be addressed. He recommended placing those requesting agenda amendments which are approved to be scheduled at after regularly scheduled appointments. Commissioner Storlie stated that it is costly to have staff present and waiting until the conclusion of the meeting to present a matter that may take only moments. Chairperson Zmyewski stated that today, it is unknown how long discussion regarding policy will take. In addition, there is a regularly scheduled appointment and a meeting which requires travel which are constraining the time the board has available to them to fit in additional appointments. He would prefer to cover the items on the agenda and, time permitting, deal with any possible agenda items which result from an amendment. Commissioner Walter

expressed her understanding that Engineer Pogodzinski has a simple request which may be addressed quickly. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried, with Chairperson Zmyewski voting in the negative, to approve an agenda amendment to provide for an appointment for Engineer Pogodzinski.

File No. 2 - Engineer Pogodzinski stated that typically paving in this area ceases annually on November 1st. This date is fast approaching. There is a need to repair approaches to four county bridges and to patch a section of CSAH 27 which was damaged following the June 2013 flooding. W. Klaetsch Paving, LLC recently notified the County that they would have time to complete these paving projects prior to the deadline and provided a quote. Commissioner Walter reported that she has received calls of concern regarding a specific bridge and a sizeable lip. Maintenance Foreman Molling has expressed concern that failure to make the necessary repairs may cost the County over the winter months if plow trucks hook the damaged areas. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to accept the quote for paving provided by W. Klaetsch Paving, LLC.

File No. 3 - Chairperson Zmyewski provided a brief overview and timeline of discussion which has taken place regarding Planning Commission Term Limits. Commissioner Walter stated that she has discussed term limits with many counties and provided a written proposal for possible implementation in Houston County. Her proposal allows for an individual to serve three 3 year terms which allows for learning to take place and for the commission to benefit from experience of members. They may serve at another time provided they have not served for a minimum of 3 years/a single full term. The proposal also provides for representation from each commissioner district. She stated that she did not include a provision that more than one commissioner serves on the Planning Commission because the Planning Commission acts as an advisory board to the County Board of Commissioners and there would be no benefit to multiple commissioners serving to advise themselves. The Board agreed that it does not want too much turnover of the current Planning Commission too quickly, therefore, if adopted, Planning Commission members exceeding 9 years of service would be replaced upon the expiration of their current appointed term. Commissioner Schuldt indicated that he does not take issue with the implementation of term limits. He reiterated his concern that the current membership not be turned over too quickly. Discussion was held. Chairperson Zmyewski expressed a desire to accept applications from interested parties. It was clarified that there would be no specific "application form" provided by the County in this regard. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to adopt the following:

Terms of Office, the Filling of Vacancies and the Board Removal from Office. Members of the commission shall serve at the pleasure of the County Board of Commissioners.

Planning commission shall consist of 7 members, one each from the 5 districts, one member at large from any district and one Commissioner. The term of office is three (3) years and maybe continued in three (3) year

terms for a maximum of 3 consecutive terms equaling 9 years and are required to sit out one full term before reapplying for position. These limits are at the discretion of the County Board.

The County Board of Commissioners shall make appointment to fill vacancies on the Planning Commission. Appointment to fill an unexpired term of office shall be for the remaining term of office. All other appointments shall be at the completion of a 3 year term.

Members may be removed from office prior to the completion of the term of office by a majority vote of the County Board of Commissioners.

New members may submit an application to the County Board of Commissioners by December 1 for review and consideration.

Effective December 31, 2013, an current planning commission members that have served more than 9 years will be allowed to finish their current term.

Discussion was held regarding the frac sand moratorium. There seems to be confusion regarding its expiration. It was agreed that the Board needs clarification in this regard therefore Attorney Squires will be contacted. In the event the moratorium expires prior to 2015, proper procedure will need to be reviewed in order to fulfill the Board's intention of extending the moratorium as long as statutorily allowed.

Chairperson Zmyewski requested clarification regarding the replacement of Planning Commission members who are already exceeding 9 years of service. Members exceeding 9 years of service will be replaced upon expiration of their appointed term. In 2014 this will affect a single Planning Commission member.

Commissioner Storlie questioned whether Houston County has a policy regarding the appointment of the Board Chair. She indicated that the position of Board Chair should be rotated among members. Historically, the position has rotated among members based on seniority although in rare instances Boards have deviated from this and re-elected the same person to act as Chair in consecutive years. It was the consensus of the Board to rotate the position of Board Chair among members based on seniority.

Commissioner Walter questioned the status of decision making with regard to the Historic Jail. Decisions related to the Historic Jail have been sidelined in order to address concerns related to the Historic Courthouse which have a higher priority. There is a need to replace the historic Courthouse roof and perform repair to the exterior steps. The Historic Jail is in relatively sound condition. It is being minimally maintained (heated and humidity controlled). When asked about the cost for heating and humidity control, Finance Director Lapham

responded that it is difficult to estimate due to the fact the Historic Jail shares its heating system with the Historic Courthouse.

Decision making with regard to the Highway Department Building has been delayed due to Engineer Pogodzinski having been required to dedicate much of his time to recovering from infrastructure damage caused by summer flooding. Commissioner Schuldt commented how the Roverud Building located in Spring Grove provides a turnkey option. It fails to address the ongoing need to have and/or maintain a satellite facility in Caledonia which needs to be OSHA compliant. There is a need to continue discussion with regard to the Highway Department Building.

Chairperson Zmyewski expressed concern that hiring an architect is costly. It is necessary to determine the County's needs in a maintenance facility. Commissioner Storlie questioned whether additional land could be purchased at the current site. Such a purchase may provide for a larger footprint as the footprint is currently limited to allow for the proper containment of runoff. Commissioner Storlie suggested that the highway committee be encouraged to begin meeting regularly in order to develop ideas, gather cost estimates and report to the Board. Commissioner Kjome expressed his belief that it would be more cost effective to work with the present site because the infrastructure is already present. It was reiterated that there is \$600,000.00 available to put towards any decision related to a Highway Department Building.

Commissioner Storlie stated that, with regard to the Roverud building, it would not be in the taxpayers' interest to pay double the appraised value or more for the property. Without a significant price reduction, the Roverud building doesn't appear to be a viable option.

Auditor Meiners provided a reminder of the upcoming land rent auction for the Highway Department cropland to be held this Saturday at 10:00 a.m.

File No. 4 - Commissioner Walter stated that it is necessary to pursue the PRISM grant. Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the PRISM Implementation Grant Application and to authorize the signature of Chairperson Zmyewski.

File No. 5 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the 2013 tax abatement for Larry and Terry Ann Nierling on parcel #22.0016.000 in the amount of \$380.00 due to incorrect front footage measurements having been used.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to recess the current meeting until the next scheduled appointment at 10:00 a.m.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to reconvene the meeting.

File No. 6 - At this time Bruce Kimmel, representing Ehlers, met with the Board to speak informally regarding bonding. He provided an overview of Houston County's debt and four bonds.

Ehlers assists counties in planning for capital improvement projects.

Houston County issued bonds in 2009 and 2010. The bonds have a "call" feature which allows the County to pay the bonds off or to refinance in the event a lower rate is available.

Mr. Kimmel explained that the County is required to levy 105% of debt so that it may meet payment obligations in the event there are non-collections. Houston County designed debt repayment to capitalize on the lower interest debt in what they call "wrap around" bonding which also allowed the County to maintain a consistent debt service level.

Discussion was held regarding the County Community Services Building. Finance Director Lapham stated that the County bonded to cover a portion of expenses related to the building. Outstanding bonds complicate the sale of buildings which benefitted from the sale of the bonds and can be costly if the issuance hasn't been fully satisfied.

Statute allows counties a debt capacity of 3% of its taxable market value. After considering the debt already issued by Houston County, there is 69% available in the event the county decides to issue additional debt. Capital Improvement Projects (CIP) which debt may be issued to cover includes such things as public works facilities and road and bridge projects. Statutory debt limits are not an indicator of affordability. Investors consider strong fund balance to be dependable indicator of credit worthiness. Bruce Kimmel commented that the cost and useful life of equipment and projects is considered by many counties when they determine whether to pay cash, issue debt or use a combination of the two means of payment to cover an expense.

Bonding provides for relatively easy budgeting since the interest rate for the life of the bond is locked in. There are costs related to issuing bonds and there are other factors or trends that counties consider when determining whether to issue additional debt or budget and save funds to pay for significant purchases. Mr. Kimmel provided some examples of costs which are a snapshot of a given time only.

Chairperson Zmyewski questioned the example provided and the reality taking place in Houston County. He stated that Houston County is decreasing in population, the elderly population which lives on a fixed income is increasing and fund balance has been declining. He expressed concern that while the debt service levy falls outside of levy limits, it may be difficult

for residents to bear the debt burden. Chairperson Zmyewski indicated that while it may look good on paper, he is skeptical about the real world ability to pay.

Bruce Kimmel stated that Ehlers provides not only bonding services to counties, but also financial management planning. During the planning process, trends are considered related to operation costs, priorities, debt, tax base, etc. Chairperson Zmyewski expressed concern that other taxing districts and what is trending with them, are probably not being considered. The County can consider the overall tax rate and an overall impact model can be developed. Mr. Kimmel stated that an outsider who looks at the county's financial information sees that there is a lot of debt capacity, however, an outsider does not face citizens who may want the county to hold the line on taxes.

Finance Director Lapham stated that the preliminary levy has been set at 3.52%. This leaves a \$178,000.00 deficit which fund balance will be utilized to cover if reductions aren't made. The county needs strong fund balances with positive trends to maintain good bond ratings.

Finance Director Lapham provided a binder to each commissioner with information about the current budget. This may be reviewed prior to next week's meeting. The Board can discuss additional budget meetings next week.

Commissioner Kjome expressed concern with the number of meth labs which have been discovered in the past few weeks. He questioned how the cleanup of these sites is funded. The property owners are responsible for the cleanup. In the event the property owner does not take action regarding cleanup, the taxpayers will bear the expense. The cost to cleanup a meth lab site will likely be in excess of \$10,000.00.

File No. 7 - Commissioner Kjome reported on a planning and zoning and a zoning study committee meetings which he has attended.

Commissioner Schuldt reported on the zoning study committee meeting he attended.

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

File No. 8 – Correspondence to payroll regarding recent hire

File No. 9 – Cost approach information – appraisal of Roverud Building

File No. 10 – Correspondence to property owners of found meth labs

There being no further business and the time being 10:47 a.m., motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 5, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 5, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; Environmental Services Director Frank; Eldon Pohlman; HR Director Arrick-Kruger; Bruce Kuehmichel; Glenn Kruse; Finance Director Lapham; Jail Administrator Schiltz; PHN Accountant Lillegraven; Interim PHN Director Thompson; HS Director Bahr

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the October 29, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$482,333.56
Road & Bridge Fund	229,959.47

Total	\$712,293.03
	=====

File No. 2 - Eldon Pohlman, representing the Houston County Agricultural Society (Fair Board), met with the Board to discuss the state of the sheep and hog barns, and the replacement and funding of said buildings. Mr. Pohlman stated that they have been considering options related to these buildings for a few years. There are structural issues with the building causing concern. The Fair Board assembled a committee to conduct research.

The land which the Fair buildings are located on is owned by the County, however the buildings themselves are property of the Fair Board. The two entities need to work together in order to make any changes.

Commissioner Schuldt expressed concern that the Fair Board does not have a 501c3 designation. He encouraged the Fair Board to look into this.

Mr. Pohlman expressed concern with securing necessary funding to demolish the hog and sheep buildings and to erect a new building in their place. The Fair Board is unable to borrow money due to the fact that they do not own the property. They are prevented from making direct application for various grants due to their IRS status, and they lack levy authority. The Fair Board is considering fund raising opportunities.

Mr. Pohlman stated that the committee has gathered cost estimates for the demolition of the current hog and sheep buildings and for a replacement structure. The cost for demolition, building materials and construction are estimated at approximately \$225,000.00. In addition, it has been estimated that providing off season storage in the new building would generate approximately \$10,000.00 annually. Mr. Pohlman indicated that the cost for lime screenings for the flooring in the building has not been estimated. There is a slope over the footprint and a determination will need to be made with how to address the slope which could impact material quantities.

Many estimates have been obtained from local businesses and suppliers. Spring Grove Lumber has submitted a materials package estimate which is less than that of Menard's. It is the desire of the Fair Board to utilize as many local businesses for this project as possible. The local businesses support the Fair and supporting the local businesses will ensure that the money spent on this project remains local.

Commissioner Schuldt questioned whether Houston County has the ability to bond for the improvements. Finance Director Lapham responded that she would need to research this.

Mr. Pohlman expressed appreciation for the financial support of the Fair which the County has provided. The Fair Board feels strongly that the fair should remain a free fair because the people who participate are young families.

It was noted that the hog and sheep buildings were built in the 1920's. The hog pens are wooden and the Fair Board is aware that this type of construction obstructs the view of the livestock being displayed.

Commissioner Kjome suggested the Fair Board approach the Pork Producers for possible support of this project. Mr. Pohlman responded that it is unknown whether this organization remains active within the County. Commissioner Walter agreed with Commissioner Schuldt that the Fair Board should review their IRS status and suggested that they have an attorney assist with this. Commissioner Schuldt stated that the Legion is prevented from donating funds to the Fair Board from their charitable gambling proceeds due to the status of their current designation. Obtaining a 501c3 designation may open up alternate funding streams unavailable to the organization at this time.

File No. 3 – Environmental Services Director Frank reported that his department receives funding to offset costs related to the implementation of various State programs. He recommended approval of the FY 2014 and 2015 State of Minnesota Board of Water and Soil Resources Natural Resources Block Grant Agreement in the amount of \$89,185.00. The amount is largely unchanged from previous years and there are required match amounts for several of the programs. The SSTS does not have any required match. These programs are audited annually. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the Natural Resources Block Grant Agreement and authorize the signature of Environmental Services Director Frank.

