

CLAY COUNTY BOARD OF COMMISSIONERS
1:30 P.M., TUESDAY, OCTOBER 11, 2022
Rooms A/B, 3rd Floor, Courthouse
MINUTES

The Clay County Board of Commissioners met in regular session with the following Commissioners present: Jenna Kahly, Frank Gross, Jenny Mongeau, Kevin Campbell, and David Ebinger. Others present: County Administrator Stephen Larson, County Attorney Brian Melton, HR Director/Asst. Administrator Darren Brooke, and Sr. Admin. Asst. Colleen Eck

CALL TO ORDER

Chair Mongeau called the meeting to order at 8:30 a.m.

APPROVAL OF AGENDA

On motion by Commissioner Gross, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the agenda.

REVISIONS TO RESOLUTION 2022-29, APPROVED ON OCTOBER 4, 2022

By consent, the Board approved revisions to Resolution 2022-29.

CITIZENS TO BE HEARD

There were no citizens to be heard.

APPROVAL OF PAYMENT OF BILLS AND VOUCHERS

On motion by Commissioner Campbell, seconded by Commissioner Kahly, and unanimously carried, the Board approved the payment of bills and vouchers totaling \$1,161,006 from 109 vendors. From that total, 76 warrants issued were under \$2,000 (\$67,339) and the following 33 were over \$2,000:

Dennis Drewes, Inc.	\$452,507	Gate City Bank	\$4,735
Blue Cross Blue Shield Mn	\$291,753	WEX Bank	\$4,111
Clay Co. Public Health	\$ 65,453	Farmers Coop Oil Co	\$4,092
CoreLogic	\$ 40,486	NorthStar Safety Inc.	\$3,940
SeaChange Print Innovations	\$ 32,158	Xcel Energy	\$3,602
Otter Tail Co. Public Health	\$ 31,983	Butler Machinery Co	\$3,282
Forklifts of Minnesota, Inc.	\$ 29,875	Fevig Oil Co	\$3,163
Becker Co. Public Health	\$ 22,053	Wilkin Co Public Health	\$3,004
Petro Serve USA - Hwy	\$ 12,675	Colonial Life	\$2,936
Turner Sand & Gravel, Inc.	\$ 9,640	Barnesville C-Store	\$2,828
Nitzkowski, Inc.	\$ 8,762	Clay County Sheriff's	\$2,500
Verizon	\$ 8,423	Pete's Gas & Service	\$2,459
Sabin C Store	\$ 8,091	Amazon Cap. Services	\$2,247
Forum Communications Printing	\$ 7,798	Sanford Health	\$2,210
MN Counties Computer Co-op	\$ 6,897	MidStates Wireless, Inc.	\$2,000
NEMO-Q, Inc.	\$ 6,813		
Bob Barker (Sheriff)	\$ 6,259		
Powerplan	\$ 4,932		

APPROVAL OF MINUTES FROM SEPTEMBER 27, 2022

On motion by Commissioner Ebinger, seconded by Commissioner Gross, and unanimously carried, the Board approved the minutes from September 27, 2022.

FLU SHOTS PROVIDED TO COMMISSIONERS BY CLAY COUNTY PUBLIC HEALTH

Flu vaccine data was provided by Nursing Director Kathy McKay while the Commissioners received their vaccines.

UPDATE ON REDEVELOPMENT OF MOORHEAD CENTER MALL AREA

Derek LaPoint, President/CEO, Downtown Moorhead Inc., was present along with Jim and Shannon Roers. They provided a visual of the downtown Moorhead Master Plan to the Commissioners. In 2018, Downtown Moorhead, Inc. was formed. Moorhead Center Mall has been on the forefront of the planning process. They entered into a predevelopment arrangement with Roers Development to represent the City-owned assets in and around the mall. Roers has established future strategies and redevelopment plans for the site and acquisition of properties as well.

Jim Roers provided some background information on the pre-development agreement and the destiny of this redevelopment project. They have dealt with pricing, purchasing, and relocations. They currently have 92-94% ownership of the Moorhead Center Mall. Six of the mall units are still privately owned. JLG Architects was hired to create the vision for the master plan. There are four major developers, and the development area is just under 16 acres with the opportunity for expansion. The public can go to moretomoorhead.com to see the urban design and infrastructure for this mixed-use plan. The next step will be creating a preliminary plat. There are opportunities for riverfront development, water features, connections with Fargo, and underground parking and shielded parking. There is also a proposal for the existing parking structure. The November vote will be critical for the future of the plan. Moorhead City Hall has no plans to move at this time.

PUBLIC HEARING – SUPPORT OF TWO-YEAR RESIDENTIAL PROPERTY TAX ABATEMENT PROGRAM WITH RESOLUTION 2022-30

On motion by Commissioner Campbell, seconded by Commissioner Kahly, and unanimously carried, the Board opened the public hearing.

