

CLAY COUNTY BOARD OF COMMISSIONERS

Tuesday, June 10, 2003

9:00 a.m.

Family Service Center of Clay County - Room #4

M I N U T E S

The Clay County Board of Commissioners met in regular session on Tuesday, June 10, 2003, with the following commissioners present: Brunsvold, Campbell, Evert, and Waller. Commissioner McCarthy was absent.

APPROVAL OF AGENDA

On motion by Campbell, seconded by Waller, and unanimously carried, the agenda was approved with the following additions:

- Request from City of Barnesville for Clay County to implement a Tax Increment Financing District and approve a permanent road restriction waiver for potential new business in Barnesville area
- Approve payment by Auditor's Warrant of credit card charges

CITIZENS TO BE HEARD

There were no citizens present who wished to address the Board.

COMMUNICATION FROM CLAY-WILKIN OPPORTUNITY COUNCIL RE: DAILY DISCOVERIES LEARNING CENTER SPACE IN FAMILY SERVICE CENTER

Joe Pederson, Executive Director of Clay-Wilkin Opportunity Council (CWOC) addressed the Board regarding a letter he had written May 27, informing Clay County that CWOC would be terminating their lease in the Family Service Center of 11,180 sq. ft. unless the current lease rate of \$8.20 per sq. ft. is continued.

Mr. Pederson explained that due to the budget cuts, many adjustments will be made to CWOC's programs, thus CWOC has amended its request to the following: 1) that Clay County continue to lease CWOC 11,180 sq. ft. at the current lease rate of \$8.20 per sq.ft. for an additional two years (in consideration of the fact that CWOC paid \$322,000 to Clay County in 1993 to assist with remodeling of the FSCCC); 2) if Clay County is willing to continue this lease arrangement for an additional two years, CWOC will continue to lease the kitchen (903 sq.ft.) at the market rate of \$12.25 sq. ft.; and 3) CWOC would like to lease an additional 700 sq.ft. for the 2003-2004 school year at a rate of \$12.25 sq.ft.

Commissioner Brunsvold commented that if Clay County is not willing to make the requested adjustments, CWOC will find space elsewhere or close. Mr. Pederson stated that their preference is to stay in the FSCCC, and are hopeful for a long term relationship.

County Administrator Vijay Sethi explained that many of the tenants in the FSCCC are in a transition period, having experienced budget cuts, etc., (Extension, MET office, Early Intervention, etc.), thus much reconfiguring of spaces is going on to accommodate everyone's needs. In addition, the Auditor's and Treasurer's offices will be moved to their new space in the Courthouse in early fall, freeing up their current space in the FSCCC. Mr. Sethi added that if the Extension Service is

designated a Regional Center, more space will be required in either the Juvenile Center or the FSCCC.

Commissioner Brunsvold felt approving CWOC's request would be a good business decision for the County in that losing a tenant who leases that much space would be difficult to replace given the limited number of potential tenants there are for that type of space.

Commissioner Waller alluded to Commissioner McCarthy's concerns expressed at last week's meeting that other tenants may request the same consideration. Commissioner Waller was comfortable extending the current contract. He felt that given the current budget climate, it is in the County's best interest to keep the building as full as possible.

On motion by Brunsvold, seconded by Waller, and unanimously carried, the Board approved CWOC's request as follows: 1) extend the CWOC lease for 11,180 sq. ft. at the current lease of \$8.20 per sq.ft. for an additional two years; 2) continue to lease the kitchen (903 sq.ft.) and 1646 sq.ft. for Daily Discoveries Child Care to CWOC at the rate of \$12.25 sq. ft.; and 3) lease CWOC an additional 700 sq.ft. for the 2003-2004 school year at a rate of \$12.25 sq.ft.

Commissioner Campbell inquired about the hours of usage of the Headstart and Daily Discoveries spaces, and felt it would be beneficial if the spaces could be used in the off-hours by other entities, i.e., for afterschool education. Mr. Pederson stated that they would be eager to partner with other agencies to this end.

