

OFFICIAL PROCEEDINGS OF THE COUNTY BOARD OF NOBLES COUNTY, MINNESOTA

The County Board of Nobles County met in regular session this 8th day of November, 2016, in the Board of Commissioners Room, at the Nobles County Government Center, Worthington, Minnesota. The following Commissioners were in attendance: Marvin Zylstra, Gene Metz, Matt Widboom, Robert Demuth Jr. and Donald Linssen.

The Pledge of Allegiance to the flag was recited.

On a motion by Matt Widboom and seconded by Marvin Zylstra, it was duly passed to approve the agenda.

Shaina Stein, Social Worker, was acknowledged as the recipient of the Nobles County Excellence in Performance Award.

On a motion by Robert Demuth Jr. and seconded by Matt Widboom, it was duly passed to approve the consent agenda.

- 5.1 October 18, 2016 Regular Meeting Minutes
- 5.2 Meetings & Conferences - Travel Expenses
- 5.3 Auditor's and Commissioner's Warrants

On a motion by Matt Widboom and seconded by Donald Linssen, it was duly passed to open the public hearing to review, discuss and consider the proposed property tax abatement requests for South Lake Development LLC (Nicholas Hagen and Allen Drost) and North Development Group LLC.

Abraham Algadi, Worthington Regional Economic Development Corporation, reviewed the proposals for the tax abatement requests for construction of new residential market rate rental housing.

No public comments were received.

On a motion by Robert Demuth Jr. and seconded by Donald Linssen, it was duly passed to close the hearing.

On a motion by Robert Demuth Jr. and seconded by Marvin Zylstra, it was duly passed to adopt the following resolution number 201651 approving tax abatement for certain property pursuant to Minn. Stat. 469.1813:

WHEREAS, Minnesota Statute 469.1813 gives authority to the County of Nobles to grant an abatement of property taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, the Nobles County has adopted the Nobles Home Initiative guidelines which must be met before an abatement of taxes will be granted for residential development; and

WHEREAS, South Lake Development LLC (Nicholas Hagen and Allen Drost) are the owners of certain property within Nobles County, legally described as follows:

Parcel ID: 31-4003-400 SECT-34 TWP-102 RANG-40 Triangular Tract in NW ¼ of NE ¼ North of Railroad except .89 acre tract, Acres 6.50

WHEREAS, Nicholas Hagen has made application to Nobles County for the abatement of taxes as to the above-described parcel; and

WHEREAS, South Lake Development LLC has met the statutory requirements outlined under Minnesota Statute 469.1813 Subdivision 1(1) and Subdivision 2(i) as well as the County's Nobles Home Initiative guidelines for tax abatement;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF NOBLES COUNTY, MINNESOTA:

1. The Nobles County does, hereby grant an abatement of Nobles County share of real estate taxes upon the above-described parcel for the construction of two new single family rental townhomes.
2. The tax abatement will be for no more than five years commencing on the first year of taxes payable for the assessed value(s) related to the capital improvements outlined in Paragraph 1.
3. The County shall provide the awarded abatement payment following payment of due real estate taxes annually. One single payment shall be made to the owner of record by December 30th of that calendar year.
4. The tax abatement shall be for the residential capital improvements only. Land values and the current base value are not eligible and will not be abated.
5. The abatement shall be null and void if construction is not commenced within 6 months of the approval of this resolution or if real estate taxes are not paid on or before the respective payment deadlines annually.

On a motion by Donald Linssen and seconded by Matt Widboom, it was duly passed to adopt the following resolution number 201652 approving tax abatement for certain property pursuant to Minn. Stat. 469.1813:

WHEREAS, Minnesota Statute 469.1813 gives authority to the County of Nobles to grant an abatement of property taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, Nobles County has adopted the Nobles Home Initiative guidelines which must be met before an abatement of taxes will be granted for residential development; and

WHEREAS, North Development Group LLC is the owner of certain property within Nobles County, legally described as follows:

Parcel ID: 31-3845-000 SECT-13 TWP-102 RANG-40 11.36 Acres in NE ¼ SW ¼ South of I-90