File No. 4 – Environmental Services Director Frank reported that the Interim Use Permit for Frydenlund's has been recommended for approval subject to several conditions listed on said permit. Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve the issuance of the following Interim Use Permit:

Maurine Frydenlund/Frydenlund Family Trust – Black Hammer Township
- Non-Commercial Family Cabins in an Agricultural Protection District

File No. 5 - On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Zoning Permits:

Craig Stables – Brownsville Township - Add 2 lean-to additions to existing shed (24' x 64')

Richard Snow – Houston Township - Build pole shed (30' x 48')

Marilyn Flannery – Brownsville Township - Build deck (10' x 30')

Mike and Cindy Bolduan – Union Township - Build shop (40' x 60')

Rodney and Mary Amundson – Spring Grove Township - Build attached garage (30' x 32') with mudroom (10' x 16')

Jeff and Kelly Mauss – Mayville Township - Build garage (16' x 24') and breezeway (6' x 16')

Charles Kruse – Winnebago Township - Build machinery shed (40' x 56')

Bruce and Shannon Schutte-meier – Spring Grove Township - Build entryway (16' x 8') and 2 porches (20' x 8') and (10' x 8')

Darryl Sharon – Winnebago Township - Build attached garage (32' x 32')

Norman Lemke – Mayville Township - Build pole shed (36' x 63')

Randy Klinski – Caledonia Township - Build storage shed (44' x 44')

Hoyt and Cheryl Zenke – Mayville Township - Build storage shed (50' x 240')

Rick Sime – Houston Township - Build house/garage (26' x 32')

Norbert Staggemeyer Trust/Mike Staggemeyer – Winnebago Township - Substantial land alteration – 16,800 yds – NRCS approved plan

File No. 6 - Environmental Services Director Frank reported that in 2005 Van Lin's Orchard applied for approval of temporary ag housing which is reviewed annually. This is common for several local orchards. Van Lin's have requested an extension. There have been no problems reported. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to renew CUP #216 for Van Lin Orchards for temporary ag housing.

Environmental Services Director Frank provided an update regarding an agreement providing for the proper disposal of e-waste. Houston County has worked with the same company for e-waste disposal since 2006. There was a time during the agreement when Houston County paid for disposal. More recently, the company has extended a credit program which has netted out where Houston County has not had to pay for disposal. Due to markets, fuel and overhead costs the credit program is being changed and there will be fees assessed for their services. As a result of these changes, Environmental Services Director Frank has solicited quotes from other vendors providing the same type of disposal service. He is in the process of reviewing and comparing the proposals to determine which is in the best interest of the county. Once more is known how it will impact expenses, he will work with Finance Director Lapham with regard to budgeting as the cost was not anticipated when budgets were initially determined.

File No. 7 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-24901. This was a flood project awarded to Generation X. The contract amount was \$16,982.00. Certified to date is \$16,884.03. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adopt the following:

RESOLUTION NO. 13-55

WHEREAS, Contract No. 235 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. 8 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-3201. This is another flood project awarded to Generation X for damage sustained to CSAH 32. The contract amount was \$6,542.40. Certified to date is \$6,689.88. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-56

WHEREAS, Contract No. 234 has in all things been completed, and the County Board being fully advised in the premises,

NOW, THEN BE IT RESOLVED, That we do hereby accept said completed project for and in behalf of the County of Houston and authorize final payment as specified herein.

It was noted that C.P. 2013-3201 exceeded the contract amount. Engineer Pogodzinski stated that his department will perform a review of all flood related projects. If there are exceptional overruns it may be possible to collect reimbursement from State disaster funds. In the event overruns are minimal, the Department will need to cover those from within its budget.

Engineer Pogodzinski stated that he had planned on discussing vacation carryover concerns, however, he is delaying this matter so that it may be discussed with personnel before being brought to the Board. The item may return to the Board at a later date.

Chairperson Zmyewski questioned whether there is anything the Board needs to be aware of regarding the recent plane crash near the airport. Engineer Pogodzinski responded that there is nothing at this time. The airport is fully operational. There was a brief period when local airspace was restricted.

Chairperson Zmyewski reported that Curt Roverud has expressed interest in paying to have a second appraisal performed by an appraiser of his choosing. Mr. Roverud was referred to Assessor Dybing for names of appraisers who he may contact in this regard.

Chairperson Zmyewski indicated that he has been unable discuss the frac sand mining moratorium expiration with Attorney Jay Squires. The Board expressed interest in receiving an update with regard to frac sand mining and actions by the State from Mr. Squires if possible.

File No. 9 - Auditor Meiners reported that the Gopherland Trails Snowmobile Club has requested approval of a Maintenance and Grooming Grant Agreement. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 13-57

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming Grant Agreement of the Gopherland Trails and authorizes the Board Chairman and County Auditor to sign the agreement with the Department of Natural Resources.

File No. 10 - Auditor Meiners reported that the Houston Money Creek Snowmobile Club has requested approval of a Maintenance and Grooming Grant Agreement. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 13-58

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming Grant Agreement of the Houston Money Creek Snowmobile Club and authorizes the Board Chairman and County Auditor to sign the agreement with the Department of Natural Resources.

File No. 11 - Auditor Meiners reported that the La Crescent Snowmobile Club has requested approval of a Maintenance and Grooming Grant Agreement. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 13-59

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming Grant Agreement of the La Crescent Snowmobile Club and authorizes the Board Chairman and County Auditor to sign the agreement with the Department of Natural Resources.

File No. 12 - Auditor Meiners reported that the Viking Ridge Trail has requested approval of a Maintenance and Grooming Grant Agreement. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the agreement and to adopt the following resolution:

RESOLUTION NO. 13-60

BE IT RESOLVED By the Board of County Commissioners, Houston County, Minnesota, that it approves the Maintenance and Grooming Grant Agreement of the Viking Ridge Trail and authorizes the Board Chairman and County Auditor to sign the agreement with the Department of Natural Resources.

Auditor Meiners reported that the Gopherland Snowmobile Club audit went well.

File No. 13 – HR Director Arrick-Kruger and Jail Administrator Schiltz met with the Board regarding jail staffing. There have been changes within the department. HR Director Arrick-Kruger stated that there has been a nice competitive process with qualified internal staff making application. Jail Administrator Schiltz reported that Jason Quandahl has moved from 67 day staff, to part-time, to full time and is now being recommended for the full time lead jailer position being vacated by Gary Bubbers. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the change of status of Jason Quandahl from full time jailer/dispatcher to probationary full time lead jailer/dispatcher effective December 15, 2013.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the change in status of Matt Mackie, from probationary part time jailer/dispatcher to probationary full time jailer/dispatcher effective December 15, 2013 with no change in the probationary period. Mr. Mackie is moving into the full time jailer/dispatcher position made vacant when Jason Quandahl moved into the lead jailer/dispatcher position. Mr. Mackie served in military detention prior to joining Houston County.

HR Director Arrick-Kruger reported that her department will be advertising for a part time jailer/dispatcher position to fill the position vacated by Matt Mackie.

The time being 10:00 a.m. the board recessed to hold the scheduled Joint Board of Health teleconference.

The time being 10:12 a.m., the Board reconvened in regular session with all members present.

HR Director Arrick-Kruger along with HS Director Bahr met with the Board with a recommendation to hire Kirby Fitzpatrick as a Case Aide. Ms. Fitzpatrick has a social work background with extensive background and training dealing with difficult customers/clients. Her references were quite positive. Ms. Fitzpatrick is leaving a job with a small organization in La Crosse where she dealt with individuals with a wide range of mental illness. Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to hire Kirby Fitzpatrick as a full time case aide in Human Services contingent upon successful completion of a required background check.

File No. 14 – HR Director Arrick-Kruger recommended approval of an agreement for Medical Examiner/Autopsy Services. The County currently has an agreement in place with Mayo Clinic which expires December 31, 2013. This agreement with Mayo Clinic will provide for ongoing services through December 31, 2015. This agreement provides for an increase in the

cremation approval fee from \$30.00 to \$35.00 and also a per capita increase to \$2.83 for the 2015 calendar year. HR Director Arrick-Kruger extended an invitation from Mayo Clinic to Commissioners to an open house to tour their new Medical Examiner facilities. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the agreement with Mayo Clinic for Medical Examiner/Autopsy Services and authorize the signature of Chairperson Zmyewski.

File No. 15 - HR Director Arrick-Kruger presented a Professional Services Agreement with Wabasha County for consideration. It was noted that most of the duties outlined will be conducted via I TV/Skype basis. The agreement is recommended by MCIT to address liability issues. Chairperson Zmyewski indicated that Wabasha has assisted Houston County in the past. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the Professional Services Agreement with Wabasha County.

Discussion was held regarding scheduling additional budget meetings with department heads. Chairperson Zmyewski supports across the board percentage based budget cuts. Departments will be impacted equally whether they have a large or small budget. Commissioner Walter expressed her opposition to across the board cuts. Commissioner Storlie expressed her concern with how reductions are made. Chairperson Zmyewski stated that there is a need to trim the budget and this is a fair way in which everyone suffers equally. He does not see a benefit to choosing between one department and another and going through each individual line item looking for areas to cut. He expressed his belief that this is micromanagement and department heads are charged with their budget and know best where they can do without. He expressed his belief that it is the Board's job to determine what amount of cuts need to be made and have department heads make those cuts. Commissioner Walter is concerned that this would negatively impact small departments like Veteran Services, Treasurer, and Auditor. She expressed her belief that these departments do not have more to cut. It was noted that some departments may have already reduced their budgets by a significant percentage while others have increased theirs. Chairperson Zmyewski expressed that he does not agree that one department should reduce their budget by 18% and another be allowed to increase its budget by 5%. In his opinion, it is fair to reduce the budget through across the board percentage cuts and then discuss unmet needs. Discussion was held. It was suggested that Commissioners review the information provided by Finance Director Lapham and notify her of which departments they would like to meet with. In addition, Finance Director Lapham was asked to determine what percentage departmental budgets have been adjusted whether reduced or increased. It was agreed that Finance Director Lapham would schedule additional budget meetings.

Chairperson Zmyewski reported that there is a man from the Houston area who has expressed interest in participating as a Planning Commission member. He encouraged him to make formal application with Auditor Meiners.

Chairperson Zmyewski stated that Duane Hebert has contacted him regarding collaborative opportunities between Houston and Winona Counties. Winona County extended an

invitation for the two Boards to meet to review possible collaborative opportunities. It was agreed that open communications are a positive thing which should be pursued.

Commissioner Storlie expressed concern regarding department heads sitting through entire Board meetings. She indicated that they could be contacted if their input were necessary. Finance Director Lapham stated that she often receives questions resulting from discussion held during Board meetings and her attendance allows her to remain informed so that she may answer questions. Chairperson Zmyewski indicated that there was a time when certain department heads were in attendance, quite frequently, for no apparent reason. It is important for the Finance Director to be aware of issues which could possibly impact the County Budget. Commissioner Walter expressed concern that Finance Director Lapham's attendance is not required if it prevents her from other necessary duties and that she is welcome to attend if she feels it is necessary.

All commissioners attended an EQB hosted public hearing related to frac sand mining in Minnesota held in Wabasha County.

Commissioner Kjome reported on a Water Board meeting which he attended recently.

Commissioner Schuldt reported on the land rent auction which he attended this past Saturday.

Chairperson Zmyewski reported on the land rent auction which he attended. Appreciation was expressed for the donation of auctioneering services provided by Commissioner Schuldt. It was reported that the land rent bid was won by Eric Johnson for \$240.00 per acre. This was less than the previous 3 year agreement. Input costs are high and commodity prices are low which has impacted the per acre bid price.

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

File No. 16 – MCIT Annual Meeting Agenda

File No. 17 – Notice of Disbursement of FY 2014 First Half
Score Block Grant

File No. 18 – Correspondence from SEMMCHRA regarding
participant responses

There being no further business and the time being 10:48 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 12, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 12, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; Interim PHN Director Thompson; Finance Director Lapham; Sarah Wexler-Mann (videotaped the proceedings); Yvonne Krogstad; Bruce Kuehmichel; Glenn Kruse

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the November 5, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$95,794.38
Road & Bridge Fund	543,522.80

Total	\$639,317.18
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File No. 2 - Engineer Pogodzinski recommended approval of the final payment for S.P. 28-605-12. This is for a project on CSAH 5 which was completed some time ago. The final payment was withheld while issues related to civil rights paperwork were resolved with the State. This was a project which qualified for federal and state funding. The contract amount was \$2,026,192.78. Certified to date is \$1,879,794.86. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-61

WHEREAS, Contract No. 198 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. 3 - Engineer Pogodzinski recommended approval of the final payment for S.A.P. 28-996-17. This was a bridge replacement on CSAH 22 completed by Brennan Construction. The contract amount was \$215,415.50. Certified to date is \$214,096.35. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to adopt the following:

RESOLUTION NO. 13-62

WHEREAS, Contract No. 217 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. 4 - Engineer Pogodzinski recommended approval of the final payment for S.A.P. 28-996-06. This was for two bridge replacements on Day Valley Drive. This project qualifies for flood bond funding. The contract amount was \$441,160.86. Certified to date is \$435,868.36. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adopt the following:

RESOLUTION NO. 13-63

WHEREAS, Contract No. 219 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 the final payment for S.A.P. 28-599-75. This was a bridge replacement on Swede Bottom Road completed by Minnowa Construction. The contract amount was \$433,933.41. Certified to date is \$442,898.58. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-64

WHEREAS, Contract No. 215 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 - Engineer Pogodzinski recommended approval of a grant agreement related to the airport paving project. The costs for this project are being split 95.59% Federal, 1.14% State, and 3.27% Local. The total cost of the project is not to exceed \$468,646.91. The local share is \$15,336.28. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the grant agreement and to adopt the following:

RESOLUTION NO. 13-65
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. **04892**,
“Grant Agreement for Airport Consultant Services, “for State Project No. **A2801-25**
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 Zmyewski stated that Jay Squires is available to meet via teleconference at 10 a.m. on November 26th. Tracie Erickson has expressed interest in making application for construction permit, however, legal issues remain. Jay Squires indicated that there has been correspondence exchanged in this regard. He will provide a brief history and general update of the situation. Commissioner Walter questioned the status of the moratorium and whether Chairperson Zmyewski discussed this with Mr. Squires. Chairperson Zmyewski responded that this could be discussed during the teleconference with Mr. Squires.

