

WADENA COUNTY BOARD OF COMMISSIONERS ADJOURNED MEETING
AUGUST 22, 2007/1:00 P.M.

The Wadena County Board of Commissioners Adjourned Meeting was held on Wednesday, August 22, 2007, at the Wadena County Courthouse in the Commissioners Room at 415 Jefferson St. S., Wadena Minnesota. The meeting was called to order at 1:00 p.m. by Chairman William Stearns and the pledge of allegiance to the flag was said.

Also present: Commissioners Orville Meyer, Dave Schermerhorn, Mary Harrison, and Lane Waldahl.

Motion by Meyer, seconded by Harrison, to approve the August 7, 2007 Board Meeting minutes, motion carried.

Motion by Harrison, seconded by Meyer, to approve the day's Agenda to include h.) 800 MHz, motion carried.

Mary Theurer, National Joint Powers Alliance (NJPA) Representative, came before the Board to note the following changes in the Joint Powers Agreement and request Board consideration to sign the Agreement. She stated that the first two changes were directed by the Legislature.

- 1) A member can solicit quotes for seven months, but not after five months prior to contract year.
- 2) If a member would choose to leave they will be out for one year instead of two as in the past.
- 3) A name change from North Central Service Cooperative to National Joint Powers Alliance

Commissioner Harrison commented that the changes appeared to be favorable to the County.

Ms. Theurer responded that they were.

Motion by Waldahl, seconded by Schermerhorn, to approve the revised National Joint Powers Alliance Joint Powers Agreement, motion carried.

Char West, Auditor/Treasurer, stated that the Board had previously approved the October 1, 2007 Cafeteria Dollars which included cents. She requested Board approval to authorize the rounding-up of the Cafeteria dollars to the nearest whole dollar which would reflect the change of; Single \$587.25 to \$588.00; Employee +1 \$836.50 to \$837.00; Family \$898.25 to \$899.00.

Motion by Schermerhorn, seconded by Meyer, to authorize the October 1, 2007 Cafeteria dollars to be rounded-up of, motion carried.

Chairman Stearns provided an update of the meeting he and Ms. West had with Craig Nathan, Rural Minnesota CEP, regarding the lease renewal of the Work Force Center that would expire on October 31, 2007. He stated that Mr. Nathan informed them that the previous lease was with the State of Minnesota but this lease would be with CEP and that Mr. Nathan also indicated that CEP was only interested in an increased lease payment of 5% over the next 5 years. Chairman Stearns reported that the previous 5 year lease payments reflected an 11% increase and the 5 year lease prior to that reflected a payment increase of 8%. Chairman Stearns added that they discussed the possibility of extending the lease beyond the October 31st date on a month by month basis until the end of the year in order to obtain more information.

Ms. West reported to the Board that Paul Sailer, Social Services Director, had informed her that he currently had two employees working outside of the Social Services Building and that their space needs were sufficient, at this time. She added that Mr. Sailer had indicated that an access could be added to the Workforce Center side of the building if more space was needed in the future. Ms. West stated that in talking with Mr. Nathan, he indicated there were one or two offices that may be available at the east end of the building.

The Board discussed the need for Social Services and Rural Minnesota CEP to remain in the same building due to their close working relationship with clients, the increased cost of utilities over the past several years, which was paid by the County, and the need to obtain more information prior to making a decision.

Motion made by Waldahl, seconded by Schermerhorn, to continue with the present Work Force Center lease on a month to month basis through December 31, 2007, motion carried.

Chairman Stearns appointed a Committee to negotiate the Work Force Center lease renewal; which will include Commissioners Waldahl and Schermerhorn, the Social Services Director and Ms. West.

Joel Ulring, Highway Engineer, presented the Board with the 2006 Annual Highway Department Report. He reviewed the report pointing out that the advance had been paid in full back to the General Fund by the end of 2006. He also pointed out that Wadena County maintains approximately 455 miles of roadways and 90 bridges, which was higher than most counties the size of Wadena County, with a staff of 19 full time employees. Mr. Ulring stated that the cost of road upkeep was increasing and suggested some ways to cut back on expenditures: 1) increase funding to maintain current levels of service and make needed improvements, 2) reduce services, or 3) revoke roads back to the care of the Townships. He stated that there was an incentive payment in place to townships for turn back. Mr. Ulring recommended all County Roads have an ADT (Average Daily Traffic) of 100 or less be considered to be revoked back to the township. He pointed out that Townships receive annual state gas tax revenues of about \$350 per mile and if County Roads were to be revoked back to the Townships, they would have to

increase their Road and Bridge funds to cover the costs associated with maintaining these roads. Mr. Uring added that the County had a two year fiscal responsibility to maintain roads from the date of revocation and that this was a sensitive matter that required careful consideration, however he felt it may be necessary.

