

2009 ELECTION OF COUNTY BOARD CHAIR AND VICE CHAIR WAS CONDUCTED BY THE CLERK TO THE COUNTY BOARD ON TUESDAY, JANUARY 06, 2009; 10:45 A.M. BY UNANIMOUS VOTE COMMISSIONER MIKE HANSON WAS ELECTED AS BOARD CHAIR AND BY UNANIMOUS VOTE COMMISSIONER KEVIN ADEE WAS ELECTED AS VICE CHAIR.

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, January 6, 2009; 10:50 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Joel Maggert; Reporters Lisa Kaczke and Jerry Franzen

2009/01-01 Motion by Adee, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-02 Motion by McBride, seconded by Lepper to approve the minutes from the December 23, 2008 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-03 Motion by Lepper, seconded by Adee to ratify year end payments of the Auditor, Health, Highway and Community Services claims in the amount of \$179,424.29 under Board Motion 2008/12-20; to approve payment of the monthly County Board expense claims in the amount of \$10,602.43; to approve payment of 2009 AMC general dues in the amount of \$6,572.00, 2009 MACSSA dues in the amount of \$741.00, and 2009 LPHA dues in the amount of \$641.00; to authorize a fund transfer of \$21,000 from the 2009 General Revenue Budget to the 2009 Community Service Budget for payment of Kootasca Senior Coordinator services through June 30, 2009 and for planning of the new non-profit senior services organization as set in the 2009 County Budget. Voting yes: Hanson, McBride, Adee, Lepper; voting no: Pavleck (due to increase in AMC dues). Motion carried.

2009/01-04 Motion by Lepper, seconded by McBride to accept with regret the resignation of Tony Mueller from the East Koochiching Sanitary Sewer District Board and with the County Board's sincere appreciation for his services. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair requested Commissioners to review the County Committee List and appointments and provide change requests or comments to him in time to finalize appointments by the next meeting.

2009/01-05 Motion by Lepper, seconded by Pavleck to approve the revised Club Trail Agreement as recommended by the County Attorney with the major change in insurance limits under Mn Statute and further, authorizing the Board Chair's signature to execute the revised agreement with the International Voyageurs Snowmobile Club, Ridgerunner Snowmobile Club

and Marcell Snowdrifters Club as recommended by the Auditor. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 One of the owners of the Northome Area Newspaper met with the Board to inform them that they have restarted the newspaper because of the need to keep the southern end of Koochiching County informed. They recognize that they are not a legal paper for bidding purposes but hope the County would utilize their advertising space to inform the public in the Northome/Mizpah area and assist them financially in keeping the paper going. The owner stated two events where the county held a meeting in the Northome area in which only 3 people attended as the meeting was not advertised in the Northome area and a second event in which a road project started in the area and the public had no knowledge of it. The point is that many things go on in the County that this area is unaware of. To assist the public in becoming more informed of County activities, they propose a directive to departments to ensure that county-wide and/or area issues are advertised in their paper or the county reserves a $\frac{3}{4}$ page of their newspaper for county reporting and publishing at a cost of \$100. This would equate to \$200 a month as they print two times a month. The paper would organize the county news page giving priority to publication of hearing, meeting, and bid notices and news from county board minutes. They have committed to running the paper for one year but without advertising financial support, the paper will not be successful. Board members did not disagree that the distance from the county seat to the Northome area is great and may not be well served by the official newspaper located in International Falls but they questioned how they could assist one newspaper without having to do the same for the other newspapers represented in the county. It was noted that the County utilizes all of the newspapers representing areas of the county to get county-wide notices out to the public and would continue to do so with the Northome newspaper. It was agreed that the owners would propose options in writing to the County Board as to how they could assist the paper with county publications for the Board to consider at a future meeting.

2009/01-06 Motion by Lepper, seconded by McBride to award the low and only 2009 publication bid to the Daily Journal with a 5% rate increase from 2008 rates. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-07 Motion by Pavleck, seconded by Lepper supporting the following resolution submitted in a form of a citizen's petition opposing the continuation of domestic security in the Federal Patriot Act:

WHEREAS, Section 103 allows Federal Government to use wartime Martial Law powers Domestically and Internationally without Congress declaring that a state of war exists; and

WHEREAS, Section 106 states that broad general warrants by the secret Foreign Intelligence Surveillance Act (FISA) Court granted under the first Patriot Act are not good enough. It states that government agents must be given immunity for carrying out searches with no prior court approval;

WHEREAS, Section 312 gives immunity to law enforcement engaging in spying operations against the American people and would place substantial restrictions on court injunctions against federal violations of civil rights across the board; and

WHEREAS, Section 110 restates that key police state clauses in the first Patriot Act were not sunsetted and removes the five year sunset clause from other subsections of the first Patriot Act; and

WHEREAS, Section 313 provides immunity for businesses that voluntarily turn over personal information to Homeland Security and/or law enforcement; and

WHEREAS, Section 215 permits secret investigations of library and book activity; and

WHEREAS, Section 215 also permits F.B. I. and police searches of home and office;

WHEREAS, the Domestic Security Enhancement Act of 2003, also known as the Patriot Act, was passed as a result of the September 11 attack on America to increase homeland security by giving immunity to law enforcement to engage in spying operations against the American people; and

WHEREAS, the wartime immediate threat on America has passed but more is proposed to be added to the Act.

NOW, THEREFORE BE IT RESOLVED that the Koochiching County Board of Commissioners wishes to go on record as opposing the continuation of the Domestic Security Enhancement Act of 2003 and any further enhancements proposed as the wartime immediate threat has ceased and so should the infringement of the American people's civil rights under this Act. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-08 Motion by Adee, seconded by Lepper authorizing Board members' attendance to a breakfast meeting with Congressman Oberstar on January 10, 2009 as a County Board activity. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-09 Motion by Pavleck, seconded by Lepper authorizing Board members' attendance to meetings of the Heart of the Continent Partnership to be held in International Falls at the Rainy Lake Visitor Center on January 15 at 6:30 p.m. with a following meeting scheduled for January 16, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Board Chair called for public comment at 11:45 a.m. No comment was presented.

2009/01-10 Motion by Pavleck, seconded by Lepper to adjourn the meeting at 11:45 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, January 13, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dr. Wayne Merrell, Doug Grindall, Allen Kruse, Della Warren and several County Drug Court Team Members, Representatives and Community Supporters; Reporter Lisa Kaczke

2009/01-11 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The RRCC Provost met with the Board to report on the College. This semester they have 221 full time students and believe the number will grow to 250 for the academic year. With the Governor's unallotment in December 2008, RRCC was cut \$64,000 which they believe adjustments can be made without interruption of services. They continue to focus on programs to support health care and industrial technology and will be enhancing the building and trade program with School District 361 with focus on green environment and sustainability, needing \$40,000 in start up cost. They are also looking to start up a baseball team which would bring 20 students to the College and would need about \$20,000 start up cost for this venture. When asked, the Provost stated the College was built for a capacity of 350 students, top enrollment was 520 and that the College Budget is \$3.6 million. Their goal is to increase enrollment to 450 through more promotion and program development. The College is also encouraging on line classes, providing tuition revenue but reducing overhead cost for the college. Board members expressed their appreciation to the Provost for his commitment to the College and Community and acknowledged the value of the College to the County and the work done to diversify the curriculum to meet the needs of the area labor force. The Board members stated that KEDA and/or the Community Development Partnership may be able to assist the College in some of their start up funding needs and/or promotion efforts and encouraged the Provost to contact these economic development agencies.

2009/01-12 Motion by Lepper, seconded by McBride to approve the minutes from the January 6, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of the temporary hires in the Health Department as authorized by the County Board: LPN RaeAnn Taylor and Home Health Aide Idha Jaszczak.

2009/01-13 Motion by Pavleck, seconded by McBride to approve the 2008 County Pay Equity Report and authorizing the Board Chair's signature to said Report for submission to the State as required under the Local Government Pay Equity Act. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-14 Motion by Lepper, seconded by Adee to approve payment of the Auditor claims in the amount of \$156,027.10 and to authorize the Board Chair's signature to the Auditor's December Vendor Payment Listing verifying its review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Board received the final draft of the 2009 County Committee Listing with the 2009 Board Chair appointments. It was noted that a Board Chair appointment was needed for an alternate on the NE MN Regional Radio Joint Powers Board. The Chair asked Board members to review their schedules for availability for this appointment.

2009/01-15 Motion by Lepper, seconded by Adee to reappoint Bob Anderson to a two-year term of the Citizen-at-Large position on the International Falls/Koochiching County Airport Commission. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-16 Motion by Lepper, seconded by Adee accepting the Highway Engineer's certification that the Annual Bridge Safety Inspection for the year 2008 has been completed as required by MN Statute 165.03, Subdivision 3 and Minnesota Rule 8810. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-17 Motion by Pavleck, seconded by Adee authorizing the Highway Engineer to call for annual fuel bids for bulk delivery and in and out county service stations with bid results presented at the February 10, 2009 County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-18 Motion by Lepper, seconded by Pavleck that due to the Postal Service declining regular mail service to about 16 residents affected by the long detour route caused by the Lindford Bridge construction, directing the Highway Engineer to work with the Postal Service on mail delivery options to accommodate these residents for the remaining time that the detour is required for the bridge construction project. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-19 Motion by Pavleck, seconded by McBride to approve two County Veteran Service Office Enhancement Grant Agreements with the Minnesota Department of Veteran Affairs in the amount of \$5,400 for equipment and \$10,380 for outreach advertising with no local match and authorizing the Board Chair's signatures to said Grant Agreements; further to reallocate the use of funds under the Veteran Service Operational Improvement State Grant approved under 2008/09-05 in the amount of \$2,800 from computer purchase to other purchases as allowed under the grant to support the Veteran Service Office operations. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The County Drug Court Coordinator along with Drug Court Team members and representatives met with the Board to provide testimony as to the value of this program to repeat drug and/or alcohol offenders in the court system as an alternate to jail time and giving them a second chance for a productive life as well as providing the county taxpayers savings in jail costs and social service costs. Three individuals of who were drug court participants, testified as to how the County Drug Court saved their lives from ongoing drug and alcohol abuse

and gave them a second chance in life. Representatives of the County Drug Court informed the Board that state funding to support the County's Drug Court will receive cuts. The coordination and administration of the Drug Courts is viewed as a State Court Service, and though the state was providing funding for the probationary function of the Drug Court, this function will fall back on the County. The Representatives stated they are looking at other means to bring in funding sources for the program as it is too valuable to lose and asked the Board to make this a top priority. Board members did not disagree with the value of this program, but stated that the County needs to know what they are facing with the \$5.5 billion state deficit before they can prioritize services. The Drug Court Coordinator reported that the \$15,000 for the Family Dependency Court would continue to be funded by the State and is working on an Otto Bremer Grant for a full time social worker and testing equipment to support this court service. There are three participants in the Family Dependency Court at this time. With regards to the Drug Court, it has been in operation for 5 years with 60 participants in total, 29 graduated, 15 terminated for reoffending and 12 actively participating. The Board specially thanked the three participants for coming in and providing their life story in support of the Drug Court.

2009/01-20 Motion by Pavleck, seconded by Adee that due to questions on the Planning Commission's intent and the unavailability of the E.S. Director to resolve the matter by the January 20, 2009 County Board meeting, to grant an extension under the County Subdivision Ordinance on the deadline for final approval of the Plat of Eagle's Nest from January 20, 2009 to March 1, 2009 to allow the matter to be further reviewed by the E.S. Director and/or Planning Commission and Plat Surveyor to resolve matters for Final Plat approval. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 12:00 p.m. No comment was presented.

2009/01-21 Motion by Adee, seconded by McBride to adjourn the meeting at 12:00 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, January 20, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Bob Peterson, Susan Congrave, Brian Youso, Steve Fecker;
Reporter Lisa Kaczke

2009/01-22 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-23 Motion by Adee, seconded by Pavleck to approve the minutes from the January 13, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-24 Motion by Lepper, seconded by Adee to approve payment of the Highway claims in the amount of \$172,403.13 and to approve the 2009 MRCC membership dues in the amount of \$2,100.00 with one half payment now and the second half to be paid on July 1, 2009 subject to further consideration for anticipated 2009 Budget shortfalls. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-25 Motion by Lepper, seconded by McBride authorizing Board members' attendance to the 2009 International Lake of the Woods Water Quality Forum on March 11 and 12, 2009 at RRCC in International Falls as a County Board activity. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-26 Motion by Lepper, seconded by Pavleck to approve a Quitclaim Deed for purchase of the Koochiching Memorial Army Reserve Center in the amount of \$30,000 described as all of Block 5 and 6, Plat of First Division of International Falls and that part of 4th Avenue West and those alleys lying in Blocks 5 and 6, bounded on the North by the South right of way line of 18th Street and bounded on the South by the North right of way line of 19th Street, containing 5.84 acres, more or less. Motion further authorizes payment of \$30,000 to the U.S. General Services Administration to execute the sale. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair appointed Commissioner Lepper to represent the County Board at a 2008 Election Review Meeting on January 22, 2009 with local election officials and representatives of the Secretary of State's Office. The Board Chair appointed Commissioner McBride to serve as the alternate on the Joint Powers Northeast Minnesota Regional Radio Board.

2009/01-27 Motion by Pavleck, seconded by Lepper to enter into a lease agreement with Xerox for a copier, printer, fax and scan machine as planned in the 2009 Budget as a shared machine for the Auditor/Treasurer and I.S. Unit Offices under the I.S. Unit Office relocation plan as recommended by the Auditor/Treasurer and I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-28 Motion by Pavleck, seconded by Adee to approve a Falls Memorial Hospital Contract Amendment for physical and occupational therapy service for County home care services effective January 1, 2007 to December 31, 2009 upon review by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair opened a public hearing at 11:00 a.m. to receive public comment on the Koochiching County Hazard Mitigation Plan approved by FEMA. The Sheriff stated that FEMA made minor contact information changes to the County's Plan. The Board Chair acknowledged that no written or oral public comment was presented and closed the hearing.

2009/01-29 Motion by Lepper, seconded by Pavleck adopting the following resolution adopting the Koochiching County All-Hazard Mitigation Plan:

WHEREAS, Koochiching County has participated in the hazard mitigation planning process as established under the Disaster Mitigation Act of 2000, and

WHEREAS, the Act establishes a framework for the development of a County Hazard Mitigation Plan; and

WHEREAS, the Act as part of the planning process requires public involvement and local coordination among neighboring local units of government and businesses; and

WHEREAS, the Koochiching County Plan includes a risk assessment including past hazards, hazards that threaten the County, an estimate of structures at risk, a general description of land uses and development trends; and

WHEREAS, the Koochiching County Plan includes a mitigation strategy including goals and objectives and an action plan identifying specific mitigation projects and costs; and

WHEREAS, the Koochiching County Plan includes a maintenance or implementation process including plan updates, integration of the plan into other planning documents and how Koochiching County will maintain public participation and coordination; and

WHEREAS, the Plan has been shared with the Minnesota Division of Homeland Security and Emergency Management and the Federal Emergency Management Agency for review and comment; and

WHEREAS, the Koochiching County All-Hazard Mitigation Plan will make the county and participating jurisdictions eligible to receive FEMA hazard mitigation assistance grants; and

WHEREAS, this is a multi-jurisdictional Plan and cities that participated in the planning process may choose to also adopt the County Plan.

NOW THEREFORE BE IT RESOLVED that Koochiching County supports the hazard mitigation planning effort and wishes to adopt the Koochiching County All-Hazard Mitigation Plan. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:10 p.m. and with no comment, recessed the meeting until 1:30 p.m.

2009/01-30 Motion by Pavleck, seconded by McBride to close session at 1:35 p.m. to discuss labor relations negotiation strategies. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Attending the closed session – Full County Board, County Coordinator and Attorney Steve Fecker.)

2009/01-31 Motion by Adee, seconded by Pavleck to open session at 2:40 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair adjourned the meeting at 2:40 p.m.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, January 27, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Joel Maggert, Susan Congrave, Aarden Barnes, Terry Murray, Dennis Hummitzsch, Brian Youso, Richard Lehtinen, Steve Blair, Rick Adams, James and Jessie Jessop, David Serrano; Reporter Lisa Kaczke

2009/01-32 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-33 Motion by Pavleck, seconded by Adee to approve the minutes from the January 20, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-34 Motion by Lepper, seconded by McBride to approve payment of the Auditor claims in the amount of \$57,006.68; to approve the 2009 NCLUCB membership dues in the amount of \$5,000.00 with one half payment now and the second half to be paid on July 1, 2009 subject to further consideration for anticipated 2009 Budget shortfalls; to approve payment of the Health claims in the amount of \$52,080.93; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented; to approve payment (in February) of the first half 2009 County Budget allocations for Libraries, Fairs, AB/Backus, Soil and Water, Historical Society, Humane Society, Airport Commission and Intl Falls Ambulance and to approve quarterly payments under the UOM Agreement for the 4H Program Coordinator; and under Board Motion 2005/02-32 to pay \$2,000 to the Koochiching Housing and Redevelopment Authority for per diem expense. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-35 Motion by Lepper, seconded by Adee to set the 2009 County Board of Equalization Meetings: Tuesday, June 16 to convene at 2:00 p.m. with Assessor's opening report and appointments; Tuesday, June 23 at 6:00 p.m. to continue appointments with intent to conclude work and adjourn after 7:00 p.m.; Friday, June 26 is reserved if more meeting time is needed to conclude work (the County Board of Equalization must adjourn by June 29) Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Board reviewed proposals for space in the Northome newspaper for the purpose of County advertising and publication of minutes due to the Northome area being remotely

removed from services of the County's legal newspaper located in International Falls. The Coordinator provided financial information for 2006 and 2007 when the Northome Record was in operation stating the County was spending on an average \$2,600 a year in advertising cost. This cost did not include any payments received by the Northome Record from the Daily Journal under the joint legal newspaper bid agreement. Though the County would continue to use the Northome paper for its advertising, publication of the minutes is discontinued due to the paper not being qualified to jointly bid with the Daily Journal. Based on the proposal by the Northome Newspaper for the County to reserve a ¾ page per paper, two times a month at \$100 per paper for advertising and minute publication, total cost to the county would be less in comparison to 2006 and 2007. The owner stated that the paper would manage the space for the County printing minutes or minute summaries and giving space priority to any County advertising needs and requirements. The Coordinator stated that because there is not a joint bid for 2009, cost from the Daily Journal under the legal bid agreement should be down to accommodate funding in the Departments printing and advertisement budgets to cover cost in the Northome paper and this agreement allows county information to once again get to this part of the county. The coordinator recommended, however, this be done on a one year trial basis with the hope that a joint bid situation will occur again for the future. The owner stated they would submit one billing to the Administration Office but itemize the allocation of space based on each Department's advertising request so budgets can be billed accordingly.

2009/01-36 Motion by Pavleck, seconded by McBride to approve county publication and advertising space in the Northome Newspaper for a three-quarter page at \$100 per paper to be published twice a month for an annual cost not to exceed \$2,400 and to approve under a one year trial period; further billings will be submitted to Administration with a break down of department cost for payment from the respective department budgets. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 Commissioner Lepper informed the Board that a recent fundraiser event was held to support work being done to bring dialysis services to the County. Prior to this event, the County received \$7,000 in donations and has been contacted by others willing to make large contributions to get this service here. Some are optimistic this will happen but others feel our numbers are low to support the service. Though there is no firm numbers yet, they are working towards capitalization and start up cost with the belief that service would be fully supported thereafter by user's health insurances. When asked, Commissioner Lepper stated that the local care facilities have been very supportive in this endeavor.

2009/01-37 Motion by Lepper, seconded by Pavleck to renew the Northland Counseling Center Contract for mental health services and non-consolidated fund chemical dependency services with a change in services and cost as recommended by the Community Service Director and upon approval by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-38 Motion by Pavleck, seconded by Adee to renew the Pineview Recovery Center and Pineview Recovery Detox Contracts with no change as recommended by the Community Service Director and upon approval by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-39 Motion by Adee, seconded by McBride to renew the Philips Lifeline Contract for home and community based services (KERP units) as recommended by the Community Service Director and upon approval by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Community Service Director informed the Board that after meeting with the Mortuary to further review their rate increases for County burials, the Director was informed they have not increased their rates since 1998 and adjusted rates to break even on costs understanding the County's burial mandate and budget concern. The Director was informed that in St. Louis County they are not doing a full fledged funeral but rather having the service at the cemetery to reduce cost. The Director stated that in comparing the County burial rates to the region, the rates are low and would recommend accepting the adjusted mortuary rates as of January 1, 2009. The Board requested the Director to provide more information on the cemetery service option for further review.

2009/01-40 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Community Service Director to approve the adjusted mortuary rates as of January 1, 2009 for County burials. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-41 Motion by Lepper, seconded by Adee accepting the following Foster Care, Day Care and Adult Foster Care Licensing recommendations: license Trena Glover for family day care for ten children and relicense Jennifer Walls for family day care for ten children. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Community Service Director informed the Board that the case load per Financial Worker is well over the DHS case load standard with the increase being a sign of the failing economy. He wanted the Board to be aware of the pressures on the financial unit and to be aware that the large case loads are causing processing time lags. The Board Chair appreciated the efforts of the financial unit staff and acknowledged the situation but until more information is known on the direction the state budget will take the county, the Board is in no position to consider any change at this time.

2009/01-42 Motion by Pavleck, seconded by Lepper to transfer \$4,000 from the 2009 Sr. Solution Budget to Community Services as Fiscal Agent for the Senior Solutions Committee to provide for the annual Senior Companion and Senior Wheels Programs as recommended by the Sr. Solutions Planning Facilitator. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-43 Motion by Pavleck, seconded by Lepper to set aside \$5.00 per capita from the 2008 Trust Fund income (approximately \$70,800) for promotion as allowed under MN Statute with allocation as follows: allocate forty percent of the promotion funds to the cities within Koochiching County with allocation ratio to be the same as in previous year and with a letter to accompany the checks stating what the funds can be expended on and when they have to be expended and to allocate sixty percent of the promotions funds to the Koochiching Development Authority to be held and utilized for the promotion of tourism, agricultural and industrial

development as defined in MN Statutes. Voting yes: Hanson, McBride, Lepper, Pavleck; voting no: Adee. Motion carried.

2009/01-44 Motion by Lepper, seconded by Pavleck authorizing the Land Commissioner to seek bids to replace a forestry truck due to an accident with the bid specs to include the option of trade in of the Department's spare forestry truck and with \$6,500 insurance reimbursement to offset the replacement cost as recommended by the Land Commissioner. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/01-45 Motion by Pavleck, seconded by Adee to authorize the Land Commissioner to request proposals from qualified consulting firms to prepare a Management Plan for Koochiching County Administered Lands with a contract and funding recommendation to come back to the County Board for approval as recommended by the Land Commissioner. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner informed the Board that the DNR Commissioner approved the recommended Managed OHV/ATV Trail Designation Plan for Koochiching County based on North of Highway 2 OHV/ATV Legislation. The Land Commissioner stated that the County received notification of the SFI Forest Certification and is waiting on notification for the FSC Certification. The Land Commissioner requested direction on demolition of the old Theater Building on Main Street in International Falls as the project will require knowledge in separating buildings and demolition of a three story building. The City stated they would help with hauling of the demo but did not want to do the demolition. The Land Commissioner felt this was not a typical demolition project in that it requires separation from an adjoining building and is a three story brick building on main street. The Board inquired whether the County Highway Department could do the demolition once the building separation was complete and it was agreed to have the Engineer review the project and provide a response. Thereafter the Board directed the Land Commissioner to come back with plan options and costs for demolition of the building this winter.

000 At the request of the Land Commissioner, the County Board scheduled a Woods Tour with Land and Forestry staff for March 6, 2009.

2009/01-46 Motion by Pavleck, seconded by Adee to authorize the Sheriff to seek bids for one squad car and one squad truck with the bid specs to include the option of trade in of three vehicles and to assist with the budget, to transfer to the General Revenue Fund the proceeds from an upcoming auction of forfeited vehicles in possession of the Sheriff's Department as recommended by the Sheriff. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/01-47 Motion by McBride, seconded by Adee accepting the recommendation of the Planning Commission to approve Conditional Use Permit #0807 to Minnesota Towers, Inc. (agent for AT&T Mobility) for a 300 foot communication (cell) tower located at 5748 Highway 11 (PID 28-031-11000) on property owned by Dean and Carrie Erickson. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Board Chair opened a public hearing at 11:15 a.m. to receive public comment on a road vacation request by Joe Jessop. The Board Chair acknowledged receipt of written comment submitted on the request and opened the hearing for further comment. James Jessop representing the petitioner stated the reason for the road vacation is to allow full utilization of the property for farming purposes as currently, any permanent use on these various undeveloped public accesses is prohibited. In addition there appears to be no public purpose for the County to ever develop these roads since the majority of the land around them is owned by the petitioner. The Petitioner does not see the vacation of these undeveloped roads having a negative impact to the Ray area and does not impact the other adjoining properties' accesses. In response to the Board's inquiry, the Highway Engineer stated that a portion of Pine Street and Second Avenue is recommended to be retained for road maintenance purposes and that the public notice on the road vacation describes the road vacation request less the portion to be retained by the County. A motion by Commissioner Lepper to approve the road vacation died for a lack of a second. Board members stated they received inquiries from adjoining property owners not able to attend the hearing wanting assurances that the road vacation does not negatively impact their properties and Board members would like more time to review the matter. In identifying and reviewing all the adjoining properties on the map, staff pointed out that there is no impact to their current accesses and all properties abutting the roads to be vacated, will gain property which was viewed as a benefit, not a negative, to these property owners.

2009/01-48 Motion by McBride, seconded by Lepper to approve the road vacation request by Joe Jessop described as: all of Third Avenue; that portion of Second Avenue lying westerly of the northerly projection of the west line of Lot 1, Block 4; that portion of Pine Street lying northerly of the easterly projection of the north line of Lot 9, Block 1; that portion of Spruce Street lying northerly of the easterly projection of the south line of Lot 12, Block 3; and all of the alleys located in Blocks 1, 2, 3 and 4 all within the Plat of Ray; and an extension of Spruce Street between Lot 8 on the east and Lots 9 and 64 on the west in Auditor's Plat 15. That a portion of Spruce Street and Second Avenue will be retained by the County for county road maintenance purposes described as the portion of Second Avenue lying easterly of the northerly projection of the west line of Lot 1, Block 4, Plat of Ray and a portion of Pine Street lying southerly of the easterly projection of the north line of Lot 9, Block 1, Plat of Ray. Voting yes: Hanson, McBride, Lepper; voting no: Adee, Pavleck. Motion carried.

000 The Highway Engineer provided information to the Board on the requirement to bring road signs up to the new federal retro reflectivity standards. The county is required to have a time table established by 2012 with sign faces replaced by 2015. However, 3M announced its grant program to assist counties with this work by providing up to 50% of the cost for the sign sheeting, estimating 25 to 33% of the total sign cost for the county. The Engineer estimated 2000 to 3000 signs on roads under County jurisdiction for replacement and about 33% of them are on CSAH roads where state aid funds could be used. The Engineer estimated total cost of \$90,000 with about half the cost in county dollars after considering CSAH and 3M Grant dollars. Otherwise, the original plan was to do sign replacement on a year to year basis based on annual funding allotted in the budget. The Board directed the Engineer to complete the sign inventory and provide detailed plan options for the Board to consider in meeting this public safety requirement.

000 The Board Chair called for public comment at 11:45 a.m. David Serrano, d.b.a. ARRO of the North, LLC, just found out that the County was requesting proposals from engineering firms for a plan to extend sewer to the lake area and that his firm provides land surveying and engineering services. It was verified that no notice was put in the newspaper but that solicitation was done by notifying known engineering firms in the region. The Highway Engineer stated that he was not aware that ARRO of the North provided engineering services. After confirmation that RFPs had not been opened, the Board informed the Engineer that no RFPs will be opened and reviewed until ARRO has the opportunity to submit its proposal within a timeline established by the County.

2009/01-49 Motion by Adee, seconded by Pavleck to adjourn the meeting at 11:50 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, February 3, 2009; 11:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper

MEMBERS ABSENT: Commissioner Pavleck (Medical Appointment)

OTHERS IN ATTENDANCE: Richard Lehtinen, LeAnn Meer, Dee Dee Thompson, Doug Grindall; Reporter Lisa Kaczke

2009/02-01 Motion by Lepper, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-02 Motion by McBride, seconded by Adee to approve the minutes from the January 27, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-03 Motion by Adee, seconded by Lepper to approve payment of the monthly County Board expense claims in the amount of \$10,114.16; to approve payment in the amount of \$235.81 for the new NE MN Regional Radio Joint Powers Board dues and authorize the Coordinator to make the necessary 2009 Budget adjustment to cover the unbudgeted expenditure. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

2009/02-04 Motion by McBride, seconded by Lepper approving the following 2009 County Budget adjustments as recommended by the Coordinator: Public Health –add \$17,194 in expenditures for unspent 2008 Family Planning Grant dollars with an offsetting increase in the 2009 Health Fund reserve spending; Veteran Memorial Budget – add \$5,500 to 2009 Memorial Budget for completion of the project in 2009 with a reduction of \$5,500 from the 2009 Project

Contingency Budget; Land and Forestry – reduce the 2009 Medical Insurance Budget in the amount of \$7,632 for a change in insurance with an offsetting reduction in the General Receipts Revenue Budget; Recorder Technology/Records Budget – add \$18,000 to expenditures for Phase II record automation which was not completed in 2008 with an offsetting increase in the 2009 Recorder Technology/Records Reserve spending; Veterans Service Budget – add \$2,800 in expenditures with an offsetting increase in the 2009 General Revenue Fund reserve spending for grant funds received in 2008 and establish a grant account in Fund 02 for \$15,780 for receipt and expenditure of a Veteran Service Operational Grant; Environmental Service Budget – to transfer up to \$5,900 from the 2009 Project Budget Contingency for maintenance of the County property purchased as a result of the Jackfish Sewer Project with the transfer to occur at year end or upon sale of the property. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-05 Motion by Adee, seconded by Lepper adopting the following resolution for continued sponsorship of the International Voyageurs Snowmobile Club's 2004 Grant in Aid Application for rehabilitation of the bridge for the Blue Ox Trail System:

WHEREAS, Koochiching County supported the 2004 Grant in Aid application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Grant Program. WHEREAS, the application was to rehabilitate the historic railroad trestle for trail use as part of the Blue Ox Trail system, with the project area located on state land managed by the DNR.

WHEREAS, Koochiching County recognizes the fifty (50) percent match requirement for the Federal Recreational grant program, which has been secured through the State Grant in Aid Program.

NOW, THEREFORE, BE IT RESOLVED, Koochiching County agrees as sponsor to accept the grant awards for said project through an agreement with the State of Minnesota DNR and through the executed County/Club Trail Agreement with the International Voyageurs Snowmobile Club for compliance with all applicable laws and environmental requirements and regulations and for maintenance of the bridge for a period of no less than 20 years.

BE IT FURTHER RESOLVED, that the Koochiching County Board names County Auditor-Treasurer Robert Peterson as fiscal agent for Koochiching County. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-06 Motion by McBride, seconded by Lepper adopting the following resolution to approve Federal and State Agreements for Improvement Projects at the Falls International Airport:

To accept 2009 Federal Grant AIP 3-27-0043-21-09, as well as the concomitant state agreement attached to that grant, when generated by their respective agencies for Airport Improvement Projects including but not limited to purchase of a pickup truck and plow unit, purchase of real property, and preconstruction planning and studies related to an update of the Airport Layout Plan and rehabilitation of the Falls International Airport terminal building; and

To authorize the County Board Chair and County Attorney to execute the above grant documents on behalf of Koochiching County as specified by the issuing agency; and

To authorize the Minnesota Commissioner of Transportation to act as liaison for Koochiching County in administering the grants. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 In response to the request by the Koochiching Aging Option Board (formerly referred to as Sr. Solutions), the Board Chair appointed himself to serve on the Board with Commissioner Lepper as his alternate.

2009/02-07 Motion by Lepper, seconded by McBride to approve a two-year contract with Udovich Garbage Service for hauling services at the Silverdale Canister Site with the option to extend the contract period if parties agree as recommended by the Environmental Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 Representatives from Friends Against Abuse informed the Board that nationally known speaker Mark Wynn will be in International Falls on March 6th to conduct a Domestic and Sexual Violence Prevention Training. The full day training will be held at the Backus Community Center from 8:30 a.m. to 5:00 p.m. with a \$40 registration fee. The event is being sponsored by Friends Against Abuse and the County and International Falls Law Enforcement and sponsors would encourage the attendance of the County Board and county staff whose job would benefit from domestic and sexual violence prevention training. The Board Chair stated that currently the County Board is scheduled for a woods tour with the Land and Forestry Department that day but will revisit options to include Board representation at the training. With regards to county staff attending, the Board Chair stated that a budget directive has departments curtailing training cost but if department heads feel the training is beneficial to jobs in their department, they do have the discretion to send staff to training.

000 The Board Chair called for public comment at 11:30 a.m. No comment was presented.

000 The Highway Engineer informed the Board that based on the intended projects to bid this construction season and the third Engineering Technician position being vacant, he needs to contract out engineering service to get plans done. He proposed contracting for engineering services for the CSAH 18 Plan. With regards to the vacant position, it is his intention to come back to the Board to request the position is filled when the school year is out and new applicants will be coming into the hiring market. If approval is granted, the Engineer will notify the Union per the subcontracting clause in the Bargaining Unit Contract.

2009/02-08 Motion by Lepper, seconded by Adee to authorize request for proposals for engineering services for the CSAH 18 Project Plan due to lack of resources to get plans completed for bidding this construction season as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-09 Motion by Adee, seconded by McBride to adjourn the meeting at 11:40 a.m.
Voting yes: Hanson, McBride, Adee, Lepper, Motion carried

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, February 10, 2009; 11:15 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper

MEMBERS ABSENT: Commissioner Pavleck (Family Medical)

OTHERS IN ATTENDANCE: Richard Lehtinen, Doug Grindall, Aarden Barnes; Reporter Lisa Kaczke

2009/02-10 Motion by Adee, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-11 Motion by McBride, seconded by Adee to approve the minutes from the February 3, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-12 Motion by Lepper, seconded by McBride to approve payment of the Auditor claims in the amount of \$33,836.60 and authorize the Board Chair's signature to the Auditor's January vendor payment listing verifying its review. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-13 Motion by Lepper, seconded by Adee to approve and authorize the Board Chair's signature to an agreement with the State of Minnesota for provision of the sentence to serve program in Koochiching County providing two crew leaders at a total contract amount of \$151,978 and for the period of July 1, 2009 through June 30, 2011. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-14 Motion by Lepper, seconded by Adee appointing Al Steele to the EKSSD Board as recommended by the EKSSD Board of Directors. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Board agreed to reschedule the Woods Tour with Land and Forestry staff for March 6 to allow Board members to attend the Friends Against Abuse training session. The Coordinator was asked to check with the Land Commissioner if the woods tour could be rescheduled to February 27th.

2009/02-15 Motion by McBride, seconded by Adee adopting the following resolution in support of the establishment of a Northern Minnesota Veterans Home:

WHEREAS, northern Minnesota is currently a significantly underserved region for veterans home services, with only the Minnesota veterans homes located in Silver Bay and Fergus Falls currently serving the region; and

WHEREAS, the Minnesota Department of Veterans Affairs is currently studying the state-wide needs for veterans homes and will be making recommendations to the Minnesota State Legislature regarding the location of future facilities; and

WHEREAS, the number of veterans living in northern Minnesota, and other criteria established by the Minnesota Department of Veterans Affairs, seems to strongly support the location of a new veterans home in the Beltrami County area to serve the needs of veterans throughout northern Minnesota; and

WHEREAS, the Northern Minnesota Veterans Home Task Force has been organized and, with the help of a professional architect, has initiated the process of developing the required pre-design documentation and applications to locate a facility in northern Minnesota; and

WHEREAS, the Northern Minnesota Task Force will be formally asking the Minnesota Department of Veterans Affairs and the Minnesota State Legislature to strongly consider a Beltrami County location as the next veterans' home project to be approved in the state.

NOW, THEREFORE, BE IT RESOLVED, the Koochiching County Board of Commissioners desires to go on record stating the need for additional veteran home services for veterans residing in northern Minnesota and further expresses support for the efforts of the Northern Minnesota Veterans Home Task Force to locate a veteran's home to serve northern Minnesota. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-16 Motion by Adee, seconded by Lepper to approve service agreements with the Occupational Development Center to assist the Transfer Station for roadside litter clean-up and clean-up and recycling at the station as recommended by the Environmental Service Director with costs covered in the 2009 Environmental Service Budget. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-17 Motion by Lepper, seconded by Adee to award low bid for Bulk Fuel Delivery and Fuel Service Stations as recommended by the Highway Engineer and with the addition of Holiday in International Falls to the Service Station award. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Board Chair called for public comment at 11:40 a.m. Aarden Barnes, referencing the afternoon session on the Advanced Life Support Ambulance Service, questioned the cost of initial and ongoing training to retained skilled paramedics for this proposed service.

2009/02-18 Motion by Adee, seconded by Lepper to adjourn the meeting at 11:45 a.m. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, February 17, 2009; 10:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper

MEMBERS ABSENT: Commissioner Pavleck (Family Medical)

OTHERS IN ATTENDANCE: Brian Jespersen, George Gray, Susan Congrave, Deb Larson, Dennis Hummitzsch, Doug Grindall, Eldon Voigt, Justin Berg, Richard Lehtinen; Reporters Lisa Kaczke and Sheldon Slaubaugh

2009/02-19 Motion by Lepper, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-20 Motion by Adee, seconded by Lepper to approve the minutes from the February 10, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-21 Motion by Lepper, seconded by McBride to approve payment of the Highway claims in the amount of \$68,010.75. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-22 Motion by McBride, seconded by Lepper to correct Board Motion 2009/01-48 for revision of the legal description for a road vacation. Voting yes for the correction: Hanson, McBride, Adee, Lepper. Motion carried: 2009/01-48 Motion by McBride, seconded by Lepper to approve the road vacation request by Joe Jessop for roads vacated within the Plat of Ray and Auditor's Plat 15, Koochiching County, MN described as follows: All of those portions of the Plat of Ray, Koochiching County, MN according to the recorded plat thereof, described as:

- all of Third Avenue;
- that portion of Second Avenue lying westerly of the northerly projection of the west line of Lot 1, Block 4;
- that portion of Pine Street lying northerly of the easterly projection of the north line of Lot 9, Block 1;
- that portion of Spruce Street lying northerly of the easterly projection of the south line of Lot 12, Block 3;
- all of the alleys located in Blocks 1, 2, 3, and 4;

And all of the area marked as "Road" between Lot 8 on the east and Lots 9 and 64 on the west in Auditor's Plat 15, Koochiching County, MN according to the recorded plat thereof ("Road" is an extension of Spruce Street in the Plat of Ray.) Voting yes: Hanson, McBride, Lepper; voting no: Adee, Pavleck. Motion carried.

2009/02-23 Motion by Adee, seconded by Lepper that the Koochiching County Board of Commissioners agree to sponsor the Polar Polers Ski Club in the MN Trails Assistance (Grant-In-Aid) Capital Improvement Program for the Tilson Ski Trail. Sponsorship by the County requires that a Club/County Agreement is executed and a Certificate of Insurance is provided the County from the Ski Club for continued County sponsorship in the Grant in Aid Program for the Tilson Ski Trail. As sponsor, the County is accountable to the State for expenditures charged to

the program; sponsorship does not require financial support or liability for cost from the County. The County Board does hereby approve the necessary County authorities to sign said Grant Applications and other trail grant agreements. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-24 Motion by Lepper, seconded by Adee to approve the employment separation of Forester Leroy Thurlby effective March 13, 2009 and further, to defer the Land Commissioner's request to fill the Forester vacancy to the Personnel Committee per County Budget directives (2008/12-18). Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-25 Motion by Adee, seconded by Lepper to approve an Operation Stonegarden 2008 Grant Agreement with Homeland Security Emergency Management in the amount of \$675,795.82 to involve operational support of border security by the county, state and municipal law enforcement agencies through funding under a grant period of 09/01/08 through 03/31/11 and to patrol and equipment costs as recommended by the County Sheriff. Motion further supports that equipment and vehicles listed in the grant, be purchased locally when possible. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-26 Motion by Adee, seconded by Lepper that due to a temporary and unique situation whereas the federal government has ordered increased security on our borders and the fact that there is insufficient numbers of local law enforcement to provide this additional cover, the Undersheriff be provided overtime at time and one half for work hours beyond his normal work as Undersheriff for a period of February 17 to December 31, 2009 to provide border security under the federal directive; providing there is a need for the position to service in this capacity. For funding purposes the Department of Homeland Security requires that hours of service be reported and reimbursed on an hourly basis and it is for this reason the Undersheriff as a salaried exempt employee, will be compensated on an hourly basis for this particular extra duty. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Health Director and Public Health Nurse provided the Board an overview of the Family Home Visiting Program in Koochiching County. The program was initiated 25 years ago and though funding and program components have changed over the year, today it is a highly supported universal public health program to improve the health and well-being of families, especially high risk families needing assistance and connection to resources. The Director provided the Board the MN Local Public Health Association's 2009 legislative priorities.

000 The Land Commissioner informed the Board that neither the City of International Falls or the County Highway Department felt they could do the demolition of the Old Theater Building in downtown International Falls but both entities agreed to assist with hauling and filling. The Land Commissioner provided quotes from contractors for the demolition which includes separation of the buildings. The Land Commissioner stated that in regards to the adjoining building, the property owner will need to fill in the portion of the tunnel on his property or put in a barrier as the portion of the tunnel on the demo site will be filled.

2009/02-27 Motion by McBride, seconded by Lepper accepting the recommendation of the Land Commissioner to award low quote for separation and demolition of the Old Theater

Building in downtown International Falls in the amount of \$14,900 to Bowman Construction with the County and/or City to provide for the demo hauling and filling. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/02-28 Motion by Adee, seconded by McBride authorizing the Land Commissioner to obtain quotes and execute contracts for two park attendants to provide site management at County administered river access points for the Rainy River early fishing season and to request the annual funding contribution from Lake of the Woods County. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Land Commissioner provided the results of the January 21, 2009 timber auction: all tracts sold for the intermediate and regular auctions with 16,082 cords sold for a total auction sale value of \$390,935. Aspen prices are holding but overall there is a flattening trend happening in the market.

