

PROCEEDINGS OF THE
MARTIN COUNTY BOARD OF COMMISSIONERS
TUESDAY, DECEMBER 2, 2014
@ 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 Dan Schmidtke.

Commissioners present were Steve Flohrs, Elliot Belgard, Dan Schmidtke, Steve Pierce, and Steve Donnelly. Also present were Scott Higgins, Martin County Coordinator, James Forshee, Martin County Auditor/Treasurer, Terry Viesselman, Martin County Attorney, Jodelle Greiner, Sentinel Newspaper, Rod Halvorsen, KSUM/KFMC Radio, Julie Walters, Administrative Assistant, and members of staff and public.

Motion by Commissioner Donnelly, seconded by Commissioner Pierce, Be It Resolved that the Martin County Board of Commissioners, hereby approve the agenda for the December 2, 2014 regular Board of Commissioners meeting with the following addition: Add 8.8 Consider minutes of the special joint meeting with Martin Soil and Water Conservation District on November 4, 2014. Carried unanimously.

Motion by Commissioner Belgard, seconded by Commissioner Flohrs, Be It Resolved that the Martin County Board of Commissioners, hereby approve the minutes of the November 4, 2014 and November 18, 2014 regular Board of Commissioners meetings. Carried unanimously.

Terry Viesselman, Martin County Attorney, noted what we refer to current DVS case that the county is named in, did get appealed to the US Court of Appeals. Viesselman went on to note we're one of the smaller defendants in it, our liability is relatively minimal, and I think their chance of winning the appeal is pretty remote. Viesselman also noted it will be probably nine months before we get a resolution on that.

James Forshee, Martin County Auditor/Treasurer, presented two tobacco licenses for approval for the following businesses: Casey's General Store #3003 located at 10 Broadway Street in Trimont, MN; and Casey's General Store #3005 located at 112 2nd Street in Welcome, MN. Forshee noted the required forms have been completed by the applicant.

Motion by Commissioner Belgard, seconded by Commissioner Pierce,

R-#60/'14

RESOLUTION

ISSUANCE OF TOBACCO LICENSES FOR 2015

WHEREAS, the County of Martin, MN (County) has established a Tobacco Ordinance (Ordinance) relating to the sale, possession, and use of tobacco in Martin County and to reduce the illegal sale, possession, and use of such items to and by minors, along with compliance with Minnesota Statutes and Rules; and

WHEREAS, applications for a tobacco license to sell tobacco shall be made through the County and its required forms as established by the Ordinance; and

WHEREAS, the Martin County Board of Commissioners (Board) may either approve or deny the license, or delay it for such reasonable period of time as necessary to complete any investigation of the application or the applicant it deems necessary. If the Board approves the application, the County Coordinator shall issue the license. If the application is denied, notice of the denial shall be given to the applicant along with notice of the applicants right to appeal the Board's decision; and,

WHEREAS, all licenses shall be valid under the Ordinance for one calendar year from the date of issuance; and,

NOW THEREFORE BE IT RESOLVED, that the Martin County Board of Commissioners, hereby approve and authorize tobacco licenses for the following Retail Establishments, and valid for the year 2015:

- Casey's General Store #3003 located at 10 Broadway Street in Trimont, MN
- Casey's General Store #3005 located at 112 2nd Street, P.O. Box 235 in Welcome, MN

Upon this motion made by Commissioner Belgard, seconded by Commissioner Pierce, was duly made and passed this 2nd day of December, 2014.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Flohrs, Belgard, Schmidtke, Pierce, and Donnelly. NAYS: None. Resolution duly passed and adopted this 2nd day of December, 2014.

No action taken on (re)appointments to various Citizen Advisory Boards.

Jordan Burmeister, Project Manager with Geronimo Energy/Odell Wind Farm, LLC, presented a development agreement incorporating a Road Use and Repair Agreement and Public Drainage System Protection Agreement that was negotiated with all four counties involved in the Odell Wind Farm (Cottonwood, Jackson, Martin & Watonwan counties). Burmeister noted the agreement is to ensure that we are protecting the public road system as well as the public drainage system during construction of the wind farm, making sure that the roads are kept up to par as far as what our road loads are on those roads, making sure that the roads are sufficient for those loads during construction, and then that the roads are sufficient post construction and usable by the public. Burmeister went on to note there will be about 100 turbines in this project

and all turbines will be in Cottonwood and Jackson County. There will be a 115 kV transmission line that starts in Cottonwood County, goes through parts of Jackson County, and then over into Martin County where we interconnect onto the Excel 345 kV line in the northwest corner of the county in Cedar Township.

Kevin Peyman, Martin County Highway Engineer, noted the agreements are in our best interest as it lays out they lay out what the conditions of the roads have to be pre-construction and post-construction. Peyman also noted he sent copies of the agreements to the county attorney for review.

