

WADENA COUNTY BOARD OF COMMISSIONERS ADJOURNED MEETING
AUGUST 20, 2009/9:00 A.M.

The Wadena County Board of Commissioners Meeting was held on Thursday, August 20, 2009, at the Wadena County Courthouse in the Commissioners Room at 415 Jefferson St. S., Wadena Minnesota. The meeting was called to order at 9:00 a.m. by Chairman Dave Schermerhorn and the pledge of allegiance to the flag was said.

Also present: Commissioners Rodney Bounds, Ralph Miller, William Stearns, and Auditor/Treasurer Char West; absent Commissioner Lane Waldahl.

Motion by Bounds, seconded by Miller, to amend the day's Agenda to include i) Schedule Budget Meeting, j) Acceptance of ATV Grant, k) Advertise Solid Waste Operator Position, motion carried.

Motion by Stearns, seconded by Miller, to approve the August 4, 2009, Board Meeting Minutes and August 11, 2009, Special Board Meeting Minutes, as presented, motion carried.

Lee Brekke, County Assessor, presented the Board with the Assessor's Department Preliminary 2010 Budget pointing out that the Budget did not reflect any increase in wages or benefits but due to recalculation, it did reflect an increase in the total wages. He added that the Budget also reflected an increase in publication expense and a decrease in computer software expense and miscellaneous expense for a total Budget increase of \$2,835.

Mr. Brekke presented the Board with a copy of several Property Tax Abatement Applications as well as the current Wadena County Property Tax Abatement Policy dated 1998.

Mr. Brekke reviewed the first Application submitted by Tom O'Reilly of Menahga pointing out that Mr. O'Reilly had not attended the Local Board of Review but had requested that he view his property, which he did. He pointed out that he had inform Mr. O'Reilly that an adjustment would be made on his property for 2010, however, Mr. O'Riley requested an adjustment for 2009 as well. Mr. Brekke stated that according to the current County Abatement Policy, since Mr. O'Reilly did not attend the Local or County Board of Review, he would not qualify for a Abatement for 2009.

Mr. Brekke reviewed the second set of Property Tax Abatement Applications; three Applications were submitted by Ed and Carol Bruns of Rockwood Township for 2008, 2007, 2006; one Application submitted by Ed Bruns' brother Kenneth Bruns, who had purchased Ed Brun's house, requesting an Abatement on the house for 2008; and one Application from Ed Brun's son, Jason Bruns, who had contacted Mr. Brekke prior to the Township Board of Equalization Meeting stating that he would be out of the country on the day of the Meeting. Mr. Brekke added that he had informed Jason Bruns that he would receive a Abatement for 2009 but Jason Bruns later requested an Abatement for previous years. Mr. Brekke pointed out that State Statue did authorize the County to provide Property Tax Abatements in previous years but the County

Policy did authorize this.

Board discussion was held on additional details of the properties, the owners' requests for Property Tax Abatements and the current County Property Tax Abatement Policy.

Board consensus was to follow the current Wadena County Property Tax Abatement Policy, which did not authorize Property Tax Abatements prior to the current year, and to review the current County Abatement Policy.

Jean Birch, Sheriff's Department Administrative Secretary, came before the Board requesting Board approval to accept a Department of Natural Resources Grant for the Sheriff's Department ATV Program in the amount of \$5,235.00 and authorize the Board Chair and Auditor/Treasurer to sign the Grant documents.

Motion by Bounds, seconded by Stearns, to accept the 2009 State of Minnesota Annual County ATV Safety Grant and authorize the Chairman of the Board and Auditor/Treasurer to sign the Agreement, as presented, motion carried.

Ms. Birch informed the Board that the State Auditors had informed her that Wadena State Bank did not have correct signatures on file for their Jail Canteen and Civil Account. She requested the Board authorize the Auditor/Treasurer to sign a Government/Municipal/Public Funds Banking Resolution for the Wadena County Sheriff's Civil Process Account and the Jail Canteen Account.