000 The Land Commissioner confirmed that the annual Department's Wood Tour with the County Board will be rescheduled for Friday, February 27th.

2009/02-29 Motion by McBride, seconded by Adee accepting the recommendation of the Highway Engineer to remove the 9 Ton posting on CSAH roads except during spring road limits. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Highway Engineer provided a draft of an Ordinance for County Management of ATVs in the public right of way of roads under the jurisdiction of Koochiching County. The draft ordinance is a result of a request from the Chamber of Commerce to allow ATVs to travel on local roads to gain access to community businesses and without this approval, current law makes it illegal for ATVs to be on a public road. The draft was also a result of two committee sessions in which issues pertaining to this allowance were reviewed with county staff and the County Board. The Board Chair stated that the draft will be scheduled for another County Board committee session and that the County will wait to see if any legislative change occurs this session regarding allowance of ATVs on public roads before taking any further action to move an ordinance forward.

000 The Highway Engineer provided the county road sign inventory numbers and updated costs for consideration of the county-wide road sign face replacement under a new federal transportation mandate. The options for the county are to conduct the replacement over a period of years up to the mandated deadline, or complete it within a year and take advantage of a \$15,000 3M Grant to assist in the total project cost of \$89,000. (\$44,000 county dollars and \$30,000 of CSAH funds). A decision as to whether to proceed with the one year replacement plan would be needed in the near future to take advantage of the 3M Grant funds.

000 A representative of the Koochiching County Soil and Water Conservation District informed the Board that in 2011 planning will begin to deal with the impaired portion of the Littlefork River and requested that the Littlefork River Board is established under the County Littlefork River Plan. It was agreed the Environmental Service Director would present an action plan on establishing the Littlefork River Board by mid summer under the functions assigned in the

County River Plan. The representative also informed the Board that the Soil and Water Department has taken on the project of updating the County Plat Book and estimate delivery this fall with a retail price of \$35. Finally, the Department is working in conjunction with NRCS/MnDot to establish living snow fences to help with snowplowing maintenance. The program assists property owners with the planting of trees along the roadside which serves as a barrier for blowing snow on the highways. The Department has sent letters to property owners whose property has been identified as an area where a snow fence would be beneficial.

000 The Board Chair informed the Board that the KCCS Director will be attending the Legislative Town Hall meeting in Virginia, MN on February 20th to provide testimony as to the impact of the Governor's Budget on Health and Human Services. Commissioner Adee would also be attending the Virginia meeting.

000 The Board Chair called for public comment at 11:40 a.m. No comment was presented.

2009/02-30 Motion by Adee, seconded by Lepper to adjourn the meeting at 11:43 a.m. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, February 24, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Randy Pozniak, Dennis Hummitzsch, Terry Murray, Susan Congrave, Rob Ecklund, Chuck Coombe, Chris Molstad, Keith Horne, Berry Sherwood, Bob Pierce, Sandy Dexter; several other Highway 53 and Main Street Business representatives; Reporter Lisa Kaczke

2009/02-31 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-32 Motion by Lepper, seconded by McBride to approve the minutes from the February 17, 2009 regular meeting with a grant date correction to Board Motion 2009/02-25. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-33 Motion by Lepper, seconded by Adee to approve payment of the Auditor claims in the amount of \$26,777.91; to approve payment of the Health claims in the amount of \$7,879.68; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-34 Motion by Adee, seconded by Pavleck to approve a 2009 Boat and Water Safety Grant Agreement with the State of Minnesota allocating funds to Koochiching County in the amount of \$6,460.00 on a reimbursement basis and authorizing the County Sheriff and Board Chair signatures to said Agreement. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-35 Motion by Pavleck, seconded by McBride to table the request by the Red Lake Watershed District to support a resolution opposing House File 109/Senate File 266 requiring County approval of watershed district budgets for further information. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-36 Motion by Lepper, seconded by McBride accepting the recommendation of the Rural Fire Protection Association to set the 2009 annual service charge for the Rural Fire Subordinate Service Taxing District at the same level as 2008: \$70 for residential and commercial rates based on the following building valuation ranges: \$5,000 up to \$20,000 - \$100; \$20,000 up to \$40,000 - \$150; \$40,000 up to \$70,000 - \$200; \$70,000 up to \$100,000 - \$250; \$100,000 up to \$150,000 - \$300; \$150,000 up to \$200,000 - \$350; \$200,000 up to \$300,000 - \$400; \$300,000 up to \$400,000 - \$450; \$400,000 up to \$500,000 - \$500; \$500,000 up to \$600,000 - \$550; \$600,000 or more - \$600. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-37 Motion by Adee, seconded by Lepper to approve County Board members' attendance to the March 6, 2009 Domestic and Sexual Violence Prevention Training as requested by Friends Against Abuse and County and City Law Enforcement as sponsors. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-38 Motion by Lepper, seconded by Adee accepting the Land Commissioner's recommendation to award low bid to Wherley Motors, Inc. in the amount of \$22,710 without trade-in (retain spare pickup at this time) to replace the truck totaled in an accident and with insurance reimbursement of \$6,500 to offset the purchase price. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner provided a handout on the MN Forest Resources Partnership's objectives and an Outdoor Heritage Funding Proposal submitted by Cass County supporting the Industrial Forest Land Investment and Productivity Program in Cass and Koochiching Counties.

2009/02-39 Motion by Adee, seconded by McBride to renew the Northland Counseling Center's Hardwig House Service Contract with an increase in the contract amount and with the cost covered by State funding as recommended by the Community Services Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/02-40 Motion by Lepper, seconded by Pavleck accepting the following Foster Care, Day Care and Adult Foster Care Licensing recommendations: relicense Catherine Besser for group

family day care for twelve children; license Hallie Swenson for family day care of ten children. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Community Service Director reviewed a handout showing the history of out of home placement cost to the County from 2003 to 2008. The 2008 cost was \$900,683 with 74% of the cost paid by county dollars or \$664,649. The Community Service Director requested Board support to allow him to look for funding sources to purchase equipment and set up an INTV room which would reduce his training/travel budget as the current Court INTV Room is not always available. The Board was in support of allowing the Director to seek potential funding sources for this purpose and to work in conjunction with the I.S. Manager in finalizing the plan for Board consideration. The Community Service Director stated that he has received the letters of support he was seeking to allow Friends Against Abuse to conduct supervised visitations for social services and that Friends Against Abuse is moving forward on securing grant funds to establish this service under contract. The Community Service Director updated the Board on the Legislative Town Hall Meeting in Virginia on February 20th in which he testified on behalf of human services under the Governor's Budget proposal for service cuts and regionalization. The meeting room was packed and a number of individuals were in the hallway unable to come into the meeting. Sentiments were strong that regionalization for the Arrowhead region was not supported and that in bad economic times, it is not the time to cut human services programs as this is the public's safety net.

000 The Health Director stated that the agenda item regarding the Northome Resource Center Coordinator's Contract is not ready for Board approval and she will put it back on the agenda at a later date. The Director reviewed the 2008 Health Department's Financial and Statistical Report.

2009/02-41 Motion by Lepper, seconded by McBride acknowledging the February 23, 2009 minutes from the Health Department's Professional Advisory Committee meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director informed the Board that regionally an application is being worked on for the State Health Improvement Program (SHIP) Grant as even with the Governor's Budget proposal to cut the total program allocation in half and allocate it over 4 years rather than the original two years, there is still a substantial grant to be considered. There is no cash match required and would be offset with in-kind services of the Department. In addition the Director would be looking to apply for a couple small grants.

2009/02-42 Motion by Lepper, seconded by Adee supporting the Health Director's request to apply for grants within the process established in the County's Grant Policy for Board approval. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director reported that the County Home Care Program has 25 clients currently, down from 51 clients in 2007. A letter was presented to the County Board stating concern regarding the County's decision to get out of home care services. The Director reported that there continues to be poor access to home care service in Big Falls and further south and west.

The Board Chair stated that he talked with the home care providers and they are making attempts to get workers in this area of the county.

000 The Board Chair called for public comment: Rob Ecklund informed the Board that he is on the County Board agenda for March 10th to request adoption of a resolution presented by the local unions to support American made purchases on behalf of the American labor force. With no other general comment, the Board Chair opened public comment to hear from the local businesses concerned about the County's Proposed Highway 332 project. Several business owners on Highway 53 and International Falls Main Street attended the meeting stating their opposition to the County's Proposed Highway 332 Project as seen by them to be a by-pass of International Falls which will hurt their business. These businesses struggle as it is and have to rely heavily on the summer tourist trade to survive. With information now that Border Customs is looking to expand along the river on Highway 11, the County's Proposed Highway 332 Reroute to Highway 11 will provide a convenient route to the bridge line to Canada rather than coming through town on Highway 53 to get in line. That this road project may have been decided in the beginning to realign Highway 332 and provide the Burner Road to Boise, but it is now a great concern to business owners as too much development is being proposed around it, giving it even more potential of a by-pass to Highway 11 (City's riverfront development, Border Security development and now Customs development). The Businesses are asking the County to re-evaluate this road project on the basis of it having a negative impact on Highway 53 and Main Street business. They would rather have the County return the federal dollars or reinvest the dollar into Highway 53 than for the County to move forward and risk hurting business in International Falls. The County considers public input when deciding county projects, approving some and denying others based on public feedback. The business owners would ask the same in this case. Board members replied that the County Board is not aware of the details of the Customs Expansion Study and options being proposed. All Board members agreed that they need to become informed on this matter. Secondly, the Board in looking at this Highway 332 Project moved forward with the support of Boise and the City with the Chamber's support and all the proposed developments coming forth were not in the picture. In summarizing, the Board Chair stated to the audience that the Board will become educated on the Custom's Expansion Project and will further discuss the Highway 332 Project within parameters of the proposed developments being discussed and the businesses' concerns presented today.

2009/02-43 Motion by Adee, seconded by McBride to adjourn the meeting at 11:20 a.m.
Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, March 3, 2009; 11:00 a.m.

MEMBERS PRESENT: Commissioners Adee, McBride, Lepper, Pavleck

MEMBERS ABSENT: Commissioner Hanson (Other County Business)

OTHERS IN ATTENDANCE: Ann Scholler, Terry Murray, Doug Grindall, Carl Bowman, Russ Tilander, Terry Randolph, Arden Barnes; Reporters Lisa Kaczke and Dave Chapman

2009/03-01 Motion by Lepper, seconded by McBride to approve the agenda with additions and deletions. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-02 Motion by McBride, seconded by Lepper to approve the minutes from the February 24, 2009 regular meeting. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-03 Motion by Lepper, seconded by McBride to approve payment of the monthly County Board expense claims in the amount of \$8,834.65. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-04 Motion by Pavleck, seconded by Lepper accepting the recommendation of the County Licensing Committee to approve the following licenses: Almost Lindy's Inc. for an On Sale/Sunday Intoxicating Liquor License from March 20, 2009 through December 31, 2009; International Falls Country Club, Inc. for an On Sale/Sunday Intoxicating Liquor License and a Tobacco License from April 1, 2009 through October 31, 2009. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-05 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Auditor/Treasurer to write off \$2,159.36 of a Sunset Cove Waterline Assessment plus interest due to the final year of the 29 year assessment inadvertently missed for posting to the tax statements and therefore not collected in 2008. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-06 Motion by Pavleck, seconded by Lepper to approve sponsorship of the Ridgerunner Snowmobile Club in the FY 2009 MN Trail Assistance Program for Off Highway Vehicles covering the Blue Ox ATV Trail in the amount of \$16,000. 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 program; sponsorship does not require financial support or liability for cost from the County. Motion further authorizes the Board Chair and Auditor-Treasurer to sign said Grant Agreement. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-07 Motion by Lepper, seconded by McBride authorizing the Board Chair to appoint two members to represent the County at the Custom Border Station Expansion Study Meetings. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried. (Vice Chair Adee appointed Commissioner Pavleck and Commissioner McBride.).

2009/03-08 Motion by Pavleck, seconded by Lepper to approve the sale of county property described as a part of Lot 10, Auditor's Plat 5 at a purchase price of \$85,000 less settlement costs with sale revenue deposited in the Environmental Trust Fund and further, authorize Board Chair's signature to the Warranty Deed. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-09 Motion by McBride, seconded by Pavleck to approve a service agreement with Doug Skrief for planning and grant writing for a period of January 1, 2009 through June 30, 2009 for the Koochiching Aging Options Board with services funded through the allocation provided by the County for planning a new non-profit senior solution service organization as recommended by the Community Service Director (Community Services acting as fiscal agent) and upon approval of the County Attorney. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer presented a request to call for bituminous bids for three CSAH roads and a proposal for county and township roads east of International Falls. As discussed with the Board at a committee session last week, mix prices are low and the Engineer is hoping to leverage more bituminous overlay work on county roads for the fixed county dollar amount set in the 2009 Highway Budget. Carl Bowman, local contractor, felt that the projects should be broken up and bid separately over a period of time to help local contractors compete with the outside contractors who normally bid all the projects together and obtain the low bid overall. The Engineer stated that the county road project is intended to be tied to one CSAH project because it is in the same area, which makes sense for both the County and the contractor. But whether the bid submitted is on for all projects or for individual projects, the choice is there for any contractor. The Board members discussed the need to support the local economy but has to weigh that with the responsibility to the taxpayer to obtain the lowest cost. The Board requested information from the Engineer on past road project bids to see if the process has a disadvantage overall to local contractors in competing against outside contractors.

2009/03-10 Motion by Lepper, seconded by McBride authorizing the Highway Engineer to call for bids for bituminous work for CSAH 102, CSAH 94, CSAH 2 and county and township roads east of International Falls as recommended by the Highway Engineer with a bid opening of April 6, 2009 and bid results presented to the County Board on April 7, 2009. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer reviewed the request to purchase a shouldering machine attachment for road shoulder maintenance as using the grader to do the work scrapes the road surface and pushes material into the slopes, wasting materials. The Engineer stated he would consider using county forces to do the shoulder work for the county road projects to be bid on April 6th if the bid price for the shouldering work is high. Commissioner Pavleck was supportive of the machine purchase for maintenance work but did not support using the machine for shoulder construction work as this should be bid along with road construction work.

2009/03-11 Motion by Lepper, seconded by McBride authorizing the Highway Engineer to purchase a Shouldering Machine Attachment with a cost not to exceed \$6,500 as set in the 2009 Highway Budget. Voting yes: McBride, Adee, Lepper; voting no: Pavleck. Motion carried.

2009/03-12 Motion by McBride, seconded by Pavleck authorizing Board members' attendance to a meeting being hosted by the Chamber of Commerce on Monday, March 9, 2009 at 8:00 a.m. at Rainy River Community College to discuss needs of our area with the MN Chamber Vice President for support in the 2010 state bonding bill. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:50 a.m. Russ Tilander, an employee of Boise's Processing Center, stated support for the County's Highway 332 Project as the Burner Road needs to be vacated to Boise for safety reasons. He informed the Board 120,000 cords of wood cross the Burner Road in a year and the concern of Boise employees working in this area for the public's safety is increasing as the number of crossings increase. Board members stated that due to concerns expressed by the International Falls business owners last week and learning of the Border Customs expansion study, the Board today appointed members to attend the Custom Station Expansion Study meetings to propose an idea of designing the Custom Station expansion to accommodate a redesign of the bridge line making Highway 53 the feasible route to take to get in the bridge line to Canada, which should alleviate concerns that tourists will use the County's Highway 332 Route to get in line. The Board members stated that there are so many interests that have come into play around this road project and the County Board is doing their best to weigh them all. The Highway Engineer stated that he is moving forward on presenting road design plans to satisfy the MNDot Commissioner's order to submit plans within 60 days, and knowing the City of International Falls is requested denial of the order through the Court of Appeals. Terry Randolph, VFW Commander, informed the Board of upcoming veteran events such as Vietnam Veteran Welcome Home Day, Veterans Loyalty Days and plans to hold another Stand Down. Aarden Barnes asked whether county roads in French Addition were looked at as possible routes to the Foreign Trade Zone. The Engineer stated that this was looked at when he was asked to review potential routes and it was concluded that this residential area was not conducive to a high truck traffic road. Ms. Barnes asked if the County considered purchasing private property for sale by the Highway 11 Overpass to construct an emergency service road for Ranier and the lake area. Board members stated that talks continue with the railroad and that this option was looked at, however, the estimated cost is high.

2009/03-13 Motion by McBride, seconded by Pavleck to adjourn the meeting at 12:15 p.m.
Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, March 10, 2009; 10:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper

MEMBERS ABSENT: Commissioner Pavleck (Family Medical)

OTHERS IN ATTENDANCE: Rob Ecklund, Donna Hoffer, Berry Sherwood, Dennis Hummitzsch, Pam Rooney, Richard Lehtinen, Doug Grindall, Aarden Barnes, Chris Mostad, Dave Serrano; Reporters Lisa Kaczke and Sheldon Slaubaugh

2009/03-14 Motion by McBride, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-15 Motion by Lepper, seconded by Adee to approve the minutes from the March 3, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-16 Motion by Lepper, seconded by Adee to approve the employment separation of LPN Traci Wilke effective March 9, 2009. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-17 Motion by Lepper, seconded by McBride to approve payment of the Auditor claims in the amount of \$37,034.21 and authorize the Board Chair's signature to the Auditor's February vendor payment listing verifying its review. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-18 Motion by Adee, seconded by McBride ratifying the Board Chair's authorization to have the County help sponsor the March 14, 2009 Town Hall Meeting in International Falls in which legislators will attend to discuss and hear concerns and ideas on the State Budget crisis with the County contributing to the meeting expense up to \$100; further to approve attendance by Board members as a County Board activity. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 On behalf of the American United Steel Workers and several other International Unions, a resolution was presented to the County Board supporting the "Buy American" stipulation in the Federal Stimulus Plan. Adoption of the resolution by local units of government further strengthens support to get America working.

2009/03-19 Motion by Lepper, seconded by McBride to adopt the following resolution to buy American and get America working:

WHEREAS, the economic downturn is having a critical impact on everyday Americans who are struggling to maintain or find jobs in an increasingly difficult environment; and

WHEREAS, those same Americans are the taxpayers that provide the revenue needed to operate essential government services; and

WHEREAS, Congress and President Obama are planning a taxpayer-sponsored economic recovery package that will provide billions of dollars to help economically devastated cities and states immediately provide jobs to millions of out-of-work Americans through considerable infrastructure rebuilding, green energy projects and other projects that will require manufactured components; and

WHEREAS, our taxpayer dollars should be spent to maximize the creation of American jobs and restoring the economic vitality of our communities; and

WHEREAS, any domestically produced products that are purchased with economic recovery plan monies will immediately help struggling American families and will help stabilize our greater economy, and

WHEREAS, any economic recovery plan spending should – to every extent possible – include a commitment from Koochiching County to buy materials, goods and services for projects from companies that are produced within the United States, thus employing the very workers that pay the taxes for the economic recovery plan spending in the first place.

THEREFORE BE IT RESOLVED THAT, the Koochiching County Board will work to maximize the creation of American jobs and restoring economic growth and opportunity by spending economic recovery plan funds on products and services that both create jobs and help keep Americans employed.

BE IT FURTHER RESOLVED THAT the Koochiching County Board is committed to purchasing only products and services that are made or performed in the United States of America whenever and wherever possible with any economic recovery monies provided to Koochiching County by the American taxpayer. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-20 Motion by Adee, seconded by McBride to approve payment of \$959.60 from the Car Pool Account for Road Side Assistance with Paragon Motor Club as recommended by the Car Pool. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 A representative for the U.S. Census Bureau met with the Board to discuss local support to help promote local participation in the 2010 Census count, to begin April 1, 2010. The census, which is done every ten years, provides the population base for legislative redistricting and federal funding distribution. To help promote participation of the local population, the representative recommended forming a Recount Committee of county-wide representation to provide information to the census counters and to promote the importance of the census to the county and cities within and the need for the County population to participate in the count. In discussion, the representative stated that census questionnaires contain 10 questions and takes about 10 minutes to complete. Questionnaires will be mailed but they can only be mailed to physical addresses. Therefore the number of individuals receiving mail through post offices will not get a survey mailed to them. This is one area where a Recount Committee can help guide counters for home visits and/or help find convenient sites and get the word out where census questionnaires can be picked up. The Board Chair stated that he and the Environmental Service Director will meet first to discuss the County Recount Committee and/or ways the County can assist in promoting participation in the census and contact the representative with a plan.

2009/03-21 Motion by Lepper, seconded by Adee accepting the recommendation of the Land Commissioner to accept the service agreement from Pro-West for preparation of a Management Plan for Koochiching County Administered Land to include working with an advisory committee to be determined by the County Board and with funding planned in the 2009 Land and Forestry Budget. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-22 Motion by Lepper, seconded by Adee to approve a contract with Kvien Document Imaging for Phase III of the scanning document project at a cost of \$24,500 as recommended by

the County Recorder and with funding in the 2009 Recorder Project Budget. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-23 Motion by Lepper, seconded by Adee to approve the Final Plat of Eagle's Nest on Black Bay as recommended by the Environmental Service Director and to authorize the required County officials' signatures to said Final Plat. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-24 Motion by Lepper, seconded by McBride authorizing the Highway Engineer to call for bids for road striping as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/03-25 Motion by Lepper, seconded by McBride to call for annual bids for hired truck, nuisance beaver removal from County lands and roads, and for metal, plastic and concrete culverts as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

000 The Board Chair called for public comment: Berry Sherwood, Intl Falls business owner, requested the Board to revote the Highway 332 Project and vote it down due to the route becoming a city by-pass and hurting business. In response to a Board member stating that there are many interests in this project, he stated that there is an understanding for Boise's concern with the Burner Road but all the discussion of development to date has led those opposing the road to believe it will be a city business by-pass. Allen Kruse requested committee time with the County Board to present his road proposal as an alternate to the County's Plan for Highway 332, which he presented already to the International Falls City Council. Chris Mostad, International Falls business owner, requested the Highway 332 Project be put back on the County Board agenda for reconsideration as this is a concern weighing heavily on business owners as becoming a by-pass to city businesses. Aarden Barnes stated that the snow being dumped next to first creek should be dumped away from the creek to allow the snow to filter due to potential pollutants. The Board Chair stated that this is the City's site and to contact the City with this concern.

2009/03-26 Motion by Lepper, seconded by Adee to adjourn at 11:25 a.m. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, March 17, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Steve Shermoen, Bob Peterson, Doug Grindall, Brian Youso, Phil Miller, Scott Anderson via conference phone; Reporter Lisa Kaczke

2009/03-27 Motion by Lepper, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-28 Motion by McBride, seconded by Adee to approve the minutes from the March 10, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-29 Motion by Lepper, seconded by Adee accepting the recommendation of the County License Committee to approve On/Off Sale and Sunday Intoxicating Liquor Licenses to Opp Hagemeister Management Inc. for Island View Lodge for a period of May 1, 2009 through October 31, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-30 Motion by Lepper, seconded by Pavleck to ratify the Board Chair's appointment of Kallie Briggs as the County's representative on the Arrowhead Library System Board effective January 1, 2009 with the term ending July 1, 2010. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-31 Motion by Pavleck, seconded by McBride accepting the recommendation of the County Coordinator and Sheriff to reclass temporary hire Marilee Simon to working no more than 67 days in a calendar year to allow for coverage during the part time Jail Cook's leave of absence. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-32 Motion by Pavleck, seconded by Lepper to adopt the following resolution for the sale of County Real Estate:

WHEREAS, Koochiching County purchased a parcel of real property in 2005 from Amber L. Anderson and Anthony R. Anderson to facilitate construction of the Jackfish Bay Sewer Project; and

WHEREAS, a portion of said real property was required for construction of a building necessary for proper operation of the sewer collection system; and

WHEREAS, Koochiching County has no need to continue ownership of the remaining portion of said real estate, which contains a single family dwelling;

NOW, THEREFORE, pursuant to Minn. Stat. Sec. 373.01, the Koochiching County Board hereby authorizes the sale of said parcel of real property, legally described as: Part of Lot Ten (10), AUDITOR'S PLAT NO. FIVE (5), according to the recorded plat thereof, described as follows: The East One Hundred Fifty Feet (E 150') of the Southeast Quarter of the Southwest Quarter (SE¹/₄SW¹/₄), Section Twenty-eight (28), Township Seventy-one (71) North, Range Twenty-three (23) West, Koochiching County, MN, lying northerly of a line Two Hundred Fifty Feet (250') south of and parallel with the north line of said Southeast Quarter of the Southwest Quarter. Subject to easements, restrictions and reservations of record. Reserving, however, all mineral rights to Koochiching County pursuant to Minn. Stat. Sec. 373.01, Subdivision 1(5) (g).

BE IT FURTHER RESOLVED that the County shall advertise for bids to purchase said real property in the official newspaper of the county for three consecutive weeks and once in a newspaper of general circulation in the area where the property is located. The notice shall state the time and place of considering the proposals, contain a legal description of any real estate, and a brief description of any personal property, which consists of the refrigerator, stove, washer, dryer and all window coverings currently in the home. That the terms of the purchase shall be cash payable within 30 days of the bid being accepted by the Koochiching County Board. All bids must be received by the Koochiching County Auditor/Treasurer's Office no later than 4:00 p.m. on April 17, 2009, and shall be reviewed by the County at 9:00 a.m. on April 20, 2009, in the County Boardroom. Bids must be accompanied by a cashier's check payable to Koochiching County for 10 percent of the amount of the bid. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-33 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Car Pool Committee to seek quotes from local dealers to compare to state bid to replace one vehicle in the fleet with funding in the Car Pool Account and with quotes to include trade in. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-34 Motion by Pavleck, seconded by Adee to defer complaints received by a County Commissioner on the performance of the Veteran Service Officer to the Personnel Committee for procedural review and direction to the County Board in handling the matter. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-35 Motion by Pavleck, seconded by McBride accepting the recommendation of the Sheriff to award low bid to Wherley Motors for a 2009 Ford F150 4x4 pickup at a bid price of \$21,918 with trade in and a 2009 Ford Crown Victoria car at a bid price of \$17,348 with trade in. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Sheriff informed the Board that they are looking to wrap up the Phase I 911 Sign Project and in doing so, they will set a date of mid May to inform citizens concerned with the sign or rural address, to call the Sheriff so that they can make the corrections and make final payment to the contractor. The group will then begin planning for the Phase II 911 Sign Project. The Board concurred that the deadline to submit concerns has to consider the snowbirds returning in the spring and that the notice has to be published county-wide.

2009/03-36 Motion by Pavleck, seconded by Adee to close session at 11:06 a.m. for attorney-client privilege review of the pending cartway litigation of Jacobson vs. Koochiching County with MCIT's assigned legal counsel, County Attorney and Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-37 Motion by Lepper, seconded by Adee to open session at 11:45 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:45 a.m. No comment was presented.

2009/03-38 Motion by McBride, seconded by Lepper to adjourn at 11:45 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, March 24, 2009; 10:15 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dennis Hummitzsch, Don Fulton, Rob Boyd, Betsy Jensen, Jerry Snyder, Mike Rohm, Chris Mostad, Karen Hedtke, Al Crawford, Rob Trompeter, Roger Jerome, Walter Leu, Doug Grindall, Ed Oerichbauer, Arden Barnes, John Bruggeman, Jay Squire via telephone, Phil Miller; Reporters Lisa Kaczke and Sheldon Slaubaugh

2009/03-39 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper; absent for vote: Pavleck. Motion carried.

2009/03-40 Motion by Adee, seconded by Lepper to approve the minutes from the March 17, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-41 Motion by Lepper, seconded by McBride accepting the recommendation of the County Personnel Committee authorizing the Land Commissioner to fill a Forester position left vacant as a result of a retirement. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-42 Motion by Lepper, seconded by Adee to approve payment of the Auditor claims in the amount of \$37,098.80; to approve payment of the Highway claims in the amount of \$88,184.68; to approve payment of the Health claims in the amount of \$11,704.82; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-43 Motion by Lepper, seconded by Adee authorizing attendance as a Board activity for Commissioner Adee to attend the Associated Contract Logger's annual meeting on April 7, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-44 Motion by Lepper, seconded by McBride adopting the following resolution in support of KOOTASCA's Family Homeless Prevention and Assistance Program:

WHEREAS, the Minnesota Housing Finance Agency, State of Minnesota, has been authorized to undertake a program to provide Family Homeless Prevention assistance; and

WHEREAS, KOOTASCA, Inc. has developed an application as an Administering Entity for the Minnesota Housing Finance Agency, for the Family Homeless Prevention and Assistance Program; and

WHEREAS, KOOTASCA, Inc. has demonstrated the ability to perform the required activities of the Minnesota Housing Finance Agency for the Family Homeless Prevention and Assistance Program.

NOW THEREFORE BE IT RESOLVED, that KOOTASCA, Inc. is hereby authorized as an entity to be charged with the administration of funds made available through the Minnesota Housing Finance Agency for Family Homeless Prevention and Assistance Program in the County of Koochiching. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner reviewed the results of the 2008 Timber and Land Sale Revenue Apportionment which resulted in net receipts being lower than the previous year but the apportionment amounts a little higher due to not allocating a portion of the revenues to the Land and Forestry Fund reserves for parks and forestry purposes.

000 Due to advertisement in the newspaper to attend the County Board meeting at 10:30 a.m. for comment on the Highway 332 Project, the County Board opened session for public comment on the Highway 332 Project. The Chair acknowledged written comment from a downtown business owner supporting the other businesses in opposing the Highway 332 Project. Several people representing International Falls downtown and Highway 53 businesses as well as the Chamber's President provided comment to the County Board opposing the Highway 332 Project as being a by-pass to the City and businesses, which will have a negative impact on businesses needing tourism to survive and have a long term impact to the community, schools and county as a whole as businesses fold and jobs and population are lost. Some mentioned the by-pass that occurred by Brainerd and the negative impact that can clearly be seen in the downtown area. Others commented on the Burner Road and questioned the need to vacate the road for Boise purposes and others asked the County Board to have dialogue with the other involved parties and find another resolution. Commissioner Pavleck stated that this project came to the table with support of all the parties and the Chamber and during this process other routes were looked at. The County's Project is the only route that was feasible in the sense it is the easiest route, the less expensive route, supported by MnDot and funded 100% by federal and state dollars. Can other routes be built such as the City's FTZ proposal, yes but at the local taxpayer's expense. So while the City and Chamber have changed positions on this route, to ask the County to look at different routes is asking the County to support a less feasible road option at the public's expense. Lastly, that the County Board still has the interests of others supporting this route to consider. Commissioner McBride stated that he will listen to his constituents and will propose a resolution at the first meeting in April to end the County's Highway 332 Project.

000 A MnDot Representative met with the Board to review the ATP process and reviewed the eight proposed projects for the Koochiching County area for 2010 to 2013 for an estimated total of \$17 million. The Board also reviewed information from the MnDot District 2 Planning Engineer on the work plan for Trunk Highway 11 from Baudette to Pelland Junction. The

MnDot representative stated that the gas tax increase helped provide funding to deal with the state's road and bridge system but funding is still inadequate compared to the needs for improvements. In addition, the federal stimulus dollars going to road projects in rural areas in the State is less than 2%. The Board thanked the representatives for coming and providing information on road projects for the area.

2009/03-45 Motion by Pavleck, seconded by McBride that in review of funding sources and service needs to authorize the Highway Engineer to fill the vacant Engineering Technician position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The City of Ranier Mayor informed the Board that the CN trains come through the City about 30 times a day, with the number to increase. At times, these trains sit idle across the road for 20 minutes or longer, blocking the road and fumigating the air. Though there is another route to take if the train is blocking the road, the City would support a shorter route for response time in emergency situations. The Highway Engineer stated that he has been looking at the train concerns with Commissioner Pavleck and City representatives and for this particular issue, there is an opportunity to purchase right of way to accommodate this shorter route as requested by the City, however price of the land and price of the road project are the pending issues. The other option that was reviewed, is putting a sign on Highway 11 that would indicate a train is crossing in the City of Ranier to notify the driver to take the alternative route now in place if they need to. Commissioner Pavleck stated that in addition to this concern, CN still has not corrected the problem with the blockage that occurs on the Van Lynn Road or with the lift bridge in Ranier and they should be working with the local government on these issues. With regards to the Ranier road project, the group felt there was potential to secure federal funds for the project due to the issue involving the railroad.

2009/03-46 Motion by Pavleck, seconded by Lepper authorizing the Highway Engineer to get an appraisal for the right of way property for the proposed alternate route for the City of Ranier, to contact MCIT to see if other counties have had similar concerns with railroad operations in their counties and what avenues counties can take to resolve matters and lastly, to notify CN to remind them of the pending concerns of Koochiching County that need resolution. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment: Aarden Barnes stated that similar problems with the railroad occurred in another state and due to public complaints the railroad is now making adjustments. And as a resident of Ranier, she is concerned with the fumes coming from the trains as they sit idling for minutes at a time. John Bruggeman stated that there is a public health concern with the trains fumes and noise in the City of Ranier. With no further comment, the Board Chair recessed the meeting at 12:10 p.m.

2009/03-47 Motion by Lepper, seconded by Adee to close session at 1:35 p.m. for attorney-client privilege review of the County Highway 332 Project litigation with MCIT's assigned legal counsel, County Attorney and Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-48 Motion by Lepper, seconded by Pavleck to open session at 2:15 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/03-49 Motion by Lepper, seconded by Adee to adjourn at 2:15 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, April 7, 2009; 10:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dennis Hummitsch, Terry Murray, Susan Congrave, Doug Grindall, Judge Leduc, Phil Miller; Reporter Laurel Beager

2009/04-01 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-02 Motion by McBride, seconded by Adee to approve the minutes from the March 24, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-03 Motion by Lepper, seconded by Adee to approve payment of the monthly county Board expense claims in the amount of \$11,080.90; authorizing the Board Chair's signature to the March vendor payment listing verifying its review; to approve payment of the 2009 Laurentian RC&D membership dues in the amount of \$400.00. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-04 Motion by Lepper, seconded by McBride accepting the recommendation of the County Assessor to grant the following abatements: Koochiching County and City of International Falls, Parcel #15-030-00610 for tax exemption status; Denise Romanowicz, Parcel #92-109-02010 to reinstate homestead status due to clerical error. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-05 Motion by Pavleck, seconded by McBride authorizing the Board Chair to appoint two Board members to serve on a committee and to request the participation of the City of International Falls and Chamber to review the Custom Station Expansion options and find mutual agreement as to the best option to support the local economy to present to GSA and federal legislators for support. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (The Board Chair appointed Commissioner Lepper and Commissioner McBride.)

2009/04-06 Motion by Lepper, seconded by Pavleck to adopt the following resolution in opposition to cuts to Payment-In-Lieu-of-Taxes to Minnesota Counties and submitted to the Governor and State Legislators:

WHEREAS, the State of Minnesota provides Payment In Lieu of Tax (PILT) funds to counties to provide a measure of property tax relief to taxpayers who may live in counties that contain tax exempt state public lands; and

WHEREAS, one of the state goals related to the Payment In Lieu of Tax (PILT) payments to counties is to encourage the retention of the public land base and to foster sustainable natural resource management programs by counties over the long-term for the benefit of future generations of the entire State of Minnesota; and

WHEREAS, the retention and stability of state owned, county managed, natural resource lands plays an important role in the continued viability of Minnesota's forest products industry and public land recreation opportunities which directly impacts numerous regional economies in Minnesota; and

WHEREAS, many of the counties that receive the highest levels of PILT funding from the State of Minnesota are those rural counties that have very low property tax capacity and a high incidence of poverty factors; and

WHEREAS, Koochiching County utilizes PILT proceeds to help fund state-mandated services and also to meet locally determined service needs related to public safety and county roads; and

WHEREAS, PILT proceeds not only benefit counties but, through apportionment formulas, school districts, townships and other entities receive PILT funding to assist them in meeting service needs in jurisdictions where property tax opportunities are limited due to the presence of tax exempt state lands; and

WHEREAS, Governor Tim Pawlenty has proposed a 20 percent reduction to Payment-in-Lieu-of-Taxes (PILT) to counties as part of his strategy to correct the state budget deficit for the next biennium; and

WHEREAS, Koochiching County received a 2008 PILT Payment of \$1,066,204 (approximately 29 percent of the county property tax levy); and

WHEREAS, the proposed 20 percent cut would result in an annual funding reduction of approximately \$213,241 to Koochiching County; and

WHEREAS, the proposal to cut PILT funding represents a disproportionate funding cut to Minnesota counties as many poor rural counties would receive a greater reduction in state funding than more wealthy counties.

NOW, THEREFORE, BE IT RESOLVED, the Koochiching County Board of Commissioners respectfully requests that the 2009 Session of the Minnesota State Legislature reject proposals to cut PILT funding to counties as a mechanism to balance the State of Minnesota budget deficit for the coming biennium. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-07 Motion by Adee, seconded by Lepper authorizing the Complex Superintendent to expend up to \$3,000.00 from the Sinking Building Account to repair the elevator in the LEC as recommended by the Complex Superintendent. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair appointed Commissioner Lepper to the ALS Ambulance Service Task Force and appointed Commissioners Pavleck and McBride as Board representatives on the proposed Extended Sewer Project.

2009/04-08 Motion by Lepper, seconded by McBride that due to the national economy being in deep recession which affects the wood consuming mill capacity and therefore timber harvesting and also due to recent mill closures in 2006 and 2008 which have depressed the Minnesota timber market, the Koochiching County Board approves the following interim County Timber Policy change to improve timber sale operation conditions for the logging community and timber industry to ensure harvesting of County timber: to grant a one year free extension for timber contracts expiring in 2009 thereby requiring the timber sale installment payment of 20% of the total sale value be postponed for one year for said permits. This change in policy does not include permits already in extension as of January 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-09 Motion by Lepper, seconded by Adee adopting the following resolution in opposition to the Governor's proposal for redesign of Human Services as proposed in his State Budget and with said resolution to be sent to the Governor, State Legislators and the DHS Commissioner:

WHEREAS proposed legislative language entitled the "Human Services Authority Act" has been reviewed and discussed, and

WHEREAS the Governor's proposal is motivated by a need to create greater accountability for human services between counties and the state; maximize the expertise to enable counties to more effectively administer many highly complex human services programs, and reduce variability in core or safety net services, and

WHEREAS Koochiching County agrees with these underlying goals, but questions whether this proposal will achieve those goals, and

WHEREAS Koochiching County is fearful the legislation, in its current form, may lead to unintended consequences, and undermine the successful collaboration and partnerships already in place, and

WHEREAS Koochiching County is concerned that no fiscal note of state wide savings has been prepared, there is no funding to support counties for analysis and implementation, nor is the potential risk of increased cost and burden to local taxpayers considered, and

WHEREAS in real effect, the Human Services Authority Act simply adds another layer of government, with all the overhead and cost that entails, without measurable increase in efficiency, and

WHEREAS the Human Services Authority Act appears to assume inefficiency lies in the local administration of human services bureaucracy while all available evidence indicates the inefficiencies are inherent in the complex State and Federal programs and bureaucratic mandates that have little or nothing to do with service delivery;

NOW, THEREFORE, BE IT RESOLVED, the Koochiching County Board of Commissioners opposes the "Human Services Authority Act", and

BE IT FURTHER RESOLVED, to request that the Governor and Legislature develop improvements to human service management and delivery in a transparent manner that includes counties as partners throughout the planning process. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-10 Motion by Pavleck, seconded by Adee to send a letter to the Department of Human Services Commissioner to request he travel to Koochiching County to meet with the Koochiching County Board to discuss firsthand the Governor's proposal of redesign of the human services delivery system as it would relate to delivery of needed public service in Koochiching County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-11 Motion by Lepper, seconded by Adee to defer the Health Director's request to fill a .60 FTE Public Health Nurse position to the Personnel Committee for review and recommendation. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-12 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Highway Engineer to award low bid for the Car Pool vehicle replacement to Waschke for a 2009 Chevy Impala in the amount of \$16,460 with trade in of a 1998 Ford Taurus. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-13 Motion by Lepper, seconded by McBride accepting the recommendation of the Highway Engineer to award low bid for the hired tandem axle dump truck and tractor and trailer combination to James Kennedy for all zones with second award on the hired tractor and trailer combination for Zones 4 and 7 to Tim Miovac. Detailed bid information on file in the Highway Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-14 Motion by McBride, seconded by Pavleck accepting the recommendation of the Highway Engineer to award Nuisance Beaver Removal bids for county maintained roads and County land to Brent Bacon, Harvey Cole, Dave Thomas, Adam Miles, Orville Schultz, Gerald Palm and Larry Thramer with specific zone and bid award on file in the Highway Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer informed the Board that the Culvert Bids will be presented at the next meeting.

2009/04-15 Motion by Lepper, seconded by Adee accepting the recommendation of the Highway Engineer to award low bid for road striping to AAA Striping Service Co. in the amount of \$141,278.60. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-16 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Highway Engineer to award low bid to Bowman Construction for SAP 36-602-15 in the amount of \$791,732.00, SAP 36-702-03 in the amount of \$148,476.00, SAP 36-694-08 in the amount of \$214,925.00 and CP 2009-01 in the amount of \$161,399.00. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-17 Motion by McBride, seconded by Adee (to allow for discussion), Whereas the legislative intent of Trunk Highway 332 is to provide a truck route that would not impact the residents/retail areas of International Falls; Whereas the Koochiching County Board resolution of February 19, 2002 states: ...this proposed road would be heavily used by tourist heading into Canada; Whereas, the proposed County State Aid Highway 155 route would be economically disastrous to the City of International Falls and surrounding areas. Now therefore be it resolved that the Koochiching County Board rescind the County Board's support of the establishment of proposed County State Aid Highway 155 and ends its participation in the proposed reroute of Trunk Highway 332. Voting yes: McBride; voting no: Hanson, Adee, Lepper, Pavleck. Motion fails.

000 The Board Chair called for public comment at 11:15 a.m. No comment was presented. Board recessed for lunch and reconvened at 1:30 p.m.