WHEREAS, Michael Risselada, AIA, North Development Group, has made application to Nobles County for the abatement of taxes as to the above-described parcel; and

WHEREAS, North Development Group LLC has met the statutory requirements outlined under Minnesota Statute 469.1813 Subdivision 1(1) and Subdivision 2(i) as well as the County's Nobles Home Initiative guidelines for tax abatement;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF NOBLES COUNTY, MINNESOTA:

1. The Nobles County does, hereby grant an abatement of Nobles County share of real estate taxes upon the above-described parcel for the construction of 72 market rate rental housing units.
2. The tax abatement will be for no more than five years commencing on the first year of taxes payable for the assessed value(s) related to the capital improvements outlined in Paragraph 1.
3. The County shall provide the awarded abatement payment following payment of due real estate taxes annually. One single payment shall be made to the owner of record by December 30th of that calendar year.
4. The tax abatement shall be for the residential capital improvements only. Land values and the current base value are not eligible and will not be abated.
5. The abatement shall be null and void if construction is not commenced within 6 months of the approval of this resolution or if real estate taxes are not paid on or before the respective payment deadlines annually.

Wayne Smith, Environmental Services Director, presented the Board with information and a recommendation in the area of a conditional use permit. Brian Ammerman, Project Resources, was present to answer questions.

On a motion by Matt Widboom and seconded by Gene Metz, it was duly passed to approve Conditional Use Permit #31-2016 to Nobles 2 Power Partners, Minneapolis MN and Dave Henning, landowner, for construction of a 330' guyed meteorological tower located on a parcel of land in the E ½ NE ¼, Section 25, TWP 104, Range 43 (Leota Township).

Joyce Jacobs, Emergency Management Director, and Kent Wilkening, Sheriff, presented the Board with information and recommendations in the area of a Memorandum of Agreement between Nobles County Emergency Management and the Federal Emergency Management Agency (FEMA) to use the Integrated Public Alert and Warning System (IPAWS) Program Management Office.

On a motion by Marvin Zylstra and seconded by Matt Widboom, it was duly passed to authorize the County Administrator to sign the Memorandum of Agreement between Nobles County Emergency Management and the Federal Emergency Management Agency Integrated Public Alert and Warning System (IPAWS) Program Management Office for the use of the Nobles County Emergency Management Interoperable System(s) and IPAWS OPEN platform for Emergency Networks.

Joyce Jacobs and Cecilia Bofah, Employee Wellness and Recognition Committee Members, presented the Board with information and recommendations in the area of revisions to the Employee Wellness and Recognition Program Policy.

The Committee members advised the Board of changes and answered questions about increasing the EWR membership by adding a Commissioner as an ex-officio member at requested meetings, encouragement of using subcommittees/volunteers to carry out activities, clarifying that participation is voluntary and not covered by workman's compensation, recognizing employees for years of service at a County Board meeting during the month of employee's anniversary and at the annual celebration, changing Excellence in Performance to include a "Create Your Own Award" which recognizes employees for doing great things in the Community, changing the annual EIP Club Breakfast to be an EIP event for more flexibility of a brunch, luncheon, etc.

Commissioner Metz expressed his concern with stating a minimum budget amount of \$6,000 under the Funding/Budget section.

Ms. Jacobs advised that was a recommendation made from one of the committees who reviewed the policy but explained that the biggest source of funding is through the South West/West Central Service Cooperative.

Administrator Johnson recommended that it needs to be part of the budget process and does not agree that an amount be listed in policy. The Finance Director is able to assist in budget requests for the budget process. Mr. Johnson also questioned if during the budget process the revenue dollars from the Cooperative should be added into the budget.

Commissioner Widboom expressed his concern with having a Commissioner as an ex-officio member only at requested meetings and not on a more consistent basis, concern with expanding the number of members on the committee due to the amount of work and the meeting times during work time.

Ms. Jacobs advised the Committee understands the Commissioners have busy schedules and may not be able to make a commitment for regularly scheduled meetings. Ms. Jacobs also advised that the Committee will try to distribute workloads with subcommittees and volunteers.

