

Martin County Board of Commissioners  
Work Session  
May 16, 2017

The work session was called to order at 2:00 p.m. by Chairman Schmidtke. Those present were Commissioners Belgard, Smith, Schmidtke, Mahoney, and Flohrs. Also present were Scott Higgins, County Coordinator, Jason Sorensen, Sentinel Newspaper, Rod Halvorsen, KSUM-KFMC Radio, James Forshee, Auditor/Treasurer, Kevin Peyman, County Engineer, Jeremy Monahan, F-M Joint Transit Director, Mike Sheplee, Deputy Assessor, Dan Whitman, County Assessor, Terry Viesselman, County Attorney, Julie Walters, Administrative Assistant.

The Pledge of Allegiance was recited.

Scott Higgins, County Coordinator, introduced Lucas Cyphers, Building Maintenance Technician. Higgins noted Cyphers began his duties on May 3, 2017.

The Board welcomed Cyphers to his new position.

Higgins noted as the Board knows back a while ago we set a wheelage tax at \$10 per eligible vehicle and now we have the opportunity per Minnesota statute to increase that to \$20 if you wish to but we have to do it by August 1<sup>st</sup> if you want to increase the wheelage tax. Also felt it would be a good opportunity to talk about the Local Option Sales Tax that goes with transportation.

Kevin Peyman, County Engineer, opened discussion, presented and reviewed Local Options for Transportation Funding including:

- Martin County's State Aid Construction allotment in 2017 was \$3 million.
- One (1) mile of 3" overlay with 4' paved shoulders (3" is considered a fairly minimal overlay) costs approximately \$300,000 (per mile) in 2017.
- Martin County has 512 miles of roads, 272 miles of which are paved. So if we do NO construction on our gravel roads and only do 3" overlays on our existing blacktops we can overlay our system every 27 years with our existing construction funding. Unfortunately, some roads need a more extensive fix than a 3" overlay.
- Do we want to have a plan to eventually blacktop some of our higher volume gravel roads or are we content saying we don't have the money for it and planning they all stay gravel?

LOCAL OPTION WHEELAGE TAX

- Currently \$10/vehicle. Generates roughly \$240,000/year in Martin County.
- Starting January 1, 2018, it can be set to any amount between \$0 and \$20.
- A resolution needs to be passed by August 1, 2017, to change from \$10 in 2018.

LOCAL OPTION SALES TAX

- Counties can levy a local option sales tax of up to ½ percent to be used on the payment of capital costs of specific transportation projects OR payments of capital or operating costs for transit.

- AMC estimates this would generate approximately \$800,000 to \$1 million/year for Martin County.

#### ROAD AND BRIDGE G.O. BONDS

- Counties can issue G.O. bonds for transportation projects. LeSueur County recently issued \$10 million in G.O. bonds to accelerate their 5 year plan.

#### WIND TURBINE PRODUCTION TAX

Wind Turbines pay a production tax separate than the normal property tax. Numerous counties have chosen to take that money and set up a separate account with it (rather than just use it as property tax relief) to use on special projects. Many have dedicated a large portion of that fund for transportation projects. Jackson used the wind production tax to build their new Highway Department facility.

Dan Whitman, County Assessor, noted what the legislature has done is they set a rate on wind energy production and if they decide to go away from that wind production energy I think you would expect them to tax it as commercial property or something like that. I think that they would still pay taxes it would just be...they've already talked about turning that over to Assessors rather than the state assesses so I don't think that it would ever just go away. It might change in how you collected it and would be more of a regular property tax rather than a state assessed production tax.

Peyman noted so like I said some counties like take Waseca and Rock both have a road construction fund and some other counties call it more like a special projects that the commissioners just approve each year how they want to spend that money. Sometimes it is road projects and other times you know you talked about building a storage facility and maybe the money could be spent on that...you aren't as limited to how you could spend it like you are if you do a sales tax or something that has to be for a transportation purpose. So that's basically food for thought at this point. I think we've been more aggressive than a lot of counties over the past twenty years with trying to keep up with our maintenance. Some counties have totally stopped sealcoating and cut back on crack filling because they're short money and then the roads deteriorate faster so I think we're in better shape than a lot of other counties and I wanted to summarize the problem that we have and are going to have until something is done and just lay out the options so that you can make an educated decision if you ever want to discuss any of them more. We'll continue to do the best we can with whatever money we have.