Scott Higgins, Martin County Coordinator, noted he had sent copies to the county attorney as well and had not heard back from him. Higgins went to note approval will be contingent upon county attorney review and opinion.

Dale Knutson, citizen, inquired if any township roads will be involved during construction and if townships were notified.

Burmeister noted there are township and county roads involved in Cedar Township. We met with all the county townships and they all signed the resolution designating the authority to their respective county to negotiate and carry out the agreement and the terms of the agreement as well. So townships are essentially a party to the agreement as well.

Commissioner Flohrs inquired who does the initial or the final inspection of the roads?

Burmeister noted a third party engineer, Geotech, does an evaluation of all the roads that we'll be using. The evaluation is eventually submitted to all the engineer's to review.

Commissioner Flohrs inquired for all the roads the county and township? You did a study before you started this all and judged the quality of the roads and then you bring it back up to that quality when you get done, right?

Burmeister noted correct. Part of that is evaluating the roads. If it is not sufficient to carry the loads that we're expecting to use on those you know we need to upgrade it prior to construction.

After further discussion,

Motion by Commissioner Pierce, seconded by Commissioner Belgard, Whereas, Odell Wind Farm, LLC is developing a wind energy conversion system and transmission line in parts of Martin County, and Whereas, in connection with the development, construction, operation and maintenance of the Project, it will be necessary for Odell Wind Farm, LLC and its contractors and subcontractors or designees with the use of Public Roadways for construction of the Project and in conjunction with the County Highway Department and County Engineer, work cooperatively to maintain the integrity of road infrastructure at pre-development conditions in any and all cases; and that the use of Public Roadways for the construction of the Project may also impact associated Public Drainage Systems, said Public Drainage Systems will be repaired by the applicable County or County Designee at Odell Wind Farm, LLC's expense; Now

Therefore Be It Resolved, that the Martin County Board of Commissioners, hereby approve and authorize Board Chair to sign the Development Agreement including Exhibit D: Road Use and Repair Agreement, and Exhibit E: Public Drainage System Protection Agreement between the County of Martin, MN, and Odell Wind Farm, LLC (Geronimo Energy) of Edina, MN; and is subject to county attorney review and opinion. Carried unanimously.

Peyman presented a Highway Department update noting due to the recent snow crews worked a little later than normal the day before Thanksgiving and between three and four hours on the Thanksgiving holiday. Peyman noted we try not to work overtime but with snows coming on holidays and weekends, we use our best judgment, and conditions on Thanksgiving were border line and we chose to do every road at least once on Thanksgiving morning.

Sarah Anderson, Lutheran Social Service, presented an update on Senior Nutrition Services offered in Martin County.

Forshee noted All Seasons Wheelers Club – Elm Creek ATV Trail is requesting approval to submit an application to the Minnesota Department of Natural Resources (DNR) – OHV Trails Assistance Program for maintenance of the existing Elm Creek ATV Trail. Forshee went on to note this is the preliminary application and once the DNR has reviewed and awarded a grant dollar amount, it will be brought before the Board for acceptance and approval.

Patrick Murphy, All Seasons Wheelers point of contact, was in attendance.

Motion by Commissioner Flohrs, seconded by Commissioner Belgard,

R-#61/14

RESOLUTION

Application from the All Seasons Wheelers Club for Maintenance Funding for the Existing Elm Creek ATV Trail System

WHEREAS, Martin County, Minnesota desires to apply for maintenance funding for the existing Elm Creek ATV Trail System; and,

WHEREAS, by Law of 1975, Chapter 204, Sections 51 and 95, there was appropriated to the Commissioner of Natural Resources, as a grants-in-aid to Local Units of Government, funds for said purposes; and,

WHEREAS, said Martin County, Minnesota will contract with the All Seasons Wheelers Club to apply for this funding to maintain said ATV Trail System.

NOW THEREFORE BE IT RESOLVED, that the Martin County Board of Commissioners approve of the application for maintenance funding for the existing ATV Trail, and that the Chairperson and/or the County Auditor/Treasurer be authorized to sign all documents relating to the program year.

Motion was made by Commissioner Flohrs, seconded by Commissioner Belgard, said resolution was duly passed and adopted this 2nd day of December, 2014.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Pierce, Flohrs, Belgard, and Schmidtke, NAYS: None. Resolution duly passed and adopted this 2nd day of December, 2014.

Higgins noted Richard Koons was present to address the Board regarding action taken approving True County Assessments at the last commissioners meeting.

