

Chairman Tellinghuisen called the meeting to order at 9:03 a.m., with the following members present: Commissioners Reynolds, Wilhelm, Oslin, and Peterson. The Pledge of Allegiance was recited.

Four requests were added to the agenda:

- Consider Payment of University of Minnesota Extension Invoice;
- Consider Setting Date for Public Comment Concerning Increase to Wheelage Tax;
- Authorize Award of Gravel Crushing Quotes;
- Authorize Staff to Apply for Governor's Task Force on Broadband.

Cmsr Wilhelm motioned to accept the agenda as amended; Cmsr Reynolds seconded. Motion carried.

#### CONSENT AGENDA

A motion was made by Cmsr Reynolds, seconded by Cmsr Wilhelm, to approve the following consent agenda items:

- Approve 05/21/19 County Board Meeting Minutes;
- Approve 05/30/19 County Board Meeting Minutes;
- Review of Auditor's Warrants;
- Approve Payment to Counsel for Legal Services;
- Approve Agreement between Mille Lacs County Sheriff's Office and Sauk Rapids Police Department;
- Approve Agreement between Mille Lacs County Sheriff's Office and Avon Police Department;
- Approve Agreement between Mille Lacs County Sheriff's Office and Baxter Police Department;
- Development Ordinance: Rescind Existing Article 3 and Adopt New Article 3, Amend Article 13, Definitions.

Motion Carried.

#### MAY PLANNING COMMISSION REPORT – CONDITIONAL USE PERMIT REQUEST FOR DISC GOLF COURSE

Land Services Director Michele McPherson presented a conditional use permit request for a 54-acre parcel on 50<sup>th</sup> Avenue in Hayland Township to become a disc golf course. McPherson stated that the surrounding neighbors previously expressed their concerns regarding this transition, including the effect of increased traffic and a potential negative impact on wildlife. Cmsr Reynolds inquired if the disc golf course would increase traffic on 50<sup>th</sup> Avenue. McPherson stated that it is uncertain if a significant increase in traffic would occur. The traffic increase would rely primarily on the marketing tactics used by those promoting the disc golf course. McPherson noted that the proposed conditional use permit meets all land use requirements. Cmsr Oslin inquired if the permit request was denied at this time, how that it would proceed in the future. McPherson noted that if the permit request fails and is not dubbed by someone within 336 days, the process would have to start at the beginning once more. Cmsr Oslin motioned to approve the conditional use permit for disc golf course; Cmsr Reynolds seconded. Motion carried.

#### APPROVE LIQUOR, BEER & WINE LICENSES

Auditor-Treasurer Phil Thompson presented to the County Board a list of eleven (11) licenses for renewal: Nitti's Hunters Point Resort Inc., DBA Nitti's Hunters Point Resort Inc.; DA Boathouse LLC, DBA DA Boathouse in Da Bay; Veterans Club Inc., DBA Veterans Club; Pocket Inc., DBA Princeton Lanes; Rocky Reef Resort Inc., DBA Rocky Reef Resort; J & D Ventures, DBA Old Log Liquor; Milaca Golf Club, DBA Milaca Golf Club; Rough Cut Grill & Bar LLC, DBA Rough Cut Grill & Bar; Jeffrey Peter Morson, DBA Long Siding Bar & Grill; Northern Lights Ballroom/Banquet Center, DBA Northern Lights Ballroom/Banquet Center; and Magnuson Incorporated, DBA Moonshine Bar & Grill. Cmsr Wilhelm motioned to approve Liquor, Beer, & Wine Licenses; seconded by Cmsr Oslin. Motion carried.

