

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS  
Held on Tuesday, April 26, 2022 9:30 a.m.

MEMBERS PRESENT: Commissioners Pavleck, Sjoblom, Adee, and Skoe

MEMBERS ABSENT: Commissioner Murray

OTHERS IN ATTENDANCE: Janelle Peterson, Nathan Heibel, Trent Nicholson, Dave Reimer, Kathy LaFrance, Matthew Gouin, Len Peterson, Barb Nelson, Cole and Kari Hraban, Andrew Wright, Mary Pelowski, and KCCTV reporter Darcy Sullivan

000 Board Chair Pavleck announced that after 30 years of service he is retiring at the end of the year.

2022/04-22 Motion by Sjoblom, seconded by Skoe to approve the agenda with additions and deletions. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-23 Motion by Sjoblom, seconded by Skoe to approve the minutes from the April 12, 2022 regular meeting. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-24 Motion by Sjoblom, seconded by Skoe to approve Courthouse claims in the amount of \$90,724.59, and approve Highway claims in the amount of \$33,064.93 and approve Public Health and Human Service claims as presented. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-25 Motion by Sjoblom, seconded by Skoe approving Sheriff warrant void totaling \$5,665.

000 Notice of hire of part-time Highway Laborer.

2022/04-26 Motion by Skoe, seconded by Sjoblom to approve employment promotion of Alana Werner to Eligibility Worker with effective start date of May 9, 2022 and authorize filling the vacant Family Based Service Provider position within the assigned wage scale. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-27 Motion by Sjoblom, seconded by Skoe to approve employment promotion of Carmen Christenson to Child Support Officer with effective start date of May 9, 2022 and authorize filling the vacant Eligibility Worker position within the assigned wage scale. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-28 Motion by Skoe, seconded by Sjoblom to approve an increase for the wage rate in the Koochiching County Temporary Hire Policy from \$11.50 to \$14-\$15.50 per hour for non-skilled workers and from up to \$13.00 to up to \$16.00 for skilled workers as recommended by the Personnel Committee. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-29 Motion by Skoe, seconded by Sjoblom for sponsorship of existing snowmobile, ATV, and cross-country ski trails for grant agreements in the MN Trails Assistance Grant-In-Aid Program for Fiscal Year 2022-2023 for the International Voyageurs Snowmobile Club,

Ridgerunner Snowmobile Club and Polar Polers Ski Club covering the Blue Ox, Caldwell Brook and Lundstrom Trails, Hagerman, Voyageurs West and Loman Trails and the Tilson Ski Trail. Sponsorship by the County requires that a Club/County Agreement be in effect (Agreement on file in the Auditor-Treasurer's Office). As sponsor the County is accountable to the State for expenditures charged to the State Grant-In-Aid program, but sponsorship does not require financial support or liability cost from the County. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-30 Motion by Sjoblom, seconded by Adee to adopt the following resolution in support of the Grant Agreement for Air Service Marketing for the International Falls-Koochiching County Airport: That it is resolved Koochiching County adopts the State of Minnesota Agreement No. MnDOT Contract No. 1050516, "Grant Agreement for Air Service Marketing," for State Project No. A3601-SM020 in the amount of \$21,594 on behalf of the International Falls-Koochiching County Airport and further, to authorize the Board Chair to execute the above grant document and any amendments on behalf of the International Falls-Koochiching County Airport Commission and Koochiching County as specified by the issuing agency. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-31 Motion by Adee, seconded by Sjoblom to approve the Construction Cost Sharing Agreement with Midcontinent Communications to establish the necessary infrastructure to provide data and telephone service availability to the project areas shown in Exhibit 1 and named in Exhibit 2. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-32 Motion by Adee, seconded by Skoe to approve letter of support and Board Chair signature for the \$6.2 million funding request from St. Louis County and the Voyageurs National Park Clean Water Joint Powers Board. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-33 Motion by Adee, seconded by Skoe to approve Carpool's request to order a 2023 GMC Sierra from State Bid Site at a cost not to exceed \$47,445. Vehicle to be delivered in 10 – 18 months. Dean did check locally, and they can't even give him an idea of when they would be able to order any vehicles. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-34 Motion by Skoe, seconded by Sjoblom to adopt resolution of support for SF 2793 and HF 3073 related to Payment in Lieu of Taxes (PILT). SF 2793 (Senator Bakk) and HG 3073 (Rep. Ecklund) have been introduced to help rectify huge inequities in PILT payments by substantially increasing PILT payments to northern MN counties, including an over 56% increase to Koochiching County.

