

PROCEEDINGS OF THE MARTIN
COUNTY BOARD OF COMMISSIONERS
TUESDAY, MARCH 21, 2006
@ 9:00 A.M.

The meeting was called to order at 9:00 a.m. by Chairman Boler. Commissioners present were Dan Schmidtke, Steve Pierce, Steve Donnelly and Jack Potter. Also present were Scott Higgins, County Coordinator, James Forshee, County Auditor/Treasurer, Terry Viesselman, County Attorney, Kevin Peyman, County Engineer, Rod Halvorsen, KSUM/KFMC Radio, Bill Cahalan, Fairmont Sentinel, Mike Humpal, Assistant City Administrator, James Zarling, City Administrator, JonAlan Page, BioFuel Solutions, Julie Walters, Administrative Assistant, and members of public.

It was decided by consensus of the Board to approve the agenda with three (3) additions: (1) Approve Changes to Martin County AWAIR Policy; (2) Consider Selling of Used 1995 Ford Truck-Unit #23 – Highway Department; and (3) Discuss Minnesota River Valley Drug Task Force Joint Powers Agreement.

Motion by Commissioner Potter, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve minutes of the March 7, 2006 regular Board of Commissioners meeting as presented; and approve minutes of the March 7, 2006 Martin County Ditch Authority Meeting with one noted correction. Carried unanimously.

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, upon the recommendation of the County Engineer, approve and authorize merit increase per the AFSCME Highway Union Contract for Chad Winchester, Maintenance Worker I, from Grade 10, Step 2 at \$14.04/hour to Grade 10 Step 3 at \$14.38/hour, effective March 1, 2006. Carried unanimously.

Peyman stated the Highway Department had advertised to take bids for the sale of a 1995 Ford LT9000 Tandem Truck-Unit #23, with Cat 3176 Engine with approximately 200,000 miles. Peyman continued that two bids were received, one from Douglas Nimz of Blue Earth, MN in the amount of \$17,900 and one from Mike Swarick from Rhinelander, WI in the amount of \$12,300. Peyman recommends selling to the highest bidder.

Motion by Commissioner Donnelly, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, after having received bids and upon the recommendation of the County Engineer, hereby approve and authorize sale of Unit #23, 1995 Ford LT9000 Tandem Truck with Cat 3176 Engine with approximately 200,000 miles to highest bidder Douglas Nimz of Blue Earth, MN in the amount of \$17,900. Carried unanimously.

Terry Viesselman, County Attorney, stated the judge has ruled in the county's favor on the K-Mart Tax Litigation noting, however, that K-Mart does have the right to appeal. Viesselman raised his concerns regarding approving the proposed Minnesota River Valley Drug Task Force Joint Powers Agreement, noting one of the main concerns is that the Agreement states that the County gives the Minnesota River Valley Drug Task Force the right to sue for whatever purpose benefits the Task Force. Viesselman stated one of his main concerns is the legal authority for the County Board to delegate its authority to allow the Drug Task Force the decision to initiate litigation on member counties and municipalities or other individuals or agencies without the approval by the member governing boards. The proposed Agreement states that the Task Force does not need to have permission from any members governing body. The proposed agreement should require that if there was to be litigation, each Task Force member would be required to come before their respective governing body for permission to proceed with litigation. Viesselman recommends submitting revisions to the Task Force for implementation into the Agreement and not to sign the Agreement until those revisions are made. It was also noted that Minnesota Counties Insurance Trust (MCIT) is in the process of having their legal council review the proposed Agreement. After discussion,

Motion by Commissioner Schmidtke, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, after careful consideration, hereby rescind Resolution #24/'06 Approving Amended Joint Powers Agreement between Martin County and the Minnesota River Valley Drug Task Force; until such issues and concerns raised by County Attorney are addressed and upon final approval by the Board Commissioners. Carried unanimously.

Viesselman informed the Board that Minnesota Counties Computer Cooperative (MCCC) postponed their vote for opting out of the contract with Nazca Solutions, Inc. for breach of contract by Nazca Solutions, Inc. pending legal opinion from MCCC's attorney.

