

**LINCOLN COUNTY BOARD OF COMMISSIONERS
MEETING MINUTES**

March 15, 2016
Courthouse Commissioner Room
Ivanhoe, MN 56142

The meeting was called to order at 9:00 a.m. by Board Chair, Richard Hamer, followed by the Pledge of Allegiance. Commissioners present were Joe Drietz, Don Evers, Richard Hamer, Joan Jagt, and Mic VanDeVere. Also present were Lincoln County Auditor, Deb Vierhuf and Lincoln County Attorney, Glen Petersen. No conflicts of interest were noted.

Motion by Jagt, seconded by Drietz to approve minutes from March 01, 2016 and agenda for March 15, 2016. All voted in favor.

Bob Verschelde, Maintenance Supervisor, informed the Board that the stair well on the west side of the Courthouse is need of repair. The repair needs to be done as soon as possible due to where the water is leaking into the basement. Verschelde presented a quote from Buysse Roofing Systems & Sheet Metal, Inc. for \$7,480.00. Motion by VanDeVere, seconded by Jagt to approve the quote of \$7,480.00 from Buysse Roofing Systems & Sheet Metal, Inc. to repair the stair well on the west side of the Courthouse. All voted in favor.

Verschelde also informed the Board that the review of the air conditioning system showed that they were in need of a Freon charge and that we will be adding the surge protectors to the units. Verschelde would like to look into an annual maintenance agreement for inspection of the units. Information only.

Verschelde also reported that removing the cistern was a successful update and so far there has not been any additional leaking in that area. Information only.

Robert Olsen, Environmental, asked for approval on a proposed subdivision. This is a minor subdivision and will divide an existing backlot on Shady Shore Drive. Additional requirements will have to be met before bringing the final plat for approval. Motion by Evers, seconded by Drietz to approve the proposed subdivision for existing backlots on Shady Shore Drive. All voted in favor.

Olsen also gave some information on some applications for exemption from the Red Pine Wind Project. The project will be located in Ash Lake, Lake Stay, Limestone, Marble, and Royal Twps. Construction is scheduled to begin in 2016/2017.

Olsen also informed the Board on the following items:

- A draft copy of the One Watershed One Plan is out.
- The Tyler Waste Management proposed transition date is sometime in April.
- The Ditch closure hearings will be in the near future.
- Letters have been sent out for the CD #2 redetermination of ditch benefits.
- The Lake Benton Lake Improvement Lake Association will be meeting on March 19th.
- The Lake Shaokatan Lake Association will be meeting on April 2nd.

At 9:45 a.m. bids were opened for the 2016 Overlay/ADA/Agg Base projects. Bids received were

Central Specialties Inc.	\$1,159,898.01
Duininck Inc.	\$1,788,703.35
McLaughlin & Schulz Inc.	\$1,444,026.96

After review, Dave Halbersma, Lincoln County Engineer recommended that the bid be awarded to Central Specialties Inc. Motion by VanDeVere, seconded by Drietz to approve the bid from Central Specialties Inc. in the amount of \$1,159,898.01 for the 2016 Overlay/ADA/Agg Base projects. All voted in favor.

Halbersma presented the 2016 equipment rental rates. Motion by VanDeVere, seconded by Jagt to approve the 2016 equipment rental rates to be charged.. All voted in favor.

Halbersma asked for approval on a perpetual design software license. The software will be used to design the roads. The cost of the software is \$8,054.08 which includes the maintenance fees. Motion by Evers, seconded by Drietz to approve the purchase of a perpetual road design software license at a cost of \$8,054.08. All voted in favor.

Halbersma also requested permission to start internal applications for the Field Office Aid and to be able to replace this position with an Engineering Tech 1. Motion by Evers, seconded by VanDeVere to approve the internal process of looking for a replacement for the current Field Office Aid and to replace this position with an Engineering Tech 1. All voted in favor.

Halbersma provided a list of unused equipment to be declared as surplus property to be sold at auction. Motion by VanDeVere, seconded by Drietz to approve list of unused equipment as surplus equipment to be sold at auction. All voted in favor.