000 The Judge and County Board discussed pending claims as they relate to the County Board's directive of non payment of claims for legal counsel for parents in CHIPS and TPR cases due to the State Court System in June 2008 making the decision these expenses were non-mandated services of the State court public defender system and thereby turned the expense over to counties as court appointed attorney expenses. Though understanding the County's frustration with this matter, the Judge explained to the Board that procedurally if the County denies payment of the claims he would have to order payment of the claims, which the Board understood and preferred over just accepting this pass down of cost. In summary, the County Board when agreeing to the State's take over the court system, never understood the agreement to mean the county would still be liable for court service costs, which as of 2008 was \$54,000. And as a result of the State takeover, the State took the County's court fine revenue and at the time of taking over the court system, the County lost a portion of their state general aid which was reallocated to the State's court budget. Since this time, the County's cost continues to rise with no return of the lost court fine revenue or general aid and no say in the financial decisions of the court system. The Judge submitted a transcription of court proceedings claim in relation to a CHIPS case in which the parent's legal counsel is appealing the decision, which was in question under the Board's non-payment directive. He informed the Board that a parent's appeal on a CHIPS court decision has never been handled by the State's public defender system and would be transferred to a court appointed attorney which becomes the responsibility of the county along with related cost. The Board thanked the Judge for informing them on the procedures as they move forward on a decision to approve these claim payments. The County Attorney at the

request of the Board, advised that the pending claims be placed on the next agenda and by which time he will advise on the County participating in pending county lawsuits which are challenging this very issue.

2009/04-18 Motion by Lepper, seconded by Adee to adjourn the meeting at 2:20 p.m. voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS

Held on Tuesday, April 14, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Doug Grindall, Susan Congrave, Dale Olson, Steve Blair, Matt Gouin, Tom Dougherty, Ed Oerichbauer, Paul Nevanen, Aarden Barnes; Reporters Tom LaVenture and Sheldon Slaubaugh

2009/04-19 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-20 Motion by Adee, seconded by McBride to approve the minutes from the April 7, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-21 Motion by Pavleck, seconded by Lepper accepting the resignation and approving the employment separation of KCCS Social Service Supervisor Cindy Ellefson. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-22 Motion by Lepper, seconded by Adee to approve payment of the Auditor claims in the amount of \$50,926.32. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-23 Motion by McBride, seconded by Pavleck accepting the recommendation of the Law Library Board for adjustment of the 2009 Law Library Budget as follows: increase the fine revenue budget to \$16,000, increase the reference book expenditure budget to \$16,000 and zero out the capital outlay expenditure budget. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-24 Motion by Lepper, seconded by Pavleck accepting the recommendation of the County License Committee to approve On/Off Sale and Sunday Intoxicating Liquor Licenses to Sha Sha, LLC, dba Sha Sha Resort, for the period of May 1 through December 31, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-25 Motion by Lepper, seconded by McBride authorizing Board members' attendance to a "Fueling the Future – The Role and Use of Biomass for Energy" Workshop on April 25, 2009 at 9:00 a.m. in Hermantown, Mn being hosted by the Laurentian RC&D. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-26 Motion by Lepper, seconded by McBride authorizing Board members' attendance to a "Leading in Turbulent Times" Seminar on April 23, 2009 at 3:00 p.m. in International Falls, Mn being hosted by RRCC. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-27 Motion by Lepper, seconded by Adee accepting the recommendation of the Highway Engineer to award low bid for culverts as follows: riveted corrugated steel culverts to Contech Construction Products for all sizes except the 60 inch which is awarded to Johnston Fargo; spiral corrugated steel culverts to Contech Construction Product for all sizes except the 48 inch and 60 inch which is awarded to Johnston Fargo; aluminum coated spiral culverts to Contech Construction Products for all sizes except the 48 inch and 60 inch which is awarded to Johnston Fargo; concrete culverts to Cretex for all sizes; arch concrete culverts for 88 inch and 102 inch to Cretex. Bid detail on file in the Highway Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director provided an overview of the Statewide Health Improvement Plan (SHIP) funding available to community health boards as the state's investment in public health to address causes of illness and death due to tobacco use and exposure and obesity caused by physical inactivity and poor nutrition. Though the program is strongly supported by the Governor and legislature, the Governor did cut the state allocation in half, thereby reducing the number of applications to be approved for funding. Koochiching County joined the seven Arrowhead Regional counties in submitting a grant application of over \$1 million of the SHIP funding, with \$120,000 coming to Koochiching County over a two year period. The Director stated that if the grant is approved, she would be requesting the filling of a .60 Health Educator position to support this program. When asked, the Director stated in about one month they will know the status of their grant request and believes the funding will be long term and at a minimum for two to four years. The Director stated that the local match is covered by in-kind services of the County Health Department.

2009/04-28 Motion by Lepper, seconded by McBride to approve Koochiching County's participation in the SHIP Grant application as submitted by Cook, Lake, Carlton, St. Louis, Itasca, Aitkin and Koochiching Counties for a grant period of July 1, 2009 through June 30, 2011 as recommended by the Health Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-29 Motion by Lepper, seconded by Adee to approve a service contract with Friend's Garbage Service for the removal of demolition material from the Mizpah Canister Site as recommended by the Environmental Service Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-30 Motion by Lepper, seconded by Pavleck to authorize the Environmental Service Director in conjunction with the County Surveyor to select and execute a service agreement for an aerial survey of the Island View Rainy Lake Basin Sewage Collection Area for contour elevations needed for the facility plan to seek funding for the extended sewer project with cost not to exceed \$45,000 and funded by the Environmental Trust Fund. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-31 Motion by Lepper, seconded by McBride to authorize the creation of an Advisory Committee to support work on the extend sewer project to the Island View Rainy Lake Basin area with committee membership to be provided at a later date. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-32 Motion by McBride, seconded by Pavleck authorizing the Environmental Service Director to enter into a service agreement with MSA Engineering for a facility plan and ISTS inventory and assist with funding sources and applications for the extended sewer project for the Island View Rainy Lake Basin area with a cost not to exceed \$30,000 and funded by the Environmental Trust Fund. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment. The KCDA Chair and KEDA Director provided a First Quarter Project Funding Report from the Koochiching Community Development Association. Aarden Barnes stated her disappointment with the consideration given one particular project, which she felt should have been given higher consideration over the other projects funded.

2009/04-33 Motion by Lepper, seconded by Pavleck to adjourn the meeting at 12:00 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, April 21, 2009; 10:45 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Doug Grindall, Phil Miller, Ann Scholler; Reporters Tom LaVenture and Sheldon Slaubaugh

2009/04-34 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-35 Motion by Pavleck, seconded by Adee to approve the minutes from the April 14, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-36 Motion by Lepper, seconded by McBride to approve payment of the Highway claims in the amount of \$90,041.68. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-37 Motion by Pavleck, seconded by Lepper accepting the recommendation of the County Coordinator to approve a revised Family Medical Leave Act Policy and Forms to accommodate changes to the Federal Act for medical leave as it relates to the care of an active service member receiving an injury or illness in the line of duty and to accommodate a change to the definition of a serious health condition. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-38 Motion by Pavleck, seconded by McBride authorizing the Complex Superintendent to expend up to \$6,400 from the Sinking Building Account to fix a drive for the Air Handler System in the Forestland Building. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-39 Motion by Pavleck, seconded by Lepper accepting high bid in the amount of \$85,000 from David and Christine Murphy for the public sale of County property as part of Lot Ten (10), AUDITOR'S PLAT NO. FIVE (5), according to the recorded plat thereof, described as follows: The East One Hundred Fifty Feet (E 150') of the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$), Section Twenty-eight (28), Township Seventy-one (71) North, Range Twenty-three (23) West, Koochiching County, MN, lying northerly of a line Two Hundred Fifty Feet (250') south of and parallel with the north line of said Southeast Quarter of the Southwest Quarter with sale subject to easements, restrictions and reservations of record and reserving all mineral rights to Koochiching County pursuant to Minn. Stat. Sec. 373.01, Subdivision 1(5) (g) Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer presented three road project proposals to submit application to the Federal High Priority Transportation Projects Program for funding consideration with application deadline of Monday, April 27, 2009. Approved projects under the High Priority Project Program receive 80% federal funding and require a local match of 20%. The Engineer pointed out that the project figures he will present do not include the local cost for engineering, right of way and/or wetland mitigation. The first project recommended is establishment of a road to the County/City Foreign Trade Zone Property from Highway 11 at Ranier. This proposal is the most economical approach for providing access to the FTZ at \$400,000. The Engineer would recommend this proposal over the City's proposal to run the road off State Highway 332 at a total cost of \$2.5 million and having to reallocate CSAH miles from elsewhere in the County. In addition, the State Highway 332-FTZ Route proposal will require much more engineering and wetland mitigation and will require property acquisition which is additional local cost. The second project proposed is the By-Pass for the City of Ranier due to train blockage and as a separate project, the Engineer will look to the State's Safety Funding for Warning Signal Lights on Highway 11 for the Ranier area to inform motorists and emergency vehicles if a train is blocking the main route. The By-Pass Project cost is \$184,000 and the Signal Warning Lights

estimated at \$30,000. The third project is the Gateway Corridor Project as proposed by ARDC being that of the Highway 53/11 East Intersection Redesign, the Highway 53 Streetscape and the Way-finding Signage for a total cost of \$595,300 which is supported by the Chamber and City of International Falls and is part of the Voyageurs National Park Gateway Corridor Project. Board members though supporting the projects felt it was not a good time financially to come up with the local funding to cover grant matches and other cost. The Highway Engineer stated that if the projects are approved, the Board would need to consider the local funding in the 2010 County Budget process, understanding the financial picture most probably will not improve for 2010.

2009/04-40 Motion by Pavleck seconded by Adee prioritizing the Engineer's Project Proposals for application of federal funding from the Federal High Priority Transportation Projects Program as follows: First the Gateway Corridor Project; Second the Ranier By-Pass; Third the FTZ Route from Highway 11 at Ranier. Further, authorizing the Board Chair to sign the letter of support on behalf of Koochiching County as required for the funding application. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 As a follow up to the review with the Judge and County Attorney on April 7th regarding the Board's directive to deny payment of claims for court appointed attorneys representing parents in CHIPS and TPR cases, the Board was presented with a list of open cases and pending claims subject to non-payment under the directive. The County Attorney understanding the Board's position to fight the pass down of cost by the State Court system, asked the Board to also consider the ramifications to child protection services. The County Attorney informed the Board that Rice County is waiting for their decision from the Court of Appeals with their challenge of the State Court System arbitrarily shifting this cost to the county and Crow Wing County, in the same Judicial District as Koochiching County, is proceeding to appeal their case to the Court of Appeals on the very same issue. Crow Wing County will also request the County Attorneys Association to file an Amicus Brief on their behalf. Board members though understanding the need to provide these services and pay those who rendered the service, have great concern with the continuous shifting of cost from the State Court System to the County and simply should not pay claims without taking a stand. Board members felt that denial of the claims and order by the Judge for payment would provide the County a paper trail and defend the Board's directive. In addition, it would provide the County's position as it may relate to the challenges of the other counties who are trying to defend this pass down of state cost to the local taxpayers.

2009/04-41 Motion by Pavleck, seconded by Lepper to reaffirm Board Motion 2008/07-14 to not pay the cost of legal counsel for parents in CHIPS and TPR cases turned over to the counties based on the State Court decision that these services were non-mandated services of the State Court System and that the Court no longer has the funds to pay these costs. Further, that the County denies payment of claims under this directive pending court order. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 12:15 p.m. No comment was presented.

2009/04-42 Motion by McBride, seconded by Pavleck to adjourn the meeting at 12:15 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, April 28, 2009; 11:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Murray, Jaci Nagle, Terry Glowack, Doug Grindall, Dale Olson, Arden Barnes; Reporters Laurel Beager and Sheldon Slaubaugh

2009/04-43 Motion by McBride, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-44 Motion by Lepper, seconded by Pavleck to approve the minutes from the April 21, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-45 Motion by Lepper, seconded by Adee accepting the letter of resignation and approving the employment separation of Veteran Service Officer Allen Kruse effective May 1, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-46 Motion by Lepper, seconded by McBride to approve the interim hire of former VSO Jerry Andre to provide veteran services until the VSO position is filled as recommended by the County Coordinator and to schedule committee time at the May 5th County Board meeting to review the VSO position description and plan to fill the position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-47 Motion by Lepper, seconded by McBride to adopt the following resolution for the purpose of strengthening the internal audit controls of Koochiching County:

WHEREAS, the Minnesota State Auditor has increased internal auditing controls for local governmental units which require policy development and assignment of responsibility in job descriptions; and

WHEREAS, the County Board has determined a separation of accounting functions is necessary to ensure adequate internal accounting controls over the County's financial transactions, and

WHEREAS, the County Board has determined that relocating the Information Systems Unit to the area where the County's main information systems are located will strengthen security of information systems and records.

NOW THEREFORE BE IT RESOLVED that the County Board will separate the treasury responsibility and the financial responsibility by transferring all financial functions to the Administration Office absent the treasury duties; and

BE IT FURTHER RESOLVED, that the current Assistant Auditor position becomes the Administrative Assistant position under the Administration Department, to strengthen the internal audit controls and financial oversight in the County through assignment of responsibility and policy development; and

BE IT FURTHER RESOLVED, to authorize the renovation of the Auditor Treasurer Office to allow for the relocation of the Information System Unit per the approved office space plan and within the funding as authorized in the 2009 budget; and

BE IT FURTHER RESOLVED, that the current Auditor Clerk position becomes a Financial Clerk position under the Administration Department taking existing financial duties and relocated in the Information Systems Office; and

FURTHER, that the County Coordinator and Auditor/Treasurer are authorized to revise job descriptions needed for this structural change through the County Comparable Worth Policy and Procedures. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-48 Motion by Lepper, seconded by Adee to approve payment of the Auditor claims in the amount of \$33,458.37, to approve payment of the Health claims in the amount of \$12,789.04, to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented and to approve payment of Burial Case #1365903 in the amount of \$845.00. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-49 Motion by Lepper, seconded by Pavleck to set the monthly per diem rate for the County's Emergency Manager at \$250 and the Assistant Emergency Manager at \$200 funded by the Emergency Management Grant for meeting the FEMA requirements and management of the County's Emergency Management Plan. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-50 Motion by Pavleck, seconded by McBride to approve the following Voyageur Rainy Lake Sewer Advisory Committee membership: Jay Mitchell, Rob Boyd, Kallie Briggs, Tom Dougherty, Raoul Lufbery, Dave Austin, Don Billig, Chopper McBride, John Bruggeman, Ted Brokaw, Commissioner Pavleck, Commissioner McBride, Highway Engineer, E.S. Director, Survey Technician, Zoning Technician, Solid Waste Technician. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 Commissioner Pavleck presented a resolution for County Board consideration to have Koochiching County join St. Louis County in a joint powers authority for the purpose of securing federal and state funding for sanitary sewer systems development adjacent to Voyageurs National Park in both Koochiching and St. Louis Counties. This joint effort would provide a united front for establishing the sewer systems for the protection of waters in and

around a National Park but still allow each county to work individually on their own sewer system plan. The resolution would request the County Board's support with a final agreement to be brought back to the Board for their approval.

2009/04-51 Motion by Lepper, seconded by McBride to adopt the following resolution in support of a joint powers authority with St. Louis County for development of sanitary sewer systems adjacent to the National Park located in both counties:

Whereas, Koochiching County strongly believes it is in the public interest to protect the waters of the Voyageurs National Park; and

Whereas, Koochiching County is proceeding with a preliminary engineering report for sanitary sewer services to a major section of the development adjacent to the Park, including the Park Headquarters; and

Whereas, Koochiching County believes it is in the larger public interest to petition the Congress and State of Minnesota in partnership with a similar effort in St. Louis County.

Therefore, be it resolved, that Koochiching County hereby supports entering into a Joint Powers Authority with St. Louis County to seek federal, state, and other assistance to plan, develop, manage, and construct a comprehensive sanitary sewer system for the adjacent development to the Voyageurs National Park in Koochiching and St. Louis Counties; and

Be it Further Resolved, that this proposed Authority be composed of County Commissioners from both counties and work with and seek advice on planning, management, development, and construction of such systems with the public interests in Koochiching County and the Namakan Basin Joint Powers Board already set up in St. Louis County; and

Be it Further Resolved, that the County Attorney and the Environmental Services Office be empowered to develop, negotiate, and bring back for final approval a Joint Powers Authority proposal to the Board of Commissioners in a timely fashion. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-52 Motion by Lepper, seconded by Pavleck to approve an addendum to the UCare Minnesota Contract for targeted case management services due to required state changes and to approve the accompanying HIPAA Business Agreement with UCare Minnesota as required under HIPAA Law as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-53 Motion by Lepper, seconded by Adee to approve a service agreement with Friends Against Abuse for supervised visitations as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-54 Motion by Adee, seconded by Lepper to renew the Good Samaritan Waiver Contract for home care services as recommended by the Community Service Director and upon

approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-55 Motion by Adee, seconded by McBride to renew the Koochiching County Public Health Waiver Contract for home care services as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/04-56 Motion by Lepper, seconded by Pavleck accepting the following Foster Care and Day Care Licensing Recommendations: relicense Lyn Bruce for family day care of six children; relicense Melissa Fuller for group family day care for twelve children; relicense Jeri Ann Graves for group family day care for twelve children; relicense Brian and Judy Keeney for 6 children for child foster care; non-renewal of the license of Shane and Paula Belding for adult foster care at the provider's request. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Community Service Director informed the Board that the Minnesota Department of Human Services Commissioner declined the request to come to Koochiching County to meet with the County Board to discuss the Governor's proposal for regionalizing human services but stated he could accommodate a meeting in St. Paul or through interactive TV. The Director also reported that through the Arrowhead Health Alliance their Agency will be receiving grant funding for \$150,000 under a three year Universal Home Visiting Grant Agreement, however, the Director will need to come back to the Board when he has more details about the grant.

000 The Information Systems Manager provided an update on MN Counties Information Systems (MCIS) activities as the County's member on the Board of Directors. The report included notice of the Executive Director's retirement in June and that the previous direction to build a new MCIS facility has changed and is being further considered in light of the economic times and member counties financial situation.

2009/04-57 Motion by Pavleck, seconded by McBride to approve purchase of a 60 inch Hustler professional lawn mower at a cost of \$6,112.00 for lawn mowing at the Armory Building, Transfer Station and Highway garages as recommended by the Highway Engineer and Complex Superintendent and Solid Waste Technician with the cost to be funded from the 2009 Highway and Environmental Service Budgets. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 12:00 p.m. Arden Barnes mentioned the book reading event planned for the 47th Koochiching Museum Annual meeting and dinner on April 30, 2009.

2009/04-58 Motion by Adee, seconded by Pavleck to adjourn the meeting at 12:00 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, May 5, 2009; 10:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Steve Blair, Mark Satterstrom, David Serrano, Jaci Nagle, Susan Congrave, Ric Schaefer, Terry Murray, Ed Oerichbauer, Dennis Wagner, Aarden Barnes; Reporters Laurel Beager and Sheldon Slaubaugh

2009/05-01 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-02 Motion by Lepper, seconded by Pavleck to approve the minutes from the April 28, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-03 Motion by Pavleck, seconded by Lepper approving the employment separation of Daryl Waller as part time Sheriff Deputy effective April 23, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-04 Motion by Lepper, seconded by McBride to approve payment of the monthly County Board expense claims in the amount of \$11,200.75. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-05 Motion by Pavleck, seconded by Lepper to approve payment to Attorney Steven A. Nelson in the amount of \$4,224.94 and Attorney Kimberly Wimmer in the amount of \$3,593.91 for court appointed attorney service for parents in CHIPS cases under the Court Payment Order, File #36-JV-08-1197. Voting yes: Hanson, McBride, Adee, Pavleck; voting no: Lepper. Motion carried.

000 The property owner for the newly created Plat of Eagle's Nest presented the Board with a Declaration of Covenants, Conditions, Restrictions and Easements per the Planning and Zoning Commission's Plat approval contingency. As the document moved forward in drafting, the Environmental Service Director recommended a condition that County approval is needed for the original Declaration and any changes thereafter. The property owner stated that this recommendation is in the document but now he is unclear as to who at the County needs to approve the document and any future changes. The Zoning Technician provided the County Board a letter from the Environmental Service Director approving the final version of the Declaration document.

2009/05-06 Motion by Pavleck, seconded by Lepper approving the Plat of Eagle's Nest Declaration of Covenants, Conditions, Restrictions and Easements as recommended by the Environmental Services Director by letter on file in the Environmental Service Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-07 Motion by Lepper, seconded by McBride authorizing expenditure up to \$3,000 from the 2009 Building Budget for partition panels for the I.S. Unit relocation as recommended by the I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-08 Motion by Adee, seconded by Lepper accepting the recommendation of the Personnel Committee authorizing the filling of a .60 FTE Public Health Nurse position under the Temporary Hire Policy contingent on the Health Director ensuring full funding for the position to include unemployment cost and with the position's permanency status pending verification that the position's funding and overall Health Budget can sustain the position once the final impact to the County Budget is known as a result of the State budget deficit and 2009 legislative session. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-09 Motion by Lepper, seconded by Adee moving LPN RaeAnn Taylor to permanent part time status as a result of a LPN resignation to service one County Health private duty nursing case. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-10 Motion by Adee, seconded by Lepper authorizing the hire of a temporary LPN to service one County Health private duty nursing case under the Temporary Hire Policy. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-11 Motion by Pavleck, seconded by McBride to renew the Northome Resource Center Coordinator service contract with an increase in the contractor's rate as recommended by the Health Director and upon approval of the County Attorney and further, accepting the recommendation of the Health Director to waive insurance requirements pending Administration's review and recommendation of insurance requirements for small service contracts. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Arrowhead Health Alliance (AHA) Coordinator reported on the organization's activities. The Joint Powers organization was originally formed for county-based purchasing but in exploring options at that time, the Joint Powers was reorganized to explore other opportunities consistent with the goals of county based purchasing while keeping this option open for future consideration. AHA has broadened its mission to a health care service to improve the social and health outcomes of member counties clients and citizens. Currently AHA has entered into an incentive based contract with FirstPlan for MCH, MH and GAMC client services and has received a \$375,000 grant to improve health outcomes for women, infants and children by home visiting and outreach to at-risk populations. The Board thanked the Coordinator for the status report.

2009/05-12 Motion by Pavleck, seconded by McBride that as discussed in committee, to authorize the County to enter into a lease agreement with MnDot for the Tourist Information Center Building at no fee for public purpose with the intent to sub-lease the facility to the Koochiching County Historical Society for museum purposes and with the Historical Society Director and Highway Engineer to provide the recommended lease agreements to the County Attorney and the County Board for approval. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:20 a.m. Einar Sundin stated that the County is very fortunate to have Historical Society Director Ed. Oerichbauer as he is very dedicated and motivated to improve the preservation and presentation of the County's history. Dennis Wagner address the Board with an idea for the waterline replacement for the second bridge area, improving the Ranier water system overall. His proposal was a result of concerns raised at the public meeting on the Ranier's Annexation Plan. The Board agreed to present the idea to the City of Ranier for exploration. Aarden Barnes in reference to the AHA presentation stated that more control is needed for public assistance eligibility.

2009/05-13 Motion by Adee, seconded by McBride to adjourn the meeting at 12:00 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, May 12, 2009; 9:50 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Steve Blair, Phil Miller, Doug Grindall; Reporters Laurel Beager and Sheldon Slaubaugh

2009/05-14 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-15 Motion by Adee, seconded by McBride to approve the minutes from the May 5, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-16 Motion by Lepper, seconded by Adee establishing the working hours for the part time Veteran Service Officer position at 25 hours per week and further, authorize filling of the position under the County Hiring Policy. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-17 Motion by Lepper, seconded by McBride to approve payment of the Auditor claims in the amount \$26,297.42 and authorize Board Chair's signature to the Auditor's April vendor payment listing verifying its review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-18 Motion by Lepper, seconded by Adee to adopt the following resolution for the application of Budget FY 2010 IRRRB funds:

WHEREAS, the County of Koochiching (hereafter the “Applicant”) is a governmental subdivision, organized and operating under the laws of the State of Minnesota; and

WHEREAS, the Applicant has a need for a grant to assist with economic development as permitted under Laws of Minnesota for 1987, Chapter 182; and

WHEREAS, the Applicant is submitting its request for application to the IRRRB for Budget FY 2010 grant funds.

NOW, THEREFORE BE IT RESOLVED, that the Applicant’s organization hereby authorizes and approves making application to the IRRRB for FY 2010 funds to assist in economic development.

BE IT FURTHER RESOLVED, that the Applicant’s Board Chair and County Coordinator are hereby authorized and directed to sign and submit application for the said grant monies and all applicable contracts, documents and agreements associated with the grant or the application for it. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-19 Motion by Pavleck, seconded by Lepper adopting the following resolution to approve Federal and State Agreements for Improvement Projects at the Falls International Airport:

To accept 2009 Federal Grant AIP 3-27-0043-22-08, as well as the concomitant state agreement attached to that grant, when generated by their respective agencies for Airport Improvement Projects including but not limited to purchase of a large SRE plow truck, Phase II of preconstruction planning and studies related to a rehabilitation or rebuilding of the Falls International Airport terminal building; refurbishment of beacons, removal of airfield obstructions, and pavement repairs for Runway 4/22; And to accept a separate grant from MnDOT Office of Aeronautics for the purchase of a tractor-mower-sweeper vehicle to be used for airport maintenance; And to authorize the County Board Chair and County Attorney to execute the above grant documents on behalf of Koochiching County as specified by the issuing agency; And to authorize the Minnesota Commissioner of Transportation to act as liaison for Koochiching County in administering the federal grant. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-20 Motion by Pavleck, seconded by McBride that upon notification from the State Auditor that Koochiching County is further released to contract for its annual audit through year 2011, to authorize Administration to seek RFPs from private audit firms for the County’s Annual Audit under the State Auditor’s requirements for the years 2009, 2010 and 2011; further, to authorize Administration to seek RFPs for professional services to conduct the County’s Annual Cost Allocation Plan for federal indirect cost reimbursement for administration of federal programs for the years 2009, 2010 and 2011. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-21 Motion by Pavleck, seconded by Lepper to approve the Tentative County Board Meeting Schedule for June through August as presented by the Coordinator. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-22 Motion by Lepper, seconded by McBride that in the absence of the Environmental Service Director, authorizing the Zoning Technician to sign off on wetland project applications and forms submitted to the Director by the SWCD Technician. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-23 Motion by Lepper, seconded by Adee authorizing the Board Chair to sign a letter from the Koochiching County Board submitting comment in opposition to the proposed amendments to Rules relating to the Wetland Conservation Act which are currently out for comment by BWSR. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-24 Motion by Lepper, seconded by McBride accepting the letter of resignation and approving the employment separation of Assistant County Attorney Tara Long effective May 31, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-25 Motion by Pavleck, seconded by Lepper authorizing the County Attorney to fill the vacant Assistant County Attorney position under the County Hiring Policy. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-26 Motion by McBride, seconded by Adee accepting the recommendation of the Highway Engineer that due to the requirement to bring road signs up to the new federal retro reflectivity standards and having sign faces replaced by 2015, to call for bids for sign faces to include chevrons for the County's CSAH roads and with the CSAH Sign Replacement Project funded by CSAH dollars. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-27 Motion by McBride, seconded by Adee allowing the County to participate in the DNR ATV Survey and allowing the Highway Engineer to work with the survey organizers to select the various group participants and schedule the survey to be conducted in International Falls. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 10:30 a.m. No comment was presented.

2009/05-28 Motion by Pavleck, seconded by McBride to adjourn the meeting at 10:30 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, May 19, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Murray, Dale Olson, Dennis Hummitzsch, Terry Ehrman, Jerry Jensen, Andrew Olson, Pauline Walls, Paula Valentine, Tm McBride, Rod Otterness, Terry Taylor, Steph Vohler, Gail Rognerud, Wayne Lepper, Quay Whitbeck, ; Reporters Laurel Beager and Sheldon Slaubaugh

2009/05-29 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-30 Motion by McBride, seconded by Pavleck to approve the minutes from the May 12, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-31 Motion by Adee, seconded by Pavleck accepting the recommendation of the County Housing and Redevelopment Authority to re-appoint Ashley Germain to the Board of Directors for a five-year term. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-32 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Insurance Committee to renew the County's Group Life/AD&D Insurance with MN Life, Inc. with an increase in contract rates from \$2.00 to \$2.20 per month for both the employer paid and Health Account paid coverage; to renew the voluntary life insurance with MN Life, Inc at no change in rates; to renew the voluntary long term disability insurance with Assurant with no change in rates; to renew the voluntary dental coverage with Humana Dental at a 9.4% rate increase. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-33 Motion by Pavleck, seconded by Lepper to approve payment of court appointed attorney claims for representation of parents in CHIPS and TPR cases under Judge's order for services incurred and/or claims submitted in 2009 and with the intent of the County Board to revisit the state's court cost shift to counties with county organizations to challenge the shift before considering the County's position to continue to pay claims in 2010 under Judge's order. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-34 Motion by Pavleck, seconded by Adee to add an employment resignation to the agenda at the request of the Community Service Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-35 Motion by Lepper, seconded by McBride authorizing the Community Service Director to fill the vacant Social Service Supervisor position, which has already been reviewed at the Personnel Committee level and with verification from the Director that funding is in place to support the position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-36 Motion by Lepper, seconded by Pavleck accepting the letter of resignation and approving the employment separation of Financial Worker Ed Richards effective May 19, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-37 Motion by McBride, seconded by Lepper authorizing a one-percent per month penalty for tipping fee charges not paid within 60 days of billing as recommended by the Solid Waste Technician. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-38 Motion by Pavleck, seconded by Adee that due to equipment failure and equipment need for the demolition site at the Transfer Station, to authorize the purchase of used 2000 Liebherr LR632 (Traxcavator) from Erb Equipment Company with a cost not to exceed \$60,000 as budgeted to include delivery, tax and other related expenses as recommended by the Solid Waste Technician, contingent on reserving partial payment until the equipment is delivered, inspected and approved by County staff. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Solid Waste Technician filling in for the Director on the Extended Sewer Project reported that the Aerial Photo Contract has been approved with the flight planned within the week. The contract with engineering firm MSA is still in the review process but close to being completed. The group is working with the MPCA for possible funding from their Revolving Fund Program which requires a minimum of 40 points to be eligible. The Army Corps informed the group that because the project is not shovel ready, there is not funding this year to consider for the project. Work also continues through the Joint Powers to secure funding for the overall Basin Sewer Project.

000 The Land Commissioner reported on the May 6, 2009 timber auction – 18,204 cords sold for a total sale value of \$376,254 with two small tracts unsold of the 29 tracts auctioned. Aspen price is still holding in the market and is the biggest seller in the County.

2009/05-39 Motion by Lepper, seconded by Adee to approve payment of the Highway claims in the amount of \$51,051.30. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Chair of the ALS Ambulance Task Force presented the Board a draft resolution and Joint Powers Agreement for the County, City of International Falls and City of Ranier to support a taxing district to support a change of the City of International Falls's ambulance service from basic life support to advanced life support services, proposing a tax levy of \$304,000. The City's ambulance service district has a population of approximately 8,000 with 6,000 being within International Falls. Advanced life support ambulance service places paramedics in the ambulance which can be used to transport patients to major hospitals in lieu of air flight services and allows paramedics to provide medical care at the accident site to include providing medications. The Hospital would not discontinue flight options but at times weather will not allow the flights to come or at times, the helicopter takes longer to transport the patient than if the patient would have been transported by ground. The Board opened session to hear comments from those in attendance. Comments were submitted by ambulance personnel stating instances of where ALS services would have saved lives or where medications to relief pain at an accident

site could have been administered to the patient to provide relief until they reached the hospital. Others talked about personal experiences in needing transport services to a major medical facility. That currently the City's ambulance transport requires a doctor or nurse to go with the patient in the ambulance as ambulance personnel can not administer medications. In addition, the patient is transferred at Virginia to ambulance service with ALS. Others spoke against the taxing district, though supportive of the hospital and ambulance services and people working in field. They did not feel people had the extra money to pay more taxes as stated in the presentation and asked for the data that would support the need for this higher cost service. City members stated that the community doctors support the advanced service, that eventually the run revenue will increase with the increase in transports, thereby bringing down the amount requested from taxes to support the service; that increasing the service charge is not an option as Medicare and Medicaid as well as other insurances have fixed rates that they will pay for ambulance service. In response to the question of data, Task Force members stated that the study focused on International Falls not having major medical service and the need to get patients transported as safely and quickly as possible. Board members asked why the original figure of \$16,000 to establish ALS service from the existing City Ambulance Service jumped to \$300,000. The Task Force Chair stated that there was a flaw in the financial analysis in the feasibility study but the study would still support ALS service for our area because of the distance to a major medical facility. Why not look at a part time service like what was done for the Blackduck Ambulance? The response was the City applied and received licensure as a part time ALS service and is the service recommendation presented (adds 4 full time paramedics to the ambulance service). How do you see the service operating under a Joint Powers? The taxing district will be overseen by the Joint Powers Board which includes the Cities and rural areas in the current International Falls ambulance service district. Did the task force include review with the City of Littlefork also having an ambulance service district, questioning whether there is an opportunity to include this district to reduce cost? The Task Force Chair stated that the study did not look at a combined and/or shared service with Littlefork ambulance service. Did the City of Ranier support the proposal? The Task Force Chair stated no. Board members expressed concerns with increased taxes in these economic times. The County as well as the City will be facing revenue cuts due to the State budget deficit and as a result of the slumping economy so if this service is an absolute priority, should be looking at all options to provide the service, including cutting somewhere else to make it affordable to the public. And it makes sense to include the other areas of the county where distance to an emergency room is far greater than the distance being discussed in the International Falls service district as it relates to medical care at the accident site and on the way to the hospital. Board members all concurred that the public needs to know the full details of this proposal to include seeing the Assessor and Auditor's worksheets as to the proposed tax increases for this service based on market value. No Board member disputed ambulance service is a real life issue and needed and commended the people working in the field. Questions were also raised on what happens to the proposal with the City of Ranier's decision not to participate? The Board Chair summarized to the Task Force Chair that if the County Board votes this down today, it will make it harder to bring it back and he would rather see it further explored to consider at a future time. The Task Force Chair stated the Task Force would like a decision. One Board member stated he can not support the proposal now. In addition, the public needs to weigh in on this issue and we should not be rushing this to meet a July 1 deadline for a special taxing district.

2009/05-40 Motion by Lepper, seconded by Adee to table the request by the ALS Task Force to approve a resolution and Joint Powers Agreement to establish a taxing district to support advanced life support ambulance services in the International Falls ambulance service district. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:35 a.m. No comment was presented.

2009/05-41 Motion by Lepper, seconded by Adee to adjourn the meeting at 11:35 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, May 26, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Murray, Doug Grindall, Dennis Hummitzsch, Aarden Barnes; Reporters Laurel Beager and Sheldon Slaubaugh

2009/05-42 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-43 Motion by Lepper, seconded by McBride to approve the minutes from the May 19, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-44 Motion by Lepper, seconded by Adee accepting the recommendation of the Personnel Committee to approve revised job descriptions to support Board Motion 2009/04-47 to separate the financial functions from the treasury functions and move the Information Systems Unit to the location of the County's main computer systems: Auditor/Treasurer Department: B23 Tax Coordinator, B22 Treasury Assistant ; Administration Department: B21 Accounting Technician; further to eliminate the Auditor Clerk position and move the incumbent to the Administration Accounting Technician position effective June 8, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-45 Motion by Lepper, seconded by Pavleck to approve payment of the Auditor claims in the amount of \$40,680.64; to approve payment of the Health claims in the amount of \$9,858.15; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-46 Motion by Pavleck, seconded by McBride accepting the recommendation of the County Assessor to grant abatement to Thor and Jennifer Thompson, Parcel #s 15-078-01160, 15-078-01170 and 15-078-01200 for land valuation reduction due to clerical error. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-47 Motion by Lepper, seconded by Adee authorizing the Community Service Director to proceed with the Union posting for filling the vacant Financial Worker position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-48 Motion by Lepper, seconded by McBride to renew the PJ's Foster & Waivered Services Agreement with no change in rates and funded by state dollars as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-49 Motion by Lepper, seconded by McBride to renew the Ita-Bel-Koo DAC Service Agreement and the Olsen's Foster Care Service Agreement with no change in rates and funded by state dollars as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-50 Motion by Lepper, seconded by McBride accepting the following Foster Care and Day Care Licensing recommendations: license Amber Black for family day care for ten children; close family day care license for Patricia Beasley at the provider's request; license Anthony and Martha Zook for child foster care for four children; relicense Bruce and Jennie Christopherson for adult foster care. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-51 Motion by Lepper, seconded by McBride to cancel bills for authorized Highway Department work as recommended by the Highway Engineer in the amount of \$4,483.44 including Courthouse snowplowing, sidewalk work, tax forfeited demolition work and sewer line work on property for the Jackfish Sewer Project. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer informed the Board in referencing Board Motion 2009/05-12, that MnDot would deed the Tourist Information Center facility to the County, not lease it to the County. And under this agreement, the County can use the facility for public purposes but that any profits received by leasing the facility and/or selling the facility would be reimbursed to the State.

2009/05-52 Motion by McBride, seconded by Adee to table action on acquiring the Tourist Information Center facility as stipulated in Board Motion 2009/05-13 for further information. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/05-53 Motion by Pavleck, seconded by Lepper to approve fee acquisition of tax forfeited land as recommended by the Land Commissioner for County Highway right of way along CSAH 77, Parcel #2 and #5, SAP 36-677-06, totaling 3.6 acres more or less being part of SE ¼, Section 22, and SW ¼ of the SW ¼, Section 23, all in Township 68, Range 26 for the purpose of CSAH

77 improvement and further, to approve the purchase price of \$2,700 for the County Highway Department to acquire fee title of said land. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2008/05-54 Motion by Adee, seconded by Lepper to approve the annual publication of the General Notice to Control or Eradicate Noxious Weeds as recommended by the Land Commissioner. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 10:15 a.m. Aarden Barnes inquired on the Ranier By-Pass Project timeline if federal funding is approved for the project.

2009/05-55 Motion by McBride, seconded by Adee to adjourn the meeting at 10:16 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, June 2, 2009; 10:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Brian Youso, Rod Otterness, Bob Peterson, Lee Hervey, Ward Merrill, David Salene, Steve Blair, Ralph Lewis; Reporters Laurel Beager and Sheldon Slaubaugh

2009/06-01 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-02 Motion by Adee, seconded by McBride to approve the minutes from the May 26, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-03 Motion by Lepper, seconded by Adee to approve payment of the monthly County Board expense claims in the amount of \$11,387.29. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-04 Motion by Adee, seconded by Lepper accepting the recommendation of the Management Committee that to assist ODC with budget revisions, to adjust the 2009 rent for the County-owned NDAC Facility as follows: effective August 1, 2009 the monthly rent payment is reduced from \$4,692 a month to \$2,692 a month for the remainder of 2009 and for 2009, the building reserve account for the NDAC Building will be lowered from \$25,000 to \$15,000. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-05 Motion by Lepper, seconded by McBride authorizing the Complex Superintendent to purchase six stone benches for the Veterans Memorial at a cost of \$12,000 with a transfer of \$10,000 from the County Park Reserve Account and \$2,000 from the 2009 County Budget Contingency; and further to authorize expenditure up to \$4,000 for the purchase of a memorial plaque to honor all the men and women who have served in the armed forces with funding from the 2009 County Budget Contingency. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-06 Motion by Lepper, seconded by McBride that at the request of the City of International Falls and as agreed to by the County Sheriff, that effective June 1, 2009 the City's police force will be placed under the County Sheriff's authority for 30 days due to their Police Chief position being vacant and that the City will reimburse the County one half of the Sheriff's monthly salary for said service. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-07 Motion by Pavleck, seconded by Lepper to appoint the Treasury Assistant as the Petty Cash Custodian per the Petty Cash Policy as recommended by the Auditor-Treasurer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-08 Motion by Adee, seconded by Pavleck that at the direction of the Secretary of State and at the recommendation of the County Auditor-Treasurer, to create the Voting Precinct of West Koochiching as a mail ballot precinct to including the following townships: 153-27, 153-28, 153-29; 154-27, 154-28, 154-29; 155-27, 155-28, 155-29; 156-25, 156-26, 156-27, 156-28, 156-29; 157-27, 157-28, 157-29; 158-27, 158-28, 158-29; 67-26, 67-27. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-09 Motion by Pavleck, seconded by McBride that for the purpose of converting the County's Television System from analog to digital and to be funded by the federal NTIA Program to assist low powered television systems to convert to digital, to approve the following action: 1) to increase the 2009 TV Budget by \$254,200 with a \$252,000 increase in the General Fund revenue as federal dollar reimbursement and a \$2,200 expenditure budget transfer from the 2009 Budget Contingency; 2) authorizing Voyageurs Comtronics Corporation as the County's contractor for the TV System to purchase the equipment at a cost of \$254,207 and convert the County's TV System to digital and submit the application for reimbursement of equipment cost of \$252,000 upon completion of the conversion, anticipated before July 13, 2009; 3) authorizing Administration to publish a county-wide notice informing the public that the County's TV System will be converted to digital by mid July and those needing a converter box should obtain their free coupons under the federally funded NTIA Digital Converter Box Program by July 31, 2009 at which time the program will end. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The AB/Backus Community Center Director and Project Consultant met with the Board to present their Facility's Third Floor Renovation Plan to include installation of an elevator. The renovation is moving forward based on having two commercial binding commitments to lease space on the third floor. The current project budget is \$674,266 with funding in place for \$609,768 leaving a shortfall of \$64,498. Though there is some residual in the project, the

contracted work is agreed to with fixed cost. The project is funded by a loan and paid back by the rent revenue from the third floor. However, to better assist this project, the representatives requested the County to reallocate the 2009 KDA Grant for their Kitchen Renovation Project to the Third Floor Project which would help with their shortfall. They would also request the County in their 2010 KDA budget review, to consider a \$50,000 grant to the facility for the 3rd Floor Project completion needs, and to replenish their \$25,000 grant for the Kitchen renovation. The County Board was in agreement to address this KDA business at the special KDA meeting following today's County Board meeting and did not see any issue with reallocating the 2009 KDA grant as requested or reviewing the 2010 grant request in the 2010 KDA budget process.