File No. 7 - Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to appoint Robert Mierau to Crooked Creek Watershed District Board for a 3 year term to expire November 30, 2016.

Discussion was held regarding the scheduling of department head evaluations. It was agreed to schedule these on Thursday, December 19th beginning at 9:00 a.m.

File No. 8 - HR Director Arrick-Kruger reported that she has met with Interim PHN Director Thompson and PHN Accountant Lillegraven regarding PHN staffing concerns. She recommended increasing the FTE of both Mary Zaffke and Heather Myhre from their current 0.8 FTE to 1.0 FTE. Interim PHN Director Thompson explained that both positions receive external grant funding. The SHIP grant requires 0.5 FTE be designated for the implementation of said grant. Ms. Myhre works with this grant, however, her current FTE does not allow for a 0.5 FTE

increase. These increases will allow the department to meet grant requirements. Mary Zaffke provides maternal/child home visits. With an increased FTE she would be able to provide additional preventative services which are reimbursable and do not require pre-authorization. She would be able to access additional funding. Currently, the department is unable to capture revenue because it does not have staff available to provide services which are reimbursable. External grant funding is assured through December 31, 2015 and it is likely that it will continue beyond this date. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to increase the FTE's of both Mary Zaffke and Heather Myhre from 0.8 FTE to 1.0 FTE effective November 13, 2013 through December 31, 2015.

HR Director Arrick-Kruger requested authorization to hire Allen Mechtel as a drop site supervisor. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to hire Allen Mechtel as a 67 day employee to assist as needed as a drop site supervisor at a rate of \$11.76 per hour.

HR Director Arrick-Kruger stated that the County is fortunate to have been invited to meet with the Senate Bonding Committee. So that both the Senate and Representative Committees are provided the same capital bonding request information, the same presentation will be given. She indicated that it is important for County Officials to show support of the request, and she invited Commissioners to attend and asked that those who plan to do so let her know. Commissioner Schuldt stated that he attended the meeting with the House of Representatives Bonding Committee and would have liked to have been better prepared. Commissioners Storlie, Kjome, Walter, and Schuldt indicated that they would attend. It was agreed that they would meet immediately preceding the presentation in order to prepare. This meeting is taking place in Winona during the first week of December.

File No. 9 – At this time, Finance Director Lapham discussed the monthly financial report. She pointed out that the commissioners budget is at 61% with 83% of the year completed. Earlier in the year the budget exceeded the amount of year completed due to the fact that certain expenses come due early in the year. There are other departments which had a similar experience which self corrects as a greater portion of the year is exhausted. Some departmental budgets have been impacted as a result of funding and expenses occurring in different fiscal years. There are line items which appear to be out of line, however, these will appear more in line once the tax settlement has been completed and is included in the reports. There was an electrical billing error which has impacted the CCS Building budget.

Trial balance shows how cash activity is impacted prior to tax settlement. Cash balances get low prior to the settlement being posted. Chairperson Zmyewski questioned at what level the cash balances should be kept. Finance Director Lapham responded that the State Auditor prefers cash balances equal to 6 months of operating expenses. This amount would be made up of balances in the three major funds, the General, Road and Bridge and Human Services.

Highway is unlike many departments in that the department receives the majority of its revenues early in the year. Those revenues are designated for specific uses and are paid out as projects are billed and completed.

Discussion was held regarding designating funds to the capital improvements fund. Finance Director Lapham explained the process for designating funds. Highway designates funds which have been received and are for specific projects when the project has not been fully billed. This is completed at the end of the year so that the funds carry over and are available to cover the expenses which are anticipated for the next year.

Chairperson Zmyewski questioned whether any of the general fund monies which have been utilized to balance the budget have been replenished. Finance Director Lapham responded that this has not been determined yet. This is something that can be determined closer to the close of the fiscal year. She expects that ARMER project reimbursements received in this fiscal year are for expenses which occurred previously. These may replenish general funds used. Other funds which were utilized have not been reimbursed at this time.

Finance Director Lapham requested a Board appointment for the next scheduled meeting to discuss 2014 budget goals.

Finance Director Lapham expressed concern that there is no Board meeting scheduled for the second week of December. Typically, this is the meeting where employee expense reimbursements are approved. She indicated that it would be difficult to have requests processed in time for the first meeting of December and that waiting until the third week will significantly delay employee reimbursement payments. It was agreed that a listing of employee expense claims would be sent to Commissioners in the same manner as other months of the year. Questions could be asked. The claims will be paid on the same schedule and approved “after the fact”.

Commissioner Kjome reported on EDA, Water Planning Commission, and the meetings which he attended.

Commissioners Walter and Schuldt reported on the “meet and greet” hosted for Human Services Workers, the Sheriff’s Department and local law enforcement which they attended.

Commissioner Storlie reported on an EDA meeting which she attended. Discussion was held with regard to how the ACA (Affordable Care Act) is impacting businesses in Houston County.

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. 10 – Correspondence to payroll regarding
hires/changes

There being no further business and the time being 9:37 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, November 19, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 19, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Schuldt & Moorhead; Engineer Pogodzinski; HR Director Arrick-Kruger; Finance Director Lapham; Sarah Wexler-Mann (videotaped the proceedings); Bruce Kuehmichel; HS Director Bahr; IS Director Milde; Sheriff Ely

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the November 12, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$136,025.82
Road & Bridge Fund	358,534.11

Total	\$494,559.93
	=====

Bruce Kuehmichel, Caledonia resident, shared his recommendations with regard to the Bonanza Grain Inc. Conditional Use Permit which was recommended for approval by the Planning Commission last night. He recommended that a phased reclamation plan be required where 3 acres is reclaimed upon the exposure of 3 acres. He stated that this is a way to protect ground water from contamination in this karst region. He also recommended that a performance bond be required.

Sarah Wexler-Mann, Yucatan Township resident, stated that she attended last night's Planning Commission meeting. She shared her observation that Schroeder's did not feel as though the blast was not a true replicate. In addition, the Schroeder's relations with their neighbors have suffered as a result of controversy. The Planning Commission responded that as a result of science and wind, the blast was replicated to the best of ability. Ms. Wexler-Mann

expressed her opinion that more should be done to make the Schroeder's feel as if their concerns have been addressed. She indicated that a seismograph is located on the Schroeder property however, the Schroeder's may not know what the readings mean. This should be explained to them in Ms. Wexler-Mann's opinion. In addition, the renewed CUP notes that an attempt to notify the Schroeder's of a scheduled blast is to be made. Ms. Wexler-Mann stated that, in her opinion, this should be required. Ms. Wexler-Mann expressed her belief that the Schroeder's came with a legitimate request, and she felt the Board should add contingencies in an attempt to make the Schroeder's feel as though their concerns have been heard and addressed.

File No. 2 - Engineer Pogodzinski recommended approval of a grant agreement related to the electrical building and roof repair project at the airport. The repairs were necessary before winter as the door on the electrical building was not secure. The costs for this project are being split 70% State, and 30% Local. The total cost of the project is not to exceed \$9,377.14. The local share is \$2,813.14. Chairperson Zmyewski questioned where the local share of expenses would come from. Engineer Pogodzinski responded that if he is unable to find it from within the airport budget, he will find it in the highway budget. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the grant agreement and to adopt the following:

RESOLUTION NO. 13-66

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. **04993**, "Grant Agreement for Airport Consultant Services, "for State Project No. **A2801-27** 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**.

Engineer Pogodzinski reported that he will meet with the Board to discuss a La Crescent City traffic study next week. He has held discussion regarding the project with La Crescent City. La Crescent City desires to improve safe routes for pedestrians and bicycles. Some of the proposed routes would utilize the county roadway system which passes through the city. There is a need to conduct a study in this regard. The County has solicited proposals for the study. Both WHKS and Bolton and Menk have submitted proposals. Engineer Pogodzinski reported that WHKS is currently working on a Spring Grove project and has worked with La Crescent City in the past and expects to work with them more in the future. Because of the past work, WHKS has information about La Crescent which it may use in this study. This has allowed them to submit a proposal much less than that of Bolton and Menk. Engineer Pogodzinski cautioned that WHKS may have a conflict of interest because of the work it has done and expects to perform for La

Crescent City. Bolton and Menk has submitted a proposal, however, they are unable to reduce costs by pulling data from other work as WHKS. The County has worked with both firms. Engineer Pogodzinski wants to work with the firm whose primary concern is the County's best interest. He asked that commissioners carefully review both proposals and take into consideration the concerns he has expressed in preparation for discussion next week.

It was noted that the NTSB released its initial report regarding the plane crash near the County Airport. The report included very little detail. The landing was called off and no distress call was placed. The full report regarding the crash is not expected for 10 to 12 months.

Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to amend the agenda to include an appointment for IS Director Milde.

File No. 3 - Finance Director Lapham recommended approval of an agreement with Hildi Inc. for OPEB actuarial reports. These studies project how employee benefits will be impacted as the workforce ages. The first such study for Houston County was completed in 2009. Hildi Inc. has estimated the cost for the updated study at between \$3,500.00 and \$4,000.00. Finance Director Lapham expects the cost to come in below the estimate. In addition, a confidentiality agreement is required due to the fact that Hildi Inc. will be collecting or accessing employee medical data. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the Agreement for Consulting Services and Confidentiality and Indemnification Agreement with Hildi Inc.

File No. 4 - Finance Director Lapham requested approval of a budget amendment to the Surveyor's Department budget. The Surveyor would like to move funds in order to cover the cost to replace a piece of data collection equipment. There are funds in the other professional and technical fees line item that he does not anticipate utilizing. The funds originally were budgeted to cover the cost for private surveyor work on government corners. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and carried to approve the budget amendment with Commissioner Walter abstaining.

File No. 5 - Finance Director Lapham distributed two reports related to the budget. One report includes salary increases and the other does not. She provided information to aid in the understanding of the information presented in the reports. She recommended that discussion be scheduled with both Highway and HS to discuss special circumstances which impact their budgets. It was agreed to discuss budgets with departments next week.

File No. 6 - IS Director Milde reported that last year the County migrated to a cluster system made up of network servers and two SANS. At that time, IS began testing a Microsoft product for backing up the information stored in the cluster. The use of the Microsoft product has been problematic. As a result, IS Director Milde began testing a Veeam product. Since the Veeam product was introduced there have been no system failures as a result of backing up data. The Microsoft product allowed for a trial period of one year prior to making a decision whether

to purchase. Obviously, IS Director Milde will not pursue the purchase of the Microsoft product. The Veeam product allows only a 30 day trial prior to making a decision to purchase. IS Director Milde stated that he has been pleased with the Veeam product and with the expiration of the trial period coming soon, he recommended its purchase. IS Director Milde indicated that he should be able to find the funding within the IS budget to cover the expense of the Veeam. He reported that yesterday a server failed. The server was under warranty and subject to a repair agreement. Within four hours new hardware was brought and replacement was being made. Fortunately, the cluster environment functioned seamlessly and no one other than the IS team was aware of the failure. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the purchase of the Veeam from CDW-G in the amount of \$9,772.63.

Chairperson Zmyewski stated that he had spoken with Will Seuffert, executive director of the EQB, who contacted him regarding the status of the Erickson mine. Chairperson Zmyewski noted that a phone conference with Jay Squires is scheduled for next week.

Commissioners Kjome and Walter have been contacted by citizens who request to be placed on the County Board's Agenda. The public comment period has been made available for citizens to voice their concerns. In addition, commissioners may bring forth concerns. The citizens have argued that they are unable to condense their statement to 2 minutes. The public comment period was adopted to allow a time for citizens to make their statements. The policy may not be suspended for one individual and not another. The citizens contacting both Commissioners Kjome and Walter have been informed of the policy and invited to participate during the public comment period. Commissioner Kjome indicated that the Board needs to remain cognizant of an additional portion of the policy and forego engaging citizens in debate during the public comment period.

Chairperson Zmyewski was questioned regarding e-mails which he was reportedly copied in. Chairperson Zmyewski stated that he has not been included on these e-mails and he is unsure where the mis-information is resulting from.

Commissioner Kjome reported on the Planning Commission meeting which he attended. Discussion was held regarding the implementation of term limits. He expressed concern that the process is moving too quickly. He expressed concern that the full Board was not made aware of details related to an interview process. Chairperson Zmyewski responded that all members were present when this was discussed. Some questions resulted whether the full board wished to participate in the interview process. It was the consensus that all members wished to participate. As a result, Auditor Meiners was instructed to speak with County Attorney Hammell to determine whether the interviews could be conducted in closed session. There was concern that private data may be discussed and there was a need for clarification. It was noted that this did not appear in the minutes.

Chairperson Zmyewski questioned which commissioners wished to be included in making the decision of who to appoint to the Planning Commission. It was the consensus of the

Board that they all wanted to participate in the decision making. Because of this, there is a need to determine whether interviews may be conducted in open session or under what authority the Board may go into closed session in order to conduct and participate in the interview process.