Mr. Larson recapped the Two-Year Residential Tax Abatement Program. He commented that this tax abatement has been important for people who are deciding where they want to build their residence and has been successful for several years. Moorhead City Council unanimously approved their Resolution on September 12, 2022, for Moorhead’s Tax Abatement Program for 2022-2023. Resolutions from other cities that wish to participate in the program are due in the County Auditor’s office by the end of December.

Karen Lauer, Barnesville Economic Development Association (EDA), informed the Board that the EDA is operating and managing a new housing development in Barnesville. She has researched how housing impacts local education. While new housing expands the Barnesville School District, it also grows the tax base and keeps the County strong. She urged the Board to extend the program for an additional two years.

Derek LaPoint reported that housing has become a real priority in this region and this program makes Clay County and Moorhead competitive with the surrounding area. He felt that supporting the program will continue to grow the community.

On motion by Commissioner Kahly, seconded by Commissioner Ebinger, and unanimously carried, the Board closed the public hearing.

On motion by Commissioner Campbell, seconded by Commissioner Kahly, and unanimously carried, the Board supported Two-Year Residential Property Tax Abatement Program with the following resolution:

RESOLUTION 2022-30

WHEREAS, Minnesota Statutes 469.1813-469.1816 grants Minnesota Counties with the authority to offer current or prospective tax abatements under certain circumstances; and

WHEREAS, Clay County has received a request from the City of Moorhead as evidenced by City of Moorhead Resolution #2022-0912-4 unanimously approved by the Moorhead City Council on September 12, 2022 to join with the City of Moorhead and participate in Moorhead’s two-year residential property tax abatement program; and

WHEREAS, other political subdivisions within Clay County have also expressed interest in establishing their own residential property tax abatement programs and their desire for Clay County to participate in those programs; and

WHEREAS, the Clay County Board of Commissioners held a public hearing in the matter on October 11, 2022; and

WHEREAS, the benefits of a two-year residential tax abatement will at least equal the costs Clay County will incur through the abatement; and

WHEREAS, the implementation of a two-year residential tax abatement program is in the public interest as it will increase tax base and provide employment opportunities; and

WHEREAS, it is the desire of Clay County to participate in a two-year residential property tax abatement program consistent with those adopted by the local entities.

NOW, THEREFORE, BE IT RESOLVED that Clay County will participate in a two-year residential tax abatement program as resolved by any taxing entity within the County, assuming such authorizing resolution is adopted by the entity on or before December 31, 2022.

BE IT FURTHER RESOLVED, the eligibility, options, and application of the County’s residential tax abatement will match that of each individual entity’s Authorizing Resolution.

REQUEST TO ENTER INTO CONTRACT FOR CONSTRUCTION MANAGEMENT SERVICES WITH GEHRTZ CONSTRUCTION FOR SUBSTANCE USE CRISIS FACILITY

County Administrator Stephen Larson provided two contract documents for Gehrtz Construction for consideration:

- A133-2019 Standard Form of Agreement between Owner and Construction Manager as Constructor (CMC) - same as CMAR.
- C132-2019 Standard Form of Agreement between Owner and Construction Manager as Advisor (CMA) Bid project cost.

He went over the main differences with costs, contingencies, and County obligations. The two agreements have also been reviewed by the County Attorney. The CMA (C132-2019) is \$300,000 less than CMC/CMAR (A133-2019) with some additional duties for the County including multiple monthly payments rather than having all expenses on one invoice and one check. Gehrtz would provide all the information required for the state auditor and would bring in all the contractors.

In response to questions, Mr. Larson recapped for the Board that the applicants who were interviewed for the project had selected the best path forward for them. The Board had recommended that a CMAR was the preferred version. In their interview, Gehrtz had provided both construction methods (CMAR and CMA) but noted the same project would be done with less cost with the CMA.

Attorney Melton stated the CMA method would have no other liability for the County per se. The options were up to the companies, and they are now up to the board. This is a 13-month project with completion by 12/31/2024.

On motion by Commissioner Ebinger, seconded by Commissioner Gross, and unanimously carried, the Board approved moving forward with Gehrtz Construction as CMA (C132-2019 Standard Form of Agreement between Owner and Construction Manager as Advisor).

REQUEST FOR SUPPORT FROM BUFFALO-RED RIVER WATERSHED DISTRICT TO UTILIZE MSA 103D.905 TAXING AUTHORITY WITH RESOLUTIONS 2022-31 AND 2022-32

Buffalo Red River Watershed District (BRRWD) Administrator Kristine Altrichter introduced herself and brought forward their Board of Managers: Mark Hanson, Paul Krabbenhoft, Gerald Van Amburg and their consultant, Erik Jones, Houston Engineering. Their Board of Managers had their 2023 Budget Hearing on August 8, 2022.