Richard Koons, representing the Martin County Association of Townships, addressed the Commissioners noting we discussed True County Assessments about sixteen (16) months ago and we'd like to express our disappointment in county commissioners taking away local government rights without notifying us per our agreement of July 16, 2013, where it was tabled here and you guys made the decision then when you tabled it that the township association would be kept in the loop. Some officials find the action of the Board on November 18, 2014 be sneaky, underhanded, and unethical the way they moved toward this True County Assessment. General consensus of the townships is, where is the money coming from? Mr. Dan Whitman has admitted to us that he has to raise his budget by \$120,000 what the county would put into that budget and he is claiming that there is...he says that the average for the county now is costing in the budgets across the towns and townships is \$156,000 so this is a savings of \$36,000; when in all reality I asked a year and a half ago I asked the Fairmont city administrator if they were going to lower their levy by \$70,000 that they are paying a year for assessments and he said no, we can use that money elsewhere. Most of these little towns it's \$4,000 or \$5,000 I suppose...townships it's \$1,500 to \$3,000 per township. You guys know that there is not enough money in these other local governments. You struggle with it yourself and we struggle with it. Purposely we don't raise.. because we don't want to add tax burden and so I doubt anybody is going to drop that line item out of their budget but they're not going to lower their levies by \$3,000 or \$2,500 and so by adding \$120,000 to the county's budget to cover this...there is no \$36,000 savings. It's an additional \$120,000 of tax burden to the taxpayers of Martin County. Koons continued and noted 70.5% the numbers came right from Mr. Dan Whitman's office, the tax dollars derived in Martin County are Ag and as your Ag representatives, we'd like to know why this was not discussed with us. We would like to know why our input was not put in and we'd like to know where in your budget you're going to cut \$156,000 to make up for the \$120,000 that he's putting in and still making the \$36,000 savings to the taxpayers. Because when you add...and you don't take out...it's not a savings...it's a tax burden added to the people. I know that some of these other people have things to say...but that's what I wanted to say.

Wes Anderson, representing Fraser Township, noted I reiterate what Richard (Koons) has said wholeheartedly. I believe all of us in attendance here do and it was well known and documented that this...county commissioners...that we would be notified. We were not. Mr. Dan Schmidtke told us at our meeting here a week or so ago that they took it upon themselves to not let know and I would like to know who made that decision and why.

Chairman Schmidtke noted we discussed this at a Personnel meeting and we discussed this with the full Board meeting two weeks ago and in both meetings the decision came the same. We felt we could have sent out a letter; but we felt we would hear the same feedback that we heard before from the same people and this whole process was not to take something away from townships. I know that's the end result but that was never...that wasn't the initial...that wasn't the main goal of this thing. The main goal was to be fair and consistent throughout the county with assessing and by doing True County Assessing that's where we feel we get that. And that is how we made that decision as a full Board.

Commissioner Flohrs noted at the personnel meeting when Dan (Schmidtke) brought this up...the first thing I said was we should send out a letter to all the townships and tell them what we're doing so that it can be discussed. And when we left the meeting I assumed that it would be done. I was unable to be at the county commissioner meeting...I was out of the country and I'm sorry about that. I dropped the ball...I should have been here. I did not expect the vote to be taken on the 18th (of November) but it was...

Chairman Schmidtke noted but in all fairness, when you walked up and I said what if I get a motion and a second and you said if I get a motion and a second I'm good with it...I think we need to go forward with True County Assessing.

Commissioner Flohrs noted yes I did. Yep. I did not understand this \$120,000 that Dan's (Whitman) going to raise his budget on. I was looking back on my notes from that meeting and I haven't got anything about raising the budget by \$120,000. All Dan (Whitman) said was it's going to save the county \$36,000. And now if you look back in the meeting notes from the meeting on November 18, 2014, it was never really brought up that Dan's (Whitman) budget was going to go up by \$120,000 either. Now all of a sudden it's come out that it's going to come up by \$120,000. You know as well as I do that when he walks in here with that \$120,000...that's 1% on that levy. That's 1% just like that. I just...I just am upset about it; but I really don't know what can be done.

Wes Anderson noted he has a couple of follow up questions directly for Dan Whitman. Could you tell us what the total intake to the county is on tax dollars?

Dan Whitman noted that's not my department.

Wes Anderson inquired but you tell us you go through all the data and you should know that number.

Dan Whitman noted that's not the data I go through.

Wes Anderson inquired could you tell us what the total expense for the county is that comes out of that budget.

Higgins inquired are you asking for the total budget or out of the Assessor's Office?

Wes Anderson noted the Assessor's Office.

Higgins noted I sent budget information to Mr. Koons on the Assessor's Office as well.

Richard Koons noted I don't have that with me right now.

Wes Anderson noted I'm just curious...total money in and total money out for the county. I don't know if the numbers line up. Is it an excess or a negative. The reason I'm asking is I want to know that number because all of us here sitting and those not here as township representatives, represent our people of the county and we're concerned about how many dollars there are out there that we have to be responsible for as township officials.

James Forshee noted for the Assessor's Office for 2014 we have expected revenue of \$134,935. Expenses are \$524,459 leaving a net of \$389,524.