The consensus of the Board was to make the following revisions:

1. Strike out "and will not be expected to attend meetings except when requested by a member of the committee" under Committee Composition in the 3rd paragraph regarding a Nobles County Commissioner.
2. Strike out "with a minimum of \$6,000" in the first sentence under Funding/Budget.
3. Strike out "County Administrator" and replace with "Budget Committee" in the second sentence under Funding/Budget.

On a motion by Robert Demuth Jr. and seconded by Marvin Zylstra, it was duly passed to approve the Employee Wellness and Recognition Program policy with the 3 revisions as discussed.

Stacie Golombiecki, Community Services Director, presented the Board with information and recommendations in the area of a Grant Contract for Community Support Services with the Minnesota Department of Human Services.

On a motion by Matt Widboom and seconded by Donald Linssen, it was duly passed to approve the State of Minnesota Department of Human Services County Grant Contract in the amount of \$247,382.00 between the State of Minnesota acting through its Department of Human Services Mental Health Division and the County of

Nobles for the provision of providing community support services. A copy of the Grant Contract was before the Board and is made a part of this resolution by reference.

Terri Janssen, Public Health Director/CHS Administrator; Cecilia Bofah, Health Educator; Christine Bullerman, Community Wellness Coordinator; and Linda Bauch-Todd, MDH Public Health Nurse Consultant; presented the Board with information on the 2016 Performance-Related Accountability Report per Minnesota Statute 145A.131.

Sue Luing, HR Director/Deputy County Administrator, presented the Board with information and recommendations in the area of personnel.

On a motion by Donald Linssen and seconded by Marvin Zylstra, it was duly passed to approve the Public Health Specialist job description and associated point value.

On a motion by Robert Demuth Jr. and seconded by Matt Widboom, it was duly passed to approve revised Policy P-216 Non Pension Benefits as submitted.

On a motion by Marvin Zylstra and seconded by Donald Linssen, it was duly passed to approve the voluntary Wellness Institute Pilot Program for 2017; and further, to authorize Sue Luing, HR Director/Deputy County Administrator, to sign the Letter of Agreement for Wellness Institute Services on behalf of Nobles County. A copy of the Letter of Agreement for Wellness Institute Services was before the Board and is made a part of this resolution by reference.

On a motion by Robert Demuth Jr. and seconded by Marvin Zylstra, it was duly passed to approve Personnel Policy P-248 Wellness Institute Pilot Program as presented.

Tom Johnson, County Administrator, presented the Board with information and a recommendation on an Affidavit of Lost Warrant on behalf of the Auditor-Treasurer.

On a motion by Robert Demuth Jr. and seconded by Matt Widboom, it was duly passed to approve the issuance of the duplicate warrant for \$4,079.66 to Positive Promotions.

Jerry Vyskocil, Finance Director, presented the Board with information and a recommendation in the area of the GASB-45 2017 Actuarial Update.

On a motion by Marvin Zylstra and seconded by Gene Metz, it was duly passed to authorize the County Administrator to sign, on behalf of Nobles County, a Service Agreement between Nobles County and the Howard E. Nyhart Company, Inc. authorizing them to provide the full GASB 45 Actuarial update. A copy of the Agreement was before the Board and is made a part of this resolution by reference.

Stephen Schnieder, Public Works Director/County Engineer, presented the Board with information and recommendations in the area of snow removal services for downtown County facilities, speed limit determinations by MN/DOT and the ADA Transition Plan.

Mr. Schnieder presented the Board with quotes received for snow removal services for the parking areas at the Government Center and Library.

<u>Name</u>	<u>Library</u>	<u>Gvt Ctr</u>
Lee Snow Removal, Worthington, MN	\$ 75	\$ 225
Greg Gruis, Rushmore, MN	\$ 105	\$ 275
Mike's Mini Excavating, Okabena, MN	\$ 155	\$ 375

On a motion by Donald Linssen and seconded by Robert Demuth Jr., it was duly passed to award the contract for Parking Lot Snow Removal Services for Downtown County Facilities to Lee Snow Removal for a one year period as lowest responsible bidder. The contract was before the Board and is made a part of this resolution by reference.

