

MINUTES OF PINE COUNTY BOARD MEETING
Regular Meeting

Tuesday, December 16, 2014, 10:00 a.m.
Board Room, Pine County Courthouse, Pine City, Minnesota

Chair Curt Rossow called the meeting to order at 10:00 a.m. Present were Commissioners Mitch Pangerl, Steve Chaffee and Matt Ludwig. Commissioner Steve Hallan was absent (excused). Also present were County Attorney John Carlson and County Administrator David Minke.

The Pledge of Allegiance was said.

Chair Rossow called for public comment. Nicci Trierweiler, Kerrick Firefighter's Relief Association, spoke in support of the current emergency management structure.

Chair Rossow requested the following revisions to the Agenda:

Addition to Consent Agenda Item #2: Addition of two tobacco licenses

Addition to Regular Agenda Item #4: Recognize resignation of payroll clerk and authorize backfill

Correction to Regular Agenda Item #11: Planning Commission member Pat McCarthy to correctly reflect District 3

Correction to Regular Agenda Item #14: Replace TSA five-year contract with one-year contract

Addition to Regular Agenda Item #17: A. Ditch #2 discussion; B. Consider Scheduling of Special Meeting for consideration of labor agreements.

Commissioner Ludwig moved to approve the amended Agenda. Second by Commissioner Chaffee. Motion carried 4-0.

Commissioner Chaffee moved to approve the Minutes of the December 2, 2014 county board meeting and Summary for publication. Second by Commissioner Pangerl. Motion carried 4-0.

Commissioner Pangerl moved to approve the Minutes of the December 4, 2014 Truth in Taxation meeting for publication. Second by Commissioner Ludwig. Motion carried 4-0.

Minutes of Boards, Committees and Correspondence

Pine County Soil & Water Conservation District Board Meeting Minutes – November 6, 2014

Pine County Probation Advisory Committee Meeting Unapproved Minutes – November 25, 2014

Commissioner Chaffee moved to acknowledge the Minutes of Boards, Committees and Correspondence. Second by Commissioner Ludwig. Motion carried 4-0.

Commissioner Chaffee moved to approve the Consent Agenda. Second by Commissioner Ludwig. Motion carried 4-0.

CONSENT AGENDA

1. Approve November, 2014 Cash Balance

| Fund | November 30, 2013 | November 30, 2014 | Increase(Decrease) |
|--------------------------------|--------------------------|--------------------------|---------------------------|
| General Fund | 2,867,387.47 | 3,420,714.55 | 553,327.08 |
| Health and Human Services Fund | 1,289,936.43 | 526,037.83 | (763,898.60) |
| Road and Bridge Fund | 3,772,405.24 | 2,091,342.27 | (1,681,062.97) |
| Land Management Fund | 1,731,329.05 | 2,083,037.84 | 351,708.79 |
| TOTAL (inc non-major funds) | 10,946,247.11 | 9,661,450.42 | (1,284,796.69) |

2. Tobacco Licenses

Approve the following January 1-December 31, 2015 tobacco licenses and authorize Board Chair to sign: Banning Junction, Beroun Crossing Market, Chengwatana Country Club, Chris' Food Center (2), Sandra & Francis Collins DBA: Off the Road Bar & Grill, Crossroads Convenience Store, Cypress Inn, Daggett's Super Valu, Dave's Oil Corp, Denham Run Bar & Grill, Duquette General Store, Family Dollar Store-Sandstone, Finlayson Municipal Liquor Store, Froggies, Heidelberger's Rock Creek Motor Stop, Hinckley Firehouse Liquor, Holiday Station Stores #6, 226 and 258 (3), Kurt's Station, Little Stores (2), Main Street Grocery, Nickerson Bar & Motel, Inc., Northland E-Cigs, Petry's Bait Company, Pump N Munch, Pokegama Liquors, Quarry Store, Rich's Bar, Sandstone Petro Plus, Slim's Service, Inc., Squirrel Cage, Stogies Discount Tobacco, Sturgeon Lake Golf Course, Super America #4500, Super Smokes Inc., Tank's Tavern, Tobies Station, Inc., Wal-Mart Supercenter #2367, Wanna Video, West Beroun Liquors.

3. Off-Site Gambling

Approve application by Hinckley-Pine City Flames Snowmobile Club to conduct off-site gambling from February 11-14, 2016 at Grand Casino-Hinckley, 777 Lady Luck Dr., Hinckley, MN (Barry Twp).