Higgins opened discussion introducing the idea of a county garage facility and noted with impending construction at the Transit Facility that could displace the Veterans Vans, county fleet vehicles, drainage equipment, and possibly the STS Office, the Building Committee has touched base on purchasing or building a garage facility. Higgins reviewed a map of county owned land out by the Highway Shop across from the former Hawkeye Foods noting there is enough land to build a larger garage facility to house the drainage trailer, ATV, and pickup, the three VSO vehicles, county fleet vehicles, and provide room for the STS Office.

Jeremy Monahan, F-M Joint Transit Director, inquired so you're saying STS wants to move even though we've found an alternative for them in the building?

Higgins noted they felt if there was room they'd be helping you out by moving while still continuing to do things for you that they do for you now.

Commissioner Smith inquired so you're saying Jeremy (Monahan) that you could house them?

Monahan noted well one of our concepts we had to relocate them from their current office to essentially where the ditch is...we'd have to move the ditch equipment out so we could build a room/facility for STS staff; but it would be in that same 10,000 square feet. They have a workshop and a lot of storage and the county's IT equipment storage is out there too.

Higgins noted it's just open for discussion but the plan would be discussion as to what direction you want to go.

Commissioner Mahoney inquired how big of a building are you looking at.

Peyman noted I believe we were talking 10,000 square feet. I think in back there'd need to be a pond for drainage and things but I think you could fit that in and go a little bigger if you decided you wanted to.

Higgins noted what's marked in yellow (on the map) is the setback.

Chairman Schmidtke noted we definitely need the space. There is a building that used to be Dana's Repair or whatever out here out on North North just before the bridge over the Interstate...there's a building out there that says it's for rent or lease...looks like a fairly new building.

Commissioner Belgard noted it would be nice if we found something already existing.

Monahan noted just so you know once our planned construction is done you know we can shoehorn VSO and the ditch stuff ...it wouldn't be comfortable, but we would make it work. It wouldn't be comfortable but we would make it work until you found your solution.

Chairman Schmidtke noted we just need to keep working on finding a space.

Higgins noted the Building Committee will continue to look at garage facility options and bring back suggestions.

Whitman opened discussion on the upcoming Board of Appeal and Equalization meeting noting we're not expecting anything special this year regarding the Board of Equalization in June. We just kind of reviewed everything and maybe we have a few conflict pieces that come from the townships where they don't vote on their own you know they defer to the county board. We did have a couple of big properties that kept their right of appeal open...CHS contacted us and wanted their name listed on the local board so that they could come to the county if they wanted to, the bean plant, but we haven't heard anything more from them on that. Kwik Trip requested a reduction that was not granted at the local *inaudible* so that's open. Then we've got three (3) tax court petitions that are kind of new this year. That won't come before the Board but it's in

the back of our minds you know is there a change going on in our commercial type properties...brick and mortars seem to be suffering a bit because of internet sales and so we're wondering if there's a change in the industry that we're going to have to look at coming on. But other than that we expect perhaps:

- the Town Center in Trimont is going to make an appeal to reduce their value. I went back through all of my records from 10 years ago or from 2010 is when we started giving estimates on that and the one difference was something that came up here a couple years ago we had to add all the tanks underground into all of our gas stations around the county and of course they've got the newest and the very best up there so that bumped the value up a little higher on it than they expected. So they're trying to figure out how to get theirs down.
- Zierke has asked us to sharpen the pencil on their property I think they are appealing to the County Board. So I've gone through that...the agreements that we went through and everything some reduction is appropriate...we haven't reduced it from where it was when they bought it.
- Jerry Clark has out-lots around the Walmart facility and is appealing to reduce the value on those lots...they've lowered the price that they're trying to market them for and I think we've even heard that they're going back and tilling them up again and start farming them again for a while since there's no interest.
- In Fairmont we had several people that came from the lakes I think there was eight (8) or so from the lakes there...three (3) of them actually got lowered so there's five (5) who didn't. We had an individual who spoke for a long time and really was not appealing his property I don't think...I think it was more of a what we dealt with quite a few years back...the system is broken and it's not right. We've relooked at all of our statistics and analyzed all that and are very comfortable with our ratios. Half of the home sales are above and half of them are below estimates and the houses are all falling well within. We've reanalyzed certain homes...homes built in the 1950's compared to newer homes and the statistics of the sales are all well within what we expect. We might have a couple people here for that but don't expect it so I guess I feel like we're in good position and don't have any big issues that we think we'll have to deal with.

