

PROCEEDINGS OF THE MARTIN
COUNTY BOARD OF COMMISSIONERS
TUESDAY, JUNE 5, 2007
@ 9:00 A.M.

The regular meeting of the Martin County Board of Commissioners was called to order at 9:00 a.m. by Chairman Potter.

Those present were Commissioners Boler, Pierce, Donnelly, and Schmidtke. Also present were Scott Higgins, Martin County Coordinator, Kevin Peyman, Martin County Highway Engineer, Terry Viesselman, Martin County Attorney, Jennifer Brookens, Sentinel Newspaper, Rod Halvorsen, KSUM/KFMC Radio, Julie Walters, Administrative Assistant, and members of staff and public.

Motion by Commissioner Donnelly, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve the agenda as presented. Carried unanimously.

Motion by Commissioner Schmidtke, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, hereby approve the minutes of the May 15, 2007 regular Board of Commissioners meeting as presented. Carried unanimously.

Terry Viesselman, Martin County Attorney, was present and reviewed a letter he had received from the Public Employees Retirement Association of Minnesota (PERA) advising that PERA discussed the issue of collecting back pension contributions for the three assistant county attorneys named and that the Minnesota Attorney General's Office recommended that PERA not compel Martin County to pay past contributions for these assistants and PERA will comply with that recommendation.

Viesselman updated the Board on pending evaluation and committal expenses to be incurred for convicted sexual predator.

Viesselman presented the Commercial Lease Agreement between Fairlakes Transportation, Inc. and Martin County in which it states that Fairlakes employees are not employees of Martin County; that use of office space at the Martin County Transit Facility is free of charge; that either party may terminate this Agreement by written notice sixty (60) days in advance of the termination date; and that Fairlakes Transportation is responsible for their own insurance coverage.

Motion by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize Board Chair to sign the lease agreement with Fairlakes Transportation, Inc for use of office space at the Martin County Transit Facility. Carried unanimously.

Additional discussion ensued regarding sexual predator commitment in Martin County including placement of offenders and associated fees.

Kevin Peyman, Martin County Highway Engineer, presented his recommendation for step increases according to union contract for Survey Crew Chief and Maintenance Worker I positions.

Motion by Commissioner Donnelly, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, upon the recommendation of County Highway Engineer, hereby approve and authorize step increase according to AFSCME Highway Union Contract for: Brian Winter, Survey Crew Chief, from Grade 14 Step 7 at \$22.23/hour to Grade 14 Step 8 at \$22.78/hour, effective June 9, 2007; and for Terry Helmers, Maintenance Worker I (Dunnell Shop), from Grade 10 Step 2 at \$14.39/hour to Grade 10 Step 3 at \$14.74/hour, effective June 27, 2007. Carried unanimously.

Peyman stated the Bid Letting for C.P. 07:07 Maintenance Gravel Production was held on Friday, June 1st, 2007 at 10:00 a.m. at the Martin County Highway Department – Fairmont, MN. Three bids were received:

Bid Results
Martin County, Minnesota

Letting on June 1, 2007 – 10:00 a.m.
Martin County Highway Department
Fairmont, MN 56031
507-235-3347

C.P. 07:07 Maintenance Gravel Production

Rupp Construction – Slayton, Minnesota	\$127,920.00	\$1.968/ton
Southern MN Construction – Mankato, Minnesota	\$195,000.00	\$3.00/ton
B. McNamara, Inc. – Litchfield, Minnesota	\$109,200.00	\$1.68/ton

Motion by Commissioner Schmidtke, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, after the appropriate advertisement for bids; and upon receiving bids for C.P. 07:07; and upon the recommendation of the County Engineer, hereby approve and award the low bid for Maintenance Gravel Production project to B. McNamara, Inc. of Litchfield, MN in the amount of \$109,200 (\$1.68/ton); and to authorize the Chair and County staff to sign and execute the necessary documents for the listed project. Carried unanimously.