#### APPROVE CLASSIFICATION OF TAX-FORFEITED LANDS

Land Specialist Nancy Eibes stated that the Expiration of Redemption Notices have been published in accordance with Minnesota State Statute 281.13. Eibes stated that this notifies the public of the available tax-forfeited land. Cmsr Wilhelm questioned as to if all tax-forfeited parcels were available to be sold. Eibes stated that the Minnesota Department of Natural Resources (DNR) would determine if all parcels were saleable, based on classification. All parcels are to be classified as "conservation" or "non-

conservation”, in compliance with Minnesota Statutes 85.012, 92.451, 282.01 subdivision 8. The discussed tax-forfeited parcels were classified as “non-conservation.” Cmsr Oslin motioned to approve the classification of tax-forfeited lands; seconded by Cmsr Reynolds. Motion carried.

#### REVIEW QUOTES FOR APPRAISAL SERVICES

Environmental Resources Manager Dillon Hayes referenced the previous County Board authorization for a solicitation of quotes for the appraisal of parcels 14-032-0400 and 14-033-800, to develop an Off Road Vehicle (ORV) Park on November 6, 2018. Staff solicited quotes from nineteen certified appraisers on a list from the DNR. Four quotes were received. The quotes were as follows: Shenohon Company, \$8,600; Dahlen, Dwyer, Foley, & Tinker, Inc., \$3,000; Hosch Appraisal & Consulting, Inc., \$2,990; and Midwest Valuation, \$2,650. Dillon stated that staff believe the lowest quote, received from Midwest Evaluations, should be accepted. Cmsr Wilhelm motioned to approve the proposed quote from Midwest Evaluations; Cmsr Oslin seconded. Motion carried.

#### AUTHORIZE SOLICITATION OF QUOTES FOR PHASE 1 ARCHAEOLOGICAL SURVEY

Environmental Resources Manager Hayes referred to the previous County Board authorized purchase of two parcels, 14-032-0400 and 14-033-0800, in May of 2019. Hayes stated that in order to obtain reimbursement of acquisition expenses, MNDOT requires an archaeological review. Hayes recommends that the solicitation of quotes for the Phase 1 Archaeological Survey on both parcels be completed. Cmsr Oslin motioned to approve the authorization solicitation of quotes for Phase 1 Archaeological Survey; Cmsr Wilhelm seconded. Motion carried.

#### AUTHORIZE STAFF TO SOLICIT QUOTES FOR ACQUISITION OF A sUAS

Environmental Resources Manager Hayes referenced a previous discussion from a Board work session regarding the acquisition of a sUAS. Hayes also referred to the previous approved request to complete the Certificate of Authorization (COA) application. However, in order to complete the COA application, Hayes stated that staff would need to obtain specific sUAS device information. In order to complete this process, purchase of a sUAS would be required. Economic Development Manager Mike Wimmer and Hayes requested authorization for staff to solicit quotes for the acquisition of a DJI Matrice 200 Series V2 sUAS. Cmsr Reynolds motioned to approve the solicitation for quotes for acquisition of the proposed sUAS; Cmsr Oslin seconded. Motion carried.

#### APPROVE CONTRACT FOR VEGETATION REMOVAL SERVICES ON COUNTY DITCH 4

Environmental Resources Manager Hayes referenced the April 16, 2019 County Board Meeting where Reliable Tree Service, Inc. was selected as the lowest responsible bidder for vegetation removal services on County Ditch 4 (CD4). The contractor has signed the contract and provided the required payment and performance bonds. Cmsr Wilhelm motioned to approve the contract for Vegetation Removal Services for County Ditch 4; Cmsr Oslin seconded. Motion carried.

#### APPROVE REPLACEMENT OF AIR CONDITIONER COMPRESSORS

Facilities Operations Manager Noelan Lange referred to the quotes previously presented to the County Board received from Corporate Mechanical, Chappelle Central, and Daikin for replacing air conditioner compressor units on the west roof of the Justice Center. Lange recommended replacing the air conditioning compressors on the west roof of the Justice Center due to the condition of the oil line located at the base of the compressors, which ties the oil sumps together. Lange stated that this connection allows metal to move back and forth with the oil into each compressor. Cmsr Tellinghuisen inquired as to if it was a quick process to replace the air conditioner compressors. Lange responded that it would take some initial set-up time; the installation itself typically takes two to three days. Cmsr Wilhelm motioned to approve the replacement of air conditioner compressors; Cmsr Reynolds seconded. Motion carried.