Wes Anderson noted now, is that the property tax income?

Forshee noted the net is the levy difference...part of the levy.

West Anderson noted so this isn't chump change we're talking about and that's why we're upset. We have to answer to our residents and our residents are asking questions. You were elected by the residents in Martin County so you represent all of the residents in Martin County and I don't think very many residents would be too happy because our job is to oversee our residents on a local scale and you guys even though you knew you were supposed to notify us you took it upon yourself to override us. And we feel that was an injustice.

Commissioner Belgard noted I think we did the right thing and I still think we did the right thing. I do apologize and feel bad when I look back in the minutes that you weren't more involved with the process because I still think what we're missing here is the equity part of it that we're going to try to get everybody's evaluations equitable in this county...because I think that's our responsibility and if I think...I can go out in my job what I do is I estimate projects and buildings and I can go and enforce the building code and Steve could do the same thing and we're not going to come up with the same number. Having the same people do it in my estimation is better and more equitable. And that was really, really the bottom line of what we did here...was strive for that. All money aside, even though it's a lot of money, we think it's fair and equitable to do the True County system. I think it was inevitable that it was going to happen...and I think within a few years every county in the state of Minnesota will be doing it.

Chairman Schmidtke noted I have had township officials come up to me after last Monday's meeting that were there and said that they couldn't believe we didn't do it a year ago that this is the right thing and that came from township officials.

Wes Anderson noted well, I've got to ask Dan (Whitman)...when the information comes into your office from hired assessors, do you go through and monitor and look through them?

Dan Whitman noted yes.

Wes Anderson inquired do you make adjustments on their reports?

Dan Whitman noted define adjustments.

Wes Anderson noted if you think there's an inequity in your opinion on what they've done...do you make an adjustment to increase or decrease.

Dan Whitman noted well we don't have the time to redo the work that the locals do. As a supervisor I review the information and therein lays the problem. When I find things that don't seem equitable and I ask questions...I'm not getting the responses I need.

Wes Anderson noted the reason I asked that question Dan is because I know for a fact looking at my taxes and I've owned land in multiple townships...there's always a percentage of increase, nothing is equal, and I know for a fact that one piece of property on one side of the railroad is valued differently than the other side or even a fence line. Now is that because it hasn't been looked at for five years or is this the inequity you're talking about? What's fair about that?

Dan Whitman noted there's a wide range of potential reasons for differences from one piece of property to another. It's just almost unlimited the amount of different pieces of data that could affect that.

Richard Koons noted going back to your ah, Mr. Belgard, your costs this is going to save us and it's going to make up for us.

Commissioner Belgard noted I don't think I said anything about cost savings. I was talking about equity.

Richard Koons noted okay, equity. Let's talk about equity because equity right now is of the \$156,000 that is budgeted across the board...countywide...for each little government, town, township, ag land, industrial land, residential land, straight across the board...townships are paying 33% of that \$156,000. Now, I've asked this question of Mr. Whitman...I can't get an answer out of him...I've asked how this additional \$120,000 tax burden will be spread out amongst the parcels in Martin County. Will it be the \$120,000 divided by the 10,000 parcels that he claims are in Martin County at \$12 a piece? Or will it be by this by the 70.5% going towards Ag lands? So now all of a sudden not only just our ag land picks up the 70.5% of this; but our residential and our commercial land also picks up part or portions of this and our railroads and public utility lands picks up part of it...and every one of these just the ag land is picking up 70.5% of this \$120,000 that gets divided by how the money comes in. There is no way that this is saving anybody any money other than maybe the residents of Fairmont. You're adding a \$120,000 tax burden. I think...your decision and I think this was the general consensus of the association board and most of the townships I've talked to...14 out of the 15 townships do not use the county...yes Dan a couple of them use it...

Chairman Schmidtke noted about nine of them use private...

Richard Koons noted yes...but, they do not use the county assessor's office. 70.5% of your income coming from there and you just totally let it go and didn't pay any attention. And how long will this \$120,000 be enough?

Chairman Schmidtke noted I don't think that's fair to say that we don't care or...

Richard Koons noted maybe it's not that you don't care...you didn't take it into consideration I don't think...

Chairman Schmidtke noted we took this into consideration, Richard, and your time is just about up because we've done this and I can only speak for myself...I'm not changing my mind. I did what I think is best for Martin County residents. I have a brother-in-law that lost a lot of money out of this deal. I feel bad about that. But it's what's best for the county. The job was not getting done properly and so it is going to change.

Commissioner Pierce noted well I have two things. One we've talked about this a long time and it was inevitable. But the other thing is you keep throwing out this \$120,000 and I don't see that. I know what you've presented us before and have this memo right here looking at reclassifying one staff maybe an additional \$5,000 cost in your office. I don't know where this additional \$120,000...I'm just not seeing it.