With nothing further to report, Boler thanked Viesselman.

Higgins presented liquor license applications and recommended approval for the following:

Motion by Commissioner Pierce, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize Non-Intoxicating Malt Liquor License (On & Off Sale) and renewal of Consumption and Display Permits for Fox Lake Golf Club, Inc. Carried unanimously.

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize Non-Intoxicating Malt Liquor License (On & Off Sale) and renewal of Consumption and Display Permits for Janice and Merritt Dale, d/b/a State Line Store. Carried unanimously.

Motion by Commissioner Pierce, seconded by Commissioner Potter, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize renewal of Consumption and Display Permit for David Mosley, d/b/a D & D's Redneck Place – Imogene, MN. Carried unanimously.

Motion by Commissioner Donnelly, seconded by Commissioner Pierce, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize renewal for Liquor, Wine, Club or 3.2% and Sunday Sales License for Rose Lake Golf Club, Inc. Carried unanimously.

Scott Higgins, County Coordinator, noted James Hallstrom, County Assessor, was the primary Minnesota Counties Computer Cooperative (MCCC) voting delegate and now due to his resignation, the Board is requested to appoint new delegates. Higgins stated that Steve McDonald, MIS Director, is current voting alternate and proposes to become the primary voting delegate and to appoint James Forshee, County Auditor/Treasurer, as alternate.

Motion by Commissioner Donnelly, seconded by Commission Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and appoint Steve McDonald, Martin County MIS Director, as primary voting delegate with Minnesota Counties Computer Cooperative (MCCC) and James Forshee, Martin County Auditor/Treasurer, as voting alternate; and authorize Board Chair to sign letter of appointment to Lisa Meredith, Executive Director, MCCC. Carried unanimously.

Higgins presented resolution for the annual Boat and Safety Grant agreement.

Motion by Commissioner Pierce, seconded by Commissioner Potter,

R-#26/06

R E S O L U T I O N

AUTHORIZING EXECUTION OF ANNUAL COUNTY BOAT AND WATER SAFETY AGREEMENT:

BE IT RESOLVED THAT Martin County enter into a grant agreement with the Minnesota Department of Natural Resources for the program entitled County Boat and Water Safety in the grant amount of \$2,843 to cover expenses incurred for patrol, enforcement, search and rescue, watercraft inspection, waterway marking and accident investigation effective January 1, 2006 and expires June 30, 2007.

BE IT FURTHER RESOLVED that Sheriff Brad Gerhardt, Chairman of the Board of Commissioners Gerald Boler, and Auditor/Treasurer James Forshee, are hereby authorized to execute and sign such grant agreement on behalf of Martin County.

Motion made by Commissioner Pierce, seconded by Commissioner Potter, and duly adopted this 21st day of March 2006.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Schmidtke, Boler, Potter and Pierce.
NAYS: None. Duly passed and adopted this 21st day of March, 2006.

James Forshee, County Auditor/Treasurer, presented quotes received from Livewire Printing Company of Jackson, MN and River Bend Business Products of Fairmont, MN for five (5) corner desk units for replacement of cubicles in the Auditor/Treasurer's Office. The separate desk units would create more privacy and help bring back a historical look to the office. River Bend appears to be the low bid at \$5,360 for the five (5) corner desk units and includes shipping, delivery and installation. Forhsee noted that these desk units are not a budgeted item. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize purchase of five (5) corner desk units to replace current cubicles in the Auditor/Treasurer's Office from River Bend Business Products of Fairmont, MN in the amount of \$5,360 and includes shipping, delivery and installation. Carried unanimously.

Mike Humpal, Assistant City Administrator, introduced JonAlan Page of BioFuels Solutions. Humpal stated that the City has been working with Kevin Peyman, County Engineer, in getting cost estimates for road improvements on County Road #39 near the proposed ethanol plant in City of Fairmont and that the City's request is for County support in offsetting those costs associated with the County Road 39 project.