2009/06-10 Motion by Pavleck, seconded by Lepper that in order to allow time to present a conditions recommendation to the County Board from the Environmental Services Department and County Engineer, to table until June 16 the recommendation of the Planning Commission to approve a rezoning and conditional use permit on application by Ralph Lewis for a 10-acre rock quarry operation approximately 5 miles east of Birchdale and 2.5 miles south of Highway 11. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment period: John Wilson stated that this was his first time attending a Board meeting and stated the meetings are very well done. Aarden Barnes addressed the KCDA meetings and the proposed Ranier By-Pass Project.

2009/06-11 Motion by Lepper, seconded by Adee to adjourn the meeting at 11:27 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, June 16, 2009; 11:00 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dan McCarthy, Steve Blair, Ralph Lewis, Doug Grindall, Terry Murray, Susan Congrave; Reporters Laurel Beager and Sheldon Slaubaugh

2009/06-12 Motion by McBride, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-13 Motion by Adee, seconded by Pavleck to approve the minutes from the June 2, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of temporary hire in the Highway Department of Sam Cassibo.

2009/06-14 Motion by Lepper, seconded by McBride to approve payment of the Courthouse claims in the amount of \$49,423.50; authorizing the Board Chair's signature to the May County Vendor Payment Listing verifying its review; to approve payment of the Highway claims in the amount of \$43,545.05. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-15 Motion by Lepper, seconded by Pavleck accepting the recommendation of the County License Committee to approve an On/Off Sale and Sunday Intoxicating Sales Liquor License for the period of June 22, 2009 to December 31, 2009 to KD Enterprises of International Falls, d/b/a The Junction. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-16 Motion by Lepper, seconded by Adee to reschedule to June 23rd the request by the City of International Falls for the County to consider abating their share of taxes on seven parcels within the City's development area to allow a City representative to meet with the Board to provide more information on the request and process under M.S. 469.1813. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-17 Motion by Pavleck, seconded by Lepper that upon the conditions document as agreed to by the Highway Engineer and applicant, to accept the Planning Commission's recommendation to approve REZ0901 and CUP0901 for Ralph Lewis for an approximate 10-acre rock quarry including aggregate processing to be located west of County Road 84 approximately 5 miles east of Birchdale and 2.5 miles south of Highway 11. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-18 Motion by Lepper, seconded by Adee to approve the transfer of Susan Thorstad-Salmi to a Financial Worker position in the Community Service Department effective June 16, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-19 Motion by Pavleck, seconded by McBride accepting the recommendation of the Community Service Director to approve the following service contracts with no change in cost or conditions and upon approval of the County Attorney: Crabtree Senior Home Contract; Hasbargen's Foster Care Contract; Healthline Home Care Contract; Raynita Houglum SILS Contract; Northome SLS Contract; ODC DT&H Contract; REM SILS Contract and REM SLS Contract. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-20 Motion by Lepper, seconded by Adee to add to the agenda a request for the Personnel Committee to review a restructuring of positions in the Community Service Department due to vacancies and due to potential state funding cuts to the Department. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-21 Motion by Pavleck, seconded by Lepper to defer a request to review restructuring of positions in the Community Service Department to the Personnel Committee based on vacancies, state funding cuts to Human Services and in light of a forthcoming Board directive

requiring cuts in the Department budgets due to County general aid cuts. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-22 Motion by Pavleck, seconded by Lepper acknowledging receipt of the Professional Advisory Committee meeting minutes of May 25, 2009 as recommended by the Health Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director reviewed the Department's Quarter 1 financial and statistical report, reported that the regional SHIPS Funding application has been approved but no further details are available on the award at this time and updated the Board on the filling of the vacant Public Health Nurse position.

000 The Board Chair called for public comment period at 11:55 a.m. Aarden Barnes addressed concerns with the County not pursuing the property for the Ranier By-Pass Project as the property will soon be put on the market and the opportunity for the by-pass is lost if someone else buys it. Dan McCarthy thanked the Board for taking fiscal responsibility in addressing the need to change the county budget and service delivery in light of the economic downturn and state financial problems. In addition he inquired on the Ranier Annexation process.

2009/06-23 Motion by McBride, seconded by Pavleck to adjourn the meeting at 12:05 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

KOOCHICHING COUNTY BOARD OF EQUALIZATION
Opening Session 2009 – Tuesday, June 16, 2009; 2:00 p.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: Auditor/Treasurer Bob Peterson; Assessor Marty Cody

COUNTY STAFF ATTENDING: County Coordinator Teresa Jaksa (filling in for Auditor/Treasurer for conducting Oaths and completion of Certification Form); Assistant Assessor Lorella Fulton filling in for County Assessor; Appraiser Len Peterson

OTHERS ATTENDING: Dave Trompeter, Mic Kuryla, Rick Anderson, Ted Brokaw, Conley Adams, Richard and Jean Stadt

Oaths of Office were conducted by the County Coordinator for members of the County Board of Equalization. The County Board Chairman opened the Board of Equalization (BOE) session to review 2009 assessment valuation for taxes payable in 2010. The Assistant Assessor provided a

report to the Board explaining Limited Market Value and stated that it is the biggest impact with property owner's valuation concerns this year. A chart was provided showing the county assessment values by property classification to what the State requires the County assessment to be at, provided a copy of the Commissioner of Revenue directive for required adjustments in Koochiching County valuation and provided a worksheet showing County sales to County assessment values. The Assistant stated in response to a Board's members question as to whether the economy is affecting sales in the County, that the number of sales is down but the sale values are still holding.

The Board Chair called for appointments:

Dave Trompeter, Parcel #98-003-01040: Upset with the large increase in his property valuation. His house was bought by his parents in 1942 at \$5,000 and he and his wife purchased it in 1968 at \$8,400. His market value jumped from \$186,300 to \$259,400. The reality for him at retirement age is he will never see a dollar from his home. People make the statement you could sell your home but he wants only for he and his wife to stay in their home. But they are on fixed income and can't afford the taxes that are coming with the continued increases in valuation for waterfront property. If taxes rise proportionally to what the valuation is, they will be taxed out of their home. He is at the point where he needs to apply for a property tax refund. Not only has the market negatively impacted their ability to stay in their home, but the State tax system also works against them in that if you fix and maintain your property, you pay more taxes. And it is also forcing property owners to split their property and sell off a portion to maintain their residence. So while everyone is geared for creating and maintaining green space and keeping waterways scenic, you force property owners to take green space and turn it into lots with homes. The Assistant Assessor stated that they re-assessed the City of Ranier two years ago and then again for equalizing lake shore value. That Mr. Trompeter's increase in valuation came with the loss of the limited market value and moved to full estimated market value for the 2009 assessment. The property owner requested an appraiser to come to his property and justify the valuation to him. Assessor agreed to come out and look at the buildings.

Mic Kuryla, Parcel #92-003-00011: His concern was not with his valuation but with the fact that he was singled out years ago for a valuation increase because he obtained a building permit for a porch add on. That during the years where the County did not staff the Assessor's Office to equalization property valuation in the county he paid taxes on a higher valuation than other similar properties in the county. He is on a fixed income but does apply and receive a property tax refund. But he feels he should be made whole for having to pay off a higher valuation for the years where the County did not equalize valuation. The Assistant stated that the City of International Falls where this property is located is work in progress along with the Department's priority to equalization land valuation county-wide.

Rick Anderson, Parcel # 07-080-00030: (lost limited market value) His property is on Grindstone Island. His concern was with the information being used by the Assessor Department in assessing property on Grindstone Island versus other islands. In talking with the Assessor Department he understood that sales data is specific to each individual island, not grouping all island property sales to represent one formula for all islands. That sales for Grindstone Island are much higher than sales on other islands and that Grindstone Island is

valued the same as property on Gold Shores (mainland lakeshore). He feels that island property should be assessed equally. That because a property or two may sell on an island because someone decides to sell should not punish the properties on one particular island because recent sale data requires an increase in valuation for all properties on the island. It shouldn't be viewed as one island having a higher demand than another because there happens to be more sales on it. He does not dispute the Assessor's formula for valuation of island property except that it should be one formula for all islands, not different formulas for each island. He also agrees with an earlier statement that the property owner, who keeps their property up, ends up being punished by the property tax system. The State of Minnesota needs to rethink the tax system. The Appraiser stated that the Assessor's formula for each island can stand alone based on sales data and that Gold Shores valuation has no relation to the island properties. At this point the Department is working to adjust and equalize the land as the first step and thereafter formulas will be reviewed and adjusted where needed.

Ted Brokaw, Parcel #07-080-00050: (lost limited market value) Has 840 feet of property on Grindstone Island but no where on his property can he meet the 70 foot set back for a building. To place his home on the property he had to seek a variance and build a small dwelling. His property has no other development potential and in high water years, is flooded. The Assessor has his property valued at \$420,000 and for this price he should be able to build anywhere and at any size. He can't afford the taxes based on this valuation and there is no way he could sell his property for this amount based on the restricted use.

In addition, he is assessed for lake shore on all sides but neighbors are assessed only for one side. He should not be compared to property with 800 feet of shore land that can be divided and sold off in portions for development. The Appraiser stated that the land assessment was done by map and agreed to conduct an actual measurement to ensure their footage is accurate. Again, the appraiser stated that the formulas are consistent and based on sales for equalization purposes and unless there are unique variables or inaccurate data there is no basis for the Assessor to recommend a change. Agreed the Appraiser would review the property and provide a recommendation at the 6/23 BOE meeting for any change in valuation.

Conley Adams, 13 Parcels: He came to the 2008 BOE meeting because of valuation and tax concerns. In reviewing his parcels, he did lose the limited market value but all the parcels were reduced from the 2008 assessment. He stated that he is on a fixed income and can not afford the continuing tax increases.

Richard and Jean Stadt, Parcel #07-080-00010: Property is on Grindstone Island and they attended the 2008 BOE for the same reason as today. They can not afford the taxes that would accompany the valuation placed on their property. They are retired and on fixed incomes. It was noted that they lost the limited market value. They want to talk with the State legislators about the State's Tax System as it is forcing people from their lake homes because they are no longer able to pay the high taxes and people shouldn't be forced to sell their homes because they can't afford the taxes in retirement years.

The Assistant Assessor stated that Jack Ryala met with the Assessor after making his appointment with the BOE and that the Assessor will be making a recommendation for change

on his property so he withdrew his need to see the BOE. The Assistant will check on the status of Debra Bowman who made an appointment but did not attend.

The Board Chair recessed the BOE meeting until June 23rd at 6:00 p.m. to continue appointments with intent to conclude the 2009 BOE business.

Board Chair

Coordinator

KOOCHICHING COUNTY BOARD OF EQUALIZATION
Reconvened Session 2009 – Tuesday, June 23, 2009; 6:00 p.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Lepper, Pavleck

MEMBERS ABSENT: Auditor/Treasurer Bob Peterson; Assessor Marty Cody; Commissioner Adee

COUNTY STAFF ATTENDING: County Coordinator Teresa Jaksa (filling in for Auditor/Treasurer for completion of Certification Form); Assistant Assessor Lorella Fulton filling in for County Assessor

OTHERS ATTENDING: Bernard Sjoblom, Carl and Deborah Bowman, Roger Hasbargen, Joel Fiedler

000 The Board Chair reconvened the 2009 County Board of Equalization at 6:00 p.m. Final appointments were taken.

Bernard Sjoblom – Parcel #07-080-00090 (parcel on Grindstone Island). He stated that his valuation has tripled since 2004 and for the 2009 valuation the increase was a result of lost limited market value, as there was no change in the estimated market value. The Assistant Assessor explained that the land valuation formula is based on property sales on the island, noting the last sale was in December 2008 at \$1,000 per foot. This property has 280 feet of lakeshore and the estimated market value is at the level required by the State. The property owner stated concern with being able to afford his place due to speculation driving up the value of lake property. The Board members responded that the Tax System is controlled by the State with exception to the amount of the County levy taxed on property which is controlled by the County. The Board members stated that State legislators should be required to attend BOE meetings to hear property owners concerns since they are the body that structures the Tax System. With regards to the valuation, the Assistant Assessor stated that the valuation is in line for the property and finds no basis for adjustment.

Michael Hanhe – By letter Mr. Hahne felt his 420 acres of land should be adjusted as it is located within the Nett Lake Indian Reservation and feels it is the basis as to why he can not sell the property. The Assistant Assessor stated that no sales are on the books of property selling in an Indian Reserve to determine this basis one way or another. The Assessor uses the same valuation schedules for all properties in the areas, regardless if they are in or out of the reserve.

In review of the property, the estimated market value dropped for 2009 from 2008 and the limited market value was lost. At this point the Assessor is satisfied with the valuation, noting there are 13 other parcels in the reserve, until there is a determining factor that would justify a lower value because property sits in an Indian reserve.

Carl and Deborah Bowman – 7 parcels: The property owners feels these parcels are overvalued as they are inaccessible swamp land which were purchased as a buffer to their quarry mining operation. The Assistant Assessor stated that this property is valued under the standard formula in their mass land appraisal plan to get land valuations at the required state levels with the next step to go back through and review for adjustments. The property owner stated that adjacent properties for comparison are all state and county lands. The Assistant Assessor stated that the property will be reviewed and will make a recommendation at the June 26 BOE meeting.

Jolie Fiedlar – several parcels reviewed. The estimated market value was reduced from 2008 but the limited market value was lost. He came to the meeting to have the valuation explained to him. No specific request was presented.

Roger Hasbargen – 25 parcels of farmland. The property owner felt his property is overvalued as in 2004 he purchased the property at market value and based on a state required valuation adjustment, he was hit with a mass 40% valuation increase without any consideration that his valuation was already in line with the State required level. The Assistant Assessor stated that to find a farm to farm sale is rare and valuation in the area is being driven by high sales for recreation. However, the State instituted the Green Acre Program to protect farmlands by providing them a tax break. The properties estimated market value did not change but the limited market value was lost. The property owner stated that in total, his estimated market value in 2004 was \$550,000 and for 2009 it is over \$1 million. He also mentioned that one of his 40 acre tracks has limited restrictions due to a wetland bank being adjacent to this property. His major concern is if the valuation continues to increase, he will lose the homestead and agriculture credit that makes it affordable land for farming. He would rather see a higher classification percent and keep the value lower to retain the credits. In previous review with the land owner, the Assistant Assessor stated that some of the parcel values are skewed in comparison to neighboring property and some adjustments could be made for 2009. However, any further consideration would have to come in their plan to review after the mass appraisal is done. The Assistant Assessor will make a recommendation at the June 26 BOE Meeting.

Dennis and Wendy Wagner – The Assistant Assessor stated that they were aware they had to come to the BOE meeting tonight if they wanted to address valuation concerns with the Board. The Assistant Assessor did conduct a review with Mrs. Wagner regarding their concerns. The property owner did not show and the Assistant Assessor did not have a recommendation.

000 The Board Chair recessed the meeting until Friday, June 26 at 9:00 p.m. at which time the Board will act on the Assessor's recommendation to include the reviews agreed to from the Board of Equalization meeting: Dave Trompeter, Ted Brokow, Carl Bowman, Roger Hasbargen. Recessed at 8:00 p.m.

KOOCHICHING COUNTY BOARD OF EQUALIZATION
Reconvened Session 2009 – Friday, June 26, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Pavleck

MEMBERS ABSENT: Auditor/Treasurer Bob Peterson; Assessor Marty Cody; Commissioner Lepper

COUNTY STAFF ATTENDING: County Coordinator Teresa Jaksa (filling in for Auditor/Treasurer for completion of Certification Form); Assistant Assessor Lorella Fulton filling in for County Assessor

OTHERS ATTENDING: None

000 The Assistant Assessor provided the Department of Revenue worksheet listing all the parcels that came up for review for the County Board of Equalization with recommended adjustments.

BOE2009/06-01 Motion by Pavleck, seconded by Adee accepting the following Assessor recommendations for 2009 valuation adjustments: Voting yes: Hanson, McBride, Adee, Pavleck. Motion carried.

<u>Parcel #</u>	<u>Change:</u>	<u>Reason:</u>
78-018-44400	MV -\$ 11,600	Building Revalued;
98-003-01040	MV -\$ 18,000	Correct Footage
07-080-00050	MV -\$125,100	Land Revalued;
15-031-31000	MV -\$ 15,300	Land Revalued;
15-032-31000	MV - \$ 7,200	Land Revalued;
15-032-32000	MV - \$ 7,200	Land Revalued
15-032-33000	MV - \$ 7,200	Land Revalued
15-032-34000	MV - \$ 7,200	Land Revalued
52-010-41100	MV - \$ 3,000	Land Revalued;
52-011-22000	MV - \$ 1,100	Land Revalued
52-011-22100	MV - \$ 2,000	Land Revalued
52-011-23000	MV - \$ 1,700	Land Revalued
52-011-23100	MV - \$ 5,600	Land Revalued
52-011-31000	MV - \$ 3,200	Land Revalued
52-014-21000	MV - \$ 14,600	Land Revalued
52-015-11000	MV - \$13,600	Land Revalued
52-015-13000	MV - \$ 6,000	Land Revalued
71-007-11000	MV - \$ 8,600	Land Revalued
71-007-11100	MV - \$23,700	Land Revalued
71-007-41000	MV - \$13,100	Land Revalued
71-007-41200	MV - \$ 5,000	Land Revalued
71-008-23000	MV - \$ 4,400	Land Revalued

71-008-24100	MV - \$ 2,400	Land Revalued
71-017-23000	MV - \$12,700	Land Revalued
71-018-13000	MV - \$19,200	Land Revalued
71-019-11000	MV - \$ 2,900	Land Revalued
71-019-21000	MV - \$34,500	Land Revalued
78-010-11000	MV - \$ 2,500	Land Revalued
78-010-13000	MV - \$ 5,700	Land Revalued
78-010-14000	MV - \$15,200	Land Revalued
78-010-41000 (1)	MV - \$28,900	Land Revalued
78-010-41000 (2)	MV - \$ 1,700	Land Revalued
78-011-11000	MV - \$ 4,100	Land Revalued
78-011-12000	MV - \$21,900	Land Revalued
78-011-24000	MV - \$ 4,400	Land Revalued
78-011-31000	MV - \$12,100	Land Revalued
78-011-32000	MV - \$ 6,400	Land Revalued
78-011-33000	MV - \$ 1,600	Land Revalued
78-011-42000	MV - \$ 1,600	Land Revalued

BOE2009/06-02 Motion by Adee, seconded by McBride to adjourn the 2009 Board of Equalization Meeting at 9:50 a.m. Voting yes: Hanson, McBride, Adee, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, County Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, June 23, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dennis Hummitzsch, Terry Murray, Ed Oerichbauer, Dan Klocek, Ed Woods, Lorraine Hedlund, Andy Hedlund, Marjorie Brenning, Wayne and Mary Ann Kasich, Jennifer Lahmayer, Edna Doris, Robert Plasky, Dan McCarthy, Tara Nelson, Aarden Barnes, Steve Blair, Bernie Woods, Bob Goede, Debra Sletten, Rod Otterness, Cindy Jaksa, Gail Rognerud, Doug Grindall, Dale Olson, Dave Trompeter; Reporters Laurel Beager and Sheldon Slaubaugh

2009/06-24 Motion by McBride, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-25 Motion by Adee, seconded by McBride to approve the minutes from the June 16, 2009 regular meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-26 Motion by Lepper, seconded by Adee to approve payment of the Courthouse claims in the amount of \$12,881.55; to approve payment of the Health claims in the amount of \$10,164.51; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner notified the Board of the hire of Nicholas Ronning as County Forester on June 29, 2009.

000 The Land Commissioner provided the Board the report from Professor Alan Ek pertaining to the potentials of the forestlands in Koochiching County, which was prepared at the request of the County Board for deciding whether to increase timber harvest in the County. The Land Commissioner stated that the review was in reference to fiber analysis, not harvest analysis but that both will be reviewed as part of the process for updating the County's Tax Forfeited Land Management Plan. The Land Commissioner stated that the contractor hired to lead the committee through the process of updating the County Tax Forfeited Land Management Plan will be meeting with the County Board on July 14 as the first step in the planning process and at which time the report will be further reviewed with the Board.

2009/06-27 Motion by Lepper, seconded by Adee to renew the following service contracts with no changes and funded by federal and state dollars as recommended by the Community Service Director and upon approval of the County Attorney: Mattison Foster Care, Rainy River Guardianship Waivered Services, Rainy River MR/RC Waivered Services, Rainy River Waivered Services. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-28 Motion by Lepper, seconded by McBride accepting the recommendation to close the home of Nicole Bergman for family day care at the provider's request. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-29 Motion by Adee, seconded by McBride authorizing County Board members attendance to the Stand Down on September 23, 2009 at the Bob Walls Union Hall starting at 8:00 a.m. at the request of the VFW. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-30 Motion by McBride, seconded by Pavleck authorizing County Board members attendance to the public meeting hosted by the MN DNR on establishing a Forest Legacy Area in Koochiching County to be held on June 30, 2009 starting at 7:00 p.m. at the Holiday Inn in International Falls. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board opened session to receive information on the request by the City of Ranier for the County to approve a Orderly Annexation Resolution to annex described properties in the unorganized area into the City of Ranier. The Mayor informed the Board that at the City's meeting last night after two hours of public discussion, the City passed the resolution to annex on a 4 to 0 vote with one member absent. A question was raised by the County Board regarding No. 12 of the resolution regarding whether the Administrative Judge has any decision making in the process and the Mayor clarified that the language is directly from State Statute but that the

process does require the Judge to conduct a public hearing and consider the annexation order based on certain criteria stated in statute (reference memo from Ranier's Attorney). A Ranier resident requested the process be slowed down to give Ranier residents a chance to review information. A Ranier resident stated she attended all the meetings since it became known that the City was looking to annex properties but the information to date has not answered her questions. She presented a petition with 56 signatures from the Ranier residents asking that the process is halted until the facts are thoroughly researched and shared with the residents of Ranier. A Ranier resident stated that the people thought they would have a vote in the decision and though he is not dead set against it, he wants time to review the outcome for the City. A Ranier resident asked that the people of Ranier be able to vote the decision. A Ranier resident stated the process is flawed as it allows no say by the people and the residents of Ranier don't understand the impact to them. A Ranier resident stated the City is fiscally responsible and annexation could negatively impact the City financially. She asked the County Board to represent them as County citizens and give them more time to review the impacts. A Ranier resident stated that she is not against annexation but doesn't know enough about it to feel comfortable with it. She stated that people feel more and more that government is shutting them out and she would hope that people have more say at the local level. A Second Bridge resident stated that people have no voice in this process and should have. A Second Bridge resident spoke to the original petition from the Second Bridge area in support of annexation, which represents 200 some people. A member of the public shared the opinion of the public commenting that the people need information. A Ranier resident stated that annexation is a monumental life changing decision for Ranier and should not be pushed through without providing the people the facts. A Ranier resident stated that if there is a large sum of money available for the water lines because of annexation, go for it. However, no one can guarantee the money and feels Ranier is being set up for failure. A Ranier resident referencing the petition from the Ranier residents stated the petition should show that the Ranier residents are not ready for this and the check and balance is in the hands of the County Board. In response to a question, the Mayor stated that a funding application is in the hands of Rural Development for waterline replacement and hinges on Ranier annexing the properties they provide water service to. That the money is there but the amount is not known at this time. The County Board members were in agreement to hold one more informational session before voting on the resolution. That those elected to the City Council represent the people of Ranier and planning for the City. But for the unorganized area under consideration for annexation, the County Board as their Township Board needs to provide them a forum to voice their comments on the annexation proposal. It was agreed to hold an informational session as part of the regular meeting of July 14 to hear from the unorganized area proposed for annexation and vote on the Resolution for Orderly Annexation at the July 28 County Board meeting.

2009/06-31 Motion by Pavleck, seconded by McBride to schedule a public information session as part of the regular agenda for the July 14, 2009 County Board meeting and publish a public notice of the informational session to provide those property owners in the unorganized area proposed for annexation an opportunity to provide their comments to the County Board. And further that the County Board will act on the request by the City of Ranier to adopt a Resolution for Orderly Annexation at its July 28, 2009 meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The County's MCIT Representative reviewed the annual Minnesota Counties Insurance Trust (MCIT) report which provides risk management and self insurance programs for Minnesota counties for general liability, property and casualty and workers compensation coverage. The report provided an overview of programs, finances and claim data overall and specific to Koochiching County. The Board was also introduced to the MCIT Loss Control Consultant for our region.

000 Members of the International Falls City Council and their Administrator met with the County Board to explain the request and procedure for the County to abate their share of taxes on 7 parcels of land in the City's Riverfront Development Area. That M.S. 469.1812 through 469.1815 provides for a flexible funding tool, mirroring a Tax Increment Financing tool, in which taxing authorities can abate some or all of their taxes for development purposes. That the City plans on establishing water and sewer in the area at a cost of \$1.3 million and has already taken action to abate the city's share of taxes on these parcels and that development is already planned for the area which is good news for the city and county's economy. With regards to options for the County, the County can chose to abate a percent of the tax, a fixed dollar amount and/or limit to a certain number of years. School District 361 chose not to abate their share of taxes. After reviewing a spreadsheet from the City's consultant showing a 20 year spread of taxes captured by the City and County, Board members discussed the impact to the County Budget tax revenue but wanting to support development in the City. In reviewing the amount of taxes abated from the County for ten years in the consultant's worksheet, the Board members discussed a KDA grant in lieu of abating taxes.

2009/06-32 Motion by Pavleck, seconded by Lepper to defer to the KDA Board a grant of \$60,000 to the City of International Falls for their \$1.3 million water and sewer infrastructure establishment for their Riverfront Development and to deny the City's request for the County to abate their share of taxes on the seven development parcels under M.S. 469.1813. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 12:20 P.M. Aarden Barnes again inquired on the purchase of property for the Ranier By-Pass Project. The Highway Engineer responded that purchasing the property, the local match for federal funding and engineering cost is over \$100,000 in county funds which is not in the 2009 Department Budget and would require pulling the money from planned bituminous overlay projects. Highway Engineer agreed to meet with the property owner to discuss the matter.

2009/06-33 Motion by Pavleck, seconded by Adee to approve a service contract with Aero-Metric, Inc. for up to \$4,500 to conduct aerial photographs and provide a contour map for the demolition landfill to assist with the requirement of having to submit a topographical survey of the demolition site to the MPCA with funding in the 2009 Environmental Service Budget and upon approval of the contract by the County Attorney as recommended by the Environmental Service Technician. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Technician updated the Board on the flight service and the engineering work done to date to produce the facility plan for the Island View Sewer Extension Project under approved service contracts. He recommended that to wrap up the Jackfish Sewer

Project, that the department provide notice to property owners that if they still have landscaping work to be done as a result of the sewer installation, to contact the department and then allow him to work with the contractor to finish up the project work including landscaping as part of the service agreement. The Board agreed. He also updated the Board on the department budget.

000 A representative of the City Beach Committee provided the Board an update on the progress and activities of the City Beach. Great improvements have been made to the beach, including the establishment of a care taker. Bus transportation is also being provided and public usage is up. On behalf of the committee, he thanked the Board for their support for improving the beach and making it a better place for the public. He stated that the Committee is looking to purchase a piece of playground equipment popular at beaches at a price of \$1,500 and currently they have a \$700 donation. He stated that if there was any contribution the County could provide towards this purchase, it would be greatly appreciated.

2009/06-34 Motion by McBride, seconded by Pavleck to donate \$700 to the City Beach Committee for the purchase of a piece of playground equipment with payment from the 2009 Budget Contingency. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/06-35 Motion by McBride, seconded by Adee to adjourn the meeting at 2:20 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, July 14, 2009; 11:25 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dale Olson, Bob Peterson, Jaci Nagle, Quinn McCarthy, Dennis Hummitzsch, Phil Miller, Jeff Naglosky, Ann Goering via telephone, Doug Grindall, Terry Murray; Reporters Laurel Beager and Sheldon Slaubaugh

2009/07-01 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-02 Motion by Adee, seconded by McBride to approve the minutes from the 2009 County Board of Equalization meetings and the June 23, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of the temporary hire of Heather Englund as a LPN in the Health Department for a private duty nurse case and the temporary hire of Aaron Bloom and Brock Johnson in the Highway Department for summer help.

2009/07-03 Motion by Lepper, seconded by Adee to approve the employment separation of Public Health Nurse Nancy McHarg effective July 17, 2009 and the employment separation of Environmental Services Director Richard Lehtinen effective July 27, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of the hire of Jeff Naglosky as Assistant County Attorney effective June 29, 2009.

2009/07-04 Motion by McBride, seconded by Adee accepting the Personnel Committee recommendation that under Board Motion 2009/04-47 in restructuring financial authority and internal controls in the Administration Office, to approve the positions of a D62 Administration Director (replacing the County Coordinator position) and a C41 Administrative Assistant (replacing the Assistant Auditor position). Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-05 Motion by McBride, seconded by Adee accepting the Personnel Committee recommendation to appoint Dale Olson as the Interim Environmental Services Director for up to one year at 90% of the D62 position's pay with the intent to determine a permanent management plan for the Department within this period and authorizing a reallocation of budget funds for part time and/or hourly staff overtime due to the shortage of staffing during the interim period and further, requiring the employee to take a leave of absence from the Union while holding the Director position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-06 Motion by Adee, seconded by McBride to revise the Public Health Nurse position's qualifications to include the hire of RNs as recommended by the Personnel Committee. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-07 Motion by McBride, seconded by Adee accepting the Personnel Committee's recommendation to rescind previous authorization for the hire of a .60 FTE Public Health Nurse and authorize the hire of a full time Public Health Nurse and full time Public Health Educator with positions and hires contingent on the federal/state grants and service fees allocated for these positions remaining at the level to pay the full cost of the positions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-08 Motion by Lepper, seconded by McBride to approve payment of the Courthouse claims in the amount of \$45,725.22; to approve payment of the monthly County Board expense claims in the amount of \$10,418.74; to authorize Board Chair's signature to the June Summary Vendor Payment Listing verifying the Board's review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-09 Motion by Adee, seconded by McBride to approve Minnesota Lawful Gambling LG215 Lease and a LG214 Premises Permit Applications for International Voyageurs, Inc. for

permitted gambling activities at “The Junction” located at 5536 Highway 11, International Falls, MN. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-10 Motion by Adee, seconded by Lepper adopting the following resolution granting consent to Midcontinent Communications Conveyance:

WHEREAS, Midcontinent Communications owns a cable television system in the County of Koochiching, MN (the Franchise Authority); and

WHEREAS, Midcontinent Media Inc. owns 100% of Midcontinent Communications Investor, LLC which, in turn, owns 50% of Midcontinent; and

WHEREAS, Mr. N.L. Bentson, the owner of 95.81% of the shares of Midcontinent Media Inc. passed away on April 12, 2009; and

WHEREAS, as a result of Mr. Bentson’s death, his shares in Midcontinent Media, Inc. passed to his Estate by operation of law and will be conveyed to a Trust on or about September 1, 2009 with a portion of the shares subsequently to be redeemed by Midcontinent on or about December 31, 2009 (collectively the “Conveyance”); and

WHEREAS, the County has considered and consents to the Conveyance as described above.

NOW, THEREFORE, BE IT RESOLVED by the Koochiching County Board of Commissioners that the foregoing recitals are approved and incorporated herein by reference; that the Franchise Authority consents to the Conveyance described herein; that this resolution shall be deemed effective immediately upon adoption; that this resolution shall have the force of a continuing agreement and the Franchise Authority shall not amend or otherwise alter this Resolution without the consent of Midcontinent. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-11 Motion by Pavleck, seconded by Adee ratifying the County Auditor–Treasurer’s signature to a Joint Powers Agreement with the Office of the Minnesota Secretary of State allowing the State to retain the County’s ballots submitted in the 2008 election recount challenge for the statutorily required 22 month period. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-12 Motion by Lepper, seconded by Adee to approve expenditure up to \$15,900 from the 2009 Information System Budget for the planned upgrade to the County GIS System under the three year plan to progress GIS in the County as recommended by the I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-13 Motion by Lepper, seconded by McBride accepting the recommendation of the Land Commissioner to approve a Tax Forfeited Land Repurchase under County Policy described as Lots 9 and 10, Block 79, Plat of International Falls. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-14 Motion by Lepper, seconded by Adee to close session at 1:35 p.m. for attorney-client privilege review of the pending Data Practices litigation of Hervey vs. Koochiching County with MCIT's assigned legal counsel, County Attorney and Assistant County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-15 Motion by Lepper, seconded by McBride to open session at 2:05 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-16 Motion by Pavleck, seconded by Lepper to support the County Engineer's request for DNR grants for the following projects as recommended by the Highway Engineer: 1) graveling 2.6 miles of County Road 119 servicing the DNR boat access on the Rat Root River; 2) graveling 2.84 of County Road 73 which serves the small boat and canoe access on the Littlefork River; 3) graveling 5.5 miles of the Sandsmark Trail which accesses acres of land for recreational purposes; 4) graveling 4.5 miles of County Road 86 which accesses acres of land for recreational purposes; 5) place base and bituminous surface for the Frontier Access and parking area on the Rainy River; 6) place base and bituminous surface for the Vidas Access and parking area on the Rainy River. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-17 Motion by McBride, seconded by Pavleck to allow John Briggs to use a portion of a public roadway in the Plat of Alberta Park described as Second Street between Gladys Avenue and Viola Avenue and approximately 160 feet of Viola Avenue between Second Street and 160 feet north to construct a roadway to access his property with the understanding that future maintenance by the County will not be approved unless the roadway is constructed to County Highway standards and is in the public's interest as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-18 Motion by Lepper, seconded by Pavleck authorizing the Highway Engineer to call for bids for road sign faces for sign replacement on County State Aid Highways under new federal requirements and funded by CSAH and 3M Grant dollars and with a bid opening scheduled for 2:00 p.m. on August 10, 2009 with a recommendation to the County Board at the next scheduled meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-19 Motion by Pavleck, seconded by McBride authorizing the Highway Engineer to call for bids for reconstruction of a portion of CSAH 77 (Happyland Road) upon receiving authorization from the Corp of Engineers for impact to wetlands as a result of the project. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-20 Motion by Adee, seconded by Lepper authorizing the Highway Engineer's attendance to the National Local Technical Assistance Conference in Pittsburgh, PA from July 27 through July 30, 2009 with travel and conference expenses paid by Mn/Dot. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board was notified that Pamela Bechik was hired as the Social Service Supervisor effective July 13, 2009.

000 The Community Service Director informed the Board that with the hire of the Social Service Supervisor the state social worker position in the Department is now vacant and the County has the option of cashing out the position whereas the State would provide \$70,000 to the County annually (with COLA increases) to hire their own Adult Mental Health Social Worker (in lieu of retaining the position as a state position with the state to hire the employee). As a county social worker position the County would obtain additional funding for each adult mental health client served by this position. At a starting pay rate, the \$70,000 would cover the cost of the position. The risk if any is the State cutting the funding for the position, however, the hire would be contingent on the funding being available for the position.

2009/07-21 Motion by Lepper, seconded by Pavleck authorizing the Community Service Director to secure the Mental Health Grant for funding a full time Adult Mental Health Social Worker position with authority to transfer current social worker staff into the position if funding is secured and with the contingency that the state funding allocated for this position remains at the level to pay the full cost of the position.. Further, that a meeting with the Personnel Committee will be scheduled for review of any outside hire as a result of any internal staffing change as a result of filling this position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-22 Motion by Pavleck, seconded by Lepper to approve payment from the 2009 Community Service Budget for 7 Versa Keyboards for the Financial Unit at a cost of \$2,833.00; a workstation for the Director's office at a cost of \$1,629.84 and a printer for the Accounting Department at a cost of \$791.09 as approved by the I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-23 Motion by Pavleck, seconded by Lepper to renew the following service agreements as recommended by the Community Service Director and upon approval of the County Attorney: Big Fork Valley Hospital and Homecare; Littlefork Jackpine Chateau, Lutheran Social Services SLS; Northland Counseling Adult Foster Care; ODC Waivers; Segar's Foster Care; Silver Bahr Retirement Ranch. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-24 Motion by McBride, seconded by Adee to approve a FirstPlan of Minnesota MH-TCM Contract for home and community based services as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-25 Motion by Lepper, seconded by Adee to approve an addendum to the Rational Alternatives Contract for adolescent chemical dependency treatment services as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Community Service Director informed the Board that due to federal stimulus funding, the Crisis Fund supporting the MFIP Work Program has been expanded to better support clients in finding and maintaining employment.

000 The Board Chair called for public comment at 2:45 p.m. No comment was provided.

2009/07-26 Motion by Lepper, seconded by Adee to adjourn the meeting at 2:45 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, July 28, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Daryl Waller, Randy Pozniak, Terry Glowack, Terry Murray, Dale Olson, Doug Skrief, Walt Buller, Carl Bowman, Jerry Olson, Linda Lafky, David Erickson, Arlene Fish, Robert Rasho, Etta Erickson, Joe Best, Ed Oerichbauer, Dan Klocek, Kim Nuthak, Julie Kennedy, Joanne Finstad, Bernie Woods, Dan McCarthy, Andy Hedlund, Joan Evanoff, Lorraine Hedlund, Dick Briese, Wayne and Mary Ann Kasich, Ron Wilcox; Reporters Laurel Beager and Sheldon Slaubaugh

2009/07-27 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-28 Motion by Adee, seconded by Pavleck to approve the minutes from the July 14, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of the hire of Kathryn Sikkila as the County Veterans Service Officer effective July 27, 2009.

2009/07-29 Motion by Lepper, seconded by McBride to approve payment of the Courthouse claims in the amount of \$50,320.12; to approve payment of the Highway claims in the amount of \$94,974.55; to approve payment of the Health claims in the amount of \$15,081.96; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-30 Motion by Lepper, seconded by Pavleck to approve a three-day On-Sale 3.2% Malt Liquor License for Brady M. Hasbargen for August 14, 15 and 16, 2009 for the Birchdale Softball Club Tournament as recommended by the County License Committee. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 Representatives from the Rural Fire Protection Association met with the Board to inform them that upon hearing that the City of International Falls was looking for an increase in cost for renewal of their fire protection contract, the Association is looking at the option of forming a rural fire department to service the rural Fire Protection Service District. Though their desire is to continue with the International Falls Fire Department, they stated that the cost of a separate fire department needs to be explored to determine if other options are available. The representatives inquired as to whether the Armory Building would be available for a fire station as they need to determine facility cost in their equation for a Rural Fire Department. It would be their intent to review the option with the public if found feasible. The Board Chair stated that currently the facility is not useable as it needs a new boiler and roof and funding options are being explored to cover these costs. In addition, the County has plans for the facility but agreed to defer the issue to the County Management Committee to further discuss.

000 The Board received a request by Northland Progressive, a South Koochiching Organization, to meet with the County Board in Northome to discuss and share local and county issues. The Board Chair stated that the Organization will draft an agenda for the County's review and is looking for a fall meeting date. The Board was agreeable and it was suggested that the Board consider meeting in other remote areas of the County as done in the past.

2009/07-31 Motion by McBride, seconded by Pavleck to renew the Tower Space Agreement with KQDS Acquisition Corporation for provision of the Fox Network on the County's Van Lynn TV Tower at the same terms and conditions and for the term of August 1, 2009 through July 31, 2013 as recommended by the Administration Director and as requested by KQDS Corporation. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-32 Motion by McBride, seconded by Adee adopting the following resolution in support of the Polar Polers Ski Club's 2009 Cross Country Ski Capital Improvement:

WHEREAS, Koochiching County supports the Grant in Aid Application made to the Minnesota Department of Natural Resources in the amount of \$1,200 with fifty percent of the funding from the Federal Recreational Trail Grant Program and fifty percent matching funds from the State Cross Country Ski Capital Improvement Grant-in-Aid Program;

WHEREAS, the Grant is for improvements to the Tilson Creek Ski Trail System;

WHEREAS, Koochiching County recognizes the fifty (50) percent match requirement for the Federal Recreational Grant Program, which has been secured through the State Grant in Aid Program.

NOW, THEREFORE, BE IT RESOLVED, Koochiching County agrees as sponsor to accept the grant awards for said project through an agreement with the State of Minnesota DNR and through the executed County/Club Trail Agreement with the Polar Polers Ski Club for compliance with all applicable laws and environmental requirements and regulations and with assurance the trail will be maintained for no less than 20 years.

BE IT FURTHER RESOLVED, that the Koochiching County Board names County Auditor-Treasurer Robert Peterson at 715 Fourth Street, International Falls, MN as fiscal agent for Koochiching County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-33 Motion by Pavleck, seconded by Lepper to table the Complex Superintendent's request to replace flooring in sections of the Forestland Annex to allow time to obtain quotes for floor tile. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-34 Motion by Pavleck, seconded by Adee authorizing the Community Service Director to fill a vacant Social Worker position as a result of internally filling a new County Social Worker position which was previously a state position. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/07-35 Motion by Lepper, seconded by McBride accepting the following recommendations for Foster Care Licensing: License Pauline Galvin for relative foster care for two children; closure of license for Deberreh McEldowny for child foster care; closure of license for Char Crane for child foster care; closure of license for Ann Coulombe for relative foster care; closure of license for Dale and Sandra Hansen for child foster care; relicense Donna Fairhurst for family day care for ten children. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director provided the recommendation from the Planning Commission to approve a Conditional Use Permit and Rezoning for a four-acre rock quarry operation on an 80 acre parcel near Clementson with Bowman Construction as the applicant. This application was denied by the County Board one year ago due to the opposition of property owners in the Clementson area. Under the County Zoning Ordinance, the applicant was required to wait one year before reapplying, which he did and the Planning Commission again recommends its approval. The Board Chair opened session for public comment. The Applicant presented a petition with several hundred signatures supporting this quarry operation in the Clementson area and clarified the signatures on the petition opposing the quarry operation as to the number being residents, property owners in the area and the number in close proximity to the quarry area. He also provided maps showing the proximity of communities, businesses and homes that are one half mile from his current quarry operation on Highway 11 East to demonstrate that the quarry operation is not an issue to the surrounding area. In comparison to the Clementson operation, there are only a couple structures within one half mile of the operation site. He has never had complaints about his Highway 11 East operation and stated that quarry operations are needed and support economic development in the County. Several property owners from the Clementson area spoke against the quarry. It was stated that one year ago the County voted this same application down and question what has changed for the Board to now consider its approval. It was also stated that quarry and gravel pit operations already exist in this area so why is another needed. Additional signatures opposing the petition were submitted to the Board by petition and/or letters. As stated last year, property owners are concerned with blasting impacting water supply for their wells. One property owner just completed development of her property into two plats to sell 21 lots and opposes putting an industrial site next to her property as it will negatively impact the marketing of these lots. Others asked questions about road damage with material hauling from the site and stated concerns with disrupting a now quiet

and recreational area with industrial operations. A construction worker spoke in favor of the quarry for supporting the construction jobs in the County. In response to Board members questions, the Applicant stated that he worked hard one year ago in hopes of getting the support from the property owners in the area and he is willing to do so again. The Board members felt that without the area's support and nothing changing from last year, it is hard to support the same application now. Having said that, they acknowledged that the applicant does operate a good quarry operation and they have not received complaints on his operations. They also agreed that the quarry is needed resource and economics for the County and would like to see a compromise to allow it to proceed.