Commissioner Walter questioned whether there is a need to conduct interviews. Commissioner Storlie expressed concern that this may set precedence and could result in the Board being responsible to conduct interviews for all committee positions. This would be cumbersome. It was questioned whether interviews would be required for appointees to the Board of Adjustment. These appointees would be subject to the same policy regarding term limits as the Planning Commission. Commissioner Walter expressed her opinion that there is no need to conduct extensive interviews.

Chairperson Zmyewski questioned how the Board will handle appointments when multiple individuals have expressed interest in serving on an open position. Historically, this has not been a problem. It is more common that an appointee needs to be encouraged to accept the appointment. Commissioner Schuldt stated that individuals may want to participate in an interview. Chairperson Zmyewski stated that he does not know everyone or what their qualifications may be. The Planning Commission is a controversial Board, members of which are paid to make significant decisions.

Chairperson Zmyewski stated that turnover should not be a significant concern. The County Board can have its full membership turned over in a 2 year period. Commissioner Kjome stated that it is unfortunate that previous Boards did not have the foresight to plan for this. The question remains for some whether quick turnover of the Planning Commission will have a detrimental impact. Commissioner Kjome stated that some individuals would say that significant turnover on the County Board has had a negative impact.

There are several individuals interested in serving on the Planning Commission. Commissioner Walter stated that La Crescent Township had great difficulty identifying individuals willing to serve on its Planning Commission. Finding individuals to serve on the County Planning Commission may be difficult in the future also. It was noted that the policy states “the membership of the Planning Commission shall consist of 7 members, one each from the 5 districts, one member at large from any district and one Commissioner”. There are currently 3 members from District 5, 1 from District 2, and 2 from District 4. Concern was expressed that it may be difficult to fulfill this requirement. In the event the Board determines it is necessary to amend the membership provision, a public hearing will be required.

Auditor Meiners stated that three individuals have contacted her to express their interest in serving on the Planning Commission. She questioned whether she should be having the individuals complete the application form developed by HR Director Arrick-Kruger. In addition, she questioned whether the position on the Planning Commission should be advertised.

Commissioner Storlie stated that Environmental Services Director Frank has expressed interest in being included and allowed to have some degree of input with regard to the appointees.

The term limit policy clearly reflects that each district be represented. The first seat coming available is the District 2 representative. It was agreed that District 2 should be targeted with the advertisement.

Commissioner Storlie stated that new commissioners attend training provided by AMC. However, they receive no training regarding other county business. She indicated that new commissioners are responsible for making decisions with little or no background information. This happens with department head reviews and committee appointments which occur early in the year following New Year's. She supports making the next year's committee appointments while the current Board membership is available and before new commissioners join the Board. She suggested that one commissioner not up for re-election along with the Auditor provide some degree of training for new commissioners.

It was agreed that 2014 committee appointments would be made in January.

Auditor Meiners will advertise the Planning Commission position as a public notice. The position will be available in January 2014, individuals from District 2 are encouraged to apply. The Board will be accepting applications from individuals in any district. Auditor Meiners will include a listing of those townships and cities within District 2 in said notice. The notice will be run for two consecutive weeks. It was noted that Environmental Services Director Frank and Zoning Administrator Scanlan will be included in the final decision with regard to the Planning Commission appointee.

Discussion was held regarding the need for further clarification of the term limits policy. These will be included with a Public Hearing to clean up other portions of the Zoning Ordinance.

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

Commissioner Schuldt reported on a Semcac meeting which he attended.

Commissioner Storlie reported on personnel, Bluff Country HRA, Southern MN Tourism and Planning Commission meetings which she attended. She stated that the City of Houston is awaiting word on whether they will be the recipient of grant funding which would allow for improvements to approximately 15 homes within the city. This would be significant for the City of Houston.

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

File No. 7 – Correspondence to payroll regarding hires/changes

File No. 8 – Public Notice regarding special meeting scheduled
for 12/19/2013

File No. 9 – Section 8 Vouchers by County Report

There being no further business and the time being 10:15 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, November 26, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, November 26, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Carla Blahnik; Engineer Pogodzinski; Finance Director Lapham; Kelley Stanage; Bruce Kuehmichel; Sarah Wexler-Mann (videotaped the proceedings); Donna Buckbee; Betts Reedy; David Williams; Brian VanGorp; Highway Accountant Schroeder; Zoning Administrator Scanlan; HS Director Bahr; Fiscal Officer Hankins

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the November 19, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$55,161.49
Road & Bridge Fund	152,560.22

Total	\$207,721.71
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File No. 2 - David Williams, land use planning consultant who lives in neighboring Fillmore County, stated that he's been asked to make comment on behalf of residents who neighbor the Erickson mine site. Concerns have been outlined in written communications which were sent to members of the Board last week and which have been placed on file. He spoke regarding the contents of the written communication. He urged the Board to inform County Staff of Minnesota Rules which may impact their procedures.

File No. 3 - Brian VanGorp, Yucatan Township resident, read from a prepared statement which is on file.

Kelley Stange, Houston Township resident, reiterated concerns expressed by both Mr. Williams and Mr. VanGorp. She expressed concern that the Board act within the confines of Minnesota Rule 4410.3100 with regard to the Erickson mine site. She stated that the Erickson mine is subject to an EIS required by the EQB. This EIS is across 3 counties and 11 mining sites so that cumulative effects may be reviewed and assessed. She too urged the Board to ensure that County Staff is well informed of Minnesota Rules impacting their procedures.

File No. 4 - Bruce Kuehmichel, Caledonia City resident, read from a prepared statement which is on file.

Betts Reedy, Money Creek Township resident, indicated that she wants to open up the conversation to the “elephant in the room” which is climate change. She acknowledged that Commissioners have an increasingly difficult job to perform. She commended them for actions which they have taken to protect ground water within the County. She stated that agriculture is important in Houston County, however, this industry is heavily dependent upon fossil fuels. She expressed her opinion that failure to protect the area from further damage would be immoral. Ms. Reedy stated that she attended a recent EQB meeting. The EQB is working closely with other state agencies and has offered their expertise to assist local units of government.

File No. 5 – At this time, Carla Blahnik, representing the State Auditor’s Office, provided her report from the 2012 Audit. She provided a packet of information which includes graphs to reflect a pictorial representation with regard to various trends with regard to net position, capital assets, and revenues and expenses. Houston County has been given an unmodified opinion which is the best. She noted that the accounting principles are appropriate and generally accepted, and statements properly reflect the finances of the County.

Ms. Blahnik explained how the flood events and the construction of the Justice Center impacted the trends and how these events make the data appear skewed. She commented that Houston County, like many other counties is experiencing the stabilization of expenditures. This is a positive trend. In addition, Houston County maintains fund balance in an amount which exceeds State Auditor recommendations.

Ms. Blahnik reported that due to the amount of Federal funding the County receives, single audits were performed of which there were no deficiencies, compliance items or material weaknesses. Findings from the standard audit have been provided in written form.

Chairperson Zmyewski questioned why revenues and expenses appeared out of line during the time when the CJC was constructed. Ms. Blahnik responded that this is largely due to the fact that bond proceeds are not included in the pictorial representation because they are not considered revenues. The bond proceeds are a significant item. He clarified that the County currently maintains the State Auditor recommended fund balance levels. Ms. Blahnik noted that the State Auditor only makes a recommendation which Houston County currently exceeds. The County Board may maintain an amount other than the recommendation.

In closing, Ms. Blahnik expressed appreciation for County staff who assist her staff with information to complete the audit. She acknowledged that her staff's request interrupt County staff's regular day to day operations. County staff is good to respond to requests very timely which is appreciated.

Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve an amendment to the agenda to include an appointment for HR Director Arrick-Kruger which should have been carried forward from last week.

File No. 6 - Engineer Pogodzinski recommended approval of the final payment for C.P. 2013-1002. This was for paving to repair flood damage on CSAH 10. Mathy Construction completed the project. The original contract amount was \$33,187.50. Certified to date is \$39,515.81. The overrun is due to the area requiring repair being larger than anticipated and the need for increased materials. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the following:

RESOLUTION NO. 13-67

WHEREAS, Contract No. 242 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 noted that he would prefer to delay action regarding final payment for SAP 28-996-07, a bridge replacement project on Perkins Valley Road. He will return for approval of this during the next scheduled meeting.

Engineer Pogodzinski stated that last week he provided copies of proposals submitted by Bolton and Menk and WHKS for traffic analysis. Both consulting firms are qualified to provide the traffic analysis which will consider traffic flow including bicycle and pedestrian around the City of La Crescent. WHKS has worked with the City of La Crescent and also the City of Spring Grove on the recently completed Highway 44 project. The county has worked with both firms also, most recently with Bolton and Menk with regard to an EIS for the Erickson Quarry.

Commissioner Walter noted that there was a significant cost difference between the proposals and questioned whether the study is required or could be delayed. Engineer Pogodzinski stated that the need for a traffic study in this area has been discussed throughout his tenure with the County. The study could be delayed however, the city is currently planning for bicycle and pedestrian traffic making it a beneficial time to complete the study. The city is considering routes utilizing CSAH's 6 and 25 into the urbanized areas of La Crescent Township. Commissioner Storlie commented that the city is ahead of the county with regard to planning for

bicycle and pedestrian travel. The city is considering additional bike lanes on south Third and south Seventh streets. Recently the city completed a new pool which has resulted in increased traffic in the area.

Engineer Pogodzinski expressed concern with bicycle and pedestrian traffic along the county roads in this area. He stated that there is truck traffic and he finds that he issues many oversize load permits for product coming out of Al's Concrete. There are many options which will need to be considered.

Commissioner Walter questioned where the funding to cover the cost of the study would come from. Engineer Pogodzinski responded that there are funds available within the Highway Department's budget. He indicated that the cost difference is partly due to WHKS having previously collected data about the City of La Crescent. Some of this information could be pulled into the new report. Engineer Pogodzinski expressed concern with the peak counts and indicated that it may be advisable to require additional counts.

Bolton and Menk would be required to gather all necessary data. In addition, Bolton and Menk would be totally unbiased and neutral since they do not have a standing relationship with the City. Commissioner Storlie questioned the age of the data that WHKS would pull from. Engineer Pogodzinski expressed his belief that the data may be as old as two years. He also explained that counts were limited to intersections on Oak and south Third streets. There are no counts from county roadways or the street near the pool. Commissioner Schuldt commented that during an earlier committee meeting, discussion was held regarding possible bias on the part of WHKS. This would not be the case with Bolton and Menk. Commissioner Storlie questioned whether the proposal costs could be evaluated further to reduce the cost difference between them. In the event additional data is requested, WHKS may need to increase their proposal.

Engineer Pogodzinski stated that selection of a consulting firm is to be based upon qualifications. Both firms are qualified. Commissioner Walter stated that choosing Bolton and Menk ensure no bias. However, there would be significant cost savings if WHKS were selected and this may be worth the possibility of some bias. It was agreed to table the matter with further discussion to take place during the December 17th meeting.

File No. 7 – At this time the Board discussed the Highway Department's proposed budget. Finance Director Lapham explained how the budget summary has been divided to include salaries and break the overall budget into 4 unique areas. Engineer Pogodzinski stated that Highway Fund administration costs have been reduced in multiple categories. Maintenance revenues are increasing as a result of wheelage tax. The cost for CDL payments and county projects has increased, \$10,000.00 for traffic marking and \$25,000.00 for maintenance and shouldering rock. The county has been performing only half as much traffic marking as Engineer Pogodzinski feels should be completed annually. There is an estimated \$230,000.00 worth of damage to county road shoulders as a result of June flooding. In the event the State awards

funding for shoulder repairs and or rock it is possible that this would reduce the need for county dollars for rock.

No items with regard to construction are increasing. Engineer Pogodzinski expects fewer construction projects next year. This funding is highly dependent upon the projects to be completed and does not impact the county levy significantly.

The increase to the overall Highway Department budget is the result of needing to replace several large pieces of equipment. There is a small amount for ARMER radio maintenance since the warranty on that equipment is expiring. On the recommendation of Chief Deputy Sheriff Yeiter, the department is not entering into a maintenance agreement for the ARMER radios, however, they will budget \$2,807.00 for repairs and/or maintenance. A maintenance agreement is estimated to cost \$260.00 per radio. The budget has also been impacted by increased insurance costs which are beyond departmental control.

There is a need to replace several large pieces of equipment. Over the past few years equipment purchases have been continually delayed. This past spring the County was forced into purchasing a plow truck which had not been budgeted for when the brine truck could no longer pass DOT inspection.

Included in the 2014 proposed budget is funding to cover the costs for a plow truck, backhoe, skid loader, and engineer's vehicle. Engineer Pogodzinski stated that he stands by his recommendation that the listed equipment, with the exception of the engineer's vehicle, need to be replaced. He could continue using the current engineer's vehicle, however next year it would need to be replaced. Engineer Pogodzinski indicated that during budgeting he has attempted to plan for an equipment replacement rotation to keep expenses for equipment level. He stated that the equipment budget will remain similar for 2015.