They brought forth two Petitions for Taxing Authority for 2023, each for the authority to assess the maximum allowable, \$754,234.61 (0.00789% of Taxable Market Value) to be used for projects and programs to benefit the residents of the county. The funds collected under the taxing authority are often used as a funding match to state and federal grants.

Their current projects include:

- Wolverton Creek Restoration (Clay/Wilkin)
- Stony Creek Water Resource Management Project (Clay)
- Whiskey Creek Enhancement Project (Wilkin)
- Upper South Branch of the Buffalo River Restoration (Wilkin)
- Glyndon East Tributary Restoration (Clay)
- Upper Buffalo River Restoration (Becker)
- Lower Otter Tail River Restoration (Wilkin)

On motion by Commissioner Gross, seconded by Commissioner Kahly, and unanimously carried, the Board executed the following resolution with approval of 2023 General Tax Levy Petition #1.

**Resolution 2022-31
APPROVING 2023 GENERAL TAX LEVY PETITION #1
BUFFALO-RED RIVER WATERSHED DISTRICT**

WHEREAS, pursuant to Minnesota Statute Annotated (M.S.A.) 103D.905, Subd. 3, and any other applicable statutes, the Clay County Board of Commissioners hereby petitions for a one-year (2023) annual tax levy in an amount not to exceed 0.00798 percent of the taxable market value (\$754,234.61) to pay the costs attributable to the basic water management features of projects and programs within the Buffalo-Red River Watershed District (BRRWD); and

WHEREAS, the BRRWD per M.S.A 103D.905, Subd. 3, will use these funds projects and programs including: financial support for the Red River Basin Commission (\$25,000.00) and River Keepers (\$55,000.00), provide funding to Soil and Water Conservation Districts, water quality monitoring, log jam removal, stream channel restoration projects, flood damage reduction (FDR) projects, and natural resource enhancement (NRE) projects.

NOW, THEREFORE, BE IT RESOLVED by the Clay County Board of Commissioners that the Board does hereby petition for the use of said levy by the Board of Managers, BRRWD, in 2023, as discussed at the BRRWD annual budget hearing, August 8, 2022.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board executed the following resolution with approval of 2023 General Tax Levy Petition #2.

**Resolution 2022-32
APPROVING 2023 GENERAL TAX LEVY PETITION #2
BUFFALO-RED RIVER WATERSHED DISTRICT**

WHEREAS, pursuant to Minnesota Statute Annotated (M.S.A.) 103D.905, Subd. 3, and any other applicable statutes, the Clay County Board of Commissioners hereby petitions for a one-year (2023) annual tax levy in an amount not to exceed 0.00798 percent of the taxable market value (\$754,234.61) to pay the costs attributable to the basic water management features of projects and programs within the Buffalo-Red River Watershed District (BRRWD); and

WHEREAS, the BRRWD per M.S.A 103D.905, Subd. 3, will use these funds to as funding sources and grant match for project such as the South Branch Buffalo River Restoration, Stony Creek Water Resource Management, Lower Otter Tail River Restoration, Whiskey Creek Enhancement, and Glyndon East Tributary Restoration.

NOW, THEREFORE, BE IT RESOLVED by the Clay County Board of Commissioners that the Board does hereby petition for the use of said levy by the Board of Managers, BRRWD, in 2023, as discussed at the BRRWD annual budget hearing, August 8, 2022.

REQUEST TO MOVE FORWARD WITH CREATION OF CLASS A CDL PAYMENT POLICY

HR Director Darren Brooke, Solid Waste Manager Cory Bang, and County Engineer Justin Sorum were present to discuss a payment policy in the County for Class A Commercial Driver's Licenses (CDLs).

A payment policy for CDLs should help to attract more applicants for truck driver positions for the Solid Waste Department and Highway Department. Currently, the cost for training/licensing for a CDL is between \$3,000 to \$6,000. The employee would also have a commitment to the County for a certain period of time if the County pays for their CDL. The repayment scale would be for anyone working less than 24 months. Employees with CDLs would be placed on grade 11, step 5 of the pay grid. They start on lower step prior to obtaining their CDL. This would also pertain to anyone hired in the past three months. There would be a limit of 45 days for an employee to obtain their CDL with online classes, a week of driving time, and then testing. They may go anywhere in MN to get the test done. An open truck driver position in Solid Waste has led to a large expense for a contractor to haul for the landfill for many months. The Personnel Issues Committee has met and recommended approval of the policy and the pay grid.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the payment policy and pay grid as brought forth for Class A Commercial Driver's Licenses (CDLs) for the Highway Department and Solid Waste Department.