#### APPROVE RESOLUTION AWARDING THE SALE OF DRAINAGE BONDS

Environmental Resources Manager Hayes stated that County Ditch 3 (CD3) has been completed this year; work on County Ditch 2 (CD2) and County Ditch 4 (CD4) will begin this year as well. Hayes referenced the Board’s previous authorized sale of General Obligation Drainage Bonds to collectively finance the three projects. Proposals were solicited for the sale of the bond. Hayes stated the results of approving Resolution 6-04-19-01 would award the sale of the General Obligation Drainage Bonds, Series 2019b, in the original aggregate principal amount of \$1,195,000. Hayes stated that a lien for the total amount payable will be recorded against the benefiting properties, as required by Minnesota Statute

103E.731. County Administrator Pat Oman stated that approving the resolution by bond financing rather than self-financing would lower the financial debt cost. PFM Financial Advisor Chuck Upcraft stated that bids were received yesterday, with Robert W. Baird as the top bid with a 23-year bond. The Baird bond would be throughout the years 2021-2042 with a 2.77% interest rate. Upcraft noted that it is an excellent time to borrow with low interest rates. Oman and Hayes recommended the approval of Resolution 6-04-19-01. Cmsr Wilhelm motioned to approve awarding the sale of drainage bonds; Cmsr Peterson seconded. Motion carried.

APPROVE RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION AND CAPITAL IMPROVEMENT BONDS

County Administrator Pat Oman referenced the previous resolution adopted by the County Board on April 16, 2019, regarding the authorized sale of the County's General Obligation Capital Improvement and Equipment Bonds, Series 2019a, in the original aggregate principal amount of \$3,970,000. PFM Financial Advisor Chuck Upcraft stated that consolidating two bonds (2019a and 2019b) into one would mean an interest rate of 2.23%, and was a valid option. Oman stated that the proposed interest rate at the beginning of this process was over 3%, confirming that the interest rates were better than previously anticipated. Upcraft referenced the Mille Lacs County's AA credit rating, which he stated is an excellent credit rating, especially for a small county. Cmsr Wilhelm inquired about the best ways to continue improving the County's credit rating. Upcraft responded by stating that the County's financial management and budget flexibility are both key attributes that contribute to maintaining an excellent credit rating. Cmsr Peterson motioned to approve the award of sale of General Obligation and Capital Improvement Bonds; Cmsr Reynolds seconded. Motion carried.

CONSIDER PAYMENT OF UNIVERSITY OF MINNESOTA EXTENSION INVOICE

County Administrator Pat Oman stated that the Extension Office had sent an invoice to the County in the amount of \$437.53. Oman stated that the County intern (temporary 4-H Summer Program Assistant) that assisted in the Extension office had been working more than 40 hours per week and required overtime compensation. HR Generalist Karly Fetters stated that the intern had accumulated overtime without notifying the County of additional work hours, which is required by the Personnel Policy. The concern resides regarding whether the County or Extension Office pays the overtime; the intern would receive overtime compensation regardless. Oman stated that this is likely a one-time occurrence with the Extension Office, and that the agreement between the County and the Extension Office had been reviewed accordingly. Cmsr Reynolds announced that she is related to the intern and would abstain from voting on this matter. Oman informed the Board that they may either approve complete payment to the University of Minnesota Extension including overtime, or approve complete payment to the University of Minnesota excluding overtime. Cmsr Oslin motioned to approve the complete payment including the discussed overtime for the University of Minnesota Extension invoice; Cmsr Wilhelm seconded. Cmsr Reynolds abstained. Motion carried.

