

December 3, 2019
Cottonwood County Board of Commissioners
Regular Meeting
Minutes

The Cottonwood County Board of Commissioners met in regular session on Tuesday, December 3, 2019 at 4:15 p.m. at the Cottonwood County Courthouse in Windom, MN. Present for all or portions of the meeting were: Commissioners Tom Appel, Kevin Stevens, Norm Holmen, Donna Gravley, Larry Anderson; County Attorney Nick Anderson, County Coordinator Kelly Thongvivong, Auditor/Treasurer Donna Torkelson, Kathy Marsh, Drew Hage, Donna Purrington, Paul Johnson, Gale Bondhus, Karla Ambrose, Alex Schultz, Nick Klisch, Jed Rhubee, Kaylene Gohr, Susan Ebeling, Geoff Johnson, Mike Adrian, Marycela Balderas, Mark Pankonin, Katie Bennett, and Rahn Larson.

Chairman Holmen called the meeting to order. The Pledge of Allegiance was recited. Motion by Anderson, second by Appel, unanimous vote to approve the agenda. Motion by Gravley, second by Stevens, unanimous vote to approve the minutes of the November 19, 2019 regular meeting.

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Drew Hage, Windom EDA Director, met with the board to discuss a few items. Hage led discussion regarding extending the Home Initiative Program for another 3 years. After much discussion, motion by Stevens, second by Anderson, to extend the program for three years and adopt Guidelines and Resolution 19-12-03 as presented. Voting Aye – Stevens, Anderson. Voting Nay – Appel, Gravley, and Holmen. Motion failed. Motion by Gravley to revise and accept the Home Initiative Guidelines adding a cap of \$275,000 on single family homes. Motion failed for lack of a second. Motion by Appel to revise and accept the Home Initiative Guidelines adding a cap of \$350,000 for single family homes. Motion failed for lack of a second. Motion by Holmen, second by Gravley, to revise and accept the Home Initiative Guidelines adding a cap of \$290,000 for single family homes. Voting Aye – Gravley, Appel, Anderson, and Holmen. Voting Nay – Stevens. Motion passed.

Motion by Gravley, second by Appel, to adopt Resolution 19-12-03 with the Home Initiative Guidelines revised to state a cap of \$290,000 for single family homes. Voting Aye – Gravley, Appel, Holmen, and Anderson. Voting Nay – Stevens. Motion passed.

Resolution No. 19-12-03

Resolution Approving Guidelines and Renewal of Participation in
Cottonwood County Home Initiative Program

WHEREAS, Cottonwood County is committed to the best interests of the citizens of Cottonwood County; and

WHEREAS, Minnesota Statutes §469.1813 gives authority to a County to grant an abatement of taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners approved the Cottonwood County Home Initiative Guidelines (the “Guidelines”) and program documentation; and

WHEREAS, on January 3, 2017, the Cottonwood County Commissioners approved Cottonwood County’s participation in the Cottonwood County Home Initiative Program; and

WHEREAS, the Cottonwood County Home Initiative Program provides for abatement of the real estate taxes (generated by the construction of a new home on property in the County) for a period of five years; and

WHEREAS, the purpose of the Cottonwood County Home Initiative is to provide incentives to encourage the construction of new owner-occupied and rental residential housing units, encourage replacement of dilapidated housing structures within Cottonwood County, and increase future tax revenues in Cottonwood County; and

WHEREAS, an eligible participant in the program would be any person who constructs a new single-family home, duplex, or multi-family complex and who files application material and seeks formal approval from the appropriate local jurisdictions; and

WHEREAS, the current program will officially terminate on December 31, 2019, and no additional applications will be accepted for participation in the program; and

WHEREAS, it is in the best interests of Cottonwood County and its residents that the updated Guidelines of the Cottonwood County Home Initiative Program be approved and that Cottonwood County renew its participation in the Cottonwood County Home Initiative Program.

Now, therefore, **BE IT RESOLVED by the COUNTY COMMISSIONERS FOR COTTONWOOD COUNTY, MINNESOTA**, as follows:

1. The Cottonwood County Home Initiative Program Guidelines (January 1, 2020 – December 31, 2022) are hereby approved.

2. Renewal of Cottonwood County's participation in the Cottonwood County Home Initiative Program for another three-year period to commence on January 1, 2020, is hereby approved.

