

**TRANSCRIPT AND REPORT OF PROCEEDINGS
CASS COUNTY BOARD OF COMMISSIONERS
COUNTY OF CASS
October 19, 2010**

- 1A. Chairman Demgen convened the regular meeting of the Cass County Board of Commissioners at 9:00 a.m. on Tuesday, October 19, 2010, with the flag pledge, in the Land Department Meeting Room, Backus, MN. Commissioners present: Demgen, Kangas, and Peterson. Commissioners absent: Downham, Dowson.

Others present during portions of the meeting included:

<u>NAME</u>	<u>REPRESENTING</u>	<u>NAME</u>	<u>REPRESENTING</u>
Robert Yochum	Administrator	Larry Wolfe	Chief Financial Officer
Chris Strandlie	County Attorney	Mark Peterson	Assessor
Josh Stevenson	Land Commissioner	Tim Richardson	Central Services Director
Tom Burch	Chief Deputy Sheriff	David Enblom	Highway Engineer
Kris Lyytinen	Highway Department	Scott Wilson	Cass County HRA
Bob Hobson	PRASD	Don Hickman	Initiative Foundation
Monica Lundquist	Brainerd Dispatch	Gail DeBoer	Pilot Independent

- 1B. M/S/P Kangas, Peterson - To approve the agenda items for discussion as presented and the addition of Item 2A.30 (Establish a tour of the Ah-Gwah-Ching project site on Tuesday, November 9, 2010, beginning at 2:00 p.m.), and Item 3D (Easement request). Unanimous.
- 2A. County Administrator Robert Yochum presented to the Board the following matters:

M/S/P Peterson, Kangas – To waive reading and approve the consent agenda as amended. Unanimous.

Approve - Board Minutes of October 5, 2010.

Approve - Auditor manual warrant (Batch #1) (Recoded from 33111.6265 to 33110.6265) AGC Reuse Project dated September, 2010 in the amount of \$0.00.

Approve - Auditor manual warrants (Batch #1) dated September 2010 in the amount of \$1,357,467.29.

Approve - HHVS Commissioner's warrants dated September 30, 2010 in the amount of \$619.53.

Approve - Auditor's warrants dated October 7, 2010 in the amount of \$370,866.60.

Approve - HHVS Commissioner's warrants dated October 8, 2010 in the amount of \$109,239.53.

Approve - HHVS Auditor's warrants dated October 8, 2010 in the amount of \$71,204.96.

Approve - Auditor's warrants dated October 14, 2010 in the amount of \$1,897,939.65.

Receive & file - Monthly Budget Reports.

Approve - Personnel actions: A. Budgeted positions scheduled for replacement - To receive & file the appointment of Benjamin Lindstrom, Assistant County Attorney, grade 40, step 1, effective October 25, 2010. B. Positions scheduled for no replacement - none. C. Other - To approve PEHRC's point factor evaluation system rating for HHVS - Social Services Supervisor at grade 37 (this new position combines the Children & Adult Social Service Supervisor positions formerly at grade 35).

Approve - Licenses: On & Off Sale 3.2 Beer - Ivanhoe Resort, Mary DeVries, Shingobee; Shores of Leech Lake, Mara Loomis, Shingobee. Off Sale 3.2 Beer - Orton's Y-Mart, Tim Orton, Shingobee; Huddles South Shore Resort, Huddles So Shore Resort, Inc., Pine Lake.

Receive & file - Auditor-Treasurer's Interest Income Report for September 2010.

Authorize - 3rd quarter Longville Ambulance Subordinate Service District payment in the amount of \$102,750.00.

Approve - Payments to WSN & Assoc., Inc. in the amount of \$320.00 and Nathan Engen in the amount of \$395.00 as uninsured claim costs (Netter Case).

Approve - Cass County Retiree Drug Subsidy (RDS) actuarial attestation services through Blue Cross and Blue Shield of MN in the amount of \$1,500.per year (previously with Milliman, Inc. in the amount of \$2,600.00).

Approve - GASB 45 actuarial consulting services with Hildi Inc. in the amount of \$7,800.00 and authorize CFO to sign confidentiality & indemnification agreement.

Receive & file - Notice of executed Dive Team Agreement with Beltrami, Cass and Hubbard County.

Authorize - Sheriff to execute the 2010 Critical Infrastructure Arrowhead Region Emergency Management grant agreement & Cass County to act as fiscal agent.