CONSIDER SETTING DATE FOR PUBLIC COMMENT CONCERNING INCREASE IN WHEELAGE TAX

County Administrator Pat Oman stated that Mille Lacs County has a \$10 wheelage tax, which generates an estimated \$270,000 for completing public works initiatives. Per Minnesota Statute 163.051, the County is able to increase the wheelage tax up to \$20/year in any increment of a whole dollar. The County Board previously agreed to consider an agenda item to receive public comment for an increase in the wheelage tax during the May 30, 2019 Board work session. The matter at hand was to open this topic for public discussion at the June 18, 2019 or July 2, 2019 County Board Meeting. Cmsr Tellinghuisen and Cmsr Wilhelm expressed concern regarding the number of residents that would attend the July 2<sup>nd</sup> meeting due to Independence Day. Both commissioners preferred the June 18, 2019 meeting date. Oman noted that the County must give notice of any additional wheelage tax to the Minnesota Driver and Vehicle Services (DVS) no later than August 1, 2019. Oman noted that the meeting date for public comment would be posted in the newspaper, website, and County social media accounts. Oman also stated that residents do not need to attend to express their opinion on the matter; residents may call, email, or write a letter regarding their concerns. Cmsr Wilhelm motioned to approve the wheelage tax public comment discussion in the June 18, 2019 County Board meeting; Cmsr Oslin seconded. Motion carried.

AUTHORIZE AWARD OF GRAVEL CRUSHING QUOTES

County Engineer Bruce Cochran referred to price proposals received on Friday, May 31, 2019, for furnishing stockpiles of crushed gravel in three areas: Greenbush or Glendorado Townships, Isle Harbor

Township, and Milaca Township or Hayland Township. Cochran stated that the Knife River quote for Greenbush or Glendorado Townships was significantly higher than the other quotes. Cmsr Wilhelm inquired as to why the cost was so much higher. Cochran responded that due to very few gravel pits in the area, Knife River has to travel further to obtain and transport the crushed gravel. Cochran recommended awarding the gravel crushing quotes to: Greenbush or Glendorado Township – Knife River at \$64,100; Isle Harbor Township – Sanders Construction at \$47,200; and Milaca Township or Hayland Township at \$54,200. Cmsr Oslin motioned to approve the award of gravel crushing quotes as recommended; Cmsr Wilhelm seconded. Motion carried.

AUTHORIZE STAFF TO APPLY FOR GOVERNOR’S TASK FORCE ON BROADBAND

Economic Development Manager Mike Wimmer requested approval to submit an application for the Governor’s Task Force on Broadband. The Task Force committee consists of fifteen members, dedicated to addressing the needs, barriers, issues, and goals for broadband access throughout the State of Minnesota. Wimmer stated that joining the Task Force committee would be a positive aspect for the County and would assist with improving Broadband internet access throughout Mille Lacs County. Wimmer noted that each committee term is four years. Wimmer stated that mileage reimbursement would be possible through the DEED program. Cmsr Peterson motioned to approve the application for the Governor’s Task Force on Broadband; Cmsr Wilhelm seconded. Motion carried.

COMMITTEE REPORTS

County Administrator Pat Oman stated the Labor Management Committee meeting will be planning the annual County staff picnic in June. Oman stated that the proposed date for the picnic will be Tuesday, June 18, 2019. Oman stated that this date was pending approval from the Labor Management Committee. Oman mentioned that the County is currently receiving quotes for the picnic luncheon. Oman noted that the County has used the Pease Café in the past. Chairman Tellinghuisen stated that the Pease Café is under new ownership and that the cost should be verified. Oman confirmed that County staff are looking at all available options, including Teal’s Market. Cmsr Peterson inquired if staff had requested a quote from Timber Valley Grille in Milaca. Oman stated that staff would look into that further. County Administrator Pat Oman also stated that Public Works LOST roads would be reviewed in the County Board work session.

Cmsr Peterson motioned to adjourn the meeting at 9:52 a.m.; Cmsr Wilhelm seconded. Motion carried.

ATTEST:

/s/ Pat Oman  
Pat Oman  
County Administrator

/s/ Roger Tellinghuisen  
Roger Tellinghuisen  
County Board Chairperson