2009/07-36 Motion by Lepper, seconded by Adee to accept the petition opposing the Clementson Quarry Operation and accept the petition supporting the Clementson Quarry Operation submitted to the County Board at the July 28, 2009 Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 Before the Board members moved the following motion the Applicant stated that he would be willing to extend the timeline under the 60 Day Rule to allow more time to consider his Clementson Area Quarry Operation Application.

2009/07-37 Motion by Pavleck, seconded by McBride that contingent on a signed agreement by Bowman Construction to extend the timeline for taking action on the Clementson Quarry Operation Petition under the 60 Day Rule, that the County Board schedule a site visit and meet with the Applicant and area residents on August 18, 2009 in Clementson to facilitate more discussion to see if any resolution can be brought forth to allow the quarry operation to move forward and with the County Board to act on the Planning Commission's recommendation to approve the Clementson Quarry Operation at their September 1, 2009 County Board meeting. Voting yes: McBride, Adee, Lepper, Pavleck; voting no: Hanson. Motion carried.

000 The Consultant for Koochiching Aging Options presented an organizational update for the new senior services organization and presented a request for the remaining \$15,000 of the \$40,000 allocated for the organization in the 2009 County Budget. The organization received previous notice that due to the need to reduce the County Budget as a result of State aid cuts, 10% of the 2009 County allocation would be withheld until such time as the Board has all the information to reconcile the 2009 County Budget and can make a final determination on the budget adjustments needed. The amount withheld is \$4,000. In addition, the organization needs another \$1,000 to balance their 2009 Budget based on their operation plan this year. The Community Service Director, serving as Treasurer for the organization, stated that the development of this new organization is a benefit to the seniors in the county and also a good support system for senior services and assistance to senior clients in their agency. He recommended that the \$5,000 be allocated and would work with Administration to find the funding, understanding the Board's across the board policy to reduce all line items in the 2009 County Budget. The Board concurred that it needs to adhere to the policy they put in place for reduction in the budget but would be willing to have the Community Service Director and Administration Director look at funding options that would not impact the directive now in place.

2009/07-38 Motion by Lepper, seconded by McBride to authorize the release of \$11,000 for the Koochiching Aging Options as currently set in the 2009 County Budget under the Reduction Directive and authorize a review by Administration and Community Service Directors to find alternate funding to provide another \$5,000 to the organization and submit a recommendation to the County Board. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board was notified of the hire of David Kunath as a Senior Engineering Technician effective July 27, 2009.

2009/07-39 Motion by Pavleck, seconded by Lepper to authorize the Highway Department to place gravel upon mutual agreement of land owner Ben LaVigne and the Highway Engineer and to replace a culvert as a one time maintenance agreement on an abandoned section of County Road No. 109, approximately 400 feet long, between the south half of the SE ¼ of the NW ¼ and the south half of the SW ¼ of the NE ¼ of Section 33, Township 71 North, Range 23 West with the understanding that the property owner accepts all future maintenance of this section of roadway as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair opened session for a final review of the Ranier Orderly Annexation before the County Board acts on the request to approve the Orderly Annexation. The Board Chair stated that property owners from the Plat of Brennans Beach notified him to state that they were unaware they were part of the Annexation Plan. The Board Chair asked the Ranier Mayor if there was any new information on the matter. The Mayor stated that the Rural Development funding for the waterline replacement has been secured and introduced their Grant Consultant for an update. The Consultant stated that the funding obligated is a 45% grant and 55% low interest loan to the City of Ranier for the waterline replacement in the area referred to as Second Bridge but said funding is contingent on annexation as the applicant and award is to the City of Ranier. In response to a question, this particular award can not be transferred but it does not prevent another governmental entity to make application, but it would be a start over situation. In response to a question as to who would maintain the roads in the annexed area, the Mayor stated that the City would be responsible and would look to the County for a contract. In addition, the increase in LGA coming to the expanded City would cover this cost. In opening the session for public comment, one Ranier resident stated that there has never been any open discussion about this annexation plan and it will triple the size of the City and today's Ranier will be gone. A County resident stated that due to the lack of information given the public on this matter, it should be tabled. Others stated that they should be able to vote on this issue, stated that the reasons supporting annexation are not factually based and that the unorganized area is annexing Ranier, not the other way around. A property owner in the unorganized area stated that 4 widows live in an area without water service and they want it. That the Ranier Council is doing a good job in having the foresight to look ahead for the sake of the City and those they serve or could serve. Others stated concern after hearing that the funding application for waterline replacement was done over a year ago yet the people were only notified of the annexation plan within the last few months. Board members stated concern with the lack of information given the public, concerned that areas to be annexed were unaware of the plan and that based on public comment Board members received, the public is split as to who is for and against the annexation plan. One Board member stated, understanding all the concerns, that there is a need for

waterline replacement in the Second Bridge area which is supported by the history of breaks in these lines and for this area annexation will provide the funding to replace the lines. That this is the City of Ranier's future and he has to believe in the elected City body that for the long term it is in the best interest of the City and those it serves to consolidate.

2009/07-40 Motion by Pavleck, seconded by Adee to approve the following joint resolution and annexation agreement in the matter of the Orderly Annexation between the City of Ranier and the County of Koochiching pursuant to Minnesota Statutes 414.0325. Voting yes: Hanson, Adee, Pavleck, Voting no: McBride, Lepper. Motion carried.

WHEREAS, the City of Ranier (the "City") and the County of Koochiching ("the "County") designate for orderly annexation, the lands described as: All of Section 36, Township 71, North, Range 24 West, except those parcels in the NW ¼ of NW ¼ which are in the International Falls City Limits and except the NE ¼ of SE ¼ and the NW ¼ of SE ¼; All of Section 25, Township 71 North, Range 24 West except those parcels previously incorporated by the City of Ranier; NW ¼ and SW ¼ of Section 31, Township 71 North, Range 23 West; NW ¼ and SW ¼ of Section 30, Township 71 North, Range 23 West except those parcels previously incorporated by the City of Ranier, Exhibit A, hereto within the County of Koochiching, Minnesota (the "Annexation Area"); and

WHEREAS, the City of Ranier and the County of Koochiching are in agreement as to the orderly annexation of the Annexation Area; and both believe it will be to their mutual benefit and to the benefit of their respective residents; and

WHEREAS, Minnesota Statutes § 414.0325 provides a procedure whereby the City and the County may agree on a process of orderly annexation of a designated area; and

WHEREAS, on June 12, 2009 a Notice of Intent, Exhibit G, to include property in an orderly annexation area was published pursuant to the requirements of Minnesota Statutes § 414.0325 Subd. 1b; and

WHEREAS, the City and the County have agreed to all the terms and conditions for the annexation of the Annexation Area as outlined in this Joint Resolution and request an order consistent with this Joint Resolution, but, pursuant to Minn. Stat. § 414,0325 subd. 2, wish to have a public hearing and consideration by the Chief Administrative Law Judge of the Office of Administrative Hearings - Municipal Boundary Adjustments (the "Office") within 30 to 60 days of the filing of this Joint Resolution pursuant to Minn. Stat. § 414.09.

NOW, THEREFORE, BE IT RESOLVED, jointly by the City Council of the City and the Board of Commissioners of the County as follows:

1. Property. The Annexation Area is subject to orderly annexation pursuant to Minnesota Statutes § 414.0325, and that the parties hereto designate the Annexation Area for orderly annexation.

2. Acreage/Population/Usage. The Annexation Area consists of approximately 1,142 acres. The population in the Annexation Area is approximately 450 persons. The land type in the Annexation Area is suburban with rural open areas. The area of the City consists of approximately 98 acres. The City's population is approximately 173 persons (2006). The

land type in the City is generally suburban and residential, with local businesses generally providing services for those recreating on Rainy Lake.

3. Jurisdiction. The County does, upon adoption of this Joint Resolution by the Board of Commissioners, and the City does upon adoption of this Joint Resolution by the City Council, upon acceptance by the Office, confer jurisdiction upon the Chief Administrative Law Judge of the State Office of Administrative Hearings so as to accomplish said orderly annexation in accordance with the terms of this Joint Resolution.

4. Need. The Annexation Area is suburban with platted and rural open areas and is unincorporated. Since the City is currently providing services to a portion of the Annexation Area and is capable of providing additional services to the Annexation Area within a reasonable time, the annexation would be in the best interest of the Annexation Area. Further, the annexation will serve to provide water service to part of the Annexation Area, the residents of which have petitioned for the same, namely, the residents of Jameson Addition, French Addition and Three Points North area. Copies of said petitions, Exhibit C. All of the petitioners reside in the annexation area as shown on the map, Exhibit B.

5. Planning and Zoning.

a. Ranier Community Plan. On February 17, 2009 the City Council approved the Ranier Community Plan, Exhibit D (the "Plan"). The Plan lays out recommendations for achieving the City's goals, including an implementation checklist that lists the action steps and timeline for each recommendation. Timelines for implementation vary from three months to several years. The implementation checklist follows page 28 of the Plan. The planning process utilized in developing the Plan focused on the City and the area in the County surrounding the City, including the areas in which the residents have petitioned the City for annexation and water service. (Exhibit C: Petition), as permitted by Minnesota Statutes § 414.0325 subd. 5, which grants the City planning authority over the Annexation Area. The planning process provided multiple opportunities for the public to provide advice and comments on the City's future development plans (see Tf6 below). The structure of the planning process included a review of community assets, vision-setting, and development of recommendations, resulting in the Plan. The City will use the Plan to guide decision making, set goals, and measure progress in the upcoming years.

b. Zoning. Recommendation C7 contained in the Plan is consideration by the City of development of a Planning and Zoning Ordinance. Currently, land use and zoning regulation in the City is pursuant to the City's Ordinance No. 64. The County has a Zoning Ordinance which governs the Annexation Area (along with the rest of the County not incorporated into Cities). It should be noted that in adopting a Planning and Zoning Ordinance, 2008 changes to Minnesota Statutes § 462.357, subd. 9 require the consideration of the development controls and objectives set forth in the Plan, among others. The City and the County agree that the County will retain its zoning control over the Annexation Area until the City has adopted a new City Zoning Ordinance ("City Zoning Ordinance") as recommended in the Plan. It is the intent of the City that upon adoption of a City Zoning Ordinance, the City Zoning Ordinance will control zoning in the Annexation Area and the City.

6. Public Process. This Joint Resolution is the result of substantial work and cooperation by both the City and the County. Significant public input on the annexation was solicited in a series of public meetings and discussion sessions. A chronology for all public meetings and discussion sessions held, Exhibit E.

7. Tax Rate. The City and the County have estimated tax consequences of the

potential annexation on residents of the City and Annexation area. The estimates for various levy amounts, Exhibit F.

8. **Municipal Reimbursement of Assessments and Debt.** Pursuant to Minnesota Statutes § 414.036, the City and County agree that there will be no reimbursement from the City to the County for the Annexation Area. Further, pursuant to Minnesota Statutes § 414.036, with respect to any special assessment assigned by the County to the Annexation Area and any portion of debt incurred by the County prior to the annexation and attributable to the Annexation Area, there are no such special assessments or debt, and therefore, the City will not reimburse the County for the same.

9. **Sanitary Sewer Service.** The City requests, pursuant to Minnesota Statutes § 116A.01 subd. 4, and the parties mutually understand, that the Annexation Area is to continue to receive sanitary sewer service as administered by the North Koochiching County Waste Water Treatment Board and as provided through the North Koochiching Area Sanitary District. The City will continue its current service unaltered, as administered by the North Koochiching County Waster Water Treatment Board and as provided through the North Koochiching Area Sanitary District.

10. **Road Maintenance.** The City and the County have estimated anticipated road maintenance and construction costs resulting from this Joint Resolution. The City and the County agree that the City will contract for snow removal in the Annexation Area under separate contract.

11. **Electric Utility Service.** Electric utility service is currently provided by Minnesota Power in the Annexation Area. The parties understand that Minnesota Power will remain the electrical provider following the proposed annexation. The City and the County hereby waive the electric utility service notice contemplated by Minn. Stat. § 414.0325 Subd. 1a.

12. **Public Hearing and Order.** The City and the County agree that upon receipt of this Joint Resolution, passed and adopted by each party, the Chief Administrative Law Judge of the Office of Administrative Hearings, shall set a time and place for a public hearing, as contemplated by Minn. Stat. § 414.0325 subd. 2. Following this hearing, the City and County agree that the Chief Administrative Law Judge shall make an order and set forth the factors which are the basis for the Chief Administrative Law Judge's order, pursuant to Minn. Stat. § 414.0325 subd. 3.

13. **Adopt and Enforce Regulations.** The City and County agree to enact, adopt and strictly enforce all such resolutions, ordinances, or regulations, as may be or shall be necessary to give full effect to the stipulations contained in this Joint Resolution.

14. **Governing Law.** This Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.

15. **Modification/Amendment.** This Joint Resolution shall not be modified, amended, or altered except upon the written joint resolution of the City and the County duly executed and adopted by the City Council and the County Board of Commissioners and filed with the Chief Administrative Law Judge of the Office of Administrative Hearings or his or her successor.

16. **Term.** This Joint Resolution shall be in full force and effect perpetually, unless terminated by mutual written joint resolution of the City and County. This Joint Resolution shall be filed by the City with Chief Administrative Law Judge of the Office of Administrative Hearings after adoption by the parties.

17. **Severability.** In the event that any provision of this Joint Resolution is

determined and adjudged to be unconstitutional, invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of this Joint Resolution shall remain in full force and effect, and the parties hereto shall negotiate in good faith and agree to such amendments or modifications of or to this Joint Resolution or other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the parties hereto. Such actions shall include both the City and County supporting special legislation to reinstate any material provisions of this Joint Resolution which may be declared invalid by Minnesota Courts.

18. Headings and Captions. Headings and captions are for convenience only and are not intended to alter any of the provisions of this Joint Resolution.

19. Entire Agreement. The terms, covenants, conditions and provisions of this Joint Resolution, including the present and all fixture exhibits and attachments, shall constitute the entire agreement between the parties hereto, superseding all prior agreements and negotiations. This Joint Resolution shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the County.

20. Disputes and Remedies. The City and County agree as follows:

a. Negotiation. When a disagreement over the interpretation of any provision of this Joint Resolution shall arise, the City and the County will direct staff members to meet at least one (1) time at a mutually convenient time and place to attempt to resolve the dispute through negotiation.

b. Arbitration. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Joint Resolution, the parties may mutually agree in writing to seek relief by submitting their respective grievances to binding arbitration. Either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this Joint Resolution and any other available remedies at law or equity, in the case of a violation, default or breach of any provision of this Joint Resolution, the non-violating, non-defaulting, or non-breaching party may bring an action for specific performance to compel the performance of this Joint Resolution in accordance with its terms.

c. Attorney's fees to prevailing party. In the event a court action is brought to enforce any of the terms of this agreement, the prevailing party, if any, shall be entitled to payment of all its court costs, including reasonable attorney's fees.

d. Jointly drafted Agreement. In the event of litigation involving this Joint Resolution, the parties shall deem this Joint Resolution to have been jointly drafted by the City and the County.

21. Notice. Any notices required under the provisions of this Joint Resolution shall be in writing and shall be deemed sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid, as follows:

If to the City: City of Ranier
Attn: Clerk-Treasurer
2099 Spruce Street
P.O. Box 186
Ranier, MN 56668

If to the County: Koochiching County
Attn: Coordinator
Courthouse
715 4th Street
International Falls, MN 56649

22. Exhibits. The Exhibits to this Joint Resolution are the following: Exhibit A: Legal Description; Exhibit B: Map of Annexation Area; Exhibit C: Petition for annexation by property owners; Exhibit D: Ranier Community Plan; Exhibit E: Chronology; Exhibit F: Estimates for various levy amounts; and Exhibit G: Notice of Intent and Affidavit of Publication.

000 The Board Chair called for public comment at 12:00 p.m.: No comment was presented. The Board recessed the meeting at 12:00 p.m. to handle scheduled committee business and reconvened the regular meeting at 1:05 p.m.

000 The Board received a request to support a resolution in which the Northeast Service Cooperative is applying for \$40 million in federal grants and loans to bring Broadband Technology to unserved or underserved communities which may include International Falls. Commissioner Adee stated that ARDC is also looking to bring this technology to the region. Board agreed to follow up on these initiatives before taking any action. The Board Chair was asked by Lake of the Woods County Board to join them in sending staff to the AMC COHORT Leadership Program allowing up to 6 staff from each county to attend classes at a \$1,000 registration fee per person. The Board declined participation.

2009/07-41 Motion by Lepper, seconded by McBride authorizing the Board Chair to appoint two Board members to work with the City of International Falls on an agenda to identify issues as the first step in meeting the City's request for a joint city/county meeting to discuss items relating to economic development. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Board Chair appointed Commissioners Lepper and McBride.)

2009/07-42 Motion by McBride, seconded by Adee to adjourn the meeting at 1:10 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, August 11, 2009; 9:50 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: LeeAnn Meer, Brian Youso, Dennis Hummitzsch, Ken Ziemba, Terry Murray, Doug Grindall, Rod Otterness, Bob Anderson, Steve Nelson, David Salene, Ward Merrill, Phil Miller, Scott Anderson via telephone, Dale Olson, Bill Best, Justin Berg, Pam Tomevi, Bruce Hasbargen

2009/08-01 Motion by Adee, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-02 Motion by McBride, seconded by Pavleck to approve the minutes from the July 28 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice of the hire of Natalie Stone as a Public Health Educator effective August 10, 2009 and Staci Bannert as a Public Health Nurse effective August 14, 2009.

2009/08-03 Motion by Lepper, seconded by McBride to approve payment of the Courthouse claims in the amount of \$38,788.24; to approve payment of the monthly County Board expense claims in the amount of \$9,768.44; to approve the second half payment of the 2009 MRCC Dues in the amount of \$1,050; to revise Board Motion 2009/03-18 authorizing the County's contribution for the March 14, 2009 Legislative Town Hall Meeting from \$100 to \$210. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-04 Motion by Pavleck, seconded by Lepper authorizing a letter of support from the County for the Northome Library Project for the Project Grant Application. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-05 Motion by Pavleck, seconded by Adee to approve a three-year contract with Maximus for the annual County cost allocation plan for 2009, 2010 and 2011 for indirect cost reimbursement to the County for administration of federal programs at an annual contract cost of \$2,950 as recommended by Administration. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-06 Motion by Lepper, seconded by Adee authorizing the Board Chair to send a thank you letter to TruStar Federal Credit Union for their contributions to the County Veterans Memorial. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 Friends Against Abuse Executive Director requested the County Board's participation in their October 6th "Walk a Mile in Her Shoes" Event to bring awareness to Domestic Violence and as a fundraiser for victim advocacy services and work in domestic violence prevention. Ninety-five percent of domestic violence perpetrators are men and this event will have men walking in women's shoes for one mile to highlight that domestic violence and sexual assault are more than just a woman's issue. The event will start at 11:00 a.m. with a presentation, followed by the 1 mile walk and lunch. The Board Chair stated that the October 6 County Board meeting will break from 11:00 a.m. to 2:00 p.m. to allow Board members to participate in the event.

2009/08-07 Motion by Lepper, seconded by Pavleck authorizing Marilee Simon to move from a temporary jail cook status to a A11 part time jail cook status to allow alternative scheduling of the part time cooks with no additional cost to the Sheriff's Budget as recommended by the Sheriff. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-08 Motion by Adee, seconded by Pavleck authorizing expenditure up to \$1,775 plus tax for a commercial grade mixer, griddle and coffee pot for the County Jail with expenditure from the 2009 Jail Equipment Budget as recommended by the Sheriff. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Sheriff was informed of a complaint received from a member of the public regarding vehicle and boat trailer parking on the Highway at the Tilson's Boat Landing on Highway 11 and the Sheriff was asked to look into the situation for public safety reasons.

2009/08-09 Motion by Lepper, seconded by Adee that in acknowledging the auctioneer's error in bidding Tract 10 at the August 5th Timber Auction, to approve Tract 10 to be sold at 25% to Ken Ziemba as highest bidder. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-10 Motion by Lepper, seconded by McBride to renew the following service contracts as recommended by the Community Service Director and upon approval of the County Attorney: Decker's Family Care; AEOA Supported Work Services; Ridgeview LLC. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-11 Motion by Lepper, seconded by McBride to approve addendums to the following service contracts reflecting the required state rate reduction as recommended by the Community Service Director and upon approval of the County Attorney: ODC DT & H services; Raynita Houglum SILS Services; Northome SLS Services. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-12 Motion by Lepper, seconded by McBride to approve amendments to the following service contracts reflecting the required state rate reduction as recommended by the Community Service Director and upon approval of the County Attorney: Northome SLS services, Rainy River Waivered Services, Rainy River Waivered MR/RC Services. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-13 Motion by Adee, seconded by McBride to set the pay step for the new Senior Engineering Technician hire at 100% as recommended by the Highway Engineer in his determination that a higher pay rate than the starting pay step was needed to recruit qualified applicants for the position and with this determination allowed under the Union Contract. Voting yes: Hanson, McBride, Adee, Lepper; voting no: Pavleck. Motion carried.

2009/08-14 Motion by Pavleck, seconded by McBride that due to the bid tabulation not being finalized to table bid award for the CSAH 77 Road Project until the August 25, 2009 Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-15 Motion by Pavleck, seconded by Adee that due to the bid tabulation not being finalized to table bid award for CP 2009-03 Road Sign Project until the August 25, 2009 Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer reviewed a State Highway Turn Back Proposal in which MnDot would turn back the portion of State Highway 332 from State Highway 53 to State Highway 11 to the County with payment to the County of \$3 million and that this section of road would then become a CSAH road in which CSAH funds would be used for maintenance and any future reconstruction. MnDot is asking the County to consider this proposal as the State is looking to

reduce its road mileage due to budget constraints and that the funding is available for this proposal now but may not be in the future as more turn back proposals are being looked at. The Highway Engineer stated that the \$3 million is needed for bituminous overlay and graveling of county roads (local taxpayer cost) that have been neglected over the years due to funding shortages in the County budget. This proposal would also give Boise and the County the opportunity to look at an exchange of the Burner Road for the road further east but to start, look to establish the east road as a county road which should take some traffic off the Burner Road and also allow the County to monitor usage of the roads. The City of International Falls would need to approve the state highway turn back and a legislative change would be required which would be submitted in the 2010 legislative session should the County move forward on the proposal. In response to a question, the Highway Engineer stated that the County does not have to give up other CSAH miles in the County in a turn back situation. For the County this is a positive proposal as there is no cost in local dollars as state funds allocated to the County for CSAH roads are adequate to cover maintenance and reconstruction of this road and the County will receive \$3 million to invest in county roads throughout the county and to replace the County's Highway equipment which has also been deferred over the years due to budget constraints. It was agreed to have the Highway Engineer bring back more information and/or a recommendation by the September 1, 2009 County Board meeting.

000 Attorney Nelson requested the County Board to pay his court appointed attorney claim (county expense when the client can not afford the cost of an attorney to represent them in certain court matters) at a rate of \$75 per hour for attorney services and \$40 per hour for non-attorney services stating that the County's current policy of paying \$50 per hour for court appointed attorney services is not a reasonable as allowed under Minnesota Statute for payment of these services. He requested payment of his outstanding claim in the amount of \$6,246.22. He stated that paying attorneys an unreasonable fee will decrease service and penalize those needing an attorney to represent them, noting that these clients are up against competent professionals such as the County Attorney, Law Enforcement and Social Services who are building the case against them. Board members stated that this is one view, but for the County appointment of attorneys or any other court expense should be borne at the State level not the local level and the cost borne by the County in mandates to pay expenses for the State Court System are escalating every year with the County having no control. To approve a rate increase as suggested will only escalate the cost faster for the local taxpayer. Attorney Nelson stated that the County does have control as how the matter is first handled by the County Attorney and/or Social Services Department will determine the needs for a court appointed attorney. He stated in Lake of the Woods County there are very few CHIPS cases in comparison to Koochiching County where there are many. In response to the question of service, Attorney Nelson stated that if the rate is not increased there will still be an attorney to represent the client but they will not be afforded the representation they need. The Board Chair stated that they would review the court appointed attorney policy as part of their 2010 County Budget process. The Board took no action on the request for payment at the increased rates.

000 The Financial Consultant and AB/Backus Director submitted their request for the County Board to schedule a public hearing for the purposes of issuing 501c3 Bonds and to establish a Recovery Zone to allow the issuance of Recovery Zone Facility Bonds to provide low interest financing for their \$592,000 Backus Third Floor Renovation Project. The County's only role in

issuing the bonds is to provide tax exemption to the bonds, otherwise there is no liability or debt to the County. As the first step, the public hearing needs to be held and the Financial Consultant and the Project Bond Counsel will provide the information for the public hearing and the bond issue should the County Board authorize it following the public hearing.

2009/08-16 Motion by Pavleck, seconded by Lepper granting preliminary approval for the financing of renovations to a Community Center Facility in the City of International Falls, MN owned by Citizens for Backus/AB, Inc. and calling for publication of a Notice of Public Hearing and requesting consent from the City of International Falls for the Financing:

BE IT RESOLVED by the Board of Commissioners (the "Board") of Koochiching County, Minnesota (the "County"), as follows:

Section 1. Recitals. 1.01. It has been proposed by Citizens for Backus/AB, Inc., a Minnesota nonprofit corporation (the "Borrower") to the County that the County assist in the financing of the renovation of the third floor of the Borrower's community center facility (the "Project"), located at 900 Fifth Street in the City of International Falls, Minnesota (the "City").

1.02. Under the Borrower's proposal, the County will issue its (i) Revenue Note (Citizens for Backus Project), Series 2009A, and (ii) Recovery Zone Facility Note (Citizens for Backus Project), Series 2009B (collectively, the "Notes"), pursuant to Minnesota Statutes, Sections 469.152 through 469.1651, as amended (the "Act"). The maximum aggregate principal amount of the proposed Notes is estimated to be \$600,000. The Project will be owned and operated by the Borrower.

1.03. Under the provisions of the Act, the County is authorized to issue the Notes after (i) the Board has held a duly noticed public hearing on the Project (the "Public Hearing"), and (ii) the County has obtained consent from the City for the issuance of the Notes.

Section 2. Preliminary Approval by County; Ratification of Notice of Public Hearing.

2.01. The Board grants preliminary approval for the issuance of the Notes to be used for the financing of the Project. County staff and Kennedy & Graven, Chartered, acting as bond counsel to the County, are authorized to take such actions as are deemed necessary and appropriate for such financing. Final approval of the sale of the Notes and the financing documents therefore shall be considered by the Board subsequent to the Public Hearing, which Public Hearing is scheduled for Tuesday, September 1, 2009, at 1:30 p.m.

2.02. A notice of the Public Hearing must be published at least once, not less than 14 days or more than 30 days prior to the date fixed for the Public Hearing in the official newspaper of the County and a newspaper of general circulation in the County.

2.03. Kennedy & Graven, Chartered, as bond counsel, is authorized and directed to publish notice of the Public Hearing on behalf of the County in substantially the form hereto as EXHIBIT A, in the Daily Journal, which is the official newspaper of the County and a newspaper of general circulation in the County.

Section 3. Consent of the City. County staff and bond counsel are authorized and directed to request approval by the City Council of the City for the issuance of the Notes at the regular meeting of the City Council on August 17, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment: A member of the public inquired on landscaping repairs on their property due to the Jackfish Sewer installation and they were deferred to the Environmental Service Director. Board recessed for lunch at 11:50 a.m.

2009/08-17 Motion by Lepper, seconded by Adee to close session at 1:40 p.m. to review Jacobson versus Koochiching County regarding a Cartway with the County's legal counsel. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Attending was the full County Board, County Attorney, MCIT Legal Counsel via telephone and Highway Engineer).

2009/08-18 Motion by Adee, seconded by McBride to open session at 2:15 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-19 Motion by Lepper, seconded by Adee that on the advice of MCIT Legal Counsel to not appeal the Court Order mandating the County to establish a Cartway for the Jacobson Property and to set a Cartway Hearing for September 8, 2009 under required notice to move forward on establishing the Cartway under Minnesota Statute and further, to schedule time at the August 25, 2009 County Board meeting to review the proposed cartway route and procedures in preparation for the September 8, 2009 Cartway Hearing. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-20 Motion by Pavleck, seconded by McBride to table action on the Joint Powers Agreement between Koochiching and St. Louis Counties for the Shared Water Basin Sewer Project until all parties have agreed to the terms and recommend its approval. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director provided information to the Board that the property proposed for the rock quarry site in the Clementsen area by Bowman Construction is in the Sustainable Forest Incentive Act Program which places use restrictions on the property, bringing into question whether a rock quarry will be an allowed use on this property. The Applicant is looking into this matter but the Director inquired as to whether the Board would still want to conduct the site visit on August 18th. Bowman Construction did sign and agree to a time extension on his application decision which goes into October so there is time on this issue. The Board Chair with the Board's consent cancelled the August 18th site visit and will notify the area residents of the cancellation with the Director to inform Bowman Construction and to bring the issue back to the September 1 County Board meeting for an update.

The Board was presented with a recommendation from the WCA Technical Evaluation Panel and Environmental Service staff to approve eligibility of 65% of field and 3 acres of buffer for the 71 acre Hasbargen Haven Site for credits in the Wetland Banking Program. In reviewing the eligibility of this site for the wetland banking program it was determined that the site was once a

wetland and through its history was improved for farming purposes. In order to determine the number of acres eligible for wetland credits, the applicant needs to provide data to support crop rotation to show that the land was farmed and not just left alone or used for hay. The Applicant recently purchased the property and did not have the records to support 100% of the acreage to the wetland bank. The Environmental Director stated that review of the application and data is supported by the Panel and Staff at 65% of the acreage for enrollment into the Wetland Banking Program. Mr. Hasbargen stated opposition to the recommendation as he feels 100% of the acreage is eligible and disagrees with the guides established by the Panel in determining the 65% enrollment. In addition, he invested in this property and the site preparation work for enrollment in the wetland bank based on the language in the WCA rules. The guides used by the Panel in determining acreage eligibility should have been provided him before he made application and investment in the property. As explained by the Environmental Service Director, if the County Board accepts the recommendation, Mr. Hasbargen can appeal to the BWSR Board with a \$500 appeal fee. If the County denies the recommendation, BWSR would have 30 days to initiate an appeal of the County Board's decision or the application is approved as submitted by the applicant. The County Board could also choose to extend the timeline for further review if the applicant agrees. The Applicant is requesting a decision today. First, Board members questioned charging a private land owner a \$500 fee to appeal but if the appeal is done by a government agency there is no fee, stating it stacks the deck against the property owner. Secondly, after acknowledging the Panel and staff for doing their best to work with the property owner in this matter, the Board members stated that at the end of the day they will side with the property owner as wetland management with all its rules and regulations is so complicated and complex that a property owner doesn't have a chance in presenting their case in any situation. The Board Chair summarized in saying that wetlands impede property owners in every way and the Board wants to provide the applicant another opportunity to present his case for enrollment of 100% of the acreage.

2009/08-21 Motion by Pavleck, seconded by Lepper to deny the recommendation of the WCA Technical Evaluation Panel and Environmental Service staff to approve eligibility of 65% of field and 3 acres of buffer for the 71 acre Hasbargen Haven Site for credits in the Wetland Banking Program with the intent of giving Mr. Hasbargen 100% credit for his project unless this decision is appealed and overruled by BWSR as provided in the WCA rules. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-22 Motion by McBride, seconded by Adee to adjourn the meeting at 3:40 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, August 25, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Bob Peterson, Kathy Sikkila, Terry Murray, Pam Bechik, Terry Glowack, Dale Olson, Dennis Hummitzsch, Susan Congrave, Nancy Lee, Wanda Grashorn, Doug Grindall, Mike Brewinski, Rod Otterness, Todd Seller, Paul Sandstrom, Terry Randolph; Reporters Laurel Beager and Sheldon Slaubaugh

2009/08-23 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-24 Motion by Adee, seconded by McBride to approve the minutes from the August 11, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-25 Motion by Lepper, seconded by McBride to approve payment of the Courthouse claims in the amount of \$56,603.67; to authorize the Board Chair's signature to the July Vendor Payment Listing verifying its review; to approve payment of the Highway claims in the amount of \$67,862.72; to approve payment of the Health claims in the amount of \$9,752.80; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-26 Motion by Pavleck, seconded by Adee to approve a Minnesota Trail Assistance Program Cross-Country Ski FY 2010 Traditional Grant Agreement in the amount of \$3,530.00 for funding to the Polar Poler's Ski Club for the Tilson Creek Cross Country Ski Trail and authorizing the Board Chair and Auditor's signatures to said Agreement. Sponsorship by the County requires that a Club/Trail Agreement be in effect (on file in the Auditor-Treasurer's Office) and that 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 for cost from the County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-27 Motion by Lepper, seconded by McBride to approve a Minnesota Snowmobile Trails Assistant Program Snowmobile FY 2010 Maintenance and Grooming Grant Agreement in the amount of 110,526.00 for funding to the Ridgerunner Snowmobile Club and the International Voyageurs Snowmobile Club for the Blue Ox, Caldwell Brook and Lundstrom Trails and Hagerman, Voyageurs West and Loman Trails and authorizing the Board Chair and Auditor's signatures to said Agreement. Sponsorship by the County requires that a Club/Trail Agreement be in effect (on file in the Auditor-Treasurer's Office) and that 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 for cost from the County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-28 Motion by McBride, seconded by Pavleck to approve a four-year Maintenance and Support Agreement with Election Systems and Software to maintain the County's M100 and Automark voting machines at a cost of \$4,542.50 per year, funded by the HAVA Grant received by the County as recommended by the Auditor-Treasurer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-29 Motion by Lepper, seconded by Adee to approve an Emergency Management Performance Grant with the Minnesota Department of Public Safety in the amount of \$14,275.00 with a \$14,275.00 county in-kind staffing match as recommended by the Sheriff and further, to authorize the Board Chair and Sheriff to sign said Grant Agreement. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 In response to the City of International Falls request to have a meeting with the County Board to discuss economic development items, a proposed date of September 3rd was given the Board for a facilitated meeting at RRCC. In review of the date, it was determined that the entire Board was not available and asked the Board members working with the City of this issue, to come up with alternate dates.

2009/08-30 Motion by Pavleck, seconded by McBride to approve the 2010 tax levies for the following approved subordinate service taxing districts and to pay the respective 2010 service contract amounts: Littlefork Ambulance Service levy of \$46,000, Northome First Responders Service levy of \$6,000, and Rainy River First Responders Service levy of \$9,900. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-31 Motion by McBride, seconded by Lepper to request the Minnesota Veterans Administration Office to conduct a Koochiching County Veterans Service Office case file audit to assist the new VSO in determining and managing open cases as recommended by the VSO. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-32 Motion by Pavleck, seconded by Lepper approving the office hours of the County Veterans Service Office from 9:00 a.m. to 2:00 p.m. Monday through Friday as recommended by the VSO and with the VSO to post and advertise the office hours to inform the public. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice that the VFW is hosting the dedication of the County Veterans Memorial on Monday, September 7, 2009 at 2:00 p.m. to include all County VFW Posts, American Legion Posts and Color Guard and with refreshments following at the International Falls VFW Post. The event will include the Color Guard Assembly, Prayer, Pledge, National Anthem, Guest Speakers, God Bless America, Rifle Salute and Taps.

2009/08-33 Motion by Lepper, seconded by Pavleck to approve an addendum to the Northland Counseling Adult Foster Care Agreement for the required state rate reduction as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-34 Motion by McBride, seconded by Pavleck to renew the NEMOJT Supported Work Agreement as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-35 Motion by Lepper, seconded by Adee to approve the purchase of a HP LaserJet P3005x Printer at a cost of \$1,153.03 as recommended by the Information Systems Manager

with funding in the 2009 Community Service Budget. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-36 Motion by Lepper, seconded by Adee accepting the Community Service Director's recommendation of the following managed care providers for Koochiching County for Prepaid Medical Assistance, Prepaid General Assistance Medical Care and Minnesota Care: BCBS, Medica and UCare. Further, accepting the following Foster Care, Day Care and Adult Foster Care Licensing recommendations: close home of Trena Glover for day care at the provider's request; relicense Margaret Winkle for group family day care for ten children; close home of Vickie Bernard at provider's request. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-37 Motion by Pavleck, seconded by Lepper to accept low quote from Hammel Flooring in the amount of \$5,432.60 for vinyl flooring to replace flooring in sections of the Public Health Department with funding in the 2009 Forestland Budget as recommended by the Complex Superintendent. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-38 Motion by Pavleck, seconded by Adee authorizing the Board Chair's signature to a letter inviting federal and state legislators to tour the Island View Sewer Project area which will coincide with the planned event to christen the new Park Tour Boat as recommended by the Environmental Service Director with the intent to have legislators experience Rainy Lake to gain an understanding as to why sewer in the lake area is a needed infrastructure for protecting the lake. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner presented the results of the August 5 timber auction: 1 tract remains unsold with 17,579 cords sold for a total auction sale value of \$349,611. In review of the sale history, sale proceeds in the last two years have decreased with further decrease anticipated in 2009. The Land Commissioner stated that the next auction will tell the story for 2009 timber revenues. The Land Commissioner informed the Board that the surveillance audit for SFI certification and the closure audit for FCS certification completed with nonconformance items closed or satisfied and a recommendation for the County's FCS Certification submitted. The County currently has its SFI certification.

000 Public Health staff informed the Board of the Department's work in Public Health Emergency Preparedness and H1N1 Novel Influenza Planning which go hand in hand for the mandated planning for preparation of a possible H1N1 outbreak. At this time the department is focusing on the general public and schools to educate on preventive measures to avoid getting sick like with any other flu or cold virus. However, if there should be an outbreak, more serious thinking would need to occur to avoid further outbreak such as closing schools, canceling public events, etc. A vaccine is being made and will be dispersed late fall. However, supply is limited so allotments will be reserved for priority groups (more susceptible groups, certain care givers and health/emergency workers) but over time there will be a supply for the general population. The vaccine requires a two dose administration and does not replace the regular flu vaccine. At the same time, the Emergency Preparedness Plan is being reviewed for secure disbursement sites in preparation of an outbreak situation.

2009/08-39 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Highway Engineer to award low bid to Neuman Sign Company in the amount of \$87,186 for sign face replacement (under the new federal retro reflectivity standards) for CSAH roads in the County with funding consisting of a \$13,062 3M Grant and CSAH Funds. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-40 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Highway Engineer to award low bid to Wagner Construction in the amount of \$705,897.86 for SAP 36-677-06 (CSAH 77). Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/08-41 Motion by Pavleck, seconded by Lepper to table the request by the City of Littlefork to pave a road in their City limits pending a meeting of the Highway Engineer and the City to gain further information on the request. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer again presented the Highway 332 Turn Back proposal to the Board for further review before a formal request is submitted to the Board to accept the \$3 million Turn Back proposal from MnDot. The City of International Falls Administrator affirmed that they did receive the letter from the Highway Engineer explaining this proposal and including a request to the City for their position as the Turn Back would require City approval. The Administrator stated that the City's legal counsel did respond by letter at the direction of the City Council that essentially said for the parties to sit down privately to resolve this Highway 332 issue.

000 The Board was provided a presentation from the Lake of the Woods Water Sustainability Foundation involving U.S. and Canadian interests to protect and sustain water quality for Lake of the Woods. After the presentation, Commissioner Pavleck stated that he would like to seek the Foundation's support for the extended sewer project for the Rainy Lake area, which serves water quality improvement for both areas. The representative agreed that this would have a common interest.

000 The Board Chair called for public comment at 11:50 a.m. VFW Commander Terry Randolph reviewed the itinerary for the September 7th County Veterans Memorial Dedication.

000 The RC&D Laurentian Coordinator provided the Board an update on the organization's activities and work and support of projects within the County. The Board thanked the Coordinator for the update and also for the support given to Koochiching County.

2009/08-42 Motion by McBride, seconded by Adee to adjourn the meeting at 12:05 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Coordinator

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, September 1, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Murray, Alys Ruelle, Dale Olson, Doug Grindall, Andy Pratt, David Salene, Ward Merrill; Reporters Laurel Beager and Sheldon Slaubaugh

2009/09-01 Motion by McBride, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-02 Motion by Lepper, seconded by Pavleck to approve the minutes from the August 25, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-03 Motion by Pavleck, seconded by McBride to correct the July 28, 2009 County Board Minutes, specifically Board Motion 2009/07-31, to correctly state the term of the Tower Space Agreement with KQDS Acquisition Corporation for a five year renewal from August 1, 2009 through July 31, 2014. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-04 Motion by Lepper, seconded by Pavleck accepting the employment separation of LPN Berri Baron in the Public Health Department effective September 1, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-05 Motion by Pavleck, seconded by McBride to approve payment of the monthly County Board expense claims in the amount of \$6,506.65. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-06 Motion by McBride, seconded by Lepper to adopt the following resolution requiring a cash deposit with the County Auditor/Treasurer before the County takes action on the Jacobson Cartway Petition under M.S. 164.07-08:

That the Petitioner must deposit \$10,000 cash security with the Koochiching County Auditor/Treasurer to be placed in escrow to cover costs permitted under Statute;

That if at any time the escrow account falls below \$5,000, the Petitioner must replenish the account to \$10,000;

That any remaining funds will be refunded to the Petitioner upon proof of payment for all costs permitted under Statute;

That the County reserves the right to amend the cash security deposit as is necessary in acting on the Petition. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-07 Motion by Pavleck, seconded by McBride accepting the recommendation of the County Assessor to abate Parcel #25-003-00100 for Biggins and Choi, PLLP for tax years payable 2008 and 2009 for reduction in value for acreage correction. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/09-08 Motion by Lepper, seconded by Pavleck to renew a service contract with Lakeland Pathology for medical examiner services for 2010 pursuant to M.S. 390.31-35 with no change in rates from 2009 and an increase of \$1,000 for training as recommended by Administration. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-09 Motion by Pavleck, seconded by Adee to approve an UCare Minnesota County Participation Agreement and Delegation Agreement for Case Management services as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

000 The Board received notice of the hire of Alysa Ruelle as a County Social Worker effective September 1, 2009.

000 The Environmental Service Director informed the Board that Bowman Construction, Applicant for rezoning and a CUP for a proposed Quarry Operation in Clementsen, requested an extension for meeting with the County Board to review the finding that the property proposed for the quarry is in the State SFIC Program and whether there are restrictions for a quarry operation on the property. The Environmental Service Director stated that the Rezoning/CUP Application time extension agreement gives the Board until October 2nd so the Director will talk to the Applicant about meeting with the County Board on this issue at one of the remaining scheduled September County Board meetings.