Approve - Resolution No. 56- 10 - Final payment for SAP 11-635-02(CSAH 35); SAP 11-677-12(resurface CR106); CM 2010-1(CR106) and CM 2010-2(CSAH 34).

Commissioner Peterson offered Resolution No. 56-10 and moved its adoption. Commissioner Kangas seconded:

WHEREAS: Contract No. 63502 (SAP 11-635-02(CSAH 35); SAP 11-677-12(resurface CR106); CM 2010-1(CR106) and CM 2010-2(CSAH 34) has in all things been completed, and the County Board being fully advised in the premises,

NOW THEN BE IT RESOLVED, that we do hereby accept said completed project for and in behalf of the County of Cass and authorize final payment as specified herein.

Resolution No. 56-10 was adopted by majority vote: Demgen, Kangas, Peterson. Nays: None. Absent: Downham, Dowson.

Approve - HAVA grant agreement in the amount of \$11,400.00 to defray 2010 voting equipment operating costs and authorize the Board Chair and Auditor-Treasurer to execute the agreement.

Approve - Appointment of Jim Bliss to the Cass County Planning Commission, to fill the unexpired term of John Weber ending Dec. 31, 2010.

M/S/P Peterson, Kangas - To award bid for inspection of regulated materials located on PIN# 29-005-4410-16469 65th Ave NW, Cass Lake; PIN# 49-032-4206-12122 State 371 NW, LaPorte, MN 56461; PIN# 29-005-2200-16690 69th Ave NW, Cass Lake, MN 56633; PIN# 72-027-4309- 14838 Second Ave W, Bena, MN 56626; PIN# 82-337-0510 -320 Wood St N, Backus, MN 56435 to Grinning Bear Roll-Off Service not to exceed \$2,050.00. Unanimous.

<u>Bidder</u>	<u>Site 1</u>	<u>Site 2</u>	<u>Site 3</u>	<u>Site 4</u>	<u>Site 5</u>	<u>Total</u>	<u>Addl. Samples</u>
Environmental Troubleshooters	\$855.00	\$710.00	\$600.00	\$590.00	\$640.00	\$3,395.00	\$14.00 – A
Grinning Bear Roll-Off Service	\$475.00	\$375.00	\$400.00	\$400.00	\$400.00	\$2,050.00	N/A

M/S/P Peterson, Kangas - To award professional service contracts for certificates of survey and related monumentation: Project #3 in Sect. 19, and 30 Pine River Twp. to Stonemark Land Surveying, Inc., not to exceed \$5,720.00 and Project # 4 in Sect. 8, and 32 of Maple Twp to Bolton & Menk, Inc. not to exceed \$6,200.00. Unanimous.

<u>Bidder</u>	<u>Project #3</u>	<u>Project #4</u>	<u>Total</u>
Bolton & Menk, Inc.	\$5,900.00	\$6,200.00	\$19,900.00
Stonemark	\$5,720.00	\$7,680.00	\$19,990.00
Arro Land Surveyors, LLC	\$9,282.00	\$8,923.00	\$24,169.00
Westwood	\$8,800.00	\$9,980.00	\$30,780.00
Engelmeyer Surveying			\$37,330.00
Bonestroo	\$9,900.00	\$12,395.00	\$38,195.00
Kohout Surveying	\$9,000.00	\$14,400.00	\$44,400.00
SEH	\$15,000.00	\$18,500.00	\$47,000.00
Widseth Smith Nolting	\$16,500.00	\$19,000.00	\$50,300.00
Northern Engineering & Consulting, Inc.	\$35,140.00	\$49,110.00	\$109,120.00

Approve - Payment to the Cass County Highway Department - AGC road work in the amount of \$8,010.00 (capital fund).

Approve - City of Walker Fire Contract for Unorganized Township from January 1, 2010 through December 31, 2010.

Authorize - Robert Yochum to execute 2011 Natural Resources Block Grant Annual Agreement (PO#17496) with MN BWSR for \$74,788.00.

Approve - Final pay request for AGC Re-Use Project, Kimley-Horn, in the amount of \$2,950.00 (capital fund).

Approve - Final pay request #6 for AGC Re-Use Project, Maguire Iron, Inc. in the amount of \$92,667.00 (capital fund).

Approve - Change Order #17 for AGC Re-Use Project, Landwehr Construction in the deduct amount of \$ 295,717.75 (final quantity adjustments).