Halbersma also reported that he had looked at the building by Tyler that is currently owned by Scott Petersen. The building would need some work but would be workable for the Lincoln County Tyler Shop. The consensus of the Board was to move forward with getting the amount needed to purchase the building and get quotes for the sale of our old building.

Halbersma also reported that the Highway Department will be doing some work for the Lincoln County Norwegian Creek Park and was wondering if they should charge the park for the work done. The Board would like the cost and time tracked and would review the bill upon completion.

Halbersma also requested approval to purchase a new posthole auger. He does not currently have this item in his budget. The cost of a new posthole auger would be \$2,265.25 and we would get approximately \$700.00 for the old posthole auger to go towards the purchase price. Motion by Jagt, seconded by Evers to approve the purchase of a new posthole auger for \$2,265.25 and to have the sale of the old posthole auger go towards the purchase price. All voted in favor.

At 10:00 a.m. the 2016 Road and Bridge Hearing was held. Township officials, the public and petitioners for County Road 134 were invited for comments and discussion. Halbersma held a power point presentation that presented past and future road and bridge projects. After the presentation, discussion from the public was held. Information only.

Dan Kuss, Lincoln County Veterans Service Officer, gave an update on the families he has served so far in 2016, plans for the use of the 2016 grant dollars, the type of outreach he is pursuing and the possibility of getting some extra pay for hours spent at conferences that would increase the hours over 24 per week. Information only.

Chad Meester, Lincoln County Sheriff, informed the Board that there are some exterior areas of the jail building such as replacing stucco and caulk that needs to be addressed. Also due to high traffic areas and the age of the carpet, the carpet inside the jail building will need to be replaced soon. Meester also informed the Board that the new vehicle has been ordered.

Chris Sorensen, Southwest Health and Human Services Director, presented information to the Board on some remodeling and security requests. If some of these requests are met, Southwest Health and Human Services plans to reimburse the County through increased lease costs. The Board would like Sorensen to go ahead and get some figures together for some of the safety decisions such as cameras and extra door and lock security.

Committee Reports were given:

VanDeVere – None

Drietz – Area II Water, RCRCA, Extension

Hamer – Lincoln County Enterprise and Development, Hendricks TWP, Western Community Action
 Jagt – 6 TWP meetings
 Evers – 3 TWP meetings, Annual TWP meeting, SAMMIE

Auditor Warrants were presented.

Motion by Drietz seconded by Jagt, that after removal of item #58 in the amount of \$358.00 for snow removal to approve the following Commissioner Warrants #1505 - 1591 for the following amounts: Revenue - \$58,216.89 and Road & Bridge - \$83,788.90. All voted in favor.

The following bills were over \$2,000.00 per M.S. 375.12: BioAg Energy Services LLC - \$2,434.58, Computer Prof Unlimited Inc. - \$4,773.96, Erickson Engineering Company, LLC - \$4,018.00, Frontier Precision Inc. - \$52,764.53, GCR Tires & Service - \$3,506.17, KLOH Radio - \$7,500.00, MN Dept. of Corrections - \$15,300.53, PB Electronics Inc. - \$2,090.00, Prairie Pride Cooperative - \$10,052.22, SW Sanitation - \$2,403.80, Waste Management of WI-MN - \$8,511.91, WM of Southern Minnesota MA 1 - \$6,573.94 and 75 payments less than \$2,000.00 - \$22,076.15.

Bruce Nielsen, Lincoln County Assessor, requested approval to set the Board of Equalization meeting for June 21st at 6:30 p.m. Motion by Jagt, seconded by Evers to set the Board of Equalization meeting on June 21st at 6:30 p.m. and to hold the regular Commissioners meeting at 2:00 p.m. on June 21st. All voted in favor.

Motion by Jagt, seconded by Drietz to approve resolution 16-2016 Resolution to Restrict/Assign Specific Accounts. All voted in Favor.