000 The Highway Engineer informed the Board that he has been talking with the State DNR Forestry Road Division about grant funds for graveling 5.5 miles of the Sandmark Trail which connects County Road 86 and the Black River Road. At this time, the proposal from the DNR is a grant of \$134,000 for a three inch gravel surface in lieu of the County taking over the road maintenance thereafter. However, the Highway Engineer knowing the level of county funding now provided for maintenance of County and Township Roads does not see how the County can commit to another locally funded road. This portion of road would meet CSAH road criteria but mileage would have to come from other CSAH roads in the County. The Engineer stated he could submit another proposal for a thicker base, 18 inches, which would provide a longer time period for when the County would be obligated to resurface the road, however, this is a higher cost project and the DNR stated that high cost projects are unlikely to receive full funding. The Board agreed to have the Highway Engineer continue discussions for graveling this section of road due to its poor condition.

000 The Highway Engineer submitted his recommendation for the County to accept MnDot's proposal for Koochiching County to accept TH 332 from TH 53 to TH 11 as a turnback route in exchange for a \$3.5 million payment to the County. As explained previously, the turnback route would be designated as a CSAH Road and therefore maintenance and any reconstruction needs would be covered by the CSAH Funding allocated to the County, which the Engineer stated is

sufficient to add this section to the County's CSAH system. In addition, because this is a turnback situation, designating this section of road as a CSAH does not require taking CSAH miles from other roads in the County. The \$3.5 million would go into the County Highway Fund. As explained by the Engineer, if the County does not accept this proposal the funding will be reverted by MnDot for other turnback proposals in the State. The Administration Director reiterated from the morning's 2010 County Budget review, that after the planned reserve spending from the County Highway Fund for the 2009 County Budget, the County Highway Fund is expended; meaning there is no cash flow and is no longer a source of county funding for the Highway Budget. This \$3.5 million will replenish the Fund's cash flow and provide county dollar funding for the Highway Budget needs (equipment and county/township road maintenance). Commissioners agreed that this is a funding opportunity for the County Budget and County taxpayers that can't be passed up. In lieu of this proposal, the County is certainly looking at bonding for replacement of Highway equipment and maintenance of County and Township Roads, which is a cost to the local taxpayer.

2009/09-10 Motion by Pavleck, seconded by Lepper adopting the following resolution to accept MnDot's Turnback Proposal:

WHEREAS, MnDot has proposed that Koochiching County accept responsibility for that section of TH 332 between TH 53 and TH 11 as a turnback; and

WHEREAS, this route will be designated as a County State Aid Highway; and

WHEREAS, it has been determined that Koochiching County will accept a lump sum payment of \$3.5 million in exchange for not receiving future "needs" on this route; and

WHEREAS, Koochiching County will continue to be allowed to use CSAH Maintenance Funds for the maintenance of this route and CSAH Construction Funds for any future reconstruction project; and

WHEREAS, municipal approval must be given by the City of International Falls; and

WHEREAS, a change in the description of TH 332 will have to be approved by the Minnesota Legislature.

NOW THEREFORE BE IT MUTAULLY AGREED THAT Koochiching County approves MnDot's proposal and requests that MnDot begin the process for the turnback to occur.

FURTHER, that due to funding needs to the County Budget, that the Koochiching County Board send a formal letter to the City of International Falls requesting their timely approval of the turnback route to the County and to send a letter to State Legislators requesting their support for the required legislation change to allow the turnback. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:35 a.m. No comment was presented. The Board recessed the meeting until 1:30 p.m.

000 The Board Chair opened a public hearing at 1:30 p.m. for the purpose of receiving public comment on a proposal for the County to issue tax exempt Series A and B Revenue Bonds for the Backus 3rd Floor Renovation Project. The Backus Director, Financial Consultant and Bond Counsel for the Project were present. The required public hearing notice was published and the Administration Director stated that no written public comment was received on this issue. It was also stated that the City of International Falls consented to the bond issue which was required under law. Project representatives explained the project and bonding request. Backus has secured agreements from two substantial organizations for leasing the third floor of the Community Center, one being a non-profit organization and the other a for-profit organization. These leases will be a long term revenue source for the Facility as well as a funding source for repayment of the 3rd Floor Project financing. In looking at funding options for the project, it is proposed that the County, as a conduit for tax exempt bonding, issue Revenue Bonds - Series A Notes for non-profit and Series B Notes for-profit, noting that the County is only the conduit for providing tax exempt bonding (interest earnings on the bond note is tax exempt) and has no liability and/or debt exposure for the project. The County would enter into a loan agreement with Backus followed by an assignment of the loan and provision of the Bond Notes to the Bank, which in turn will be the financing source for the project. As required under law, the County will be required to submit a bonding application to the MN Department of Employment and Economic Development Division and that in order to issue the Series B Recovery Zone Facility Bonds, the County would also need to establish a Recovery Zone before it can issue these bonds. The Recovery Zone is a new bonding authority given to certain counties and cities through the federal stimulus package for areas meeting criteria of general economic distress. Koochiching County was granted bonding authority of \$230,000 for Recovery Zone Facility Bonds for-private financing and \$153,000 for Recovery Zone Economic Development Bonds for non-profit/public financing. The Backus Project is requesting the full \$230,000 Recovery Zone Facility Bonds for the private development of the 3rd Floor Project. Though not related to this financing request, the Recovery Zone Economic Development Bonding authority was discussed. This authority is a taxable bond but that as part of the federal stimulus package, the federal government would pay 45% of the interest due to the extent that funding is available. Bonding authority under the Recovery Zone has to be used by 2010. To accommodate both bond issues and in viewing the criteria for a Recovery Zone, it was recommended the Recovery Zone be established county-wide and will then be established also for use of the Economic Development Bond issue should the County Board decide it wants to use this authority. The Board Chair called for public comment on the bond issue proposal. No public comment was presented and the hearing was closed at 1:55 p.m.

2009/09-11 Motion by Lepper, seconded by McBride adopting the following resolution for designating a Recovery Zone pursuant to the American Recovery and Reinvestment Act of 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

BE IT RESOLVED by the Board of Commissioners (the "Board") of Koochiching County, Minnesota (the "County") as follows:

1. Background. It is hereby determined that:
 - (a) The American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) ("ARRA") authorizes municipalities to, among other actions, issue Recovery

Zone Economic Development Bonds (“RZEDB”), a type of Build America Bond, and Recovery Zone Facility Bonds (“RZFB”), a type of “private activity bond” under the Internal Revenue Code of 1986, as amended (the “Code”).

(b) ARRA provides that the proceeds of a RZEDB are to be used for one or more “qualified economic development purposes” undertaken in a designated recovery zone. A “qualified economic development purpose” includes (i) capital expenditures paid or incurred with respect to property located in a recovery zone, (ii) expenditures for public infrastructure and construction of public facilities, and (iii) expenditures for job training and educational programs.

(c) ARRA provides that the proceeds of a RZFB are to be used to finance certain qualifying uses of “recovery zone property.” In the context of a RZFB, “recovery zone property” means any depreciable property that (i) was constructed, reconstructed, renovated, or acquired by purchase by a taxpayer after the date on which the designation of the recovery zone took effect, (ii) the original use of which in the recovery zone commences with the taxpayer, and (iii) substantially all of the use of which is in a designated recovery zone and is in the active conduct of a “qualified business” by the taxpayer in such zone. A “qualified business” means any trade or business except for businesses that consist of residential rental property as defined in Section 168(e)(2) of the Code and businesses consisting of the operation of any facility described in Section 144(c)(6)(B) of the Code (any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack or other facility used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises).

(d) For the purposes of ARRA, a “recovery zone” is any area designated by an issuer of a RZEDB or a RZFB as having significant poverty, unemployment, rate of home foreclosures, or general distress.

(e) ARRA provided volume caps of \$10 billion of RZEDB’s and \$15 billion of RZFB’s that may be issued by issuers nationwide before January 1, 2011. The nationwide volume cap has been further allocated by the Internal Revenue Service and the U.S. Treasury Department to large municipalities and counties. The County’s RZEDB allocation for 2009 and 2010 is \$153,000. The County’s RZFB allocation for 2009 and 2010 is \$230,000.

(f) The County desires to designate a recovery zone pursuant to the guidelines provided in ARRA in order to issue one or more RZEDB’s and/or RZFB’s to finance qualified economic development purposes and use of recovery zone property by a qualified business, respectively.

2. Designation of Recovery Zone.

(a) Pursuant to the guidelines for designating a recovery zone in ARRA, the Board hereby finds and determines that the entire corporate limits of the County are experiencing significant poverty, unemployment, and general distress. The data supporting this conclusion is collected and described on EXHIBIT A.

(b) The data supporting the criteria for designating a recovery zone are generally available on a County-wide basis, which supports the determination that the entire County is to be located in a recovery zone. There is little or no data in existence which separately analyzes information from disparate areas of the County, such as individual economic data on smaller cities within the County or unorganized territory within the County.

(c) The data on EXHIBIT A regarding the rate of home foreclosures show that the rate of home foreclosures in the County is less than the rates in Greater Minnesota and the Twin Cities Metro Area. However, ARRA only requires that municipalities determine that one of the

criteria for designating recovery zones (significant poverty, unemployment, rate of home foreclosures, or general distress) applies in order to designate a recovery zone. Additionally, as described in EXHIBIT A, it is reasonable to conclude that home foreclosures may rise in the County in the future.

(d) Internal Revenue Service Notice 2009-50, Section 5.06, provides that any State, county, or large municipality that receives a volume cap allocation for RZEDB's or RZFB's may make designations of recovery zones in any reasonable manner as it shall determine in good faith in its discretion. Therefore, after reviewing the relevant criteria and supporting information on EXHIBIT A, the Board hereby designates the entire corporate limits of the County as a recovery zone under ARRA.

(e) The corporate limits of the County are shown on the map, EXHIBIT B.

2009/09-12 Motion by Pavleck, seconded by Adee adopting the following resolution for authorizing the issuance, sale and delivery of its revenue bonds; approving the form of and authorizing the execution and delivery of the bonds and the related documents; and providing for the security, rights and remedies with respect to the Bonds. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

WHEREAS, Koochiching County, Minnesota (the "County"), is a public body corporate and political subdivision duly organized and existing under the Constitution and laws of the State of Minnesota; and

WHEREAS, pursuant to the Constitution and laws of the State of Minnesota, particularly Minnesota Statutes, Sections 469.152 through 469.165, as amended (the "Act"), the County is authorized to carry out the public purposes described therein and contemplated thereby by issuing its revenue bonds or other obligations to make a loan to finance or refinance real or personal property used or useful in connection with a revenue-producing enterprise, which includes the financing of the costs of the construction, renovation and equipping of an existing community center; and

WHEREAS, the County has received a request from Citizens for Backus/AB, Inc., a Minnesota nonprofit corporation (the "Borrower"), that the County issue its revenue obligations to finance the construction, renovation and equipping by the Borrower of the third floor of the Borrower's community center facility, located at 900 Fifth Street in the City of International Falls, Minnesota (the "Project"); and

WHEREAS, the Borrower has proposed that the County issue its: (i) Revenue Note (Citizens for Backus Project), Series 2009A (the "Series 2009A Note"); and (ii) Recovery Zone Facility Note (Citizens for Backus Project), Series 2009B (the "Series 2009B Note" and collectively with the Series 2009A Note, the "Notes") to assist with the financing of a portion of the Project; and

WHEREAS, the County has prepared an Application to the Minnesota Department of Employment and Economic Development ("DEED") for approval of the Project pursuant to the requirements of Section 469.154 of the Act; and

WHEREAS, pursuant to Section 469.153, Subdivision 3 of the Act, the County may exercise the powers allowed to it under the Act because the City of International Falls, Minnesota (the "City"), by its City Council, has consented to the issuance of the Notes on behalf of the Borrower, pursuant to Resolution No.33-09, adopted by the City Council of the City on August 17, 2009; and

WHEREAS, a notice (the "Public Notice") of public hearing (in which a general, functional description of the Project was provided, as well as the maximum aggregate face amount of the obligations to be issued with respect to the Project, the identity of the initial owner, operator, or manager of the Project, and the location of the Project by street address) was published in the Daily Journal, which is a newspaper circulating generally in the County at least fifteen (15) days before the regularly scheduled meeting of the Board of Commissioners of the County (the "Board") on September 1, 2009, and the Board has conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing, on the proposed issuance of the Notes and the location and nature of the Project; and

WHEREAS, the Borrower is negotiating with a financial institution (the "Lender") to purchase the Notes through a private placement; and

WHEREAS, the proceeds derived from the sale of the Notes are proposed to be loaned to the Borrower under the terms of a Loan Agreement, dated as of September 1, 2009 (the "Loan Agreement"), entered into by and between the County and the Borrower, and said proceeds are to be applied by the Borrower, together with other funds of the Borrower, to finance the Project; and

WHEREAS, the loan repayments required to be made by the Borrower under the terms of the Loan Agreement will be assigned from the County to the Lender (once the Lender is identified) under the terms of an Assignment of Loan Agreement, dated as of September 1, 2009 (the "Assignment"), between the County and the Lender;

WHEREAS, the obligations of the Borrower under the terms of the Loan Agreement will be secured by a Mortgage, Security Agreement, Fixture Financing Statement and Assignment of Leases and Rents, dated as of September 1, 2009 (the "Mortgage"), executed by the Borrower in favor of the Lender (once the Lender is identified); and

WHEREAS, the Notes and the interest on the Notes: (i) shall not constitute general or moral obligations of the County and shall be payable solely from the revenues pledged therefore; (ii) shall not constitute a debt of the County within the meaning of any constitutional or statutory limitation; (iii) shall not constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers; and (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the County other than the County's interest in the Project and the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KOOCHICHING COUNTY, MINNESOTA, AS FOLLOWS:

1. The County Administration Director is hereby authorized and directed to do all other things and take all other actions as may be necessary or appropriate to prepare and submit the application to DEED required by the terms of the Act and to take all other actions related thereto and required by any other applicable laws and regulations.

2. The Board acknowledges, finds, determines, and declares that the issuance of the Notes is authorized by the Act and is consistent with the purposes of the Act and that the issuance of the Notes and the other actions of the County under this Resolution, the Notes, the Loan Agreement, and the Assignment constitute a public purpose and are in the best interests of the County.

3. Pursuant to a resolution adopted by the Board on the date hereof, the Board designated the corporate limits of the County as a recovery zone (the "Recovery Zone") pursuant to the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) ("ARRA"). This designation authorizes the County to issue the Series 2009B Note as a Recovery Zone Facility Bond, the proceeds of which will be used to provide a portion of the financing of the Project.

4. It is determined by the Board that the proceeds of the Series 2009B Note will be used to finance certain qualifying uses of "recovery zone property." Pursuant to ARRA, the Project qualifies as "recovery zone property" because it is depreciable property that will be (i) renovated by the Borrower after the date on which the designation of the Recovery Zone took effect (September 1, 2009), (ii) the original use of which in the Recovery Zone will commence with the Borrower, and (iii) substantially all of the use of which will be in the designated Recovery Zone and will be in the active conduct of a "qualified business" by the Borrower in the Recovery Zone. The Borrower's use of the Project as the third floor of its community center facility is hereby determined to be a "qualified business" as defined under ARRA.

5. In order to apply all or a portion of the proceeds of the Series 2009B Note to reimburse the Borrower for a portion of the Project expenditures paid prior to the date of issuance of the Series 2009B Note, U.S. Treasury Regulations, Section 1.150-2 (the "Regulations"), require that the Board adopt a statement of official intent to reimburse such original expenditures not later than sixty (60) days after payment of the original expenditures. The Regulations also generally require that the Series 2009B Note be issued and the "reimbursement allocation" made from the proceeds of the Series 2009B Note occur within three years after the later of: (i) the date the expenditure is paid; or (ii) the date the Project is placed in service or abandoned. The estimated maximum principal amount of tax-exempt bonds expected to be issued to finance the Project and subject to this reimbursement official intent (i.e. the Series 2009B Note) is \$230,000. The Borrower is separately making a reimbursement official intent for the Series 2009A Note. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Notes, or other expenditures eligible for reimbursement under Section 1.150-2(d) (3) of the Regulations.

6. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Notes in one or more series in the maximum aggregate principal amount not to

exceed \$630,000. The Notes shall bear interest at a rate not to exceed 5.50 percent (5.50%) per annum (as adjusted in accordance with the terms of the Notes). The Notes shall be designated, numbered, dated, mature, subject to redemption prior to maturity, in such form, and shall have such other terms, details, and provisions as are set forth in the forms of the Notes now on file with the Board, with the amendments referenced herein. All of the provisions of the Notes, when executed as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Notes shall be substantially in the forms on file with the Board, which forms are hereby approved, with such necessary and appropriate variations, omissions and insertions (including changes to the aggregate principal amount of the Notes, the stated maturities of the Notes and the maturity dates, the interest rates on the Notes, and the terms of redemption of the Notes) as the Chair and the County Administration Director, in their discretion, shall determine. The execution of the Notes with the manual or facsimile signatures of the Chair and the County Administration Director and the delivery of the Notes by the County shall be conclusive evidence of such determination.

7. The Notes shall be special limited obligations of the County payable solely from the revenues provided by the Borrower pursuant to the Loan Agreement, and the property, revenues and assets mortgaged, pledged and assigned by the Borrower under the terms of the Mortgage.

8. The Chair and the County Administration Director are authorized and directed to execute and deliver the Loan Agreement and the Assignment on behalf of the County. All of the provisions of the Loan Agreement and the Assignment, when executed and delivered as authorized herein, shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Loan Agreement and the Assignment shall be substantially in the forms on file with the County which are approved, with such omissions and insertions as do not materially change the substance thereof, or as the Chair and the County Administration Director, in their discretion, shall determine, and the execution thereof by the Chair and the County Administration Director shall be conclusive evidence of such determination.

9. The Chair and the County Administration Director are authorized and directed to execute and deliver, on behalf of the County, such other documents as are necessary or appropriate in connection with the issuance, sale, and delivery of the Notes, including the Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, and all other documents and certificates as shall be necessary and appropriate in connection with the issuance, sale, and delivery of the Notes. The County hereby authorizes Kennedy & Graven, Chartered, as bond counsel, to prepare, execute, and deliver its approving legal opinions with respect to the Notes.

10. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the County or the Board by the provisions of this Resolution or of the aforementioned documents shall be exercised or performed by the County or by such members of the Board, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties. No

covenant, stipulation, obligation or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the Board, or any officer, agent or employee of the County in that person's individual capacity, and neither the Board nor any officer or employee executing the Notes shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issuance thereof. No provision, covenant or agreement contained in the aforementioned documents, the Notes or in any other document relating to the Notes, and no obligation therein or herein imposed upon the County or the breach thereof, shall constitute or give rise to any pecuniary liability of the County or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants and representations set forth in such documents, the County has not obligated itself to pay or remit any funds or revenues, other than funds and revenues derived from the Loan Agreement and the Assignment which are to be applied to the payment of the Notes, as provided therein.

11. Except as herein otherwise expressly provided, nothing in this Resolution nor in the aforementioned documents expressed or implied, is intended or shall be construed to confer upon any person or firm or corporation, other than the County or any owner of the Notes issued under the provisions of this Resolution, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provisions hereof, this Resolution, the aforementioned documents and all of their provisions being intended to be and being for the sole and exclusive benefit of the County and any owner from time to time of the Notes issued under the provisions of this Resolution.

12. In case any one or more of the provisions of this Resolution, or of the aforementioned documents, or of the Notes issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or of the aforementioned documents, or of the Notes, but this Resolution, the aforementioned documents, and the Notes shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.

13. The Notes, when executed and delivered, shall contain recitals that they are issued pursuant to the Act, and such recitals shall be conclusive evidence of the validity of the Notes and the regularity of the issuance thereof, and that all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this Resolution, to the issuance of the Notes, and to the execution of the aforementioned documents to happen, exist and be performed precedent to the execution of the aforementioned documents have happened, exist and have been performed as so required by law.

14. The officers of the County, bond counsel, other attorneys, engineers, and other agents or employees of the County are hereby authorized to do all acts and things required of them by or in connection with this Resolution, the aforementioned documents, and the Notes for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Notes, the aforementioned documents and this Resolution. In the event that for any reason the Chair is unable to carry out the execution of any of the documents or other acts provided herein, any other member of the Board shall be authorized to act in his capacity and undertake such execution or acts on behalf of the County with full force and effect, which execution or acts shall be valid and binding on the County. If for any reason the County Administration Director is unable to execute and deliver the documents referred to in this Resolution, such documents may be executed by any member of the Board or any officer of the

County delegated the duties of the County Administration Director, with the same force and effect as if such documents were executed and delivered by the County Administration Director.

15. The County will not designate the Notes as “qualified tax-exempt obligations” under Section 265(b) (3) of the Internal Revenue Code of 1986 (the “Code”), as amended by Section 1502 of the American Recovery and Reinvestment Tax Act of 2009, but it is expected that the Borrower will designate the Series 2009A Note as a “qualified tax-exempt obligation” pursuant to such amended provisions of the Code.

16. This Resolution shall be in full force and effect from and after its passage.

2009/09-13 Motion by Adee, seconded by McBride to adjourn the meeting at 2:00 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, September 8, 2009; 10:45 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Brian Youso, Terry Glowack, Terry Murray, LeAnn Meer, Jen Stevens, Doug Grindall, Bob Anderson, Aarden Barnes; Reporters Laurel Beager and Sheldon Slaubaugh

2009/09-14 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-15 Motion by Pavleck, seconded by Lepper to approve the minutes from the September 1, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-16 Motion by Lepper, seconded by Pavleck to approve payment of the Courthouse claims in the amount of \$30,822.94 and authorizing the Board Chair’s signature to the August Vendor Payment List verifying its review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-17 Motion by Pavleck, seconded by McBride approving a three-year service agreement with Hoffman, Dale and Swenson, PLLC. in the amount of \$34,000 per year for a financial audit of the County for years 2009, 2010 and 2011 as recommended by Administration; further, authorizing the County Board’s signature to said Agreement. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-18 Motion by Lepper, seconded by Pavleck to approve the 2010 tax levies for the following approved fire service taxing districts and to pay the respective 2010 service contract

amounts: Fire District 1 (Northome) levy of \$9,840, Fire District 2 (Littlefork) levy of \$66,483, Fire District 2 (Loman) levy of \$8,200, Fire District 3 (Birchdale) levy of \$9,900, Fire District 4 (Williams) levy of \$2,500, and Fire District 5 (Big Falls) levy of \$20,120. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-19 Motion by McBride, seconded by Adee to schedule a meeting with Highway Union representatives to hear a grievance regarding the starting pay step for the new Senior Engineering Technician. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Administration Director provided a recommendation for a 3% increase for the 2010 County Levy based on a projected 2010 County Budget with cuts in expenditure requests and anticipated revenues and reserve spending. The Board will consider the recommendation and act on the proposed 2010 County levy at the September 15th meeting.

2009/09-20 Motion by Lepper, seconded by Adee to schedule County Board committee meetings for September 29 and October 5th for reviewing the 2010 County Budget funding requests. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-21 Motion by Pavleck, seconded by McBride to approve expenditure of \$3,000 for the purchase and installation of a unit heater for the Armory Building to allow for heated storage for the Sheriff's equipment with funding in the amount of \$500 from the 2009 Sheriff's Non-contracted Budget and \$2,500 from the 2009 Budget Contingency; further that the annual heating expense will be funded and monitored from the Complex Budget. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-22 Motion by Lepper, seconded by McBride to approve a Grant Agreement with the State of Minnesota Commissioner of Natural Resources for ATV Patrolling with reimbursement of eligible expenditures up to \$21,518 for State Fiscal Year 2010 and \$21,518 for State Fiscal Year 2011 as recommended by the Sheriff and further, authorizing the Sheriff and County Board Chair to sign said Agreement. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-23 Motion by Pavleck, seconded by Lepper to approve the 2010-2011 Koochiching County Child Care Fund Plan as required by the State Department of Human Services and as recommended by the Community Services Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received a report from representatives involved in the establishment of the Servants of Shelter, which is a temporary shelter for the homeless in the County. As a one year pilot project, the shelter consists of ten beds that will rotate between four sites every 6.5 days (a seven day site requires licensing) and will provide shelter, food and companionship to those in need. The shelter is run strictly with volunteers with intake administrated by Community Services and Kootasca within set hours. Stays are limited from night to the next morning and 30 days. The shelter will open on November 2, 2009.

000 The Highway Engineer presented the Board a recommendation to accept a five-year easement from Boise which would turn their private road from TH 332 to TH 11 over to the County to utilize as a public road. Boise's reason for providing this easement to the County is to relieve traffic on the Burner Road. The County Engineer stated that this section of road would be designated as a County Road and would cost about \$3,000 to prepare it for usage and about \$4,400 annually to maintain it. This will give the public the opportunity to try the route which is proposed for future CSAH designation and construction. A Boise representative stated that this route was built to ten ton standards as it was used by the Company for hauling heavy loads and that the Company is proposing this short term solution as the long term plan as proposed by the County to reroute TH 332 and vacate the Burner Road is halted by litigation. It is anticipated that lake area residents and construction companies doing work in the lake area will use this route over the Burner Road. Board members though not against the proposal, felt with all the new developments a review with their legal counsel for the Hwy 332 Litigation was needed. The Board Chair based on the position of the Board deferred action on the Easement Proposal and instructed the Administration Director to talk with the County's Legal Counsel on setting up a closed session on the Highway 332 Litigation due to new developments.

000 The Board Chair called for public comment at 11:50 a.m. Aarden Barnes inquired on the two different legal descriptions attached to the Boise Easement proposal, which was explained by the Highway Engineer.

2009/09-24 Motion by Lepper, seconded by Adee to adjourn the meeting at 11:50 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, September 15, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Della Warren, Terry Murray, Dale Olson, Aarden Barnes, Matt Gouin, Mr. and Mrs. Ronald Nelson, Lynden Larson, Doug Grindall, Dave Larson, Marty Cody, Mike Malachi, Justin Berg, Phil Miller, Jay Squires via telephone; Reporter Laurel Beager

2009/09-25 Motion by McBride, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-26 Motion by Lepper, seconded by Adee to approve the minutes from the September 8, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-27 Motion by Lepper, seconded by McBride to approve payment of the Highway claims in the amount of \$62,774.80. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board received notice that a representative from the Office of the Legislative Auditor will be meeting in Brainerd on September 17 to hear from counties about the State's Payment In Lieu of Tax System to get a proper perspective from county government in their legislative mandate to study the system for the State Legislature. The Board Chair appointed Commissioner Pavleck to attend the meeting on behalf of the Board.

000 The Board reviewed the Administrative Director's recommendation for a 3% levy increase for 2010 after factoring in loss of revenue, reserve spending and proposed cuts to the line item requests in the 2010 County Budget. The Director stated that both the Environmental Services and Highway Funds are expended to the point they are no longer funding sources for county revenue for budget purposes. To achieve the 3% levy increase, the County will take the maximum allowance from the state levy limit and claim a portion of the 2008 and 2009 unallotment of County Program Aid as a special levy. Board members discussed and carefully considered an increase in taxes to the shift of state cost and impact of the economy on the taxpayer. However, even with County Budget planning continually seeking expenditure cuts, increased revenues, reserve spending and opportunities for organizational changes for long term financial stability, gaps remain requiring the decision of taxation or reduction of County services.

2009/09-28 Motion by Lepper, seconded by McBride approving the proposed 2010 County Budget's gross tax levy at \$3,787,261 (3% increase over last year of \$110,000). The 2010 proposed levy breakdown is as follows: General Revenue - \$1,618,909; Community Service - \$1,227,325; Public Health - \$100,000; Highway - \$691,027; Environmental Services - \$150,000. Voting yes: Hanson, McBride, Adee, Lepper; voting no: Pavleck. Motion carried.

000 The Koochiching County Drug Court Coordinator informed the Board that the Drug Court received two years of funding through an Office of Justice Grant in the amount of \$314,585 which will cover positions and expenses for the next two years. This is positive news as the Drug Court was faced with no funding to continue the program in the very near future. For the grant agreement, action from the County is needed to authorize the 9th Judicial District to act as fiscal agent for the funding. The Coordinator also provided an invitation to an educational session on the whys and needs of Drug and DWI Courts scheduled for October 23, 2009 in Bemidji.

2009/09-29 Motion by Pavleck, seconded by Lepper that the Koochiching County Board strongly supports the Koochiching County Drug/DWI Court System as a successful alternative to sentencing and further, authorizes the 9th Judicial District as fiscal agent for the Office of Justice Program Grant of \$314,585 awarded to the Koochiching County Drug/DWI Court. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-30 Motion by Lepper, seconded by McBride to approve attendance at the Drug/DWI Court educational session on October 23, 2009 in Bemidji as a County Board activity. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Community Service Director presented information to the County Board supporting the need for another financial worker based on current caseloads and the upcoming 81 single mental health clients that will lose their MnCare in 2010 (noting that their service needs will not go away because the State cut their insurance). The Director does recognize the position is being requested in his 2010 Budget using federal stimulus funding provided for human services and the level of cut being requested from his 2010 Budget because of the federal stimulus funding. However, even if the dollars for the position are not allotted, he needs to explore options for providing this position due to the immediate need in the financial unit. He requested authorization to start with posting the position to see options for internally filling the position.

2009/09-31 Motion by Lepper, seconded by Adee authorizing the Community Service Director to post a Financial Worker position under the Community Service/Health Bargaining Unit Contract with any further consideration for hire to go to the Personnel Committee for review and recommendation. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director informed the Board that as of today, the Applicant for Rezoning and a CUP for the Clementsen Quarry Operation has not resolved the issue of whether the property can be operated as a quarry due to its enrollment in the State Sustainable Forest Initiative Program. And in discussion with the Applicant, it is understood that the County Board is under a timeline for acting on this Application. After discussion with the Applicant on the matter, the Director recommends the Application is denied, allowing the application to be submitted again after a one year period.

2009/09-32 Motion by Adee, seconded by Lepper to deny the Planning Commission's recommendation for REZ0902 and CUP0902 to Bowman Construction for a proposed quarry operation on an 80 acre parcel of land described as the North Half of the SE ¼, Section 7, Township 160N, Range 29W being that the property is within the State Sustainable Forest Initiative Program requiring the applicant first resolve the matter of whether a quarry operation would be allowed on the property. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-33 Motion by Pavleck, seconded by McBride to approve a Joint Powers Agreement between Koochiching and St. Louis Counties for the Shared Voyageurs National Park Water Basin Sewer Project for the purpose of planning, grant writing, engineering, conservation and environmental studies and the development, management and construction of wastewater treatment for property within the Project Area and to authorize the appointment of two County Board members to the Joint Powers Board. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Board Chair appointed Commissioners Pavleck and McBride.)

000 The Environmental Service Director informed the Board that invitations have been sent to federal and state legislative representatives to tour the VNP Water Basin Sewer Project area on Rainy Lake in conjunction with the upcoming dedication of the new VNP Tour Boat Event. The

Director also reported that the telemetry problem in a portion of the Jackfish Sewer Project area appears to be fixed but the landscaping issues still need to be dealt with so a meeting will be scheduled with the contractor, engineer and himself to look at the list of landscaping issues for determination.

000 The Board Chair stated that he could not attend the next Northeast Housing Consortium Meeting which is a key organization for the housing funds provided to Kootasca and appointed Commissioner Lepper to take his place at the September 25 meeting in Virginia.

000 The Board Chair called for public comment at 11:15 a.m. Aarden Barnes, referencing the morning session with the City, inquired whether the Foreign Trade Zone as a whole will be moved or are they looking to establish a satellite FTZ area. Board members stated that the morning session with the City of International Falls was scheduled to see if there was common ground for a Mutual Road Agreement due to the various issues involving Highway 332 but there is no firm proposal to speak to at this time.

000 The Board Chair reconvened the Jacobson Cartway Petition public hearing at 1:40 p.m. The Board Chair and Administrative Director reviewed the procedures for acting on the Cartway Petition and the requirements that must be met before the County signs off on the Certificate of Compliance for allowing the construction of the Cartway. That after conducting the site visit on September 8th of which the County Board, viewers, property owners and the Petitioner's representative were present, the Viewers recommended the route to the County Board which has the least impact to wetlands, provides a route for surveying and provides sight-line visual to the County Road. In addition, this route only impacts the Nelson's property and is the route they would support. A Petitioner representative stated that the viewers had a previous route option that moved the line further north which was stated as avoiding the most wetlands. The Assessor stated that the proposed route is very close to this previous route option and that this whole area is wetland. The Viewers looked for a route that avoided as much standing water wetland areas. Legal representative for the Petitioner stated that they have no objections to the route being proposed but would ask that wetlands be avoided as much as possible. The Board stated that it would hire an appraisal for assessment of property damages and have the County Survey Department survey the route for a final route legal description. Mr. Nelson agreed to allow the Highway Department to cut the line for appraisal and surveying purposes as discussed by the Highway Engineer. The County Attorney stated that once the damages are known from the appraisal, the Board will need to reconvene to award the damages and apportion maintenance costs. In answer to the Board's question, property owners are free to conduct their own appraisals at their own cost and submit it to the Board to consider when determining the damage award. With no further comment, the Board Chair closed the hearing.

2009/09-34 Motion by Lepper, seconded by McBride that at a hearing on the Petition of Thomas Jacobson for the establishment of a cartway, the Board of Commissioners for Koochiching County finds:

That a Petition was properly presented to the County Board by Thomas Jacobson to establish a 33 foot wide cartway for ingress and egress, over and across those portions of Government Lots 8, 9, and 14, Section 25, Township 69 North, Range 27 West, Koochiching County, Minnesota.

That said tracts constitute at least 5 acres of land and the owner thereof has no access except over the lands of others to connect it with a public road.

That the most feasible cartway petitioned for would be constituted by a cartway consisting of a 33 foot wide cartway for ingress and egress, over and across those portions of Government Lots 8, 9, and 14, Section 25, Township 69 North, Range 27 West, Koochiching County, Minnesota, the centerline of said cartway is described as follows: Beginning at a point on County State Aid Highway No. 1 at Engineer Stationing 194+50; thence in an east-southeasterly direction to a point 50 feet, more or less, west of the top bank of ravine; thence southeasterly along said centerline, being 50 feet, more or less, southwesterly of the top bank of ravine, to the intersection with the east line of said Government Lot 14, and said centerline there terminating. The intention of this description is to give an approximate location of the proposed cartway. It is subject to change after a survey has been completed.

That said cartway should be a private in nature for maintenance purposes.

That as a precondition to the establishment of said cartway, the following is required of Petitioner:

- a. That a survey of said cartway by a registered land surveyor should be filed with Koochiching County and that Petitioner save Koochiching County harmless from any challenge to said survey by United States Bureau of Land Management.
- b. A certificate of title of persons having any interest in the land upon which said cartway is to be situated.
- c. A certification that construction of the proposed cartway will not violate the Wetland Conservation Act and does not require filling or draining of wetlands. In the alternative, petitioner shall provide for the lawful replacement of any wetlands involved.
- d. Petitioner shall submit road design to Koochiching County Engineer for determination of whether construction of the cartway would alter natural drainage for which the establishment of the cartway may cause Koochiching County to be liable.
- e. Petitioner has deposited with Koochiching County the sum of \$10,000 as required under County Board Motion 2009/09-06 to apply toward the cost of Koochiching County assessing damages to the owners of property over which said cartway will lie, for surveying of the cartway route and other professional or fee costs incurred by the County. In addition, the cash security deposit will cover the County costs in the event that an appeal of the damage award is made.
- f. Upon the filing of such award, Petitioner shall deposit with Koochiching County the sum of 125% of the damages so awarded.

BE IT FURTHER RESOLVED, that upon completion of the above conditions, compliance herewith shall be certified to Koochiching County by Petitioner following which Koochiching County shall grant the cartway. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-35 Motion by Pavleck, seconded by Lepper to close session at 2:10 p.m. at the direction of the County's Legal Counsel to discuss the impact of recent developments on the Highway 332 Litigation (International Falls v. Commissioner of Transportation and Koochiching County). Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Attending: Full Board, Highway Engineer, Administrative Director, County Attorney and MCIT Legal Counsel Jay Squires via Phone.)

2009/09-36 Motion by McBride, seconded by Adee to open session at 2:45 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair acknowledged the proposal from Boise for a five-year easement to turn their private road from TH 332 to TH 11 over to the County to operate as a public road as a workable option to lessen traffic on the Burner Road due to public safety concerns with Boise's industrial operations on this road. However in light of discussions between the City of International Falls and the County (and to involve Boise) to determine if a Mutual Road Issues Resolution can be found in which all parties can agree, the County would like a little more time to see where this goes before moving on this temporary proposal. The Board Chair stated that a call to Boise to explain the situation is needed and to assure them that the County is still working with them. The Highway Engineer will make the call.

2009/09-37 Motion by Adee, seconded by Lepper to adjourn the meeting at 2:50 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, September 22, 2009; 10:45 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Jaci Nagle, Pam Tomevi, Dale Olson, Terry Murray, Dennis Hummitzsch, Arden Barnes; Reporter Laurel Beager

2009/09-38 Motion by Pavleck, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-39 Motion by McBride, seconded by Lepper to approve the minutes from the September 15, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-40 Motion by Lepper, seconded by Adee to approve payment of the Courthouse claims in the amount of \$32,250.97; to approve payment of the Health claims in the amount of \$16,965.14; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair reminded the Board members of commitments for County Board presence at the Veteran Stand Down on September 23, the New Border Patrol Station Ground Breaking on October 6, the City of International Falls Ground Breaking of the VNP Headquarters and Voyageur Heritage Center and the Dedication Ceremony for the new VNP Boat for September 25 and 26 and this afternoon's presentation by the Governor at the Holiday Inn on his Employment Summit for employing veterans.

2009/09-41 Motion by McBride, seconded by Adee authorizing the Information Systems Manager to expend up to \$1,200 for MapLogic Layout Manager software for the creation of plat book style maps which has significant potential for map production to include County Plat Books. Further, to authorize a budget adjustment moving \$1,200 from 01-060-064.6276 to 01-060-064.6666 to cover the expenditure. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director informed the Board that on October 14, 2009 the State Bonding Bill Legislative Committee will be in Hibbing to hear bonding requests which County representatives should be present for the Shared VNP Water Basin/Island View Sewer Project. In addition, on this same day in Washington D.C. federal delegates will be gathered for National Park Day with Voyageurs National Park being represented which would also be a great opportunity to present the importance of the Shared VNP Water Basin/Island View Sewer Project to the National Park.

2009/09-42 Motion by McBride, seconded by Pavleck authorizing a Board member's out of state travel to attend the National Park Conference in Washington D.C. on October 14, 2009 to present the County's Island View Sewer Project and RECAP Project to the federal delegation for support. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Board Chair will appoint the board member to attend.)

000 The Environmental Service Director informed the Board that an approved building permit and sewer permit was issued for construction of a hunting cabin on O-1 zoned property but it was found after the fact, that the permit holder built a permanent residential structure which is not allowed in O-1 zoning and that the property is in the State SFIA Program which doesn't allow development. The permit holder requested rezoning from O-1 to AF-1 to allow for the residential structure and the approval for rezoning is recommended by the Planning Commission. The issue of the property being in the SFIA Program was not viewed by the Planning Commission as being an issue for County zoning. The Director stated that the Board's action on

the Planning Commission recommendation has to be made by October 2nd to stay within the 60 day rule. The Board agreed to defer this item until later in the meeting to have the Director contact the applicant for a time extension in lieu of having to deny the recommendation as the Board will not formally meet until after October 2nd.

2009/09-43 Motion by Adee, seconded by McBride to approve the 2010-11 County MFIP/CSSA Biennial Service Agreement as recommended by the Community Service Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/09-44 Motion by Adee, seconded by McBride to approve amendments to the REM North Star SILS and REM North Star SLS Service Agreements for required state rate reductions as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-45 Motion by Lepper, seconded by Pavleck that to allow the Community Service Director to explore options for internally filling an added financial worker position, to authorize continued posting of open positions as a result of the financial worker posting under the Community Service/Health Bargaining Unit Contract with any consideration for hire to go to the Personnel Committee for review and recommendation. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-46 Motion by Lepper, seconded by Pavleck to approve the following burial case payments: #248519 in the amount of \$345.00 and #101619 in the amount of \$1,344.50. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-47 Motion by Lepper, seconded by Adee accepting the following foster and day care licensing recommendations: relicense Connie McBride for group family day care for ten children; license Deb and Bruce LaVigne for child foster care for one child. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-48 Motion by Pavleck, seconded by McBride accepting the recommendation of the Land Commissioner to approve a Tax Forfeited Land Repurchase by Richard Koeneman for a total payment of \$5,712.19 plus fees for property described as Parcel #s 92-127-04170, #92-149-00000, #21-001-23100. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-49 Motion by Lepper, seconded by Adee to approve the 2009 Tax Forfeited Land Sale List as presented by the Land Commissioner excluding the three parcels approved for repurchase under Board Motion 2009/09-48 and further, to adopt the following resolution for the 2009 public auction of tax forfeited lands:

WHEREAS, certain parcels of land in Koochiching County have forfeited to the State for non-payment of taxes and it appears desirable that pursuant to the Provisions of Minnesota Statutes, Chapter 282., said lands be classified and that certain of said lands be offered for sale, and

WHEREAS, said County Board, for the purpose of sale has examined said property and determined to classify lands hereinafter referred to as non-conservation lands, and all prior land remaining unsold on prior land sale lists, are hereby withdrawn from sale for reappraisal.