The department has been plagued with dump truck box repair and replacement. The parts budget has doubled over a 4 year period due to the aging fleet of equipment. The budget used to be \$150,000.00 and has increased to \$245,000.00 with that amount already having been exceeded this year by \$2,000.00. This money can be better spent. The vehicles can be sold to a township or quarry owner and will have a small amount of useful life in a less taxing role. The equipment budget request is for \$550,000.00. Commissioner Schuldt stated that equipment should have been kept on a replacement schedule. Delaying equipment replacement has resulted in simply "kicking the can down the road". Chairperson Zmyewski stated that money has been spent in areas that perhaps it should not have been. He stated that Houston County has been mis-managing money which has resulted in a mess. The Justice Center was costly. Chairperson Zmyewski went on to say that he's made it no secret that, in his opinion, salary increases should not have been approved. Funds have been reduced in certain areas to compensate for shortfalls in other areas. It is not sustainable to continue to keep giving. He stated that "money has been mis-managed". Commissioner Storlie indicated that just because we have a nice Justice Center facility should not mean that the Highway Department should be prohibited from operating

dependable equipment. Chairperson Zmyewski responded that it does and that there is a need to discontinue the practice of increased spending. Commissioner Storlie questions whether the taxpayers truly want a reduction in services. Commissioner Walter reiterated that Engineer Pogodzinski has indicated that the engineer's vehicle could be removed from the proposed budget. She expressed her understanding that the Board needs to reduce the proposed budget by \$78,000.00 in order to meet the proposed levy amount which has been approved. Salaries are contractual. Those contracts are set to expire in December 2014. Commissioner Walter expressed agreement that there is a need to replace some equipment as recommended. Chairperson Zmyewski stated that Engineer Pogodzinski reported that the used county equipment could be sold to another entity who would utilize it. As a qualified mechanic, Chairperson Zmyewski shared his interpretation that this means the useful life is not expended and that the equipment is not "junk" and since useful life remains, the equipment can continue to be used for its intended purpose. Engineer Pogodzinski stated that recently Winona County sold 5 trucks. Nine of Houston County's fleet is older than the oldest Winona County vehicle sold. Chairperson Zmyewski responded that this is not a fair comparison. Winona County may have better managed their funding and may be able to afford to replace those pieces of equipment. Chairperson Zmyewski stated that currently the skid loader recommended for replacement is a wheeled version. The replacement equipment is a more expensive track machine which will cost nearly two times a comparable sized wheeled machine. In addition, replacement tracks for such a machine cost \$10,000.00 making track machines more expensive to maintain. He questioned why a less expensive wheeled machine is not considered adequate. Engineer Pogodzinski stated that there are areas where a wheeled machine is unable to go into or function well in. A track machine will better meet the needs. Chairperson Zmyewski questioned whether the department has removable tracks for the wheeled machine. Engineer Pogodzinski responded that they do, however, there are problems with the tracks slipping off. Chairperson Zmyewski stated that there is a need for a Highway Department Building. A complex was proposed. This is another example of requesting more than what is required. Winona County may be replacing equipment which probably means they have the money to do so. Houston County does not have this luxury at this time. Commissioner Storlie stated that there is a need to look to and plan for the future. Chairperson Zmyewski responded that current spending trends are not sustainable. Engineer Pogodzinski commented that the equipment budget was reduced in an attempt to save back in 2010 and the funding level has never been increased or restored to previous levels. There is a need to return equipment funding to the 2010 level. The fleet of equipment is aging and the department is dealing with them. In the event we do not make changes it will only get worse and patching will only work so long. Engineer Pogodzinski expressed his understanding that funding is limited. He stands by his equipment recommendations. He stated that roads have increased in width, culvert weights have increased, the way in which the department does business has changed. Therefore, equipment needs to change to meet the changing needs. Chairperson Zmyewski questioned whether there will be sizeable savings resulting from new equipment purchases. Engineer Pogodzinski stated that he expects that there will be savings. He has not calculated the amount of savings or performed an analysis in this regard. He could perform an analysis and calculate the savings. Engineer Pogodzinski offered to have Maintenance Foreman Molling meet with the Board to discuss his concerns with regard to the failing equipment.

Chairperson Zmyewski indicated that this would not be necessary as the Board is aware of Mr. Molling's position in this regard. Commissioner Storlie suggested tabling discussion until next week. She stated that she had looked at the entire budget and did not focus on the Highway portion. Delaying further discussion would allow time to review the Highway budget in detail. Discussion was held. It was agreed that further discussion regarding the Highway department budget would be scheduled for next week.

The time being 10:21 a.m. and pursuant to M.S. 13D.05 subd. 3(b), motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to convene in closed session to discuss attorney-client privileged information.

The time being 10:33 a.m. motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to reconvene in open session.

File No. 8 - Chairperson Zmyewski restated that the reason for the closed session was to discuss client-privileged information related to ongoing litigation and recent developments associated with the Erickson mine and per M.S. 13D.05.

File No. 9 - On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to hire Glenn Kruse as a 67 day employee as a drop-site supervisor to assist as needed with an hourly wage of \$11.76.

File No. 10 – At this time HS Director Bahr and Fiscal Officer Hankins met with the Board to discuss the Human Services budget. HS Director Bahr stated that the department would like to provide social workers with the ability to take laptops into the field with a mobile hot spot so that they may enter case notes directly into the system. This would reduce the need for social workers to take notes on site and return to the office and enter the notes into the system. A couple of laptops were purchased utilizing Crest grant funds. HS Director Bahr expects to utilize additional Crest grant funds again next year to purchase additional laptops. The mobile hot spot cost will be \$40.00 to \$50.00 monthly.

The department is considering ways that it can streamline foster care. The department currently works with area law enforcement to provide a list of foster care providers. The department is considering having a designated foster care family on call for a month long period. In return for being on call for that period, foster care families would be paid a stipend of \$200.00.

ABC requested a minimum increase of \$460.00 annually. They indicated that a 5% increase to the day rate would allow ABC to be more flexible. The 5% increase would be just over \$1,000.00. At current funding levels, ABC may decline new participants. It is possible that they would be able to accept additional participants if the 5% increase were granted.

HS Director Bahr stated that HS utilizes past experience when budgeting. Typically, they base expectations off of 6 months' worth of data. Fiscal Officer Hankins has loaded 10 months' worth of data in hopes of improving the planning. Fiscal Officer Hankins has reviewed the projections which have been based on the increased data. When basing projections on the 10 months of data, revenues are expected to be \$71,000.00 greater than those based on 6 months of data. Expenses are projected to increase by \$40,000.00 for a net savings of approximately \$30,000.00. Commissioner Storlie questioned whether this net savings can be reduced from the HS budget. HS Director Bahr hesitated and offered that since this is a change to projection methods she would be comfortable reducing \$25,000.00 from the budget. Commissioner Storlie asked whether \$30,000.00 could be trimmed if necessary to which HS Director Bahr responded yes. HS Director Bahr cautioned that the reductions can be made but the department is ultimately responsible to provide mandated services which could result in budget overruns.

HS Director Bahr was pleased to report that currently foster care costs are trending downward. She credited this trend to Social Services Supervisor Hunter who has implemented a new way of looking at certain aspects. The unit is more aggressive with certain preventative type services and it appears to be having a positive result.

Finance Director Lapham questioned whether it was the Board's wishes to adjust the HS budget as discussed. Commissioner Schuldt indicated that the discussed reduction is a good suggestion. HS Director Bahr was aware of the Board's intentions to make reductions. Commissioner Walter questioned whether any non-mandated services were still reflected in the proposed 2014 budget. HS Director Bahr stated that funding for ABC is not mandated. She provided information regarding past discussion held when consideration was given to eliminate funding for the program. It was clear by the public response that funding for the program would remain. It was reduced by approximately half at that time and remained flat until now.

Finance Director Lapham clarified that reductions are based on the proposed budget. She will make changes to the proposed budget as discussed.

File No. 11 - Auditor Meiners stated that the advertisement for the planning commission vacancy has not been run at the request of members of the Board. Discussion was held. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to adopt the application form presented. It was agreed that Auditor Meiners should place the advertisement discussed.

Commissioner Kjome reported that there was a study committee meeting for the revision of zoning ordinances. No commissioners were included in the meeting notification. He discussed his desire to participate with Zoning Administrator Scanlan who will include him on future meeting notices. Donna Buckbee questioned whether these committee meetings were public.

Commissioner Kjome reported that he was in attendance at the Highway 44 in Spring Grove ribbon cutting ceremony held last week.

Commissioner Walter reported that she purchased Spring Grove Soda as a door prize for an upcoming AMC meeting.

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

File No. 12 – Correspondence from EQB

There being no further business and the time being 10:59 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, December 3, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 3, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Zoning Administrator Scanlan; HR Director Arrick-Kruger; Engineering Supervisor Conway; Bruce Kuehmichel; Sarah Wexler-Mann (videotaped the proceedings); Glenn Kruse; Donna Buckbee; Mike Fields; Yvonne Krogstad; Dan Griffin; Gary Kruckow; Shirley Kruckow; Environmental Services Director Frank; Steve Zmyewski; Pete Peterson; Rick Howden; Finance Director Lapham

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the agenda.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the November 26, 2013 meeting.

File No. 1 - Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$44,691.18
Road & Bridge Fund	832,223.57

Total	\$876,914.75
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File No. 2 - Bruce Kuehmichel, Caledonia City resident, stated he had delivered a letter to Auditor Meiners regarding the request for a CUP for Bonanza Grain at the Sheehan Mine. In addition, commissioners have been copied on e-mail correspondence between Mr. Kuehmichel and the responses received from Will Seuffert (EQB) and Jeff Smyser (MPCA).

File No. 3 - Dan Griffin, Planning Commission member, reported that members of the Planning Commission are aware of Statutes cited by Mr. Kuehmichel. However, to understand the Statute it is necessary to review the definitions of terms used within Statutes. Mr. Griffin distributed definitions as they pertain to the Statute being discussed. The State has defined silica sand. Mr. Griffin stated that sand from the Sheehan Mine does not meet the criteria established in the definition of silica sand. In addition, other criteria defined with regard to processing are not met at the Sheehan Mine either.

Mike Fields, Winnebago Township resident, stated that Mr. Seuffert is familiar with the situation and should be aware of the definitions. Mr. Fields expressed his opinion that Mr. Seuffert's response is applicable and that it would be pre-mature for the Board to take action regarding the request for CUP by Bonanza Grain before further clarification can take place.

Mr. Griffin noted that any response from outside agencies was based upon information provided to those agencies. In this case, the sand being mined does not meet the definition of silica sand.

Sarah Wexler-Mann, Yucatan Township resident, expressed concern that a citizen approached the board claiming damage was caused to her home. She questions whether this woman feels she has been treated fairly. Ms. Mann shared her opinion that stipulations of the permit fail to provide adequate response to the resident. She stated that the resident is unable to read data collected by a seismograph placed near her residence and must depend on the blasting company to provide the data and interpretation. In the event damage is caused to her home, the resident would be required to sue for damages against a large firm based in Chicago.

File No. 4 - Engineering Supervisor Conway reported that a platform scale currently utilized for lab testing will become obsolete once 2014 specifications are enacted. The department has funds available within the current budget to purchase a scale which will qualify. The cost for a new Scale AD-30KA is \$4,445.00. Engineering Supervisor Conway reported that there are funds available within the current budget for all equipment purchases proposed. The department is in need of a laser. Currently, the department relies on the use laser equipment owned by contractors to check the work of contractors. Purchase of laser equipment will increase efficiency and reduce dependence on contractors for the use of contractor owned equipment to perform work. The cost for the laser equipment is \$1,109.00. The data collector used by the department has been malfunctioning. When the temperature decreases the reliability and functionality of the data collector decreases also. There are times when the touch screen fails completely. This impacts the department's ability to perform and complete work during periods of low temperature. The cost of a new data collector is \$6,610.50. The new equipment has additional attributes such as an external radio which will increase work efficiency. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to authorize the purchase of a scale, level and data collector at a cost of \$12,164.50.

File No. 5 - Zoning Administrator Scanlan reported on a preliminary plat that has been submitted by Larry Hanson of Yucatan Township. The plat is in order. On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to approve said preliminary plat.

File No. 6 – Zoning Administrator Scanlan reported that Robin Schlegal has applied for a CUP to operate an ag oriented business. Ms. Schlegal has a desire to process wine from grapes grown in a small vineyard located on her property and also from grapes purchased from local growers. On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of a Conditional Use Permit for Robin Schlegal of Union Township to operate an ag oriented business.

Zoning Administrator Scanlan reported that a request for a CUP to operate a home occupation submitted by James and Cindy Burg is being tabled until December 16th. The Burg's have renovated an 1800's mill in order to host gatherings, parties and other functions. They would like to be able to offering lodging in the loft however, there are questions regarding the flood plain and Department of Health requirements for lodging facilities which must be addressed.

File No. 7 - In addition, the Burg's have applied for a CUP for land alteration. They are proposing relocating fill located in road right of way and within a shore land district to provide for parking for their business. On the recommendation of the Planning Commission, motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the issuance of a Conditional Use Permit for James and Cindy Burg of Winnebago Township for land alteration.

File No. 8 - Bonanza Grain has applied for a CUP to expand its mining operation in Caledonia Township. Last spring they were granted a 6 month extension which included multiple stipulations including the requirement to duplicate an April blast, including number of holes and depth, which has been performed and for which data has been collected from 6 seismographs. Information collected from the duplication blast show that regulatory thresholds were not exceeded. The expansion meets all setback requirements. The Planning Commission recommends approval subject to the following stipulations including but not limited to the use of 4 seismographs placed at locations to the north, south, east and west, and 24 hour advance notice of blasting is to be provided to neighbors. This is a small expansion and concerns raised have been addressed. Chairperson Zmyewski questioned whether a requested survey had been completed. Zoning Administrator Scanlan responded that the site has been surveyed. The survey shows that the southern boundary meets the 1,000 foot set back from the Brent Schroeder house. Audience member Donna Buckbee requested a point of clarification whether the duplicate blast was carried out on the opposite side of the quarry as the original blast. Zoning Administrator Scanlan responded that the blast was conducted on the same side of the quarry. Chairperson

Zmyewski stated that Bonanza Grain operates a good business which supplies a lot of bedding for area cattle. The Kruckow's are well aware of the moratorium which is in place in Houston County prohibiting frac sand mining. Emotions related to mining within the county have been running high. Zoning Administrator Scanlan indicated that scientific data has been reviewed during this application process. Chairperson Zmyewski stated that he had not received any scientific data in this regard. Zoning Administrator Scanlan reported that the data had been forwarded to commissioners as part of the minutes. Chairperson Zmyewski reiterated that he had not received the data. Zoning Administrator Scanlan stated that a copy of the data was available. On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of a Conditional Use Permit for Bonanza Grain Inc. of Caledonia Township to expand a mine operation (Existing permit #118).