RESOLUTION NO. 16-2016
RESOLUTION TO RESTRICTED/ASSIGNED SPECIFIC ACCOUNTS

BE IT RESOLVED, that the Lincoln County Board of Commissioners hereby Reserves/Designates the following accounts for the specific account/amount as shown below as of December 31, 2015:

			<u>12/31/2015</u>
01...2704	Assigned	Health Insurance Pool	465,154
01...2750	Restricted	Missing Heirs	268
01...2754	Restricted	Recorder's Equipment Fund	18,083
01...2755	Restricted	Compliance Fund	79,440
01...2756	Restricted	E-911 Enhancement	103,402
01...2764	Restricted	Sheriff's Contingency Fund	5,000
01...2765	Restricted	Attorney's Forfeiture Fund	3,110
01...2772	Restricted	Ag BMP ISTS	399
01...2773	Restricted	Lac Qui Parle ISTS	5,751
01...2774	Restricted	BWSR ISTS	56,405
01...2777	Assigned	US Fish & Wildlife	8,085
01...2780	Restricted	Adult Probation Programming	34,385
01...2782	Assigned	Safe & Sober	321
01...2787	Restricted	Ag BMP Note Fund	162,957
01...2788	Restricted	Lake Shaokatan Note Fund	70,470

01...2790	Restricted	Greater YMR Phase II Note Fund	19,250
01...2791	Restricted	Verdi Well Field Imp. Fund	14,933
01...2792	Restricted	Redwood River Watershed Note Fund	62,275
01...2793	Restricted	Lac Qui Parle Watershed Note Fund	52,638
01...2794	Restricted	Gun Permit To Carry	17,373
01...2813	Assigned	Recycle/Score	9,525
01...2847	Assigned	Joint Powers Solid Waste	9,853
01...2853	Assigned	Capital Improvements	407,238
01...2867	Assigned	Technology/Communications	43,032
01...2877	Assigned	Aquatic Invasive Species	24,993
01...2879	Assigned	Feedlot	38,025
	Total		1,712,365

	<u>12/31/2015</u>	
Total Fund Balance (Unaudited)	4,791,840	(Unaudited)
Less: Assigned-Above	1,006,227	
Less: Restricted-Above	706,138	1,712,365
Unreserved/Undesignated	<u>3,079,475</u>	

ATTEST:

Richard Hamer, 2016 Board Chair

Deb Vierhuf, County Auditor

Motion by VanDeVere, seconded by Jagt to approve Resolution No. 17-2016 County Day Proclamation. All voted in favor.

**Resolution No 17-2016
County Day Proclamation
Lincoln County**

We are proud to join in a nationwide salute that will highlight the importance of citizen engagement and recognize the dedication of National Service AmeriCorps State members, Senior Corps Senior Companion Program (SCP) members, and Senior Corps RSVP volunteers, and inspire more residents to get involved in their communities.

The nation's counties are increasingly turning to National Service and volunteer programs as a cost-effective strategy to meet county needs.

National Service programs expand economic opportunity by creating more sustainable communities and providing education, career skills, and leadership abilities for those who serve.

National Service provides a unique public-private partnership that invests in community solutions to strengthen community impact and increase the return on taxpayer dollars.

National Service AmeriCorps State members, Senior Corps SCP members, and Senior Corps RSVP volunteers demonstrate commitment, dedication, and patriotism by making an intensive commitment to service.

More than 13,000 Minnesota Senior Corps Volunteers provided 2.2 million hours of service in 2015. Lincoln County was served by 1 AmeriCorps State member, 1 Senior Corps SCP member, and 245 Senior Corps RSVP volunteers in 2015. The Senior Corps RSVP volunteers perform their volunteer service work under the guidance of A.C.E. of SW Minnesota – Lincoln County office. These volunteers provide vital support to county residents and improve the quality of life in Lincoln County.

As a County Commission, we work hard every day to make life better for our constituents, and strengthening the spirit and commitment of the volunteers who serve our county is just one of our many goals. We are grateful for the dedication and sacrifice of these citizens who are helping make our great county stronger, safer, and healthier.

Today we thank National Service AmeriCorps members and Senior Corps SCP and RSVP volunteers for their commitment. Let us pledge to do our part to strengthen our county through services and volunteering.