#### **Bakk-Ecklund PILT Bills Support Resolution**

**WHEREAS**, the Payment in Lieu of Taxes (PILT) Program passed into Minnesota law in 1979 with the statutory purpose "to address the disproportionate impact of state land ownership on local units of government with a large proportion of state land;" and

**WHEREAS**, 95% of all PILT acreage is located in the northern-half of Minnesota; and

**WHEREAS**, since 1995, nearly all PILT payment increases have gone to southern Minnesota and metro area counties; and

**WHEREAS**, in 1979 when PILT payments began, the biggest disparity between the highest PILT compensated county to the lowest compensated county was 8:1 or, *8 times higher*, yet today that disparity has grown to a whopping 170:1 or, *170 times higher*; and

**WHEREAS**, the principal cause PILT payments are so inequitable across MN, is because in 1995, the Acquired Acres category of PILT Payments switched from a flat rate to instead, a land value basis, yet all other major PILT Payment categories remained at a flat rate; and

**WHEREAS**, the Northern Counties Land Use Coordinating Board (NCLUCB) recently completed a Comprehensive Study re: State PILT and Payments to Counties which verifies all of the above-mentioned inequities; and

**WHEREAS**, SF 2793 (Bakk) & HF 3073 (Ecklund) have been introduced to help rectify these huge inequities in PILT Payments by substantially increasing PILT payments to Northern MN counties, including a 56% increase in Koochiching County; and

**NOW, THEREFORE, BE IT RESOLVED**, that Koochiching County hereby urges the 2022 Legislature to pass the respective Bakk-Ecklund PILT Bills through the necessary committees and include them in their final Omnibus Tax Bill. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-35 Motion by Skoe, seconded by Sjoblom to approve the repurchase of tax-forfeited property described as Lot 11; Block 87, Plat of International Falls by a party who had the right to pay taxes on the property given by statute, mortgage, or other agreement. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.

2022/04-36 Motion by Skoe, seconded by Sjoblom to authorize the clean-up and disposal of abandoned personal property on the following tax-forfeited properties: Lots 10-12, Block 8; Plat of Big Falls; Lot 18 and East ½ of Lot 19, Block 72; Plat of International Falls; Lot 4, Block 4; Auditor's Plat 8. Revised and future demolition of selected structures on the following tax-forfeited properties: Lots 7 & 8, Block 1; Plat of Riverside Addition to Big Falls as allowed by Minnesota Statute 282.04 Subd. 4. Voting yes: Sjoblom, Skoe, Adee, Pavleck. Motion carried.

2022/04-37 Motion by Adee, seconded by Sjoblom to approve the void of warrant #39972 in the amount of \$140.00, warrant #39655 in the amount of \$400.00, warrant #39096 in the amount of \$1,393.45, and warrant #40083 in the amount of \$170.10. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-38 Motion by Adee, seconded by Sjoblom to accept the best value to the County and award SAP 036-624-019 CSAH 24 Van Lynn Overpass Project to KGM with a total bid of \$7,798,451.18. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-39 Motion by Adee, seconded by Sjoblom to authorize the Highway Department to seek quotes for CP 2022-03 (2022 Striping). Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-40 Motion by Skoe, seconded by Adee to authorize the Highway Department to advertise for bids for CP 2022-05 CSAH 1 patching located at the Bear River intersection. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-41 Motion by Skoe, seconded by Adee to authorize the Highway Department to purchase up to 35,000 tons of raw aggregate material from Dennis and Rhonda Jonson to produce Class 5 (CL5). Jonson's would also provide a lease agreement to store our material on their parcel at no cost to the County. Further, to authorize the Highway Department to advertise for bids for Project CP 2022-06 – 2022 Birchdale Crushing. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

Board Chair called for Public Comment related to the application for a Conditional Use Permit #2202 for Rainy Lake Vacation Campground LLC:

Matthew Gouin, Environmental Services Director, requested the County Board to consider the County Planning and Zoning Commission's recommendation to approve the Rainy Lake Vacation Campground LLC request for an amendment to the 2001 Conditional Use Permit on their property located East of Bowman DNR boat landing north of Hwy 11 and south of UT 275. The applicants are requesting an expansion of their existing 30-unit campground by adding 14 additional RV campsites with 12 being accessed by UT 275 and the other two RV campsites being accessed by Hwy 11 East. The existing Conditional Use Permit included the 30 campsites that are now existing and accessed from Highway 11 E. The existing Conditional Use Permit also includes 3 cabins and a storage building/workshop which haven't been built yet, but when built the applicants have stated would be accessed by UT 275. The applicants have an engineered plan to connect to the Jackfish Bay sewer system which they have agreed would be constructed by the end of 2023. Gouin stated his office has reviewed the application and Minnesota rules which deal with environmental assessment worksheets and environmental impact statements and have reviewed the site density calculations with the DNR. The DNR confirmed that this is a non-sensitive shoreline area. An EAW and EIS would not be required by rule. A conditional Use Permit may be granted if the County Board finds that the Koochiching County Zoning Ordinance basis of approval criteria are met. On March 22<sup>nd</sup> this was tabled, and on April 19<sup>th</sup> the Board conducted a site visit attended by interested citizens, the County Board and County staff.

