

**TRANSCRIPT AND REPORT OF PROCEEDINGS  
CASS COUNTY BOARD OF COMMISSIONERS  
COUNTY OF CASS  
January 21, 2014**

- 1A. Chairman Kangas convened the regular meeting of the Cass County Board of Commissioners at 9:00 a.m. on Tuesday, January 21, 2014, with the flag pledge, in the Land Department Meeting Room, Backus, MN. Commissioners present: Downham, Dowson, Gaalswyk, Kangas, and Peterson. Commissioners absent: None.

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
John Ringle	ESD Director	Sharon Anderson	Auditor-Treasurer
Gail Levenson	Cass County EDC	Dave Enblom	Highway Engineer
Reno Wells	HHVS Director	Kim Minton	HHVS
Jeff Woodford	VSO	Erick Hoglund	Sheriff's Office
Joel Norenberg	Sheriff's Office	Marlen Harris	Stockman Transfer
Teri Hastings	City of Lake Shore	John Poston	City of Lake Shore
Steve Sundstrom	City of Lake Shore	Gail DeBoer	Pilot Independent
Monica Lundquist	Brainerd Dispatch		

- 1B. M/S/P Peterson, Downham – To approve the agenda items for discussion as presented and the deletion of Item 7B. (Report on the 2013 sentence-to-service activity). Unanimous.

- 2A. County Administrator Robert Yochum presented to the Board the following matters:

M/S/P Downham, Gaalswyk – To waive reading and approve the consent agenda. Unanimous.

Approve - Board Minutes of January 7, 2014.

Approve - Auditor manual warrants dated December, 2013 in the amount of \$5,788,325.61.

Approve - Auditor warrants dated December 26, 2013 in the amount of \$84,471.52.

Approve - Auditor warrants dated December 26, 2013 in the amount of \$158,946.29.

Approve - Auditor warrants dated December 31, 2013 in the amount of \$2,372.00.

Approve - Auditor warrants dated December 31, 2013 in the amount of \$19,221.60.

Approve - Auditor warrants dated January 2, 2014 in the amount of \$145,692.87.

Approve - Auditor warrants dated January 9, 2014 in the amount of \$758,576.53.

Receive & file - Monthly Budget Reports.

Approve - HHVS Commissioner warrants dated December 31, 2013 in the amount of \$56,326.69.

Approve - HHVS Auditor warrants dated December 31, 2013 in the amount of \$23,927.39.

Approve - HHVS Commissioner warrants dated January 10, 2014 in the amount of \$93,848.06.

Approve - HHVS Auditor warrants dated January 10, 2014 in the amount of \$84,591.05.

Approve personnel actions – A. Budgeted positions scheduled for replacement: 1. Receive & file - Notice of appointment of Wanda Jensen, as Sheriff's Office Records Division Part-time Data Entry Clerk position, grade 16, step 1, effective January 14, 2014. 2. Receive & file - Notice of appointment of Melanee Pendzimas, Office Support Specialist, to Eligibility Worker, Grade 22, Step 1, effective February 1, 2014. 3. Receive & file - Notice of intent to fill vacated Office Support Specialist position, Grade 15, Step 1. B. Positions scheduled for no replacement at this time: None. C. Other. 1. Receive & file - Notice of probation completion for Melanee Pendzimas, Office Support Specialist, Grade 15, Step 02, on January 8, 2014. 2. Receive & file - Notice of probation completion for Stephen Sether, Assistant Veteran Services Officer, Grade 21, Step 02, on January 15, 2014.

Approve Licenses – On & Off Sale 3.2 Beer - Starck's Tamarack Lodge - Jeffrey Starck, Unorganized; Red Wing Lodge - Kyle Benjamin, Turtle Lake; Pikedale Lodge - Torey Myers, Boy Lake; Woman Lake Lodge - Burk's On Woman Lake, LLC, Woodrow. Gambling - North Star Sportsmen's Club @ Bluewater Lodge - John Eaton, Shingobee

Authorize - Payment to Mark J. Beard (Invoice#021231) in the amount of \$562.50.

Receive & file - December 2013 Cass County EDC Activity Report.

Approve - Remer Fire Department contract for Unorganized Township from January 1, 2014 through Dec. 31, 2014 in the amount of \$954.61/yr.