Chairman Schmidtke noted it's just less income...we're not adding to the levy. It's just less income is all. Does anybody else besides Richard have something to say?

John Garbers, Fraser Township, it's just the fact that and I realize there's inequities for a long time because we've been hearing about it for years and I really don't even have a problem with them going to the True County system...it's just the fact that when I found out about it, it was more or less third party type of thing you know...and I guess I realize we're a township so we had an employee and it was an annual thing where I actually call and I'll say I've gotten my annual notice that you haven't gotten your work done...please get your work done type of thing and that's fine and good. But I just didn't like finding out third party that it was no longer in existence.

Chairman Schmidtke noted and I apologized to you on Monday night that we did that...we probably should have sent out letters...we probably did that part wrong. I'll admit that. The outcome would not have been different. And I apologize for that, for myself.

John Garbers noted that's fine. I just don't like being blindsided.

Wes Anderson noted and I'm going to ask again...Dan (Whitman) I asked it the other night. If from now on if there's anything news related to the townships you will notify us.

Chairman Schmidtke noted and I will say it again it will be right here in our minutes this time...yes, it definitely will. If we have anything to do with townships we will come to you. I

know we said that last time and we didn't...but we're human. We do make mistakes and we do not always have the best memories...but we'll do our best to keep you informed of actions we take. That's all I can say.

Wes Anderson noted and we will still have our doors open at the township level for the equalization news.

Chairman Schmidtke inquired if there were any other questions.

The Board recessed at 9:47 a.m.
The Board reconvened at 9:52 a.m.

Higgins presented request by an employee for an unpaid leave of absence. Higgins stated that the Personnel Committee has reviewed the request and based on the information received and in consideration of the circumstances, the needs of the Department, and the duration of time the employee has been out on leave, as well as the need for additional time, is recommending denying the leave of absence.

After review and consideration,

Motion by Commissioner Flohrs, seconded by Commissioner Pierce, Be It Resolved that the Martin County Board of Commissioners, upon the request for an unpaid leave of absence, and after careful consideration, based on the information received, and the needs of the Department, hereby deny the request for an unpaid leave of absence. Carried unanimously.

Higgins noted Faribault and Martin County representatives have been meeting over the last year to study and determine the feasibility of combining their respective county transit systems. After much consideration and a joint meeting held in November, 2014 between both county boards, MN/DOT staff, and county staff, the recommendation is to proceed in combining the two transit systems and to develop an agreement to establish a Joint Powers Board to govern the operations of the joint county transit system.

Higgins presented and reviewed a resolution in consideration for combining transit systems with Faribault County.

After discussion,

Motion by Commissioner Belgard, seconded by Commissioner Pierce,

R-#63/'14

RESOLUTION
For
the Authorization to Create a Joint Powers Board,
Establish a Transition Grant and Hire an Administrator

WHEREAS, Faribault County and Martin County currently provide separate Section 5311 public transit demand responsive services in their respective Counties, and;

WHEREAS, these services are provided with funding from the State of Minnesota, fare box revenues, and local share revenues from each county for their county transit system, and;

WHEREAS, Faribault and Martin County understand that limitations in funding, personnel, and capital resources are a barrier in assuring that the residents of both Faribault County and Martin County have access to a robust public transportation service, and;

WHEREAS, both counties recently participated in a comprehensive, cooperative Faribault-Martin County Transit Restructuring Planning Study that identified potential organizational models, policy board structure and service design, and;

WHEREAS, Commissioners from both Faribault and Martin counties were representatives on the Planning Study and are supportive of moving forward to plan for a two-county consolidated transit system, that provide for potential benefits, such as;

- Improved customer service/seamlessness in terms of fares, service coverage, and informational tools
- Increased availability of transit services, with potential new destinations and expanded service hours
- Improved cost effectiveness for the agencies operating services
- Economic development and facilities development opportunities
- Improved relationships between organizations by way of shared governance and multijurisdictional political support, and;

WHEREAS, to successfully implement a two-county consolidated transit system Faribault and Martin County understand that formulating a Joint Powers Board and providing for an administrative team leader (Transit Director) during the planning phase and then to lead the newly branded transit system is crucial, and;

WHEREAS, Faribault and Martin County agree that participation of all County Commissioners in the creation and development of a Joint Powers Board for a two-county Public Transit Services is also a critical component for moving forward with consolidating services, and;

WHEREAS, Faribault County and Martin County will work together to carry-out a series of specific implementation tasks to facilitate the creation of a Joint Powers Board, and;

NOW THEREFORE, be it first resolved that Martin County hereby wish to participate in the creation of a two-county Joint Powers Board for Public Transit Services with Faribault County, which will then make decisions regarding internal staffing and contracting, service planning, operations, marketing/public information, and capital and financial planning, and;

BE IT ALSO RESOLVED, that Faribault and Martin County wish to provide Administrative leadership to participate in this process with the hiring of a Transit Director, who will serve in the interim with the planning and transition duties associated with the merging of the two system and, if successful, will

continue as an employee of the Joint Powers Board to lead the newly branded Public Transit System, and;

BE IT FURTHER RESOLVED, that Faribault County and Martin County will participate in the creation and submittal of a Consolidation Transition Grant with the State of Minnesota Office of Transit to participate at 85% of the costs related to the Transit Director and merging, rebranding and transferring of property and assets of the two county public transit system's and that the two counties will share in the cost of local share (15%).