4. Resolution for Repurchase of Tax Forfeited Land

Approve Resolutions 2014-50 (PID 17.0319.011) and 2014-51 (PID 17.0319.017) for Repurchase of Tax Forfeited Land on a 10-year contract, Kelly Billings, and authorize Board Chair and County Auditor to sign.

5. Hiring

Approve the hiring of Nicole Ollig, Chief Deputy Auditor-Treasurer (C51), \$25.00 per hour, effective January 5, 2015, contingent upon successful completion of pre-employment screenings.

6. Transfer of Corrections Officers

- A. Approve promotion of part-time Corrections Officer Cody Overton to full-time Corrections Officer, effective December 14, 2014. No change in grade or wage (B23, step 3, \$16.04 per hour).
- B. Approve promotion of part-time Corrections Officer Travis Keller to full-time Corrections Officer, effective December 14, 2014. No change in grade or wage (B23, step 3, \$16.04 per hour).

7. Training

- A. Approve attendance by Land Services Director Kelly Schroeder to the third of five required courses, Basic Design of Onsite Systems, February 3-6, 2015 in Alexandria. Course cost: \$435, \$178.77 hotel cost, and \$123.20 mileage. Total cost: \$736.97.
- B. Approve attendance by Land Services Director Kelly Schroeder to the Aquatic Invaders Summit, January 20-21, 2015 at the Rivers Edge Convention Center, St. Cloud. Registration: \$150.
- C. Approve attendance by County Engineer Mark LeBrun to the 70th Annual Minnesota County Engineers Conference, January 20-23, 2015 at Cragun’s Resort, Brainerd. Total cost: \$800.40.

REGULAR AGENDA

1. Recognition of Commissioner Mitch Pangerl

Board Chair Rossow presented Commissioner Pangerl with a Certificate of Appreciation in recognition and appreciation of his service as District 2, Pine County Commissioner, January 4, 2011-January 5, 2015.

2. Recognition of Retirement – John K. Carlson

Board Chair Rossow presented County Attorney John Carlson with a retirement clock and recognized and thanked him for his 34 years of service to Pine County.

3. Recognition of Board Chair Curt Rossow

Vice-Chair Steve Chaffee presented Chair Rossow with a Certificate of Appreciation in recognition and appreciation of his service as Chair of the Pine County Board of Commissioners for the year 2014.

4. Facilities Committee

Commissioner Pangerl provided an overview of the December 3, 2014 Facilities Committee meeting. Informational only--no board action is necessary. Commissioner Pangerl stated some sunshades have been installed on the windows in the atrium of the courthouse with positive results.

5. Personnel Committee

The Personnel Committee met December 10, 2014 and made the following recommendations:

- A. Approve a 1.5% Cost-of-Living increase for non-union employees and the 2015 pay scale, effective January 1, 2015.

Motion by Commissioner Chaffee to approve a 1.5% Cost-of-Living increase for non-union employees, and approve the 2015 pay scale, effective January 1, 2015. Second by Commissioner Rossow. Motion carried 4-0.

- B. Approve the 2015 Pay Matrix.

Discussion was had regarding the pay matrix. The matrix is a tool for supervisors to use in determining non-union employee performance increases.

Motion by Commissioner Ludwig to approve the 2015 non-union performance increase matrix as follows:

| <u>All Classifications</u> | <u>Percentage</u> |
|----------------------------|-------------------|
| Outstanding | up to 6% |
| Exceeds Requirements | up to 5% |
| Fully Capable | up to 4% |

Needs Improvement up to 1%
Unsatisfactory 0%

Second by Commissioner Chaffee. Motion carried 4-0.

