

Chairman Tellinghuisen called the meeting to order at 9:15 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:

- Approve Commissioners' Mileage and Per Diems – July 2019
- Approval of Contract for Archaeological Survey Services
- Revise August 2019 County Regular Board Meeting Date
- Approve No Trespass Notice
- Consider Wheelage Tax Increase

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

#### CONSENT AGENDA

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

- Approve 07/02/19 County Board Meeting Minutes
- Review of Auditor's Warrants
- Approve Payment to Counsel for Legal Services
- Approve Payment to Counsel for Legal Services
- Approve Letter of Support for MACV Grant Submission
- Approve Application for Benton Telecommunications Grant
- Approve 2019 Federal Supplement Grant for Boat and Water Safety
- Approve 2019 Boat and Water Safety Grant
- Information Only: Signed Foster Care Transportation Contract
- Information Only: June 2019 Jail Performance Report

Motion Carried.

#### APPROVE TOBACCO LICENSES

Auditor-Treasurer Phil Thompson presented to the County Board four (4) requests for tobacco licenses: East Side Township Military Service Association; Milaca Township Milaca Golf Club; South Harbor Township Veteran's Club, Inc.; and the City of Bock Fat Jack's Cabaret. Cmsr Wilhelm motioned to approve the tobacco license requests; Cmsr Reynolds seconded. Motion carried.

#### ACCEPT RESIGNATION OF AUDITOR-TREASURER

Personnel Director Holly Wilson reviewed the resignation letter submitted by Auditor-Treasurer Phil Thompson. Wilson stated that the resignation will become effective August 23, 2019. Cmsr Wilhelm motioned to approve the resignation of the Auditor-Treasurer; Cmsr Oslin seconded. Motion carried.

#### APPROVE GRIEVANCE SETTLEMENT AGREEMENT BETWEEN MILLE LACS COUNTY AND TEAMSTERS LOCAL 320

Personnel Director Wilson reviewed the grievance arbitration settlement regarding PERA for the 911 Dispatchers. Wilson stated that in the 2012 agreement it was indicated that the 911 Dispatchers could remain in the PERA Correctional Plan. However, PERA brought it to the County's attention in 2017 that this was not the case. Wilson noted that the settlement states that if 911 Dispatchers are completing Correctional Officer duties, they may then have contributions towards the PERA Correctional Plan. Wilson stated that there were no losses to 911 Dispatchers' PERA accounts with the transition of this plan and no additional cost for the County. 911 Dispatchers will now need to note on their time sheets when they complete Correctional Officer tasks. Cmsr Wilhelm motioned to approve the Grievance Settlement Agreement between Mille Lacs County and Teamsters Local 320; Cmsr Oslin seconded. Motion carried.

#### APPLY FOR FY 2020 LOW INCOME SSTS FIX-UP GRANTS

Environmental Resources Manager Dillon Hayes stated that this application would allow the County to apply for grants to assist with low-income septic system fix-ups. Hayes mentioned that there is approximately \$1,500,000 in total funding available from the MPCA with each County able to receive up to \$40,000, dependent on the number of applicants. Hayes stated that the application is due by July

31, 2019; funds must be used by December 31, 2022. Hayes stated that if awarded, the administration of the funds must adhere to specific MPCA grant eligibility criteria, which is listed in the application.

Requirements include that the applicants are low-income and that applicants have a septic system compliance on file that has failed the system. Hayes noted that staff have also recommended additional grant criteria; this criterion does not need to be finalized at this time and will be discussed at work session. Oman inquired how contractors would be selected for the SSTS installations. Hayes stated that the proposed method would be that individuals applying for the grant would independently solicit two quotes from contractors; they would then submit these quotes with their application. Cmsr Tellinghuisen inquired what the definition of a septic system “fix-up” was. Hayes stated that it is a SSTS that needs work to bring to compliance. Hayes stated that if an applicant meets the general requirements, funding up to 50% may be awarded; if an applicant meets the viable income standard, funding up to 75% may be awarded. Cmsr Tellinghuisen inquired as to if the \$18,600 grant mentioned in the agenda request was a separate grant from the \$40,000 grant. Hayes stated that the \$18,600 is part of the Natural Resources Block for the administration of the septic program. This is funding is allocated every year; there is no grant application for this program. The \$40,000 grant is an additional grant that must be applied for. Cmsr Peterson motioned to approve the FY 2020 SSTS Fix-Up Grant application; Cmsr Reynolds seconded. Motion carried.