3. The Board of Commissioners retains the authority for final approval of individual projects requesting tax abatement by Cottonwood County.

4. The Board Chairman and County Auditor/Treasurer are hereby authorized to sign any required documents authorizing Cottonwood County's participation in the Cottonwood County Home Initiative Program.

Adopted this 3rd day of December, 2019.

S/Norman Holmen, Board Chairman

S/Donna Torkelson, Auditor/Treasurer

Hage informed the board that a Cottonwood County Home Initiative application has been received from Orville W. Wojahn for a new, single family home. Hage stated that all requirements to date have been met so a public hearing date needs to be set. Motion by Stevens, second by Appel, unanimous roll call vote to adopt resolution as follows:

Resolution 19-12-03A

Resolution Calling for a Public Hearing on Proposed
Tax Abatement for New Residential Project

WHEREAS, Cottonwood County is committed to the best interests of the citizens of Cottonwood County; and

WHEREAS, Minnesota Statutes §469.1813 gives authority to a County to grant an abatement of taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners approved the Cottonwood County Home Initiative Guidelines (the "Guidelines") and program documentation; and

WHEREAS, Orville W. Wojahn ("Wojahn") is the owner of the following described real estate within Cottonwood County, Minnesota:

Parcel #: 08-002-0100
 Address of Property: 38479 US Highway 71, Windom, Minnesota
 Legal Description of Property: Tract in SE¼ of NE Frl ¼ of Section 2, (Brief Desc.) Township 105 North, Range 36 West of 5th P.M., Cottonwood County, Minnesota.

WHEREAS, Wojahn proposes to a construct a new home on this property; and

WHEREAS, Wojahn has requested tax abatement on this property pursuant to the Guidelines; and

WHEREAS, the abatement of taxes on the above-described parcel would be for the period of five (5) years commencing on the first year of taxes, payable for the assessed value related to the capital improvements, as outlined in the Guidelines; and

WHEREAS, the estimated market value for the new home, submitted by the Applicant, is \$300,000; and

WHEREAS, based on the Estimated Market Value for the new home and based on 2019 tax rates, the estimated tax abatement for Cottonwood County for this property would be approximately \$1,112 per year. The total estimated tax abatement by Cottonwood County for the five-year period is approximately \$5,560. (These figures were calculated using 2019 tax rates. The market value for the project is only an estimate, since the building has not been constructed and the tax rates will change each year.)

WHEREAS, Minnesota Statutes require that a public hearing be held prior to the approval of the proposed tax abatement.

Now, therefore, **BE IT RESOLVED** by the **COUNTY COMMISSIONERS FOR COTTONWOOD COUNTY, MINNESOTA**, as follows:

1. Public Hearing. A public hearing to consider the proposed tax abatement, as set forth above, shall be held on Tuesday, December 17, 2019, at 9:02 a.m. in the County Commissioners' Room in the Cottonwood County Courthouse, 900 Third Avenue, Windom, Minnesota.
2. Notice of Public Hearing. The Cottonwood County Auditor is authorized and directed to cause notice of the hearing to be published once in a newspaper of general circulation in the County at least 10 days, but less than 30 days, prior to the date for the hearing. The public hearing notice shall include a description of the property for which the abatement is being considered and the total estimated amount of the proposed tax abatement based on current information.

Adopted this 3rd day of December, 2019.

S/Norman Holmen, Board Chairman

S/Donna Torkelson, Auditor/Treasurer

Hage informed the board that a Cottonwood County Home Initiative application has been received from Dustin and Maria Thom for a new, single family home. Hage stated that all requirements to date have been met so a public hearing date needs to be set. Motion by Appel, second by Gravley, unanimous roll call vote to adopt resolution as follows:

Resolution 19-12-03B

Resolution Calling for a Public Hearing on Proposed
 Tax Abatement for New Residential Project

WHEREAS, Cottonwood County is committed to the best interests of the citizens of Cottonwood County; and

WHEREAS, Minnesota Statutes §469.1813 gives authority to a County to grant an abatement of taxes imposed by the County if certain criteria are met; and

WHEREAS, in addition to the statutory requirements, on December 13, 2016, the Cottonwood County Commissioners approved the Cottonwood County Home Initiative Guidelines (the "Guidelines") and program documentation; and

WHEREAS, Dustin R. Thom ("Thom") is the owner of the following described real estate within Cottonwood County, Minnesota:

Parcel #: 25-362-0050
 Address of Property: 2280 Seventh Avenue, Windom, Minnesota
 Legal Description of Property: Lot 1 in Block 2 of Hoffmann LaCanne Subdivision in the City of Windom, Cottonwood County, Minnesota.