Cole Hraban, applicant, explained they are here to talk about their RV park expansion, 12 RV sites on the north parcel and two additional on the south parcel. He is grateful to have this property and it has allowed his wife and himself an opportunity to make a living for their family and be on Rainy Lake. He felt the site visit went well and showed the proposed site is not only suitable for development but was able to show off its beauty. Hraban thanked everyone and would be happy to answer any questions.

Dennis Wagner, Ranier Mayor, commented on the hidden value in RV parks, when people travel here and stay, they may end up moving here. It's a good way of attracting new residents. Wagner

endorses the park and feels it adds value to our area. These people come into our town, eat, and spend money so it's a real plus.

Len Peterson, County Assessor, addressed concerns that the campground may drive property values down; after just completing the most recent study of sales on Rainy Lake he reported that of the 40 homes sold in 2021, not one sale was less than assessed value. The lake ratio is 61% which shows how far above assessed value lake properties are selling for. Peterson's opinion is that Real Estate values on the lake would not go down as a result of the proposed Conditional Use Permit.

Barb Nelson, property owner across the bay, commented we all supported the campground and still do but doesn't support the expansion. None of us would want to have an RV 10 feet from our home. If Wright's decided to hire an attorney for an injunction to stop this expansion every neighbor would help with the cost.

Andrew Wright, property owner and closest neighbor to campground, stressed that the Planning and Zoning Commission did not answer any of the five questions to approve the CUP amendment. Wright discussed the tax base of the surrounding homes versus the tax base of the campground. He feels the residential area will be destroyed if the expansion is approved.

Matthew Gouin, County ESD Director, explained the Planning and Zoning Commission did read the five questions and discussed them at length and today the County Board will also go through the process and document the basis of a decision.

Mary Pelowski, property owner, asked what conditions will be considered for the CUP and did anyone drive the road to see if two vehicles could meet on UT 275.

Gouin responded that he is not sure if anyone drove the road and met oncoming traffic.

Dave Reimer, County Engineer, stands by previous statement that UT 275 is not suitable for commercial traffic. The road is only 13-14 feet wide and has seen some usage. If the amendment of the Conditional Use permit is approved, there will be restrictions placed on the road to ensure it holds up during construction activity. It is a county road, and it is open to the public.

Commissioner Sjoblom invited Mr. Wright and the Hraban's to approach the Board in the hopes of reaching a compromise. Sjoblom feels it's a good project but, he wants to be considerate of the neighbors and wants direct input from Mr. Wright. Whether this happens or not you're still going to be neighbors and will still have to share the road.

There was discussion around the safety concerns of UT 275. Reimer explained the County has a prescriptive easement and it is narrower than the 40-foot-wide property owner's easement. The prescriptive easement is based on what maintenance we have done on the road. If anything is going to be done with the road, we need more easement. Other UT roads are as narrow, and others are wider. UT 275 is restricted to 5 ton in the spring and 7 ton in the summer. County Road 133 is targeted for upgrading.

The meeting then went back to the County Board and Matt Gouin was invited back to the table. Gouin then read the five criteria included in the CUP application:

1. Will the proposed use conflict with the intent of the Koochiching County Shoreland Management Ordinance or other applicable rules? *The Board feels no it will not.*
2. Will the proposed use cause any unreasonable adverse effects on adjacent properties? The Board stated *without conditions, yes it could. There needs to be some conditions. Mr. Wright would like a privacy fence to start at the lake and go east to UT 275. He also wants to see the private access point (road) located on private property that accesses the RV sites meet conditions. It was determined the access point road is shown on the applicants plan as being 25' wide along the property line and running east and west. The RV sites begin south of the access road. He is also concerned UT 275 is going to be damaged during the construction. Highway engineer will establish criteria for use to protect UT 275. This is a public road open to all property owners including the applicant and other residents in the neighborhood. The applicants already have a CUP for three cabins and a storage building that would be accessed by UT 275 therefore their use is already established.*
3. Will the proposed use substantially diminish property values within the surrounding area? *County Assessor has stated no.*
4. Will the proposed use impede the normal and orderly development and improvement of the surrounding property for uses predominant in the area? *All current uses will continue and will not be impeded by the proposed Conditional Use.*
5. Is the location and character of the proposed development consistent with a desirable pattern of development? *County Board discussed how the lake area is a mix of residential and resort type of uses similar to neighborhood.*

Mary Pelowski again asked what conditions will be considered. She would like to restrict the building next to Wrights' property down through where UT 275 comes out. There were originally 5 RV sites slated to go there.