Mr. Schnieder advised the Board on the speed limit determinations by MN/DOT on CSAH 13 and 25 at the cities of Rushmore and Wilmont. The Board authorized the speed study requests at their March 22nd and May 3rd meetings of 2016. Mr. Schnieder advised that based on the traffic studies performed the Department of

Transportation did not find any warrants for changing the speed limits or for changing the location of the beginning or ending of the speed zones.

Mr. Schnieder advised the Board an approved ADA Transition Plan will be required in the future to be able to apply for and receive federal transportation funding. Nobles County either needs to have their ADA Transition Plan adopted or be substantially working toward completing their plan to apply for federal funding starting in the 2018-2019 funding year. If this requirement isn't met, no application for federal funding will be approved. The Plan requires a survey and an inventory of all ADA features along the roadways that do not meet current standards. It also requires a time frame for bringing all features into compliance.

George Eilertson, Northland Securities, Inc., and Stephen Schnieder, Public Works Director/County Engineer, presented the Board with information and recommendations in the area of State-Aid Road Bonding to allow completion of a number of projects in 2017. Mr. Eilertson and Mr. Schnieder advised the General Obligation State-Aid Road Bonds are defined by Minnesota Statute 162.181 and can only be used for state-aid highways in the County and they do not count toward the County's net debt limit. The debt service for the bonds comes directly from the annual state allocations for funding. The bond principle is paid from the state-aid construction allotment and the interest is paid directly from the state-aid maintenance allotment.

The Board was advised that favorable oil prices, historical interest rates and the County's bond rating of AA+ make this the opportune time for the state-aid bonding.

On a motion by Marvin Zylstra and seconded by Matt Widboom, it was duly passed to approve the following resolution number 201653:

RESOLUTION RELATING TO \$10,000,000 GENERAL OBLIGATION STATE AID ROAD
BONDS, SERIES 2016A; AUTHORIZING THE ISSUANCE AND CALLING FOR THE SALE
THEREOF

BE IT RESOLVED by the Board of Commissioners of Nobles County, Minnesota (the County), as follows:

SECTION 1. Purpose. It is hereby determined to be in the best interests of the County to issue its General Obligation State Aid Road Bonds, Series 2016A (the Bonds), in the aggregate principal amount of \$10,000,000, pursuant to Minnesota Statutes, Section 162.181 and Chapter 475. The proceeds of the Bonds will be used, together with any additional funds of the County which might be required, to finance state-aid road improvement projects within the County (the Projects).

SECTION 2. Terms of Proposal. Northland Securities, Inc., municipal advisor to the County, has presented to this Board a form of Notice of Sale for the sale of the Bonds which is attached hereto and hereby approved and shall be placed on file by the County Administrator. Each and all of the provisions of the Notice of Sale are hereby adopted as the terms and conditions of the Bonds and of the sale thereof. Northland Securities, Inc. is hereby authorized to solicit proposals for the Bonds on behalf of the County on a competitive basis.

SECTION 3. Sale Meeting. This Board shall meet at the time and place shown in the Notice of Sale, for the purpose of considering sealed proposals for the purchase of the Bonds and of taking such action thereon as may be in the best interests of the County.

On a motion by Robert Demuth Jr. and seconded by Donald Linssen, it was duly passed to authorize the County Administrator to sign, on behalf of Nobles County, a Municipal Advisory Service Agreement by and between Nobles County and Northland Securities, Inc. for the provision of advice on the structure, terms, timing and other matters related to the issuance of the General Obligation State Aid Road Bonds, Series 2016A. A copy of the Agreement was before the Board and is made a part of this resolution by reference.

On a motion by Matt Widboom and seconded by Gene Metz, it was duly passed approve the following resolution number 201654:

RESOLUTION RELATING TO \$10,000,000 GENERAL OBLIGATION STATE AID ROAD
BONDS, SERIES 2016A; AUTHORIZING THE ISSUANCE AND CALLING FOR THE SALE
THEREOF

TERMS OF PROPOSAL

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents

attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

George Eilertson, Northland Securities, Inc, presented the Board with information and recommendations in the area of reimbursement bond regulations under Internal Revenue Code. Capital Improvement Bonding scenarios, possible projects and a suggested timeline were discussed.