#### APPROVE COMMISSIONERS’ MILEAGE AND PER DIEMS – JULY 2019

County Administrator Pat Oman reviewed the Commissioners’ Mileage and Per Diems for July 2019. Oman suggested reviewing the information thoroughly before approval. Cmsr Oslin motioned to approve the Commissioners’ Mileage and Per Diems – July 2019; Cmsr Wilhelm seconded. Motion carried.

#### APPROVAL OF CONTRACT FOR ARCHAEOLOGICAL SURVEY SERVICES

Environmental Resources Manager Hayes referenced the July 2, 2019 Board approval of the Duluth Archaeology Center quote to conduct a Phase 1 Archaeological Survey of two parcels, PID 14-032-0400 and 14-033-0800 for development of an Off Road Vehicle (ORV) park. Hayes stated that the Duluth Archaeology Center requires a signed contract for the work to be completed and that the contract is currently being reviewed by the County Attorney’s Office (CAO). Cmsr Wilhelm motioned to approve the Duluth Archaeology Center Survey Services contract, pending review from the CAO; Cmsr Oslin seconded. Motion carried.

#### REVISE AUGUST 2019 COUNTY REGULAR BOARD MEETING DATE

County Administrator Oman stated that several Commissioners would be attending the White House Office of Intergovernmental Affairs’ State Leadership Day events in Washington D.C. on August 20, 2019. Oman requested that the Tuesday, August 20, 2019 meeting be rescheduled for Tuesday, August 27, 2019. Oman stated that a notification would be sent out on the County website and social media, and the press would be notified of the change. Cmsr Reynolds motioned to reschedule the August 20, 2019 Board Meeting to August 27, 2019. Cmsr Wilhelm seconded. Motion carried.

#### APPROVE NO TRESPASS NOTICE

The County seeks to initiate a no trespass notice for Mr. Michael Henderson. County Attorney Joe Walsh noted that Mr. Henderson does have some cases pending in the Mille Lacs County Justice Center; Mr. Henderson would have access to the Justice Center for those court hearings, but would have to leave at the conclusion of the hearings. Walsh stated that Mr. Henderson has made accusations that this is due to his mode of dress or sexual identification. Walsh stated that Mr. Henderson’s mode of dress or sexual identification has not caused any problems with Mille Lacs County. The no trespass notice would be put into effect due to Mr. Henderson’s continuous confrontational and aggressive behavior, and his harassment of County and courthouse employees. Walsh stated that these are the issues that the County is seeking to address. Cmsr Wilhelm inquired if a no trespass notice was similar to a restraining order. Walsh stated that it is not. Walsh mentioned that it would be unlikely that the County could obtain a restraining order against an individual; however, an individual could obtain a restraining order. Cmsr Oslin motioned to approve the no trespass notice; Cmsr Reynolds seconded. Motion carried.

#### CONSIDER WHEELAGE TAX INCREASE

County Administrator Oman stated that the County Board should consider increasing the County wheelage tax from \$10 to \$20. Staff recommended that the wheelage tax increase from \$10 to \$20 be approved; Oman stated that an alternative option would be for the County Board to vote regarding

increasing the wheelage tax from \$10 to \$20 with an annual review. Oman stated that approving the wheelage tax increase would provide a substantial funding mechanism for addressing the debt service payments for the 5-year equipment bond. Cmsr Tellinghuisen inquired as to if any Commissioners wished to speak about

the wheelage tax; no response was received. Cmsr Oslin motioned to approve the wheelage tax increase from \$10 to \$20; Cmsr Peterson seconded. A roll call vote was called regarding the approval of the wheelage tax increase from \$10 to \$20: Cmsr Oslin and Cmsr Peterson voted aye. Csmrs Wilhelm, Reynolds, and Tellinghuisen voted nay. Motion denied.