The Board discussed the fact that the Highway levy had doubled over the past few years.

Mr. Uring informed the Board that the next step was to identify which roads would be considered for turn back and in what Townships. He added that he will work toward putting together a program and bring it back to the Board for adoption.

Commissioner Stearns suggested having a separate meeting inviting all Township Officers for discussion of the situation, at a location large enough.

Mr. Uring informed the Board that the Transportation Policy Committee Meeting would be held on August 27, 2007. He added that since the collapse of the I-35W Bridge in Minneapolis, funding for transportation infrastructure was a concern and that the MnDot was struggling to find funds for this project.

Deana Skov, Zoning/Parks/Solid Waste Director, presented the Board with the final plat of the Pine Ridge Estate in Staples which required Chairman Stearns signature.

Ms. Skov presented the Board with a Resolution to form a Joint Powers for the governance of the Perham Resource Recovery Facility, which she recommended approval of.

Chairman Stearns stated that he felt it was hard to know what to do since Stearns County was undecided.

Ms. Skov replied that Stearns County could join at anytime and that she strongly recommended the signing of the Resolution. Ms. Skov reminded the Board the decision had been made earlier to proceed and that it was necessary to go ahead.

Chairman Stearns stated his concerned as to whether this document was an official Joint Powers Resolution.

Commissioner Schermerhorn pointed out that it was just a Resolution to start the process.

RESOLUTION

Perham Resource Recovery Facility Governance
Wadena County, MN

Commissioner Waldahl offered the following regarding the governance of the Perham Resource Recovery Facility and moved for adoption of the resolution:

WHEREAS, the counties of Otter Tail, Stearns (through the Tri-County Solid Waste Management Commission), Todd, and Wadena (hereinafter referred to as Counties) and the City of Perham (hereinafter referred to as City) jointly contracted to implement the Perham Resource Recovery Facility project after termination of the former Quadrant Resource Recovery Facility project; and

WHEREAS, the City acted as facilitator after it acquired the property and assets from the previous owner Quadrant Company in December of 1998; and

WHEREAS, in March of 2001 the Counties signed “Waste Delivery Agreements” with the City; and

WHEREAS, concurrently, the City signed a “Facility Modification Agreement” and a “Facility Operating Agreement” with Barlow Projects, Inc. in March of 2001; and

WHEREAS, from March 2001 through October 2004 the City constructed modifications to the Resource Recovery Facility and began operations of the Resource Recovery Facility through its “Facility Modifications Agreement” and “Facility Operating Agreement” with Barlow Projects, Inc.; and

WHEREAS, through both the “Waste Delivery Agreements” and the “Facility Operating Agreement” the City had a role as not only an owner incurring debt but, also as a party responsible for delivering waste to the facility through its “Merchant Waste” commitment; and

WHEREAS, the Counties recognize that the City played a pivotal role in the development and implementation of this project; and

WHEREAS, during this same period of time the Counties and the City, along with the City’s Contractor, Barlow Projects, began to realize the project had little future as an electric generation facility and that there was a need to sell additional unprocessed steam rather than electricity; and

WHEREAS, the project has evolved from where it originally began, first with the termination of Barlow Projects as the contract operator, secondly with the implementation of the City as the facility owner/operator and thirdly with the purchase and implementation of a new auxiliary boiler; and

WHEREAS, the Counties and the City recognized that this transformation to the City as the operator made some of the references and language in the contracts both ambiguous and obsolete and has created difficulties in implementing the contracts; and

WHEREAS, the Counties and the City have both had to compromise their positions in the implementation of the existing contracts in light of these ambiguous terms; and

WHEREAS, with the closure of the Fergus Falls Resource Recovery Facility the Counties and the City began to look seriously at the possibility of expanding the Perham Resource Recovery Facility to meet regional waste management needs; and

WHEREAS, these expansion discussions proceeded slowly forward until April of 2007 when Stearns County notified the Counties and the City, at a joint meeting, that they (Stearns County) intended to exercise an option in their contract to terminate waste deliveries as of September 1, 2009; and