Motion by Stearns, seconded by Miller, to authorize the County Auditor/Treasurer to sign the Government/Municipal/Public Funds Banking Resolution for the Wadena County Sheriff's Civil Process Account and the Jail Canteen Account, motion carried.

Cindy Pederson, Public Health Department, requested Board approval to increase the time of Kristy Cayler, PHN, to perform SHIP Grant duties.

Motion by Bounds, seconded by Stearns, to approve an increase in employment time for Kristy Cayler, PHN, from 60% to 100% for the SHIP grant duties at her current Grade and Step effective 9-1-09 thru 6-30-11, motion carried.

Ms. West reviewed a letter received from Clay County regarding a First Amended Cooperative Service Agreement for the West Central Regional Juvenile Center. She informed the Board that the County Attorney had reviewed the Agreement and that she saw no issues of concern.

Motion by Stearns, seconded by Bounds, to approve the First Amended Cooperative Service Agreement for the West Central Regional Juvenile Center, motion carried.

Motion by Stearns, seconded by Bounds, to approve the payment of \$26,170.00 to the Wadena Soil and Water Conservation District for their second half 2009 County Allocation, motion carried.

Ms. West reviewed a letter and invoice received from the Wadena County Ag Society requesting the payment of \$4,875.00 for door replacements on the Fair Ground buildings. She added that the Ag Society had indicated that this was a 2008 project that was not able to be completed until 2009; they were requesting payment from the 2008 budgeted funds for Fair Ground building improvements.

Board discussion was held as to their previous Meeting action regarding spending prior year budgeted Appropriations as well as the need to have the Fair Ground Building improvements made.

Motion by Stearns, seconded by Miller, to approve the payment of \$4,875.00 to the Wadena County Ag Society for door replacements on the Wadena County Fair Ground building, to be paid from the 2008 budgeted Fair Ground Building Improvement funds, motion carried.

Ms. West informed the Board that, due to the Extension Office relocating to the Highway Department building, there had been some changes in utility/maintenance bills i.e. Rising Phoenix and AmeriPride. She pointed out that the Building Maintenance Department had previously provided these services at the Courthouse but after discussing this with the Extension Office Manager, they recommended that the 2009 Extension Budget be amended to pay for these services as the Office Manager would know whether these services were provided. Ms. West recommended that the 2009 Extension Budget be amended to reflect a \$375 increase for the remainder of the 2009 Budget year with future Extension Budgets reflecting this budget expense.

Motion by Stearns, seconded by Miller, to amend the 2009 Extension Department Budget to reflect an increase of \$375.00 for Utility/Maintenance expenses, motion carried.

The Board recessed at 10:00 a.m.

The Board reconvened at 10:19 a.m.

Joel Ulring, Highway Engineer, informed the Board that the City of Menahga had agreed to and signed a Maintenance Agreement to maintain 1.75 miles of the 2.60 miles of roadway under Wadena County jurisdiction within the Menahga city limits in exchange for a payment of \$2,800 or \$1,600 per mile, as authorized under Minnesota Statute 162.17. He pointed out that this was mainly relating to snow removal in the winter, this would be more efficient for the Department and provide better service to the residents.

Motion by Stearns, seconded by Miller, to approve a Maintenance Agreement with the City of Menahga to maintain 1.75 miles of the 2.60 miles of roadway under Wadena County jurisdiction within the city limits and a payment to Menahga City in the amount of \$2,800.00, motion carried.

Mr. Ulring informed Board that the Highway Department sign had been installed with the

Extension Service portion yet to be added. He added that the electrical service had been put underground to accommodate the paving project, the paving had been completed and the lawn areas would be leveled and seeded the following week.

Mr. Ulring updated the Board on the CSAH 21 Construction Project in Menahga stating that the Contractor had all most completed the replacement of the existing utility services; they would be installing new utilities next which would extend water and sewer services.