MOSQUITO ABATEMENT/WEST NILE VIRUS

Mr. Bruce Jaster, Environmental Health Director and Ms. Kristi Biewer, Cass County Mosquito Control Officer, presented information regarding mosquito abatement efforts conducted by governmental entities in the area. Cass County/Fargo has more than doubled their staff, the City of Moorhead has reduced their budget, and Oakport Township conducts aerial spraying. For over 15 years Clay County has maintained and monitored mosquito traps, but has had no spraying program.

Ms. Biewer updated the Board regarding West Nile virus and other mosquito borne diseases. An informational brochure, website information, and demonstration kit of appropriate products to be used for mosquito abatement are available to the general public.

Consensus of the Board was that Mr. Jaster research how the County could proceed with at least a minimum program, including identification of standing water areas.

UPDATE ON CSAH 18 BRIDGE AND COUNTY ROAD 93 BITUMINOUS PAVING PROJECTS

CSAH 18 Bridge - County Engineer Jack Cousins informed the Board that two members of his staff had met with a concerned citizen at the CSAH 18 bridge site, and found no exposed aggregate on the bridge deck as previously reported by the citizen.

County Road 93 - County Engineer Jack Cousins reported that the contractor for the County Road 93 project was at the site June 3, excavated the settled areas, dried the material, put the material back in and compacted it. He did not feel additional gravel is needed. He added that the bituminous will be going on within the month.

UPDATE ON “ENGINE COMPRESSION BRAKE” ORDINANCE

County Engineer Jack Cousins advised the Board that in response to complaints regarding the use of engine compression brakes (a.k.a. Jake Brakes) in Downer, at the intersection of CR 10 and CSAH 32, and at the intersection of U.S. 10 and the landfill road, the Highway Department has emailed other Minnesota counties regarding ordinances prohibiting these brakes. Of the thirty responses, no counties had ordinances. Assistant County Attorney Michelle Winkis stated that two cities (Waseca and Mankato) have engine compression brake ordinances. Ms. Winkis stated that her understanding is that if the engine compression brakes are operating properly, there is no additional noise. However, when the baffles are taken out, the result is a loud, offensive noise when the brakes are used. She stated that this is an issue that is prevalent statewide, and that it may be more appropriate to encourage legislative action. Ms. Winkis will continue to research that possibility.

Ms. Winkis felt the key element is enforcement when you have an ordinance of this nature.

Commissioner Evert suggested that a letter be sent to contractors, truckers, etc., requesting voluntary assistance in ceasing the use of engine compression brakes.

SAP 14-598-30 (CO. RD. 66), SAP 14-599-67 (SEC. 16-22 VIDING TWP.), AND
SAP 14-599-68 (SEC. 25-26 MOORHEAD TWP.) BRIDGE REPLACEMENT LETTINGS

County Engineer Jack Cousins opened and read sealed bids for the above mentioned bridge replacement projects, as follows, noting that the bid will be awarded to the lowest combined bid:

Landwehr Construction, Inc. - \$154,184.08

Sellin Brothers, Inc. - \$171,982

Gladen Construction, Inc. - \$180,017.50

Strom Construction Services, Inc. - \$160,553

Cudmore Construction, Inc. - \$187,340

Midwest Contracting, LLC - \$180,770

On motion by Waller, seconded by Campbell, and unanimously carried, the Board awarded the bid to the apparent low bidder, Landwehr Construction, Inc., for their combined bid of \$154,184.08, contingent upon their being no changes in the bid after tabulation, and upon Township approval.

CP 14-114-01 (CO. RD. 114) GRADING LETTING

County Engineer Jack Cousins opened and read sealed bids for the County Road 114 grading project, as follows:

Strom Construction Services, Inc. - \$51,096.25

Sellin Brothers, Inc.- \$46,028.45

Dennis Drewes, Inc. - \$50,521.50

Jenson Brothers - \$62,353

Wayne A. Nelson, Inc. - \$45,573.05

Gladen Construction, Inc. - \$64,752.25

Schipper Construction, Inc. - \$58,386.55

On motion by Campbell, seconded by Brunsvold, and unanimously carried, the Board

awarded the bid to the apparent low bidder, Wayne A. Nelson, Inc., contingent upon there being no changes in the bid following tabulation.