Approve - Final pay request #19 for AGC Re-Use Project, Landwehr Construction in the amount of \$36,980.00 (capital fund).

Establish - Tour of Ah-Gwah-Ching project site on Tuesday, November 9, 2010, beginning at 2:00 p.m.

- 2B. Administrator Yochum summarized the Ad Hoc Committee (Demgen, Dowson) meeting of Wednesday, September 22, 2010 with the City of Walker regarding the closeout of the Ah-Gwah-Ching project. Mr. Yochum reviewed financial summaries, reported the City of Walker's acceptance of all utility improvements by execution of amendment #2 to the Joint Powers Agreement, and discussed the County State Aid road turnback process for former State Highway #290 (aka Ah-Gwah-Ching Road).

M/S/P Kangas, Peterson – To approve the Ad Hoc Committee report and refer the former State Highway #290 alignment to the City of Walker and Shingobee Township. Unanimous.

- 2C. Mr. Yochum reported on the Ad-Hoc Committee (Downham, Peterson) meeting of Tuesday, October 5, 2010 requested by Rinke, Noonan Attorney Igor Lenzner regarding the potential of a County tax increment financing (TIF) project at Bluewater Lodge located in Shingobee Township. The Committee and guests discussed existing County TIF policies, recent related legislative trends, and development concepts for Bluewater Lodge. The Ad-Hoc Committee expressed concern with the equity of applying a business subsidy to this use at this time. The Committee recommended that Cass County maintain its 2003 policy of no business subsidies at this time. Unanimous.

M/S/P Kangas, Peterson – To approve the Ad-Hoc Committee recommendation that Cass County maintain its 2003 policy of no business subsidies at this time. Unanimous.

- 3A. Land Commissioner Josh Stevenson reported on his presentation at the Association of MN Counties (AMC) General Government Policy Committee Meeting of September 16, 2010. Mr. Stevenson explained that as part of the AMC revenue diversification discussions they were interested in timber management revenue trends from County managed State lands. In addition, Cass County introduced for AMC discussion the potential for a pilot project for County timber management of additional State deeded lands under MN Statute 282.

M/S/P Kangas, Peterson – To endorse any legislative changes needed to provide Counties the option to manage additional State deeded lands under MN Statute 282. Unanimous.

- 3B. Mr. Stevenson presented a request from Widseth Smith & Nolting on behalf of MPCA for the placement monitoring wells on County Administered Land. The areas selected represent undeveloped forested land within Cass County located in McKinley, Byron, and Birch Lake Townships. This request is consistent with language in our FRMP for monitoring and assessment under section 1.3 subd 8. for FSC certification. Mr. Stevenson added that the County will not incur any costs associated with the wells installation, maintenance, access, or closing of the wells when the monitoring is complete.

M/S/P Peterson, Kangas – To approve execution of the MPCA monitoring well agreement on county administered lands located in Birch Lake, Byron, and McKinley Townships, and further, Cass County will not incur any costs associated with the well installation, maintenance, access, or closing of the wells when the monitoring is complete. Unanimous.

- 3C. Mr. Stevenson reported that Crow Wing County has recently requested assistance in bidding the abatement and demolition of structures located on tax forfeit land. Cass County has 3 to 5 structures each year in need of demolition and Crow Wing averages one structure every 3 to 4 years. Crow Wing County would list their property with Cass County properties during the bidding process, and then each County would contract for the work in their jurisdiction .

M/S/P Peterson, Kangas – To authorize the Cass County Land Department to assist Crow Wing County by jointly bidding the abatement and demolition of structures, and further, that each County would contract for the work in their jurisdiction. Unanimous.

- 3D. Mr. Stevenson presented a Certificate of Survey from the First National Bank of Walker describing their request for a 66' easement (#10-28-140-29-21) to Woodrow Township (approved by the Township June 3, 2010) over existing trail access to PID #51-028-1301 located in T28-R140-S29 with a cost of the easement in the amount of \$6,175.

M/S/P Peterson, Kangas – To approve the grant of a 66'easement (#10-28-140-29-21) to Woodrow Township over existing trails as defined by the certificate of survey for access to PID #51-028-1301 upon receipt of \$6,175. Unanimous.