Peyman continued that the Bid Letting for C.P. 07:01 Supplying Bituminous Material for Seal Coating was held on Friday, June 1st, 2007 at 10:00 a.m. at the Martin County Highway Department – Fairmont, MN. One bid was received:

2007 Sealcoat Materials Bid Summary

	<u>Jebro, Inc.</u>	<u>Flint Hills Resources, LP</u>	
		<u>Unit Price</u>	<u>Amount</u>
MC 3000 Liquid Asphalt Qty = 5 tons	No Bid	494.91	\$ 2,474.55
CRS 2P Liquid Asphalt Qty = 390 Tons	No Bid	415.51	\$162,048.90
CRS 2 Liquid Asphalt	No Bid	328.55	<u>\$ 73,923.75</u>
Totals			\$238,447.20

Prices Include Sales Tax

Motion by Commissioner Schmidtke, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, after the appropriate advertisement for bids; and upon receiving bids for C.P. 07:01; and upon the recommendation of the County Engineer, hereby approve and award the low bid for Bituminous Material for Seal Coating project to Flint Hills Resources, SP in the amount of \$238,447.20; and to authorize the Chair and County Staff to sign and execute the necessary documents for the listed project. Carried unanimously.

Peyman stated that VeraSun has awarded the contract for the improvement to CSAH 26 as part of their overall construction project and that it is time for the county to formalize its funding contribution towards this project. Peyman went on to state that the road reconstruction project will be an approximate ½ mile grading project; and includes two lanes with a center, right, and left turn lanes allowing for the safest design possible due to heavy traffic counts on this road. Peyman noted that current estimates for this project are \$500,000 of which approximately \$150,000 will be paid by VeraSun. Peyman stated that in a meeting held with Dan Schmidtke and Jack Potter it was recommended that the county contribute \$350,000 to the CSAH 26 project, not including the well drilling cost that the county has already paid for toward the overall ethanol project. Peyman went on to state that with what the county is contributing towards the CSAH 39 project, he feels both VeraSun and Buffalo Lake Energy are being treated fairly. Peyman recommended that the county contribute \$350,000 toward the road improvement to CSAH #26 for a better, safer solution for CSAH 26.

Commissioner Pierce questioned why the \$350,000 does not include what the county has already contributed towards the digging of test wells for this project. After discussion,

Motion by Commissioner Schmidtke, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, upon the recommendation of the Martin

County Highway Engineer, hereby approve and authorize the county's \$350,000 commitment towards the CSAH 26 road reconstruction project, over and above the cost of the prior well digging expense. Carried unanimously.

Peyman concluded with a Department update that included current and planned construction on our county roads and that the situation of roads needing repair and lack of funding from the state is projected to have a negative impact on the county road system and will potentially continue to get worse each year. Peyman stated that costs for simple upkeep on roads have also increased greatly. There have been large cost increases each year for the past five years for things such as blacktopping, crack filler, rock, road salt and sealcoating. Annual increases for these supplies have increased on an average of 15%. Peyman also noted that while Martin County has managed to maintain its roads without spending its reserves other counties are far less fortunate. Peyman went on to state that the bonding has helped the county keep up, and the Department continues to do what it can to maintain cash reserves and look at ways to cut costs. Peyman continued that when the State fails to provide help for the counties, it is up to the county to find the funds. The only taxing mechanism the county has is property tax, so we're either looking at very large tax increases or major service cuts that are going to be noticed by the citizens. Peyman also stated that due to Governor Tim Pawlenty's veto of the proposed nickel gas tax, does limit funding for maintenance of county roads. If the nickel gas tax would have passed, within four to five years, the tax could have brought into the County about \$1 million a year. Martin County would have received more from this funding source than we would have put out.

After much discussion, the Commissioners talked about setting up a meeting to speak with regional state legislators, along with representatives from other surrounding counties, to address the concerns.