Cmsr Wilhelm went on to comment that he was opposed to the wheelage tax increase; he stated that there has already been a real estate tax increase, an added LOST sales tax, and a State tax increase. Cmsr Wilhelm stated that residents have expressed that they are opposed to the increase. Cmsr Wilhelm commented that the County should reevaluate and reinvest the \$10 currently received from the wheelage tax to better suit Mille Lacs County. Cmsr Oslin motioned to approve the alternative wheelage tax increase from \$10 to \$20 with an annual review; Cmsr Peterson seconded. A roll call vote was called regarding the approval of the alternative wheelage tax increase from \$10 to \$20 with an annual review: Cmsr Oslin and Cmsr Peterson voted aye. Csmrs Wilhelm, Reynolds, and Tellinghuisen voted nay. Motion denied.

Cmsr Peterson inquired as to how the expenses currently covered would be paid if those funds were redirected as the debt services payments for the 5-year equipment bond. Cmsr Wilhelm responded that the County over-levies for Community and Veterans Services (CVS). Cmsr Peterson inquired as to how the bond would be paid. Cmsr Wilhelm noted that more money is coming in from the State and the current wheelage tax. Cmsr Wilhelm stated that there is a significant amount of money sitting in the fund balances; that this money could be used to assist with the bond. Cmsr Wilhelm suggested that Chuck Upcraft from PFM could assist with reevaluating County fund balances. Oman stated that the State Auditor is aware of the adjustments made in the County's fund percentages; he also cautioned about lowering those fund percentages. The unintended consequence would be a change in the County's credit rating.

Cmsr Peterson stated that he believes a 6% levy increase will likely become mandatory due to this motion. Oman stated that a wheelage tax increase can be evaluated every year; but it will apply to the budget for the following year. Oman stated the initial debt service payment would be on February 20, 2020; this payment would consist of \$19,000. The following year on February 1, 2021, the debt service payment would be \$220,000. Cmsr Tellinghuisen inquired as to if the February 20, 2020 payment of \$19,000 would be able to be covered by the current wheelage tax funds. Oman stated that the County is dealing with the sources and uses of funds. The idea of taking the existing money and using it for the debt service means \$270,000 would not be used for the Public Works (PW) initiatives. It is a source of funds that have already been allocated. Oman stated that increasing the wheelage tax for 2020 would be the ideal source of payment to cover both the 2020 and 2021 debt service payments. Oman stated that the Commissioners will need to discuss what PW projects cannot be completed in 2020; some items would be brought to the County Board for review at a later date. Cmsr Wilhelm motioned to rededicate the current \$10 wheelage tax to address the debt service for the County's 5-year equipment bond; Cmsr Reynolds seconded. A roll call vote was called to rededicate the current \$10 wheelage tax to address the debt service for the County's 5-year equipment bond: Csmrs Wilhelm, Reynolds, and Tellinghuisen voted aye. Cmsr Oslin and Cmsr Peterson voted nay. Motion carried.

#### COMMITTEE REPORTS

Cmsr Oslin stated that the Mille Lacs Watershed Meeting went well; Mille Lacs County Soil and Water Conservation District (SWCD) Director Susan Shaw had been a guest speaker at the meeting. Cmsr Oslin stated that Shaw had discussed the Rum River One Watershed, One Plan (1W1P). Cmsr Oslin noted that there are three kick-off meetings occurring for the 1W1P committee: Anoka Clean Water Public Input Meeting on July 31, 2019, the Princeton meeting on August 1, 2019, and the Onamia meeting on August 3, 2019. Cmsr Oslin noted that this is the first clean water initiative committee for Mille Lacs County. Cmsr Oslin mentioned that the Healthy Land, Healthy Lake Conference will be held on Saturday, August 17, 2019 from 9:00 a.m. until noon. Cmsr Oslin stated that it would be a good event for everyone to attend; the meeting will discuss what you can and cannot do on the shoreline.

Cmsr Oslin motioned to adjourn the meeting at 10:01 a.m.; Cmsr Wilhelm seconded. Motion carried.

ATTEST:

/s/ Pat Oman  
Pat Oman  
County Administrator

/s/Roger Tellinghuisen  
Roger Tellinghuisen  
County Board Chairperson