Mr. Ulring also informed the Board that the grading work on CSAH 23 was about 75% complete; Class 5 gravel would be placed in the first half of September with bituminous paving scheduled late September and completion of the Project late October.

Motion by Stearns, seconded by Bounds, to approve the payment of \$800.00 to the Initiative Foundation for their first half 2009 Appropriation, motion carried.

Chairman Schermerhorn set a Special Board of Commissioners Meeting for September 10, 2009 at 8:30 a.m. and September 14, 2009 at 8:30 a.m. for the purpose of reviewing and approving the 2010 Preliminary Budget and Property Tax Levy.

Dean Uselman, Wadena Economic Development Director, came before the Board regarding the Wadena Feed/Peterson Biddick property. He provided the Board with a recount of the previous businesses in the building over the years stating that since the building had been unoccupied it had deteriorated and was determined unstable. Mr. Uselman stated that the Buckwheat Growers Association had come to him requesting removal of the rat problem and that they were interested in the property; pointing out that this could be accomplished by removing the building and thus allowing space for expansion of the Buckwheat Growers Assn., which would promote further organic agriculture within Wadena County. He added that there were many issues to be resolved, such as liens on the property, mortgages, security concerns, etc.; the Railroad was making it a top priority to get the building torn down. Mr. Uselman informed the Board that the City had applied for and received a Redevelopment Grant from the State of Minnesota in the amount of \$100,000, which required matching funds; the City, Development Authority and Housing Authority had agreed to match this Grant, which would be used to tear the facility down. He added that other expenses involved in the project were legal fees, cost for obtaining the land from the Railroad and negotiating the release of mortgages and other legal encumbrances. Mr. Uselman stated that the reason he had come before the Board was to request their consideration of waiving the delinquent taxes in the amount of approximately \$27,400, the cost of the rat abatement as well as the waiving of landfill tipping fees.

Commissioner Bounds questioned whether the bidder had figured the tipping fees in his bid.

Mr. Uselman responded that they had included tipping fees but that they also planned to recycle some of the materials; only wood would go into the landfill.

Commissioner Bounds questioned if there was asbestos in the building.

Mr. Uselman responded that there was no asbestos on the property; permission had been granted to move forward and enter the property and have a Phase I Environmental Study completed. He stated that he did have a Letter of Commitment from Buckwheat Growers and that their Board would be discussing the proposal sent to the Wadena Economic Development requesting various elements of the clearing of the land, etc.

Commissioner Stearns, Port Authority Board Member, advised that one of the requirements of DEED was that the first 100' of that block, from the intersection of 1st Street, must be turned back to green space only.

Chairman Schermerhorn questioned Ms. West as to what this would cost the County.

Ms. West responded that MN Statute 277.24 provided the County Treasurer with the authority to cancel delinquent taxes if the County Treasurer was satisfied that the total delinquent tax amount could not be collected for any reason and/or determined that the collection costs were excessive in comparison to the total delinquent tax amount. She added that the County Treasurer also had the authority to take the property due to delinquent taxes, however, the property was Personal Property and due to the condition of the building and the cost to tear it down, the cost would far exceed the taxes due, which would have been a liability to Wadena County. Ms. West stated that taxes on the property had been considered delinquent back to 2002 and that the total delinquent tax to date was approximately \$27,400, which included taxes due to the County, City, School District, State General Tax, penalty and interest. Ms. West requested Deputy Auditor/Treasurer Tammy Lupkes review the tax amount for the County.

Ms. Lupkes reported that the delinquent County tax amount on the large parcel was \$2,270 and on the small parcel would be \$619; State General Tax was \$3,563 on the large parcel and \$379 on the small parcel; penalty and interest of \$7,552 and tax increment financing of \$6,581, plus the amounts for the City and School totaling approximately \$27,400.

Board consensus was that they were in agreement of the Auditor/Treasurer's decision to cancel the delinquent taxes on parcels #22.990.0280 and #22.990.0600. Commissioners Stearns did not participate in the consensus due to his membership in the Wadena City Port Authority Board.