Peyman presented a proposed gravel agreement with Donald and Lynette Laue within Section 36 of Lake Fremont Township noting there is approximately 165,000 tons of gravel, is in the area where the Highway Department will need gravel, and is at an agreed upon price of \$1.00 per ton.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly,

R-#30/07

CONDITIONAL USE PERMIT FROM
THE MARTIN COUNTY HIGHWAY DEPARTMENT
FOR THE EXTRACTION & PROCESSING OF GRAVEL
FOR CONSTRUCTION PURPOSES WITHIN
SECTION 36 OF LAKE FREMONT TOWNSHIP
(Donald Laue, Owner)

Motion by Commissioner Pierce, seconded by Commissioner Donnelly,

WHEREAS, a Conditional Use Permit requested by the Martin County Highway Department, applicant, and Donald Laue, owner(s) of property located in the County of Martin and State of Minnesota to wit: An undivided one-half right, title and interest in and to the Northeast Quarter (NE ¼) of Section 36-101-33; and

WHEREAS, the Martin County Planning and Zoning staff has completed review of the application and made a report pertaining to the request, a copy of said report has been presented to the County Board of Commissioners; and

WHEREAS, the Planning Commissioner of the county on the 22nd day of May, 2007 following proper notice, held a public hearing regarding the request, and following the hearing, adopted a recommendation that the request for a Conditional Use Permit be granted; and

WHEREAS, the Martin County Board of Commissioners finds that Conditional Use Permit is to be issued for the following purpose:

Extraction and Processing of Gravel for Construction Purposes on Property Owned by Donald Laue, and

WHEREAS, the following conditions have been applied:

- Obtain all necessary permits concerning the Wetland Conservation Act from Martin County, Department of Natural Resources, the Army Corps of Engineers, and other jurisdictions before mining begins if needed.
- Follow Martin County and DNR regulations concerning waters of the state, including watercourses, if any.
- A site use, development, and restoration plan is submitted that addresses dust, noise, hours of operation, erosion control and anticipated vegetation and topographic alterations.
- No mining or processing permitted within structural setback of 200' from the centerline of the road.
- Possible reclamation bond for each site.

NOW THEREFORE BE IT RESOLVED, that the Martin County Board of Commissioners and upon the recommendation of the Martin County Planning Commission, hereby approves the Conditional Use Permit for the above described property and is hereby issued pursuant to MS 934.301 and the Martin County Ordinance #1, Chapter 6.01, and that this permit shall remain in full force and effect provided in the conditions as described above are met and maintained by the applicant and his/or her successors in interest. This permit is binding upon the applicant, the record titleholder to the property, and his/or her successors in interest. Notice is hereby given that this permit may be revoked if the conditions set forth above are not maintained as described above.

This resolution shall become effective immediately upon its passage and without publication.

Dated this 5th day of June, 2007.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Jack Potter, Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Schmidtke, Boler, Donnelly, Pierce, and Potter.
NAYS: None. Duly passed and adopted this 5th day of June, 2007.

Captain Brad Hady, Sheriff's Office, was present to recommend the hire of Paul Frerichs as Part-Time Deputy Sheriff (Full-Time Licensed); contingent upon successful background check.

Motion by Commissioner Pierce, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the hire of Paul Frerichs as Part-Time Deputy Sheriff for the Martin County Sheriff's Office, effective May 30, 2007 at \$16.50/hour, not eligible for benefits; and contingent upon successful background check. Carried unanimously.

Hady introduced newly hired Part-Time Deputy Sheriff Paul Frerichs. The Board welcomed Paul to Martin County and wished him well in his new position.

Hady next recommended the hire of Diane Obray as Full-Time Communications Officer. Hady continued that Obray brings nearly four years of full-time communications officer experience and nearly seven years of part-time communications officer experience and recommends the starting salary range at the current four year step of \$19.56/hour (at five years of service), to be eligible for six year step in October, 2007. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the hire of Diane Obray as Full-Time Communications Officer for the Martin County Sheriff's Office at \$19.56/hour effective at a date yet to be determined; and is eligible for full benefits per LELS Union Contract; and will not be eligible for a step increase until one year after the effective date of employment. Carried unanimously.