Authorize - Budgeted support for FY2014 to Mississippi Headwaters Board in the amount of \$1,500.00, Cass County HRA in the amount of \$3,300.00 per diem/mileage; and Cass County EDC in the amount of \$42,500.00.

Approve - Pay requests for Cass County ARMER Project to DSC Communications – Pillager Tower improvements in the amount of \$16,705.90.

Receive & file - Annual Certification of Bridge Safety Inspection for 2013.

Approve - Child and Teen Check Up Pine River Backus Area Family Council Pine River Backus Area Family Center; Northland Area Family Center; Burton Haugen, M.D. Medical Consultant; Bemidji State University and Northwest Technical College; Stellher Human Services, Inc - HHVS purchase of service contracts from January 1, 2014 through December 31, 2014.

Approve - Five Cass County Family Center quarterly progress reports and payment of quarterly expense claims totaling \$18,453.00.

Receive & file - Ad Hoc Committee – Utility Easements meeting notes of January 08 & January 14, 2014.

- 2B. Mr. Yochum presented a draft agenda for a special meeting with the Leech Lake Band of Ojibwe on Friday, January 31, 2014 at the Leech Lake Band Government Center, 190 Sailstar Dr., Cass Lake, MN. Administrator Yochum also explained a draft Memorandum of Understanding between Cass County and the Leech Lake Band of Ojibwe providing a framework for bilateral communication on policies affecting natural resource management, community development, economic development, and maintaining Ojibwe cultural life-ways.

M/S/P Downham, Dowson – To establish a special meeting with the Leech Lake Band of Ojibwe on Friday, January 31, 2014, beginning at 10:00 a.m., at the Leech Lake Band Government Center, 190 Sailstar Dr., Cass Lake, MN to discuss roads/trails, human services, environmental services, land management, 2014 legislative issues and any other business requested by the governing bodies. Unanimous.

M/S/P Downham, Peterson – To approve execution of a Memorandum of Understanding between Cass County and the Leech Lake Band of Ojibwe as presented. Unanimous.

- 3A. Auditor-Treasurer Sharon K. Anderson and EDC Executive Director Gail Levenson discussed the Minnesota Investment Fund for the business development of American Surplus and Manufacturing, Inc., in Pine River, MN. Ms. Levenson discussed the project that proposes to manufacture and sell Ice Castle fish houses and retail sales of fish house accessories at the site of a former car dealership located on Highway #371 in Wilson Township. Ms. Levenson also assured the Board that Cass County will not incur any cost or loan risk due to the project.

Commissioner Dowson offered Resolution No. 04-14 and moved its adoption, Commissioner Peterson seconded:

#### LOCAL GOVERNMENT RESOLUTION ECONOMIC DEVELOPMENT PROGRAM

BE IT RESOLVED that Cass County act as the legal sponsor for project(s) contained in the Business and Community Development Application to be submitted on January 22, 2014 and that Board Chairman and County Administrator are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of Cass County.

BE IT FURTHER RESOLVED that Cass County has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that Cass County has not incurred any costs and has not entered into any written agreements to purchase property.

BE IT FURTHER RESOLVED that Cass County has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, Cass County, may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that Cass County certifies that it will comply with all applicable laws and regulations as stated in all contract agreements and described on the Compliance Section (S-7) of the Business and Community Development Application.

BE IT FURTHER RESOLVED that Cass County Economic Development Corporation has obtained credit reports and credit information from American Surplus and Manufacturing, Inc. and Jeffrey Drexler and David Handeland. No adverse findings or concerns regarding, but not limited to, tax liens, judgments, court actions, and filings with state, federal and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action.

NOW, THEREFORE BE IT RESOLVED that Board Chairman and County Administrator, or their successors in office, are hereby authorized to execute such agreements and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

Resolution No. 04-14 was adopted by majority vote: Ayes: Downham, Dowson, Gaalswyk, Kangas, Peterson. Nays: None.