- C. Approve Resolution 2014-44 Setting 2015 Salaries for Elected Officials and authorize Board Chair and County Administrator to sign.
Motion by Commissioner Chaffee to approve Resolution 2014-44 Setting 2015 Salaries for Elected Officials as follows: County Auditor/Treasurer \$83,000, County Sheriff \$83,500, and County Attorney \$85,000. Second by Chair Rossow. Motion carried 4-0.
- D. Consider approval of Resolution 2014-45 Establishing 2015 County Commissioner Compensation and Per Diem and authorize Board Chair and County Administrator to sign.
Commissioner Chaffee stated commissioner compensation remains unchanged from last year (\$21,208), however the per diem is an increase from \$75 to \$100. The resolution also includes the mileage reimbursement rate for 2015 to be followed at the federal IRS rate.
Motion by Commissioner Chaffee to approve Resolution 2014-45 Establishing 2015 County Commissioner Compensation and Per Diem. Second by Chair Rossow. Motion carried 4-0.
- E. Set 2015 health insurance monthly contributions for CMM 1000, CMM 1500 and VEBA, single: \$570.50 and family \$1,143.55.
Motion by Commissioner Chaffee to set the 2015 county monthly contribution for health insurance for settled contracts and for non-union employees for CMM 1000, CMM 1500 and VEBA as follows: Single \$570.50, Family: \$1,143.55. Second by Chair Rossow. Motion carried 4-0.
- F. County Administrator David Minke informed the board of the resignation of Payroll Clerk Susie Fore effective December 30, 2014 and requested backfill of the position. The board thanked Ms. Fore for her service to the county.
Motion by Commissioner Chaffee to recognize the resignation of Payroll Clerk Susie Fore (B23), effective December 30, 2014, approve a backfill of the position and consider temporary options until the position is filled. Second by Chair Rossow. Motion carried 4-0.

6. 2015 Pine County Property Tax Levy and Budget

County Administrator Minke presented the 2015 Pine County property tax levy at \$15,199,541 and 2015 operating budget.

Motion by Commissioner Rossow to approve Resolution 2014-48 Establishing the 2015 Pine County Property Tax Levy at \$15,199,541 and authorize Board Chair and County Administrator to sign. Second by Commissioner Chaffee. Commissioner Pangerl requested a roll call vote.

District 4/Rossow-yes, District 5/Ludwig-yes, District 1/Hallan-absent, District 2/Pangerl-no, District 3/Chaffee-yes. Motion carried 3-1.

Motion by Commissioner Rossow to approve Resolution 2014-49 Adopting the 2015 Pine County Operating Budget and authorize Board Chair and County Administrator to sign. Second by Commissioner Chaffee. Commissioner Pangerl requested a roll call vote. District 5/Ludwig-yes, District 1/Hallan-absent, District 2/Pangerl-no, District 3/Chaffee-yes, District 4/Rossow-yes. Motion carried 3-1.

7. November Budget Update

County Administrator David Minke provided an update of the budget through November, 2014 reviewing the expenditure and revenue of the major funds through November. All major funds show actual revenue greater than expenditures.

8. 2014 Budget Amendment/Supplemental Appropriation.

County Administrator David Minke provided an overview of appropriations necessary for 2014 to account for items not budgeted for in the initial 2014 budget. Discussion was held regarding the boarding fees of inmates in the jail. Follow up with Sheriff-elect Nelson and Jail Administrator Boland was recommended.

Motion by Commissioner Chaffee to approve the following 2014 budget adjustments:

| <u>Account</u> | <u>Amount</u> | <u>Description</u> |
|----------------------------------|------------------|--|
| 01.801.6905-Revenue Fund | -62,178 | Transfer Out- Reimburse Building Fund for old jail demo |
| 38.801.5990-Building Fund | 62,178 | Transfer In-2015 Building Fund levy to be transferred to General Revenue as taxes are paid in 2015 |
| 01.073.5233-DNR Grant | 1,368,828 | FEMA/DNR Flood Buyout Grant |
| 01.073.5403-FEMA Grant | <u>4,106,484</u> | |
| | 5,475,312 | |
| 01.073.5245 | 4,634,912 | Property Acquisition |
| 01.073.6247 | 80,000 | Legal/Closing Costs |
| 01.073.6258 | <u>760,000</u> | Demo/Restoration Costs |
| | 5,475,312 | |
| 01.074.5302 | 59,020 | Aquatic Invasive Species Grant |
| 01.074.6803 | -59,020 | |
| 01.251.5505-Prisoner Brd. Fees | 160,000 | Jail Adjustments due to Additional Prisoner Boarding |
| 01.251.6241-Conference, Training | 2,000 | |
| 01.251.6275-Medical Service | 110,000 | |
| 01.251.6310-Bldg. System Maint. | 18,000 | |
| 01.251.6313-Prisoner Clothing | 7,000 | |
| 01.251.6420-Food/Beverage | <u>23,000</u> | |
| | 160,000 | |
| 01.251.5869-Canteen Revenue | 25,000 | |
| 01.251-6461-Canteen Expense | 25,000 | |

Second by Commissioner Pangerl. Motion carried 4-0.