- 4A. Central Services Director Tim Richardson presented a summary of costs for correction of safety deficiencies identified in the recent voluntary OSHA standards inspection by the State of MN. Costs included: electrical (replacing outlets, adding outlets, adding GFCI outlets, etc.) totaling \$10,287.00, Safety equipment (eyewash stations, protective equipment, etc.) in the total amount of \$2,350, Storage Building (for power equipment, fuel, and tools) in the amount \$13,000.00, and elevator code repair costs in the amount of \$11,528.00 (grand total of \$37,165.00). Mr. Richardson commented that the Safety Committee will need to inspect the facilities for continued compliance. Also commented that the one Courthouse elevator, remains abandoned as it is deemed irreparable and a new elevator would have had to be installed. Kris Lytinen reported the OSHA compliance has been completed at the Cass County Highway Department Facilities as well. The Board thanked Director Richardson for his pro active approach and related follow up. No action necessary.

- 5A. Assessor Mark Peterson presented a list of abatements and requested approval.

M/S/P Kangas, Peterson - To approve 2009-2010, 2008/2009 abatement applications as recommended by the County Assessor, for taxes payable - Lee Wilberg - Unorg 142-25, Homestead 2009/2010; C B Finley - Pine River City, Homestead 2009/2010; Lee Wilberg - Unorg 142-25, Homestead 2008/2009; John P Tabaka – Wabedo, Property Damage 2008/2009. Unanimous.

- 5B. Mr. Peterson presented the 3rd Quarter 2010 Foreclosure Report (35 in 2010 versus 33 in 2009, and 33 in 2008) including cancellation of contracts for deeds (not including time share foreclosures). Assessor Peterson also presented the number of arms-length transactions (An "arms-length sale" is between two parties, both of whom are seeking to maximize their gain from the transfer) year to date through August totaling 355 compared to 345 in 2009 for the same period. No action necessary.

- 5C. Assessor Mark Peterson reported to the Board changes in Cass County's tax base trends. The 2010 assessment for taxes to be collected in 2011 has an estimated market value of \$6,705,300,000 (-3.7% from the 2009 assessment), new construction at \$44,300,000 (-30.8% from the 2009 assessment), new home starts 120 (-28.1% from the 2009 assessment), taxable market value \$6,666,800,000 (-3.5% from the 2009 assessment), tax capacity based on pay 2010 data \$68,594,743 (-3.1% from the 2009 assessment), and non-taxed market value at .57% of total values - \$38,500,000 (State programs such as "green acres"). No action necessary.

- 6A. Highway Engineer David Enblom presented Resolution No. 57-10 that would advance State Aid regular construction funds for SAP 11-607-10, on CSAH 7 (8 miles), near Longville. Mr. Enblom added that Federal monies for a portion of this project will be available in 2011 rather than 2012, and the balance of the project would be paid for with State Aid regular construction funds.

Commissioner Peterson offered Resolution No. 57-10 and moved its adoption. Commissioner Kangas seconded:
 WHEREAS, the County of Cass is planning to implement County State Aid Street Project(s) in 2011 which will require State Aid funds in excess of those available in its State Aid Regular/Municipal Construction Account, and
 WHEREAS, said County is prepared to proceed with the construction of said project(s) through the use of an advance from the County State Aid Construction Fund to supplement the available funds in their State Aid Regular/Municipal Construction Account, and
 WHEREAS, the advance is based on the following determination of estimated expenditures:

Account Balance as of date <u>2/01/2011</u>	\$ <u>2,782,639.00</u> (estimated)
Less estimated disbursements:	
Project # <u>SAP 11-601-20</u>	\$ <u>1,000,000.00</u>
Project # <u>SP 11-601-18</u>	\$ <u>250,000.00</u>
Project # <u>SAP 11-603-06</u>	\$ <u>1,000,000.00</u>
Project # <u>SAP 11-606-09</u>	\$ <u>700,000.00</u>
Project # <u>SP 11-607-10</u>	\$ <u>1,140,000.00</u>
Project Finals (overruns-if any)	\$ _____
Other _____	\$ _____
Total Estimated Disbursements	\$ <u>4,290,000.00</u>
Advance Amount (amount in excess of acct balance)	\$ <u>1,307,361.00</u>

WHEREAS, repayment of the funds so advanced will be made in accordance with the provisions of Minnesota Statutes 162.08, Subd. 5 & 7 and Minnesota Rules, Chapter 8820, and

WHEREAS, the County acknowledges advance funds are released on a first-come-first-serve basis and this resolution does not guarantee the availability of funds.