Commissioner Mahoney inquired how much did lake homes go up.

Whitman noted 20% roughly. Again that was based on in the City of Fairmont and that was the sales that we had it was extreme...the sales were way higher than what our estimates were and so we in order to keep everybody equal and keep our ratios within acceptable standards that's what we had to do. But again we looked at...some were higher and some were lower and the median is what we go by and our statistics that we're held accountable to were well within that range after we made our adjustments we were above the 95% range.

Commissioner Smith noted you said some were reduced. Why were some of those reduced.

Whitman noted the ones that maybe were reduced were homes that had actually sold and they had an appraisal so they gave us an appraisal and that was taken into consideration and the City Council lowered those.

Higgins, along with Jeff Markquart and Terry Viesselman, opened discussions on the status of the Court/Courthouse Security Committee.

Jeff Markquart was present and noted the Minnesota Sheriff's Association Martin County Court/Courthouse security assessment is scheduled for May 24<sup>th</sup>. They did send out a survey that they wanted filled out to give them a little overview of what we have here so that was filled out and sent back to them so they're going to look through that and have an idea when they come of what they will find. Markquart also noted today we had a security camera vendor come through and did an overview of places where we thought we would want cameras throughout this building, the building next door and exterior cameras. We had Steve McDonald along and so we talked a little bit about cabling and how much that was going to take and where it would be feasible to do so we're working together with IT also to try and get something figured for numbers of cameras and prices and how we're going to store all that recorded stuff so it's a lot easier just to put up the cameras...but where you store all that information and how much do we want to do...do we want to have a system with a platform that if we have this all done and we want to hook cameras in next door at Human Services...can that get piggybacked on or the county shop...could they get on the same system with the fiber throughout the City or even the Veteran Services Office on the other side of town now with the fiber that's in the ground we can put cameras there and hook it all together. So, we're looking at different options.

Higgins noted the committee has been very active and have had the judge very involved and the sheriff, most of the Building Committee members, court personnel and probation; and send you copies of the meeting minutes to keep you up to date. We have four subcommittees: Facilities Committee, Policies Committee, Incident/Review Committee, and Budget Committee.

Terry Viesselman noted there's more and more that we're looking at. They're ahead of us in the northern part of the state the counties up there just because that's where they had a shooting but now I think more of the counties down here are looking at it just like we are. I think once we get this assessment done as a committee we'll then be able to sit down and go through what kind of recommendations to make. Scott (Higgins) was able to obtain a Best Practices manual from the National Courts Association and it's actually got protocols in there for everything and I don't think we have to reinvent the wheel because everything that we've been talking about they've already got a protocol and there are steps on how to do that and trainings and so I think when we get our assessment done we can use that to make some recommendations that fit our system. Employees are concerned I think odds wise of incidents happening are still pretty small but I think it's more of a security issue or anxiety issue of people working here. Just the other day again I had someone from court administration ask where are you guys (the committee) at with that because they are anxiously awaiting and are feeling uncomfortable.

Commissioner Smith inquired have you made progress on your office.

Viesselman noted progress in my landlord has agreed he'll do a two year lease and let us put in security...it's the dollar amount that's kind of the issue. I do have forfeiture money that I think would cover it.

Higgins noted the objective of the committee is to come up with a recommendation to the full board on what needs to be implemented.

Higgins opened discussion to update the Justice Center Study and presented the executive summary of the Martin County Justice Center Evaluation & Plan that was completed in 2008 and 2009. Higgins noted as part of this study committee too we looked at maybe upgrading that study for a justice center and the question is do you want the architect to update the study as this is now ten years old. They're looking to do it not to exceed \$11,100 to come down and talk with courts and law enforcement just to see where we're at today.