ATTEST:

Richard Hamer, 2016 Board Chair

Deb Vierhuf, County Auditor

Motion by Jagt, seconded by Drietz to approve Resolution 18-2016 Resolution of Lincoln County (Lincoln Pipestone Rural Water System) Approving and Authorizing an Advance Agreement with Minnesota Rural Water Finance Authority and Authorizing Participation in Joint Powers Authority. Commissioner Drietz, Hamer, Jagt, and VanDeVere voted in favor. Commissioner Evers voted in opposition. Motion carried by majority vote.

Resolution No 18-2016

RESOLUTION OF LINCOLN COUNTY (LINCOLN PIPESTONE RURAL WATER SYSTEM) APPROVING AND AUTHORIZING AN ADVANCE AGREEMENT WITH MINNESOTA RURAL WATER FINANCE AUTHORITY AND AUTHORIZING PARTICIPATION IN JOINT POWERS AUTHORITY

WHEREAS, the Board of Commissioners (“Governing Body”) of Lincoln County, Minnesota, (“Governmental Unit”) has previously determined that it is in the public interest to acquire and construct certain facilities and improvements to the Lincoln Pipestone Rural Water System, a multi county water system with area in the Governmental Unit (the “Project”); and

WHEREAS, in order to obtain such monies, and on the recommendation of the Water Commission of the Lincoln Pipestone Rural Water System (the “Commission”) the Governmental Unit determines that it is necessary and expedient to enter into an Advance Agreement with Minnesota Rural Water Finance Authority, a Minnesota joint powers entity (the “Authority”) organized under a Joint Powers Agreement dated November 1, 1999, as amended (the “Joint Powers Agreement”);

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of Lincoln County, Minnesota, as follows:

SECTION 1. Authorization of Advance Agreement. That the Governing Body approves and authorizes the Advance Agreement between the Authority and the Governmental Unit substantially in the form on file with the Governmental Unit for the purpose of providing the necessary financing for the Project and the Governmental Note from the Governmental Unit to the Authority in the amount not to exceed \$3,180,000, subject to adjustment as provided in the Advance Agreement.

SECTION 2. Execution of Advance Agreement. The officers of the Governing Body authorized or required by law to execute contracts (the “Authorized Officers”) shall be and hereby are authorized, directed and empowered to execute the Advance Agreement, the Governmental Note and any other

necessary or appropriate documents or agreements, and to otherwise act on behalf of the Governmental Unit to effect such financing.

SECTION 3. General Obligation. That the Governmental Note is a general obligation of the Governmental Unit to which the full faith, credit, and taxing powers of the Governmental Unit are pledged and is payable from the sources described in the Advance Agreement.

SECTION 4. Approval of Joint Powers Agreement. The Joint Powers Agreement is approved and the Governmental Unit shall take such action as may be necessary for the Governmental Unit to become a participating member of the Authority and a participant in the Program described in the Joint Powers Agreement. The Auditor is hereby appointed to be the representative of the Governmental Unit under the Joint Powers Agreement.

SECTION 5. Extension Agreement. In the event permanent financing for the Project is not obtained prior to maturity of the Governmental Note authority is hereby delegated to the Authorized Officer to approve an extension of the maturity, which approval shall be evidenced by execution of the Extension Certificate attached to the Advance Agreement.

SECTION 6. Funds and Accounts.

(A) The Governing Body will create and cause the Commission to maintain or continue to maintain its water fund (the "Water Fund") to which will be credited all gross revenues of the Lincoln Pipestone Rural Water System (the "System"), and out of which will be paid all normal and reasonable expenses of current operations of the System.

(B) There is created a special fund within the Water Fund to be designated the "2016 Bond Anticipation Note Fund" (the "Fund") to be administered and maintained by the Commission on behalf of the Governmental Unit as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Governmental Unit and maintained by the Commission. The Fund shall be maintained in the manner herein specified until the Governmental Note has been fully paid. There shall be maintained in the Fund two (2) separate accounts, to be designated the "Construction Account" and "Debt Service Account," respectively:

(1) *Construction Account.* Each disbursement of proceeds of the Governmental Note which is received pursuant to the terms of the Advance Agreement for construction relating to the Project will be credited to the Construction Account. The monies on deposit in the Construction Account shall be used from time to time to pay the capital costs of the Project, including but not limited to costs of planning, engineering, legal, financial advisory, and other professional services, printing and publication costs, and costs of issuance of the Governmental Note, as such payments become due. Upon completion of the Project, any amounts left in the Construction Account will be transferred to the Debt Service Account.