WHEREAS, the remaining Counties (Otter Tail, Todd, and Wadena) and the City had to re-evaluate their options which included: moving forward with the existing project with just the existing partners, moving forward with the existing project by finding a partner to replace Stearns County's waste, or by moving forward with an expanded project which would likely require more than one additional partner; and

WHEREAS, these choices once again caused the remaining partners to evaluate their current positions and commitments to the project which have included a debt responsibility, an annual operating expense responsibility and a waste delivery responsibility; and

WHEREAS, this consideration once again brought to light the inequitable responsibilities that exist between the Counties' contractual commitments and the City's contractual commitments; and

WHEREAS, the Counties and the City have evaluated options for moving forward, first with the existing project and then potentially with an expanded project; and

WHEREAS, those options have included continuing as the project has over the past five years but modify the contracts to reflect the changes that have occurred since the City took over the facility operations, second to renegotiate the contracts to be what is more commonly referred to as a "Put of Pay" contract, or thirdly to negotiate new agreements that would be developed under the terms of Minnesota Statutes Chapter 471.59 (Joint Exercise of Powers); and

WHEREAS, the remaining counties (Otter Tail, Todd, and Wadena) believe that this project is at a critical juncture and that decisions made now will have a definitive influence on the future success of this project;

BE IT NOW THEREFORE RESOLVED, that the remaining counties wish to proceed with the existing agreement (through April 2022) by forming a Joint Powers Board under Minnesota Statutes Chapter 471.59.

BE IT FURTHER RESOLVED, that the remaining counties wish to see ownership of the facility transferred to the Joint Powers Board, including all assets, liabilities, and permits.

BE IT ALSO FURTHER RESOLVED, that this transfer would take place only after an independent audit is completed and all responsibilities of the original Counties and City are resolved.

BE IT ALSO FURTHER RESOLVED, that this transfer will include the hiring of legal counsel to draft the Joint Powers Agreement and that the facility will continue to operate under the existing agreements until such time as the new agreement can be negotiated and signed.

BE IT ALSO FURTHER RESOLVED, that membership in the Joint Powers Board and voting rights thereof are directly proportionate to the percentage of debt responsibility incurred by the signing party. The debt responsibility is based on the percentage of waste contracted for delivery.

BE IT ALSO FURTHER RESOLVED, that the Counties recognize the City's significant role in the development of this project and that under the terms of the existing agreement the City has a voting role in the County Coordinating Committee equal to the 8% of the total debt which the City has accepted as their responsibility. The Counties would be interested in extending this voting membership to the City while recognizing that the City would not be an entity that delivers waste to the facility.

BE IT ALSO FURTHER RESOLVED, that this transfer of facility management to a Joint Powers Board will eventually include the hiring of a facility Executive Director, the hiring or utilizing existing staff for bookkeeping and accounting and the retaining of existing facility operations staff as employees of the Joint Powers Board.

BE IT FINALLY RESOLVED, that in the interest of assuring that the Perham Resource Recovery Facility remains an economically and environmentally viable waste management option it would be the intent of Otter Tail County that membership in the Joint Powers Board be determined as soon as possible and that those members move forward with contracts for the formation of the Joint Powers Board in the most expeditious manner possible.

Commissioner Meyer seconded the motion, and upon being put to a vote, was carried on a vote of 5 to 0.

ADOPTED THIS 22 DAY OF AUGUST, 2007, BY THE WADENA COUNTY BOARD OF COMMISSIONERS.

ATTEST:

William Stearns
Chairman of the Board

Charleen West
Auditor/Treasurer

Karen Nelson, Public Health Director, came before the Board to request approval to increase employment of Kristy Caylor, PHN from 50% time to 60% time.

Motion by Meyer, seconded by Harrison, to authorize the increase in employment of Kristy Caylor, PHN, from 50% time to 60% time at her current pay rate and step effective September 1, 2007, motion carried.

Ms. Nelson informed the Board that the State Board of Health Annual Conference would be held on September 27, 2007 at Craguns and questioned whether any of the Board Members would be attending. Commissioners Waldahl, Harrison, Schermerhorn and Meyer will plan to attend.

Ms. Nelson informed the Board that she had been notified by the Department of Health and Human Services that a one year extension had been granted for the Chemical Health grant, from July 2008 to August 2009.

Ms. West, presented the Board with the recommendation of the Building Maintenance Structure Advisory Committee Members, Commissioner Dave Schermerhorn, Commissioner Orv Meyer, Karen Nelson, Public Health Director, Paul Sailer, Social Services Director, Joel Ullring, Highway Department Engineer, Tom Speed Jail Administrator, Char West, Auditor/Treasurer, regarding maintenance and janitorial staff. The Committee requested approval of their recommendation.