NOW, THEREFORE, BE IT RESOLVED by the County Board of Koochiching County that lands described in a list approved by members of the said County Board and filed with the County Auditor, are hereby classified as non-conservation and offered for sale subject to the Provisions of Section 282.01, Minnesota Statutes of 1982, and further certify that all parcels on the list comply with the provisions of M.S. 40.46, 85.012, 92.461, 103F.535, 282.018 and other statutes that withhold tax forfeit lands from sale or require conservation easements.

THEREFORE, BE IT RESOLVED that the Koochiching County Board of Commissioners hereby certifies that all parcels of land have been viewed and comply with the provisions of M.S. 282.018 and the 1991 Laws of Minnesota Ch. 354, Art. 10, Section 9, amending M.S. Sec. 282.018, Subd. 2 (1990). The County Board of Commissioners hereby certifies that the County Land Commissioner has reviewed the filed land sale list and identified any and all non-forested marginal land and wetland.

BE IT FURTHER RESOLVED that the said parcels of land are hereby appraised at the value set opposite each parcel and filed with the County Auditor.

BE IT FURTHER RESOLVED that if the land is sold on terms that the terms of sale shall be as follows, to-wit: That all sales amounting to \$500.00 or less shall be paid in cash at the time of purchase; that on all sales amounting to more than \$500.00, the purchaser shall pay twenty percent (20%) of the purchase price of the land and building value at the time of purchase, with the remaining balance due within thirty (30) days of the sale. Full payment will be required before any timber can be removed.

BE IT FURTHER RESOLVED that any buildings or improvements now on any tract purchased or which hereafter be erected, placed or made thereon, shall be and remain the property of the State of Minnesota until the purchaser has paid for the property in full.

BE IT FURTHER RESOLVED that said purchaser shall not be delinquent in any Koochiching County Auditor's Certificate of Purchase of Tax Forfeited Lands under Minnesota Statutes, Section 282.01.

BE IT FURTHER RESOLVED that the responsibility for determining boundary lines of parcels purchased rest with the purchaser.

BE IT FURTHER RESOLVED that all sales are subject to the various county and municipal zoning ordinances; any existing easements or right of way; and any deed restrictions so imposed and noted at the time of sale.

BE IT FURTHER RESOLVED that all provisions relative to sales on deferred payments as provided by State Law shall also apply.

BE IT FURTHER RESOLVED that bid raises shall be made on a percentage basis of the appraised value of the land, timber and buildings, with no increased bids being accepted of less than increments of five percent (5%) of the appraised value. Bid raises do not apply to any special assessments that may be listed.

BE IT FURTHER RESOLVED that certain parcels of tax forfeited land located within the list forfeited with unpaid special assessments for improvements. These special assessments were cancelled at the time of forfeiture. Upon the sale of this land, an assessment schedule may be established for payment of a portion or all of the unpaid special assessments.

BE IT FURTHER RESOLVED that notice of sale of such lands be given by publication in the official newspaper of the County as provided by law, and that the County Auditor of Koochiching County offer such parcels for sale in the order in which they appear in such notice of sale and that such sales be to the highest bidder for not less than the appraised value and shall continue until all such parcels are sold or the County Board orders a reappraisal. A sale date and time will be determined at a later time and included in said publication.

BE IT FURTHER RESOLVED that three percent (3%) of the total sale price will be cash at the time of the sale for the Minnesota Tax-forfeited Real Estate Account. Pursuant to Minnesota Laws of 1969, Chapter 373, Subdivision 6, and acts amendatory thereto.

BE IT FURTHER RESOLVED, Minnesota Statutes 282.014, Section 3 imposes a \$25.00 fee upon purchasers of tax forfeited land for issuance of a State Deed.

BE IT FURTHER RESOLVED, as required by Minnesota Statutes 282.01, Subdivision 6, all State Tax Deeds must be recorded with the County Recorder prior to issuing the Deed to the purchaser, therefore a recording fee of \$46.00 for each State Deed issued must be paid to the Koochiching County Recorder by the purchaser when tax forfeited land is paid for in full.

BE IT FURTHER RESOLVED, as required by Minnesota Statutes 287.22, all State Tax Deeds are subject to State Deed Tax which must be paid by the purchaser.

BE IT FURTHER RESOLVED, that except in the case of deeds issued for platted property and deeds issued to correct errors in either legal description or grantees, the deeds issued for these parcels will contain a restrictive covenant which will prohibit enrollment of the land in a State Funded program providing compensation of marginal land or wetlands.

BE IT FURTHER RESOLVED that any of the said lands or lots is subject to withdrawal from sale by the County Board or County Auditor when it appears to be the public's interest to do so, and the County Auditor reserves the right to reject any or all bids. Action is pending on approval of County municipalities as authorized by Statute. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director informed the Board that the applicant for the Rezoning Application from O-1 to AF-1 was contacted and is coming in today to sign a 60 day time extension on his rezoning application acted on by the Planning Commission.

2009/09-50 Motion by Lepper, seconded by Adee to table for legal review the recommendation from the Planning Commission to approve a Rezoning Application REZ0903 for Joe Meyer for property as described as NE ¼ of the SE ¼, Section 15-66N-25W upon receipt of a signed time extension agreement by the end of the business day or the recommendation to approve the Rezoning Application is denied. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:35 a.m. Aarden Barnes inquired on a couple issues with the Board.

000 The Health Director updated the Board on the Department's Emergency Preparedness and HINI Influenza Planning and provided the Department's 2nd Quarter Financial and Statistical Report.

2009/09-51 Motion by Lepper, seconded by Pavleck to acknowledge receipt of the Professional Advisory Committee minutes from their meeting of August 25, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-52 Motion by McBride, seconded by Adee to renew the Service Agreement with Women's Health Center for Family planning services as recommended by the Health Director and upon approval by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/09-53 Motion by Adee, seconded by Lepper to adjourn the meeting at 1150 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, October 6, 2009; 10:15 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Murray, Dale Olson, Doug Grindall; Reporter Laurel Beager

2009/10-01 Motion by McBride, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-02 Motion by Adee, seconded by McBride to approve the minutes from the September 22, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-03 Motion by Pavleck, seconded by Adee to approve the employment separation of County Investigator Susan Schnick effective October 10, 2009. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-04 Motion by Lepper, seconded by Adee to approve payment of the monthly County Board expense claims in the amount of \$12,502.80. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-05 Motion by Lepper, seconded by McBride to set a public hearing for Tuesday, October 20, 2009 at 1:30 p.m. to receive public comment on the County Board's intent to adopt an Ordinance for management of All Terrain Vehicles on roads under the County's Jurisdiction as authorized under Minnesota Statute 84.928, subd. 6 (c) (2). Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-06 Motion by Adee, seconded by Lepper authorizing the hire of Tracy Podpeskar to a Financial Worker position with the start date to be determined as recommended by the Community Service Director for a period no longer than December 31, 2010 as assistant in the Financial Unit is needed based on current caseloads and with any further consideration of the position after the sunset date to be determined by the Community Service Director in assessment of the Financial Unit during this time period and the County Board in the 2011 County Budget setting process. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-07 Motion by Lepper, seconded by McBride authorizing the Community Service Director to fill a Child Support Enforcement Aide position due to the hire of a Financial Worker with the hiring period for no longer than December 31, 2010 with any further consideration of the position after the sunset date to be determined by the Financial Worker position decision in Board Motion 2009/10-06. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-08 Motion by Adee, seconded by Lepper certifying special assessments on commercial properties for their delinquent 2008 solid waste service fee plus a ten percent penalty to the Auditor/Treasurer for collection on the 2010 tax statements. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-09 Motion by Lepper, seconded by Adee accepting the recommendation of the Planning Commission approving Rezoning Application REZ0903 changing zoning from O-1 to AF-1 for Joe Meyer for property described as the NE ¼ of the SE ¼, Section 15, Township 66, Range 25. Voting yes: Hanson, Adee, Lepper, Pavleck; voting no: McBride. Motion carried.

2009/10-10 Motion by Pavleck, seconded by Lepper authorizing the Environmental Service Director to establish a final plan and cost for fixes to properties as submitted by property owners as a result of the Jackfish Sewer installation within the scope of the project contract and funding

and with a recommendation to come back to the Board. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-11 Motion by McBride, seconded by Pavleck to certify the final contract value with Wagner Construction for SAP#36-624-17 in the amount of \$254,241.19 and SAP#36-708-01 (Airport Project) in the amount of \$337,177.23 as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-12 Motion by Pavleck, seconded by Adee to certify the final contract value with Redstone Construction Company for SAP#36-601-08 in the amount of \$3,146,453.29 (Lindford Bridge Project) as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-13 Motion by Pavleck, seconded by Adee to certify the final contract value with Wagner Construction for SAP#36-643-06 in the amount of \$312,455.77 (Street in Littlefork) as recommended by the Highway Engineer. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-14 Motion by Adee, seconded by Pavleck authorizing the Highway Engineer to obtain the services of an auctioneer for the annual sale of County surplus equipment/material. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-15 Motion by Lepper, seconded by Pavleck to add to the agenda review of the letter from the MnDot District Engineer regarding the TH 332 Turnback proposal for Koochiching County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-16 Motion by Lepper, seconded by McBride that in review of the letter from the MnDot District Engineer stating that the TH 332 Turnback Proposal to Koochiching County is set and ready for introduction to the State Legislature, the Board Chair was directed to send a letter to the City of International Falls requesting their decision at their October 19th meeting to support the TH332 Turnback to Koochiching County so that payment is allowed to the County of \$3.5 million and the route can be re-designated as a County-State Aid Highway (CSAH) in which maintenance and reconstruction costs will be managed under the County's current CSAH System and funding. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

2009/10-17 Motion by McBride, seconded by Adee that following the call for public comment at 11:12 a.m., to adjourn the meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, October 13, 2009; 10:25 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Glowack, Ed Oerichbauer, Jaci Nagle, Dennis Hummitzsch, Doug Grindall, Aarden Barnes, Mike Malachi, Matt Gouin, Mr. and Mrs. Ronald Nelson; Reporter Laurel Beager

2009/10-18 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-19 Motion by McBride, seconded by Pavleck to approve the minutes from the October 6, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-20 Motion by Lepper, seconded by Adee authorizing the Board Chair's signature to the September Vendor Payment Listing verifying its review; to approve payment of the Courthouse claims in the amount of \$77,937.49; to approve payment of the Highway claims in the amount of \$49,390.46. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

0000 The Board agreed to have the Board Chair work with the City Clerk to find a Tuesday date for the County Board to meet in Littlefork at the request of the Littlefork City Council.

2009/10-21 Motion by Lepper, seconded by Adee to approve a one-day On Sale 3.2% Malt Liquor License for Anton Imhof, for the Cingmars Farmers Club, for the annual Deer Hunters Dance on November 7, 2009 as recommended by the County License Committee. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board reviewed a proposal to restore the Williams Town Hall, which is a 1904 school building and the only remaining in-tact historic school building in Koochiching County. The facility sits on county land and was previously used as a voting precinct. The foundation of the building requires repair to utilize the facility as a community center and historic visiting site. The cost is estimated at \$30,000 but until work is actually started and the building is lifted, the full scope of the foundation condition and repair is not known. The Con Con Advisory Committee was split on whether to invest in the facility so asked the County Board to weigh in on the decision. The cost for the renovation would be covered by funds in the County Development Fund. Board members stated that since the dollars reserved in the County Development Fund are restricted to expenditure in the Con Con area where this facility is located and the funds are available, the historic building restoration should be supported.

2009/10-22 Motion by McBride, seconded by Lepper to approve expenditure up to \$30,000 from the County Development Fund (to be incorporated into the 2010 County Development Budget) for restoration of the Williams Town Hall as a County Historic Site and to approve the quote for the restoration work from Up North Builders at a cost not to exceed \$30,000 with the intent that if more restoration work is needed than what is submitted in the quote, the project needs to come back to the Board for further review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-23 Motion by Pavleck, seconded by Lepper to approve out of county travel for the GIS Specialist to attend ESRI training in Brookfield, WI from December 8 through 12, 2009 for browser based GIS applications as recommended by the I.S. Manager and as provided for in the 2009 IS Training Budget. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-24 Motion by Lepper, seconded by McBride to approve expenditure up to \$15,300 for the purchase and installation of a new mail server as planned for in the 2009 I.S. Budget and as recommended by the I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-25 Motion by Lepper, seconded by McBride to set the 2010 timber auction dates as recommended by the Land Commissioner: January 20, May 5, August 4 and November 17. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-26 Motion by Lepper, seconded by Adee to accept the recommendation of the Highway Engineer and Land Commissioner to designate the Finn Forestry Road as an Unorganized Township Road from TH 217 to approximately 2,663 feet north. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer provided the Board two options for repair of the Bike Trail between International Falls and Ranier, which was constructed in 1970 with federal funds and since had two overlays with County funds. The first option is to do another overlay at the cost of \$158,000 in county funds. The second option is to widen the trail for safety purposes through an application for 2014 Transportation Enhancement Funds, estimated at \$330,000 with a 20% local match requirement.

2009/10-27 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Highway Engineer to apply for 2014 Transportation Enhancement Funds to repair and widen the Bike Trail between International Falls and Ranier understanding there is a twenty percent local match requirement if the funding is approved. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway Engineer again presented the proposal from Boise for a 5 year easement to the County turning over their road between TH 332 and TH 11 as a public road to relieve traffic on the Burner Road. Board members discussed whether a draft easement has been prepared and reviewed by legal counsel for the County and if Board action on the proposal shouldn't be deferred one week so that it doesn't convolute the request to the City of International Falls from the County to approve the Hwy 332 \$3.5 million Turnback and CSAH designation proposal.

2009/10-28 Motion by Pavleck, seconded by Adee to table action on the Boise 5 Year Road Easement proposal until the October 20th County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:20 a.m. Aarden Barnes again inquired on a by-pass road for Ranier due to the length of time CN trains block traffic in the city. With no other comment, the Board recessed for lunch.

000 The Board Chair opened a public hearing at 1:35 p.m. for the purpose of hearing public comment on the County Board's intent to reconsider the legal description for the beginning point of the Jacobson Cartway Route as determined in County Board Resolution 2009/09-34 due to the legal description not describing the County's understanding and intent of the Cartway's beginning. Mr. Nelson and the Viewers acknowledged that the beginning point as revised is agreed upon and describes the intended beginning point of the County Board at the site visit. Mr. Nelson inquired as to the level of County oversight and responsibility for the construction and maintenance of the Cartway. With no other comment, the Board closed the hearing at 1:50 p.m.

2009/10-29 Motion by Adee, seconded by Lepper that at a second hearing on the Petition of Thomas Jacobson for the establishment of a cartway, the Board of Commissioners for Koochiching County hereby revise Board Resolution 2009/09-34 for a revised legal description for the beginning point of the Cartway:

That a Petition was properly presented to the County Board by Thomas Jacobson to establish a 33 foot wide cartway for ingress and egress, over and across those portions of Government Lots 8, 9, and 14, Section 25, Township 69 North, Range 27 West, Koochiching County, Minnesota.

That said tracts constitute at least 5 acres of land and the owner thereof has no access except over the lands of others to connect it with a public road.

That the most feasible cartway petitioned for would be constituted by a cartway consisting of a 33 foot wide cartway for ingress and egress, over and across those portions of Government Lots 8, 9, and 14, Section 25, Township 69 North, Range 27 West, Koochiching County, Minnesota, the centerline of said cartway is described as follows: Beginning at a point on County State Aid Highway No. 1 at Engineer P.T. Stationing 198+14.87; thence in an east-southeasterly direction to the intersection with the east line of said Government Lot 14, and said centerline there terminating. Said approximate centerline is defined by a blue/white and pink flagged line. The intention of this description is to give an approximate location of the proposed cartway. It is subject to change after a survey has been completed.

That said cartway should be a private in nature for maintenance purposes.

That as a precondition to the establishment of said cartway, the following is required of Petitioner:

- g. That a survey of said cartway by a registered land surveyor should be filed with Koochiching County and that Petitioner save Koochiching County harmless from any challenge to said survey by United States Bureau of Land Management.
- h. A certificate of title of persons having any interest in the land upon which said cartway is to be situated.

- i. A certification that construction of the proposed cartway will not violate the Wetland Conservation Act and does not require filling or draining of wetlands. In the alternative, petitioner shall provide for the lawful replacement of any wetlands involved.
- j. Petitioner shall submit road design to Koochiching County Engineer for determination of whether construction of the cartway would alter natural drainage for which the establishment of the cartway may cause Koochiching County to be liable.
- k. Petitioner has deposited with Koochiching County the sum of \$10,000 as required under County Board Motion 2009/09-06 to apply toward the cost of Koochiching County assessing damages to the owners of property over which said cartway will lie, for surveying of the cartway route and other professional or fee costs incurred by the County. In addition, the cash security deposit will cover the County costs in the event that an appeal of the damage award is made.
- l. Upon the filing of such award, Petitioner shall deposit with Koochiching County the sum of 125% of the damages so awarded.

BE IT FURTHER RESOLVED, that upon completion of the above conditions, compliance herewith shall be certified to Koochiching County by Petitioner following which Koochiching County shall grant the cartway. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-30 Motion by Adee, seconded by McBride to adjourn the meeting at 1:50 p.m. Voting yes: Hanson, McBride, Adee, Lepper; absent for vote: Pavleck. Motion carried

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, October 20, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Terry Glowack, Terry Murray, Dale Olson, Doug Grindall, Rod Otterness, Tim McBride, Einar Sundin, Aarden Barnes, Rosy Klements, Carol Mortenson, Betsy Jensen, Chuck Coombe, Mike Musich, Darren Kittleson; Reporters Laurel Beager and Sheldon Slaubaugh

2009/10-31 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-32 Motion by Lepper, seconded by Pavleck to approve the minutes from the October 13, 2009 Regular County Board meeting with correction. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-33 Motion by Lepper, seconded by McBride accepting the recommendation of the County Assessor to grant abatement to David and Jessica Herges for Parcel #92-003-00195 for valuation reduction due to a building value error. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-34 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Administrative Assistant to establish a threshold of \$1,000 to maintain and track the County's Asset Inventory effective immediately and to establish the County's Chart of Account's Capital Outlay Categories as: Office Furniture, Fixtures and Equipment; Equipment; Computer Equipment; Computer Software; Vehicles Purchased; Vehicles Leased; Site Ground Acquisition; Site Ground Improvements. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-35 Motion by Lepper, seconded by McBride accepting the Complex Superintendent's annual County Building Inspection Report noting building conditions are satisfactory with exception of the old Mizpah Highway Garage. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-36 Motion by Adee, seconded by McBride accepting the recommendation of the Community Service Director to amend the LSS SLS Contract for the required State rate reduction. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-37 Motion by Lepper, seconded by Adee accepting the recommendation of the Community Service Director to approve a contract with United Behavioral Health, Inc. for mental health services upon the County Attorney's approval. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-38 Motion by Adee, seconded by McBride to approve the FY 2010/2011 Adult Mental Health Grant Application as recommended by the Community Service Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-39 Motion by Lepper, seconded by Adee accepting the recommendation of the Environmental Service Director to adopt a County Subdivision Policy for the purpose of establishing a multi-county department review of subdivision applications to ensure that the property division meets the County's taxation, addressing, access and zoning conditions with the policy to sunset in one year to allow a review of the policy as it relates to any revision of the County Zoning Ordinance or other implications that may arise as a result of the policy. Further, that said Policy is reviewed by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-40 Motion by Pavleck, seconded by McBride accepting the recommendation of the Environmental Service Director for the final Jackfish Bay Construction Closure Plan to close out the construction portion of the project with expenses covered by the Project funding. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-41 Motion by McBride, seconded by Pavleck that in review of the County's options for response to the Remand Order by BWSR for the Hasbargen's Haven Wetland Bank Application and Determination, to delay a decision of the County Board until the November 24th County Board meeting to allow the applicant time to present facts to support an appeal for a higher percentage of wetland credits. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board reviewed a request by the Gateway Project Committee's consultant to approve a pre-application to the NE MN Area Transportation Partnership for \$500,000 of federal funding for the International Falls Area Gateway Corridor Improvement Project requiring a local match and local cost for preliminary engineering. The request includes a needed response from the City and County as to what of the two options provided is preferred for meeting the local match. The first option is a cash match and the second option is to package the Gateway Project with the City of International Falls's Voyageur Heritage Center leveraging the bonding dollars for the Gateway's local match. Board members stated that Highway Enhancement Projects including the County's application for repair of the bike trail from International Falls and Ranier will be hard to support due to having to find county dollars for the local match. However, the approval of the \$3.5 million Hwy 332 Turnback proposal would allow the county to provide the matches for these enhancement projects. The Highway Engineer stated that he is named as the project manager in the pre-application which he felt should be a City official for this application. A City representative stated that the City is supportive of the named project manager but would want City approval of the plans. When asked, the City representative stated the City approved the pre-application but the City did not specifically state the option for the local match.

2009/10-42 Motion by Pavleck, seconded by Adee to approve the pre-application to the NE MN Area Transportation Partnership for \$500,000 of federal funding for the International Falls Area Gateway Corridor Improvement Project with the local match for this application to be achieved by leveraging the state bonding for the City of International Falls's Heritage Center Project due to the uncertainty at the County level to provide the funding for a cash match and further, to approve the Highway Engineer as Project Manager for pre-application purposes. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-43 Motion by Pavleck, seconded by Lepper authorizing the Highway Engineer to move forward on establishing an easement agreement with Boise in which their private road between TH 332 and TH 11 will be turned over to the County for a five year period to allow usage as a public road under the County's authority to reduce the traffic on the Burner Road and with said easement to be approved by the County Attorney and brought back to the Board for final authorization. Voting yes: Hanson, Adee, Lepper, Pavleck; voting no: McBride. Motion carried.

000 The Board Chair called for public comment at 11:50 a.m. Einar Sundin inquired as to the County Board's public comment policy. Aarden Barnes commented on the Ranier By-Pass and the City's proposal for ALS Ambulance Service. Board recessed for lunch.

000 The Board Chair opened a public hearing at 1:35 p.m. to review the draft County Ordinance for management of All Terrain Vehicles on roads under the County's jurisdiction and to receive public comment on the proposed ordinance. The Board Chair recognized the written comment received which was from the Cities of Northome, Big Falls and International Falls and from the Ridgerunners Snowmobile/ATV Club in support of the proposed ordinance. The Board Chair opened the hearing for public comment. Two business owners stated their strong support for the Ordinance as it will enhance business and it was stated that many other businesses are in support of the Ordinance but could not be present for the hearing. A property owner stated their support of the Ordinance as currently they have to trailer their ATVs for about one half mile to get to a trail. This will now allow them to leave on ATVs right from their house to access the trail. The Chamber Director stated strong support and appreciation from the business community to allow ATV travel to access businesses. The City of Intl Falls Police Chief stated the City is in support of the Ordinance and is working on their own plan to allow routes in the City limits. DNR Officer stated that he supports the intent of the Ordinance but is concerned about safety. He supports the clear direction in the Ordinance to include the recommended speed limit and where the ATV must travel on the road right of way. The Board Chair stated in response to the question, that the Ordinance opens all county and CSAH roads under the County's jurisdiction and was decided after considerable discussion on the matter. However, the Ordinance is to sunset in one year to force a review for any reconsideration. Business owners stated that they would help get the information out to the ATV riders to make sure they know the laws. The Administration Director stated that State law governs all aspects of ATV/OHV and that the County Ordinance is limited to allowing travel on County roads and CSAH roads and setting the specific rules for this purpose only. The State DNR ATV/OHV Handbook along with a summary of the Koochiching County Ordinance as to where an ATV can travel on County and CSAH roads and at what speed should provide users the information they need to travel legally. With no other comment, the Board Chair stated that it is the intent of the County Board to act on the proposed County Ordinance for management of All Terrain Vehicles on roads under the County's jurisdiction at the October 27th County Board meeting.

2009/10-44 Motion by McBride, seconded by Adee to adjourn the meeting at 1:50 p.m.
Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, October 27, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Einar Sundin, Terry Murray, Terry Glowack, Ed Oerichbauer, Susan Congrave, Dennis Hummitzsch, Aarden Barnes, Doug Grindall, Justin Berg, Skip Shamp; Reporter Laurel Beager

2009/10-45 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-46 Motion by Lepper, seconded by McBride to approve the minutes from the October 20, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-47 Motion by Lepper, seconded by Adee to approve payment of the Courthouse claims in the amount of \$81,584.22; to approve payment of the Health claims in the amount of \$29,025.89; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented; to approve the following Burial Case payments: #490404 in the amount of \$1,117.50, #226184 in the amount of \$2,467.50, #198232 in the amount of \$2,117.50, #76561 in the amount of \$1,567.50. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-48 Motion Pavleck, seconded by Lepper adopting the following resolution in support of the 2009 Grant Application for the Northome Ridge Runners Snowmobile Club's Bridge Replacement Trail Capital Improvement Project as recommended by the Auditor-Treasurer:

WHEREAS, Koochiching County supports the 2009 grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Grant to replace an existing temporary Trail Bridge over Plum Creek for safety purposes;

WHEREAS, Koochiching County recognizes the fifty (50) percent match requirement for the Federal Recreational Grant of \$17,348, which is secured from the State Trail Grant in Aid Program in the amount of \$20,000;

WHEREAS, said Bridge Project Application has been reviewed for the County by County land, engineering and legal staff with recommendation to proceed;

WHEREAS, an executed Club/County Trail Agreement with Northome Ridge Runners Snowmobile Club is on file with the County.

NOW, THEREFORE, BE IT RESOLVED that Koochiching County agrees to accept the grant award and may enter into an agreement with the State of Minnesota for the above reference Trail Bridge Project and that Koochiching County will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement.

BE IT FURTHER RESOLVED that the Koochiching County Board of Commissioners names the fiscal agent for Koochiching County for the project as Robert F. Peterson, Koochiching County Auditor-Treasurer, 715 Fourth Street, International Falls, MN 56649.

BE IT FURTHER RESOLVED that Koochiching County hereby assures said Trail Bridge over Plum Creek will be maintained for a period of no less than 20 years. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-49 Motion by Pavleck, seconded by Lepper to approve a Garage Storage Lease Agreement with the City of International Falls for the period of November 1, 2009 through December 31, 2010 for storage of the City's Emergency Mobile Command Center at the County Armory Facility at a monthly rental rate of \$350.00 as recommended by the Sheriff and reviewed by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-50 Motion by Adee, seconded by Pavleck adopting the following resolution in support of the Arrowhead Regional Development Commission's Revolving Loan Fund Capitalization:

Whereas, ARDC submitted an Economic Adjustment Grant Application to the Federal Economic Development Administration requesting a \$3 million grant to support the business recovery financing needs of the region's businesses;

Whereas, this competitive grant is tied to the American Recovery and Reinvestment Act of 2009 and is based on regional economic distress evident by the major layoffs and closures experienced in the past 12 months in the Arrowhead Region;

Whereas, the difficult financial times in Northeast Minnesota is most evident and an opportunity exists to capitalize the region's business financing loan program to meet extraordinary and immediate business recovery needs as well as sustain and revolve regional business for years to come.

Whereas, a \$600,000 local match is required for the grant and ARDC with its member counties, will support the match requirement.

Now therefore be it resolved, that Koochiching County represented by the Arrowhead Regional Development Commission hereby supports the \$3 million Federal Economic Adjustment Grant to capitalize ARDC Business Financing Loan Program for the regions' business economic recovery and sustainability and provides a \$2,000 contribution towards the local match. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-51 Motion by McBride, seconded by Lepper that the Koochiching County Board ordains the Koochiching County Ordinance for the management of All Terrain Vehicles in the public right of way on roads within the County's jurisdiction under Minnesota Statutes 84.928, subd. 6 (c) (2) which authorizes counties to enact an ordinance providing for the operation of All Terrain Vehicles on the extreme right hand side of a road right of way at a speed not greater than 20 milers per hour and shall not operate all terrain vehicles or other motorized vehicle on the bike trail between International Falls and Ranier or any other trail where motorized vehicles are prohibited. That County road under this Ordinance means all County State-Aid Highways, County Roads and Unorganized Township Roads outside of an incorporated municipality located in Koochiching County. Except as otherwise provided in this Ordinance, operation of All Terrain Vehicles shall be in compliance with Minnesota Statutes 84.92 – 84.928, as well as any

other federal, state or local rule or regulation as it applies to sections in this Ordinance. Any person who violates any of the provisions of this ordinance, or who fails or refuses to comply with the provisions of this ordinance shall be guilty of a misdemeanor. A complete copy of the Ordinance is available for inspection by any person during regular office hours at the Office of the County Auditor- Treasurer located in the Koochiching County Courthouse, 715 4th Street, International Falls, MN. This Ordinance is effective from November 1, 2009 through November 1, 2010 unless terminated by further resolution of the Koochiching County Board at an earlier date. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-52 Motion by Lepper, seconded by McBride that Koochiching County strongly supports Alternative #10 as the preferred location for the new Border Customs Port of Entry Facility and requests GSA to enter Koochiching County's position in the Draft Environment Impact Study for the new Border Customs Port of Entry Facility. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-53 Motion by Lepper, seconded by Adee accepting the recommendation for the following Foster Care Licensure: approve Gladys Herrly for foster of three children; approve Jane Slatinski for foster care of two children; approve Ron and Carol Lahman for foster care of one child. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Complex Superintendent and Historical Society Director informed the Board that another \$21,200 would be needed to restore the foundation of the historic 1904 Williams School upon determination of the contractor in starting work to lift the building. The Historical Society Director, realizing this project has gone from \$30,000 to \$50,000, stated that this is the only remaining school building of this kind in the County and he would like time to look at grants to come up with the additional funding.

2009/10-54 Motion by Lepper, seconded by Adee to table further action on funding for the renovation of the 1904 Williams School Building to allow time for the Historical Society Director to secure funding over the \$30,000 now set in the 2010 County Development Budget and further, to halt any further work on the building until such time as the County Board receives and approves a recommendation to restore the historic facility. Further, that the Complex Superintendent will close up the facility for public safety purposes in the interim. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director provided an update on the HINI and Seasonal Flu with regards to number of cases and vaccine availability at the current time.

2009/10-55 Motion by Lepper, seconded by Pavleck authorizing the Health Department to purchase a Vaccine Refrigerator at an estimated cost of \$3,800 from the Public Health Emergency Response Grant as recommended by the Health Director with the understanding all costs for purchase and installation to be funded by Grant dollars. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/10-56 Motion by Lepper, seconded by Adee to approve the Application for Repurchase of Forfeited Lands by Daniel Sigfrid for property describes as the NE ¼ of the SW ¼ less road in

Section 7, Township 63, Range 25 per County Policy and as recommended by the Land Commissioner. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 10:30 a.m. Aarden Barnes inquired on the Williams School Building restoration. With no other comment, the Board Chair recessed the meeting at 10:35 a.m. and reconvened at 11:45 a.m.

000 At the request of the property owners, the Board reviewed with the Highway Engineer Board Motion 2006/01-17 which authorized the property owners to open up a public road established under a July 14, 1906 Town Order which specifically described the portion of road to be opened. The Property owners informed the Board that due to wetlands, they secured an easement across private land and therefore are not looking to open one quarter of a mile of this Town Road which is the access point from CSAH 25. The property owners stated that they understand the road whether open or not is public as established in the Town Order. The question posed to the Board was whether the 2006 Board motion needed revision if the property owners do not intend to open the first ¼ mile as described in the motion. After review of the Board motion, the Board concurred that the motion as written sets the conditions for the property owner regardless if all or a portion of the road is opened and the Board Chair stated that the property owners may proceed to open only a portion of the road under the conditions set in Board Motion 2006/01-17.

2009/10-57 Motion by McBride, seconded by Adee to adjourn the meeting at 12:25 p.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, November 3, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Cindy Jaksa, Julie Lepisto, Dale Olson, Dennis Hummitzsch, David Serrano, Jim Palm, Peggy Olson, Bob Ewald, Aarden Barnes; Reporters Laurel Beager and Sheldon Slaubaugh

2009/11-01 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-02 Motion by Adee, seconded by Pavleck to approve the minutes from the October 27, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-03 Motion by Lepper, seconded by Adee to approve payment of the monthly County Board expense claims in the amount of \$9,372. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-04 Motion Adee, seconded by McBride to approve 2010 Forestland Lease Agreements with no change in terms or rates from 2009 for Community Services, Public Health, Falls Hunger Coalition, and A.E.O.A. as recommended by Administration. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-05 Motion by Adee, seconded by Lepper adopting the following resolution proclaiming November as Family Caregiver Month:

Whereas one in four households in Minnesota is currently involved in providing help to older family members ranging from occasional help to intensive daily assistance; and

Whereas the number of family caregivers is growing as baby boomers age; and

Whereas studies show that sixty percent of family caregivers are juggling jobs and caregiver responsibilities equal to another half-time job; and

Whereas care giving can lead to negative effects on caregivers; and

Whereas the President of the United States for the past twelve years has declared November as “Family Caregiver Month”;

Therefore the Koochiching County Board of Commissioners declares November 2009 as “Family Caregiver Month” in Koochiching County and encourages citizens to help a care giving family they know in some specific way. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-06 Motion by Lepper, seconded by McBride adopting the following resolution to authorize a Grant Agreement with MnDot for the International Falls/Koochiching County Airport maintenance and operation:

It is resolved by the Koochiching County Board of Commissioners on behalf of the International Falls-Koochiching County Airport Commission as follows:

1. That State of Minnesota Agreement No. 94877, Grant Agreement for Airport Maintenance and Operations, at the Falls International Airport is accepted.
2. That the County Board Chair is authorized to execute this agreement and any amendments on behalf of the International Falls-Koochiching County Airport Commission. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-07 Motion by Lepper, seconded by Pavleck to accept the recommendation of the County Insurance Committee to renew the NE Cooperative Blue Cross CMM Group Plan for 2010 at the rate of \$469.00 single monthly premium and \$1,254.50 family monthly premium and to include the optional VEBA Plan #823 at the rate of \$350.00 single monthly premium and \$937.00 family monthly premium with the employer contribution to continue at the current 2008 cap levels until such time as employee group settlements are finalized and cap adjustments are known (2008 employer contributions has the employer paying 100% of the single monthly premium and \$1,078 of the family monthly premium for the Blue Cross CMM Group Plan and \$426 for the single monthly premium and \$1,078 for the family monthly premium for the optional VEBA Plan #823 and that employee's selection of the CMM Group Plan will require a \$176.50 per month employee premium contribution for family coverage as a pre-tax payroll deduction under the County Flexible Spending Plan under 2008 employer contribution caps). Further to accept the recommendation of the County Insurance Committee to renew the County's Flexible Spending Plan with Select Account with no change in rates and with the continuing employee-employer cost share of the monthly administration fee for participating employees at a rate of \$1.83 per month. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 A representative from Kootasca and a representative from the Koochiching County Assessment Steering Committee presented the Board with a final report representing a county-wide assessment of health and human services needs, which representatives stated truly represents the whole county and what people feel is needed to better provide for the citizens of the County. The report is being provided to governmental entities in the County with the request to use the report in government service analysis and planning for meeting citizens' needs in the county. The Board requested a bound copy be filed in the Administration, Health and Community Services Departments and agreed to request the I.S. Unit post it on the county website. Board members agreed they would review the report and use it as a document in County strategic planning efforts. The Kootasca representative stated that the County's service referral system needs to be updated and be more accessible to the public as the study found many people do not know what services are available and who to contact. The Board thanked Kootasca and the Steering Committee for their work.

000 The Environmental Service Director informed the Board that the Army Corps is scheduled to meet with the County Board at 1:30 p.m. on November 24th for the purpose of discussing wetland policy as it relates to the County's concerns with cost, project delays and differences in BSWR and Army Corps positions in working on wetland matters. Board members were requested to get any specific issues and questions to the Director to establish the Board's outline for the meeting.

000 The Environmental Service Director and the Land Commissioner presented preliminary information on the 13,000 acres of White Cedar Stands on tax forfeited lands in Koochiching County which in review with BSWR, preservation of White Cedar Stands under the WCA can be used as a wetland credit bank. Based on preliminary information this would mean for every 8 acres of White Cedar placed in a conservation easement the County would get 1 acre of wetland credit. At the going rate of \$15,000 per acre for wetland credits, this would provide a needed and new revenue source for the County as well as support development in the County. The Land Commissioner stated that because the acreage is on tax forfeited land, revenue would go to the

Trust Fund for apportionment through state statute. In addition, the Land Commissioner stated that careful management planning needs to be considered in the easement agreement to ensure White Cedar sustainability in the County. Normally, when White Cedar is removed by harvest or natural causes, it is replaced by something else. But with a good management plan, the tree can be reproduced. David Serrano, working with the City of International Falls on their wetland mitigation plan, stated that for the City this would be a benefit as the City has limited land and wetland mitigation options and would need to look outside the City for credit mitigation. The Environmental Service Director stated that first the County will need to get the Army Corps to agree on the banking, and then select the area proposed for the wetland bank, establish the County's term for the conservation easement and make application for the wetland bank. Board members agreed that this will be a topic of discussion with the Army Corps on November 24th and thereafter form a committee to work on this application with the hope of establishment by next year.

000 The Environmental Service Director stated that as part of the BWSR Remand Order for the Hasbargen Wetland Bank Plan, a public hearing is required which will be scheduled on November 24th when this matter was planned to go back in front of the County Board for a decision.

000 The Land Commissioner provided the Board the proposed Tax Forfeited Land Sale List, noting that the City of International Falls removed Tracts 26 through 35 from the list. He is recommending the sale date of December 1, 2009. The Board Chair stated that he was contacted by residents in the Loman area with concerns of selling Tract 6 which is adjacent to the Loman Church and is a substandard lot. They are concerned as to what the property will be used for and how it will impact the church property as stated by Jim Palm, Loman resident. The Board Chair requested the parcel be withdrawn as the District Commissioner representing the Loman area.

2009/11-08 Motion by Pavleck, seconded by Lepper to approve the 2009 Public Auction of Tax Forfeited Lands to be held on December 1, 2009 and to approve the land sale list from the Land Commissioner with the removal of Tracts 26 through 35 by the City of International Falls and Tract 6 (Lot 22 Auditors Plat 17) by the Koochiching County Board. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner informed the Board of the receipt of the Forest Stewardship Council (FSC) Certificate to Koochiching County and that with this certification, Koochiching County now holds dual certification under two International Standards of Forest Management, making our wood internationally marketable.

000 The Housing Redevelopment Authority Director and Board member met with the County Board to inform the County that due to a reduction in HUD Administration Fees, the Agency is struggling with meeting its expenditures and requested the County Board to assist the Agency by paying a portion of the payroll. The biggest factor leading to the revenue shortage is HUD making the decision starting in 2008 to handle the new construction program which took revenue away from the Agency. The Board Chair stated that more information is needed on the

Agency's programming and financing and instructed the Administration Director to look into the matter and provide further information and recommendation to the County Board.

000 The Board Chair called for public comment at 11:40 a.m. Bob Ewald suggested that the County establish an Ambulance and Fire Protection Taxing District to incorporate the City of Intl Falls and operate it as a County Emergency Service District to end the conflict with the City and get everyone working in a positive direction. Aarden Barnes stated her support to RFPA for finding an alternative to rural fire protection service since they are not able to deal with the City for a mutual agreement.

2009/11-09 Motion by Adee, seconded by Pavleck to adjourn the meeting at 11:55 a.m.
Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, November 17, 2009; 9:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Bob Anderson, Randy Pozniak, Gail Rognerud, Cindy Jaksa, Rob Ewald, Lad Kocinski, Don Carey, Frank Bahr, Kay Arnold, Dan McCarthy, Harold Scholler, Eric Hall, John Roche, Stephanie Vohler, Dave Reimer, Jaci Nagle, Susan Congrave, Dale Olson, Doug Grindall, Aarden Barnes, Einar Sundin; Reporters Laurel Beager and Sheldon Slaubaugh

2009/11-10 Motion by McBride, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-11 Motion by Pavleck, seconded by McBride to approve the minutes from the November 3, 2009 Regular County Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-12 Motion by Lepper, seconded by Adee approving a zero percent (0%) increase for the Koochiching County Board's salary and per diem rate for 2010 and approving the 2010 County Board Per Diem/Expense Policy and to adjust the County payment of 2009 and 2010 Group Health Insurance Premium for Board members as follows: continuation of 100% single Health Coverage premium payment by the County and adjust the County payment for Family Health Coverage Premium to \$1,142 per month for 2009 retroactive to January 1, 2009 and \$1,211 per month for 2010 effective January 1, 2010. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-13 Motion by Lepper, seconded by McBride adopting the following resolution for enrollment of part-time deputies in the PERA Police and Fire Plan:

WHEREAS, the policy of the State of Minnesota as declared in Minnesota Statutes Section 353.63 is to give special consideration to employees who perform hazardous work and devote their time and skills to protecting the property and personal safety of others; and

WHEREAS, Minnesota Statutes Section 353.64 permits governmental subdivisions to request coverage in the Public Employees Police and Fire Plan for eligible employees of police departments whose position duties meet the requirements stated therein and listed below.

BE IT RESOLVED that the Board of Commissioners of Koochiching County hereby declares that the position of part time Sheriff deputy meets all of the following Police and Fire membership requirements: (1) said position requires a license by the Minnesota peace officer standards and training board under sections 626.84 to 626.863 and that the employee hired in the position is so licensed; (2) said position's primary (over 50%) duty is to enforce the general criminal laws of the state; (3) said position charges this employee with the prevention and detection of crime; (4) said position gives this employee the full power of arrest; (5) said position is assigned to the Koochiching County Sheriff's Department.