NOW, THEREFORE, Be It Resolved: That the Commissioner of Transportation be and is hereby requested to approve this advance for financing approved County State Aid Highway Project(s) of the County of Cass in an amount up to \$ 1,307,361.00 in accordance with Minnesota Rules 8820.1500, Subp. 9. I hereby authorize repayments from subsequent accruals to the Regular/Municipal Construction Account of said County from future year allocations until fully repaid.

Resolution No. 57-10 was adopted by majority vote: Ayes: Demgen, Kangas, Peterson. Nays: None. Absent: Downham, Dowson.

- 6B. Mr. Enblom requested Board acceptance of an RFP response from Widseth Smith Nolting to study storm water out fall of CSAH #31 in Pillager with an estimated cost of \$8,000.00. The study would identify an alternate storm water out fall from that presently being used due to long term maintenance concerns.

M/S/P Kangas, Peterson – To accept an RFP response from Widseth Smith Nolting to study storm water out fall of CSAH #31 in Pillager with an estimated cost of \$8,000.00. Unanimous.

- 6C. David Enblom presented correspondence from MN Department of Transportation District 3 Office acknowledging receipt of Cass County Resolution 52-10 (adopted Tuesday, September 7, 2010 as follow up to a joint meeting with the Leech Lake Tribal Council) requesting information on the future expansion of MN State Highway #371 from Nisswa north to MN State Hwy. #200 near Walker. Mn/DOT reported that they have completed the Mn/DOT District 3 2009-2028 Highway Investment Plan which sets forth the District's investment direction and priorities for the next 20 years. The District's investment plan identified nearly \$5.9 billion in performance-based transportation needs while revenues for this same period were estimated at \$1.4 billion. Highway #371 expansion from Pine River north to Highway #200 does not qualify as an at-risk IRC (Interregional Corridors) at this time and the Hwy. #371 segment from Nisswa to Pine River is a medium priority IRC. Mr. Enblom added that the Pine River to the "Y Junction" has a estimated 5,000 vehicles per day on the existing two-lane corridor and that the present threshold for four lane design is 11,200 vehicles per day. Engineer Enblom suggested filing the Mn/DOT District 3 2009-2028 Highway Investment Plan response with the Leech Lake Band of Ojibwe and request the Leech Lake Band of Ojibwe to endorse moving the Nisswa to Pine River segment to a higher funding priority as the most practical method of qualifying future four lane expansion to Highway #200.

M/S/P Kangas, Peterson – To refer the Mn/DOT District 3 2009-2028 Highway Investment Plan to the Leech Lake Band of Ojibwe and request the Leech Lake Band of Ojibwe to endorse moving the State Highway #371 Nisswa to Pine River four lane construction to a higher funding priority. Unanimous.

- 7A. Initiative Foundation (IF) Senior Program Manager for Planning and Preservation Don Hickman described IF programs and presented a summary of the projects funded in Cass County. Activity since inception (1986) has included 263 grants totaling \$1,685,382; 43 loans totaling \$1,727,214 which leveraged \$12,303,321 in private investment creating or retaining 350 jobs. Mr. Hickman also thanked the Board for Cass County's 2009 contribution to the Initiative Foundation in the amount \$16,350.00 and the first half of the 2010 contribution of \$7,357.00. Mr. Yochum also added that the 2011 contribution to IF is presently budgeted at the 2009 level in the amount of \$16,350.00. The Board thanked Mr. Hickman for the update. No action necessary.
- 8A. Cass County HRA Director Scott Wilson presented a request for an annual appropriation to the Cass County Housing & Redevelopment Authority for reimbursement of HRA Board member per diem and mileage expense consistent with annual rates established by the Board of Commissioners for citizen committees. Estimated costs for the remainder of 2010 are \$1,875.00 and \$6,600.00 for 2011.

M/S/P Kangas, Peterson – To approve reimbursement of Cass County Housing & Redevelopment Authority Board member per diem and mileage expense consistent with annual rates established by the Board of Commissioners for citizen committees not to exceed \$1,875.00 for 2010 and \$6,600.00 for 2011. Unanimous.

9. Administrator Yochum presented the upcoming meeting schedule:
10. Chairman Demgen adjourned the meeting at 10:30 a.m.

SIGNED: _____
Jim Demgen, Chairman
Cass County Board of Commissioners

ATTEST: _____
Robert H. Yochum
Cass County Administrator