REQUEST FROM CITY OF BARNESVILLE FOR CLAY COUNTY TO IMPLEMENT A TAX INCREMENT FINANCING DISTRICT AND ROAD RESTRICTION WAIVER

Ms. Karen Lauer, Barnesville Economic Development, was present to request that Clay County implement a Tax Increment Financing (TIF) district and approve a road restriction waiver in connection with the potential siting of a business just outside of the city limits of Barnesville. Ms. Lauer explained that Barnesville is competing with several other communities as the future location of the new business, with the proposals due Friday, June 13.

Road Restriction Waiver - Ms. Lauer explained that the potential site for the business is adjacent to County Road 55 (a 9-ton highway), .6 mile from Trunk Highway 9 (a 10-ton highway). The company has concerns regarding the long term ability for the business to use CR 55 (via an overweight permit) to access T.H. 9, in that they are investing over \$3,000,000 to start the company. The Board reviewed the Policy Governing the Issuance of Truck Overweight Permits by Clay County Highway Department.

County Engineer Jack Cousins stated that the County has issued annual overweight permits for years, and only just last year implemented a policy which insures uniformity in the granting of the permits. He added if the grantee does not abide by the policy, their permit could be rescinded. However he did not believe a permit has ever been rescinded.

Commissioner Evert stated that if Clay County is interested in Economic Development, this is the first opportunity to prove it. He felt the County should find a way to grant a permit as long as their business exists, and to offer them that assurance.

Ms. Winkis felt that item #7 of the policy could be amended to include a definition that if nothing changes and the applicant has complied with the permit, the permit would be continued, year after year.

Commissioner Campbell felt that a strong case could be presented to the company that for all the years the County has been issuing these permits, none have been denied.

The consensus of the Board was that the annual permit fee would apply to all permit holders.

Commissioner Brunsvold stated that this business is exactly what Clay County needs for Economic Development.

On motion by Brunsvold, seconded by Waller, and unanimously carried, the Board requested the Policy Governing the Issuance of Truck Overweight Permits by Clay County Highway Department be amended as suggested by Ms. Winkis to clarify that permits will be continued year after year if nothing changes and the applicant has complied with the permit.

Commissioner Evert felt that the company should be aware that the Board is very supportive of their future location in Clay County, and the aforementioned policy is being revised relative to their situation. Commissioner Waller agreed, in that the company should be comforted by the fact that the policy puts everyone on a level playing field.

Request for implementation of a TIF District - Ms. Lauer requested that if a formal request is made by the company, that the Clay County Board is in support of implementation of a TIF district. She stated that this would be a Economic Development TIF, with a maximum length of nine years. Of the estimated \$33,000 annual tax for the property, the amount eligible for

reimbursement to the developer for TIF is roughly \$23,000. Clay County would continue to receive the base tax, but not the additional tax. Ms. Lauer stated that this would be a pay-as-you-go TIF, where the developer up-fronts all the costs. She stated that 10% of the increment goes back to the County for administrative expenses. Ms. Lauer added that the Clay County Housing & Redevelopment Authority (HRA) is required to be a partner in County TIFs. HRA Director Ken Crowell was present and felt his Board of Directors would wholeheartedly support this project.

Ms. Lauer stated that other benefits to the company locating in Clay County would be the employment of 30-35 people, with an average wage of \$9-\$13/hour, plus management staff. The company will contract out its trucking needs, will use raw materials from the area, and would be a catalyst to draw other business to the area. Ms. Lauer added that no one else in the area produces this product.

On motion by Brunsvold, seconded by Waller, and unanimously carried, the Board approved in concept a pay-as-you-go Tax Increment Financing District for the potential business described above which is contemplating locating in Clay County.

County Administrator Vijay Sethi stated that if the request comes forward from the company for a TIF District, he would work with Ms. Lauer on the paperwork.

Commissioner Campbell suggested that Ms. Lauer include in her proposal that for the first time in Clay County's history, funds have been set aside in the budget for Economic Development.

JOB OPPORTUNITY BUILDING ZONES (JOBZ)

Karen Lauer, Barnesville Economic Development, informed the Board that she would share information she has received regarding Governor Pawlenty's program involving the designation of ten job tax-free zones in Minnesota. West Central Initiative will coordinate the application for our nine county area.