File No. 9 - On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Zoning Permits:

Tom and Jeff Gerard – Wilmington Township - Build hay storage shed (40' x 64')

Craig Stanislawski – Yucatan Township - Build pole shed (40' x 60')

Joseph Hartley – Caledonia Township - Add onto existing pole shed (18' x 28')

Steve Rischette – Houston Township - Build garage (24' x 30') with lean-to (10' x 18')

Jay Johnson – Money Creek Township - Build detached garage (30' x 48')

Dennis Holte – Black Hammer Township - Build shed (60' x 96')

Richard Thesing – Brownsville Township - Replace existing garage/shop (24' x 40')

James Stromberg – Money Creek Township - Build a mini storage build (40' x 100')

Gary Otterness – Black Hammer Township - Build garage (26' x 44')

Hidden Bluffs Inc. /Midwest Outdoor Resorts - Build shop (28' x 48')

Nathan Rask – Sheldon Township - Build lean-to (18' x 40')

Phillip Nielsen – Mound Prairie Township - Build storage shed (14' x 24')

Zoning Administrator Scanlan reported that Travis Zenke has requested renewal of a CUP for substantial land alteration in a shore land district. The original approval for this CUP was issued in 2006. The permit allows Zenke's to remove top soil in the area resulting in the creation of ponds for wildlife habitat. As part of the original permit monitoring has taken place which reflects there has been no disruption to wells in the area as a result of operations. No concerns have been raised related to this operation. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to renew CUP #262 for Travis Zenke/Zenke Partnership.

Zoning Administrator Scanlan provided a report on a recent zoning ordinance study committee meeting. Several items are being discussed for inclusion in, clarification of, or general correction to the Zoning Ordinance. There is a need to provide a definition for what constitutes a campground. Zoning Administrator Scanlan has solicited definitions from surrounding counties. There is a desire to streamline the process which single lot subdivisions within a 2 mile radius of urban areas must complete. Houston County is one of very few counties that does not have a plan for urban expansion. La Crescent Township is very familiar with urban expansion and a representative of this area has been participating in the study committee to share their knowledge. It has also been called to Zoning Administrator Scanlan's attention that many ordinances include a provision calling for a developer's agreement. The ordinance includes street specifications for developments. The agreement is entered into at the time when the final plat is filed and makes the developer responsible for specified items. In addition, corrections to the ordinance for gender neutral language and the correction of simple mis-spellings are being included. Updates are also needed to bring the variance in line with Minnesota Statute. Zoning Administrator Scanlan expressed concern that MPCA is requiring inclusion of an ordinance regarding illicit discharge. Zoning Administrator Scanlan believes that consideration should be given to making this a standalone ordinance. This ordinance will impact La Crescent City and Township and governs runoff from public waterways which drains into storm sewer systems. He has a draft of this ordinance which was created in conjunction with the MPCA. There is concern related to the newly adopted policy regarding term limits. Members are supposed to be representative of each commissioner district however, La Crescent City and Township make up a single commissioner district and each has its own zoning. It may be more beneficial to have representation from an area other than this since County Zoning has little authority in these areas. Commissioner Storlie questioned when the next scheduled meeting is. The committee meets again on Monday, December 23rd at 7:00 p.m. Commissioners Kjome and Schuldts plan on attending. The amendments resulting from the committee will require a public hearing which Zoning Administrator Scanlan expects to take place in Spring 2014. He noted that the committee meets once each month, things are moving through the committee well and he hopes that this continues.

Glenn Kruse questioned whether all of the items being discussed during the zoning ordinance study committee meetings can be adequately discussed during a single public hearing or whether the topics will be divided up and discussed during multiple public hearings. Discussion was held. Mr. Kruse indicated that the committee would benefit from knowing the Board's plans for the future so that work and amendments are developed which fit within the Board's plans. Chairperson Zmyewski indicated that, from today's report, the committee is discussing items which the Board approves of. Final approval will depend on the final drafts presented.

File No. 10 - HR Director Arrick-Kruger reported that RFP's have been solicited from 5 vendors for the preparation of a Historical Structure Report. The RFP's have been reviewed. Rick Howden provided an overview of the RFP's received which ranged in cost between \$10,000.00 and \$43,000.00. Of the 2 lowest bids, one bid included all building systems making it the most comprehensive at the least cost. This proposal was submitted by Pathfinders, CRM. The amount is close to the grant funding awarded which will be utilized to cover a portion of the expense. On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to authorize contract preparation for the RFP submitted by Pathfinders, CRM.

HR Director Arrick-Kruger provided a reminder of the capital bonding presentation to the Senate Committee scheduled for 1:30 p.m. today. Lunch is preceding the presentation at 12:45 p.m. Commissioner Storlie questioned what commissioners should be knowledgeable about going into the luncheon and presentation period. HR Director Arrick-Kruger stated that it is important to reflect a positive image and to be forward looking and informed of where the County is going. She stated that Houston County has exhibited strong stewardship of the Historic Courthouse over time. HR Director Arrick-Kruger will provide introductions with Rick Howden assisting during the presentation. Senator Miller is expected to be present. HR Director Arrick-Kruger stressed that it will be important to be prepared to answer questions. In the event representatives of the County are asked what the county will do if capital bond funding is not awarded she stated that the County will be prevented from achieving the level of historic preservation desired. It will be important to stress the historic structures significance. In the event capital bond funding is not awarded, preservation goals will take longer to achieve and costs will be increased. Rick Howden stated that we want to impress upon the committee that the need is here and State assistance is imperative. It is necessary to the community and to the State to preserve this historic structure and awarded funds will be well spent to do this. If the County is required to shoulder the burden to preserve the structure, repairs will be made piecemeal as funding allows which is not a historically sound alternative. Delayed and/or deferred maintenance will result in additional damage. Currently, the structure does not exhibit interior damage. Capital bond funding will prevent interior damage and allow the county to accomplish historic preservation goals. HR Director Arrick-Kruger stated that long time Senator LeRoy Stump is the chair of the Senate capital bond committee.

Commissioner Walter reported on a SE MN Emergency Communications Board meeting which she attended.

Commissioner Schuldt reported on the department head meeting and also the Festival of Trees which he attended.

Commissioner Storlie reported on the land use committee meeting she attended earlier today.

Motion was made by Commissioner Storlie, 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 recent hire

There being no further business and the time being 9:53 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, December 17, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Tuesday, December 17, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Engineer Pogodzinski; Finance Director Lapham; Kelley Stanage; Betts Reedy; Sarah Wexler-Mann; Bruce Kuehmichel; County Attorney Hammell; Assistant County Attorney Simpson; Interim PHN Director Thompson; PHN Accountant Lillegraven; Sheriff Ely; IS Director Milde

Presiding: Justin Zmyewski, Chairperson

Call to order.

Discussion was held regarding changes to the agenda, and the fact that discussion regarding elected officials salaries has been removed. HR Director Arrick-Kruger explained how the Board is scheduled to meet with elected officials during the department head review process. She thought it would be more appropriate to discuss this following those meetings. She stated that proposed increases equivalent to those negotiated with labor unions are included in the 2014 budget. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to approve the agenda.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the December 3, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$136,651.85
Road & Bridge Fund	260,401.56

Total	\$361,294.92
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File No. 2 - Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the Truth in Taxation meeting held Thursday, December 5, 2013.

Betts Reedy, Money Creek Township resident, stated that last time she spoke she discussed her concern regarding climate change. Her concern is for “Harry”, age 2. Everyone has a “Harry”, a child, grandchild, niece, nephew or neighborhood child. Climate change will impact all “Harry’s”. She suggested 3 study committees be established and that each committee include a commissioner. The committees should report back to the Board by June 2014. Membership should be primarily made up of residents. The committees should focus on agriculture and forestry which are the economic bedrock of the county, health including the health of humans, livestock, water and soil, and renewable energy. She encouraged the Board to establish these committees immediately for the sake of all “Harry’s”.

Sarah Wexler-Mann, Yucatan Township Resident, requested that the Board provide an update regarding the frac sand mining moratorium in Houston County.

File No. 3 - HR Director Arrick-Kruger stated that the Historic Structures Renovation Agreement and Lift Agreement are currently being negotiated and reviewed. They will be presented to the Board once this process has concluded. She reported that a tentative agreement with the 49er’s collective bargaining unit is close.

HR Director Arrick-Kruger reported that Jan Lochner, a public health nurse, has submitted her resignation. Ms. Lochner has been with Houston County since February 1994. She has accepted employment with the VA in Iowa. After discussion with Interim PHN Director Thompson it is agreed that the position should remain vacant until a permanent PHN Director is in place at which time the Director may complete a staffing review and make their recommendation. Motion was made by Commissioner Kjome, seconded by Commissioner Walter and unanimously carried to accept the resignation of Jan Lochner effective January 8, 2014.

HR Director Arrick-Kruger reported that Araysa Simpson, assistant county attorney, has also tendered her resignation effective December 31, 2013. Ms. Simpson has been with Houston County since 2008. County Attorney Hammell spoke to Ms. Simpson’s contributions to the County. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the resignation of Araysa Simpson. Ms. Simpson expressed her appreciation for the time spent at Houston County. She is excited to share that she has accepted employment in her hometown which has been a goal of hers.

HR Director Arrick-Kruger requested authorization to fill the 1 FTE position. Motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to authorize filling the assistant county attorney position through December 31, 2014 with the possibility of extending it beyond that date.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the hire of Jena Benson as a 67 day employee to assist as needed as a drop site supervisor at \$11.64 per hour.

File No. 4 - Interim PHN Director Thompson recommended that the sliding fee schedule for Public Health services be discontinued. PHN Accountant Lillegraven reported that she has had discussion with other counties who provide home health services, all of which offer only a flat fee for services. In addition, they learned that most counties no longer offer private pay homemaking services. She provided an example of a scenario where the cost to provide the service was greater than the amount billed due to the requirement for travel. When travel is necessary, Public Health is losing money. Interim PHN Director Thompson explained that clients would still have access to the same service by enrolling in a program which would provide for the service. Enrollment in such a program may require client spend downs. As a result of program requirements, private pay clients may choose to forego enrollment and the services provided. Clients currently paying according to the sliding fee schedule would be allowed to continue doing so, however no new clients would be offered this option. Over time, the number of clients paying the sliding fee would decline eventually to zero. Commissioner Storlie commended staff for reviewing this practice and making the recommendation for change that will result in savings without reducing service. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to eliminate the sliding fee option for new clients.

File No. 5 - Engineer Pogodzinski presented a revised proposal from Bolton & Menk related to a proposed La Crescent area traffic study. Bolton & Menk was able to reduce their proposal by eliminating coordination of meetings between the County and City and also for County and City plan comparisons. These mediation services were not included in the proposal submitted by WHKS. Engineer Pogodzinski stated that the County and City have a good working relationship and there is no need for this type of service. In addition, Bolton & Menk reduced the total hours bringing the cost of the traffic study down to \$14,960.00. The proposal submitted by WHKS is in the amount of \$10,000.00. In the event there is a need for additional services to bring the County and City plans in line with one another, those services can be addressed. Engineer Pogodzinski stated that the Board must decide whether to go with the slightly higher cost proposal for greater assurance that the firm will work on the County's best interest without bias or to go with the less expensive proposal which may be subject to some degree of bias. It is possible that there will be future savings by working with the firm having no bias. Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to accept the proposal provided by Bolton & Menk for the traffic study.

File No. 6 - Zoning Administrator Scanlan presented the final plat of Turtle Subdivision for approval. Turtle Subdivision is a single lot sub division located in Money Creek Township. Nick Thesing has gone through a process to rezone and plat property so that he is able to

construct a stick built home. This process was required as a result of the 1 house per forty rule. Approval of the final plat is the last step. Motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to approve the final plat for Turtle Subdivision.

Zoning Administrator Scanlan reported that there is an ordinance study committee meeting scheduled for next Monday. He suggested that the Board consider offering a per diem for members of the committee. Committee members perform extensive background work in preparation for this committee in addition to other work required for monthly Planning Commission and/or Board of Adjustment duties. He stated that Planning Commission members are paid a \$100.00 per meeting per diem, Board of Adjustment members are paid an \$85.00 per meeting per diem. Commissioner Schuldt indicated that the Planning Commission is paid the \$100.00 per diem because of the public scrutiny they endure. The study committee will not be subject to this degree of scrutiny. Commissioner Storlie questioned whether attendees received mileage reimbursement. Committee members do not receive mileage. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve a \$50.00 per meeting per diem for ordinance study committee members.

Commissioner Schuldt expressed concern with recently adopted ordinance changes impacting the make-up of the Planning Commission and Board of Adjustment membership. He has attended meetings and witnessed nothing but professionalism by current members. Commissioner Walter expressed concern that because La Crescent City and Township have their own zoning, there isn't a need for representation from District 1 which is currently a requirement of the ordinance. It is necessary to review this portion of the ordinance. In addition, the recently adopted changes will impact Board of Adjustment membership also resulting in additional turnover. Discussion was held. Chairperson Zmyewski suggested that Bruce Lee, whose term on the Planning Commission will be expiring and who is not eligible for reappointment could be considered for appointment to the Board of Adjustment as the person's whose term is up on this Board will not be eligible for re-appointment and there will be a need to appoint a new individual. It was noted that one member of the Board of Adjustment must be a member of the Planning Commission. Zoning Administrator Scanlan will discuss these concerns and ideas with the ordinance study committee members.