Chairman Schmidtke and Commissioner Belgard noted they are interested in what it costs us to house Martin County inmates.

Markquart noted last year it was right at \$305,000 just for beds space in 2016 plus another \$100,000 just for transportation (time, salary and miles).

Higgins noted it is time to take another look at it ten years later to determine if it will still hold true.

Markquart noted today there were thirty-two (32) inmates.

Commissioner Smith noted I wasn't around back when this study was done...so one of the concerns was that staffing the jail was going to be so much higher (the cost of operating). Is that something that they will include with the study?

Markquart noted yes. And the staffing all depends on how the architect builds the building...what kind of cells or how the cells are laid out and you know in Faribault County I believe they've got 60 some beds and they have the same amount of staff that we have here. If we were going to build something similar to what we have it's going to take more staffing and more manpower.

Viesselman noted these new hub things and new designs have made it more feasible because last time the cost to give...it was the extra jailers that made it not feasible.

Markquart noted we can hold 25 (inmates) now. We have 32 beds so 80% of that is that 25 mark and the Department of Corrections (DOC) want you to be at that 80%. I called around and talked to other places and everybody is holding pretty close to that 80%. If we have a disturbance in the jail we have to have a room to be able to segregate and move people around and separate without taking them someplace else and I hate to say we have to have that extra space and that's why the DOC tries to keep everybody at that 80%. I'm not excited about building something...I don't want to build a baseball field and they will come but I would rather not depend on other counties to build our facility.

Chairman Schmidtke noted well obviously a 60...64 bed jail would not be oversized for us.

Markquart noted no and that will be pretty realistic and if we were full all the time then and we had to take a couple out of town that would be doable I think.

Commissioner Belgard noted that's better than having empty ones. So we can't do women...64 would be twice what we have now. Do you think we have as many women incarcerated as men...and juveniles.

Markquart noted I think no but I think we have a lot more today than we did ten years ago. You know if we had 4 juvenile beds...in south west Minnesota you could fill them in a day. I think that Terry (Viesselman) and I should probably sit down too with these people and somebody else so that we make sure we're all on the right page as far as what our needs are so that they understand.

Higgins opened discussion regarding memorial from the family of former commissioner Steve Donnelly noting the Donnelly family has some money left over for a memorial for former commissioner Steve Donnelly and contacted the Coordinator's Office wanting to know if the courthouse would want to do something. The Donnelly family would purchase it or whatever we wanted to use it for in his memory and I know there has been a few things that's been suggested and in checking with the family they said whatever you can think of...perhaps park benches or something like that or if I thought maybe we have our customer service award rename it to put Steve Donnelly's name in or perhaps different awards if you feel it epitomizes former commissioner Donnelly. The Donnelly family has is open and has left the decision up to the current Board.

Higgins opened discussion on the purchase of a floor scrubber and reviewed quotes received for the purchase of a floor scrubber for the terrazzo flooring in the courthouse and tile in the Human Resource Building with the objective of scrubbing these floors and making them shine. We used to have a floor scrubber and never replaced it and so we got quotes from PC Janitorial and they range anywhere from a larger scrubber at \$11,850.00 to \$6,400.00 and what they're recommending is a 20" automatic floor scrubber for \$6,350.00. We do need one so we thought we would bring it to you as it is an expenditure and kind of hefty but it is a maintenance item that we should have and start using to get these floors up to where they should be and to keep them cleaner. It's a walk behind model. We checked and there is no state contracting pricing on the floor scrubbers.

Commissioner Mahoney inquired so what have they been doing now, scrubbing it by hand.

Higgins noted yes mostly mopping...MRCI cleans it at night now whether they use this one or not they probably won't but it would enhance the floors more so than the mopping that goes on.

With no further business to wit, Board Chair adjourned the work session at 3:21 p.m.

BOARD OF COMMISSIONERS  
MARTIN COUNTY, MN

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Dan Schmidtke, Board Chair

ATTEST: \_\_\_\_\_  
Scott Higgins, County Coordinator