WHEREAS, Dustin R. Thom and his wife, Maria Thom, propose to a construct a new home on this property; and

WHEREAS, Thom has requested tax abatement on this property pursuant to the Guidelines; and

WHEREAS, the abatement of taxes on the above-described parcel would be for the period of five (5) years commencing on the first year of taxes, payable for the assessed value related to the capital improvements, as outlined in the Guidelines; and

WHEREAS, the estimated market value for the new home, submitted by the Applicant, is \$288,448; and

WHEREAS, based on the Estimated Market Value for the new home and based on 2019 tax rates, the estimated tax abatement for Cottonwood County for this property would be approximately \$1,064 per year. The total estimated tax abatement by Cottonwood County for the five-year period is approximately \$5,320. (These figures were calculated using 2019 tax rates. The market value for the project is only an estimate, since the building has not been constructed and the tax rates will change each year.)

WHEREAS, Minnesota Statutes require that a public hearing be held prior to the approval of the proposed tax abatement.

Now, therefore, **BE IT RESOLVED by the COUNTY COMMISSIONERS FOR COTTONWOOD COUNTY, MINNESOTA**, as follows:

1. Public Hearing. A public hearing to consider the proposed tax abatement, as set forth above, shall be held on Tuesday, December 17, 2019, at 9:05 a.m. in the County Commissioners' Room in the Cottonwood County Courthouse, 900 Third Avenue, Windom, Minnesota.
2. Notice of Public Hearing. The Cottonwood County Auditor is authorized and directed to cause notice of the hearing to be published once in a newspaper of general circulation in the County at least 10 days, but less than 30 days, prior to the date for the hearing. The public hearing notice shall include a description of the property for which the abatement is being considered and the total estimated amount of the proposed tax abatement based on current information.

Adopted this 3rd day of December, 2019.

S/Norman Holmen, Board Chairman

S/Donna Torkelson, Auditor/Treasurer

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Paul Johnson, Emergency Management Director, met with the board for approval to attend an out-of-state meeting. Johnson stated there is the possibility of attending the Health Care Coalition Response Leadership Course in Alabama in February. Johnson stated that he has been asked to attend representing Cottonwood County Emergency Management. Motion by Appel, second by

Anderson, unanimous vote to approve the Emergency Management Director’s travel request to attend the Health Care Coalition Response Leadership Course in Anniston, Alabama, February 24 – 28, 2020.

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Nick Klisch, County Engineer/Public Works Director, met with the board to discuss a few items. Klisch presented some updates to the park fees at Talcot Park for 2020. Klisch stated that he plans to stop charging for parking passes and has adjusted the camping rates to cover the lost revenue. Motion by Gravley, second by Stevens, unanimous vote to accept the park fees for 2020 as presented with the exception of offering ice at the discretion of the Public Works Superintendent.

Klisch informed the board that the Minnesota DNR is currently working on aggregate mapping in counties throughout the state and would like to get Cottonwood County on the waiting list if more funds become available from the legislature. Motion by Appel, second by Anderson, unanimous roll call vote to adopt resolution as presented:

Resolution 19-12-03C

RESOLUTION FOR AGGREGATE RESOURCE MAPPING

WHEREAS, Cottonwood County desires information relating to the location, amount and quality of its remaining aggregate resources; and

WHEREAS, an Aggregate Resource Study would assist the County in land use decisions, assist the County Engineer in locating additional aggregate resources, and help ensure continued economical aggregate resources for economic development; and

WHEREAS, the Legislature charges the Minnesota Department of Natural Resources with the task of mapping the aggregate resources of the State of Minnesota.

THEREFORE, BE IT RESOLVED, the Cottonwood County Board of Commissioners requests that the Minnesota Department of Natural Resources conduct an aggregate resource study as authorized by Minnesota Statute 84.94.