Commissioner Miller stated that he would like a report periodically from Mr. Uselman on the progression of the project.

Motion by Bounds, seconded by Miller, to waive the Wadena County Transfer Station tipping fees to the Wadena City Economic Development Authority for the debris delivered to the Wadena County Transfer Station from the demolition of the Wadena Feed/Pederson Biddick property; excluding steel, brick, or anything not suitable for the Wadena County landfill; State Demo Tax would be paid by the Economic Development Authority, Miller, Bounds, and Schermerhorn voting aye, Stearns abstain, motion carried.

Motion by Bounds, seconded by Miller, to waive any fees relating to the rat abatement previously paid by Wadena County Health Department, Miller, Bounds, and Schermerhorn voting aye, Stearns abstain, motion carried.

Sheriff Mike Carr and Chief Deputy Bill Cross came before the Board to request their authorization for the County to participate in a 9-County Regional PSAP Study.

Sheriff Carr stated that the State had allotted \$25,000 per county to study the consolidation of the nine Dispatch Centers into one or two which could reflect a cost savings.

Chief Deputy Cross informed the Board that the 9-County Region included Wadena, Benton, Douglas, Otter Tail, Pope, Stevens, Traverse, Wilkin, and Grant and the participants would pool their allotment together to conduct the Study. He pointed out that by agreeing to do the Study the County would not be agreeing to proceed; no County funds were involved and it would be three to five years before this could be implemented.

Motion by Stearns, seconded by Miller, to authorize the Wadena County Sheriff to participate in the 9-County Regional PSAP Study, motion carried.

Paul Sailer, Social Services Director, Mike Carr, Sheriff, Joel Ulring, Highway Engineer and Char West, Auditor/Treasurer, came before the Board to inform them of the Early Retirement Incentive Program used by Crow Wing County and several other Minnesota counties.

Mr. Sailer stated that the Management Team had set up a Sub-Committee to research an Early Retirement Incentive Plan such as Crow Wing County. He pointed out that the reason the Management Team wanted to bring this issue to the Board was due to the concern over the State and Federal economic conditions over the next few years, which would affect the County. Mr. Sailer added that the Team had seen how other counties had put a Plan such as this in place to help deal with the loss of revenue. He also pointed out that these counties had implemented their Plans earlier in the year and that it appeared the reason for this was these counties had salary adjustments already in place in 2009 and 2010, unlike Wadena County that had a salary freeze and was able to avoid layoffs. He presented them with a handout summarizing similar plans use by Goodhue, Mille Lac, Olmstead, Wilkin, Clay and Crow Wing, which he reviewed. Mr. Sailer pointed out that one general difference was that some were blanket plans and others targeted certain classifications.

Mr. Ulring added that the reason some Plans were more selective was that they did not want to affect services or programs.

Mr. Sailer presented the Board with a second handout which illustrated what a Early Retirement Incentive Plan for Wadena County may look like; Goals - reflect a minimum 25% savings over a three year period, offset reductions in state and federal funding, aid in reducing expenditures, build required reserves; Eligibility - must be PERA eligible, in a job classification designated as eligible, retire between October 31, 2009 and December 31, 2009, Department Heads and

Elected Officials not eligible; Incentive Pay - \$20,000 in severance pay, prorated for part-time staff. He pointed out that the time frame should allowed employees to review the program, consult with PERA and make a decision as to whether to participate in the Plan. Mr. Sailer stated that the other counties that had adopted a Early Retirement Incentive Plan used a labor attorney to develop the Plan and if the Board decided to proceed with such a Plan for Wadena County, he recommended the labor attorney used by Crow Wing County also be used by Wadena County.

Chairman Schermerhorn commented that he felt the wording should be consistent and would like “due to the current recession” removed as the other Plans stated “a shortfall”.