File No. 7 - Finance Director Lapham stated that the Board is required to adopt the final levy and budget prior to December 20th. Information has been distributed which reflects changes to department budgets which were agreed upon at a prior meeting. She provided an update related to health insurance costs. Insurance costs rose as a result of changes to employee coverage elections. Finance Director Lapham suggested that the jail medical line item be reviewed. She expects that provisions in the ACA (Affordable Care Act) may impact it. Discussion was held regarding these items in addition to the HS department budget. Scenarios were provided for 2.5, 3.0 and 3.52% levy increases. Also provided were various trend analyses. Chairperson Zmyewski discussed trends as represented on the graphs. He questioned what the greatest expense to the county was. Finance Director Lapham indicated that Highway is a

significant expense as is HS, however, both departments experience offsetting revenues. Engineer Pogodzinski indicated that material costs for the Highway Department of increased 72% recently. Finance director Lapham stated that there are areas which could be further reduced. The other option would be to increase revenues. Wheelage tax is an example of an area where revenue will be increased. Starting January 1, 2014, the county will be exempt from Minnesota sales tax which will positively benefit the budget. Chairperson Zmyewski expressed concern regarding adoption of a 3.52% levy increase. He reported that last night four constituents visited his home to discuss this. The Board needs to be cognizant of constituent concerns regarding the ever increasing property taxes. He encouraged further review and reductions. Commissioner Walter indicated that line items have been carefully reviewed. She expressed her opinion that it would be difficult to further reduce the budget to meet a 0% increase. She reiterated Engineer Pogodzinski's information regarding increased materials costs. In addition, the County suffered flood damage and is operating the Justice Center. Chairperson Zmyewski questioned whether the Board has any intention of holding the line on property taxes or reducing the levy at this point or any point in the future. He reported that Fillmore County has approved a 0% levy increase. Commissioner Storlie stated that we should refrain from making comparisons. Commissioner Walter stated that Renville County was required to levy for a \$10 million road project. Chairperson Zmyewski questioned why some counties are able to keep their levies flat. Commissioner Walter commented that Houston County has suffered an 80% reduction to State Aid funding in addition to rising material costs. Chairperson Zmyewski questioned whether these changes justify property taxes having doubled over a 10 year period. He recommended that if line items have been reduced to a point they can be reduced no further, other areas should be considered for reductions. He also questioned whether fund balance had been replenished as intended. Finance Director Lapham stated that it will not be known whether fund balances have been replenished until after year end. Motion was made by Commissioner Walter, seconded by Commissioner Storlie to approve a 3.52% levy increase. A roll call vote was taken. The motion carried with Districts 1, 3, 4, and 5 voting yes and District 2 voting no to adopt the following resolutions:

RESOLUTION NO. 13-68

BE IT RESOLVED, that the proposed levy after the deduction of County Program Aid (CPA), in the amount of \$10,855,549 be made on all taxable property in the County of Houston for taxes payable in 2014 in the following amounts by County Fund:

County Revenue	\$6,771,812
Road & Bridge	2,479,639
Human Services	1,252,678
Bond Fund – 2009B Jail CIP Bonds	486,229
Bond Fund – 2009C Jail Bonds	268,288
Bond Fund – 2010A Jail CIP Bonds	245,763
Bond Fund – 2010B Jail Bonds	224,707

Total	\$11,729,116
Less CPA	(873,567)

Total Levy	\$10,855,549
	=====

RESOLUTION NO. 13-69
RESOLUTION ADOPTING 2014 OPERATING BUDGET

	Revenue	Expenditures	Revenues Over (Under) Expenditures
	-----	-----	-----
County Revenue	\$ 10,865,116	\$ 10,888,033	\$(22,917)
Road & Bridge	12,988,157	12,996,548	(8,391)
Human Services	4,477,803	4,482,042	(4,239)
Debt Service	1,224,987	1,224,987	0
	-----	-----	-----
Grand Total			
County Funds	\$29,556,063	\$29,591,610	\$(35,547)
	=====	=====	=====

File No. 8 - Commissioner Walter reported that she attended a session during the recent AMC conference where Jay Squires was the keynote speaker. She was able to speak with Mr. Squires who recommended having Environmental Services Director Frank contact him regarding the frac sand moratorium. Mr. Squires will draft a resolution which may be adopted in January and will extend the moratorium to March 2015. In addition, the county should continue work regarding its ordinance during this period.

Chairperson Zmyewski recommended scheduling a meeting with Commissioner Schuldt and Engineer Pogodzinski to discuss the highway Department building costs. He would like to do this in January.

Commissioner Walter stated that Finance Director Lapham has identified funds which would be available for use as the required match in the event the \$500,000.00 grant is awarded for the courthouse project. It was noted that there are many good projects competing for funding and it would be beneficial for individuals to speak with representatives on behalf of the Houston County project.

It was noted that AMC recommends that the same rules applied to cigarettes be applied to e-cigs also. There are concerns with regard to e-cigs, as there is no proof that these are safe.

File No. 9 - Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Tobacco Licenses for 2014: Money Creek Haven, Inc., River Valley Convenience, Inc., and Houston Food Mart.

File No. 10 - Auditor Meiners reported on a request for a disaster credit for property taxes paid on a house damaged by fire. Home owners, James and Gwen Puent qualify for a disaster credit based on the time they are unable to live in their home and their intention to rebuild. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve a 2013 disaster credit in the amount of \$995.00 payable on parcel #08.0718.000.

Commissioner Kjome reported on Extension, Planning Commission and EDA meetings which he attended.

Commissioner Walter reported on AMC, Solid Waste, and TNT meetings which she attended. She also reported on the Capital Bonding presentation which she attended.

Commissioner Schuldt reported on Capital Bonding presentation, and TNT, Extension, AMC and Planning Commission meetings which he attended.

Commissioner Storlie reported on Capital Bonding presentation and TNT and AMC meetings which she attended.

Commissioner Zmyewski reported on TNT meeting he attended. He also attended the TNT meeting held at School District #294.

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

File No. 11 – Public notice soliciting bids for county printing

File No. 12 - Correspondence regarding City of Hokah wellhead protection

File No. 13 - Correspondence regarding issues resulting from ordinance change

There being no further business and the time being 10:04 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Kjome and unanimously carried to adjourn the meeting, the next advertised meeting being Monday, December 23, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Monday, December 23, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Bialkowski, Schuldt, Moorhead; Jim Nissen; HR Director Arrick-Kruger; Sheriff Ely; Environmental Services Director Frank; Sarah Wexler-Mann; Finance Director Lapham; GIS Coordinator Krzoska; Engineer Pogodzinski; Treasurer Trehus; Recorder Bauer; Jail Administrator Schiltz; Holly Felten; Cindy Cresswell; Douglas Twite

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the agenda.

Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the minutes of the December 17, 2013 meeting.

File No. 1 - Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$86,253.08
Road & Bridge Fund	358,132.70

Total	\$444,385.78
	=====

File No. 2 - Motion was made by Commissioner Walter, seconded by Commissioner Storlie and unanimously carried to approve the minutes of the December 19, 2013 department head review meeting.

File No. 3 - Jim Nissen, La Crosse District Manager for U.S. Fish & Wildlife Service, met with the Board to provide an annual report including information related to a revenue sharing payment which was remitted to the County.

Mr. Nissen reported that the Upper Mississippi River National Wildlife and Fish Refuge include lands located in 19 counties across 4 states. There are approximately 13,000 acres located in Houston County.

Revenue sharing payments are issued annually to local units of government for the loss of tax revenues on lands administered by U.S. Fish & Wildlife Service. The funds paid out are generated from the economic use of the lands and also a supplemental congressional appropriation. The 2013 payment to local units of government amounted to 22% of lost tax revenues.

Mr. Nissen reported that lands are assessed periodically. During the 2013 assessment Houston County saw the value for U.S. Fish & Wildlife administered land values decline from \$15 million to \$14.5 million. Commissioner Walter questioned why land values declined. Mr. Nissen responded that he would check into this and provide a written update in this regard to the Board.

The Upper Mississippi Refuge is the most visited in the country, and supports the greatest number of jobs at approximately 1,400. The look out in Brownsville is heavily used. A lookout was developed south of Goose Island on the Wisconsin side and it is experiencing high traffic volume also. An additional lookout is slated for development in Onalaska. The island restoration project has been beneficial to the migration of the swans. The organization is working on a new project involving the beaches. Public input has been gathered regarding use. Local beaches being discussed include Lawrence Lake, Coney Island, Crater Island and Wildcat Park. Discussion was held regarding dredge material placement sites such as Crater Island. Sand stored at dredge placement sites has been utilized in the completion of projects such as the island renovation and also the I90 bridge project.

Mr. Nissen provided information regarding the hours of the visitor center located in Bryce Prairie and also upcoming events including a Family Day and Science Saturday.

File No. 4 - HR Director Arrick-Kruger presented recommendations regarding elected officials salary adjustments which are equivalent to increases negotiated with labor unions. She stated that her recommendations are included in the 2014 budget. Salary increases for the elected officials are discretionary. Commissioner Walter requested that discussion be tabled until the next scheduled meeting. HR Director Arrick-Kruger noted that the Board will need to take action at the next meeting in order to comply with Minnesota Statute.

HR Director Arrick-Kruger requested authorization to initiate a search for a 67 day employee to assist with building maintenance until staffing needs can be determined. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve that a search be initiated for a 67 day employee to assist with building maintenance.

File No. 5 - At this time the following employees were recognized for their years of service.

35 Year Awards

Douglas J Twite

25 Year Awards

David J Bauer
Donald E Moore
Mark P Schiltz

20 Year Award

Karen M Colsch
Julie A Renk

15 Year Awards

Cynthia M Cresswell
Douglas C Ely
Holly S Felten
Daniel J Krzoska

10 Year Awards

Christopher C Tuveson
Rick C Vesterse
Julie K Von Arx-Abnet

File No. 6 - Environmental Services Director Frank presented multiple contracts for approval. These are standard annual agreements to remain in conformity with the Solid Waste Ordinance. Motion was made by Commissioner Walter, seconded by Commissioner Kjome and unanimously carried to approve the following contracts for 2014: ABC/Woodland Industries, Hilltopper's Refuse & Recycling, Waste Management, Richard's Sanitation, Bob & Shirley Giblin, Harter's Refuse, Midwest Roll-Off and Two Guys and a Dumpster, and Richard's Sanitation Drop off Site Rates.

Environmental Services Director Frank reported that he is working on the 2014 solid waste brochure. He would like to have updates completed in time to mail out the stuffer in March 2014. He intends to include fluorescent bulb collection dates and locations and also dates and locations for 3 planned household hazardous waste collections.

Environmental Services Director Frank stated that it is necessary to have a windshield on a solid waste vehicle replaced due to a significant crack which resulted from a rock chip

Environmental Services Director Frank stated that he has been reviewing appliance and e-waste disposal agreements. Changes in volume, disposal and trucking expenses have contributed to the need for review. Environmental Services Director Frank solicited proposals and it appears that vendors will be changing as a result. The County currently has an agreement with URT out of Janesville, Wisconsin for the disposal of e-waste however, due to transportation costs a vendor in La Crosse, Wisconsin will likely be a more cost effective option for the County. The same holds true for appliance disposal. The County has an agreement with a vendor out of Holmen, Wisconsin, however, it appears that it will be more cost effective to enter into an agreement with a La Crosse, Wisconsin vendor.

File No. 7 - Sheriff Ely reported that there is a need to renew the Police Canine Lease Agreement which expires December 31, 2013. A multi-year agreement has been recommended. Sheriff Ely would prefer an open ended agreement that would be ongoing until one of the parties provides notification of intent to terminate. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the police canine lease agreement with no expiration. Termination of the agreement would be applicable upon 30 day written notice by either party.

Sheriff Ely expressed a desire to provide the Board with a report regarding the Police Canine and also the Drug Officer. He would like to present details at a meeting after the New Year.

Commissioner Walter reported that Public Health has a new intern who will provide the department with 600 hours of service at no cost to the County. This individual has an extensive background in community health and will provide assistance with the SHIP grant.

An invitation to attend a webinar focusing on aging was extended to members of the Board. The webinar will be hosted at the Justice Center at 9:00 a.m. and 1:00 p.m.

The State has contacted the Houston County Public Health Department regarding possible participation in a grant funded pilot project for administration of shingles and other vaccinations to County residents. This may include residents of long term health care facilities. Public Health would be able to qualify for and seek reimbursement from Medicare Part D. Many individuals are not being vaccinated and this would provide opportunities for them to be vaccinated.

Commissioners Kjome, Walter, Schuldt, Storlie and Zmyewski reported on department head evaluations which they participated in and Joint Board of Health and Human Services meetings which they attended.

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

File No. 8 – Correspondence to payroll regarding recent hire

File No. 9 – Correspondence to recipients of disaster credit

File No. 10 – Section 8 Vouchers by County report

There being no further business and the time being 9:54 a.m., motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Monday, December 30, 2013.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS

Date: Monday, December 30, 2013

9:00 a.m.

Place: Commissioners Room, Courthouse, Caledonia, MN

Members Present: Judy Storlie, Justin Zmyewski, Steve Schuldt, Teresa Walter and Dana Kjome

Others Present: Auditor Meiners; Deputy Auditor Quinn; Reporters Schuldt, & Moorhead; Zoning Administrator Scanlan; Engineer Pogodzinski; HR Director Arrick-Kruger; Finance Director Lapham; GIS Coordinator Krzoska; Ted Hanson; Bruce Kuehmichel; Sarah Wexler-Mann (videotaped the proceedings); Ted Von Arx; Glenn Kruse; Sheriff Ely; Recorder Bauer; Treasurer Trehus; IS Director Milde; Assessor Dybing; GIS Coordinator Krzoska; HS Director Bahr; Finance Director Lapham

Presiding: Justin Zmyewski, Chairperson

Call to order.

Motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the agenda.

Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the minutes of the December 23, 2013 meeting.

File No. 1 - Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve payment of the license center and Human Services disbursements and the following claims:

County Revenue Fund	\$49,423.80
Road & Bridge Fund	25,849.94

Total	\$75,273.74
	=====

Ted Von Arx, Mound Prairie Township resident, expressed concern that a neighbor has intentions to erect 9 greenhouses on their property and that it may negatively impact the value of his property and the aesthetics. He expressed his feeling that the greenhouses may be better situated in an alternate location. Mr. Von Arx indicated that due to work commitments he was unable to attend the public hearing convened by the Planning Commission to discuss this permit.

File No. 2 – Zoning Administrator Scanlan reported on a variance which was approved by the Board of Adjustment for Ivan and Lois McElhiney of Mound Prairie Township for a variance of 20 feet to meet the required 100 foot setback from County 25 to build greenhouses.

Zoning Administrator Scanlan reported that the McElhiney's have submitted an application for a CUP to erect 9 greenhouses on roughly 4 acres. Discussion was held. There are concerns related to storm water runoff from the greenhouse roofs and impervious area surrounding the structures. Zoning Administrator Scanlan recommended a review by soil and water and the creation of a storm water plan prior to taking action for approval. It was noted that due to the size of the proposed construction area, a storm water permit will be required from MPCA. Chairperson Zmyewski questioned whether an alternate site was available. Zoning Administrator Scanlan responded that the permit has been applied for in which this particular site is the only one defined. Commissioner Schuldt reiterated that aesthetic concerns have been raised and asked how this could be addressed. Zoning Administrator Scanlan responded that it may be possible to require a tree line to improve the aesthetics. Motion was made by Commissioner Kjome, seconded by Commissioner Storlie and unanimously carried to require a review by the Soil and Water office and to await their report prior to taking action.

Zoning Administrator Scanlan reported on two additional Conditional Use Permits which have been applied for. The first is for an after the fact application related to substantial land alteration performed by Michael Semling. Several conditions have been attached to the CUP including, but not limited to, following a plan to be developed by Soil and Water and the prohibition of any structures being constructed on the site which was excavated. The area impacted by the excavation had greater than 24% slope, therefore it was not buildable prior to excavation and the condition will ensure that it remains so in the future.

James and Cindy Burg have also submitted an application for a CUP. Several conditions have been applied to this CUP also. Concerns regarding the site location and FEMA/DNR flood plain will need to be addressed, as well as adhering to any and all applicable MN Department of Health regulations and a State Fire Marshall assessment. An inspector has checked the well and septic which have been deemed adequate and in compliance.

File No. 3 - On the recommendation of the Planning Commission, motion was made by Commissioner Kjome, seconded by Commissioner Schuldt and unanimously carried to approve the issuance of the following Conditional Use Permits:

Michael Semling – Yucatan Township - Substantial Land Alteration –
After-the-fact

James and Cindy Burg – Winnebago Township - Home Occupation

File No. 4 - On the recommendation of the Planning Commission, motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the issuance of the following Zoning Permits:

Scott Hatleli – Yucatan Township - Build shed (36’ x 48’)

Jim and Ron Holty – Wilmington Township - Build lean-to on hay shed (30’ x 96’)

Denis Mullen – Brownsville Township - Build open calf shed (32’ x 36’)

Gordon Meyer – Mayville Township - Build house/garage (51’ x 83’)

Toby and Christine Denstad – Caledonia Township - Build addition (12’ x 24’) and covered porch (12’ x 36’)

Randy Drinkall – Yucatan Township - Build pole barn for heifers/calves (64’ x 32’) no expansion

Commissioner Storlie questioned whether the Board had taken action to express appreciation for the service of Bruce Lee on the Planning Commission. Letters of Appreciation are generated and sent following Board appointments in January of each year.

File No. 5 - Engineer Pogodzinski stated that typically grants are approved prior to projects taking place. This is not the case with airport projects. Engineer Pogodzinski recommended approval of a grant agreement, in the amount of \$39,763.00, for the portion of the airport runway rehabilitation project which is to be State funded. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to approve the grant agreement and to adopt the following resolution:

RESOLUTION NO. 13-70

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

BE IT RESOLVED by the **County of Houston** as follows:

1. That the State of Minnesota Agreement No. **04995**, “Grant Agreement for Airport Consultant Services,” for State Project No. **A2801-26** at the **Houston County** Airport is accepted.

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

File No. 6 - Engineer Pogodzinski stated that the County's DBE Program is required to be updated periodically. Recently Mead & Hunt was commissioned to update the plan. Engineer Pogodzinski explained that projects awarded Federal funding are subject to compliance with DBE goals. DBE goals establish the percentage of contractors a Prime Contractor is required to award work to. In the event goals cannot be met documentation is required. Following approval of the plan it will be subject to a public comment period. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the Disadvantaged Business Enterprise Program.

File No. 7 - HR Director Arrick-Kruger recommended approval of step, 1% discretionary and COLA increases of 1% effective January 1, 2014, and 1.5% effective July 1, 2014 for qualified individuals. These increases impact non-represented employees. Step increases are effective upon meeting hours of service requirements. These recommendations prevent salary compression, maintain equity among both represented and non-represented employees are modest and appropriate. Approval will keep Houston County in market range and competitive when conducting staffing searches. The costs associated with these recommendations are included in the 2014 budget. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt. 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 presented elected official salary increase recommendations which include the same COLA adjustments as granted to represented employees. In addition, after speaking with Treasurer Trehus, taking into consideration her experience, level of responsibility and salaries of colleagues across the region, a salary increase to \$54,340.00 is recommended. Chairperson Zmyewski indicated that this is an election year. He questioned whether a different approach should be taken such as reviewing salaries as a whole or considering salary over the term so those in the position would know what to expect during their term. He questioned the practice of setting salaries annually. He commented that even with regard to collaborative bargaining units an attempt is made to have contracts for multiple years. Salaries are also set in January. HR Director Arrick-Kruger stated that many factors are considered when salaries are set. Experience time and grade are a few of the factors considered. Minimum salaries are set in January. In December, following the election, salaries for the following year are established. By this time the County is aware of the successful candidate and may take into consideration their experience. Discussion was held regarding the benefit of a grid to be used as a tool in establishing elected officials salaries. HR Director Arrick-Kruger cautioned against the establishment of anything which could be construed as a contract or guarantee. She noted that elected positions are not banded. Statute requires that minimum salaries for positions be established in January of an election year and that salaries for the coming year be established for elected officials each December. Motion was made by

Commissioner Storlie, seconded by Commissioner Schuldt to set the 2014 salaries for elected officials as follows:

County Recorder	\$60,627.46
County Treasurer	\$54,340.00
County Sheriff	\$86,371.95
County Attorney	\$91,017.17
County Auditor	\$66,419.04
County Commissioner	\$19,016.34

A roll call vote was taken: District 1 – yes; District 2 – no; District 3 – yes; District 4 – yes; District 5 - no. The motion carried.

HR Director Arrick-Kruger reported that Karen Sanness has submitted her resignation effective January 3, 2014. Ms. Sanness has been working for the County since August 2001. HS Director Bahr reported that she has a diverse background, has worked in many areas and has been a wonderful investigator. Motion was made by Commissioner Schuldt, seconded by Commissioner Walter and unanimously carried to accept the resignation of Karen Sanness.

On the recommendation of HR Director Arrick-Kruger, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize a competitive search be conducted for a 1 FTE social worker to assist in adult protection.

Motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to authorize the hire of a 67 day employee to provide coverage in social services while a competitive search for a social worker is conducted.

HR Director Arrick-Kruger requested approval of a status change from probationary to regular status effective upon the completion of 2080 hours of service for Jeremiah Shaver. Mr. Shaver has been a valuable employee. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to approve the change of status from probationary to regular of Jeremiah Shaver upon completion of 2080 hours of service.

HR Director Arrick-Kruger requested authorization to hire Craig Welsh as a 67 day employee to assist with Building Maintenance during a period of long term leave. Motion was made by Commissioner Storlie, seconded by Commissioner Schuldt and unanimously carried to hire Craig Welsh as a 67 day employee to assist in the area of Building Maintenance.

File No. 8 - GIS Coordinator Krzoska reported that several County offices utilize aerial photography. The County has not updated its aerial photography since 2008. In 2008 it was the intention to place photography upgrades on a rotation by which ortho (straight down) aerial photography and oblique imagery (4 point photography) would be purchased and updated every two years. GIS Coordinator Krzoska stated that he has solicited a quote to upgrade both types of

aerial photography and upgrade city imagery to high definition. The cost would be shared 50/50 between the E911 budget and the Recorder's Compliance fund. No budgeted funds would be required. Chairperson Zmyewski questioned the minimum balance that is to be maintained in the compliance fund. Recorder Bauer responded that the balance of the fund has been reviewed and the minimum balance would be maintained even with this purchase. GIS Coordinator Krzoska reported that the E911 fund is often built up and then depleted when large projects are completed. There are adequate funds to cover this project and also cover the maintenance expenses which the fund is utilized for. Assessor Dybing explained the changes which take place which impact his department. Lately, there has been significant clearing to make for more cropland. The assessor is charged with assessing property and knowing the acreages of woodland versus cropland is important to maintain equity and consistency with property assessments. Sheriff Ely explained how dispatch and his department utilize the aerial photography. GIS Coordinator explained that the quote solicited includes both types of aerial photography being ortho and oblique and also high resolution for each of the 7 cities within the county. In addition, the quality of high definition has improved. Motion was made by Commissioner Storlie, seconded by Commissioner Kjome and unanimously carried to approve the purchase of pictometry aerial photography at a cost of \$65,792.75.

File No. 9 - On the recommendation of Finance Director Lapham, motion was made by Commissioner Storlie, seconded by Commissioner Walter and unanimously carried to approve the budget amendments for Extension and Road & Bridge as presented.

Finance Director Lapham reported on revenues which need to be restricted for use only as designated. Both requests for restrictions are from the Highway Department. The first is for funding which has been received in advance of the completion of a project on CSAH 13 in the amount of \$1,127,000.00. The second is for County 249 bridge projects in the amount of \$225,000.00. Motion was made by Commissioner Schuldt, seconded by Commissioner Storlie and unanimously carried to approve the fund restrictions as requested.

On the recommendation of Finance Director Lapham, motion was made by Commissioner Walter, seconded by Commissioner Schuldt and unanimously carried to designate the following major funds and their use for 2014: General Fund, Road and Bridge Fund and Human Services Fund, and to designate the following as a minor fund for use in 2014: Debt Service Fund.

File No. 10 – Distributed were the November 2013 financial reports.

Chairperson Zmyewski stated that he had discussion with a friend employed by a frac sand mining company located in Tomah, Wisconsin regarding the company's recent purchase of 200 new enclosed rail cars for the transportation of frac sand, and also current trends and pricing of frac sand.

Discussion was held regarding the process by which the Planning Commission vacancy will be filled. Commissioner Storlie proposed that a team including 2 Planning Commission members, 2 Commissioners, Environmental Services Director Frank and HR Director Arrick-Kruger be convened to make a recommendation for an appointee to the Planning Commission from the pool of interested applicants. It was further discussed that the Commissioner representation should include the Commissioner assigned to the Planning Commission and the Commissioner representing the District where the vacancy is to be assigned to the team. Chairperson Zmyewski indicated that he would like the Board to exhibit greater control. He recommended that there be a screening team who would recommend the top candidates to the Board and the Board would make the decision from that point. Commissioner Storlie commented that the Planning Commission has knowledge and knows what is needed in a new member. Chairperson Zmyewski expressed that would be like the “fox guarding the hen house” or allowing employees to choose their department head. Commissioner Storlie strongly supports a team approach and the involvement of those who will be serving on the same team as the individual appointed. Chairperson Zmyewski reiterated that the Board is the decision maker and should take the lead in making that decision. He shared his opinion that a small group could accomplish this. Commissioner Storlie indicated that she has concerns due to the fact that there have been communication issues in the past. She expressed her belief that a team approach would be beneficial. Motion was made by Chairperson Zmyewski, seconded by Commissioner Kjome and carried with Commissioner Storlie voting in the negative to establish a screening team comprised of Chairperson Zmyewski, Commissioner Kjome, HR Director Arrick-Kruger and Environmental Services Director Frank to screen candidates and recommend a panel of finalists to the Board for appointment to the Planning Commission to fill the vacant seat.

It was the consensus of the Board to offer the Board of Adjustment seat vacancy to the exiting Planning Commission member, Bruce Lee. In the event Mr. Lee declines the position the Board will need to discuss the appointment further.

It was agreed that interviews for the position of Public Health Director would begin at 9:00 a.m. on Monday, January 6, 2014.

At this time the Board met with Treasurer Trehus for her 2013 evaluation.

Commissioner Kjome reported on the zoning ordinance review study committee meeting which he attended last Monday evening.

Commissioner Walter reported on department head reviews which she attended last week.

Commissioner Schuldt reported on the zoning ordinance review study committee meeting which he attended.

Chairperson Zmyewski reported on the zoning ordinance review study committee meeting which he attended.

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

File No. 11 – 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 Walter and unanimously carried to adjourn the meeting, the next advertised meeting being Tuesday, January 7, 2014.

BOARD OF COUNTY COMMISSIONERS
HOUSTON COUNTY, MINNESOTA

By: _____
Justin Zmyewski, Chairperson

Attest: _____
Charlene Meiners, County Auditor