Page stated that BioFuels Solutions has submitted several permit applications to state agencies. Permits should be approved by May and construction could begin as early as July. The plant, which would produce 110 million gallons of ethanol per year, expects to employ 50 people, and provide a significant boost to Fairmont's property tax base. It is estimated that the additional corn demand from the plant could raise the local corn market price by 5 to 10 cents per bushel. Corn is expected to be delivered from the five county area.

Page continued that BioFuels current plans call for a four lane asphalt road near the county fairgrounds to be converted to a concrete road to better endure the frequent, heavy truckloads of corn that an ethanol production plant would draw. Trucks would turn off County Road #39 and onto the Cargill grain elevator road. Currently, it is estimated that 3,500 trucks of corn will be coming in per month.

Kevin Peyman, County Engineer, was then asked for his summary and opinion of the proposed conversion to County Road #39. Peyman stated the road is currently a 10 ton access from interstate to Cargill. The County did complete a 2 ½ -3 inch thick bituminous overlay to the proposed area just two years ago. Peyman noted that bituminous doesn't hold up well to all the turning and stopping movements of the trucks; therefore, the need to go with some type of concrete aprons. Peyman concluded that without detailed plans, he initially estimated construction costs at \$300,000 but that after plans changed with the addition of lengthening the concrete apron, costs are approaching \$500,000 for construction only. Peyman also noted possible staffing issues due to Highway Department projects already scheduled.

Humpal stated that the City would like to keep this project moving forward and that at this point, due to the limited information, the City does not expect the County to make a decision today. Humpal further stated that the City is looking for assurance for both the City and BioFuels Solutions that the County is willing to assist in this project. After discussion,

Motion by Commissioner Potter, seconded by Commissioner Pierce, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize County Engineer to proceed and investigate, the needs of the project, the work to be performed, costs associated with, and staffing concerns for the proposed request for the improvement of County Road #39 near the proposed ethanol facility in the City of Fairmont. Carried unanimously.

James Zarling, City Administrator, was present to give an update on proposed annexation plans at two areas; both adjacent to the Interstate interchanges. Exit 102 or Fairmont's east exit is primarily commercial in nature and will host a new super Wal Mart. The 30 acres the Wal Mart will occupy are annexed already. It appears the proposed annexation will affect one single family residential property and approximately 120 acres of agricultural property. There are four property owners; three have indicated an interest in developing and selling property for commercial purposes.

Zarling continued that Exit 99 or Fairmont's west exit is primarily industrial. This area hosts Fairmont's industrial park, CHS, Inc. and a proposed 100 million gallon ethanol facility. There will be one residential property annexed. This area is primarily agricultural but has the potential to be developed for heavy industrial or heavy commercial. The two areas are almost certain to develop by 25-50 percent over the next three years. There are four townships affected by the annexation proposal: Fraser and Rutland on the north and Fairmont and Rolling Green on the South and West.

Assistant City Administrator has met with one township board of trustees to discuss the annexation proposal and will meet soon with others.

Zarling concluded that annexing the land will help Fairmont generate retail and industrial growth and that the first step in this process is to generate discussion amongst the townships and property owners, to get their input. Once Humpal has had a chance to meet with the township boards then the City Council will be holding public hearings with all impacted property owners invited to come to council and give their perspective. Zarling went on to say we recognize that at any time things change it seems our little community has a very difficult time dealing with change. However, we constantly hear that we want more jobs and the local economy to improve and that generally means that things can't stay the same. So, this is just one of the issues we're looking at to try to accommodate future growth and continue to encourage development in the area. Zarling stated again that the City is here today to let you know that we are starting that annexation process. Zarling then addressed what would probably be one of the bigger issues for property owners affected by the proposed annexation, regarding property taxes and briefly touched on the Minnesota Agricultural Property Tax Law, more commonly known as the Green Acres Law whereas this law requires that the assessor value the property at its highest and best use value as the estimate of market value. Along with this the assessor establishes an "agricultural use value" for purposes of property taxation. The owner then continues to pay property taxes based upon the "agricultural use value." With this program the owners of qualifying agricultural land would be taxed at the same levels as other agricultural land. The other consideration in this is the change in local property tax rates when agricultural property is annexed into a municipality at the general city rate that, with no change in taxable market value, the property tax on these properties would increase 25% to 38%. To address this issue the City of Fairmont adopted a Rural Service District (RSD) many years ago. The purpose of a RSD is to recognize that properties that are rural in nature and do not enjoy the higher level of service are taxed at a reduced tax rate. This works to maintain a similar level of taxation to comparable properties in adjacent townships.