Mr. Sailer responded that this wording was included to identify a unique period of time and they were not recommending that this be an on going program.

Commissioner Stearns clarified that the Plan was a one time only Plan.

Commissioner Bounds questioned what the age was for PERA eligibility.

Mr. Sailer responded that the Sub-Committee had been informed that an employee was PERA eligible if they were 55 years of age and had worked for the county for three years.

Ms. West presented the Board with a handout illustrating a scenario of one employee at a Grade 53, Step 10, replacing that position at a Grade 53, Step 1, with the \$20,000 Incentive Pay, which reflected an 18.4% savings over three years. She pointed out that the 25% savings would be accomplished County wide over three years, as one or two of the possible participating classifications were planned to be reduced from full-time to part-time or eliminated, also if the employee was currently receiving longevity pay, thus exceeding the 25% savings.

Mr. Sailer stated that, based on the Management Team discussion, only five Departments felt they would have employees eligible to participate in an Early Retirement Incentive Program, which were; Social Services Department, Highway Department, Public Health Department, Sheriff’s Department and Auditor/Treasurer Department; these Department Heads were appointed to this Sub-Committee. He pointed out they could not guarantee the number of participates or who would participate.

Commissioner Bounds commented that this was an opportunity for downsize if the positions were not filled.

Mr. Sailer commented that if the Board agreed to proceeding with this Plan the next step would be to consult with a labor attorney and that the one used by Crow Wing County could also assist Wadena County.

Commissioner Bounds questioned what the cost of their services would be.

Mr. Sailer responded that it was unknown at this time; Wadena County’s program was smaller than Crow Wing County’s, but he felt it would be a couple thousand dollars.

Rin Porter, Verndale Sun, questioned what the possibility would be for lawsuits from classifications of people not picked as eligible.

Mr. Sailer responded that this was one of the reasons it was advised to use a labor attorney.

Loren Undseth, Review Messenger, questioned how many employees would qualify.

Mr. Sailer responded that the Department Heads felt that approximately 10 employees would qualify.

Commissioner Miller stated that he would want to make sure an employee who might accept this proposal could not then reapply for another position.

Mr. Sailer responded that Crow Wing County required a participating employee sign a contract with the County which stated that they would not reapply for a position with the County for a period of three years.

Commissioner Miller questioned whether the time period could be extended.

Commissioner Stearns responded that that would be a question for the labor attorney.

Commissioner Bounds questioned how many of the 10 people might eventually retire anyway.

Mr. Sailer replied that he did not believe any of the potentially eligible employees had indicated that they were planning to retire.

Further discussion was held regarding the savings results of participating employees on various Steps of the salary scale and hired back at a Step other than Step 1.

The Board directed Mr. Sailer to contact the Crow Wing County Labor Attorney to obtain a quote of the price for their services to Wadena County for the development of an Early Retirement Incentive Plan and return to the Board during the September 1, 2009, Board Meeting.

The Board also directed the Management Team Sub-Committee to meet with the Personnel Committee; Commissioners Schermerhorn and Waldahl, to review the final proposed Plan prior to presenting it to the full Board.

Ms. West informed the Board that the State Auditors were near completion of the County's 2008 Audit Report. She stated that they were requesting clarification to three Board motions. Ms. West presented the Board with handouts of the three motions pointing out that the recommended amendments/clarifications to the motions were illustrated in italics; she requested approval of each.

Motion by Stearns seconded by Bounds, to amend the January 6, 2009 Board motion to read;
"Motion by Stearns, seconded by Waldahl, to approve the Health Reimbursement Account Fund

advance from the General Revenue Fund in the amount of \$65,000.00, Public Health Fund - \$7,500.00, Road & Bridge Fund - \$13,750.00, Social Services Fund - \$40,000.00 and solid Waste Fund - \$2,500.00, *retroactive to 12/31/08 for the period of 12/31/08 to 12/31/09*”, motion carried.