Motion by Waldahl, seconded by Meyer, to approve the recommendation of the Building Maintenance Structure Advisory Committee for Department Head duties to be provided by a Building Maintenance Department Head, to begin the hiring process of the position, and

- Increase temporary part-time janitor Linda Ness from 10 hours per week to 40 hours per week starting September 4, 2007, to December 31, 2007.
- Temporarily appoint Greg Malone and Cody Yglesias as co-interim team leaders of the Building Maintenance Department starting September 4, 2007, and ending on the start date of the new Building Maintenance Department Head. Both employees will be compensated an extra \$125 per week while serving in this capacity.
- The Committee also recommended a name change for the department to “Building Services Department” due to the name being associated with the Highway “Maintenance Department”.

Motion carried.

Board consensus was to reaffirm the Committee appointments to continue functioning to develop a job description for the position, serve as the Interviewing Committee and continue through with the hiring process, as well as meet annually with the Building Maintenance Department Head for reviewing Department concerns along with the Liaison.

The Board recessed at 2:55 p.m.

The Board reconvened at 3:00 p.m.

The Board confirmed the Budget Meeting date of Tuesday August 28, 2007. at 9:00 a.m.

Motion by Waldahl, seconded by Schermerhorn, to approve the payment of \$8,216.93 to Stoneman Oil for the County's August 2007 gas and diesel fuel purchases, motion carried.

Commissioner Waldahl informed the Board that an alternate was needed for the 800 MHz Regional Radio Board.

Chairman Stearns appointed Commissioner Harrison as alternate to the Regional Radio Board.

The Board discussed a payment voucher in the amount of \$227.11 submitted by the EMS Director for the purchase of clothing as a part of the Essential Unit uniform allowance.

Commissioner Waldahl stated that he had contacted Sheriff Carr who had not directed the EMS Director to wear a uniform however, the position did fall under the Essential Unit Union Contract which authorized a clothing allowance. Commissioner Waldahl added that he had also contacted Mr. McKellop, EMS Director, who had stated that it was up to the Board to make the decision if they wanted to cover the clothing allowance or not.

Motion by Waldahl , seconded by Schermerhorn, to approve the payment of \$227.11 to Scott McKellop, EMS Director, in reimbursement of the purchase of clothing as authorized under the Essential Unit Union clothing allowance, motion carried

Motion by Schermerhorn, seconded by Waldahl, to authorize splitting the mileage expense between the Highway Department budget and Commissioners budget in the amount of \$141.62 each, for the attendance of Commissioner Dave Schermerhorn and Joel Uling, Highway Engineer, to the Leadership Conference in Luteson, motion carried.

Motion by Schermerhorn, seconded by Waldahl, to approve payment of the Board of Commissioners bills in the amount of \$119,581.08, motion carried.

Commissioner Reports:

Commissioner Harrison:

- Rendezvous went very well.
- SWCD Board Meeting - Soil and Water Board was concerned as they seem to feel a certain attitude coming from the Courthouse in that they do not feel part of County business; perhaps a gap in communications. They were advised if they wanted to present their budget to the Commissioners they could call for an agenda time for the Budget Meeting, which was brought up at the S&W Board Meeting.

Commissioner Waldahl: - A letter was received from MACO pertaining to the campaign for the Renewable Rural Development Program.

Motion by Waldahl, seconded by Schermerhorn, to submit a letter of approval promoting the Campaign for Renewable Rural Development Program, motion carried.

Commissioner Stearns: Fair Board Meeting – Concerned with condition of the track and the need for clay. They questioned whether this purchase could be made from maintenance funds they had received from the County.

Board Consensus was to authorize the Wadena County Fair Board to use a portion of the County maintenance funds to cover the cost of the fuel needed to do the work to improve the tracks at the Fair Grounds.

Commissioner Harrison: Fair Board Meeting - The Wadena Volunteer Firemen requested the Commissioners be made aware that they have been asked to pay to attend the Derby. Commissioner was informed that some of the Firemen were bringing their families without paying.

Commissioner Meyer: Community Action Committee - housing still a problem; as this was a financial burden, the house price was being discounted at 10% for now.

Motion by Waldahl, seconded by Schermerhorn, to adjourn the Board of Commissioners Adjourned Meeting at 3:25 p.m., motion carried.

Charleen West, Auditor/Treasurer

William Stearns, Chairman