Dated this 3rd day of December, 2019.

S/Norman Holmen, Board Chairman

S/Donna Torkelson, Auditor/Treasurer

Motion by Appel, second by Gravley, unanimous vote to approve the final payment to Midwest Contracting, LLC in the amount of \$213,279.40 for Project 017-599-106 – bridge replacement in Mountain Lake Township.

Klisch informed the board that he would like to pay off the two 2017 Motor Graders this year as the Road and Bridge account balance would support this. Motion by Stevens, second by Anderson, unanimous vote to pay off two 2017 John Deere 7772G Motor Graders using Road and Bridge funds.

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Nick Anderson, County Attorney, and Alex Schultz, Planning and Zoning Technician, updated the board on a public hearing that was held for an EAW (Environmental Awareness Worksheet) and the process that will follow.

Anderson also presented the Child Support Program Interagency Cooperative Agreement (IV-D Contract) and asked the board to allow both the County Sheriff and himself to sign the agreement. Motion by Schmidt, second by Holmen, unanimous vote to allow the County Attorney and the County Sheriff to sign the IV-D Contract.

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Kelly Thongvivong, County Coordinator, met with the board to discuss a few items. Motion by Appel, second by Stevens, unanimous vote to approve the Area II Joint Powers Agreement as presented and to allow delegate Larry Anderson to sign on behalf of Cottonwood County at the December 5th Area II Directors meeting.

Motion by Gravley, second by Anderson, unanimous vote to approve final PrimeWest Health Joint Powers Agreement as presented.

Motion by Appel, second by Stevens, unanimous vote to declare that the County offices were officially closed until 10:00 a.m. on November 27, 2019, due to the inclement weather conditions and in accordance with County Policy No. 420.

Motion by Gravley, second by Stevens, unanimous vote to set holiday hours for county offices as follows: County offices will close at 12:00 pm. On December 24, 2019 (Christmas Eve) and 3:00 p.m. on December 31, 2019 (New Year's Eve).

Motion by Gravley, second by Anderson, unanimous vote to approve the internal transfer of Kaylene Gohr to the full time position of Legal Secretary effective December 4, 2019.

Motion by Anderson, second by Stevens, unanimous vote to hire Tina Peiffer as full-time Deputy Auditor/Treasurer on Range 10, Step E (\$20.30) of the 2019 wage matrix and start her vacation accrual rate comparable to a 3 year employee, effective December 19, 2019, pending satisfactory completion of all hiring requirements.

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Motion by Gravley, second by Anderson, unanimous vote to approve December warrants as follows:

County Revenue Fund	\$163,963.65
Long Term Capital Outlay	\$ 361.42
County Building Fund	\$ 438.30
Ditch Fund	\$ 3,921.09
Taxes and Penalties Fund	\$ 4,591.00
Agency Fund	\$ 14,185.91
Road and Bridge Fund	\$ 66,047.56
Landfill Enterprise Fund	<u>\$ 4,515.65</u>
	\$258,024.58

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Commissioner Appel gave an update on the tuck pointing of the Courthouse, the transit garage and the Auditor/Treasurer office remodel. Motion by Stevens, second by Gravley, unanimous vote to approve ISG for the interior design of the Auditor/Treasurer remodel project.

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Motion by Appel, second by Stevens, unanimous vote to close the meeting at 5:43 p.m. to discuss strategy for upcoming labor negotiations. Present for the closed session were: Commissioners Gravley, Appel, Holmen, Stevens, and Anderson; Kelly Thongvivong, Nick Anderson, Donna Torkelson, and Kathy Marsh.

Motion by Appel, second by Gravley, unanimous vote to open the closed session at 5:52 p.m.

Motion by Gravley, second by Stevens, unanimous vote to approve the 2020-2022 union contracts for LELS Local #144, LELS Local #346, and AFSCME #578 after the three unions have ratified their contracts.

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At 6:01 p.m., the Truth in Taxation meeting was held. A few members of the public were there to ask questions. Chairman Holmen stated that the final 2020 budget and 2020 levy will be set at the December 17 meeting.

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There being no further business, the meeting was adjourned at 6:27 p.m.

Donna Torkelson, Auditor/Treasurer

Norman Holmen, Board Chair

Kelly Thongvivong, County Coordinator