DISCUSSION RE: COLD STORAGE BUILDING - JOINT MAINTENANCE FACILITY

County Engineer Jack Cousins informed the Board that MnDOT constructed a Cold Storage building in 2002 at the Joint Highway Maintenance Facility with the hope that MnDOT, City of Moorhead and Clay County would share the usage and cost of the building (\$234,092). Since that time the City of Moorhead has decided they can only afford to participate in one of the buildings, either the Cold Storage building or the Sand & Salt building (to be built in 2003 at an estimated cost of \$300,000). They have decided to participate in ownership of the Sand & Salt building. Mr. Cousins stated that he is interested in Clay County assuming 2/3 ownership of the Cold Storage building (\$156,061.33), and feels this space will satisfy the County's needs for many years. MnDOT will assume ownership of the remaining 1/3. All three entities would assume 1/3 ownership of the Sand & Salt building (\$100,000 each) once it is built.

Mr. Cousins proposed that the \$156,061.33 for the Cold Storage building be funded by using the remaining funds available from the Joint Maintenance Facility project, \$114,379, and using \$41,682.33 from the following 2003 budget line items: Road Materials, Roadway Maintenance Costs. Mr. Cousins added that with the good winter we just experienced, the Highway Department began 2003 with \$1,000,000 in reserves.

Commissioner Brunsvold inquired if there is a problem with all three entities owning the land in 1/3 shares, but owning the buildings in different percentages. Mr. Cousins stated that this issue is covered in the Joint Powers Agreement for the facility.

Commissioner Waller expressed concern that he did not want to see deteriorating conditions in material application or maintenance if funds are taken from those line items to fund the buildings.

Mr. Sethi added that he supports Mr. Cousins' recommendation, and stated that the \$89,304 in budget cuts for 2003 that were recently approved by the County Board must also come from the above mentioned line items.

On motion by Brunsvold, seconded by Waller, and unanimously carried, the Board approved the above mentioned ownership proposal for the Cold Storage (2/3 County, 1/3 MnDOT) and Sand & Salt buildings (1/3 ownership each for County, City, MnDOT), contingent upon there being a three-way written agreement for the ownership of the Sand & Salt building.

APPROVAL OF MONTHLY BILLS & VOUCHERS

On motion by Brunsvold, seconded by Waller, and unanimously carried, the Board approved payment of the monthly bills and vouchers.

APPROVE PAYMENT BY AUDITOR'S WARRANT OF CREDIT CARD CHARGES

On motion by Campbell, seconded by Waller, and unanimously carried, the Board approved payment by Auditor's Warrant of credit card charges in the amount of \$289.00 for Commissioner Brunsvold's attendance at a conference.

COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE

2004 Budgetary process - County Administrator Vijay Sethi requested that Commissioner Brunsvold jot down his thoughts regarding the 2004 budgetary process, since he is not expected to be at the Board meeting on June 17 when the Board will discuss this topic.

Association of Minnesota Counties (AMC) Video Tapes - Mr. Sethi informed the Board that AMC has forwarded three video tapes providing their assessments and interpretations of the recent Legislative session. He will schedule a viewing of the tapes if the Commissioners so desire.

Relocation of Joint Dispatch Center - Mr. Sethi advised the Board that the site selection process has been completed for the relocation of the Joint Dispatch Center, with the future location to be 300 NP Avenue in Fargo. Six site proposals were received and the Joint Powers Board voted unanimously to pick the 300 NP Avenue location as the most cost effective site. In its new location the Joint Dispatch Center will occupy 5234 sq.ft. of floor area. Annual occupancy cost will average approximately \$78,000 during the first five years. The Center is expected to be relocated in October.

Extension Service/Regional Center - Commissioner Evert advised that the formal applications are being developed for completion by those entities seeking designation as a Regional Center for Extension Services.

CSAH 34 Construction Project - Mr. Sethi informed the Board that he has shared the Board's concerns regarding the U.S. Fish & Wildlife Services' requirements in connection with construction on CSAH 34 with Peter Buessler, Department of Natural Resources. Mr. Buessler indicated he would assist in coordinating issues with the U.S. Fish & Wildlife Service.

ADJOURN

The meeting adjourned at 12:30 p.m.

Respectfully submitted

Vijay Sethi, County Administrator

Jon Evert, County Board Chair