Motion by Commissioner Belgard, seconded by Commissioner Pierce, resolution was duly passed and adopted this 2nd day of December, 2014.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of a resolution presented and adopted by the Martin County Board of Commissioners at a duly authorized meeting thereof held on the 2nd day of December, 2014, as shown by the minutes in my possession.

Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Flohrs, Donnelly, Pierce, Belgard, and Schmidtke. NAYS: None. Resolution duly passed and adopted this 2nd day of December, 2014.

Higgins presented and reviewed three (3) revised personnel policies and recommended Board consideration and approval. Revisions include:

- Retirement Policy P#26 (a) and (b) – The changes include lower age eligibility for staff and elected officials, and number of years of service for elected officials, and various deletions.
- Alcohol and Drug Use Policy P#21 – Addresses the use of e-cigarettes while at work.
- Benefits/Leave of Absence Policy P#12 – Due to the new pregnancy and parenting law, expands allowed leave time from six weeks to twelve weeks, revises Bone Marrow Leave and other Statutory Leaves including Voting Leave, Election Judge Leave, and Organ Donation Leave.

After policy review and discussion,

Motion by Commissioner Pierce, seconded by Commissioner Donnelly, Be It Resolved that the Martin County Board of Commissioners, hereby approve and adopt the following revisions to the following County Personnel Policies: Retirement Policy P#26 (a) and (b) – The changes include lower age eligibility for staff and elected officials, and number of years of service for elected officials, and various deletions; Alcohol and Drug Use Policy P#21 – Addresses the use of e-cigarettes while at work; and Benefits/Leave of Absence Policy P#12 – Due to the new pregnancy and parenting law, expands allowed leave time from six weeks to twelve weeks, revises Bone Marrow Leave and other Statutory Leaves including Voting Leave, Election Judge Leave, and Organ Donation Leave, and which policy revisions become effective December 2, 2014. Carried unanimously.

Chairman Schmidtke called the ditch hearing to order for the redetermination of benefits for CD #73.

Mike Forstner, Drainage Inspector, noted the Martin County Drainage Administration Office received a letter from Anna Stine and Travis Berhow, parcel No. 140200200, asking to be removed from CD #73 because they have no tillable land on their acreage that benefits them affecting CD #73.

Ron Ringquist, Viewer, noted for the official record that proper notice for this public hearing has been given to affected property owners.

Ringquist noted the proceeding at hand is just a redetermination of benefits and I know the county has been through many of them. But just for the record we'll kind of go over what it is, where it is, and what we've done to date.

Ringquist noted Ditch #73 was one of the newer ditch systems. It was originally constructed in 1972 and consists of mostly open ditch but it does have a few smaller tile branches. The system outlets into south creek and it provides an outlet for lands in Section 9, 10, 15, 16, 17, 20, 21, & 22 in Pleasant Prairie Township. There has been some maintenance done but the big issue currently is that the trees have been allowed to grow since the ditch's original construction and with the storm that came through last year there is a number of trees down and that have fallen into the ditch itself.

Ringquist went on to note because this is a newer type of ditch, the ditch system does have adequate capacity, it meets the NRCS design standards for agricultural drainage, so it is one of the better sized systems overall. In doing the benefits we did the same as normal. We went out we looked at all the land as a part of that we classified the land within four potential benefit classes – A, B, C, D. Those classes are based on the conditions that would have existed prior to the ditch's construction. A-lands would be standing water or cattails and have no agricultural use; B-lands would be seasonally flooded but usable for wetland A or pasture; the C-acres are the acres that are typically farmable but are improved by either improved surface or subsurface drainage; and the D acres are some of the upland acres that on an acre by acre basis don't need artificial drainage but benefit under current farming practices because we don't go out and farm just the hills anymore so there is a value added even to the uplands.

Ringquist also noted we then looked at the difficult valuation with the ditch system in place. Like I said it does meet NRCS design standards so we analyzed both the land sales and we develop a market value increase and we supported that through an analysis of income or the change of income to those lands. We look then at the A-lands once drained would produce about 92% of an optimum production; the B-lands would be about 96% of our optimum production; the C-lands at 100 and the D-lands at 100 meaning that those will generate the average production within this watershed. We looked at then supporting the value with the income approach we looked at production being at about 190 bushel corn, 50 bushel soybeans. Current values we used for the commodities are \$4 for the corn and \$11 beans which is sort of an average so when you weigh it, it comes down.