REQUEST FOR APPROVAL OF PRICE ADJUSTMENT FOR COMSTOCK, ULEN, AND GEORGETOWN CAPITAL IMPROVEMENT PROJECT

Facilities Director Joe Olson and County Engineer Justin Sorum were present with several items. Mr. Olson relayed that the Board previously approved a total project cost of \$877,925 for highway shops in Comstock, Ulen, and Georgetown as part of the Capital Improvement Project. This was based on direct quotes from April of 2022. Recently, a price-increase contingency list was presented and went before the Building Committee for their support. The new contingency costs total \$66,229 with a breakdown of Comstock - \$12,582; Ulen - \$26,858; and Georgetown - \$26,789. The total project cost would be increased to \$944,154.

On motion by Commissioner Gross, seconded by Commissioner Campbell, and unanimously carried, the Board approved the price adjustment for Comstock, Ulen, and Georgetown Capital Improvement Project.

REQUEST FOR APPROVAL OF COLD STORAGE CHANGE ORDER AND SALT/SAND TENT CONTINGENCY INCREASE

Mr. Olson and Mr. Sorum brought forth the most economical solution for a recent situation at the Highway Department. During the drilling process for the cold storage building poles, concrete piers were discovered underground. In order to avoid the piers, the building had to be shifted to the southeast. Gast Construction has drilled and set the poles for the building. Due to the change, additional concrete is needed both inside and outside the building. The Change Order request is for an additional \$44,704 for concrete; the owner coordination cost is \$5,478; and hauling the asphalt pile off site is \$500; for a total of \$50,682. The Building Committee has approved these increases.

On motion by Commissioner Gross, seconded by Commissioner Campbell, and unanimously carried, the Board approved the change order request and owner coordination items for the salt sand tent at the Highway Department in the amount of \$50,682 using capital bond funds.

REQUEST FOR APPROVAL OF FUNDING FOR CERAMIC TILE FLOORING FOR FSC PHASE TWO LOBBY IMPROVEMENT PROJECT

The second phase of the Family Service Center (FSC) includes new floor tile, lights, ceiling tile, signage, and paint for the second through fifth floor main lobby areas. Due to price increases weekly, the request today is to have the ceramic tile approved in the amount of \$56,000. The total project cost will be coming back to the Board in the next couple of weeks. The current bond balance is \$68,834, and if this item is approved, the remaining balance would be \$12,834.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved funding for the ceramic tile for the Family Service Center Phase #2 Lobby Project, not to exceed \$56,000.

REQUEST FOR APPROVAL OF BILL OF SALE AGREEMENT FOR CURRENT HOUSEHOLD HAZARDOUS WASTE BUILDING BETWEEN CLAY COUNTY AND CITY OF MOORHEAD

Mr. Olson reported that the current Household Hazardous Waste building is owned by Clay County and located on property owned by the City of Moorhead. During the construction of the Resource Recovery Project, it was determined that Clay County would be responsible for striping requirements on 34th Street N and 15th Avenue N due to changes made in the project. The cost for striping is \$25,706. The County is proposing that the City of Moorhead cover the cost of striping in exchange for the Household Hazardous Waste building. The Attorney's Office and Building Committee have both approved this agreement. There would be no liability on the building. This item is on the City of Moorhead's agenda tonight.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the written agreement between Clay County and the City of Moorhead for exchange of the Household Hazardous Waste building for road striping on 34th Street N and 15th Avenue N, Moorhead.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board approved the bill of sale as presented for the Household Hazardous Waste building.

CLOSED SESSION - DISCUSS UNION CONTRACT NEGOTIATIONS

On motion by Commissioner Campbell, seconded by Commissioner Kahly, and unanimously carried, the Board closed the public meeting for a closed session at 10:40 a.m.

On motion by Commissioner Campbell, seconded by Commissioner Ebinger, and unanimously carried, the Board reopened the public meeting at 11:45 a.m.

COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE/DISCUSSIONS

- Commissioner Gross reported on meetings for Building Improvement Committee; Criminal Justice Advisory Board; Highway Tracking; and Mn Rural Counties Caucus.
- Commissioner Campbell reported on meetings for Highway Tracking; Personnel Issues Committee; and Building Committee.
- Commissioner Ebinger reported on Criminal Justice Advisory Board; Greater F-M Economic Development Corp.
- Mr. Larson attended meetings for Highway Tracking; Dispatch issues; Personnel Issues Committee; Strive for Excellence; Administrators Conference; Contract for the Substance Use Crisis Facility; and met with Lori Schwartz from CAP-LP on a funding request.

The meeting was adjourned at 12:32 p.m.

Jenny Mongeau, Chair
County Board of Commissioners

Stephen Larson, County Administrator