

**MINUTES OF PINE COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING and COMMITTEE OF THE WHOLE
Highway and Road Tour
Tuesday, May 24, 2016, 9:00 a.m.
Pokegama Town Hall
18336 Town Hall Road, Pine City, Minnesota**

Chair Curt Rossow called the meeting to order at 9:02 a.m. Present were Commissioners Steve Hallan, Josh Mohr, Steve Chaffee, and Matt Ludwig. Also present were County Attorney Reese Frederickson, County Engineer Mark LeBrun, and County Administrator David Minke.

Also present: Township Vice Chairman Henry Fischer, Township Sewer Supervisor Dean Swenson, Township Administrative Clerk Susan Alderink, Township Zoning Administrator Gordon Johnson, and Traci LeBrun, media.

The Pledge of Allegiance was said.

Commissioner Hallan moved to approve the Agenda. Second by Commissioner Ludwig. Motion carried 5-0.

Pokegama Township Vice Chairman Fischer welcomed the board and provided an overview of the demographics and concerns of Pokegama Township. Zoning Administrator Johnson inquired of services the county could provide for Pokegama Township as to blight concerns. Commissioner Hallan commented as to Fischer's concerns.

1. Jurisdictional Transfer Guidelines

County Engineer LeBrun reviewed the dead-end county roads considered for transfer to the townships. The county has established a one-time payment of \$10,000/mile of turnback in lieu of a two-year maintenance obligation. LeBrun also reviewed the proposed road exchanges between the county and townships, and identified the roads for designation change -- state aid roads/county roads and swapping our state aid designation--proposed 7.25 removed from county state aid designation and 7.00 added to the county state aid designation.

Discussion was held as to the exchange of Homestead Road/township for a county road. It was the consensus of the board that Engineer LeBrun put together a list of roads for exchange and designation changes, and projects, and bring the proposal to the Transportation Committee for consideration.

2. Ten-Ton Paving System

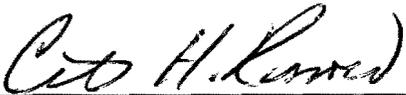
County Engineer LeBrun distributed a map identifying 10, 9 and 7 ton roads, providing an overview of upcoming roads projects. LeBrun stated his goal is to have a complete 10-ton paved system within seven years. Approximately two-thirds of the 450 miles roads of paved roads are now at the 10-ton designation. LeBrun addressed funding to be able to complete the 10-ton paved system.

3. Discussion of County Road Projects and Funding Options

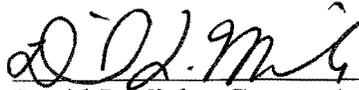
County Engineer LeBrun distributed proposed road projects for 2017, 2018 and 2019, totaling approximately \$7.5 million. If the county continues with only wheelage tax funding, an approximate \$150,000 shortage will occur for paying a 20-year bond. LeBrun provided three options: (1) Levy the difference and not change anything; (2) Increase the wheelage tax to \$15 per vehicle (would pay for a 20-year bond); or (3) eliminate the wheelage tax and incorporate a sales tax (\$750,000 estimated per year from sales tax). LeBrun reviewed the advantages and disadvantages of a sales tax and recommended the elimination of the wheelage tax and going forward with the sales tax, stating more road projects could be added, bonded, and paid off in a 10-year period versus 20 years. LeBrun stated sales tax can only be for a 10-year duration and a capital improvements plan for projects must be in place. It was the consensus of the board that LeBrun put together a plan based on the sales tax, projected projects, and projections for a 10-year bond and bring this back to the Transportation Committee for consideration.

At 10:25 a.m. the board boarded a bus for the road tour. The tour included areas of the southern one-half of the county. The bus returned to the town hall at 11:55 a.m.

With no further business, Chair Rossow adjourned the meeting at 12:00 p.m.



Curt H. Rossow, Board Chair
Pine County Board of Commissioners



David J. Minke, County Administrator
Clerk to Pine County Board of Commissioners