Ringquist went on to note production costs we consider production costs which do not include full equipment cost or land costs. It's just the seed fertilizer and the input costs, production costs; corn was \$466.59/acre and soybeans \$227.63/acre. Average 50/50 rotation so our income is \$655/acre/year; our direct expenses are \$347.11. To determine the market value increase for each class you take the potential times the percent of production...subtract the production costs...then you have to subtract the previous income because there was on everything except for the A-acres and add a previous balance so that there was more value there...you subtract the private improvement costs because our optimal production does anticipate that it does have good surface drainage and subsurface drainage and recommended and at the end it gives us the net annual increase or the average increased income per year.

Ringquist noted as we looked at sales values versus income to develop a capitalization what's the present value of that future cash flow...land values have come down slightly. The commodity prices came down significantly. So what it has done is it has narrowed that capitalization rate or the value versus...the sales value versus income rate...you currently used only a 1% return on investment for a 25 year capitalized period on the ditch systems. With that we have A-benefits of \$5,150; the B-benefits of \$3,460; the C-benefits of \$2,320; and the D-benefits of \$460. Because the system does have adequate capacity there were no hydrologic adjustments of those values when we considered benefits to those lands of each class. We did add a proximity rate to those lands that are not directly on the ditch. Proximity rate allows a decrease in value so that if I'm a half a mile away from the ditch I've got money left to get my water to that ditch system. So that in order to get the same benefit I should have the same outlet as the people right on the ditch. And that's what that adjustment has accounted for. There are a few tile branches and we did look at tile benefit. Tile benefit is the benefit for one line of tile that the individual does not have to install because it is a county tile instead.

Ringquist also noted with that, roads were benefited based on a cost savings of construction and maintenance so the roads within this watershed have been benefited. We've determined that the net benefits to the agricultural lands within this watershed are \$3,113,865.75; road benefits are \$112,745.80 for a total benefit of \$3,226,611.55. Because a significant portion of this is open ditch and the buffer strip had not previously been acquired we have a recommended damage for acquisition of the grass buffer strip and that was allowed at \$7,500/acre for the acquisition of the existing land, that will be seeded and permanent grass and not farmable even after the trees have been removed.

Ringquist concluded, Mr. Chairman, that is the Viewer's Report as to the letter that was received that is a building site...it is not unusual that people that only own a building site feel that there is no benefit to their property because they are not agricultural producers. But this piece of property does contribute to the need for the capacity and in our mind does benefit because that ditch exists. They have six (6) acres and I think they have 1-C and 3-D's as far as the benefit classification goes. We used an estimated \$250,000 cost...we felt that was close to the cost of the tree removal plus the buffer strip acquisition so that I think that is a realistic cost. Their estimated total cost for the \$250,000 expenditure is \$243.68. \$250,000 is a big number. It is a very small or .02% of the total or .01% of the total benefit so their share of the benefit isn't very much. But because of the cost of the buffer strip acquisition being a lot of open ditch and the \$100,000 estimated for the tree removal we're starting with a big number. Once we're through this there will probably be very little expense in the future.

Chairman Schmidtke opened the hearing up for public comment.

Chairman Schmidtke asked if there was any other public input. No representatives from the public in attendance nor other public input or comments submitted in writing were received concerning the Viewer's Report for proposed improvement for CD #73.

Motion by Commissioner Pierce, seconded by Commissioner Flohrs to close the public hearing.

Ringquist noted Anna Stine and Travis Berhow asked to be removed; it has been read into the record that they've been asked to be removed. It is the Viewer's recommendation...it was the Viewer's opinion that the benefit did exist and it's the Board's decision as to whether or not to remove them.

After further discussion,

Motion by Commissioner Pierce, seconded by Commissioner Belgard, Be It Resolved that the Martin County Board of Commissioners, acting as the Drainage Authority for Martin County, hereby approve to accept the Final Viewer's Report for the Redetermination of CD #73 as presented. Carried unanimously.

Forstner presented his recommendation to order the redetermination of the following ditch systems in Martin County: CD #13, CD #26, JD #13, JD #29, CD #6, and CD #8.

Motion by Commissioner Belgard, seconded by Commissioner Flohrs, Be It Resolved that the Martin County Board of Commissioners, acting as the Drainage Authority for Martin County, and having the authority to re-determine benefits for county drainage systems and hereby appoints Ron Ringquist, Dan Ruby, and Chris Christenson as Ditch Viewer(s) for the redetermination of the original construction and subsequent improvements to be assessed for CD #13 in Lake Belt Township, CD #26 in Lake Belt Township, JD #13 in Lake Belt and Tenhassen Township; JD #29 in Lake Belt and Tenhassen Township, CD #6 in Lake Belt and Tenhassen Township, and CD #8 in Lake Belt and Tenhassen Township.