(2) *Debt Service Account.* The proceeds of the Permanent Financing (as defined in the Advance Agreement) are pledged to the Debt Service Account and shall be credited to the Debt Service Account as received. Prior to the Maturity Date, the Commission Treasurer (the "Treasurer") is authorized and directed to transfer from the Water Fund to the Debt Service Account amounts of net revenues of the System, including any special assessments levied or to be levied against property specially benefited by the Project, which along with Note proceeds and other amounts on deposit in the Debt Service Account available therefor are sufficient for the payment of all interest and principal then due on the Governmental Note. The money in the Debt Service Account shall be used for no purpose other than the payment of principal of and interest on the Governmental Note.

(C) Surplus System revenues from time to time accumulated in the Water Fund, in excess of payments due from and reserves required to be maintained in the Water Fund, the Construction Account and the Debt Service Account, may be used for necessary capital expenditures for the improvement of

the System, for the prepayment and redemption of bonds constituting a lien on the System, and for any other proper municipal purpose consistent with policies established by resolutions of the Governing Body.

(D) That monies on deposit in the Water Fund, the Construction Account and the Debt Service Account may, at the discretion of the Treasurer, be invested in securities permitted by Minnesota Statutes, Chapter 118A; provided, that any such investments shall mature at such times and in such amounts as will permit payment of the principal and interest on the Governmental Note when due.

SECTION 7. Certificate of Proceedings.

(A) The Auditor is directed to duly enter on its register a certified copy of this Resolution and such other information as may be necessary to comply with the requirements of Minnesota Statutes, Section 475.61.

(B) The officers of the Governmental Unit are authorized and directed to prepare and furnish, as necessary, certified copies of all proceedings and records of the Governmental Unit relating to the authorization and issuance of the Advance Agreement and the Governmental Note and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Governmental Note as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the Governmental Unit as to the correctness of facts recited therein and the actions stated therein to have been taken.

(C) In the event of the absence or disability of the Chair or the Auditor, such officers or members of the Governing Bond as in the opinion of the Governmental Unit's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Advance Agreement and the Governmental Note, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

SECTION 8. That this resolution shall take effect at the earliest time provided by law.

ATTEST:

Richard Hamer, 2016 Board Chair

Deb Vierhuf, County Auditor

Motion by Drietz, seconded by Evers to approve Resolution No 19-2016 Supporting Dissolution of Area II Minnesota River Basin Projects, Inc. (Area, Inc.). approving assignments of rights and approving amendment of the Joint and Cooperative Agreement. All voted in favor.

**RESOLUTION NO. 19-2016
Supporting dissolution of Area II Minnesota River Basin Projects, Inc. ("Area II, Inc."),
approving assignments of rights, and approving amendment of the
Joint and Cooperative Agreement
Background information**

WHEREAS, Lincoln County is a governmental unit and signatory to the Joint and Cooperative Agreement for the Continuing Operation of Area II Minnesota River Basin Projects, Inc. ("Area II, Inc."), as last signed in December 2015; and

WHEREAS, the Joint and Cooperative Agreement was entered into under Minn. Stat. § 471.59, which authorizes two or more governmental units to jointly or cooperatively exercise any power common to the contracting parties or any similar powers and to create a Joint Powers Entity under Minnesota law; and

WHEREAS, the intent of the Joint and Cooperative Agreement is to maintain an organization which will carry on a program of floodwater retention and retardation measures, both structural and nonstructural, in the drainage area out letting into the south side of the Minnesota River between the cities of Ortonville and Mankato, Minnesota; and

WHEREAS, the organization referenced by the Joint and Cooperative Agreement is Area II, Inc., a Minnesota Nonprofit Corporation in good standing; and

WHEREAS, when the Area II Executive Director sought to procure insurance coverage for Area II, Inc. from the Minnesota Counties Intergovernmental Trust ("MCIT"), she obtained a premium quotation that was significantly less than the premiums Area II, Inc. is currently paying for insurance coverage; and