Hady concluded with the monthly Sheriff's Office Update that included: current jail population; Patriot Guard Rally in Welcome, MN on June 16th, 2007; Sheriff is attending the Summer Sheriff's Conference as well as the Association of Emergency Managers Board Meeting the week of June 4, 2007; new recreational shift to help with Parks and Recreational issues as well as prisoner transport and Civil Process; Diane Larson is back in the office after recent foot surgery and attending to her son that was involved in a

serious semi/train accident near Briceyn, MN; Chief Communications Officer Greta Olson is tending to her husbands needs due to his recent unexpected medical condition; briefly discussed improving the Law Enforcement Center telephone service updating to a Centrex System; Kathy Peterson is back on the job after her medical setback; currently have two and will soon have three Mobile Video units running in our primary squad cars; and that Sheriff will be back for this weekend's Martin County Sesquicentennial and Courthouse Centennial celebration.

Greg Johanson, SWCD Program Specialist, presented an amendment to the 2007 AgBMP Loan Program for an additional \$21,891 with no county match required. The additional funding will be used for a number of different programs including on-site sewer systems or projects eligible under ordinances as provided in Minn. Stat. §115.57.

Motion by Commissioner Donnelly, seconded by Commissioner Schmidtke, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize Chair to sign amendment to Attachment A of the 2007 AgBMP Loan Agreement for \$21,891 additional dollars; with no county match requirement. Carried unanimously.

Scott Higgins, Martin County Coordinator, upon the recommendation of Rich Perrine, SWCD Water Plan Coordinator, nominates Daniel Richey, project manager at VeraSun, to serve on the Martin County Water Plan Advisory Committee.

Motion by Commissioner Schmidtke, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve the appointment of Daniel Richey to serve on the Martin County Water Plan Advisory Committee as the BioFuels industry representative effective in 2007. Carried unanimously.

The Board recessed at 10:34 a.m.
The Board reconvened at 10:44 a.m.

Higgins presented a proposal for accounting services by Larson, Allen, Weishair and Co. (the Firm) for compiling the County's basic financial statements (government-wide and fund-level financial statements, including notes to the basic financial statements) of Martin County for the year ended 2006. The fee for the compilation of the basic financial statements is not to exceed \$8,500. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Boler, Be It Resolved that the Martin County Board of Commissioners, hereby table the Proposal for Accounting Services with Larson Allen Weishair & Co. LLP, pending discussion with James Forshee, Martin County Auditor/Treasurer. Carried unanimously.

Deb Mosloski, Drainage Administration, presented the Findings of Fact and Order Regarding Alteration of Tile Request for JD #18 in relation to the request from Buffalo Lake Energy Ethanol Plant and recommends approval.

Motion by Commissioner Pierce, seconded by Commissioner Boler,

BEFORE THE MARTIN COUNTY BOARD OF COMMISSIONERS
ACTING AS DRAINAGE AUTHORITY FOR JD #18

Findings of Fact and Order Regarding
Alteration of Tile Request for Buffalo
Lake Energy Ethanol Plant

WHEREAS, Buffalo Lake Energy, in conjunction with the construction of an ethanol plant on the East Half of Section 1, Rolling Green Township, Martin County, has requested alteration of six locations of JD #18 tile line, as a result of requirements for a railroad spur line and additional weight; and

WHEREAS, the purpose of these alterations is not to improve drainage or increase capacity; and

WHEREAS, a public hearing was held on May 15, 2007, at 1:30 p.m. in the Commissioners Room of the Courthouse, located in Fairmont, Minnesota; and

WHEREAS, Greg Mitchell, an engineer with Bolton & Menk, Inc., presented the information concerning the requested alterations; and

WHEREAS, members of the public had questions and made comments concerning the alterations that generally indicated a lack of opposition as long as the drainage was maintained and no one was adversely impacted.

NOW THEREFORE, the Martin County Board of Commissioners, acting as Drainage Authority for JD #18, makes the following Findings of Fact and Order:

1. That the proposed alterations are considered a repair to maintain the efficiency of the system and not to improve drainage.
2. That Buffalo Lake Energy is responsible for all JD #18 tile on their property to be operational during construction so as to not impair drainage during construction or during rain events.

3. Buffalo Lake Energy and its heirs and assigns is responsible for all future maintenance, repairs and costs to main tile replaced or reinforced as part of this project to accommodate the railroad and road additional weight.