Gouin asked Mary Pelowski if she was still willing to work with the county on obtaining additional road right of way. Pelowski agreed that she would be willing to work with the County with obtaining road right of way as most of UT 275 runs east-west through her property. She also wanted to set the record straight that she had not ever been asked by the applicants if she would sell property.

Cole Hraban explained he approached Mr. Wright and Mr. Johnson at the same time and received an answer of no about the possibility of acquiring land and did not approach Ms. Pelowski as if he can't get to the two closest neighbors, he can't get to hers.

Board chair then brought it back to the Board and Sjoblom continued with the five questions:

2. Will the proposed use cause any unreasonable adverse effects on adjacent properties? Continued...*The Board feels we can deal with some of the adverse effects. With the safety of the road, either way there is going to be traffic, that's inevitable. I don't know that you would have commercial heavy trucks (except during construction) other than utility trucks. RV's meeting on the road is going to be impossible as you have to pull off the road to meet your neighbor, there will need to be talks with the Highway Engineer on improvements to the road sooner than later.*

Hraban explained he is going to need concrete just like everyone else who got concrete to build their homes and garages using UT 275. The Hraban's currently have a home one mile away from the campground and chose to live at the campground during the operational season.

There was some discussion around zoning of Hraban's property and Matt Gouin clarified that their property is zoned RR1 residential/recreational. The proposed use is allowed with a conditional use permit.

3. Will the proposed use substantially diminish property values within the surrounding area? *Fortunately, not – the lake property is going to continually increase its value.*

4. Will the proposed use impede the normal and orderly development and improvement of the surrounding property for uses predominant in the area? *They've had this conditional use permit since 2001 and haven't had movement until recently. Development has been tried since 1967, again in 1973 and 2001 when there was a sketch drawn on a piece of paper, compared to Hraban's professional plan. Yes, this is a natural progression of the property, and it does meet with the development and improvement of the surrounding property.*

5. Is the location and character of the proposed development consistent with a desirable pattern of development? *Yes, people should be able to use the lake and that is consistent.*

2022/04-42 Motion by Sjoblom, seconded by Adee to amend 2001 CUP0106 and amend the P&Z recommendation of the amended request from the Hraban's to construct from request of 12 down to 11 RV sites on the north parcel and two sites on the South for a total of 43 RV sites. For the North RV sites, setback shall be no closer than 120 feet from the west shoreline as measured along the north line of the applicant's property. Set back from the south shoreline will remain 50 feet. Additional condition to allow for the development of three cabins or 11 RV Sites on the north parcel. This use will be either cabins or RV sites not both or combination thereof. No cabins shall be constructed with any RV Sites on North parcel or vice versa. Cabins could be built to current setback requirements. With an additional condition of a 4' foliage barrier from the West edge of the Wright's home extending East along applicants' north property line extending approximately 200' to the 40' easement. Additionally, any construction or hauling to this north parcel property shall follow the County Engineer's recommendations for use. Applicant shall follow all state, federal, and local rules, regulations, and requirements. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-43 Motion by Sjoblom, seconded by Skoe to approve Steven Costley's request for a Conditional Use Permit (#CUP 2203) on parcel ID#07-065-00141 described as parts of Lots 14, 15, & 16, Plat of Sha Sha Point as described in Recorded Document number 297481, located in Section 33, Township 71 North Range 22 West, Koochiching County Minnesota in order to convert the main level (3 bedrooms) of the existing residential dwelling into a short-term vacation rental property, i.e. less than monthly terms, including rental of boats and paddle boards, as recommended unanimously by the Planning and Zoning Commission with one

condition that no rental of jet ski's would be allowed. Prior to the motion being made the Board did review and answer the following five questions:

1. Will the proposed use conflict with the intent of the Koochiching County Shoreland Management Ordinance or other applicable rules? *No, this is already zoned C-1*
2. Will the proposed use cause any unreasonable adverse effects on adjacent properties? *No*
3. Will the proposed use substantially diminish property values within the surrounding area? *No*
4. Will the proposed use impede the normal and orderly development and improvement of the surrounding property for uses predominant in the area? *No*
5. Is the location and character of the proposed development consistent with a desirable pattern of development? *Yes*

Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-44 Motion by Adee, seconded by Skoe to authorize the Veterans Service Office (VSO) to seek quotes for the 2022 budgeted replacement of the Veteran Transport Van. The VSO raised all funds for this vehicle replacement through donations from community partners and the 2021 Oktoberfest fundraiser. Voting yes: Skoe, Adee, Pavleck, Sjoblom. Motion carried.

2022/04-45 Motion by Sjoblom, seconded by Skoe to adjourn the meeting at 1:34 p.m. Voting yes: Sjoblom, Adee, Pavleck, Skoe. Motion carried.