On a motion by Marvin Zylstra and seconded by Matt Widboom, it was duly passed to approve the following resolution number 201655 establishing procedures relating to compliance with reimbursement bond regulations under the Internal Revenue Code:

BE IT RESOLVED by the Board of Commissioners (the "Board") of the County of Nobles, Minnesota (the "County"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of bonds used to reimburse the County for any project expenditure paid by the County prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the County (as the issuer of or the primary obligor under the bonds) make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The County heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The County's bond counsel has advised the County that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of County project costs first made by the County out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the County to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Board hereby authorizes the Auditor to make the County's Declarations or to delegate from time to time that responsibility to other appropriate County employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the County reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the County, or its authorized representatives under this Resolution, not make Declarations in cases where the County doesn't reasonably expect that reimbursement bonds will be issued to finance the subject project costs, and the County officials are hereby authorized to consult with bond counsel to the County concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Board shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the County has made Declarations.

3. Reimbursement Allocations. If the County is acting as the issuer of the reimbursement bonds, the designated County officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the County's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the County for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Tom Johnson, County Administrator, presented the Board with information and recommendations in the area of County Administration.

Mr. Johnson advised on costs to rebuild components of a Chiller at the Prairie Justice Center versus replacement.

A motion was made by Matt Widboom and seconded by Donald Linssen to approve developing a specification and a Request for Proposals for obtaining proposals for a new chiller system.

Mr. Johnson advised the Board that he recently discovered that they do not have to do a Request for Proposals since it would be a replacement.

On a motion by Marvin Zylstra and seconded by Donald Linssen, it was duly passed to amend the motion by striking out "and a Request for Proposals" and inserting "advertise for bids".

The amended motion was duly passed to approve developing a specification and advertise for bids for obtaining proposals for a new chiller system.

Mr. Johnson advised the Board of the need to transfer funds for the County's 50% share of the cost for clean-up of the Buffalo Ridge Regional Rail Authority (BRRRA) and advised of a delay in receiving the Certificate from the EPA, which was a delay due to POET. Commissioners Widboom and Linssen questioned why Nobles County has not been billed for anything prior to now, either monthly or quarterly, for more clearly tracking spending. Mr. Johnson advised that Rock County is the fiscal authority for the Buffalo Ridge Regional Rail Authority and that finances have been available up until now. Chairperson Metz advised that several Joint Powers entities process the same way. Each entity puts their allotment in.

Commissioner Widboom commented that this is a unique project and the lack of progress over two years is frustrating.

On a motion by Robert Demuth Jr. and seconded by Marvin Zylstra, it was duly passed to approve the transfer of \$100,000 to the Buffalo Ridge Regional Rail Authority Fund from the Environmental Fund.

Mr. Johnson advised on receiving a request from Banner Associates, Inc. for Lewis & Clark Regional Water System to cross Judicial Ditch #6 in order to construct the Magnolia Service Line project as detailed in the plans and specifications.

On a motion by Donald Linssen and seconded by Matt Widboom, it was duly passed to grant permission to Lewis & Clark Regional Water System to cross Judicial Ditch #6 as detailed in plans and specifications.

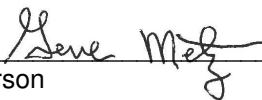
On a motion by Robert Demuth Jr. and seconded by Marvin Zylstra, it was duly passed to authorize the County Administrator to sign, on behalf of Nobles County, a Bond Counsel Service Agreement with Dorsey as presented.

Committee and Board reports were received from the following:

- District I-Commissioner Zylstra reported on the CR75 turn back at the Brewster City Council meeting and the 4-H Banquet.
- District II-Commissioner Metz gave no report.
- District III-Commissioner Widboom gave no report.
- District IV-Commissioner Demuth reported on the Association of Minnesota Counties (AMC) District 8 meeting.
- District V-Commissioner Linssen gave no report.
- Management Team – Kathleen Kusz was absent.
- County Administrator-Tom Johnson reported on Association of Minnesota Counties (AMC) legislative testimony.

The meeting adjourned at 11:40 a.m.

Attest:



Chairperson



County Administrator