9. Law Enforcement Services Contract Update

Sheriff-elect Jeff Nelson updated the board on the status of the law enforcement service contracts with the cities of Pine City, Hinckley and Sandstone.

10. Pine Government Center Lease

Commissioner Pangerl indicated the City of Pine City has accepted the lease as presented to their city council, currently (2014) \$35,000 per year for the main floor, with an annual increase of \$5,000, until 2019 when the lease amount will be \$60,000. Discussion was held regarding custodial services provided by the county, snow removal and outside building maintenance.

Motion by Commissioner Pangerl to approve the five-year lease with the City of Pine City for the Pine Government Center. Second by Commissioner Ludwig. Motion carried 4-0.

11. Northeast Minnesota Regional Advisory Committee (RAC)

County Administrator Minke indicated county sheriffs are typically appointed to represent their respective counties on this committee. Commissioner Hallan, who is the county board's appointment to this organization, recommends Sheriff-Elect Jeff Nelson be appointed to this committee.

Motion by Commissioner Ludwig to appoint Sheriff-Elect Jeff Nelson to the Northeast Minnesota Regional Advisory Committee (RAC) effective immediately. Second by Commissioner Pangerl. Motion carried 4-0.

12. Planning Commission/Board of Adjustment Appointments

County Administrator Minke explained in reviewing the appointments for the 2015 Planning Commission and Board of Adjustments, Land Services Director Kelly Schroeder realized that our appointees are out of sync in terms with the appointments for the districts. Schroeder recommends that the appointments and terms be made to bring us into compliance with the ordinance. All of the members who are recommended for appointment are agreeable to those appointments.

Motion by Commissioner Chaffee to appointment the following members to the Planning Commission and Board of Adjustment for the terms indicated:

| | | |
|----|------------------------------|--------------------------------------|
| A. | <u>Planning Commission:</u> | <u>Term:</u> |
| | Skip Thomson (District 2) | January 1, 2016 to December 31, 2017 |
| | Richard Glattly (District 4) | January 1, 2016 to December 31, 2017 |
| | Jeff Shute (District 5) | January 1, 2016 to December 31, 2017 |
| | Pat McCarthy (District 3) | January 1, 2014 to December 31, 2015 |
| | Scott Jensen (At Large) | January 1, 2015 to December 31, 2018 |
| B. | <u>Board of Adjustment:</u> | <u>Term:</u> |
| | Tom Mestemacher (District 3) | January 1, 2014 to December 31, 2017 |
| | Carolyn Tuckner (District 1) | January 1, 2014 to December 31, 2017 |

Second by Commissioner Pangerl. Motion carried 4-0.

13. Timber Development

County Auditor Cathy-Clemmer explained at the end of 2013 the county reduced the amount of receipt from tax forfeited land sales from 10 to 0 percent to help the general fund. Statute allows the county to set aside a percentage of those receipts to be reserved only for timber development. Throughout 2014 that amount has been 0; Clemmer stated the timber development fund is healthy and requested the board reaffirm the 0 receipts in 2014 and revisit the issue in mid-2015 to see if adjustments are necessary at that time.

Motion by Commissioner Chaffee to reaffirm the zero allocation of tax forfeited receipts for 2014 for timber development and to revisit the issue in mid-2015 for adjustments if necessary. Second by Commissioner Ludwig. Motion carried 4-0.

14. Medical Transportation Costs

Health & Human Services Director Becky Foss provided an explanation of medical transportation costs paid to Attaboy Taxi Service to follow up the Truth in Taxation meeting discussion. Foss stated in 2012 \$95,000 was paid to Attaboy Taxi, \$75,000 in 2013, and \$0 in 2014. Due to a decreased reimbursement rate, Attaboy is unwilling to provide services at the decreased rate.

Health and Human Services now relies on volunteer drivers and the use of family members when possible.

15. Therapeutic Services Agency (TSA) Host County Contract—January 1, 2015 through December 31, 2015

Health & Human Services Director Becky Foss stated this contract is for therapeutic foster care. **Motion** by Commissioner Chaffee to approve the 2015 host county contract with Therapeutic Services Agency (TSA) and authorize Board Chair and HHS Director to sign. Second by Commissioner Pangerl. Motion carried 4-0.