Commissioner Boler thanked Zarling for the information presented and expressed support for the annexation plan in that it should increase retail and industrial growth for Fairmont. Boler stated that the City of Blue Earth and Jackson are examples of nearby cities that have considerable business development along Interstate Highway 90.

The Board recessed at 10:00 a.m.

The Board reconvened at 10:15 a.m.

Higgins stated during a recent OSHA facility inspection and review of county policies, it was determined that our Martin County Workplace Accident Injury Reduction (AWAIR) Policy be updated to include the following:

Page 6, Paragraph C. (1): OSHA 200 300 log.

Page 9, Paragraph B. (1): NO TREATMENT NEEDED – No Treatment Needed would be an accident classification involving a county employee but not requiring ~~and~~ any medical treatment.

Page 10, Paragraph B. (6) Last Sentence: Lost Time accident reports should be forwarded to ~~left blank~~ County Coordinator.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve updates to the Martin County Workplace Accident Injury Reduction (AWAIR) Policy as follows:

Page 6, Paragraph C. (1): OSHA 200 300 log.

Page 9, Paragraph B. (1): NO TREATMENT NEEDED – No Treatment Needed would be an accident classification involving a county employee but not requiring ~~and~~ any medical treatment.

Page 10, Paragraph B. (6) Last Sentence: Lost Time accident reports should be forwarded to ~~left blank~~ County Coordinator.

and that each employee of Martin County receive updated pages for insertion into their policy handbook. Carried unanimously.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve bills to be paid March 21, 2006 as presented. Carried unanimously.

Warrants received and paid 03-21-06 are registered on file in the Auditor/Treasurers Office as follows:

Revenue Fund – Warrants Approved 03-21-06	Totaled	\$195,927.64
Park & Recreation Fund		\$ 38,347.23
Enhanced 9-1-1 Fund		\$ 1.22
Solid Waste Management Fund		\$ 15,328.59
Law Library Fund		\$ 315.00
Martin County Transit Fund		\$ 33,841.39
Building – CIP – Fund		\$ 6,140.77
Bank Building Fund		\$ 2,166.55
Debt Service Fund		<u>\$ 431.25</u>
	Grand Total	\$292,499.64
Martin County Ditch Fund – Warrants Totaled		\$ 7,492.55
Road and Bridge Fund – Warrants Totaled		\$110,065.28

Higgins presented the STS Quarterly Program; and, information pertaining to the West Fork Des Moines River Total Maximum Daily Load (TMDL) Study seminar on Monday, March 27th in Windom, MN.

The Board gave their reports and reviewed their calendars of previous and upcoming meetings and activities.

Motion by Commissioner Schmidtke, seconded by Commissioner Pierce, Be It Resolved that the Martin County Board of Commissioners, hereby encourage the Martin County Park Board to increase Cedar-Hanson Park water and electrical camp hook-up sites to \$15 per night in addition to a \$20 seasonal park pass; and to set a minimum per night camping fee for primitive camp sites.

With no further business to wit, Motion by Commissioner Pierce, seconded by Commissioner Donnelly, to recess the meeting. Carried unanimously. Meeting recessed at 10:50 a.m.

The meeting reconvened at 12:00 noon at Red Rock Center of the Arts for a joint luncheon meeting with the Martin County Preservation Association. Commissioner Pierce was absent.

The Board was given a tour of the improvements to the Red Rock Center. There was discussion on additional county funding to cover insurance costs for the Red Rock Center. It was determined by consensus that the Board would review the Martin County Preservation Association budget allocation request for 2007.

The meeting adjourned at 1:15 p.m.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Gerald Boler, Chair

ATTEST: _____
Scott Higgins, County Coordinator