Ms. Levenson discussed the Local Development Organization Agreement between Cass County and Cass County Economic Development Corporation for the grant submission application of \$107,500.00 of Minnesota Investment Funds from the Minnesota Department of Employment and Economic Development (DEED) to help with financing for the American Surplus and Manufacturing, Inc., the grant would then go to Cass County and the EDC would provide all administration duties through a "Local Development Organization (LDO)." The EDC would make a loan with the grant money to Jeffrey Drexler and David Handeland. to purchase the building, and as the business pays the loan back to the EDC, then the EDC would reimburse 80% of the state funds back to the state each month, and the remainder would stay with the EDC for use on future loans.

M/S/P Dowson, Gaalswyk – To approve the Local Development Organization Agreement between Cass County and the Cass County Economic Development Corporation for the grant submission application of \$107,500.00 of Minnesota Investment Funds from the Minnesota Department of Employment and Economic Development (DEED) to help with financing for the American Surplus and Manufacturing, Inc., Jeffrey Drexler and David Handeland as presented. Unanimous.

- 4A. ESD Director John Ringle and Marlen Harris of Stockman Transfer discussed the twenty eight County recycling container site maintenance and operations by Stockman Transfer. Mr. Ringle reported that Stockman Transfer has provided Cass County ESD with a list of local contacts that will assist in managing problems at each site before they occur. Director Ringle also reported that Stockman Transfer and their site managers will be responsible for making recommendations for any site improvements that may be presented for Board action. No action at this time.
- 4B. Mr. Ringle presented the 2013 annual planning/zoning activity report which showed that overall activity was nearly the same in 2013 when compared to 2012. Total number of permits issued in FY2013 was 1,161 versus 1,189 in FY2012. Total revenues were \$314,537 in FY 2013 versus \$315,613 in FY 2012. The biggest noticeable difference was in the reduced number of shoreland alteration permits issued, and early indications are that this level trend in planning and zoning activity will continue in 2014.

M/S/P Gaalswyk, Downham – To receive & file the 2013 annual planning/zoning activity report as presented. Unanimous.

- 5A. Auditor-Treasurer Sharon Anderson presented the interest earnings report for fiscal year 2013 totaling \$874,032.45 compared to \$1,037,068.08 in 2012. The Auditor-Treasurer also discussed investment trends, possible portfolio review by the MAGIC Fund, and the audit implications of unrealized gains and losses.

M/S/P Downham, Gaalswyk – To receive & file the interest income report for fiscal year 2013 as presented. Unanimous.

5B. Ms. Anderson presented a summary of \$6,500.87 of property tax abatements processed in 2013. Current year abatements equaled \$3,702, prior year abatements equaled \$1,364.87, and tax court approved abatements equaled \$1,434.00.

M/S/P Peterson, Dowson – To receive & file the 2013 abatement summary as presented. Unanimous.

5C. Auditor-Treasurer Anderson presented the newsletter that accompanied the 2013 tax statements, and requested Board approval to draft a newsletter to be included in the 2014 property tax statements.

M/S/P Gaalswyk, Downham – To approve a newsletter insert with the 2014 property tax statements. Unanimous.

5D. Ms. Anderson recommended a schedule for the adoption of the annual capital improvement plan for the years 2015 through 2019.

M/S/P Downham, Dowson – To approve review of a draft of the annual capital improvement plan for the years 2015 through 2019 at the regular Board meeting of Tuesday, April 1, 2014 and further, to establish a public hearing for consideration of the final adoption of the plan at the regular Board meeting of Tuesday, May 6, 2014. Unanimous.

6A. County Highway Engineer David Enblom discussed the request from the City of Lake Shore for Cass County to act as the Trail 77 Phase 1 (a multi-use trail along the southerly portion of CSAH 77) sponsor as part of a grant application to the MNDOT as a Transportation Alternative Project. In addition, Engineer Enblom proposed consideration of Conservation Fund #73 funds to provide some of the matching dollars to the City of Lake Shore not to exceed \$82,000.00 for the Phase 1 project. City of Lake Shore representatives (John Poston, Teri Hastings, Steve Sundstrom) confirmed efforts to provide the balance of any local match required in Phase 1.

Commissioner Dowson offered Resolution No. 05-14 and moved its adoption, Commissioner Gaalswyk seconded:

WHEREAS, the City of Lake Shore has applied for a MnDOT Transportation Alternatives project, and

WHEREAS, this project is identified as Trail 77 Phase 1, and

WHEREAS, part of the MnDOT Transportation Alternatives program Cass County sponsorship of the project is required.