16. Minnesota Counties Intergovernmental Trust (MCIT) 2013 Annual Report

County Administrator Minke provided an overview of the 2013 Annual Report, stating the trust is doing well. Pine County received an Outstanding Performance in Workers' Compensation Division annual MCIT award.

17. Commissioner Update

Soil & Water Conservation District: Commissioner Ludwig stated reviewing of resumes is taking place for Sam Martin's position; interviews will be in late January, early February.

AMC Conference: Administrator Minke provided an update of the Association of Minnesota Counties Conference stating action was taken on the legislative platform for 2015.

East Central Regional Library Board: Commissioner Chaffee stated the location of the library headquarters is undecided.

Community Health Board: Commissioner Chaffee deferred to HHS Director Foss for comment. Foss stated that issues that need to be resolved are minor in the scope of things.

Economic Development Meeting: Administrator Minke stated Springsted will have a draft plan to the board by early January for review and will be presented formally to the board January 20, 2015.

Central Minnesota Jobs and Training: No report, Commissioner Hallan absent.

East Central Regional Development Commission: Administrator Minke stated he was aware Commissioner Hallan attended this meeting and that discussion was held as to services provided to senior citizens.

Other: County Attorney Carlson stated Attorney-Elect Frederickson and he attended the County Attorney Association Annual Conference.

18. Other

A. Ditch 2: Topic continued to next meeting due to absence of Commissioner Hallan.

B. Special Meeting: Administrator Minke reported a tentative agreement with four AFSCME-represented non-essential groups (Sheriff's Office Administrative, Highway Maintenance Workers, Health & Human Services workers, and courthouse workers) and requested the scheduling of a special meeting to consider approval of the contracts. A Special Meeting is scheduled for December 30, 2014 at 9:00 a.m. to consider contracts.

19. Upcoming Meetings

Upcoming meetings were reviewed.

20. Closed Meeting

Motion by Commissioner Chaffee to close the meeting pursuant to M.S. 13D.05, Subd. 3(b) for the purpose of discussion of pending litigation including: 1) Notice of Claim from bankruptcy

trustee regarding Five County Mental Health Centers (Riverwood); 2) Kelly Marie Engebretson vs. Pine County et al.; and 3) Jessica Leah Kampschroer and Cory Patrick Kampschroer vs. Pine County, et al. Second by Commissioner Ludwig. Motion carried 4-0.

Meeting was closed at 11:20 a.m. Present at the closed meeting were Commissioners Rossow, Chaffee, Pangerl and Ludwig. Absent was Commissioner Hallan. Also present were County Attorney John Carlson, County Attorney-Elect Reese Frederickson, County Health & Human Services Director Becky Foss, and County Administrator David Minke.

Motion by Commissioner Pangerl to end the closed meeting. Second by Commissioner Chaffee. Motion carried 4-0.

Motion by Commissioner Chaffee to open the meeting. Second by Commissioner Ludwig. Motion carried 4-0. Meeting was opened at 12:15 p.m.

21. Sale of \$13,430,000 General Obligation Refunding Bonds, Series 2015A

Ehlers Senior Financial Advisor Todd Hagen reported six bids were received . The lowest bidder was UBS Financial Services Inc.

Motion by Commissioner Chaffee to approve Resolution 2014-52 Authorizing Issuance, Awarding Sale, Prescribing the Form and Details for Payment of \$13,430,000 General Obligation Refunding Bonds, Series 2015A. Second by Commissioner Pangerl. Motion carried 4-0.

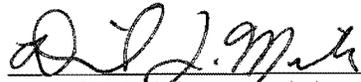
Motion by Commissioner Pangerl to approve the Escrow Agreement with US Bank National Association, St. Paul, Minnesota. Second by Commissioner Ludwig. Motion carried 4-0.

22. Adjourn

With no further business, Chair Rossow adjourned the county board meeting at 12:41 p.m. The next regular meeting of the county board is scheduled for January 6, 2015 at 1:00 p.m. at the Public Health Building, Sandstone, Minnesota.



Curt H. Rossow, Chair
Board of Commissioners



David J. Minke, Administrator
Clerk to County Board

Stephen M. Hallan, Chair