Ms. West pointed out that the next Motion Amended referred to a rollover of the 2007 MIS Budget to the 2008 Budget, pointing out that at the time of the Motion the amount of funds available for the rollover were not known and the actual reflected less dollars available than stated in the requested motion.

Motion by Stearns, seconded by Miller, to amend the December 12, 2007 Board Motion to read; “Motion by Harrison, seconded by Schermerhorn, to approve the rollover in the 2007 MIS hardware budget #6661 the amount of \$10,498.21 into the 2008 Budget, not approving the Document Management project”, motion carried.

Motion by Miller, seconded by Bounds, to amend the January 6, 2009 Board Motion to read; “Motion by Stearns, seconded by Waldahl, to set up an account of unreserved/dedicated funds as requested by the Highway Engineer as follows:

<u>Account Name</u>	<u>Account Number</u>
Equipment Capital Investments	13-000-000-0000-2813
Building Capital Improvements	13-000-000-0000-2807
County Road Capital Improvements	13-000-000-0000-2808

and to put the \$25,000 unexpended funds into the Building Capital Improvements unreserved/dedicated account, *retroactive to 12/31/08*, for the purpose of replacing the balance of the Wadena facility doors and windows in early summer of 2009”, motion carried.

The Board recessed at 12:26 p.m.

The Board reconvened at 12:38 p.m.

Chairman Schermerhorn introduced the next agenda item k) Advertise for Solid Waste Operator Position.

Commissioner Stearns informed the Board that this would be a topic at the Solid Waste Committee Meeting the following week and suggested this subject be tabled until after the Committee Meeting.

Commissioner Bounds stated that he felt it made no difference as the County would have to hire, as the permanent position was open at this time.

Commissioner Stearns responded that there was a temporary employee currently in the position as well as a temporary Supervisor. He pointed out that he felt the Committee needed to discuss this as it was more complicated than just advertising for an open position.

Chairman Schermerhorn advised that the Agenda item “Advertising of the Solid Waste Operation Position” be tabled until following the Solid Waste Committee Meeting so the perimeters could be established.

Commissioner Stearns stated that his goal was to have a presentation to the Board at the September 17, 2009 Board Meeting.

Commissioner Reports:

Commissioner Bounds; Otter Tail Wadena Community Action Council - the Wadena house may have sold.

Commissioner Miller; Otter Tail Wadena Community Action Council; Building Services Meeting; Ag Society Meeting - County Fair went well, researched disposal of animal waste from Fair Grounds and proposed to use Highway equipment; once cleaned up then a policy should be made not to dump.

Further Board discussion was held as to the location of the site where the animal waste had been disposed of as well as possibly disposing of the waste at the Wadena County compost site.

Chairman Schermerhorn pointed out that Solid Waste also had equipment that could be used as it needed to be cleaned up.

Commissioner Stearns reviewed the previous agreement made between the City of Wadena and Wadena County relating to composting. He pointed out that the issue of composting should be discussed.

Commissioner Miller; WesMin RC&D - Smokey Timbers issue completed; attended the Memorial for John Rife; was invited to a picnic at Cottingham Park in recognition of volunteers.

Commissioner Stearns – Perham Resource Recovery Facility Meeting the following week - Doug Huebsch, Otter Tail County Commissioner, was working on Multi-County Collaboration as it related to the Facility and Solid Waste.

Commissioner Schermerhorn; None

Motion by Stearns, seconded by Bounds, to approve the payment of the following Extension Department invoices; AmeriPride - Custodial/Rugs - \$24.12 and Rising Phoenix - Custodial/Cleaning - \$31.50, motion carried.

Motion by Bounds, seconded by Stearns, to authorize the payment of the Board of Commissioner bills in the amount of \$129,624.93, motion carried.

Motion by Bounds, seconded by Stearns, to adjourn the Board of Commissioners Board Meeting at 1:24 p.m., motion carried.

Charleen West, Auditor/Treasurer

David Schermerhorn, Chairman