IT IS RESOLVED, that Cass County agrees to act as sponsoring agency for a "Transportation Alternatives" project identified as Trail 77 Phase 1 in Lake Shore and has reviewed and approved the project as proposed. Teri Hastings Sponsorship includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

BE IT FURTHER RESOLVED, that Cass County is hereby authorized to act as agent on behalf of this sponsoring agency.

BE IT FURTHER RESOLVED, that Cass County agrees to allocate up to \$82,000.00 from the Conservation Fund #73 for the City of Lake Shore Trail 77 Phase 1 Project.

Resolution No. 05-14 was adopted by majority vote: Ayes: Downham, Dowson, Gaalswyk, Kangas, Peterson. Nays: None.

Commissioner Gaalswyk offered Resolution No. 06-14 and moved its adoption, Commissioner Downham seconded:

WHEREAS, the Federal Highway Administration (FHWA) requires that states agree to operate and maintain facilities constructed with federal transportation funds for the useful life of the improvement and not change the use of right-of-way or property ownership acquired without prior approval from the Federal Highway Administration, and

WHEREAS, Transportation Alternatives projects receive federal funding, and

WHEREAS, the Minnesota Department of Transportation (MnDOT) has determined that for projects implemented with alternative funds, this requirement should be applied to the project proposer, and

WHEREAS, Cass County is the sponsoring agency for the Transportation Alternatives project identified as Trail 77 Phase 1 in the City of Lake Shore.

THEREFORE BE IT RESOLVED, that the sponsoring agency hereby agrees to assume full responsibility for the operation and maintenance of property and facilities related to the aforementioned Transportation Alternatives project contingent upon the execution a joint powers agreement with the City of Lake Shore.

Resolution No. 06-14 was adopted by majority vote: Ayes: Downham, Dowson, Gaalswyk, Kangas, Peterson. Nays: None.

7. Lieutenant Joel Norenberg and Chief Deputy Sheriff Erick Hoglund discussed the 2013 Cass County jail population trends. Mr. Norenberg added that during 2013 the jail started, on occasion, to drop jail central control to the LEC communications center. Due to staffing issues (personnel out on medical leave) the central control plan previously reported has been limited, however, once back to full staffing will be a priority, and should create significant cost saving to the County by reducing boarding volume. Mr. Hoglund noted that the principle contributors to the jail population trends are illegal drugs and probation violations. By consensus the Board requested that the upcoming Leech Lake Band joint meeting include a discussion of related facility planning. No action necessary at this time .
8. Veterans Service Officer Jeff Woodford reported County staff activity levels, outreach efforts, and training accomplished during 2013. In addition, Mr. Woodford reported that in 2012 the veteran population in Cass County was 3,406 which received federal and state benefits of \$21,070,000. The Cass County veteran's transportation program in 2013 provided 298 riders 79,951 miles of service. No action necessary at this time.
9. County Administrator Yochum confirmed the upcoming meeting schedule:  
  
M/S/P Dowson, Peterson – To approve the 2014 summer schedule for Cass County Board of Commissioner regular meetings: District # 1 - Tuesday, May 20, 2014 Pillager City Hall, 306 Elm Avenue West, Pillager, MN; District # 2 - Tuesday, June 17, 2014 Homebrook Town Hall 3204 88<sup>th</sup> St. SW, Pequot Lakes, MN; District # 3 - Tuesday, July 15, 2014 Crooked Lake Town Hall 6300 Woods Bay Dr. NE, Outing, MN; District # 4 - Tuesday, August 19, 2014 Kego Town Hall (Longville Area Fire Station) 1350 County 5, Longville, MN; District # 5 - Tuesday, Sept. 16, 2014 Otter Tail Peninsula Town Hall, 12325 W. Shores Rd. NW, Cass Lake, MN, and further that all 2014 summer schedule Board meetings will begin at 6:00 p.m. Unanimous.
10. Chairman Kangas adjourned the meeting at 10:45 a.m.

SIGNED: \_\_\_\_\_  
Bob Kangas, Chairman  
Cass County Board of Commissioners

ATTEST: \_\_\_\_\_  
Robert H. Yochum  
Cass County Administrator