4. Buffalo Lake Energy will pay for all costs associated with this approved work.

5. Buffalo Lake Energy will file, with the Martin County Auditor's office, "as-built" plans of any alterations done to the JD #18 system. Said "as-built" plans shall be filed within 120 days of the last work altering the JD #18 tile lines.

6. An acceptance hearing of the alterations will be scheduled three years from the date of final construction of the alteration to discuss and allow an opportunity for adjoining landowners to comment on any impact that has occurred as a result of these alterations.

7. Buffalo Lake Energy will also reinforce the tile under the "load out" road that was discussed at the public hearing and which is shown on the attached repair exhibit labeled Exhibit A.

8. Prior to the hearing to be held three years after the final construction, a camera will be used to inspect all tile lines on the Buffalo Lake Energy property and such inspection shall be at the expense of Buffalo Lake Energy.

NOW, THEREFORE, IT IS HEREBY ORDERED that the requested alterations to JD #18 on the East Half of Section 1, Rolling Green Township, Martin County, Minnesota, is hereby approved under the above conditions and pursuant to the plans shown on Exhibit A, hereby attached.

Dated this 5th day of June, 2007.

MARTIN COUNTY BOARD OF COMMISSIONERS
ACTING AS DRAINAGE AUTHORITY FOR
MARTIN COUNTY JD #18

By _____
Its Chairman

Roll Call AYES: Commissioners Donnelly, Schmidtke, Boler, Pierce, and Potter.
NAYS: None. Duly passed and adopted this 5th day of June, 2007.

Mosloski briefly discussed the upcoming public hearing for JD #47 to be held Tuesday, June 12, 2007 at 7:30 p.m. in the Truman Community Building – Truman, MN.

Higgins stated the current telephone service contract with Frontier Communications is expired and presented a three year (36 month) renewal with Frontier Communications for our basic telephone services. Higgins noted there are not rate increases for the Centrex services.

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the Board Chair to sign the three year agreement with Frontier Communications of Minnesota, Inc. from May 21, 2007 to May 21, 2010 for basic telephone services. Carried unanimously.

Higgins stated there has been an interest to appoint additional members to the Board of Equalization and presented the following names for consideration: Don Feuerhake of Fairmont, MN; Vance Scott of Fairmont, MN; and Russ Luedtke of Fairmont, MN. Higgins noted that the Board of Equalization voting members will then include five Commissioners, the Auditor/Treasurer, and the three new appointments. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve additional voting member appointments to the Martin County Board of Equalization as follows: Don Feuerhake, Vance Scott, Russ Luedtke, and Jim Forshee, all of Fairmont, MN; and to approve per diem and expenses for these individuals serving on the Board. Carried unanimously.

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

The Board reviewed and finalized the program for the Martin County Courthouse Rededication ceremony to be held on Sunday, June 10th, 2007. In addition: It was decided by consensus of the Board to purchase a 16” x 20” Centennial County Employee Photo for display in the courthouse.

It was decided by consensus of the Board to keep the Sesquicentennial and Martin County Courthouse Centennial commemorative marble benches uncovered on the day of the Rededication program.

It was decided by consensus of the Board to move the Fort Fairmount marker back to its original area near the Security Building.

Mike Sheplee, Deputy Assessor Senior Appraiser, presented research on the appointing of a “Special Board of Appeals and Equalization” committee since the Board has decided to add to its membership. Sheplee went on to say that now the Board of Equalization falls under new regulations that require at least one member of the special board be an appraiser, realtor, or other person familiar with valuations; and that the county auditor is a non-voting member and serves as a recorder for the special board.

Discussion ensued regarding an eight person vs. a nine person board and voting members. In light of the Auditor/Treasurer serving as board recorder only, it was recommended that Steve McDonald (Fairmont) be appointed to the special board as the ninth member. After discussion,

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and authorize the appointment of Steve McDonald as voting member of the Special Board of Appeals and Equalization. Carried unanimously.

With no further business to wit, Motion by Commissioner Pierce, seconded by Commissioner Donnelly, to adjourn the meeting. Carried unanimously. Meeting adjourned at 12:29 p.m.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Jack Potter, Chair

ATTEST: _____
Scott Higgins, County Coordinator