WHEREAS, MCIT communicated to the Area II Executive Director that it cannot provide Area II, Inc. with insurance coverage if Area II continues to operate and exist as both a Minnesota Nonprofit Corporation and a Joint Powers Entity; and

WHEREAS, MCIT has communicated that it would insure Area II as a Joint Powers Entity if the Nonprofit Corporation is dissolved; and

WHEREAS, on February 4, 2016, the Board of Directors of Area II, Inc. approved voluntary dissolution of Area II, Inc. as a Minnesota Nonprofit Corporation; and

WHEREAS, Area II would continue to exist as a Joint Powers Entity and carry on the intent of the Joint and Cooperative Agreement upon the voluntarily dissolution of Area II, Inc.; and

WHEREAS, the voluntary dissolution of Area II, Inc. benefits the public because it will save the member counties money in the form of less-costly insurance coverage from MCIT; and

WHEREAS, the Area II, Inc. Articles of Incorporation and Bylaws, and the Joint and Cooperative Agreement, all require that upon dissolution all property of Area II, Inc. "shall be sold and the proceeds thereof together with the monies on hand shall be distributed to the respective governing bodies of the [member counties] in proportion to the proceeding annual ad valorem tax levy ..."

WHEREAS, pursuant to that requirement, Area II, Inc. intends to execute a Bill of Sale for sale of the property to Area II as a Joint Powers Entity for a nominal sum (\$1.00) on condition that each member county passes a resolution assigning its rights to the sale proceeds to Area II as a Joint Powers Entity, and assigning its rights to the monies on hand to Area II as a Joint Powers Entity; and

WHEREAS, upon dissolution of Area II, Inc., it is necessary to amend the Joint and Cooperative Agreement, in the manner consistent with Exhibit 1 to this Resolution, with the amendment to take effect on the date that Articles of Dissolution of Area II Minnesota River Basin Projects, Inc. are filed with the Minnesota Secretary of State.

RESOLUTION

BE IT NOW RESOLVED, that the Lincoln County Board of Commissioners hereby supports the dissolution of Area II Minnesota River Basin Projects, Inc. as a Minnesota Nonprofit Corporation and the continued maintenance and operation of Area II Minnesota River Basin Projects as a Joint Powers Entity; and

BE IT NOW FURTHER RESOLVED, that the Lincoln County Board of Commissioners hereby assigns any and all rights that the county has from the sale of Area II, Inc. property to Area II Minnesota River Basin Projects as a Joint Powers Entity; and

BE IT FURTHER RESOLVED, that the Lincoln County Board of Commissioners hereby assigns any and all rights that the county has to Area II, Inc.'s monies on hand at the time of dissolution to Area II as a Joint Powers Entity; and

BE IT FURTHER RESOLVED, that the Lincoln County Board of Commissioners hereby approves the Joint and Cooperative Agreement as amended, and as attached to Exhibit 1 to this Resolution, to take effect on the date that the Articles of Dissolution of Area II Minnesota River Basin Projects, Inc. are filed with the Minnesota Secretary of State.

ATTEST:

Richard Hamer, 2016 Board Chair

Deb Vierhuf, County Auditor

Glen Petersen, Lincoln County Attorney, asked for approval to hire Tricia Zimmer as Special Assistant Lincoln County Attorney for a 3 day felony charge case. Motion by Evers, seconded by Jagt to approve the hiring of Tricia Zimmer as Special Assistant Lincoln County Attorney for a 3 day felony case. All voted in favor.

Commissioner Evers presented a Log Cabin donation of \$52.00 from the Lake Benton Area Historical Society. Motion by VanDeVere, seconded by Drietz to accept the Log Cabin donation of \$52.00 from the Lake Benton Area Historical Society. All voted in favor.

Richard Hamer, Lincoln County Board Chair announced that the Board will need to go into a closed session at 12:24 p.m. to discuss a grievance situation.

Richard Hamer, Lincoln County Board Chair announced that the meeting was back into an open session at 12:30 p.m.

Motion by VanDeVere, seconded by Drietz to adjourn at 12:32 p.m. All voted in favor.

ATTEST:

Richard Hamer, 2016 Board Chair

Deb Vierhuf, County Auditor