BE IT FURTHER RESOLVED that Koochiching County hereby requests that the employees hired as part time Sheriff deputies and submitted to PERA by the County be accepted as a member of the Public Employees Police and Fire Plan effective the date of the employee's initial Police and Fire wage deduction by the County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-14 Motion by Lepper, seconded by Adee to approve payment of the Highway claims in the amount of \$54,926.35, to approve payment of the Courthouse claims in the amount of \$68,698.75; authorize Board Chair's signature to the October Vendor Payment Listing verifying its review. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-15 Motion by Pavleck, seconded by McBride authorizing Administration to request bids for the County's 2010 publications as required under MN Statute. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Highway 53 Four-Lane Task Force Chair provided the Board a report on Highway 53 improvement as it relates to the four-lane work completed to date, work pending and future objectives. The County Board acknowledged the work of the Task Force to include past and present members for their commitment in bringing this project to reality with special acknowledgement to the County's long time State Representative Irv Anderson.

2009/11-16 Motion by Lepper, seconded by Pavleck that as Fiscal Agent and member of the Highway 53 Four-Lane Task Force, to approve a contract with Federal Advocates, Inc. on behalf of the Task Force for lobbyist services on the Highway 53 Four-Lane Project for 2010 at a rate of \$1,000.00 per month (no change in rate) and contingent on the continuing cost-share agreement with the participating members of the Task Force (City of International Falls, Koochiching

County and St. Louis County). Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-17 Motion by McBride, seconded by Lepper to approve the 2010 County-Wide Fee Schedule with Sheriff recommended changes in the Civil Process and Jail Booking Fees and addition of previously approved fees as recommended by Administration. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-18 Motion by Pavleck, seconded by Lepper to ratify the County Board's signature to a Letter of Support for the City of International Falls' Application for MN DNR Regional Trail Legacy Grant Funds for a biking/walking trail along the Rainy River. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-19 Motion by Pavleck, seconded by Lepper ratifying the Board's position to participate in a state study of the pros and cons of regionalizing 911 Call Centers at the recommendation of the Sheriff due to potential public safety and economic concerns for the County. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-20 Motion by Lepper, seconded by McBride to reappoint Commissioner Kevin Adee as the County's township representative on the Arrowhead Regional Development Commission. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-21 Motion by Pavleck, seconded by McBride accepting the recommendation of the Administration Director for a revised 2009 County Budget in the amount of \$20,682,196 reflecting a reduction of revenue in the amount of \$418,076 due to state aide cuts and loss of interest and timber revenues with an offsetting cut in expenditures of \$421,956. Further, that a final adjustment will be recommended in December pending any further unallotment of 2009 state aides and a final determination on withheld payments and reductions to the 2009 Budget Contingency to balance the budget. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-22 Motion by Pavleck, seconded by Lepper adopting the following resolution to amend previous Board Resolution 2009/09-12 adopted on September 1, 2009 by providing for a maximum aggregate principal amount of the County's Series 2009A Note and Series 2009B Note of \$661,500 for the Citizens for Backus Third Floor Renovation Project:

WHEREAS, on September 1, 2009, the Board of Commissioners (the "Board") of Koochiching County, Minnesota (the "County"), after a duly noticed public hearing, adopted Resolution No. 2009/09-12 (the "Note Resolution"), which Note Resolution approved and authorized the issuance of the County's (i) Facility Revenue Note (Citizens for Backus Project), Series 2009A (the "Series 2009A Note"), and (ii) Recovery Zone Facility Note (Citizens for Backus Project), Series 2009B (the "Series 2009B Note", and collectively with the Series 2009A Note, the "Notes"); and

WHEREAS, proceeds of the Notes are to be loaned to Citizens for Backus/AB, Inc. (the "Borrower"), pursuant to a Loan Agreement (the "Loan Agreement"), between the County and

the Borrower, and the Borrower will utilize the proceeds of the Notes to partially finance (i) the renovation, improvement and equipping of the third floor of a community center facility owned and operated by the Borrower and located at 900 Fifth Street in the City of International Falls, Minnesota, and (ii) a portion of the costs of issuing the Notes (collectively, the "Project"); and

WHEREAS, the loan repayments required to be made by the Borrower under the terms of the Loan Agreement and applied to payment of the Notes will be assigned from the County to Border State Bank, as purchaser of the Notes (the "Lender"), under the terms of an Assignment of Loan Agreement (the "Assignment"), between the County and the Lender and acknowledged and consented to by the Borrower; and

WHEREAS, pursuant to the Note Resolution, the Loan Agreement and the Assignment were dated as of September 1, 2009; and

WHEREAS, the Note Resolution additionally provided that the maximum aggregate principal amount of the Notes was not to exceed \$630,000; and

WHEREAS, since the date the Note Resolution was adopted by the Board, the Borrower and the Lender have revised the budget for the Project whereby it is estimated that the Notes will be issued in an aggregate principal amount of \$636,695 (consisting of \$406,695 of the Series 2009A Note and \$230,000 of the Series 2009B Note).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KOOCHICHING COUNTY, MINNESOTA, AS FOLLOWS:

1. The maximum aggregate principal amount of the Notes shall not exceed \$661,500. This revised maximum amount is an amount not exceeding five percent (5%) of the maximum amount stated in the Note Resolution.
2. The Loan Agreement and the Assignment will be hereinafter referred to as dated as of November 1, 2009.
3. The Chair and the County Administration Director are authorized to take any other actions necessary to carry out the intent of this Resolution. The Note Resolution remains in full force and effect and is not modified except as provided herein. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-23 Motion by Lepper, seconded by McBride to set the required public hearing for the proposed 2010 County Levy and Budget for Tuesday, December 15, 2009 at 6:15 p.m. in the Courthouse Boardroom with the County Board's intent to adopt the proposed 2010 County Levy and Budget at the December 22, 2009 Board meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair opened session to receive any additional information from RFPA and the City of International Falls on the matter of the County Board deciding a service provider for the Fire Protection Service Taxing District. The RFPA representative stated that a public meeting was held in Ranier with about 100 people attending and it was RFPA's view that the majority were in favor of splitting off from the City and establishing a Rural Fire Department. However, there were concerns stated on whether the department can be operational as quickly as January 1

and having trained fire fighters. A County Board member who attended the meeting felt there was a split on those attending as to separating or not from the City but he felt the discussion at the meeting was good. An International Falls City Councilor reported on a meeting in which two representatives from the City and two representatives from RFPA met based on the desire of the County Board at the last meeting that the parties try to meet and resolve the issue. The City proposed at the meeting a one year extension and in the meantime explore a County Emergency Services Taxing District that would include all emergency services – fire, ambulance, law enforcement. A RFPA member attending the meeting stated that they would be supportive of looking at this for fire protection services but felt it was premature to look at the other items. The City Councilor stated that the City's November 2nd offer stands and that the City did not respond to RFPA's request for an extended contract as the decision by the County as to the service provider is needed first to see if an extended contract is even in the picture. When asked, the Councilor stated that in her view an independent Emergency Service Board would manage the services in the taxing district but clarified that others on the Council do not agree with this position. The RFPA representative stated that if the service is independently operated by its own governing board and not controlled by the City, it is worth exploring. A RFPA member in reference to the letter sent out by the City to residents in the taxing district stated that the City's position in the letter is there would be no more annexation and questioned the meaning. The City Councilor stated that after the City's Petition to annex to the FTZ, the City has no further plans to annex and it was put in the letter due to comments stated about the City's intent to move further east. When asked, the Councilor stated that this is her understanding of the current Council but she or other councilors can not make promises for future councils. The Board Chair recognized a letter from a member of the public and stated a copy would be given to RFPA.

Public comment: Many questions need to be answered for the public by RFPA in their intent to create a new fire department and that the property owners should be able to vote on this issue. City's letter states that insurance premiums will go up with a rural fire department but the property owner checked his own situation and the company told him it would not go up. Question why there needs to be a change from the City's fire department as it has the capability of providing rural fire protection service. Feel City's financial management and history does not fair well for providing the most economical service and supports a rural fire department. Two comments from machinery shops with concern of increased insurance premiums under a rural fire department. Comment on not supporting the City's cost but not wanting to separate from the City's fire department. Spoke to the RFPA Board as an elected body to be able to represent and make decisions for those they represent in response to the comments on property owners wanting to vote on the issue. For those that don't like the representation of the RFPA Board, they should run for a seat on the Board or vote when elections come up. County needs to get out of the middle of this. Establish a rural fire department for the lake area (most developed area) which would in turn reduce the area served by Intl Falls Department for a lower cost. Comment from a City resident perspective that the City taxpayers are bearing the cost of City emergency services that are needed and utilized by areas outside the City. Stay with City for awhile and give RFPA more time to establish the department instead of rushing into it. That rural fire is on the agenda, not ambulance and law enforcement and should not be part of this issue. Board members comments: Comfortable with RFPA moving forward; Agree issue is fire protection and issue is trust with the City; Believe the City now realizes that RFPA can form a department and separate which financially impacts their City department, referencing the \$125,000 proposal from the City for 6 years; That RFPA can best represent the constituents in the rural area as turning everything

over to the City means no say in services or cost for the rural property owners; That the County should not be mediating this issue but to contract with RFPA and let them determine how the service will be provided; Concern that there has not been enough public input in the decision to form a rural fire department as this is a big change with unknowns for those in the taxing district.

2009/11-24 Motion by Lepper, seconded by McBride to table action on selecting a service provider for the Rural Fire Service Taxing District on the contingency that the City of International Falls will give a minimum of a six month contract extension to allow more time for discussion and review in determining fire protection service for the taxing district. Voting yes: Hanson, McBride, Adee, Lepper; voting no: Pavleck. Motion carried.

2009/11-25 Motion by McBride, seconded by Adee accepting the recommendation of the I.S. Manager to expend up to \$21,600 for the replacement of PCs in the I.S., Community Services and Recorder Departments with expenditure from the respective 2009 Department Budgets as follows: \$8,030 I.S. Budget; \$8,244 Community Service Budget; \$5,297 Recorder Technology Budget as recommended by the I.S. Manager. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director updated the Board on the H1N1 and Seasonal Influenza stating it is active but few are being hospitalized. The County has not received any of the H1N1 vaccine to date and is waiting for the second supply of the seasonal vaccine. In response to the question of whether the H1N1 vaccine is safe based on some public opinion, the Director stated that the vaccine has been tested and approved in accordance with the Center of Disease Control and Department of Health protocol as is done with all other vaccines. The Director provided the Department's Third Quarter Financial and Statistical Report.

2009/11-26 Motion by Pavleck, seconded by Lepper to renew the service contract with Della Warren for Koochiching Family Collaborative Coordinator services for the period of July 1, 2009 through June 30, 2011 which is funded by grant dollars as recommended by the Health Director and upon approval of the contract by the County Attorney. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Health Director informed the Board that due to State cuts in the reimbursement rate for Personal Care Attendant services, notice was received from Fairview that they will no longer provide this service and that Fairview will work with their current clients to transition them to other health providers. The Director stated that some alternatives are available but this service need and service delivery in the County will be monitored.

2009/11-27 Motion by Pavleck, seconded by McBride authorizing the Environmental Service Director to purchase a recycling trailer with a price not to exceed \$20,000 from the 2009 Environmental Service Budget contingent on the recommended budget adjustment to purchase the trailer receiving approval of the Administration Director under the revised 2009 County Budget Plan. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-28 Motion by Pavleck, seconded by Lepper to approve a service contract with Allen Nelson for Silverdale Canister Site Attendant service at a cost of \$435 per month as

recommended by the Environmental Service Director. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-29 Motion by McBride, seconded by Adee to certify the final contract values for the following projects as recommended by the Highway Engineer: CP 2009-02 to AAA Striping for pavement marking at a final contract value of \$142,029.40; CP 2008-01 to JAAK for rural addressing sign placement for a final contract value of \$140,983.39; SAP 36-602-14 to Gladen Construction for shoulder widening for a final contract value of \$701,775.18. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:55 a.m. Aarden Barnes inquired on the Ranier By-Pass Route and Einar Sundin stated that the County Board should not be caught in the middle of the rural fire issue.

2009/11-30 Motion by Adee, seconded by McBride to adjourn the meeting at 11:55 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, November 24, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Adee, McBride, Lepper, Pavleck

MEMBERS ABSENT: Commissioner Hanson (Other County Business – RECAP Project)

OTHERS IN ATTENDANCE: Brian Youso, Pam Rooney, Bob Peterson, Phil Miller, Ed Oerichbauer, Terry Murray, Kathy Howdahl, Laura Potter, Dale Olson, Bruce Hasbargen, Bill Best, Justin Berg, Dan McCarthy, Gail Rognerud, Dennis Hummitzsch; Reporter Laurel Beager

2009/11-31 Motion by McBride, seconded by Pavleck to approve the agenda with additions and deletions. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-32 Motion by McBride, seconded by Lepper to approve the minutes from the November 17, 2009 Regular County Board meeting with correction. Voting yes: McBride, Adee, Lepper, Pavleck. Motion carried.

2009/11-33 Motion by Lepper, seconded by Pavleck to approve payment of the Health claims in the amount of \$19,126.86; to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented; to approve Burial Case payment #1134753 in the amount of \$2,117.50. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

000 At the request of the Elected Department Heads, the Board deferred action on setting the elected County Auditor/Treasurer, Recorder, Sheriff and Attorney 2010 salary and benefits as the department heads wanted more time to review the Board's proposal.

2009/11-34 Motion by Pavleck, seconded by Lepper authorizing up to \$5,000 from the 2009 Budget Contingency for infrastructure improvement at the Humane Society's Holding Facility to include a cold storage shed and installation of an outside door and additional dog run. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-35 Motion by Lepper, seconded by McBride accepting the recommendation of the County's License Committee granting the following 2010 Liquor Licenses: Christiansen Store, 3.2% On/Off Sale Malt Liquor; Sandbeck, Bruce D. DBA Loon's Nest, 3.2% Off Sale Malt Liquor; Blais, Diane DBA Korner Kwik Stop, 3.2% Off Sale Malt Liquor; T-Bird Lodge Inc DBA Thunderbird Lodge, On/Off/Sunday Intoxicating; Lindberg, Steven G DBA Rainy Lake One Stop, 3.2% Off Sale Malt Liquor; Rainy Lake Spirits LLC, Off Sale Intoxicating License; Nelson, Ralph D & Joy M DBA Nelson's Store, Off Sale Intoxicating License; McAuley, Malcolm & Becky DBA Woodland Inn, On/Off/Sunday Intoxicating Sales; Sha Sha LLC DBA Sha Sha Resort, On/Off/Sunday Intoxicating Sales; LBC Enterprises Inc DBA Lu's, On/Off/Sunday Intoxicating Sales; Almost Lindy's Inc, On Sale and Sunday Intoxicating Sales; Little, Terrance & Sharon DBA Y Knot Quick Stop, Off Sale Intoxicating Sales. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-36 Motion by McBride, seconded by Lepper to re-appoint Lorraine Nygaard to the Housing and Redevelopment Authority Board of Directors as recommended by the Housing Authority. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-37 Motion by McBride, seconded by Lepper to rescind Board Motion 2009/05-33 which sunsets County payment of court appointed attorney claims for CHIPS and TPR Cases and further, to reaffirm the \$50 per hour attorney fee for county paid court appointments and requiring attorney claims to be submitted monthly but no more than quarterly for better management of County cost and budget. Further, the County Board will review and readdress the matter mid year 2010 and consider any further cost control measures to manage this unfunded mandate. Voting yes: Adee, McBride, Lepper; voting no: Pavleck. Motion carried.

2009/11-38 Motion by Pavleck, seconded by Lepper to acknowledge the donation by the City of International Falls for the vacated portion of 7th Avenue between 4th Street and 5th Street to allow for expanded green space and parking lot for the historic Courthouse Yard and County Veterans Memorial Park with the City to maintain the portion of street until next spring at which time the County will begin renovation of the street to green space and parking lot. Further, to acknowledge the donations by True Star Credit Union and the Elks Club to the County Veterans Memorial and acknowledgement of staff from the County Highway and Complex Departments for their work in establishing the County Veterans Memorial and finally, acknowledging support from the Veteran organizations and the past County Historic Committee for their efforts in recognizing the need to establish a veterans memorial in the County. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-39 Motion by Pavleck, seconded by McBride authorizing expenditure up to \$4,000 from the \$30,000 set in 2010 County Development Fund Budget for restoration of the historic Williams School Building to allow the Historical Society Director to obtain consultant services for placing the facility on the Historical Register which will support grant funds to restore the historic facility. Further, expenditure of the funds is contingent on the adoption of the 2010 County Budget where the funding is budgeted. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

000 The Board received notice of the hire of Laura Potter as the Child Support Enforcement Aide effective November 23, 2009.

2009/11-40 Motion by McBride, seconded by Pavleck to approve a contract with BlueCross BlueShield BluePlus of MN for Mental Health Targeted Case Management and Care Coordination as recommended by the Community Service Director and upon approval by the County Attorney. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-41 Motion by Lepper, seconded by Pavleck to renew the following service contracts as recommended by the Community Service Director with no changes and upon approval by the County Attorney: First Call for Help, Brenda Crowe, AEOA SELF, Sharon Frank, Consumer Directions, Summit, ODC Supported Employment, Rational Alternatives, School District 363. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-42 Motion by Lepper, seconded by McBride accepting the following Day Care Licensing recommendations: close home of Melissa Fuller for family day care at the provider's request; license Jennifer Thompson for family day care for ten children. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

000 The Board Chair opened a public hearing at 11:06 a.m. as required under the MN Board of Water and Soil Resources (BWSR) Order that remanded the County Board's August 11, 2009 Wetland Banking Plan decision for Bruce Hasbargen back to the County as the record of facts was inadequate to support the decision. In summary, the County Board denied the Technical Evaluation Panel's recommendation to grant Mr. Hasbargen wetland credits at a rate of 65% of what was requested with the Board's decision based on the Applicant's position presented to the Board on August 11, 2009. The Environmental Service Director provided the Board a handout documenting the Wetland Banking Plan from application to the current remand order and stating that page 26B summarizes the Applicant's points as to why he feels the Technical Evaluation Panel's findings did not fairly evaluate the credits. The Board Chair acknowledged that no written comment was received on this matter. In call for public comment, Mr. Hasbargen, the applicant, reiterated his position that he was not aware of the rules applying to wetland banks at the time of application and after receiving and reviewing the rules, stated that the rules are not clear and are open to interpretation. When he reviewed the rules which he highlighted on the handout given the County Board, he felt the entire area qualified for the wetland bank versus the Technical Panel's interpretation of the rules stating it doesn't. In review of his application with the Technical Panel, they wanted documentation of the 20 year crop history but not being the owner of the property for 20 years and previous owners not having documentation of the crop

history, he was not able to prove the entire area qualified, even though previous owners could witness the crop history. He feels at a minimum 16 of the 20 years should be credited and requested the County Board's support of his facts for a higher percentage of credits. In reference to Mr. Hasbargen's position the Environmental Service Director directed the Board to page 26 of his handout for the details of what Mr. Hasbargen feels is fair based on what he knows to be the crop history. The Environmental Service Director reviewed the options for the Board, stating that the deadline on the current Order is December 6. Board members stated that crop rotation varies throughout the state so to have a one size fits all rule should be argued. Mr. Hasbargen stated his support for a time extension to send his proposal to the Technical Panel for review and finding as long as it isn't subject to a long process delay as he would like a plan in place by spring. Technical Panel members present at the hearing provided an explanation of process and stated that a meeting could be scheduled in December to review the proposal. Board members stated that they are not wetland experts to determine these issues but on the other hand, they are the local wetland authority and have a responsibility to question process when members of the public, like Mr. Hasbargen, state that rules were not provided or reviewed with him at the time of application and that the rules are unclear leaving the general public at the mercy of BWSR to interpret. Board members feel the application deserves further examination. In final call for public comment and receiving none, the Board Chair closed the hearing.

2009/11-43 Motion by Pavleck, seconded by Lepper to accept the proposal from Mr. Hasbargen for 80% credit of acres in his Wetland Bank application and to defer the proposal to the Technical Evaluation Committee for review and findings to come back to the County Board for a decision contingent on a signed 60 day time extension from the Application. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 11:45 a.m. Dan McCarthy addressed the Board with his position, based on his financial background, for the County to contract with RFPA for rural fire protection as the most cost effective delivery of services to the rural area. City Councilor Gail Rognerud informed the Board that at last night's City Committee meeting the Council was in agreement to extend the current Rural Fire Service Contract for six months based on the County Board's motion to move something forward to further discuss and review service to the rural fire taxing district.

2009/11-44 Motion by Pavleck, seconded by McBride to change the date of the January 20, 2010 County Timber Auction due to conflicts with another timber auction sale to January 19, 2010 at 3:00 p.m. at RRCC as recommended by the Land Commissioner. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

2009/11-45 Motion by Lepper, seconded by McBride to adjourn the meeting at 12:00 p.m. Voting yes: Adee, McBride, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, December 1, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper, Pavleck

MEMBERS ABSENT: None

OTHERS IN ATTENDANCE: Dale Olson, Dennis Hummitzsch; Reporter Laurel Beager

2009/12-01 Motion by Adee, seconded by McBride to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/12-02 Motion by McBride, seconded by Adee to approve the minutes from the November 24, 2009 Regular County Board. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/12-03 Motion by Lepper, seconded by Pavleck accepting the recommendation of the Personnel Committee and under the direction of the County Board in reviewing past appointment and performance history, to override County Hiring Policy and hire Dale Olson to the position of Environmental Service Director at 100% of D62 position pay based on service credit for time worked as the Director in the previous and current interim appointment. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/12-04 Motion by Lepper, seconded by Adee to approve payment of the Courthouse claims in the amount of \$15,491.61; to approve payment of the monthly County Board expense claim in the amount of \$6,615.20; to designate the Administrative Assistant to approve claims requiring County Board approval for processing year end payouts with all Board claims approved under this authority to come before the County Board at the January 5, 2010 Board meeting for ratification. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/12-05 Motion by Lepper, seconded by Adee accepting the Administration Director's recommendation to send a letter to the Koochiching Housing and Redevelopment Authority denying their request for financial support to meet the Agency's payroll expense and further, to inform the Agency of the Payroll Service Agreement in which the County will discontinue payroll services immediately for non-reimbursement of cost to the County for the Authority's payroll expense and to recommend that the Agency establish a financial and staffing plan to sustain the HUD Section 8 Program in the County to include a request to increase the administrative rate and fill some of the 12 vacant units dependent on availability of HUD funding. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

2009/12-06 Motion by Lepper, seconded by McBride accepting the recommendation of the County's License Committee granting the following 2010 Liquor Licenses: KD Enterprises of Intl Falls LLC, d.b.a. The Junction for On/Off/Sunday Intoxicating Liquor; Roadhouse Night Club Inc. d.b.a. Road house for On/Sunday Intoxicating Liquor. Further, accepting the recommendation of the County's License Committee granting the following 2010 Tobacco Licenses: Christiansen Store, The Loon's Nest, Woodland Inn, Korner Kwik Stop, Rainy Lake

One Stop, Lu's, Nelson's Store, Thunderbird Lodge, "Y" Knot Quick Stop, 65 Express. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

000 The Land Commissioner reviewed the results of the November 18 Timber Auction – all tracts sold for the Intermediate and Regular Auction resulting in a total sale value of \$538,430. With regards to timber harvest, sales are opening now with the cold weather and wood yards are empty, anticipating activity to start moving quickly.

000 The Board reviewed a letter from R.F.P.A. requesting the County Board coordinate a meeting with them and other interested parties to discuss rural fire protection with a hope the meeting could occur before their next scheduled December meeting. The Board Chair stated that in talking with the City of International Falls Mayor a letter will be forthcoming to the County Board stating the City's agreement to extend the current contract for six months. The Board Chair was looking for two Board members to work with the parties to coordinate a joint meeting to further discuss rural fire protection and come back to the County Board with a recommendation. Board members discussed parties as being International Falls Council, Ranier Council, RFPA Board and County Board and to hold the meeting in the evening with the intent of the first meeting of the elected bodies to identify representatives and direction for further review of the issue.

2009/12-07 Motion by Lepper, seconded by Adee authorizing the Board Chair to appoint two County Board members to organize a meeting of the parties involved in the rural fire protection matter and to come back with a recommendation to the County Board at the December 15, 2009 meeting. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried. (Board Chair appointed Commissioners Lepper and Pavleck.)

2009/12-08 Motion by McBride, seconded by Lepper to adjourn the meeting at 11:04 a.m. Voting yes: Hanson, McBride, Adee, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, December 15, 2009; 2:35 p.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Adee, Lepper

MEMBERS ABSENT: Commissioner Pavleck (Family Medical)

OTHERS IN ATTENDANCE: Pam Rooney, Brian Youso, Terry Murray, Terry Glowack, Dennis Hummitzsch, Dan McCarthy, Ken Krueger, James Hartje; Reporters Laurel Beager and Sheldon Slaubaugh

2009/12-09 Motion by Lepper, seconded by Adee to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-10 Motion by McBride, seconded by Lepper to approve the minutes from the December 1, 2009 Regular County Board. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-11 Motion by Lepper, seconded by Adee accepting the following recommendations of the Personnel Committee: 1) in evaluating options for the County in retaining a Senior Accredited Assessor as required under State Law, to accept the recommended C52 County Assessor position with 100% salary payment to the appointed incumbent for completion of the current four-year appointment; 2) in evaluating options for the County in retaining a Civil Engineer as required under State Law, to accept the recommended D63B County Engineer Position with 100% salary payment to the appointed incumbent for completion of the current four-year appointment; 4) that in evaluating overall and department structuring and resource allocation and for providing clear and concise job descriptions of responsibilities and duties with a corresponding job pay ranking, to accept the recommended County-Wide Job and Pay Evaluation for all county positions to include the elected Department Heads to be conducted in 2010 by Bjorklund Compensation Consulting at a cost not to exceed \$20,000 and with the process to include completion of job questionnaires by employees and department head interviews with the consultant providing the final position description, ranking and pay scale recommendations to the County Board. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-12 Motion by Lepper, seconded by McBride accepting the Administration Director's recommendation for the final 2009 County Budget to include retaining a 5% cut to the outside entities, cutting the Project Contingency Budget by \$31,000, deferring the unallocated Personnel Contingency to the 2010 County Budget for 2009 and 2010 group settlements, transferring \$8,995 from the General Revenue Fund to the Highway Fund to finalize the Phase I 911 Signage Project and that due to the lateness in the budget year to deal with any further unallotment of 2009 State General Aids, to have the General Revenue Fund take the loss should further unallotment occur and manage the revenue reduction in the 2010 County Budget Plan. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-13 Motion by Lepper, seconded by Adee to approve payment of the Courthouse claims in the amount of \$72,015.54; to approve payment of the Highway claims in the amount of \$42,437.37; authorizing the Board Chair's signature to the November County Vendor Payment Listing verifying its review; to approve the following Jackfish Bay Sewer Project expenditures with funding from the MPFA Sewer Project Loan: \$20,000 to Attorney Steve Shermoen for easements; \$3,532 to Wagner Construction for pit filling services and \$83,569 to Wagner Construction as the final payment due under contract for the Jackfish Bay Sewer Project construction; to approve expenditure up to \$3,100 from the 2009 Sheriff Zero Tolerance Account for a voice activated recording alarm as recommended by the Sheriff. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-14 Motion by McBride, seconded by Lepper to revise the contract amount approved under Board Motion 2009/03-22 to Kvien Document Imaging for the County Recorder's document scanning project from \$24,500 to \$35,000 based on the decision to use paper

documents in lieu of scanning microfilm for better quality output with funding from the County Land Record Projects Account, legislatively reserved for land records management as recommended by the County Recorder. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-15 Motion by Lepper, seconded by Adee that due to a temporary and unique situation whereas the federal government has ordered increased security on our borders and the fact that there is insufficient numbers of local law enforcement to provide this additional cover, the Undersheriff be provided overtime at time and one half for work hours beyond his normal work as Undersheriff for a period of January 1, 2010 to December 31, 2010 to provide border security under the federal directive; providing there is a need for the position to serve in this capacity. For funding purposes the Department of Homeland Security requires that hours of service be reported and reimbursed on an hourly basis and it is for this reason the Undersheriff as a salaried exempt employee, will be compensated on an hourly basis for this particular extra duty. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-16 Motion by Adee, seconded by Lepper to approve a Snowmobile Safety Enforcement Grant Agreement between Koochiching County and the State of Minnesota-Commissioner of Natural Resources for the period of October 15, 2009 through June 30, 2011 for \$5,506 each year and further, authorizing the County Sheriff and County Board Chair to sign the Grant Agreement. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried.

2009/12-17 Motion by McBride, seconded by Adee to approve a 2010 Tobacco License to “The Junction” as recommended by the Administrative Assistant. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

2009/12-18 Motion by Lepper, seconded by Adee to reappoint Commissioner Brian McBride and Phyllis Karsnia to the Tri-County Community Health Board effective January 1, 2010 and under a three-year appointment per the Tri-County by-laws. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

2009/12-19 Motion by Lepper, seconded by Adee to table a recommendation for the Joint Rural Fire Meeting until the next County Board meeting for further information. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

2009/12-20 Motion by Lepper, seconded by McBride accepting the recommendation of the Community Service Director to renew the following contracts contingent on the County Attorney’s approval: AEOA Congregate Meals with a change in the rate charged to the customer; AEOA Home Delivered Meals with required state rate reduction; Friends Against Abuse for supervised visitation services with no change; NEMOJT Employment and Training with no change; School District 362 for social worker services with no change. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

000 The Complex Superintendent reported to the Board that one of the two Courthouse boilers (backup) will need to be replaced as it will not seal. Estimates show a cost of \$45,000 and would look to apply for the twenty-five percent federal stimulus rebate for public facilities energy efficiency improvements and use County forces to remove the old boiler. In addition, the Complex Superintendent reported that the phone system serving the County is 12 years old and he would like to explore options and cost for future replacement. The Board agreed to have the Complex Superintendent work with Administration and Management Committee to review options for the phone system replacement with information to come back to the Board for further review and consideration.

2009/12-21 Motion by Lepper, seconded by McBride authorizing the Complex Superintendent to seek bids for a Courthouse boiler and seek confirmation of the 25% federal stimulus rebate for public facilities energy efficiency improvements and come back to the Board for further review and decision. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

000 The Land Commissioner reported the results of the 2009 Land Auction: 22 tracts sold at auction for a value of \$56,780 plus 1 tract selling recently for \$2,800.

000 The Board Chair called for public comment at 3:25 p.m. Dan McCarthy again requested that the County Board tape record its meeting for transparency when the record comes into question. With no further comment, the Board Chair recessed the meeting at 3:30 p.m. for the Committee of the Whole session. The Board Chair called the regular meeting back to order at 5:40 p.m.

2009/12-22 Motion by Lepper, seconded by McBride to approve an employment separation in the Health Department of LPN RaeAnn Taylor effective December 23, 2009. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

2009/12-23 Motion by McBride, seconded by Adee to ratify contract settlements with the Koochiching County Courthouse Unit and the Koochiching County Community Services and Public Health Unit represented by AFSCME 65 Local 510 for 2009 through 2010 as recommended by the Board's Negotiation Committee. Voting yes: Hanson, McBride, Adee, Lepper. Motion carried

000 The Board Chair opened a public hearing at 6:15 p.m. for the purpose of reviewing and discussing the proposed 2010 County Budget and County Tax Levy. After review of the Budget and Levy, the Board Chair called for public comment. Two members of the public had no comment on the proposed budget or levy but attended the hearing with concerns on their increased market valuation and resulting tax increase. The property valuation and budget/tax levy processes were explained and written information was provided on the valuation process. With no further comment from the public or Board members, the Board Chair closed the hearing at 7:00 p.m. and adjourned the regular meeting.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

REGULAR MEETING OF THE KOOCHICHING COUNTY BOARD OF COMMISSIONERS
Held on Tuesday, December 22, 2009; 10:30 a.m.

MEMBERS PRESENT: Commissioners Hanson, McBride, Lepper, Pavleck

MEMBERS ABSENT: Commissioner Adee (Medical Appointment)

OTHERS IN ATTENDANCE: Michael Malachi, Terry Murray, Susan Congrave, Dale Olson, Bruce Hasbargen, Justin Berg, Aarden Barnes, Dan McCarthy, Jay Squires via telephone; Reporter Laurel Beager

2009/12-24 Motion by McBride, seconded by Lepper to approve the agenda with additions and deletions. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-25 Motion by Lepper, seconded by McBride to approve the minutes from the December 15, 2009 Regular County Board. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-26 Motion by Lepper, seconded by Pavleck to approve payment of the Health claims in the amount of \$15,527.58 and to approve payment of the Community Service Department financial and social service program claims and administrative claims as presented. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-27 Motion by Pavleck, seconded by Lepper approving the 2010 County Budget gross levy at \$3,787,261 (3% increase over last year of \$110,000). The 2010 proposed levy breakdown is as follows: General Revenue - \$1,616,109; Community Service - \$1,227,325; Public Health - \$73,000; Highway - \$719,027; Environmental Services - \$151,800. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-28 Motion by McBride, seconded by Pavleck authorizing the following County Fund designation for the 2010 County Budget: General Revenue Fund designate \$4,198,576 for Cash Flow (includes coverage of other funds with inadequate cash flow) and \$480,000 for the 2010 General Revenue Budget; Highway Fund designate \$98,063 for Cash Flow and \$100,000 for the 2010 Highway Budget; Community Service Fund designate \$1,100,000 for Cash Flow and \$200,000 for the 2010 KCCS Budget; Public Health Fund designate \$247,633 for Cash Flow and \$20,000 for the 2010 Health Budget; Environmental Service Fund designate \$364,206 for Cash Flow and 0 for the 2010 E.S. Budget; County Development Fund designate \$25,000 for Cash Flow and \$194,125 for the 2010 County Development Budget; Land and Forestry Fund designate \$200,000 for cash flow and \$210,329 for the 2010 Land and Forestry Budget. Wastewater Debt Service Fund designate \$50,000 for cash flow and \$33,000 for the 2010 Wastewater Debt Service Budget. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-29 Motion by Pavleck, seconded by Lepper to adopt the 2010 Budget and Budget Plan in the amount of \$20,784,297 plus the 2010 Fund 02 and 13 Supplement Budget in the amount of \$345,507 for a grand total of \$21,129,804.

Motion further adopts the following directives, effective immediately, and until such time as amended or terminated by the Board in order to respond to anticipated cuts to the County's state aid:

- a. Capital outlay purchases set in the 2010 County Department Budgets are froze until such time as the Board removes this directive, other than capital outlay purchases specifically approved by the Board for emergency or essential service purposes or under a grant agreement approved by the Board for a specific capital outlay purchase (capital outlay is defined as \$1,000 or more under County Policy);
- b. First half allocations paid to outside entities will be accompanied with a memo stating that should the County Budget face cuts in state aids or other situations that would cause a need to readjust the County Budget, second half allocations will be subject to further consideration;
- c. 2010 Budget remains open and subject to adjustments at any time to respond to any cuts received by the State in balancing their financial deficit.
- d. The Board will schedule a meeting with department heads early in the 2010 Legislative session to review the state financial deficit and potential impact on the County.
- e. Department Heads are expected to manage a tight budget to allow for further reduction of expenditures in the 2010 Budget to respond to state aid cut or other situations that would cause a need to reduce the County Budget.
- f. Hiring Freeze: Upon adoption of the budget, filling of positions will first be determined by the County Board and using the Personnel Committee for review and recommendation as needed. This includes all hires of full time, part time and temporary hire positions. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-30 Motion by Pavleck, seconded by McBride to approve the Memorandum of Agreement with the University of Minnesota Extension Service providing the County's funding share for a .5 FTE 4-H Program Coordinator, operating expense and Extension Committee expenses as set in the 2010 County Budget with approval contingent of availability of funding by either party to the Agreement as a result of the State's financial deficit. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-31 Motion by McBride, seconded by Lepper to approve a service contract with Robert M. Byman for assisting the Sheriff in meeting the federal and state requirements for emergency management in Koochiching County as recommended by the Sheriff and as funded and planned

in the 2010 County Emergency Management Budget. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-32 Motion by Pavleck, seconded by Lepper that upon notification of EDA's grant proposal to ARDC for their Regional Revolving Loan Program in the amount of \$1.4 million, to verify Koochiching County's support of a \$2,000 contribution towards the local match share and that Koochiching County supports the expansion of the Regional Loan Fund eligibility to include the seven Arrowhead Region Counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis and to include the City of Duluth. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

000 The Board members appointed to work on the Joint Rural Fire Meeting are looking to present a plan after the first of the year and that discussion with the County Board is needed as the first step. The Board Chair set a County Board committee session on January 5th. In addition, the Board Chair cancelled the January 12, 2010 Board meetings and moved the KDA meeting to January 5th.

000 The Assistant Engineer presented a recommendation from the County Engineer to join St. Louis County in applying for grant funds for profile stripping on road shoulders for public safety reasons. That Profile Stripping provides less noise and impact to roadside usage than rumble strips yet still alerts a driver should they veer off the road. The Engineer recommends the profile stripping on CSAH roads within construction plans funded by grant and CSAH dollars.

2009/12-33 Motion by Pavleck, seconded by Lepper accepting the recommendation of the County Engineer to apply for grant funds for profile stripping on CSAH Roads as determined by the Highway Engineer within CSAH Construction Plans and funded by grant and CSAH dollars. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-34 Motion by Pavleck, seconded by McBride to renew the Pineview Detox Service Agreement funded by County dollars with no change and to renew the Pineview Recovery Service Agreement funded by federal and state dollars with changes in the federal/state funding as recommended by the Community Service Director and upon approval of the County Attorney. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

000 The Community Service Director informed the Board that in review of the Agency's financial accounts and further review with the Health Director and Northome Resources Center Coordinator that the funding for the Northome Resource Center will be short \$11,000 for 2009 and as a result, the County implemented the Coordinator's Service Contract 30 day termination clause, which will end the contract by December 31, 2009. However, the deficit remains with the County. The Budget cost for the Center is the service contract and miscellaneous office costs and funding for the Center comes from miscellaneous outside sources and \$10,000 from the Community Service Budget. The Director stated to cover the 2009 deficit the \$10,000 in the 2010 Community Service Budget intended for funding the Northome Resource Center in 2010 would go to offset the 2009 deficit. The Health Director stated that the Northome Resource Center provided a liaison service for the Northome area and she would like to revisit the plan to retain the Center in Northome.

2009/12-35 Motion by Pavleck, seconded by Lepper accepting the recommendation of the Community Service Director that in lieu of the funding deficit for the Northome Resource Center and resulting need to terminate the Coordinator Service Contract, authorizing the 2010 Community Service Budget funding planned for the 2010 Service Center Budget to cover the 2009 funding deficit; further, to close the Center until a reorganization and funding plan is recommended to continue its operation. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-36 Motion by Lepper, seconded by McBride accepting the recommendation to relicense Barbara Ferguson for family day care for ten children. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-37 Motion by Pavleck, seconded by McBride accepting the Environmental Service Director's recommendation to enter into a two-year contract with Luke's Tire Service at the bid rates as presented and on file in the Environmental Service Department to remove tires from the Transfer Station and with the option to extend the contract an additional two years if mutually agreed upon. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

000 The Environmental Service Director presented the Technical Evaluation Panel's revised recommendation to give 70% wetland banking credit to Hasbargen's Haven Wetland Bank Application, revised from 65%, which was supported upon further review and consideration of the farming records available. In November, the County Board referred the Applicant's 80% consideration to the Technical Panel for review. The Applicant stated his continued frustration as he feels his application is being discredited because the previous farmer was not enrolled in the Farm Service Agency Program that produced the documentation being used to determine wetland credits and further, that his application reviews have gone from 0% to 65% and now 70% based on interpretation of the Panel. The Applicant feels the 80% credit is justified based on the farming history. The Board members took the TEP recommendation of 70% under consideration but stated concern that the criteria being used in determining wetland banks of this nature in Koochiching County is too limited and needs to consider other evidence and information provided by the applicant in its determination of credits. To base a decision solely on farming documents that may or may not be obtainable in the Board's view is not a fair evaluation of the application.

2009/12-38 Motion by Lepper, seconded by Pavleck that after consideration of the revised recommendation to grant 70% wetland credits for the Hasbargen's Haven Wetland Bank Application by the Technical Evaluation Panel after further review of the available farm history documents and the Applicant's justification for 80% wetland credits as documented in the Exhibit presented to the County Board on November 24, 2009, on page 24 through 26, to approve the Hasbargen's Haven Wetland Bank Application at 80% wetland credits. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

2009/12-39 Motion by Pavleck, seconded by Lepper adopting the following resolution supporting Kittson County in its appeal of a District Court Order for State Ditch and Public Road Establishment:

WHEREAS, Kittson County has authorized the appeal of a district court order in favor of the Minnesota Department of Natural Resources that the 1909 State Drainage Commission proceedings that established State Ditch 72 did not also establish public roads along State Ditch 72 and its laterals;

WHEREAS, the appeal involves issues relating to the authority of the State Drainage Commission and the district courts to establish public roads along judicial ditches in the State;

WHEREAS, Koochiching County also has public roads that were established through the same or similar proceedings and therefore has an interest in the Kittson County appeal.

NOW THEREFORE the Koochiching County Board supports Kittson County's petition to the Minnesota Court of Appeals for leave to file an amicus curiae brief supporting the Kittson County appeal but that participation of Koochiching County in the joint petition process as requested is contingent on approval by the County Attorney. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

000 The Board Chair called for public comment at 12:00 p.m. Aarden Barnes inquired on the Wetland Bank Application and Technical Panel review. Dan McCarthy questioned the need for so many levels of government to be involved in wetland management.

2009/12-40 Motion by Lepper, seconded by Pavleck to close session at 1:40 p.m. to discuss strategy with the County legal counsel for the pending Annexation Administration Process and Hearing regarding Ranier's Orderly Annexation and the City of International Falls Annexation Petition for the same property. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried. (Present for the closed session: Board members, Administration Director, Attorney Jay Squires via conference call.)

2009/12-41 Motion by Lepper, seconded by Pavleck to open session at 2:35 p.m. and adjourn the meeting. Voting yes: Hanson, McBride, Lepper, Pavleck. Motion carried.

Mike Hanson, Board Chair

Teresa Jaksa, Administration Director