R-#61/'14

ORDER APPOINTING VIEWERS AND
REDETERMINATION OF:
CD #13, CD #26, JD #13, JD #29, CD #6, AND CD #8

WHEREAS, the Martin County Board of County Commissioners hereby determines that the original benefits or damages determined in drainage proceedings for Martin County CD #13, CD #26, JD #13, JD #29, CD #6 and CD #8 do not reflect present day land values or that the benefited or damaged areas have changed.

IT IS THEREFORE ORDERED, that:

Ron Ringquist
402 Valley View Dr.
Redwood Falls, MN 56283

Dan Ruby
51305 715th St.
Jackson, MN 56143

Christian Christianson
27258 810th Ave.
Hollandale, MN 56045

Three disinterested residents of the state, be and hereby are appointed viewers to redetermine and report the benefits and damages and the benefited and damaged areas of Martin County CD #13, CD #26, JD #13, JD #29, CD #6 and CD #8.

IT IS FURTHER ORDERED, that the viewers, after taking an oath to faithfully perform their duties as viewers and, after having received from the County Drainage Office (Auditor/Treasurer), certified copies of the order appointing them as viewers and of the order designating the time and place of their first meeting, proceed with their work as such viewers pursuant to law and make and file their report with the Auditor at the earliest possible date.

Upon motion by Commissioner Belgard, seconded by Commissioner Flohrs, and unanimously carried, said resolution was duly passed and adopted this 2nd day of December, 2014.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator

Roll Call AYES: Commissioners Donnelly, Pierce, Flohrs, Belgard, and Schmidtke. NAYS: None. Resolution duly passed and adopted this 2nd day of December, 2014.

The Board reviewed the County's Monthly Financial Report for October, 2014; Standing Board Committee Assignments for CY2014; Odell Wind Farm Open House Invitation; FY16-17 Sentencing to Service Crew Budgets; Whole Community Planning Committee; and Notification of MCIT's Annual Report.

Commissioners presented their individual board member reports.

Commissioner Flohrs noted he helped out with the Martin County Beyond the Yellow Ribbon Hy-Vee Thanksgiving where we gave out Thanksgiving dinners to the active troop families on November 22nd; Rural Minnesota Energy Board meeting in Slayton, MN, on November 24th; CERT Conference Call, Compensation Advisory Committee meeting on November 25th; and Martin County Beyond the Yellow Ribbon meeting last evening on December 1, 2014.

Commissioner Belgard noted he attended Human Service Board, Regional Transit work session with Faribault County Board on November 19th; Glows Parade on November 21st; Human Services Awards Ceremony and handed out recognition and represented the Board at that on November 25th; regular Economic Development Authority Commission meeting on December 1st.

Commissioner Pierce noted in addition to those mentioned he attended a Blandin Conference with broadband.

Commissioner Donnelly noted his attendance to various meetings.

Commissioner Schmidtke noted he attended an Extension Committee and Ditch conference call with Faribault County on November 18th; met Dan Whitman at the Fox Lake Township Hall for a township meeting on November 24th Compensation Advisory Committee meeting and Planning and Zoning meeting on November 25th; and will be having a Personnel Committee meeting on December 2nd.

Commissioners reviewed their calendars of upcoming meetings and activities: December 2, 2014 – Labor Management Committee meeting at 11:00 a.m., and Department Head Performance Evaluations; December 3, 2014 – Human Services Executive Board meeting at 9:00 a.m., South Central Minnesota Multi County HRA meeting, and Leadership Martin County Government Day at Martin County Courthouse; December 4, 2014 – Regional Transit meeting with Faribault County at 12:30 p.m. in the LEC Building – Blue Earth, MN, and Truth in Taxation meeting at 6:00 p.m. in the Commissioners Meeting Room – Martin County Courthouse; December 7, 2014 – Leave for AMC Conference in St. Cloud, MN; December 8-9, 2014 – AMC Annual Conference in St. Cloud, MN; December 12, 2014 – Prairieland Exec. Board meeting at 12:30 p.m., regular Prairieland meeting at 1:00 p.m., Farewell Reception for Commissioner Steve Pierce from 2-4 p.m. in Commissioners Meeting Room – Martin County Courthouse; December 16, 2014 – regular Board of Commissioners meeting at 9:00 a.m. – Commissioners Meeting Room, and Annual Employee Christmas Potluck 11:30 a.m. – 1:00 p.m.

Forshee noted at the recent forfeited land sale there were ten pieces of property sold which brought in \$39,000.

With no further business to wit, Board Chair adjourned the meeting at 10:37 a.m.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Dan Schmidtke, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator